

#	Subject	Summary of Change to <i>Common Manual</i>	Type of Update	Effective Date
1276	Teacher Loan Forgiveness Eligibility	<p>13.9.A Teacher Loan Forgiveness Program</p> <p>States if the school where the borrower is employed meets the eligibility criteria of a qualifying school for at least the first year of the borrower's 5 qualifying years of service, the 4 subsequent years of qualifying teaching service continue to qualify the borrower even if the school does not meet the criteria.</p>	Federal	Teacher loan forgiveness eligibility determinations made on or after April 9, 2012.
1277	Academic Attendance and Attendance at an Academically Related Activity	<p>2.2.B The Interim Period 9.3 Leave of Absence 9.4 Withdrawal Dates 9.5 Return of Title IV Funds 9.5.B Processing Returned Funds 13.8.H Unpaid Refund Appendix G</p> <p>Moves the definition of "attendance at an academically-related activity" from Section 9.4 to Appendix G, and inserts a glossary definition for the synonymous term "academic attendance." Revised policy strikes the outdated definition of "last date of attendance," and clarifies Manual text so that it consistently refers to, as applicable, the glossary-defined term "withdrawal date" or the date that a student drops to less-than-half-time enrollment.</p>	Correction	Student withdrawal determinations made by a school on or after July 1, 2011.
1278	Parent PLUS Loan Eligibility	<p>5.1.C Graduate or Professional Student and Parent PLUS Loan Borrower Eligibility Requirements</p> <p>Provides clarification as to which stepparent is eligible to apply for a parent PLUS loan.</p>	Correction	Retroactive to the implementation of the <i>Common Manual</i> .

COMMON MANUAL – FEDERAL POLICY PROPOSAL

Date: July 20, 2012

X	DRAFT	Comments Due	Aug 10
	FINAL	Consider at GB meeting	
	APPROVED	with changes/no changes	

SUBJECT: Teacher Loan Forgiveness Eligibility

AFFECTED SECTIONS: 13.9.A Teacher Loan Forgiveness Program

POLICY INFORMATION: 1276/Batch 188

EFFECTIVE DATE/TRIGGER EVENT: Teacher loan forgiveness eligibility determinations made on or after April 9, 2012.

BASIS:

§682.216(c)(2); private letter guidance from Pam Moran, U.S. Department of Education, dated April 9, 2012.

CURRENT POLICY:

Current policy states if the school where the borrower is employed meets the eligibility criteria of a qualifying school for any year of the borrower's employment, all subsequent years continue to qualify the borrower even if the school does not meet the criteria.

REVISED POLICY:

Revised policy states if the school where the borrower is employed meets the eligibility criteria of a qualifying school for at least the first year of the borrower's 5 qualifying years of service, the 4 subsequent years of qualifying teaching service continue to qualify the borrower even if the school does not meet the criteria.

REASON FOR CHANGE:

This policy is necessary to clarify teacher loan forgiveness eligibility.

PROPOSED LANGUAGE - COMMON MANUAL:

Revise Subsection 13.9.A of the July 2012 *Common Manual*, page 60, column 2, first bullet, as follows:

- If the school where the borrower is employed meets the eligibility criteria of a *qualifying school* for at least the first ~~any~~-year of the borrower's ~~employment~~ 5 qualifying years of teaching service, the 4 subsequent years of qualifying teaching service continue to qualify the borrower even if the school does not meet the criteria. However, if the borrower is initially employed by a school that does not meet the criteria and the school later qualifies, the borrower's 5 qualifying years of service begin when the school meets the eligibility criteria.
[§682.216(c)(2); §685.217(c)(2)]

PROPOSED LANGUAGE - COMMON BULLETIN:

Teacher Loan Forgiveness Eligibility

The *Common Manual* is updated to clarify that the school or educational institution at which a borrower is employed must be considered a low-income school for at least the first of the 5 consecutive years of service used to meet the requirements for teacher loan forgiveness, and the 4 subsequent years of qualifying teaching service continue to qualify the borrower even if the school does not meet the criteria.

GUARANTOR COMMENTS:

None.

IMPLICATIONS:

Borrower:

A borrower will need to consider this clarification in determining eligibility for teacher loan forgiveness.

