

November 2013

News To Know

Fiscal Year (FY) 2010 3-Year

Official Cohort Default Rates

On September 23, 2013, the U.S. Department of Education (ED) distributed the FY 2010 3-Year official cohort default rate (CDR) notification packages to all eligible domestic and foreign schools. This information was sent to the Student Aid Internet Gateway (SAIG) mailbox for the destination point designated by the school. Each Electronic Cohort Default Rate (eCDR) package contained the following information:

- Cover Letter (message class SHDRLROP)
- Reader-Friendly Loan Record Detail Report (message class SHCDRROP)
- Extract-Type Loan Record Detail Report (message class SHCDREOP)

ED did not send eCDR notification packages to any school not enrolled in eCDR. The eCDR non-participating schools may download their cohort default rate and accompanying Loan Record Detail Reports from the National Student Loan Data System (NSLDS) via the [NSLDS Professional Access website](#).

Note: Any school that did not have a borrower in repayment, during the current or any of the past cohort default rate periods, will **not** receive a FY 2010 3-Year official cohort default rate notification package. These schools are considered to have no cohort default rate data and no cohort default rate. Guaranty agency rates were provided via e-mail. Lender rates were provided via postal service. Both guaranty agency and lender rates may also be obtained through the NSLDS.

Navigating Your Financial Future (NyFF)

Appealing 2010 3-Year Official Cohort Default Rates

The time period for appealing the FY 2010 3-Year Official Cohort Default Rates under 34 C.F.R Part 668, Subpart M began on October 1, 2013 for all schools.

All Uncorrected Data Adjustments (UDA) and New Data Adjustments (NDA) must be made through the Electronic Cohort Default Rate (eCDR) Appeals application. Additionally, the Loan Servicing (LS) Appeal process is now available electronically through the eCDR Appeals application. All other adjustments and/or appeals will continue to be submitted via hard copy. As a reminder, eCDR Appeals is a web-based application that allows schools to electronically submit certain adjustments and or appeal requests during the specified timeframes. The application allows data managers (guaranty agency or Federal Loan Servicer) and Federal Student Aid personnel to electronically view and respond to these adjustments and/or appeals. The application tracks the entire life cycle of each request from the time the case is submitted until the time a decision is made and the case is closed.

If a technical problem caused by ED results in an inability to access the data, schools have **five business days from the receipt of the eCDR notification package** to notify the Operations Performance Division at the e-mail address given below. As stated above, the time periods for challenging the FY 2010 3-Year Official Cohort Default Rates began on October 1, 2013 for all schools.

A data manager's contact information may be needed in order to complete an adjustment or appeal. To access, click on the link labeled, "Data Manager Information" from the home page of the Cohort Default Rate Guide at <http://www.ifap.ed.gov/DefaultManagement/finalcdrg.html>. If ED revises a school's cohort default rate based on its adjustment or appeal submission, the revised cohort default rate will be available on the Operations Performance Division's website at <http://www.ifap.ed.gov/DefaultManagement/DefaultManagement.html>.

For specific information regarding eCDR Appeals, visit the [eCDR Appeals website](#) to find user guides for each of the challenge and adjustment processes, as well as a user guide for the registration process. Additionally, links to recordings of eCDR Appeals demonstration sessions are provided to assist first-time users.

Additional Information:

Contact ED by e-mailing fsa.schools.default.management@ed.gov or by calling the Operations Performance Division's hotline at 202/377-4259. Visit the [NyFF website](#) and select **School Staff**, then **Additional Resources** for information on eCDR Appeals. See page 6 of this newsletter to contact an Outreach Representative for assistance.

Visit Navigatingyourfinancialfuture.org to review the updated presentations available for your use and place an order for the FREE corresponding brochures.

If you are unable to present the information, please do not hesitate to contact your local OSFA [Outreach Representative](#) .

State Scholarship & Grant Programs

Annual Review of User Security and Contact Maintenance for the State Student Financial Aid Database (SSFAD)

The Office of Student Financial Assistance (OSFA) automatically deactivates User ID's after 90 days of no activity. In an effort to ensure the highest level of security, OSFA is requesting that a security designee at your site review existing school SSFAD users.

Please use OSFASecurity@fldoe.org, manned by Donna Nugent and Shawn Haskin, for all State Student Financial Aid Database (SSFAD) security requests and institutional security changes.

Online Webinars

Please take advantage of our online training sessions provided. These training sessions are interactive with a live trainer. To access webinars offered, login to the **Online Transcript Entry & Evaluation System**, go to the help tab and choose the link for Webinar Registration.

Individual sessions for trainings currently available may be requested. Training on specialized topics to assist individuals and/or office staff with funding scholarship and grant programs may also be re-requested.

Important Announcements

2014 Sequestration Changes to Title IV Student Aid Programs

The sequester changed the amount of TEACH Grant and Iraq-Afghanistan Service Grant awards for FY 2014 and required further increases to origination fees on Federal Direct Loans, effective October 1, 2013.

TEACH Grant awards **where the first disbursement is made on or after October 1, 2013**, must be reduced by 7.2 percent from the original statutory amounts. TEACH Grant awards, **where the first disbursement was made after March 1, 2013 and prior to October 1, 2013** continue to be covered under the FY 2013 sequester and must be reduced by 6.0 percent from the original statutory award amount regardless of when any subsequent disbursement of the award is made.

