

Session # 14

CPS Processing Updates for 2012-13 and Much More!

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Objectives

- Review CPS 2012-13 processing changes
- Review an overview of the Central Processing System (CPS)
- Review the Eligibility Determination (mainframe) processing component of the system
- Review top issues and resolutions
- Discuss documentation available
- Review important dates

CPS Processing Updates for 2012-13



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2012-13 CPS Processing Updates

- CPS processing changes
 - Homeless determination
 - Marital status update
 - New Reject 21 & Comment Code 119
 - Modify Reject 4
 - Enhanced asset threshold reporting
 - Modified Reject 1
 - Added new asset threshold exceeded data elements
 - New automatic zero EFC threshold
 - ISIR changes



Homeless Determination

- Students who are homeless, but cannot answer “Yes” to one of the three homeless youth questions, are considered independent
- Students who meet this criteria can use *FAFSA on the Web* so that the “Special Circumstances” flag is set to ‘3’ on the ISIR

Homeless Determination

- Currently, FAAs set the “Dependency Override” flag to ‘1’ for these students
- FAAs cannot easily distinguish between dependency overrides
 - To update a student’s dependency status
 - To confirm a student’s homeless status

Homeless Determination

- New dependency override flag value of '4' added for 2012-13

blank	No FAA override
1	FAA override from dependent to independent
2	FAA override canceled
3	FAA override failed
4	FAA homeless youth determination

Marital Status Updates

- A regulation change allows an institution, at its discretion, to require an applicant to update his/her marital status
 - If it results in a change in the applicant's dependency status,
 - If the institution determines the update is necessary to address an inequity or
 - To reflect more accurately the applicant's ability to pay

New Reject 21—2012-13

- ISIRs with Reject 21 set will also have Comment Code 119
- New edits have been added for Reject 21:
 - **Set Reject Reason 21 if:** Student's marital status date is corrected to a date that is greater than the application receipt date, and less than the transaction receipt date
 - **Suppress Reject Reason 21 if:** Reject 21 override code is set by Financial Aid Administrator

Revised Reject 4—2012-13

- Currently, CPS sets Reject 4 if the marital status date is after the transaction receipt date
- Reject 4 will be revised to also edit correction records

Reject 4 Edit	
Set Reject 4 if:	Marital status date is greater than date signed



Asset Threshold Question

- Beginning in 2011-12, independent students and parents of dependent students that meet certain criteria are presented with the asset threshold question to determine if asset net worth must be reported and used in the EFC calculation
- Question displays if the student:
 - Is not eligible for an automatic zero EFC or simplified needs calculation, and
 - Reports a state of legal residence that allows students to skip income and asset questions

Asset Threshold Question

- In 2011-12, Reject 1 was revised due to new skip logic in *FAFSA on the Web* that allowed these applicants to skip asset related questions
 - If the student or parent answered “No” to the asset threshold screening question, the asset questions were not presented
 - ISIRs were sent with blank values in the asset fields without triggering Reject 1

Reject 1—Modified for 2011-12

- Software vendors and developers encountered issues when receiving ISIRs with blank values in the asset field where CPS had not triggered the Reject 1 edit
- FSA added two new “non-text” comment codes
 - 901: Parent of a dependent student was presented with the asset threshold screening question and answered “No”
 - 902: Independent student was presented with the asset threshold screening question and answered “No”



Revised Reject 1—2012-13

- New asset threshold exceeded data elements will be reported on the ISIR
 - The new data element fields can be corrected
 - 1 = Yes: Asset Threshold Exceeded
 - 2 = No: Asset Threshold Not Exceeded
 - Blank: Asset Threshold Question not displayed
- Comment codes 901 and 902 will be eliminated

Revised Reject 1—2012-13

- **IF:** Asset threshold exceeded was answered as 'No' and then on a correction transaction the independent student's or parents'
 - marital status is changed or
 - age of the independent student or older parent is changed by three or more years
- **THEN:** CPS will assume the value to be blank for the asset threshold exceeded question and then perform the Reject 1 edits if asset questions are unanswered

