



BANNER FINANCIAL AID USER'S UPDATE

September 2009

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FFELP Update

Unsubsidized Loans for Dependent Students without Parental Data

With the passage of the Higher Education Opportunity Act of 2008 (HEOA), changes were made to allow a Dependent student to file a FAFSA without providing parental data. On a case by case basis, students in this situation may also be awarded and have disbursed on their behalfs Unsubsidized Stafford Loans.

The statutory provision provides that before a financial aid administrator exercises his or her discretion to award a dependent student an unsubsidized loan without parental FAFSA information, the financial aid administrator must verify that the parent(s) has ended financial support of the student and refuses to complete the parental sections of the FAFSA. *Self-certification from the dependent student is not sufficient*. In most instances, this requirement can be met by the financial aid administrator obtaining a signed and dated statement from one of the student's parents specifically stating that the parent(s)

- has stopped providing financial support to the student (including the date when the financial support stopped);
- will not provide financial support in the future; and
- refuses to complete the parental section of a FAFSA.

There is no requirement that the parent provide a reason for ending financial support and refusing to complete the FAFSA. It should be noted that providing financial support includes not only payment by the parent of educational costs, but also providing other cash and non-cash support to the student such as room and/or board.

If the student informs the financial aid administrator that his or her parent(s) will not provide the required verification statement, the financial aid administrator must obtain documentation from a third party (e.g., teacher, counselor, clergy, court) describing the student's relationship with his or her parents.

Finally, before making a decision the financial aid administrator may, but is not required to, determine how the student intends to financially support himself or herself without parental support.

Assuming that a student has met the aforementioned criteria, Banner has been updated to allow for the processing what will be a rejected ISIR. The updates are as follows:

A new indicator has been added to account for students in this situation. This indicator can be updated under the “Pell and Loan” tab of RPAAWRD (as seen below), and the “Pell and Loan” tab of RPAAPMT. The indicator can be viewed, but not updated, on the “Packaging Group Information” block on ROARMAN.

The screenshot shows the Banner/DEVL_JPI - Connecticut Community College System: Open > RPAAWRD interface. The window title is "Banner/DEVL_JPI - Connecticut Community College System: Open > RPAAWRD". The browser address bar shows "Quinebaug Valley Community Col Award Maintenance RPAAWRD 7.14.1 (DEVL) [L_GDEANGELIS] - Monday August 24, 2009".

The interface includes a menu bar (File, Edit, Options, Block, Item, Record, Query, Tools, Help) and a toolbar. Below the menu bar, there are input fields for "Aid Year: 0910", "SSN:", and "ID:". The main content area is divided into several tabs: "Award Maintenance", "Fund Awards by Term", and "Disbursement Schedule". The "Fund Awards" section is active, showing a table with columns: "Fund", "Description", "Status", "Offered", "Accepted", "Declined or Cancelled", "Memoed or Authorized", "Paid", and "Reschedule". The table contains one row for "LPELL Federal Pell Grant" with a status of "ACPT" and amounts of 4400.00 in the "Offered" and "Accepted" columns. A "Total" row shows 4400.00 for both "Offered" and "Accepted".

Below the table, there are tabs for "Summary", "Packaging Group", and "Pell and Loan". The "Pell and Loan" tab is selected, showing a form with several fields and checkboxes. The "Additional Stafford" field is set to "Default". The "Borrower Based" field is empty. The "Preparatory or Teacher Certification" field is set to "N=No". The "Subsidized Loan Exclusion Amount" field is empty. The checkboxes are: "Pell Origination" (checked), "Additional Eligibility Indicator" (unchecked), "Post Bachelor's Degree Pell Override" (unchecked), "HPPA" (unchecked), and "Dependent without Parent Data" (unchecked). A red circle highlights the "Dependent without Parent Data" checkbox, and an arrow points from it to the text below.

At the bottom of the window, there is a status bar with the text: "Fund Code; press COUNT QUERY HITS for Applicant Immediate Process, DUPFLD for Auto Packaging" and "Record: 1/1 | ... | <OSC>".

Checking this indicator allows for the following:

- Dependent students will be able to be awarded and have disbursed Unsubsidized Stafford Loans despite the fact that the ISIR is in a rejected status. It should be noted that the awarding of other Title IV funds will not be allowed.
- Loan originations will be allowed despite the presence of an Unofficial EFC

Please note that the “Dependent without Parent Data” indicator cannot be checked for those students whose “Additional Stafford” indicator has been set to ‘Y’, as such a designation would indicate either an independent student or a student whose parents are actively involved in the completion of the FAFSA. When attempted, the following error message occurs: *Dependent without Parent Data cannot = ‘Y’ when Additional Stafford = ‘Y’*

Also, in order to be able to award the actual Stafford Loan, you will need to manually clear the batch posted Reject Requirement on RRAAREQ, a practice we typically do not endorse.

Academic Competitiveness Grants Processing

Awarding ACG's

AC Grants should continue to be awarded manually. **AC Grants should always be awarded in amounts that reflect their full-time equivalent for any given semester.** This is especially important due to the manner with which ACG will prorate at disbursement with this release.

ACG Disbursement

Proration

AC Grants awarded on a full-time basis will now prorate according to enrollment, much in the same manner as Pell Grants. This is due to the fact that RPROPTS has been updated to monitor functionality relative to ACG as well as Pell. As such, you may notice that forms previously dedicated to Pell are now dedicated more broadly to "Grants."

Pay Grant if Disbursement Amount Differs from Award Amount: L= Lesser Amount
Default Less than Half Time Pell COA: 6000

Pay Pell if System EFC and SAR EFC are in Same Pell Payment Cell
 Delete Pell Award if Zero
 Use NSLDS for Pell

Term Code	Grant Award Enrollment Option	Grant Disbursement Enrollment Option	Grant ISIR Term
109312	(None)	(None)	(None)
110112	(None)	(None)	(None)
110212	(None)	(None)	(None)

Grant Disbursement Option
Record: 1/1 | ... | <OSC>