School:

A school will need to provide students with the correct teacher loan forgiveness qualification criteria.

Lender/Service:

A lender/service will need to review current teacher loan forgiveness qualifying criteria.

Guarantor:

A guarantor will need to review current teacher loan forgiveness qualifying criteria.

U.S. Department of Education:

None.

To be completed by the Policy Committee

POLICY CHANGE PROPOSED BY:

CM Policy Committee

DATE SUBMITTED TO CM POLICY COMMITTEE:

April 3, 2012

DATE SUBMITTED TO CM GOVERNING BOARD FOR APPROVAL:

PROPOSAL DISTRIBUTED TO:

CM Policy Committee

CM Guarantor Designees

Interested Industry Groups and Others

jd/edited-tmh

COMMON MANUAL - CORRECTION POLICY PROPOSAL

Date: July 20, 2012

X	DRAFT	Comments Due	Aug 10
	FINAL	Consider at GB meeting	
	APPROVED	with changes/no changes	

SUBJECT: Academic Attendance and Attendance at an Academically-Related Activity

AFFECTED SECTIONS: 2.2.B The Interim Period
9.3 Leave of Absence
9.4 Withdrawal Dates
9.5 Return of Title IV Funds
9.5.B Processing Returned Funds
13.8.H Unpaid Refund
Appendix G

POLICY INFORMATION: 1277/Batch 188

EFFECTIVE DATE/TRIGGER EVENT: Student withdrawal determinations made by a school on or after July 1, 2011.

BASIS:
§668.22(l)(7)(i) and (ii).

CURRENT POLICY:

Current policy includes a definition of “attendance at an academically-related activity,” but this definition is not in the glossary, and the glossary does not include the synonymous term “academic attendance” despite its use in the Manual. In addition, current Manual text is inconsistent with these terms and the glossary contains an outdated definition of “last date of attendance.” Current Manual text does not always align with the existing Appendix G definition of “withdrawal date” and does not consistently refer to a school’s historical requirement to report the date that a student drops to less than half-time enrollment.

REVISED POLICY:

Revised policy moves the definition of “attendance at an academically-related activity” from Section 9.4 to Appendix G, and inserts a glossary definition for the synonymous term “academic attendance.” Revised policy strikes the outdated definition of “last date of attendance,” and clarifies Manual text so that it consistently refers to, as applicable, the glossary-defined term “withdrawal date” or the date that a student drops to less-than-half-time enrollment.

REASON FOR CHANGE:

This change is necessary to align Manual text with final rules published in the *Federal Register* dated October 29, 2010.

PROPOSED LANGUAGE - COMMON MANUAL:

Revise Subsection 2.2.B of the July 2012 *Common Manual*, page 8, column 2, paragraph 2, as follows:

Student Leaves School

...

When the student leaves school or drops to less-than-half-time enrollment, the school must provide the student with exit counseling information. The school also must report the ~~student’s last date of at least~~ date the student dropped to less-than-half-time enrollment to the guarantor and/or lender. The lender credits any refund from the school and records the student’s ~~last date of attendance~~ withdrawal date or the date that the student dropped to less-than-half-time enrollment.

...

Revise Section 9.3, page 7, column 1, paragraph 3, as follows:

A student who fails to return to school by the end of an approved leave of absence or whose leave of absence has not been approved must be considered to have withdrawn for purposes of determining the student's ~~last date of attendance~~ withdrawal date and calculating the amount of Title IV funds to be returned. In addition . . .

The ~~last date of attendance~~ withdrawal date for students who fail to return from an approved leave of absence is based upon whether the school is required to record attendance. For schools required to record attendance, the ~~last date of attendance~~ withdrawal date is the last date of academic attendance reflected in the school's attendance records. For schools not required to record attendance, the ~~last date of attendance~~ withdrawal date is the date the student began the leave of absence
[§668.22(b)(1) and (c)(1)(v); 40-44 12-13 FSA Handbook, Volume 5, Chapter ~~21~~, p. 5-~~37~~13 to 5-14]

Revise Section 9.4, page 7, column 2, paragraph 4, as follows:

Death of a Student

At a school that is required to record attendance, the withdrawal date for a student who has died is the last date of academic attendance as determined from the school's attendance records.
[§668.22 . . .]