IRS Request Flag

- Student/Parent IRS Request Flag
 - New descriptions:
 - Blank = IRS data retrieval was not available (i.e., paper FAFSA, EDE, or FAA Access)
 - 00 = Student/Parent was ineligible to use the IRS Data Retrieval process in FAFSA on the Web and therefore was not presented with the option
 - 01 = Student/Parent was presented with the option to use the IRS data retrieval process in FAFSA on the Web and elected to use it but did not transfer IRS data into the FAFSA



IRS Request Flag

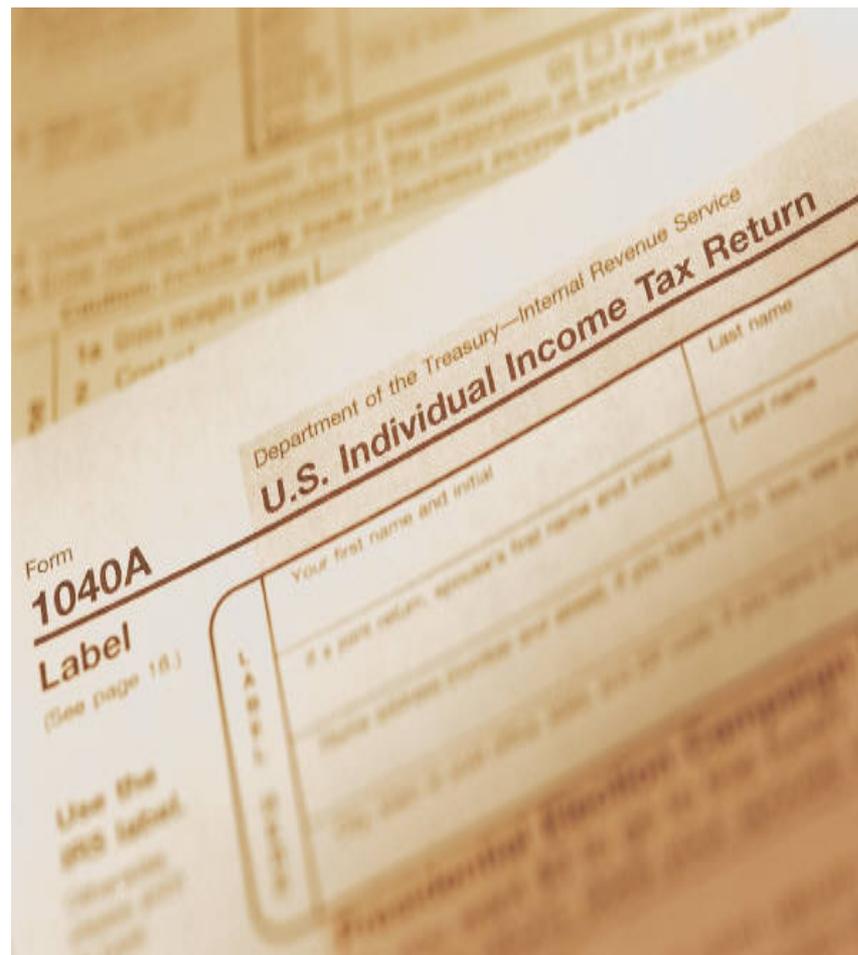
- Student/Parent IRS Request Flag
 - New descriptions:
 - 02 = IRS data for the student/parent was transferred from the IRS and was **not** changed by the user prior to submission of an application or correction
 - 03 = IRS data for the student/parent was transferred from the IRS and was changed by the user prior to submission of an application or correction
 - 04 = IRS data for the student/parent was transferred from the IRS and was corrected by the user on a subsequent transaction

IRS Request Flag

- Student/Parent IRS Request Flag
 - New values:
 - 05 = Student/Parent was presented with the option to use the IRS data retrieval tool in FAFSA on the Web, but did not elect to use it
 - 06 = Student/Parent was presented with the option to use the IRS data retrieval process, transferred IRS data, and then made a FAFSA data element change, making them ineligible to use the IRS FAFSA data retrieval process

Auto Zero EFC

- Income threshold for automatic zero EFC increased
 - From \$31,000 to \$32,000



Overview of the Central Processing System



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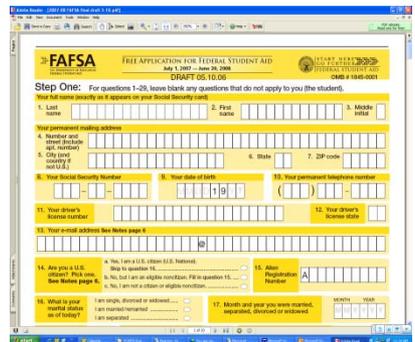
What is the Central Processing System (CPS)?

