

Policy Proposal Development

The Policy Committee currently has three policy proposal batches that are in varying stages of development, as follows:

- **Batch 152:** This batch, containing three policy proposals, was distributed for comment on August 15th. Comments were due on September 5th. The Governing Board will consider the three policy proposals from Batch 152 during its October 16th meeting.
- **Batch 153:** This batch, containing eight policy proposals, was distributed for comment on September 12th. Four policy proposals in Batch 153 were previously distributed in prior batches. Policy proposals 991 and 997 were previously distributed in Batches 146 and 149. Policy proposals 991 and 997 address cases when a lender or servicer establishes more than one loan servicing record for a Consolidation loan (see the separate update on policy proposals 991 and 997 below). Policy proposal 1023 was originally distributed for community comment in Batch 149. This proposal seeks to establish an industry standard for acceptable documentation to make a change or correction to the borrower's last name. Policy proposal 1055 was originally distributed for comment in Batch 151. Policy proposal 1055 updates the Manual with current Departmental guidance on notices that the NSLDS generates when a school is overdue in returning its enrollment data updates to the NSLDS. The Committee is currently analyzing comments received from the community on Batch 153, preparing comment responses, and tentatively plans to bring the eight policy proposals in that batch to the Governing Board for consideration during the Board's meeting on November 20th.
- **Batch 154:** This batch, containing 6 policy proposals, was distributed to the community for comment on October 10th. Comments are due on October 31st. Policy proposals from this batch will be referred to the Governing Board for consideration during the Board's meeting on December 18th.

The Committee plans to distribute nine batches total this production year, with the final batch being distributed for community comment on February 20, 2009. The Committee published a Batch Distribution Calendar in early August that shows the projected dates that each batch will go out for comment, the date comments are due, the Governing Board meeting at which each will be considered for approval, and the anticipated bulletin publication date. For reference, this calendar has been posted to the *Common Manual* Website on the Policy Committee Activities Page.

New Legislation

A comprehensive Higher Education reauthorization bill, the Higher Education Opportunity Act, was signed into law on August 14th. Many, although not all, of its provisions are effective upon enactment. The Committee is actively reviewing the Manual to determine what areas are impacted by this legislation, and is drafting preliminary policy proposals to address the statutory changes. However, the Committee is awaiting additional information from the community concerning proposed triggering events for these changes, and also plans to consult with community representatives to determine if community input during the policy proposal development stage would be helpful.

Policy Committee Survey

The Committee conducts an annual survey of Governing Board members and the FFELP community at large to obtain feedback on the work of the Committee over the past year. The Committee utilizes the survey responses to identify issues it needs to address regarding the policy development process and communications with FFELP community participants. The survey also polls the community's satisfaction with the *Common Manual* web site.

For the first time this year, the Committee established a web-based survey via the Survey Monkey Web site. The Committee was pleased to receive 42 responses to the survey, more than double the number of respondents last year.

A summary of this year's survey responses were shared with the *Common Manual* Governing Board and with attendees at the annual *Common Manual* industry meeting held on September 24th in Washington, D.C.

Highlights of the survey responses include the following:

- Over 50% of respondents indicated they provided comments on at least 7 of the 9 policy proposals batches the Committee distributed during the 2007-2008 production year. Of those that provided comments, 73% indicated they were very satisfied or satisfied that their comments received due consideration. 90% indicated that they were very satisfied or satisfied with the thoroughness of all comment responses.
- 95% of respondents were either very satisfied or satisfied with the Committee's communication and interaction with the FFELP community.
- 93% indicated they access the *Common Manual* website between 1 and 5 times per month. Between 82% and 87% of respondents indicated that the features of the website were either very good or good.
- 90% of respondents indicated that, overall, they were very satisfied or satisfied with the Committee's work during the past production year.