Withdrawal Dates at Schools Required to Record Attendance

For a school that is required to record attendance, the withdrawal date is the student's last recorded date of academic attendance, as determined by the school from its attendance records . . .

Revise Section 9.4, page 9, column 1, paragraph 2, as follows:

. . .

As an alternative to the preceding dates, the school may use one of the following as a withdrawal date when a student does not initiate the withdrawal process:

- The last date of attendance ~~by the student in~~ at an academically-related activity as documented by the school. ~~Attendance at an "academically-related activity" includes, but is not limited to:~~

~~_____ Physically attending a class.~~

~~_____ Submitting an academic assignment.~~

~~_____ Taking an exam.~~

~~_____ Participating in an interactive tutorial.~~

~~_____ Engaging in computer-assisted instruction.~~

~~_____ Attending a student groups that is assigned by the school.~~

~~_____ Participating in an online discussion about academic matters.~~

~~_____ Initiating contact with a faculty member to ask a question about the academic subject studied in the course.~~

[§668.22(l)(7)(i)(A)]

~~Attendance at an "academically-related activity" does not include an activity in which a student may be present but not academically engaged, including, but not limited to:~~

~~_____ Living in school housing.~~

- ~~_____ Participating in the school's meal plans.~~
 - ~~_____ Logging into an online class without active participation.~~
 - ~~_____ Participating in academic counseling or advisement.~~
- ~~[\$668.22(l)(7)(i)(B)]~~

The school must confirm and document . . .

- . . .

Revise Subsection 9.5.B, page 21, column 2, paragraph 1, bullet 7, as follows:

Guarantors recommend that the school's notice accompanying the return of funds to lenders include the following information:

- . . .
- . . .
- . . .
- . . .
- . . .
- . . .
- The student's withdrawal date, graduation date, or ~~last the date of attendance as at least a~~ the student dropped to less-than-half-time student enrollment.
- . . .
- . . .
- . . .
- . . .

Revised Subsection 13.8.H, page 56, column 1, paragraph 2, as follows:

Processing the Discharge Application

When the borrower submits the discharge application to the lender, the lender must review the application to determine whether it appears to be complete. If the application appears to be complete, the lender must provide the application and all pertinent information related to the borrower's qualification for discharge to the guarantor, including the borrower's (or student's, as applicable) ~~last date of attendance~~ withdrawal date, if it is available. See Subsection 9.5.C for school requirements.

~~[\$682.402(l)(5)(ii)]~~

. . .

Revise Appendix G, page 1, column 1, by inserting a new paragraph 2, as follows

Academic Period: A measured period of enrollment. . .

Academic Attendance: Is synonymous with "attendance at an academically-related activity." See the separate glossary definition of "attendance at an academically-related activity."

Academic Year: . . .

Revise Appendix G, page 2, column 1, by adding a new paragraph 9, as follows:

Assignment of a Loan: . . .

Attendance at an Academically-Related Activity: Attendance at an academically-related activity includes, but is not limited to:

- Physically attending a class.
- Submitting an academic assignment.
- Taking an exam.
- Participating in an interactive tutorial.
- Engaging in computer-assisted instruction.
- Attending a student groups that is assigned by the school.
- Participating in an online discussion about academic matters.
- Initiating contact with a faculty member to ask a question about the academic subject studied in the course.

[§668.22(l)(7)(i)(A)]

Attendance at an academically-related activity does *not* include an activity in which a student may be present but not academically engaged, including, but not limited to:

- Living in school housing.
- Participating in the school's meal plans.
- Logging into an online class without active participation.
- Participating in academic counseling or advisement.

[§668.22(l)(7)(i)(B)]

Authority: . . .

Revise Appendix G, page 14, column 1, paragraph 5, by deleting it as follows:

~~**Last Date of Attendance:** The last day the student was physically present in class, as confirmed by the student's attendance records.~~

PROPOSED LANGUAGE - COMMON BULLETIN:

Academic Attendance and Attendance at an Academically-Related Activity

The July 2012 reprint of the *Common Manual* has been revised to provide glossary definitions of the following terms:

Academic Attendance: Is synonymous with “attendance at an academically-related activity.” See the separate glossary definition of “attendance at an academically-related activity.”

