

August 2012

News To Know

NEW GRANT HELPS STUDENTS MAKE SMART DECISIONS ABOUT COLLEGE FINANCING

A new grant from the Division of Florida Colleges and the Florida College System Foundation will help raise financial literacy awareness in Florida students and, in time, decrease the numbers who default on student loans. The Financial Literacy Program Grant will help students make better decisions about how to pay for college. This \$10,000 grant is being awarded to 10 Florida colleges to augment current financial literacy programs or develop new programs.

Colleges are encouraged to create or enhance their own financial literacy programs or utilize existing programs such as the *Navigating your Financial Future* website. The free program is offered by the Florida Department of Education's Office of Student Financial Assistance (OSFA) to help students and their parents make sound financial decisions about their postsecondary educational goals. In addition, OSFA's outreach team provides financial aid information to high school and college staff and students through interactive on-campus presentations, financial literacy brochures and posters, and individual student counseling.

For more information about the *Navigating Your Financial Future* program or to contact a member of OSFA's outreach team, visit

<http://www.navigatingyourfinancialfuture.org/>.

Navigating Your Financial Future (NyFF)

2012 General Appropriations Act Proviso Language Loan Volume Reporting

The 2012 General Appropriations Act (GAA) proviso language requires reporting of loans disbursed and number of students receiving loan funds by institutions receiving Office of Student Financial Assistance (OSFA) administered state scholarships and/or grant funds during the 2011-12 academic year. Institutions are required to report this information to the Florida Department of Education (FDOE) by **September 1, 2012**, in the format specified by the FDOE. The FDOE is required to report this information to the Florida Legislature.

To determine your need to report, view State of Florida financial aid programs for which your institution has disbursed on the *Postsecondary Institution* page of the OSFA website available at www.floridastudentfinancialaid.org/SSFAD/home/PostSecondaryInstitutions.htm; below *Reconciliation*, select *Reconciliation - View Payment Summary*.

To assist you in meeting this Legislative reporting requirement, we will continue to utilize the online reporting process developed last year. The reporting form is now updated with detailed loan type reporting as follows:

1. What was the total federal loan amount disbursed (net) to all students for each of the loan types below?

- Enter the total net disbursed amount (gross less cancellations and refunds) for each specified loan type: Subsidized and Unsubsidized Stafford loans, Perkins, Graduate PLUS, Parent PLUS loans, and TEACH loans.

2. What is the total number of students receiving loan funds for each of the loan types below?

- Enter the number of students who received net loan funds (not including cancelled disbursements, returned funds, etc.) for each specified loan type (listed above).
- Enter the total (unduplicated) number of students receiving loan funds.

E-mail notifications will be sent to Financial Aid Directors as a reminder to complete this required reporting. Should you have any questions or need assistance, you may contact OSFA's Outreach Representatives. (Refer to page 5 for their contact information.)

State Scholarship & Grant Programs

August

- State scholarship and grant financial aid programs begin funding in the fall and end in the spring. Students who only attend one term will receive a prorated amount of the annual award funding.
- Florida Bright Futures Scholarship Program initial 8th semester evaluations and award notifications are posted to students' Financial Aid Recipient History screens.
- August 31 – The *Initial Student Florida Financial Aid Application* (FFAA) closes. By this date, all school districts have completed graduation (including summer session) for the prior academic year.
 - Deadline for mid-year 2012-13 high school graduates to file the FFAA for Bright Futures award evaluation. Eligible students may receive initial funding during the 2013 spring term.
- Remember to use the online Master Eligibility List (MEL) to check your students. The MEL displays all eligible students for all centralized programs and is an institution's authorization to fund these students. If a student populates the MEL, and during the year of eligibility becomes ineligible, a "finished code" will be stored on the file and serves to unauthorize funding by the postsecondary institution.

Important Announcements

Pell LEU and FSAG Eligibility

Some postsecondary institutions have asked if the student's eligibility for the Florida Student Assistance Grant (FSAG) is affected in anyway if the student has reached the Pell LEU maximum and is no longer eligible to receive Pell funds – despite having an EFC between 0 and 4995.

The Florida Statutes do not address Pell aggregate. A student who reaches the PELL LEU maximum may still be considered for FSAG eligibility as long as he/she applies for the FSAG through the postsecondary institution.

For FSAG reference: - [Section 1009.50, Florida Statutes](#), states:

(2)(b) A student applying for a Florida public student assistance grant shall be required to apply for the Pell Grant. The Pell Grant entitlement shall be considered when conducting an assessment of the financial resources available to each student.

(2)(c) Priority in the distribution of grant moneys shall be given to students with the lowest total family resources, in accordance with a nationally recognized system of need analysis. Using the system of need analysis, the department shall establish a maximum expected family contribution. An institution may not make a grant from this program to a student whose expected family contribution exceeds the level established by the department. An institution may not impose additional criteria to determine a student's eligibility to receive a grant award.

Important Announcements

Clock Hour to Credit Hour Conversions

As of July 1, 2011, the United States Department of Education changed the clock hours to credit hour conversion ratio. The current ratio of 30 clock hours equating 1 credit/semester hour (30:1) changed to 37.5 clock hours equating 1 credit/semester hour (37.5:1).

Florida will continue to use the 30:1 ratio and not the 37.5:1 clock hours to credit/semester hour ratio at this time.

Visit <http://ifap.ed.gov/dpcletters/attachments/GEN1106.pdf> for details on clock hour to credit/semester hours conversions and the new federal regulation.

Percent Interest Rate Extended by Congress

Congress passed legislation extending the current 3.4 percent interest rate for undergraduate, subsidized loans. The Temporary Surface Transportation Extension Act of 2012 (H.R. 4348) contains language that revises the Higher Education Act by extending the 3.4 percent interest rate through June 30, 2013. For undergraduate, subsidized loans first disbursed on or after July 1, 2011, but before June 30, 2012, the interest rate is 3.4 percent. Without Congressional action, the interest rate was scheduled to reset to 6.8 percent on July 1, 2012.

To view the legislative language and the joint explanatory statement, click [here](#).

OSFA's Outreach Team Contact information

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The OSFA Philosophy

The Office of Student Financial Assistance (OSFA) has the ability to offer its partners and customers something few public agencies can, the ability to shape OSFA programs and services based on their specific needs and concerns. OSFA provides financial aid workshops, publications, better services for participants, and helps fund scholarship and grant programs. If a participant has a problem or suggestion, the OSFA management team listens and makes every effort to implement a solution that meets their needs. Public dollars deserve the kind of accountability OSFA provides in financing education.