- Primary role is to process financial aid applications to determine eligibility
- Interacts with:
 - Millions of students and their families
 - Thousands of postsecondary institutions
 - Federal agencies
 - Private and state agencies

Receives and Edits FAFSA Data



FAFSA on the Web Products

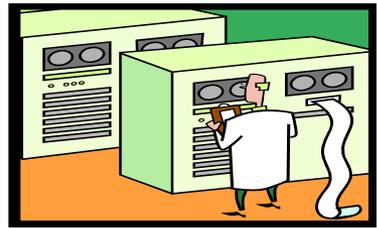


IDC



FAA Access from Institution

EDE from Institution



Processes Data-Matching

- Social Security Administration (SSA)
- Department of Homeland Security (DHS)
- Selective Service System (SSS)
- Veteran's Administration (VA)
- National Student Loan Data System (NSLDS)

Processes Data-Matching

- Additional internal match is done using the SSA Death Master File (DMF)
- Department of Justice (DOJ) hold file
- Department of Defense (DOD) match file

Processes Data-Compute

- Compute Edits
 - Substantive edits on application data to determine if an EFC can be calculated
 - Edit for eligibility requirements (name, date of birth, citizenship, drug conviction, dependency status)
 - Edit for validity and consistency of financial data

Processes Data-Compute

- Assumption Edits—Assumes a logical response for missing or incorrect data based on comparison with other responses provided by the applicant
 - Assumed values are used in calculating the EFC
 - Data is identified as assumed for both the student and the FAA
 - Some assumptions can be overridden by the student or an FAA

Processes Data-Compute

- Reject Edits—Missing information or significant conflict in key information where a logical assumption cannot be made
 - An EFC is not calculated
 - Fields are highlighted and SAR comments are provided
 - A correction is required

Types of Rejects

- Types of Compute Edits
 - Reject Edits
 - Alpha reject codes indicate reject reasons that are verifiable. That is, the student can verify the questionable data by re-entering the same value, or can correct it to a different value
 - Numeric reject codes are not verifiable. The questioned data must be changed or provided

Processes Data-Compute

- Types of Compute Edits
 - Warning Edits - Data is questionable or contradicting, but not severe enough to be rejected
 - Includes cross year edits
 - EFC is calculated
 - Fields are highlighted and SAR comments are provided

Processes Data

- Types of Compute Edits
 - Some web edits are not verifiable. Data must be corrected
 - Some web edits are verifiable and can be overridden. Edit will be suppressed when record goes through compute
 - Some web edits are verifiable but not overridden (“soft”). Edit will not be suppressed when record goes through compute

Calculates EFC

- EFC Calculation
 - Performed for non-rejected and signature only reject records
 - Six possible formulas used; type determined based on:
 - Dependency status
 - Independent with dependent(s) other than a spouse
 - Independent with a dependent spouse
 - Simplified needs test

Calculates EFC

- EFC Calculation
 - Calculate primary and secondary EFC if SNT is met and asset information is provided
 - Calculate 11 alternate EFCs for programs of less than and greater than nine months
 - If auto zero EFC is met, set EFC to zero but calculate total income

Calculates EFC

- Verification Selection
 - Records with EFCs subjected to verification selection, including signature only rejects
 - Target is to select 30% of applicants
- For 2012-13, records with data transferred from the IRS will likely not be selected if IRS data was not changed
 - Both parent and student must have transferred data for dependent records

Disseminates Data

- CPS database is updated with results of processing from beginning to end
- Results made available through system outputs
 - Student Aid Report (SAR)
 - Individual Student Information Record (ISIR)

Top Issues



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SSA and DHS Match "C" Codes

- There are two citizenship matches that produce "C" codes:
 - **SSA:** All new records are sent to verify U.S. Citizenship status
 - "C" codes = SAR comments 024 & 146
 - **DHS:** Only records with ARN are sent to verify eligible non-citizen status
 - "C" codes = SAR comments 046, 105, 109, 141, 142, & 144

