



# News To Know

## Florida Department of Education

### OSFA Pays Federal Default Fee

The Florida Department of Education, Office of Student Financial Assistance (OSFA) has received legislative approval to continue paying the mandatory one percent Federal Default Fee on all Federal Stafford and PLUS Loans. OSFA intends for the Federal Default Fee policy to re-

main in effect until June 30, 2010. However, industry developments may require this policy to be re-evaluated prior to the policy end date.

### 2009-2010 State Grants & Scholarship Appropriations

Governor Crist signed the 2009 Florida Legislative General Appropriations Act (GAA), Florida Senate Bill 2600 with conforming Florida Senate Bill 1696, on May 27, 2009. The GAA will provide \$664.2 million for financial aid programs administered by OSFA during the 2009-10 Fiscal Year.

#### GAA State Programs Appropriation Highlights:

- Florida **Bright Futures** Scholarship Program – **\$418.9 million**
- Florida Student Assistance Grants (**FSAG**) funding level **\$127.6 million** for all FSAG sectors with a maximum award amount of **\$2,069**
- William L. Boyd, IV, Florida Resident Access Grant (**FRAG**) funding level **\$84 million**, with an annual

award of **\$2,529**

- Access to Better Learning and Education Grant (**ABLE**) funding of **\$3.9 million**, with an annual award of **\$986**

Scholarships for Children and Spouses of Deceased or Disabled Veterans are funded at the same rate based on existing statutory language in Section 1009.5385, Florida Statutes.

Click [here](#) to read more.



### July 2009

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The OSFA mission is to facilitate higher education access and services by providing exemplary customer attention, comprehensive financial aid information, and convenient and efficient products.

# State Scholarship & Grant Programs Calendar

## ***OSFA State Scholarship & Grant Programs Web Site***

- All 2009-10 State Scholarship and Grant Programs information will be updated on our Web site on July 1, 2009. [Click here](#) for details.
- The Florida Bright Futures Scholarship Program's *2009-10 Initial Eligibility* brochure will be available in an electronic format, which may be downloaded and printed from our Web site throughout the year.

## ***2009-10 Institutional Reporting Responsibilities***

- The 2009-10 Summer Grade and Hours Report for ineligible Florida Bright Futures students is open from July 1, 2009, through September 30, 2009. Students found on this report are those Bright Futures students who were disbursed in the 2008-09 academic year, but they did not meet the renewal criteria.
- July 15, 2009, is the Critical Teacher Shortage Student Loan For-

giveness Program deadline for postsecondary institution certification.

- July 30, 2009, is the Florida Work Experience Program deadline to complete the Annual Financial Summary Report. All outstanding refunds are due to OSFA.

## ***2009-10 Master Eligibility List (MEL)***

- Award notifications have been sent to students regarding their 2009-10 eligibility status for Florida Bright Futures Scholarships, José Martí Challenge Grants, Robert C. Byrd Honors Scholarships, Rosewood Family Scholarships, and Scholarships for Children and Spouses of Deceased or Disabled Veterans and Servicemembers.
- Institutions should check the entire MEL for authorization to disburse to students enrolled in Fall Term I.



Visit our State Programs [Calendar!](#)

## Grace Period Counseling

Graduates are leaving your campus to embark on the next chapter of their lives. Now, is the perfect time to remind your students of their rights and responsibilities as student loan borrowers.

This summer, OSFA will be releasing its new online Grace Period Counseling with an automated letter campaign to assist your institution with targeting your recent graduates thirty days before their repayment period begins.

This new online counseling and automated letter campaign is the perfect complement to OSFA's, current Delinquent, Defaulted, Graduated and Withdrawn automated letter campaigns and can be an integral part of your on-campus Default Management Plan.

Please contact your local [Outreach Representative](#) for details.



# Important Announcements

## Deadline

In the May 26, 2009, Federal Register, the U.S. Department of Education (ED) announced its intention to establish at least two negotiated rulemaking committees to prepare proposed regulations under Title IV of the Higher Education Act of 1965, as amended (HEA). One committee will focus on developing proposed regulations for foreign schools, including the changes made to the HEA by the Higher Education Opportunity Act (HEOA), Public Law 110-315, that affect foreign schools. At least one other committee will convene to develop proposed regulations to maintain or improve program integrity in the Title IV, HEA programs.

