



# Using NASFAA Tools to Ensure Title IV Compliance


National Association of Student  
Financial Aid Administrators

The following is a presentation  
prepared for

**SWASFAA**

Tulsa, OK  
November 16-18, 2011

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National Association of Student  
Financial Aid Administrators

**Using NASFAA Tools  
to Ensure  
Title IV Compliance**

**Debra La Grone**  
Training Specialist  
Division of Training & Regulatory Assistance

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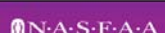
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Presenter

Debra La Grone  
Training Specialist, NASFAA

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# Using NASFAA Tools to Ensure Title IV Compliance

## NASFAA Resources

- Analysis of new laws, regulations and guidance
- Text of laws, regulations and ED guidance
- NASFAA-developed tools and resources
- Online live and on-demand training and analysis
- Centers with resources to help you comply with new regulations

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## Where to Find Resources



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## Still Can't Find It? Try Searching



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# Using NASFAA Tools to Ensure Title IV Compliance

## Sample Search: Gainful Employment

TEXT SEARCH

with all of the words

**exact phrase**

at least one of the words

without the word

LIMIT BY

**Publisher**

Series  
 Department of Education  
 Department of Veterans Affairs  
 Federal Reserve  
 General Accountability Office  
 House  
 NASFAA  
 National Center for Education Statistics  
 Senate

Resource Type  
 Award Year  
 Publication Date

Search

We're looking for the gainful employment final rules

Using the "exact phrase" option will narrow our search by excluding any content that has the words "gainful" and "employment," but not the phrase "gainful employment"

Selecting the publisher will narrow the search even further by excluding content that was not published by the U.S. Department of Education

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## Sample Search (continued)

Series: Federal Register

Resource Type: Dear Colleague Letter, Electronic Announcement, **Regulation**, Journal of Student Financial Aid, NASFAA Advocacy Update, NASFAA Conference, National Conversation, QuickScan Survey, Student Aid Transcript, Today's News

Award Year:

Publication Date:

Resource Type: Regulation: Final

Award Year:

Publication Date:

Identifying the series and the type of resource helps narrow the search even further.

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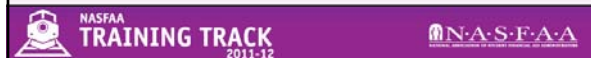
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## Sample Search Results

- Matches 1-25 of 111, Sorted By Relevance.
- ANN-11-23: Additional Session – Session Added for NSLDS Gainful Employment Reporting Process Webinar**  
This letter announces a second session has been added for the upcoming webinar on the National Student Loan Data System (NSLDS) gainful employment reporting process. The first session is now full. This second session will be held on Friday, Oct. 14, 2011 at 1:30 p.m. (ET).
  - Dear Colleague Letter** Publication Date=10/05/2011 Publisher=Department of Education ID=0966
  - ED Confirms Schools Must Notify ED by Oct. 1 If They Have No Gainful Employment Programs**  
Schools that do not have any academic programs subject to gainful employment regulations must report that fact to the Department of Education (ED) by October 1, 2011. NASFAA staff have confirmed this guidance with ED. Some schools mistakenly believe that gainful employment regulations do not apply to any of their programs.
  - Today's News** Resource Type=Article Publication Date=9/30/2011 Publisher=NASFAA ID=0934
  - Gainful Employment Reporting Required by Oct. 1, Even for Schools without Gainful Employment Programs**

Using advanced search gives you specific results in date order regarding the information searched.

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# Using NASFAA Tools to Ensure Title IV Compliance

NASFAA Website

**Professional Practice  
Tools**

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**NASFAA's  
*Compiled Title IV  
Legislation***

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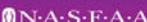
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*NASFAA Compiled Title IV Legislation*

- Searchable PDF for each major subchapter of U.S. Code that relates to student financial assistance programs for higher education
- Files constructed by incorporating amendments to the law

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# Using NASFAA Tools to Ensure Title IV Compliance

## NASFAA Compiled Title IV Legislation

- Each document contains bookmarks for easier navigation
- For ED regulations that interpret and implement these sections of law, see [Compiled Title IV Regulations](#)
- For official version of the law, visit [Thomas](#) at <http://thomas.loc.gov/home/thomas.php>

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## NASFAA Compiled Title IV Legislation



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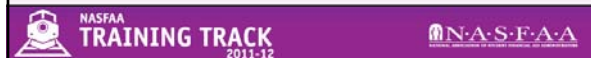
## NASFAA Compiled Title IV Legislation



