

#	Subject	Summary of Change to <i>Common Manual</i>	Type of Update	Effective Date
1060	Identity Theft	<p><u>2.2.C Repayment</u> <u>Appendix G</u></p> <p>Adds the crime of identity theft to the list of eligible circumstances for which a lender may be eligible for claim payment for discharge in the FFELP overview in Chapter 2. Updates the definition of the term 'discharge' to include the crime of identity theft.</p>	Correction	False Certification as a result of identity theft loan discharge claims processed by the lender on or after September 8, 2006.
1061	Academic Competitiveness and National SMART Grant Definitions	<p><u>Appendix G</u></p> <p>Includes glossary definitions for the ACG and National SMART Grant programs.</p>	Correction	July 1, 2006.
1062	Common Review Initiative Update	<p><u>Chapter 17 Program Review</u> <u>Appendix F Common Review Initiative (CRI)</u></p> <p>Moves the CRI information from Appendix F to Chapter 17, and updates the information to include ED's approval of the CRI process.</p>	Organizational	January 1, 2008.

COMMON MANUAL - CORRECTION POLICY PROPOSAL

Date: August 15, 2008

X	DRAFT	Comments Due	Sep 5
	FINAL	Consider at GB Meeting	
	APPROVED	With Changes / No Changes	

SUBJECT: Identity Theft

AFFECTED SECTIONS: 2.2.C Repayment
Appendix G

POLICY INFORMATION: 1060/Batch 152

EFFECTIVE DATE/TRIGGER EVENT: False Certification as a result of identity theft loan discharge claims processed by the lender on or after September 8, 2006.

BASIS:
§682.402(e)(14).

CURRENT POLICY:
Current policy does not include the crime of identity theft as an eligible circumstance for which a lender may be eligible for claim payment for discharge in the FFELP overview in Chapter 2.

REVISED POLICY:
Revised policy adds the crime of identity theft to the list of eligible circumstances for which a lender may be eligible for claim payment for discharge in the FFELP overview in Chapter 2. In addition, the definition of the term 'discharge' has been updated to include the crime of identity theft.

REASON FOR CHANGE:
Subsection 2.2.C has been updated to align with information in Subsection 13.8.E.

PROPOSED LANGUAGE - COMMON MANUAL:

Revise Subsection 2.2.C, page 10, column 2, paragraph 2, by adding a new bullet, as follows;

A lender may be eligible for claim, forgiveness, or discharge payment or reimbursement, as applicable, on the eligible amount of a loan under any of the following circumstances:

- The borrower fails to repay the loan when it is due.
- The borrower or student dies before the loan is paid in full.
- The borrower becomes totally and permanently disabled.
- The borrower qualifies for spouses and parents of September 11, 2001, victims discharge.
- The borrower files for debt collection protection under bankruptcy laws.
- The borrower or student does not receive the benefit of a refund to which he or she was entitled from either the school or a third party.
- The borrower qualifies for loan forgiveness.
- The school closes while the student is attending.
- The school falsely certifies the borrower's eligibility for the loan.
- The borrower qualifies for loan discharge due to the crime of identity theft.

Revise Appendix G, page 6, column 1, as follows:

Discharge: The release of a borrower or any comaker from all or a portion of his or her loan obligation, as applicable, due to bankruptcy, school closure, death, spouses and parents of September 11, 2011, victims, total and permanent disability, an unpaid refund by the school, ~~or~~ the school's false certification of a FFELP loan, or the crime of identity theft. See Section 13.8.

PROPOSED LANGUAGE - COMMON BULLETIN:

Crime of Identity Theft

The *Manual* has been revised to include identity theft in the list of eligible circumstances for which a lender may be eligible for claim payment for discharge in the FFELP overview in Chapter 2. In addition, the definition of the term 'discharge' has been updated to include the crime of identity theft.

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

DATE SUBMITTED TO CM POLICY COMMITTEE:

November 7, 2007

DATE SUBMITTED TO CM GOVERNING BOARD FOR APPROVAL:

PROPOSAL DISTRIBUTED TO:

CM Policy Committee

CM Guarantor Designee

Interested Industry Groups and Others

SM/edited - chh

COMMON MANUAL - CORRECTION POLICY PROPOSAL

Date: August 15, 2008

X	DRAFT	Comments Due	Sep 5
	FINAL	Consider at GB meeting	
	APPROVED	with changes/no changes	

SUBJECT: Academic Competitiveness and National SMART Grant Definitions

AFFECTED SECTIONS: Appendix G

POLICY INFORMATION: 1061/Batch 152

EFFECTIVE DATE/TRIGGER EVENT: July 1, 2006.

BASIS:

Higher Education Reconciliation Act of 2005 (P.L. 109-171); HEA §401A; 2008-09 FSA Handbook, Vol. 1, Chapter 6 p. 1-63.

CURRENT POLICY:

Current policy does not include glossary definitions of two federal grant programs, the Academic Competitiveness Grant (ACG) and the National Science and Mathematics Access to Retain Talent (National SMART) Grant.

REVISED POLICY:

Revised policy includes glossary definitions for the ACG and National SMART Grant programs.

REASON FOR CHANGE:

This change is required to provide readers with more context for existing references to the ACG and National SMART Grant programs in the Manual's text about estimated financial assistance, and the order of return of Title IV funds for a withdrawn student.