On June 8, 2009, ED published a subsequent Electronic Announcement on the Information for Financial Professionals (IFAP) Web site. This announcement serves to remind the public of the three negotiated rulemaking public hearings, and of the two special public forums. Additionally, the Electronic Announcement clarifies the dates, times, and locations of each public hearing and forum. [Click here](#) for more information.

Dear Colleague Letter (DCL) ID: [GEN-09-07](#); [FP-09-05](#); [CB-09-04](#),

: "Procedures for Discharging Title IV Loans Based on a Determination by the Department of Veterans Affairs that a Veteran is Unemployable Due to a Service-Connected Condition or Disability," May 15, 2009.

## Office Closures

Federal offices as well as our Title IV processors and call centers will be closed on Friday, July 3, 2009 to observe the Independence Day Federal Holiday.

The Central Processing System (CPS) will accept data on Friday, July 3, 2009 but will not process new Institutional Student Information Records (ISIRs) until Monday, July 6, 2009.

The Common Origination and Disbursement (COD) System will accept and process data from schools and send back responses/acknowledgments on Friday, July 3, 2009, but schools will not be able to receive any federal funds on that day. Requests for changes in funding levels and for funds will not be processed until Monday, July 6, 2009.

State Offices will be closed on Friday, July 3, 2009 in observance of the 4th of July Holiday that falls on Saturday this year.



4th of July Holiday!

## 2009 HHS Poverty Guidelines and Income Percentage Factors

The 2009 [HHS Poverty Guidelines](#) and Income Percentage Factors will be used to calculate borrowers' payment amounts under the Income Contingent Repayment Plan, effective July 1, 2009.

The HHS Poverty Guidelines will also be used to determine borrowers' eligibility for the Income-Based Repayment (IBR) Plan and

the required payment amount. The IBR Plan becomes effective July 1, 2009. In some cases, the Guidelines will be used to determine borrowers' eligibility for an Economic Hardship Deferment.

For deferment purposes, the 2009 HHS Poverty Guidelines are effective immediately.

## FASFAA Spring 2009 Conference

The Florida Association of Student Financial Aid Administrators (FASFAA) held its Annual Spring Conference in Ponte Vedra Beach, Florida May 26-29. About 250 people attended this year's conference themed, "Hitting a Home Run for Students." This year's hottest topic was the Pell Grant. [Click here](#) to download presentations from this year's conference.

Changes to the Pell Grant Program were a focal point of this year's conference. Topics included:

- Year-Round Pell (effective with the 2009-10 award year)
- "Year-round" or "Two Pell Grants in an Award Year"
- Summer 2009 Crossover
  - Choosing from 2008-09 or 2009-10 funding,
  - Allowing students to receive funds beyond their scheduled award for the award year
- No change to "scheduled award"

Dependents of Deceased Servicemembers, who served in Iraq & Afghanistan (effective 2009-10 only for those who have a Pell eligible EFC on their processed FAFSA).

- Match with U.S. Department of Defense until a match is in place
- New field added to the COD Web site/Post 9-11 Deceased Veteran Dependent Indicator

### Chairman's Comments:

*"I want to thank our guarantor partners for stepping up to the plate, for providing an all-day work shop on May 26<sup>th</sup>. Each conducted a session on reauthorization updates. A total of 56 attended the workshop!*

Conference evaluation forms are available on the [website](#).

*It was an honor to be the conference chair this year, and I appreciate all the support that each member gave!"*

-Nathan Basford  
2009 Conference Chair

### Mark your calendars!

FASFAA's 2010 Annual Spring Conference will be held June 1-4 in Miami, Florida. Visit the [FASFAA Web site](#) for additional information.