The Committee also received several suggestions regarding the policy proposal development process through the survey vehicle, some of which are highlighted below:

- **When issuing proposals for comment, include links to the actual section of the Manual.** While the Committee agrees that this idea could be useful for commenters, our research confirms that this is not feasible or expedient in light of current technology. A link inserted within a proposal would take the user to only the first page of the *Common Manual* on the Website, requiring the user to download the ECM.
- **Issue a reminder to the community the day of or the day before comments are due on a batch.** At our spring face-to-face meeting, the Committee discussed ways to help the community stay abreast of the policy proposal development schedule. To address that need, the Committee now publishes a Batch Distribution Calendar that contains the projected dates that each batch will go out for comment, the date comments are due, the Governing Board meeting at which each will be considered for approval, and the anticipated bulletin publication date. This calendar is available on the *Common Manual* Website under the Policy Committee Activities page. The Committee also currently issues a reminder to the community about the comment due date for a policy proposal batch four days prior to the comment due date. Our current reminder schedule is geared toward organizations that gather comments from various sources. The Committee believes that the person compiling those comments benefits from greater advance notice of a comment due date.
- **Continue to solicit comments from schools and lenders.** The Committee actively seeks opportunities to train our school and lender partners on the *Common Manual* and its processes, including policy proposal development, at training opportunities afforded to the Committee by national organizations representing schools and lenders. The Committee has previously issued Training Brief encouraging school and lender staff to subscribe to the public serve. You may access this Training Brief #8, "How to Subscribe to the *Common Manual's* Public Listserv" on the *Common Manual* website in the Review Proposals Out for Comment Page. The Committee encourages all guarantors to share this Training Brief with their school and lender partners to help expand their participation in the common policy development process.
- **Use layman's language versus regulatory language in the Manual's text.** When crafting a policy proposal that is based on a regulatory change, the Committee strives to use "plain English" rather than a word-for-word reiteration of the regulatory language. However, the Committee must exercise caution in its verbiage choices in certain cases so that the intent of a regulatory change is not lost or misinterpreted. A recent case when the Committee found it necessary to adhere closely to regulatory language was the Manual update to incorporate the Spouses and Parents of September 11, 2001, Victims loan discharge provisions. The Committee will continue to focus on using the simplest language in future policy proposals whenever possible.

The Committee thanks all of the organizations and entities that responded to the annual Policy Committee survey.

Membership Update

The Policy Committee is pleased to announce that its newest member, Brendan Furey from ASA began his term

as a voting member of the Committee on September 1st. The Committee would like to thank ASA for supporting a voting Committee member and is excited to have Brendan on board.

The Committee still has one remaining vacancy for a voting member. All Governing Board members are encouraged to consider nominating someone from your organization to fill this vacancy. Policy Committee members need not be drawn solely from the ranks of guarantor policy staff. Highly successful members have joined the Committee from audit and program review departments, from guarantor operations and claims shops, and from other guarantor support areas. If any guarantor has questions about the duties of this position, please contact Policy Committee Chair Susan Fields at sfields@isac.org, or 217-524-7931, or any other Committee member.

Community Workgroup for Proposals 991 and 997

Policy proposals 991 and 997 were distributed for community comment in batches 146 and 149. These proposals address the servicing of Consolidation loans for which the lender or servicer has established more than one loan servicing record for a single Consolidation loan. The draft policies were presented to the Governing Board for its consideration at its April 17, 2008 meeting. During that meeting, the Board instructed the Committee to form a community workgroup to further discuss and analyze these proposals. The Workgroup, which consisted of representatives from the Governing Board, lender servicer organizations, and the NCHELP Program Regulations Committee, has concluded two rounds of discussion concerning these proposals. Based on the Workgroup's recommendation, policy proposals 991 and 997 were revised and redistributed for additional community comment in Batch 153. The Committee is currently analyzing comments received from the latest distribution of these proposals.

Policy Committee Communications

All correspondence related to the Policy Committee's activities should be sent to Chair Susan Fields at sfields@isac.org. If you have questions about the Committee's activities, please contact Susan at 217-524-7931, or by email at the address provided.

Information regarding the *Common Manual*, including the current and historic versions of the Manual, may be accessed on the *Common Manual* website at www.commonmanual.org.