

#	Subject	Summary of Change to <i>Common Manual</i>	Type of Update	Effective Date
1182	Requirements for a Teach-Out Plan	<p><b><u>4.1.A</u></b>                    <b><u>Establishing Eligibility</u></b></p> <p>Incorporates as part of the Program Participation Agreement the requirements for the preparation of a teach-out plan.</p>	Federal	July 1, 2010.
1183	Baccalaureate Liberal Arts Programs Offered by Proprietary Institutions	<p><b><u>4.1.C</u></b>                    <b><u>Maintaining Eligibility</u></b></p> <p>States that a program leading to a baccalaureate degree in liberal arts is an eligible program for a proprietary institution of higher education, subject to certain conditions.</p>	Federal	July 1, 2010.
1184	Additional Location as the Result of a Teach-Out	<p><b><u>4.1.C</u></b>                    <b><u>Maintaining Eligibility</u></b></p> <p>Stipulates the requirements for a school that conducts a teach-out to establish a permanent additional location at a closed school.</p>	Federal	Effective July 1, 2010, unless implemented earlier by the school on or after November 1, 2009.
1185	Student Consumer Information	<p><b><u>4.4.B</u></b>                    <b><u>Consumer Information</u></b></p> <p>Describes the consumer information that a school must make available, and in some cases, directly distribute to enrolled and prospective students and outlines requirements for the Annual Security and Fire Safety Reports.</p>	Federal	<p>Student consumer information disclosures made available by a school on or after July 1, 2010, with the following exceptions:</p> <ul style="list-style-type: none"> <li>• For the emergency evacuation and response policies and procedures, the annual security report that a school must distribute by October 1, 2010.</li> <li>• For the fire safety report that a school distributes by October 1, 2010. If the fire safety report is included in the annual security report, the annual security report that a school must distribute by October 1, 2010.</li> <li>• For annual security report provisions, retroactive to the implementation of the <i>Common Manual</i>.</li> </ul>
1186	Entrance Counseling	<p><b><u>4.4.C</u></b>                    <b><u>Entrance Counseling</u></b></p> <p>Updates the Manual with final rule clarifications and regulatory citations.</p>	Federal	Entrance counseling provided by the school on or after July 1, 2010, unless implemented earlier by the school.
1187	Student Eligibility after Drug-Related Offenses	<p><b><u>5.8</u></b>                    <b><u>Effect of Drug Conviction on Eligibility</u></b></p> <p>Expands Manual text with statutory</p>	Federal	Reinstatement of Title IV eligibility on or after July 1, 2010.

		language by clarifying that a student who is convicted of a drug-related offense while enrolled in school and receiving Title IV aid may regain eligibility on the date the student passes two unannounced drug tests conducted by an approved drug rehabilitation program.		
1188	Correspondence and Distance Education Courses	<p><b><u>5.12</u></b>                    <b><u>Use of Telecommunications and Correspondence in Programs of Study</u></b></p> <p><b><u>5.12.A</u></b>                    <b><u>Telecommunications Program of Study</u></b></p> <p><b><u>6.5.B</u></b>                        <b><u>COA Exceptions for Correspondence and Telecommunications Study</u></b></p> <p><b><u>Appendix G</u></b></p> <p>Replaces references to a telecommunications course or program with “distance education,” and revises the definition of “correspondence course.”</p>	Federal	August 14, 2008, for distance education courses. July 1, 2010 for correspondence courses.
1189	Multiple Disbursements and Low Cohort Default Rate Exemptions	<p><b><u>6.4.A</u></b>                    <b><u>Multiple Disbursements and Exemptions</u></b></p> <p>Clarifies that a school which is otherwise exempt from multiple disbursement requirements because of a low cohort default rate must schedule at least two disbursements for a loan certified for a substantially equal, nonstandard term of at least 9 instructional weeks in length if the term is more than 4 months in length.</p>	Federal	Publication of Volume 3 of the 09-10 FSA Handbook.
1190	Income-Based Repayment Schedule	<p><b><u>10.6.E</u></b>                    <b><u>Adjusting the Borrower’s Repayment Schedule</u></b></p> <p><b><u>10.8.D</u></b>                    <b><u>Income-Based Repayment Schedule</u></b></p> <p><b><u>Appendix G</u></b></p> <p>For the purpose of determining whether a borrower has a partial financial hardship (PFH), specifies that the lender must use the <i>greater</i> of the amount owed on the eligible loans when the borrower initially entered repayment or the amount owed when the borrower selects the IBR plan. Clarifies the PFH and payment calculations for a married borrower who files a joint tax return and the borrower’s spouse also has eligible loans and requests IBR.</p>	Federal	Income-based repayment (IBR) plan requests oor renewals processed by the lender on or after July 1, 2010.
1191	Loan Disclosures During Repayment	<p><b><u>10.12</u></b>                    <b><u>Lender Disclosures During Repayment</u></b></p> <p>Clarifies information about interest and aggregate amounts paid on a loan that a lender must disclose to a borrower during repayment. Also clarifies that</p>	Federal	Loans with first payments due on or after July 1, 2010.

		disclosures may be provided on a loan, account, or borrower level.		
1192	Disclosure When Granting a Deferment on Unsubsidized Stafford and PLUS Loans	<p><b><u>11.1.J</u></b>      <b><u>Disclosure When Granting a Deferment on an Unsubsidized Stafford Loan</u></b></p> <p>Clarifies that a lender must provide general information, along with an example, to unsubsidized Stafford and PLUS borrowers to assist them in understanding the impact of capitalized interest. The lender must notify the borrower of the option to pay the accruing interest or cancel the deferment and continue to make monthly payments on the loan.</p>	Federal	Deferments granted on or after July 1, 2010.
1158	Economic Hardship Deferment Eligibility	<p><b><u>11.4.A</u></b>      <b><u>Eligibility Criteria– Economic Hardship Appendix G</u></b></p> <p>Removes references to the ability of a borrower to qualify for an economic hardship deferment based solely on being unemployed, incarcerated, disabled, or on a temporary unpaid leave of absence from work, if the condition begins on or after July 1, 2009.</p>	Federal	Economic hardship deferments granted on or after July 1, 2009, that begin on or after July 1, 2009.
1193	Loan Disclosures During Delinquency	<p><b><u>12.1.A</u></b>      <b><u>Lender Disclosure Requirements</u></b></p> <p>Clarifies the information that a lender must provide in the disclosure notice to a borrower who is 60 days delinquent. Also clarifies the timing in which the lender must send this disclosure notice to the borrower.</p>	Federal	Loans that become delinquent on or after July 1, 2010.
1194	Loan Disclosures – Consolidation Loans	<p><b><u>15.3.A</u></b>      <b><u>Providing Consolidation Loan Information</u></b></p> <p><b><u>15.4</u></b>      <b><u>Disbursement</u></b></p> <p>Clarifies information about the loss of loan benefits that a lender must disclose to a prospective borrower who is considering the consolidation of a FFELP or Direct Loan(s). This information includes the requirement that a lender disclose the process and deadline for canceling a Consolidation loan.</p>	Federal	Loan applications distributed on or after July 1, 2010.