## ABI Reporting

OSFA has made great strides to provide online reporting options that will aid our institutional partners in their efforts to effectively manage their loan portfolio. Our newest report is "Average Borrower Indebtedness" that can be used to monitor the average loan indebtedness of your borrowers by loan types (i.e., Stafford, Grad

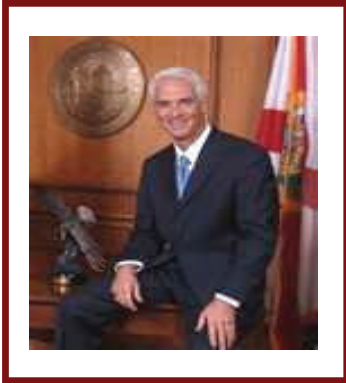
PLUS, and Parent PLUS) for OSFA-guaranteed loans. This report is also a great tool to incorporate into your on-campus counseling efforts. Contact the [Outreach Representative](#) in your region for additional information on how to access OSFA's online reporting options.

**Find The Data You Need**



**FFELP Reports:**  
Helping YOU find the data that YOU need to make decisions that count!

## Governor Crist Encourages Floridians to Get Prepared



June 1, 2009, marked the first day of the 2009 Hurricane Season. Are you prepared? The Florida Division of Emergency Management offers invaluable information on how you can get prepared for this unpredictable time of year. You will learn:

- What to pack in an emergency supply kit
  - How to create a family and/or a business disaster plan
- What you can do to strengthen your home

Governor Charlie Crist asked Floridians to make final preparations for the 2009 Hurricane Season.

state surrounded by water and beautiful beaches, but unfortunately that also means we are more vulnerable to hurricanes," said Governor Crist. "All Floridians must take the necessary precautions to protect themselves, their families, and their property. A storm doesn't have to be a hurricane to be destructive."

Governor Crist encouraged all Floridians to visit [www.FloridaDisaster.org](http://www.FloridaDisaster.org) where they can find help making business and family plans, tips for protecting property during a storm, checklists for disaster supplies, and pet disaster plans.

"We are blessed to be living in a

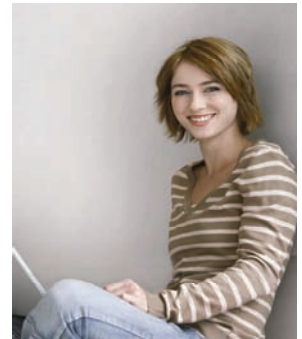
## NyFF Online Workshops Available Now



OSFA announces the release of the Navigating Your Financial Future online counseling modules for *Managing Your Credit* and *Managing Your Budget*.

*Career Planning* and *School and Life Management* modules will soon be added. The process is simple. Students will review the content, answer the questions, and complete the Student Data Entry Form. Once they

have completed a module, they have the ability to print a confirmation for their records. The school will also receive a copy of the confirmation. That's it! Visit OSFA's Web site to locate a [workshop](#) in your area, or contact your [Outreach Representative](#) for details on how to register.



## New Interest Rates Effective July 1, 2009

The U.S. Department of Education (ED) issued information on Federal Family Education loan [interest rates](#), effective July 1, 2009. The only change to fixed interest rates on loans first disbursed July 1, 2009 – June 30, 2010 from those of the previous year (July 1, 2008 – June 30, 2009) is a decrease in the fixed interest rate for Subsidized Stafford Loans for undergraduate students from 6.0% to 5.6%.

The rates for loans first disbursed between July 1, 2009 – June 30, 2010 are:

- Subsidized Stafford Loans (Undergraduate Students) – 5.6%
- Subsidized Stafford Loans (Graduate Students) - 6.8%
- Unsubsidized Stafford Loans – 6.8%
- PLUS Loans – 8.5%

## The OSFA Philosophy

As a public agency, OSFA has the ability to offer its partners and customers something few guarantors can: the ability to shape OSFA programs and services based on their specific concerns. Earnings generated from OSFA's loan programs are used to provide financial aid workshops, publications, and better services for our participants, and to help fund scholarship and grant programs. When schools and students choose to use the OSFA guarantee for student loans, they are actually helping countless other needy and deserving students by investing in education programs. So, if a participant has a problem or suggestion, OSFA management listens and does whatever it takes to implement a solution that meets their needs. Public dollars deserve that kind of accountability in education finance.



The News to Know is now available on the [Policy, Regulations, and Guidance Page](#) of our Web site. Previous editions may be viewed on our [Archives Page](#).

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[Click here](#) to contact an  
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Representative about your  
institution's needs.