SSA and DHS Match "C" Codes

- Procedure to resolve match issue:
 - Request student's documentation
 - Refer to the FSA Handbook: Volume 1, Chapter 2, for guidance to determine if the student is:
 - A U.S. citizen
 - An eligible non-citizen, or
 - Not an eligible noncitizen

SSA and DHS Match "C" Codes

- If the comment is from SSA and the student provides U. S. citizen documentation:
 - Copy the documentation for the student's file and process the student's aid
- If the comment is from SSA and the student provides eligible noncitizen documentation:
 - Submit a correction record to add the ARN and to change the citizenship status to eligible non-citizen

Resolving DHS Match Issues

- You can disburse aid for an eligible non-citizen if:
 - DHS match flag result is = Y
 - DHS secondary confirmation match flag result is = Y

MATCH FLAGS: SSN SSA DHS SS NSLDS VA DHS Sec. Conf. Father SSN
DHS Verification# 99999999999999AB SS Registration Flag Mother SSN
NSLDS Transaction Number NSLDS Database Results Flag DOD

Resolving DHS Match Issues

- Other DHS secondary match flag results require a G-845 form to be completed

Flag	Definition	Submit G-845
P	Pending secondary confirmation results	Wait 10 days
C	Confirmation in continuance	Wait 10 days
X	Additional information needed	Do not wait
N	Citizenship status not confirmed	Do not wait



Resolving DHS Match Issues

- G-845 forms can be obtained from:
 - IFAP: Electronic announcement "Summary: Update on USCIS Field Offices for Submission of Immigration Status/Document Verification Request, G-845-New Field Office for Schools"
 - FSA Handbook Volume 1, Chapter 2.

Use the version with the expiration date of 6/30/2008

OMB No. 1653-0032; Expires 06/30/08
**G-845, Immigration Status/
Document Verification Request**

Department of Homeland Security
U.S. Citizenship and Immigration Services

Section A. - To be completed by the submitting agency.

To: U.S. Citizenship and Immigration Services (USCIS)

Attn: Status Verifier _____

From: Typed or Stamped Name and Address of submitting Agency _____

(USCIS may use above address with a No. 20 window envelope.)

1. Alien Registration Number or I-94 Number _____

2. Applicant's Name (Last, First, Middle) _____

3. Citizenship/Nationality _____

4. Date of Birth (mm/dd/yyyy) _____

5. Verification Number _____

6. Photocopy of Document Attached.
(If printed on both sides, attach a copy of the front and back.)

7. Other Information Attached (Specify documents.) _____

8. (Benefit)	(Your Case Number)
<input type="checkbox"/> Education Grant/Loans/Workstudy	
<input type="checkbox"/> Food Stamps	
<input type="checkbox"/> Housing Assistance	
<input type="checkbox"/> Medicaid/Medical Assistance	
<input type="checkbox"/> TANF	
<input type="checkbox"/> Unemployment Insurance	
<input type="checkbox"/> Other (specify)	

9. Name of Submitting Official _____

10. Title of Submitting Official _____

11. Date (mm/dd/yyyy) _____

12. Telephone Number () _____

Resolving DHS Match Issues

- To complete the G-845 form, you must provide the:
 - 15 digit DHS Verification Number in DHS verification field from the ISIR

MATCH FLAGS: SSN SSA DHS SS NSLDS VA DHS Sec. Conf. Father SSN
DHS Verification# 99999999999999AB SS Registration Flag Mother SSN
NSLDS Transaction Number NSLDS Database Results Flag DOD

- Student SSN in item #8 "Other"
- School's complete name and address in the "From: Submitting Agency" section
- Supporting documentation



Resolving DHS Match Issues

- Interpreting DHS responses returned on the G-845 form
 - Review the response DHS checked in part B of the form

Section B. -To be completed by USCIS.

