

#	Subject	Summary of Change to <i>Common Manual</i>	Type of Update	Effective Date
1014	Converting Stafford Loans to Repayment	<p><u>10.4.A Stafford Loan Repayment Start Date</u></p> <p>Clarifies that, for purposes of converting Stafford loans to repayment, the lender must use the day-specific method.</p>	Federal	Effective for Stafford loans converted to repayment on or after March 1, 1997, unless implemented earlier by the lender or guarantor.
1015	Using Current-Year Title IV Funds to Pay Minor Prior-Year Charges	<p><u>8.3 Required Authorizations</u> <u>8.7.H Delivery Methods</u> <u>Figure 8-1</u></p> <p>States that a school may credit a student's account with Title IV funds from the current year to satisfy prior-year charges of up to \$200. The school is not required to obtain the borrower's authorization for credits to prior-year charges for tuition, fees, room, and board, but <i>is</i> required to obtain the borrower's authorization for credit to prior-year charges for other educationally related expenses.</p>	Federal	Educationally related charges paid by a school on or after July 1, 2008, unless implemented earlier by the school on or after November 1, 2007.
1016	Eligible Lender Trustee Relationships	<p><u>3.2 Schools Acting as Lenders and Eligible Lender Trustee Relationships</u></p> <p>Aligns the Manual guidance for a school or school-affiliated organization that makes or originates loans through an eligible lender trustee with the final regulations published November 1, 2007.</p>	Federal	Loans first disbursed under an ELT relationship on or after January 1, 2007.
1017	Refusing to Certify a Loan or Reducing Borrower Eligibility	<p><u>6.15.E Refusing to Certify a Loan or Reducing Borrower Eligibility</u></p> <p>Clarifies that a school may not establish any one of the following general policies:</p> <ul style="list-style-type: none"> • Limiting the number of times a student who is making satisfactory academic progress may have a full Stafford annual loan limit at any one grade level. • Prorating the Stafford annual loan limit based on a student's enrollment status, such as when the student is enrolled less than full-time, or is enrolled for less than a full academic year that is not a final 	Federal	<p>Publication date of the 07-08 FSA Handbook for the prohibition against a general policy that limits the number of times a student may have a full annual loan limit at any grade level.</p> <p>Publication date of the 05-06 FSA Handbook for the prohibition against a general policy of prorating the annual loan limit based on a student's enrollment</p>

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		<p>period of study.</p> <ul style="list-style-type: none"> • Certifying a Stafford loan only for the amount needed to cover school charges. • Limiting unsubsidized Stafford borrowing by independent students. 		<p>status.</p> <p>Publication date of the 03-04 FSA Handbook for the prohibition against a general policy that:</p> <ul style="list-style-type: none"> • Limits borrowing to the amount needed to cover school charges. • Limits unsubsidized Stafford borrowing by independent students.
1018	Stafford Annual Loan Limits for Transfer Students	<p><u>6.1</u> <u>Defining an Academic Year</u> <u>6.11.A</u> <u>Stafford Annual Loan Limits</u></p> <p>Includes new guidance from the 07-08 FSA Handbook stating that when a student transfers from a graduate program to an undergraduate program within an academic year, the undergraduate loan limit for the student's grade level applies, but amounts previously borrowed at the graduate level within the same academic year do not count against the undergraduate annual loan limit. The total amount awarded for the academic year may not exceed the higher, (graduate/professional) annual loan limit.</p>	Federal	Publication date of the 07-08 FSA Handbook.
1019	<p>Maximum Stafford and PLUS Loan Periods</p> <p>Deferred for further consideration.</p>	<p><u>6.2</u> <u>Determining the Loan Period</u></p> <p>Specifies that the maximum loan period length that a school may certify is an academic year. The 12 month maximum no longer applies.</p>	Federal	Loan periods beginning on or after July 1, 2008.
1020	Rehabilitation of a Defaulted Loan	<p><u>13.7</u> <u>Rehabilitation of Defaulted FFELP Loans</u></p> <p>Clarifies that there are no federal restrictions that prohibit a loan from</p>	Correction	Retroactive to the implementation of the <i>Common Manual</i> .

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		being rehabilitated more than once.		
1021	PLUS MPN with Endorser	<p>6.16 <u>Applying for Federal Stafford and PLUS Loans</u></p> <p>Clarifies that when an endorser is used, the PLUS MPN becomes a “single-loan” promissory note because the endorser is liable only for the specific loan that he or she agreed to endorse. The lender must obtain a new MPN and new endorser addendum if the PLUS borrower (parent or student) requests an increase in the loan amount or a subsequent new PLUS loan.</p>	Correction	Effective for PLUS MPNs used for loan periods beginning on or after July 1, 2003.
1022	Obtaining a Subsequent Consolidation Loan	<p>15.2 <u>Borrower Eligibility and Underlying Loan Holder Requirements</u></p> <p>Clarifies one of the conditions that permits a Consolidation loan borrower to obtain a subsequent Consolidation loan. A borrower with either a Federal or Direct Consolidation loan is eligible for a subsequent, separate Federal or Direct Consolidation loan if the borrower is consolidating at least one other eligible loan (except a Consolidation loan) made before or after the date that the existing Consolidation loan was made.</p>	Correction	Consolidation loans made on or after July 1, 2000.