



DJA Outlook

Winter 2010

Winter 2010 Financial Aid Briefs

Notes from Deborah

DJA Relocates to a New Building

Deborah John & Associates has been growing over the years and we outgrew our previous building. I would like to thank our many loyal clients over the years who have allowed DJA the opportunity to grow and be able to move into a new, larger location in Wichita, KS. We are excited about all our new resources as we feel this will allow us to even better serve our clients in the administration of your financial aid.



Central Time. Each session consists of financial aid updates with a major topic to be covered in depth. The January major topic of Cohort Default Rates and Default Management plans to assist schools in preparing for the draft cohort default rates that will be released on in February 2010. Additional information regarding the schedule for the 2010 Webinar training is located by clicking on the Training/Exh Schedule on our website (gotodja.com).

Cohort Default Rate Calculations Move to a 3-year Rate for FY2009

The cohort default rate calculation has changed from two years to three years, effective with the Fiscal Year 2009 cohort. The FY2009 Cohort (borrowers who entered repayment between October 1, 2008 and September 30, 2009) will be the first rate based on the new standard and will include borrowers who default prior to September 30, 2011.

The Department will continue to calculate and publish official two-year CDRs until the third three-year rate is published

Greetings! For school and colleges, the start of a new calendar year means planning for 2010-2011 is underway. In this issue, we report on those concerns. As for planning for 2010-2011, what better way than to utilize the web-based training offered monthly at DJA? For more information on this service, provided by DJA, see the article on this page of the publication. DJA also encourages you to attend the DJA Financial Aid training session on April 26th in Kansas City (see page 3 for details). Also, read page 3 for details on the region VII Private Career School (PCCS) Workshop and Career College Association convention. Don't forget to read the rest of our Financial Aid Briefs dealing with the most recent financial aid updates. Here's hoping 2010 is great for you and your family!

DJA Web-Based Training Continues in January

DJA will continue the free monthly webinars for our clients in 2010. These webinars allow the financial aid staff to keep up-to-date with no travel costs to the school. We received such a great response from our clients and are excited to continue offering this invaluable training tool as a service to our clients. Non clients may sign up for a fee of \$35 per session. These sessions are held the first Wednesday of each month at 11 am,

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since at that time three three-year rates would have been calculated (FY 2009 published in 2012, FY 2010 published in 2013, and FY 2011 published in 2014).

Default rates will likely increase due to the change in calculation. By looking at three years of default history versus the two years most schools can expect an increase in their Cohort Default Rate.

In response to public questions regarding how the new law will impact the rates, the department has calculated trial rates for each school for FY2005, FY2006 and FY2007. These unofficial rates are publicly available on the web at <http://federalstudentaid.ed.gov/datacenter/library/TrialYearCDR.xls> and are for information only. These trial rates do not have any benefits or sanctions, and as such, there is no provision for appeals. A Loan Record Detail Report (LRDR) can be requested for each calculation using NSLDS at www.nslsdfap.ed.gov. Institutions will also be able to compare these trial rates with the institutions official two-year rates for the relevant cohort years.

Secretary Duncan's Letter to College Presidents

U.S. Education Secretary Arne Duncan recently e-mailed letters to college presidents asking for assistance in "taking the necessary steps to ensure uninterrupted access to federal student loans by ensuring your institution is Direct Loan-ready for the 2010-2011 academic year." Secretary Duncan went on to say, "As you may know, President Obama has proposed that Congress make the loan system more reliable by moving to a 100 percent Direct Loan delivery system. In any event, under current law, ECASLA will expire, and the continued participation of FFEL Program lenders will be in question." Remember, should your institution decide to transition from the FFELP program to Direct Lending, DJA can assist. Call

Kristi @ 800-242-0977 for more information.

New Regulations

In four rather lengthy Federal Registers, the USDE has recently published final regulations which must be implemented by July 1, 2010. DJA is currently reading and digesting what is new. Watch for updates in future client memos and newsletters.

To read the Federal Registers in full, go to the following links:

<http://www.ifap.ed.gov/fregisters/FR102709.html>

<http://www.ifap.ed.gov/fregisters/FR102809InstitutionandLenderrequirements.html>

<http://www.ifap.ed.gov/fregisters/FR102909FFELPerkinsDirectLoanFinal.html>

<http://www.ifap.ed.gov/fregisters/FR102909GeneralandNonLoanProgrammaticFinalRule.html>

Assistance to Children of Certain Deceased Members of the U.S. Military

The USDE has released operational guidance for the additional Title IV available for students whose parent or guardian died as a result of U.S. military service in Iraq or Afghanistan after September 11, 2001. The following is an excerpt from the guidance. You may read the article in its entirety at <http://www.ifap.ed.gov/eannouncements/110609DODMatch.html>

.... under certain conditions an otherwise eligible student whose parent or guardian died as a result of U.S. military service in Iraq or Afghanistan after September 11, 2001, may receive increased amounts of Title IV student financial assistance. Such students are eligible for increased aid under these provisions if the student was 23 years of age or younger when the parent or guardian died or, if the student was over age 23, he or she was enrolled at an institution of higher education at the time

of the parent or guardian's death. As discussed below, beginning with the 2010-2011 Award Year this increased aid may include assistance from the new "Iraq and Afghanistan Service Grant" (IASG) Program.

