

July 2012

News To Know

The Office of Student Financial Assistance (OSFA) Provides Public Service Loan Forgiveness Training

Public Service Loan Forgiveness (PSLF)

The OSFA Outreach Team is available to assist with PSLF training needs. The PSLF Program was established to encourage borrowers to enter and continue in full-time public service employment to forgive the remaining balance of their William D. Ford Federal Direct Loan Program loans (Direct Loans) after making the 120 qualifying monthly payments (beginning any time after October 1, 2007). To qualify, the borrower must be employed full-time by a public service organization upon completion of the required 120 monthly loan payments on the Direct Loan. Questions and answers on the PSLF Program are available, along with a Fact Sheet and PowerPoint Presentation, on the Navigating Your Financial Future [website](#).

Navigating Your Financial Future (NyFF)

Navigating **your** Financial Future (NyFF)

Navigating your Financial Future (NyFF) offers a variety of FREE financial literacy products and services to students, parents, and institutions. Get exclusive materials such as brochures, manuals, and videos. Click here for more [details](#).

The [Stay, Stop or Drop brochure](#) provides helpful information for students facing the decision of staying in school, not enrolling for a term, or dropping out completely. Order your [Stay, Stop or Drop](#) brochures today to ensure prompt delivery for the upcoming fall term!

State Scholarship & Grant Programs

July

- July 1 – State of Florida fiscal year begins for state scholarship and 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 being posted to students' financial aid history screens throughout the summer.
- August 31 – The *2012-13 Initial Student Florida Financial Aid Application* closes. By this date, all school districts have completed graduation (including summer session) for the 2011-12 high school academic year.

Important Announcements

White House Seeks to Improve Federal Loan Repayment Options and Awareness of Income-Based Repayment (IBR)

“More individuals than ever before are using student loans to finance college. Nearly two-thirds of college graduates borrow to pay for college, with an average debt upon graduation of about \$26,300. While a college education remains an excellent investment, this debt can be overly burdensome, especially for recent graduates during the first few years of their careers.

The IBR plan for Federal student loans currently allows former students to cap their student loan payments at 15 percent of their current discretionary income and be eligible to have their remaining loan balances forgiven after 25 years of responsible payments. This plan can be an effective tool for helping individuals to manage their debt, especially during challenging economic times.”*

In a **memo** issued June 7, President Obama directed the U.S. Secretary of Education to take specific actions to further help students and families find affordable ways to manage federal student loan repayment and assist federal education loan borrowers manage their debt. The president called for the following actions. The Secretary of Education shall:

1. By July 15, 2012 - create an integrated online and mobile resource for students and former students to learn about federal student aid (repayment options and managing debt), including an explanation the current of IBR Program and the proposed Pay As You Earn plan, which will allow many students to cap their monthly loan repayments at 10 percent of their discretionary income and be eligible for loan forgiveness after 20 years of responsible repayment.
2. By September 30, 2012 - create a streamlined online application process for IBR. This application process would allow borrowers to pull data directly from the Internal Revenue Service to complete their applications and to apply without first contacting their loan servicers.
3. By June 7, 2013 - offer a model exit counseling module that outlines borrowers' loan repayment options to assist students in selecting the options that best meet their needs.

* From <http://www.whitehouse.gov/the-press-office/2012/06/07/presidential-memorandum-improving-repayment-options-federal-student-loan> , June 7, 2012.

Important Announcements

Pell Grant Lifetime Eligibility Used (LEU) Information

Additional 2012-2013 Common Origination Disbursement (COD) System Update

As explained in a [February 17, 2012 Electronic Announcement](#) and an [April 6, 2012 Electronic Announcement](#) on the Information for Financial Aid Professionals (IFAP) website, one change made by the Consolidated Appropriations Act, 2012 was the provision that limits the duration of a student's eligibility to receive a Federal Pell Grant (Pell Grant) to 12 semesters or the equivalent. As explained in a [March 2, 2012 Electronic Announcement](#) on the IFAP website, Federal Student Aid implemented COD System functionality to support 2012-2013 award year processing. In April, Federal Student Aid announced its plan to implement additional COD System functionality for the 2012-2013 award year, including enhancements for the Pell Grant LEU changes. The following attachments were provided for assistance in understanding and integrating updated Pell Grant LEU processes:

- Pell Grant LEU Report Layout - provides samples of possible student award amounts for each year awarded (scheduled award, amount received, and percent used).
- Pell Grant LEU E-mail Text - provides sample student letters informing recipients of Pell Grant LEU changes and how the changes will affect their awards (maximum awards).
- Information Page on Calculating Pell Grant LEU - provides information on calculating new disbursement amounts.

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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.