

#	Subject	Summary of Change to <i>Common Manual</i>	Type of Update	Effective Date
1072	Eligible Lender - Eligible Financial Institutions	<p><b><u>3.1</u></b>            <b><u>Eligible Lenders</u></b></p> <p>Adds a third exemption for the criterion that FFELP loans may not represent more than 50% of a lender's consumer credit loan portfolio in order for the lender to be considered eligible to participate in the FFELP. This exemption is for a National or State chartered bank or credit union with assets of less than \$1 billion.</p>	Federal	August 14, 2008.
1073	New School-as-Lender Audit Requirement	<p><b><u>3.2</u></b>            <b><u>Schools Acting as Lenders and Eligible Lender Trustee Relationships</u></b></p> <p>Adds the requirement that a school-as-lender (SAL), a lender serving as a trustee for a school, or a school-affiliated organization participating as a lender in the FFELP must have an annual audit of its lending function that focuses on ensuring that the income (special allowance, interest received from students and the Department, proceeds of any loan sale, etc.) is used to provide need-based grants and that the school applies only a reasonable portion of those proceeds to administrative expenses. The audit must confirm that the proceeds of the loan portfolio are used to supplement and not to supplant federal and non-federal funds that would otherwise be directed to need-based grant programs.</p>	Federal	First auditable period of the school lender or ELT that begins on or after August 14, 2008.
1074	Credit Reporting Requirements	<p><b><u>3.5.C</u></b>            <b><u>Credit Bureau Reporting</u></b></p> <p><b><u>13.8</u></b>            <b><u>Discharge</u></b></p> <p>Changes credit bureaus to "consumer reporting agencies" to align with new statutory terminology. The policy also requires the lender to report to all national consumer reporting agencies, and adds to the list of data that the lender is required to report that the lender must report that the loan is an education loan.</p>	Federal	Loans on which the lender reports credit transactions on or after August 14, 2008.
1075	Lenders of Last Resort	<p><b><u>3.7.A</u></b>            <b><u>Eligible Lenders</u></b></p> <p><b><u>3.7.C</u></b>            <b><u>How the LLR Program Works</u></b></p> <p><b><u>Appendix G</u></b></p>	Federal	May 7, 2008.

		Includes new and amended provisions for lender of last resort (LLR) loans outlined in the Ensuring Continued Access to Student Loans Act (ECASLA) and subsequent federal guidance.		
1076	Drug Conviction Notices	<p><b><u>4.4.B</u></b>      <b><u>Consumer Information</u></b></p> <p><b><u>5.8</u></b>            <b><u>Effect of Drug Conviction on Eligibility</u></b></p> <p>Adds the requirement that a school must provide a written notice to a student who has been convicted of a state or federal offense involving drug possession or sale while the student is enrolled in school and receiving Title IV aid.</p> <p>Adds the requirement that a school must provide a written notice to a student who loses Title IV eligibility due to a drug-related conviction that advises the student of his or her loss of Title IV eligibility and the ways in which the student may regain eligibility for Title IV aid.</p>	Federal	<p>For the notice upon enrollment: Students who enroll at the school on or after August 14, 2008.</p> <p>For the notice upon loss of Title IV eligibility due to a drug conviction: School determinations of a student's loss of Title IV eligibility on or after August 14, 2008.</p> <p><i>If the Department publishes guidance with a different triggering event, the Common Manual will immediately notify the FFELP community of the change.</i></p>
1077	Multiple School Enrollment	<p><b><u>5.15</u></b>          <b><u>Multiple School Enrollment</u></b></p> <p><b><u>6.7</u></b>            <b><u>Determining the Amount of Estimated Financial Assistance (EFA)</u></b></p> <p>Adds that for a student enrolled simultaneously at multiple schools, any Stafford or PLUS loan certified by one school is not included as estimated financial assistance (EFA) by any other school when determining a student or parent borrower's loan eligibility for the same payment period or period of enrollment.</p>	Federal	Publication date of the 05-06 FSA Handbook.
1078	Teacher Education Assistance for College and Higher Education (TEACH) Grants	<p><b><u>6.6</u></b>            <b><u>Determining the Expected Family Contribution (EFC)</u></b></p> <p><b><u>6.7</u></b>            <b><u>Determining the Amount of Estimated Financial Assistance (EFA)</u></b></p> <p><b><u>6.11.A</u></b>       <b><u>Stafford Annual Loan Limits</u></b></p> <p><b><u>6.11.B</u></b>       <b><u>Stafford Aggregate</u></b></p>	Federal	For provisions regarding estimated financial assistance (EFA), annual, and aggregate Stafford loan limits: Loan eligibility determinations made by a school

		<p><b><u>9.5.A</u></b>      <b><u>Loan Limits</u></b>  <b><u>Return Amounts for</u></b>  <b><u>the Title IV Grant and</u></b>  <b><u>Loan Programs</u></b></p> <p><b><u>9.5.B</u></b>      <b><u>Processing Returned</u></b>  <b><u>Funds</u></b></p> <p><b><u>13.8.G</u></b>     <b><u>Total and Permanent</u></b>  <b><u>Disability</u></b></p> <p><b><u>16.2</u></b>        <b><u>Calculation of School</u></b>  <b><u>Cohort Default Rates</u></b></p> <p>Adds information on certain TEACH grant provisions and their implications for FFELP borrowers and loan eligibility. These provisions relate to: estimated financial assistance (EFA); Stafford annual and aggregate loan limits; return of Title IV funds calculation; total and permanent disability; and a school's cohort default rate.</p> <p>Adds a glossary definition to the Manual for TEACH grants.</p>	<p>on or after July 1, 2008.</p> <p>For provisions regarding the return of Title IV funds: TEACH Grant recipients who withdraw on or after July 1, 2008.</p> <p>For total and permanent disability discharge determinations: total and permanent disability discharge applications received by the lender on or after July 1, 2008.</p> <p>For all other provisions: July 1, 2008.</p>
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