To be eligible for increased Title IV aid under these provisions, the applicant must meet all Federal Pell Grant (Pell Grant) eligibility requirements, except for having a Pell-eligible Expected Family Contribution (EFC). These requirements include completing a Free Application for Federal Student Aid (FAFSA), not previously having received a bachelor's degree (except for certain teacher certification candidates), and meeting all Title IV student eligibility requirements.

The types and amounts of increased assistance depend on the calculated EFC of the student and the award year for which the student is seeking assistance.

For the 09/10 award year, applicants with a Pell-Eligible EFC – All Title IV aid that is awarded to an eligible student must be based on an EFC of zero without regard to the student's calculated EFC. Thus the student is eligible for the maximum Pell Grant for his or her enrollment status and cost of attendance. In addition, the student's eligibility for FFEL or Direct Loans and for Campus-Based Program aid must be based on an EFC of zero. Applicants with an EFC that is not Pell-Eligible – No increased amounts of Title IV aid for the 09/10 Award Year. All Title IV aid must be based on the calculated EFC.

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Upcoming DJA Training Seminar and Exhibition Schedule

2010 Private Career Colleges and Schools Workshop Schedule

The annual Regional Private Career Colleges and Schools (PCCS) workshops schedule will be as follows:

Regions VII & VIII PCCS—January 25-26 in Kansas City, MO.

Region IV—February 22-23 in Atlanta, GA.

Region I, II, & III—April 19-20 in Philadelphia, PA.

Region V—May 24-25 in Chicago, IL.

The upcoming Region VII and VIII Workshop will be at the KC Airport Embassy Suites Hotel. This year marks the 24th anniversary of the PCCS Workshop, which is open to all post-secondary schools included in Region VII and VIII area. The states included in Region VII are Kansas, Missouri, Nebraska, Iowa, Kentucky and Tennessee and Region VIII are Minnesota, North Dakota, Wyoming, Utah and Colorado.

Deborah John, president of DJA, and Kristi Cole, Director of Sales, will be the Training Advisors for the Workshops and DJA will also be an exhibitor at each meeting.

DJA will be conducting a Basic Financial Aid Training Session. Deborah will also be doing several other sessions throughout the workshop. In addition, many USDE officials are on hand to discuss upcoming regulations for the next financial aid award year.

Be sure to mark your calendars for these events. You may obtain more information regarding this event by visiting the website for this workshop at <http://www.regionspccs.com/>. Or, contact the Region VII Chair Larry Prather at larryprather@cotdja.com for further information concerning agenda, registration fees and hotel information.

ABHES—February 10-12, 2010 in Las Vegas, NV

DJA will be an exhibitor at the Accrediting Bureau of Health Education Schools (ABHES) National Conference on Allied Health Education. This year's Conference will be held in Las Vegas, NV at ARIA Resort & Casino located in CityCenter Complex on the Las Vegas Strip February 10-12.

ABHES is recognized by the United States Secretary of Education for the accreditation of private, postsecondary institutions in the United States offering predominantly allied health education programs.

DJA will have information available at this session for those institutions interested in using a third party servicer (e.g. DJA) as well as information on EFAS (Electronic Financial Aid Servicing from DJA) and EFAS Express (the ability to use your PC with EFAS).

For more information on the ABHES National Conference, visit their website at www.abhes.org or call them at 1-703-917-9503.

DJA Financial Aid Training April 26, 2010 in KC, MO

The Spring DJA Financial Aid Training Session will be Monday, April 27, 2009 at the Harrah's North Kansas City Casino and Hotel located at One Riverboat Drive, Kansas City, MO.

The topics to be presented at this session are as follows:

- Review of new regulations for 2010-2011
- Review of the 2010-2011 FAFSA
- Review of 2009 Tax Returns
- Student Eligibility
- Verification
- Professional Judgment and Dependency Overrides
- Calculating Pell and Loans

The session will start at 9a.m. and end at 4p.m. Registration is from 8:30 a.m. to 9:00 a.m. with complimentary coffee and danish in the morning. This session is free to DJA clients. All other interested institutions are welcome to attend. The cost is \$125 per person at the door, or \$95 per person, prepaid in advance of the seminar.