Sample of § 1070a. Federal Pell Grants: amount and determinations; applications [HEA § 401]

- ~~Strikeout text is deleted effective with the 2011-12 award year and succeeding years;~~
- **Red text is added at that time**

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# Using NASFAA Tools to Ensure Title IV Compliance



**NASFAA's  
Compiled Title IV  
Regulations**

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*NASFAA Compiled Title IV Regulations*

- Searchable PDF document
- Linked table of contents in each document
- New regulations incorporated each award year

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*NASFAA Compiled Title IV Regulations*

- Current edition is as of July 1, 2011, effective 2011-12 award year
- Revisions that become effective July 1, 2011, are shown in:
  - red (added text) or
  - ~~strikeout (like this)~~ for deleted text
- Keys applicable to individual sections of regulation are noted in the footer
- Gray shading used to denote early implementation at institution's option
- Bookmarks added to permit navigation in document

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# Using NASFAA Tools to Ensure Title IV Compliance

## NASFAA Compiled Title IV Regulations

### Part 600: Institutional Eligibility

Compiled by NASFAA 11/2010 PART 600—INSTITUTIONAL ELIGIBILITY UNDER THE HIGHER EDUCATION ACT OF 1965, AS AMENDED Since published as a compilation through December 1994, the following amendments have been incorporated into part 600: -Technical corrections of 6/30/95 - Technical corrections of 6/12/96 -Improved oversight

### Part 601: Institution and Lender Requirements Relating to Education Loans

Compiled by NASFAA 11/2010 PART 601— INSTITUTION AND LENDER REQUIREMENTS RELATING TO EDUCATION LOANS First published 10/28/09 – effective date 7/1/10 with early implementation permitted for Secs. 601.11(a),(b),(c); 601.12; 601.21; and 601.40(a) Subpart A—General 601.1 Scope. 601.2 Definitions.

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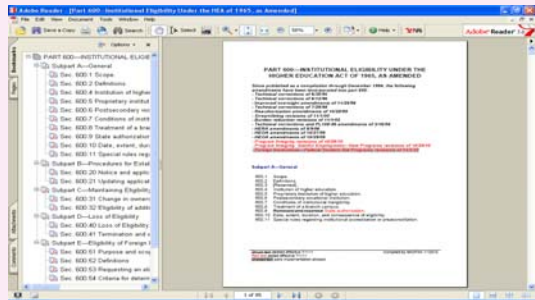
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## NASFAA Compiled Title IV Regulations



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## NASFAA Compiled Title IV Regulations



- Sec. 600.4, Institution of Higher Education
- Contains both:
  - ✓ red text indicating new language effective 7/1/11
  - ✓ strikethrough text indicating language was deleted

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# Using NASFAA Tools to Ensure Title IV Compliance

NASFAA Resources



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Types of Evaluations

- Audits
- Self Evaluation
- Peer Evaluation
- Program Reviews

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Evaluation Goal

Institution must be administratively capable and financially responsible

- On-going informal activity
- Formal, thorough review of all aspects of operations
- Routine reports

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# Using NASFAA Tools to Ensure Title IV Compliance

*NASFAA Policies & Procedures Tools*

NASFAA  
POLICIES & PROCEDURES  
**TOOLS**

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**What's in the Toolbox?**

- Tools for formatting, implementing, and evaluating policies and procedures
- *Regulatory Resources Guide* containing:
  - Explicit and implied regulatory requirements
  - Areas where schools have implementation options

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**What's in the Toolbox?**

- Tips for formatting your P&P manual
  - Page format samples
  - Style decisions
  - Master tracking document
- Guidance for reading and interpreting statutes and regulations

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# Using NASFAA Tools to Ensure Title IV Compliance

## Manual Template Sections

- 1: Manual Introduction
- 2: Administrative Organization & Office Management
- 3: Financial Aid Programs
- 4: Institutional Requirements Related to Student Loans
- 5: Student Consumer Information
- 6: Applications & Forms
- 7: File Review
- 8: Student Budgets
- 9: Awarding & Packaging
- 10: Professional Judgment
- 11: Disbursements
- 12: Satisfactory Progress
- 13: Return of Title IV Funds
- 14: Institutional Refunds
- 15: Fraud
- 16: Audits
- 17: Reserved
- 18: Appendices