PROPOSED LANGUAGE - COMMON MANUAL:

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

...

Academic Competitiveness Grant: (ACG) A federal need- and merit-based grant that is intended to encourage a student to complete a rigorous secondary school program of study. For more information about this program, see the FSA Handbook.

...

Revise Appendix G, page 14, column 1, by inserting a new paragraph 3, as follows:

...

National Science and Mathematics Access to Retain Talent Grant: (National SMART Grant) A federal need- and merit-based grant that is intended to encourage a student to major in physical, life, or computer sciences; engineering, technology, mathematics, or certain foreign languages. For more information about this program, see the FSA Handbook.

Revise Appendix G, page 15, column 1, paragraph 1, as follows:

Pell Grant: A federal need-based grant. For more information about this program, see the FSA Handbook.

PROPOSED LANGUAGE - COMMON BULLETIN:

Academic Competitiveness and National SMART Grant Definitions

The *Common Manual* has been updated to include glossary definitions for the Academic Competitiveness

Grant (ACG) and National Science and Mathematics Access to Retain Talent (National SMART) Grant programs.

The ACG is a federal need- and merit-based grant that is intended to encourage a student to complete a rigorous secondary school program of study. The National SMART Grant is also a federal need- and merit-based grant that is intended to encourage a student to major in physical, life, or computer sciences; engineering, technology, mathematics, or certain foreign languages.

GUARANTOR COMMENTS:

None.

IMPLICATIONS:

Borrower:

None.

School:

None.

Lender/Servicer:

None.

Guarantor:

None.

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:

July 15, 2008

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PROPOSAL DISTRIBUTED TO:

CM Policy Committee

CM Guarantor Designees

Interested Industry Groups and Others

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COMMON MANUAL - ORGANIZATIONAL POLICY PROPOSAL

Date: August 15, 2008

X	DRAFT	Comments Due	Sep 5
	FINAL	Consider at GB Meeting	
	APPROVED	With Changes / No Changes	

SUBJECT: Common Review Initiative Update

AFFECTED SECTIONS: Chapter 17 Program Review
Appendix F Common Review Initiative (CRI)

POLICY INFORMATION: 1062/Batch 152

EFFECTIVE DATE/TRIGGER EVENT: January 1, 2008.

BASIS:
None.

CURRENT POLICY:
Currently, information about the Common Review Initiative is found in Appendix F, FFELP Community Initiatives.

REVISED POLICY:
Revised policy moves the CRI information from Appendix F to Chapter 17, and updates the information to include ED's approval of the CRI process effective January 1, 2008.

REASON FOR CHANGE:
The *Common Manual* is being updated to acknowledge the Department's approval of the Common Review Initiative.

PROPOSED LANGUAGE - COMMON MANUAL:

Revise Chapter 17, page 1, column 1, by inserting new text after paragraph 3 as follows:

Guarantors are required by federal regulations to conduct comprehensive biennial program reviews of certain schools and lenders participating in the FFELP. Guarantors, at their option, may elect to review third-party servicers.

Program reviews are conducted by the guarantor and the Department to assess the administrative and financial capability of schools, lenders, and servicers with respect to participation in the FFELP. Chapter 17 describes the criteria used in determining which entities are reviewed, the various stages of the review process, and the most common findings in program reviews. [HEA §487(c)]

All references to lenders in this chapter include the originating lender and any subsequent holder, as defined in Section 3.1.

Common Review Initiative (CRI)

The Common Review Initiative (CRI) is a process designed to create efficiencies and consistency in lender program reviews by guarantors. Through the CRI, guarantors cooperate to conduct lender reviews by sharing staff and review costs while using common review procedures. CRI focuses on conducting comprehensive reviews at the servicer level (where possible) using "best practices," and serving FFELP participants by eliminating redundant guarantor reviews.

The CRI Oversight and Administration Council governs CRI and is comprised of participating guarantors that have signed an agreement to participate in the CRI effort.

On December 21, 2007, the Department issued approval of the CRI process effective January 1, 2008.

For more information on the CRI, go to the National Council of Higher Education Loan Programs (NCHELP) Website at www.nchelp.org and click on the Initiatives link.

Revise Appendix F, page 3, column 1, paragraph 2 of the July 2008 version of the *Common Manual*, as follows:

~~Common Review Initiative (CRI)~~

~~The Common Review Initiative (CRI) is a concept designed to create efficiencies and consistency in lender program reviews by guarantors. Through the CRI, guarantors cooperate to conduct lender reviews by sharing staff and review costs while using common review procedures. CRI focuses on conducting comprehensive reviews at the servicer level (where possible) using "best practices," and serving FFELP participants by eliminating redundant guarantor reviews.~~

~~The CRI is governed by a Council of participating guarantors that have signed an agreement to participate in the CRI effort.~~

~~For more information on the CRI, go to the National Council of Higher Education Loan Programs (NCHELP) Website at www.nchelp.org and click on the Initiatives link.~~

PROPOSED LANGUAGE - COMMON BULLETIN:

The *Common Manual* has been updated by removing information about the Common Review Initiative from Appendix F and placing the information in Chapter 17, Program Review.

GUARANTOR COMMENTS:

None.

IMPLICATIONS:

Borrower:

None.

School:

None.

Lender/Servicer:

None.

Guarantor:

None.

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:

January 22, 2008.

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Interested Industry Groups and Others

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