All attendees will need to register in advance by contacting Becky Lund at DJA at (800) 242-0977 or via email at blundblom@gotodja.com. Reservations must be made by 5th to receive the group rate of \$95 per night (for single/double occupancy). The group code may be obtained when making your session registration with DJA. Hotel reservations must be made by calling Harrah's at 1-800-447-7272.





DJA Calendar for Jan., Feb., & Mar.

January 2010

As of January 1, 2010, the 2010/11 Free Application for Federal Student Aid (FAFSA) can be processed. Jan. 31, 2010 is the deadline to provide 1098T and 1098E forms to students. Don't forget that DJA will be in Kansas City for the Region VII & VIII Workshop on January 25-26 (see pg. 3 for details). The entire staff of DJA would like to wish you and your colleagues a very Happy New Year.

February 2010

Prepare to file Forms 1098-T and 1098-E for the year 2009, which must be filed with the IRS if filed by paper or magnetic media by March 31, 2010. Be sure to look for DJA at the ABHES conference held Feb. 10-12 in Las Vegas. And visit us at the Region IV PCCS Workshop Feb. 22-23 in Atlanta, GA.

March 2010

Remember to sign up for the DJA Financial Aid Training Session to be held Monday, April 26th in Kansas City, MO (see pg. 3 for details). Also, reminder that March 31, 2010 is the deadline to file 1098-T and 1098-E forms electronically with the IRS.

A Reminder

DJA publishes a monthly newsletter via its Home Page (www.gotodja.com). This issue of the DJA Outlook is also available in Adobe PDF format via the link called DJA Outlook at our web site: www.gotodja.com, or via the DJA News Archive link ([winter10.pdf](#)).

About the DJA Outlook

If you have any questions or comments about articles featured in this newsletter or about the newsletter in general, please call **Becky Lundblom** at 800-242-0977.

Winter 2010 Financial Aid Briefs (cont.)

2010-11 Application Processing Update

The Summary of Changes for 2010-11 Application Processing System is now available (<http://www.ifap.ed.gov/eannouncements/110609DODMatch.html>) and includes the following topics:

- Major changes to the 2010-2011 application processing system
- Schedule for 2010-2011
- 2010-2011 FAFSA, including information about ordering and distribution of FAFSA on the Web Worksheets
- 2010-2011 Central Processing System (CPS), including database matches, edits, need analysis, communications sent to students, Institutional Student Information Records (ISIRs), and other notable changes
- USDE has released a number of publications related to 2010/2011 processing that are available on the IFAP website at <http://www.ifap.ed.gov>. The 2010/2011 FAFSA on the Web Worksheet, designed to assist students and their parents in the FAFSA on the Web experience, is now available in English and can be downloaded from <http://www.ifap.ed.gov/eannouncements/attachments/112609FAFSAWorksheetEnglishAttach.pdf>
- The Summary of Changes for the Application Processing System for 2010/2011 provides information about all of the changes to the application processing system, including details about all of the changes to the 2009/2010 FAFSA. This document is available at <http://www.ifap.ed.gov/sunchngsappsys/110409ChangesAppProcessSys1011.html>.
- The 2010/2011 ISIR Guide is now available at <http://www.ifap.ed.gov/isirguide/1011ISIRGuide.html>. The Guide provides all of the comments codes that will be used for 2009/2010, along with information about changes to comments, new comments, and deleted comments.
- The 2010/2011 School Electronic Processing Guide provides record layouts and is available at <http://ifap.ed.gov/schelectprocguide/1011SchoolEleProGuide.html>.

IRS DATA RETRIEVAL PROCESS FOR 2009/10—COMING JANUARY 2010!

Beginning in late January, under certain conditions students and the parents of dependent students will be able to import tax information from the IRS website into their 2009-10 FAFSA on the web. The 2010-11 retrieval process is anticipated to be available in the summer of 2010. In order to be eligible to use the process for 2009-10, FAFSA on the web student applicants and the parents of dependent students must meet the following criteria:

- Must be filing an initial or renewal 2009-2010 FAFSA (IRS Data Retrieval will not be available for corrections entry for 2009-2010)
- Must have a PIN (this is required to access tax information on the IRS database, as well as to sign and submit the FAFSA online); if the student or parent does not have a PIN, they will be provided with the opportunity to apply for a PIN and use it immediately to transfer IRS data to the FAFSA and submit the FAFSA
- Must have a valid Social Security Number (SSN)
- Must have filed a 2008 federal tax return
- Marital status has not changed since December 31, 2008

For more information and conditions under which a FAFSA applicant cannot and/or should not use the IRS data retrieval process, read the USDE Electronic Announcement in its entirety at <http://www.ifap.ed.gov/eannouncements/110509OverviewIRSDataRetrieval0910.html>