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## Template Features

Click-and-type functionality to easily add your school's information

| Procedures   |           |
|--|-----------|
| Describe the process of identifying those applicants or applications selected for verification. Include a statement regarding the process of identifying and verifying subsequent or additional applications. Explain how the institution will monitor the number of selected applicants to make sure verification policies are enforced and/or percentages are met. | 608.54(a) |
| <a href="#">Click here to insert your school's procedures</a>  |           |
| Last updated: <a href="#">Click here to insert date</a>  |           |

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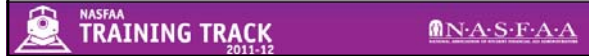
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## NASFAA's Self-Evaluation Guide



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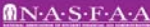


# Using NASFAA Tools to Ensure Title IV Compliance

*What is the NASFAA Self-Evaluation Guide?*

- In-house evaluation tool for Title IV and HHS programs
- Describes majority of requirements
- Includes best practices

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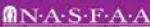
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*What is the NASFAA Self-Evaluation Guide?*

- Contains regulatory citations & other references
- Questions designed to easily identify areas of noncompliance
- Interactive form fields



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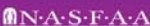
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*Use Self-Evaluation Guide to:*

- Prepare for audit and program reviews
- Affirm and/or revise financial aid operations, policies, and procedures
- Provide outline for policies and procedures manual

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# Using NASFAA Tools to Ensure Title IV Compliance

Use *Self-Evaluation Guide* to:



- Train staff
- Convey magnitude and complexity of financial aid administration to others
- Document need for resources, staffing, and physical accommodations

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Use *Self-Evaluation Guide* to:

- Prepare reports
- Determine progress towards achieving goals for improvement
- Preliminary evaluation to target areas for a formal review

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## *Self-Evaluation Guide* Topics Covered

The *Guide* is divided into four major parts:

- I. Institutional Responsibilities
- II. Administration of Title IV Federal Aid Programs
- III. Administration of Title VII and Title VIII Health Professions Programs
- IV. Appendices

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# Using NASFAA Tools to Ensure Title IV Compliance

## How to Complete the *Guide*



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## NASFAA's *Standards of Excellence Review Program*



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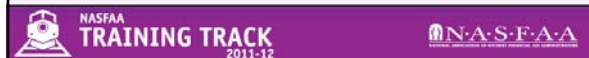
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## What is the SOE Program?

- Voluntary appraisal of financial aid operations
- Assesses strengths and weaknesses
- Makes recommendations to improve Title IV operations and customer service
- Comprised of a team of your peers

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# Using NASFAA Tools to Ensure Title IV Compliance

## What Areas Are Covered in a Review?

- Program compliance, operations, and delivery
- Systems, automation, and technology utilization
- Student service and satisfaction
- Human resources and facilities

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## SOE Contact Information

For a quote or more information contact:  
 Kenneth McGhee  
 Program Coordinator  
 202-785-0543  
[excellence@nasfaa.org](mailto:excellence@nasfaa.org)  
[mcgheek@nasfaa.org](mailto:mcgheek@nasfaa.org)

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## NASFAA *Guide to Adding New Academic Programs and Locations*



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# Using NASFAA Tools to Ensure Title IV Compliance

## Adding New Programs and Locations

- Highlights major areas schools should review when:
  - Establishing new academic programs
  - Adding locations
- Notes institutional eligibility and program eligibility considerations

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## Adding New Programs and Locations

- Lists regulatory and statutory citations for each area reviewed
- Provides related NASFAA & Department of Education (ED) resources for further guidance

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## NASFAA's ASKREGS



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# Using NASFAA Tools to Ensure Title IV Compliance

## NASFAA's ASKREGS

- AskRegs service gives members personal assistance with regulatory or compliance questions
- Questions are thoroughly researched to provide a comprehensive answer, including regulatory citations

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## NASFAA's *Using Federal Tax Returns in Need Analysis*

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## *Using Federal Tax Returns in Need Analysis*

- Reference tool on how to use federal income tax returns, forms & schedules for:
  - Verification
  - Need analysis
- Updated annually by NASFAA

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# Using NASFAA Tools to Ensure Title IV Compliance

## Using Federal Tax Returns in Need Analysis

- Cross-references FAFSA line items to tax returns, W-2 forms and schedules
- Describes commonly used tax forms
- Highlights use of W-2 forms for verifying certain taxable and untaxed income
- Contains *Guide to Implied Income and Assets*

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## Forms and Schedules Comparison Sample

