Financial Aid Update:

Enrollment Reporting, Gainful Employment, & Year-Round Federal Pell Grants

Board of Trustees Study Session 11-Jul-17 Presented by Myrna Perkins, Director of Financial Aid

Enrollment Reporting:

Enrollment Reporting Overview:

At least every two months, schools administering Title IV funds must report enrollment and program information to the U.S. Department of Education (ED). Barton reports monthly through The National Student Clearinghouse (NSC) who updates information with the National Student Loan Data System (NSLDS).

Purpose:

The purpose of the reporting is to 1) determine if a student loan borrower should go into repayment on their student loans if they are below at least ½ time status; and, 2) determine what they have reached the maximum timeframe for the subsidy on their student loan.

Other Relevant Information:

Beginning in 2014, federal subsidized student loans could only be subsidized through 150% of the program length. Students who exceeded that limit would have their subsidized loans revert to unsubsidized. Thus at this point in time, schools were required to report program and program length information to ED along with enrollment information.

Schools must report this information for <u>all</u> students taking classes whether they are degree-seeking at the institution or not because the students may have a previous student loan or a student loan originated/disbursed by another institution.

To be in compliance, ED expects all schools to report program information for at least 90% of the student enrollments.

Issue:

For more than a year, Barton has been falling below the 90% federal threshold. (See Appendix A: NSLDS screen shots). On 27-Apr-17, Barton received a "First Warning Letter" of non-compliance.

Working Towards Resolution:

FA Director has been working with ED towards a resolution, requesting an exception be made. Data pulled and provided as requested by ED indicates only 30% of Barton students are degree- or certificate-seeking; 70% of Barton students are non-degree-seeking (NDS). Taking into consideration that ED is interested only in those students who currently have or previously had a federal student loan, we have decided upon 60% as a more reasonable threshold. ED has agreed to take this into account.

Gainful Employment:

Gainful Employment Overview:

"The Obama administration today released a broad set of rules to strengthen federal student aid programs at for-profit, nonprofit and public institutions by protecting students from aggressive or misleading recruiting practices, providing consumers with better information about the effectiveness of career college and training programs, and ensuring that only eligible students or programs receive aid. 'These new rules will help ensure that students are getting from schools what they pay for: solid preparation for a good job,' Secretary of Education Arne Duncan said." October, 28, 2010 (https://www.ed.gov/news/press-releases/department-education-establishes-new-student-aid-rules-protect-borrowers-and-taxpayers)

Basically two responsibilities in regard to GE: 1) reporting data to ED; and, 2) disclosures to students.

Timeline of GE Events:

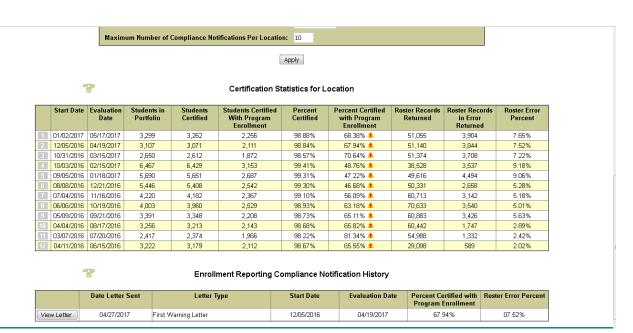
- October 28, 2010 ED announces final GE rules with other Program Integrity rules. (https://www.ed.gov/news/press-releases/department-education-establishes-new-student-aid-rules-protect-borrowers-and-taxpayers)
- 2011 Implementation of GE rules detained due to legislation brought by For-Profit Schools. Reporting data to ED ceases.
- October 30, 2014 ED announces final GE rules; implementation to proceed. Schools to disregard previous final regulations. Reporting data to ED commences again.
- New Disclosure Template Announcements:
 - ✓ November 13, 2016 ED announces new disclosure template will be out January, 2017 and ready for required April 3, 2017 implementation.
 - ✓ January, 2017 ED announces new disclosure template will be out April, 2017.
 - ✓ March 6, 2017 ED announces deadline for required new disclosure format extended to July 1, 2017
 - ✓ June 29, 2017 ED announces new disclosure requirements suspended until July 1, 2018.
- 13-Jun-2017 ED announces delay and renegotiation of GE rules; schools will continue business as usual (except for new disclosures) until reset of GE rules are completed and final rules are published.

Year-Round Federal Pell Grants:

Year-Round Federal Pell Grants Overview:

- On June 19, 2017, ED announced the renewal of Year-Round Federal Pell Grant availability for students.
 Under this provision a student may receive an additional Federal Pell Grant during an aid year after already exhausting the 100% annual award; under specific circumstances students may receive an additional 50% more in addition to the 100% annual award. This goes into effect for the 17-18 aid year.
- For summer periods of enrollment, schools <u>must</u> pay the student from the application year in which they benefit most, rendering summer as either a header or trailer term to the fall/spring terms.
- Functionality for schools to report to ED the additional payment will not be delivered until October, 2017. In the meantime, disbursement requests will be rejected by ED.

Appendix A



7	Display Options								
	School Code: 004608								
	School Location Code: 00460800 ▼								
	Display Statistics For: O School O School Location								

Apply

Certification Statistics for Location

Start Date	Evaluation Date	Students in Portfolio	Students Certified	Students Certified With Program Enrollment	Percent Certified	Percent Certified with Program Enrollment	Roster Records Returned	Roster Records in Error Returned	Roster Error Percent
04/11/2016	06/15/2016	3,222	3,179	2,112	98.67%	65.55% 📤	29,098	589	2.02%
03/14/2016	05/18/2016	3,220	3,176	2,104	98.63%	65.34% 🔔	29,952	458	1.53%
02/15/2016	04/20/2016	4,130	4,086	3,583	98.93%	86.76% 📤	32,533	488	1.50%
01/11/2016	03/16/2016	3,410	3,364	3,244	98.65%	95.13%	41,065	7,600	18.51%
12/14/2015	02/17/2016	3,213	3,167	3,164	98.57%	98.47%	42,936	10,180	23.71%
11/17/2015	01/21/2016	3,198	3,143	3,062	98.28%	95.75%	48,165	10,756	22.33%