Attendance at an Academically-Related Activity: Attendance at an academically-related activity includes, but is not limited to:

- Physically attending a class.
- Submitting an academic assignment.
- Taking an exam.

- Participating in an interactive tutorial.
- Engaging in computer-assisted instruction.
- Attending a student groups that is assigned by the school.
- Participating in an online discussion about academic matters.
- Initiating contact with a faculty member to ask a question about the academic subject studied in the course.

[§668.22(l)(7)(i)(A)]

Attendance at an academically-related activity does *not* include an activity in which a student may be present but not academically engaged, including, but not limited to:

- Living in school housing.
- Participating in the school's meal plans.
- Logging into an online class without active participation.
- Participating in academic counseling or advisement.

[§668.22(l)(7)(i)(B)]

In addition, revised policy strikes the outdated glossary definition of “last date of attendance,” and clarifies text so that it consistently refers to, as applicable, the glossary-defined term “withdrawal date” or the date that a student drops to less-than-half-time enrollment.

GUARANTOR COMMENTS:

None.

IMPLICATIONS:

Borrower:

None.

School:

None.

Lender/Service:

None.

Guarantor:

None.

U.S. Department of Education:

None.

To be completed by the Policy Committee

POLICY CHANGE PROPOSED BY:

CM Policy Committee

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February 4, 2011

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PROPOSAL DISTRIBUTED TO:

CM Policy Committee
CM Guarantor Designees
Interested Industry Groups and Others

jcs/edited-chh

COMMON MANUAL – CORRECTION POLICY PROPOSAL

Date: July 20, 2012

X	DRAFT	Comments Due	Aug 10
	FINAL	Consider at GB meeting	
	APPROVED	with changes/no changes	

SUBJECT: Parent PLUS Loan Eligibility

AFFECTED SECTIONS: 5.1.C Graduate or Professional Student and Parent PLUS Loan Borrower Eligibility Requirements

POLICY INFORMATION: 1278/Batch 188

EFFECTIVE DATE/TRIGGER EVENT: Retroactive to publication of the *Common Manual*.

BASIS:

2012-13 FSA Handbook Volume 1, Chapter 6, p. 1-70.

CURRENT POLICY:

Current policy does not clarify that when a student's parents are divorced, only the stepparent whose spouse's financial data was, or could have been, included on the FAFSA is eligible for a parent PLUS loan.

REVISED POLICY:

Revised policy provides clarification as to which stepparent is eligible to apply for a parent PLUS loan.

REASON FOR CHANGE:

This policy is necessary to clarify parent PLUS borrower eligibility.

PROPOSED LANGUAGE - COMMON MANUAL:

Revise Subsection 5.1.C of the July 2012 *Common Manual*, page 3, column 1, paragraph 1, as follows:

Graduate or Professional Student and Parent PLUS Loan Borrower Eligibility Requirements

For purposes of obtaining a PLUS loan, an eligible parent borrower is a student's biological or adoptive mother or father. A stepparent who is married to the spouse of a parent who is remarried who completed the FAFSA is also an eligible parent borrower if the stepparent's spouse's income and assets were, or could have been, taken into account when calculating a dependent student's expected family contribution (EFC). A stepparent who is married to a parent who did not complete the FAFSA is not an eligible PLUS borrower. All of a dependent student's eligible parent borrowers may borrow separately to provide for the educational expenses of the student—provided that the combined borrowing of the parent borrowers does not exceed the calculated cost of attendance (COA) minus estimated financial assistance (EFA).

[§668.2(b); §682.201(c)(2); DCL GEN-98-26]

PROPOSED LANGUAGE - COMMON BULLETIN:

Parent PLUS Loan Eligibility

The *Common Manual* is updated to clarify that a stepparent who is married to a parent who did not complete the FAFSA is not an eligible PLUS borrower.

GUARANTOR COMMENTS:

None.

IMPLICATIONS:

Borrower:

None.

School:

None.

Lender/Service:

None.

Guarantor:

None.

U.S. Department of Education:

None.

To be completed by the Policy Committee

POLICY CHANGE PROPOSED BY:

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