2010 Federal Tax Forms and Schedules Comparison

| Need Analysis Data Element  | 1040   | 1040A  | 1040EZ                 | FAFSA                      |
|---|--|--|------------------------|----------------------------|
| Exemptions Claimed  | Line 6d  | Line 6d  | Line 5                 | 37(S)<br>85(P)             |
| Adjusted Gross Income (AGI)   | Line 37  | Line 21  | Line 4                 | 35(S)<br>83(P)             |
| Earnings from Work  | Lines 7 + 12 + 18 + Schedule K-1, Box 14, Code A Form W-2, Box 1 | Line 7 Form W-2, Box 1                               | Line 1 Form W-2, Box 1 | 38-39(S)<br>88-87(P)       |
| U.S. Income Tax Paid  | Line 55  | Line 35  | Line 11                | 36(S)<br>84(P)             |
| Tax-Exempt Interest Income  | Line 8b  | Line 8b  | N/A                    | 44(S)<br>92a(P)            |
| IRA Distributions (untaxed portions)  | Lines 15a minus 15b (excludes rollovers)                         | Lines 11a minus 11b (excludes rollovers)             | N/A                    | 44e(S)<br>92e(P)           |
| Pension and Annuity Distributions (untaxed portions)  | Lines 16a minus 16b (excludes rollovers)                         | Lines 12a minus 12b (excludes rollovers)             | N/A                    | 44f(S)<br>92f(P)           |
| Tax-Deferred Payments to Pensions and Savings Plans, IRA, SEP, SIMPLE, Keogh, and Other Qualified Plans | Lines 28 + 32 Form W-2, Boxes 12a-d Codes D, E, F, G, H, S       | Line 17 Form W-2, Boxes 12a-d Codes D, E, F, G, H, S | N/A                    | 44a, 44b(S)<br>92a, 92c(P) |

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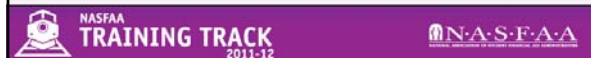
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## NASFAA Publications

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# Using NASFAA Tools to Ensure Title IV Compliance

## NASFAA Publications

### Quick Reference Guides

- Deadlines: Direct Loan Program Year Closeout vs. Reconciliation Q & A
- 2011–12 Graduate & Professional Reference Sheet
- 2011–12 Health Professions Loans & Scholarships Reference Sheet
- 2011–12 Student Aid Reference Sheet
- Cash For College

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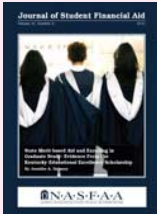
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## NASFAA's Student Aid Transcript



The *Student Aid Transcript* is the magazine of NASFAA, featuring in-depth articles by NASFAA members, policy experts, and colleagues in related industries

Vol. 41, No. 2 Fall 2011

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## NASFAA Distance Learning

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# Using NASFAA Tools to Ensure Title IV Compliance

## Live Webinars



Live webinars bring the latest information and allow you to actively engage with NASFAA staff and featured presenters from government, partner organizations, and fellow aid administrators

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## On Demand Webinars



Recordings of previously broadcast events are available for purchase and viewing at your convenience

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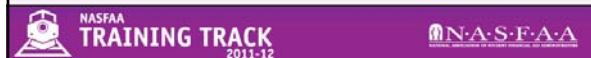
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## NASFAA Graduate and Professional Listserv

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# Using NASFAA Tools to Ensure Title IV Compliance

## Graduate and Professional Listserv



- Free service for NASFAA members at graduate and professional institutions
- Serves as a communications forum for issues specifically related to the administration of financial aid at Grad/Prof schools

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## Contact



**Questions?**

[lagroned@nasfaa.org](mailto:lagroned@nasfaa.org)

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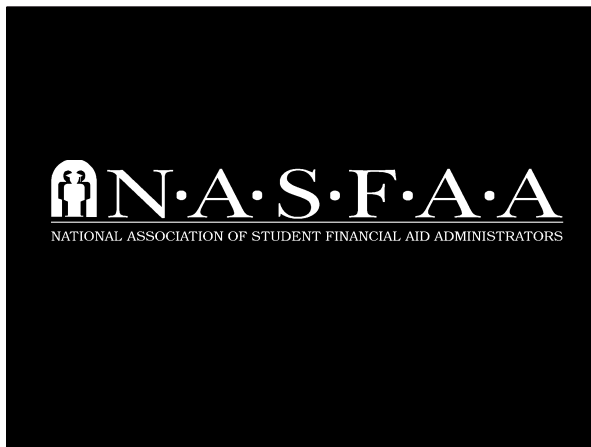
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