Iraq-Afghanistan Service Grant awards **where the first disbursement is made on or after October 1, 2013** must be reduced by 7.2 percent from the original statutory amounts. Iraq-Afghanistan Service Grant awards, **where the first disbursement was made after March 1, 2013 and prior to October 1, 2013** continue to be covered under the FY 2013 sequester and must be reduced by 10.0 percent from the original statutory award amount regardless of when any subsequent disbursement of the award is made.

As of October 1, 2013, the sequester increased the origination fees charged to Direct Loan borrowers beyond last year's increases. However, taking into account all of the underlying circumstances, including operational requirements, the new loan fee percentages will apply only with regard to loans **where the first disbursement is made on or after December 1, 2013**. The new loan fees are 1.072 percent for Direct Subsidized Loans and Direct Unsubsidized Loans and 4.288 percent for Direct PLUS Loans (both parent and graduate student PLUS Loans).

The increased loan fee percentages must be applied to any loan disbursement for a loan where the first disbursement will be made on or after December 1, 2013. This includes loans that will be made for the remainder of the 2013-2014 academic year and loans that will be made for summer 2014. Since ED and schools need time to modify systems and procedures to implement sequestration required changes in loans fees for the Direct Loan Program, **October 18, 2013** was established as the date when schools may begin submitting Direct Loan records to the COD System for loans where the first disbursement will be on or after December 1, 2013 (the loans with the higher loan fee amounts).

If a school has already submitted a Direct Loan record to the COD System for a loan where the first disbursement will be on or after December 1, 2013 (e.g., a spring term

only loan), using last spring's sequestration loan fee percentages, the school must cancel that origination and resubmit a new origination on or after October 18, 2013 using the new loan fee percentages.

Loans where the first disbursement was or will be made prior to December 1, 2013 that continue to have the 1.051 percent and 4.204 percent loan fee can be submitted to the COD System immediately and can continue to be submitted after December 1, 2013 with the lower fees.

Additional Information: [GEN-13-22: FY 2014 Sequestration Changes to the Title IV Student Aid Programs in PDF Format 89KB, 3 Pages](#)

[Attachment to DCL GEN-13-22 in PDF Format 101KB, 3 Pages](#)

2014-15 Expected Family Contribution (EFC) Formula Guide

The [2014-2015 EFC Formula Guide](#) is currently posted on the Information for Financial Aid Professionals (IFAP) website. The guide includes EFC worksheets and tables for the 2014-2015 processing cycle. The worksheets and tables in this guide can be used to calculate an estimated EFC for students. The methodology for determining the EFC is found in Part F of Title IV of the Higher Education Act of 1965, as amended (HEA).

If you have any questions regarding the Formula Guide, contact CPS/SAIG Technical Support at 800-330-5947 (TDD/TTY 800-511-5806) or by e-mail at CPSSAIG@ed.gov.

Important Announcements

Direct Loan Servicing Center

Borrowers and financial aid personnel in need of assistance may be directed to:

- For questions about a loan that has been transferred from the Direct Loan Servicing Center to a new federal loan servicer, please direct borrowers and financial aid personnel to contact the new servicer. Contact information for the appropriate servicer can be found on the Loan Servicing Centers for Schools Contact Information page (<http://ifap.ed.gov/ifap/helpContactInformationDetailedList.jsp?lsc=1>) on the IFAP website.
- For questions or concerns related to credit status and denied credit decision appeals, obligations and responsibilities of Direct PLUS Loan endorsers, and all actions performed on the StudentLoans.gov website, please direct borrowers to contact the Student Loan Support Center at 800-557-7394.
- For questions or concerns related to the origination, disbursement, and/or booking of a Direct Loan that a school needs to raise on behalf of a Direct Loan borrower or endorser of a Direct PLUS loan, please direct financial aid personnel to contact the COD School Relations Center at 800-848-0978.

For more information and links to prior Loan Servicing announcements, please review the electronic announcement dated September 20, 2013.

(<http://ifap.ed.gov/announcements/092013LSINeedFAALimitMisdirectCallACS.html>).

OSFA's Outreach Team Contact information

Lori Auxier
Director of Outreach Services
561-292-6002, office/fax
Lori.Auxier@fldoe.org

Robin Blank
Outreach Representative
561-357-4837, office/fax
Robin.Blank@fldoe.org

Pedro Hernandez
Outreach Representative
850-245-1821, office
850-488-3612, fax
Pedro.Hernandez@fldoe.org

Gerri McCormick
Outreach Representative
407-207-4944, office/fax
Gerri.McCormick@fldoe.org

Reyonna Parrish
Outreach Representative
850-410-6830, office
850-488-3612, fax
Reyonna.Parrish@fldoe.org

Stephanie Rosh
Outreach Representative
727-738-6498, office
Stephanie.Rosh@fldoe.org

Isabel Acevedo
Outreach Representative
305-542-3800, office
Isabel.acevedo@fldoe.org

Jan Smith
Manager of Outreach Services
850-245-1822, office
850-488-3612, fax
Jan.Smith@fldoe.org

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.