

The nation's guarantors provide the following summaries to inform schools, lenders, and servicers of the latest *Common Manual* policy changes. These changes will appear in the manual's next annual update in July 2006. These changes will also be incorporated into the November 2005 *Integrated Common Manual*. The *Integrated Common Manual* is available on several guarantor websites, and it is also available on NCHelp's website at [www.NCHELP.org](http://www.NCHELP.org) in the e-library. Please carefully note the effective date of each policy change.

*Please note that the Bulletin Language for Policy Proposals #840 Consolidation Loan Disbursement and #845 Required Information on the Default Aversion Assistance Request Form have been moved to considered by the Policy Committee.*

## **Acceptable Source Documents for Social Security Number Changes, Date of Birth and First Name Changes or Corrections**

The *Common Manual* is revised to include guidance for lenders and schools regarding acceptable source documents for making date of birth and first name changes or corrections.

### **Acceptable Source Documents for Reporting the Correction of a Date of Birth**

1. Birth certificate
2. Current driver's license (if it contains a birth date)
3. State ID (if it contains a birth date)
4. Passport
5. Unexpired U.S. military ID

### **Acceptable Source Documents for Reporting a First Name Change**

6. Court order
7. Marriage certificate
8. U.S. Certificate of Naturalization (Form N-550 or N-570)

### **Acceptable Source Documents for Reporting the Correction of a First Name**

9. Social Security card
10. Current driver's license
11. Birth certificate
12. State ID
13. U.S. Certificate of Naturalization (Form N-550 or N-570)
14. Court order
15. Marriage certificate
16. W-2 Form
17. Passport
18. Unexpired U.S. military ID
19. U.S. military discharge papers (Form DD214)
20. U.S. Certificate of Citizenship (Form N-560 or N-561)
21. Alien Registration Card (Form I-551 or I-151)

**Affected Sections:** 3.5.F Social Security Number Change Reporting

9.1 Reporting Social Security Number Changes

**Effective Date:** Date of birth and first name changes or corrections made on or after July 1, 2006, unless implemented earlier by the guarantor..

**Basis:** *Acceptable Forms of Documentation* (12/17/04), NSLDS Quick Access, Financial Partners Portal Website ([www.fp.ed.gov](http://www.fp.ed.gov)).

**Policy Information:** 841/Batch 125

**Guarantor Comments:** None.

### **Determining PLUS Loan Eligibility**

The *Common Manual* has been updated to clarify that a school is not required to perform need analysis to determine a student's eligibility for a PLUS loan. Likewise, a school is not required to determine a student's eligibility for a Pell grant or a subsidized or unsubsidized Stafford loan prior to certifying a PLUS loan or disbursing PLUS loan funds. A parent may choose to borrow the entire amount of the cost of attendance (COA) minus the estimated financial assistance (EFA) for an eligible dependent student regardless of whether the student is eligible to receive other Title IV aid—including a Pell grant, a subsidized Stafford loan, or an unsubsidized Stafford loan. However, if the student is seeking such aid, the school must include that aid in the EFA when determining the student's PLUS loan eligibility.

**Affected Sections:** 6.15.C PLUS Loan Certification  
**Effective Date:** PLUS loans certified by the school on or after July 1, 2004.  
**Basis:** 2004-05 *Federal Student Aid Handbook*, Volume 3, Calculating Awards, Packaging and Originating, Chapter 6—Packaging Aid, page 3-91.  
**Policy Information:** 842/Batch 125  
**Guarantor Comments:** None.

### **School Certification of the Loan**

The *Common Manual* is revised to align information in the loan certification section of the manual with information that is currently included in subsection 7.7.G. Specifically, under "School Certification of the Loan," language has been added to state that in order for a loan to be eligible for disbursement, the loan must be certified by the school before the end of the loan period or the date on which the student ceases to be enrolled at least half time, whichever is earlier.

**Affected Sections:** 6.15 School Certification of the Loan  
**Effective Date:** Retroactive to the implementation of the *Common Manual*.  
**Basis:** None.  
**Policy Information:** 843/Batch 125  
**Guarantor Comments:** None.

### **Clarifying False Certification Provisions**

The *Common Manual* has been amended to clarify that if a borrower meets all of the criteria specified in the text that pertains to a particular type of false certification loan discharge, he or she will be eligible to have his or her applicable loan(s) discharged. In addition, the revised text is corrected to state that the borrower may qualify for a discharge of the loan, in full or in part, depending on the type of false certification discharge that is appropriate to the borrower's situation. Previous text indicated that the borrower would qualify for discharge of the "entire loan" which is not accurate in all circumstances.

**Affected Sections:** 13.8.D False Certification  
**Effective Date:** Retroactive to the implementation of the *Common Manual*.  
**Basis:** §682.402(e)  
**Policy Information:** 844/Batch 125  
**Guarantor Comments:** None.

### **Lenders May Send the False Certification Loan Discharge Application**

The *Common Manual* has been corrected to include a statement that, in some cases, the borrower first contacts the lender to assert that his or her loan was falsely certified. In these cases, the lender may initiate the false certification loan discharge process by sending the loan discharge application to the borrower. Previously, *Common Manual* text indicated only that the guarantor would send the loan discharge application to the borrower or that the guarantor would send the loan discharge application to the lender for the lender to forward to the borrower.

**Affected Sections:** 13.8.D False Certification  
**Effective Date:** Retroactive to the implementation of the *Common Manual*.  
**Basis:** §682.402(e)(12)(i)  
**Policy Information:** 846/Batch 125  
**Guarantor Comments:** None.

**Refund of Interest Benefits and Special Allowance**

The *Common Manual* has been revised to add the requirement that if a guarantor determines that a loan is eligible for false certification loan discharge because the borrower did not endorse and did not receive the proceeds of a loan disbursement check, the lender, within 30 days of receiving the notification from the guarantor, must adjust the loan record for any interest benefits and special allowance payments that the lender received on the loan or portion of the loan being discharged and report the adjustment on the next scheduled Lender's Interest and Special Allowance Request and Report (LaRS report).

<b>Affected Sections:</b>	13.8.D False Certification
<b>Effective Date:</b>	Retroactive to the implementation of the <i>Common Manual</i> .
<b>Basis:</b>	§682.402(e)(8)(ii)(B)(4)
<b>Policy Information:</b>	847/Batch 125
<b>Guarantor Comments:</b>	None.