USCIS RESPONSES: From the documents or information submitted and/or a review of our records, we find that:

The person identified is a/an:

1. <input type="checkbox"/> Lawful Permanent Resident alien of the United States.	10. <input type="checkbox"/> U. S. citizen.
2. <input type="checkbox"/> Conditional Resident alien of the United States.	11. <input type="checkbox"/> Alien authorized employment as indicated below:
3. <input type="checkbox"/> Refugee under Section 207 of the INA.	<input type="checkbox"/> a. No Extension (Indefinite).
4. <input type="checkbox"/> Asylee under Section 208 of the INA.	<input type="checkbox"/> b. Expires on: _____ (mm dd/yyyy)
5. <input type="checkbox"/> Alien paroled into the United States pursuant to Section 212(d)(5) of the INA as indicated below:	12. <input type="checkbox"/> Alien not authorized employment in the United States.
a. <input type="checkbox"/> For a period of one year or more.	
b. <input type="checkbox"/> For a period of less than one year.	
6. <input type="checkbox"/> Alien who is a Cuban/Haitian entrant as defined by Section 501(a) of the BEAA of 1980.	<input type="checkbox"/> See Page 2 for additional comments.
7. <input type="checkbox"/> Alien who is a conditional entrant.	USCIS Stamp
8. <input type="checkbox"/> Alien who is a nonimmigrant. (Specify type or class and admitted to date.)	
9. <input type="checkbox"/> Alien who has an application pending for: (Specify USCIS benefit below.)	

- Refer to the FSA Handbook to determine if the student is eligible for federal student aid

- If the student is determined to be eligible, you may process and disburse aid
 - Enter a “2” in the COD “Citizenship Status Code” field so it doesn’t reject

SSA Match Issues

- An EFC will not be calculated for the following SSA match flag results:
 - 1 and 6 (Invalid SSN)
 - 2 (No match on date of birth)
 - 3 (No match on name)
 - 5 (SSN belongs to a deceased person)
- If SSN is correct
 - Student should contact SSA to resolve the SSN discrepancy then reaffirm SSN on SAR
- If SSN is not correct
 - The student can correct the SSN on the SAR, or re-file the FAFSA with the correct SSN

SSA Match Issues

- SSA matching issues for parents do not generate “C” codes
 - ISIR rejected if there is no full match for at least one parent
 - Rejects must be resolved
 - Parents should contact SSA to resolve discrepancies

Resolving Rejects J and K

- Rejects J and K will result when:
 - A parent enters all zeros for the SSN and indicate that they are a tax filer
- Rejects J and K can be overridden by the parent or FAA
 - Re-entering the “all zeros” SSN and submit the correction

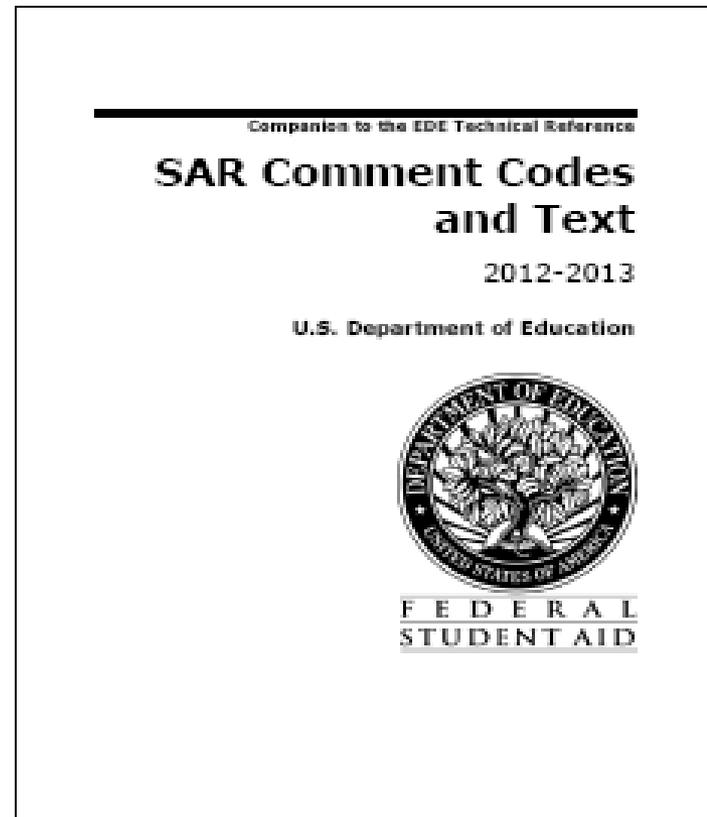
Available Documentation



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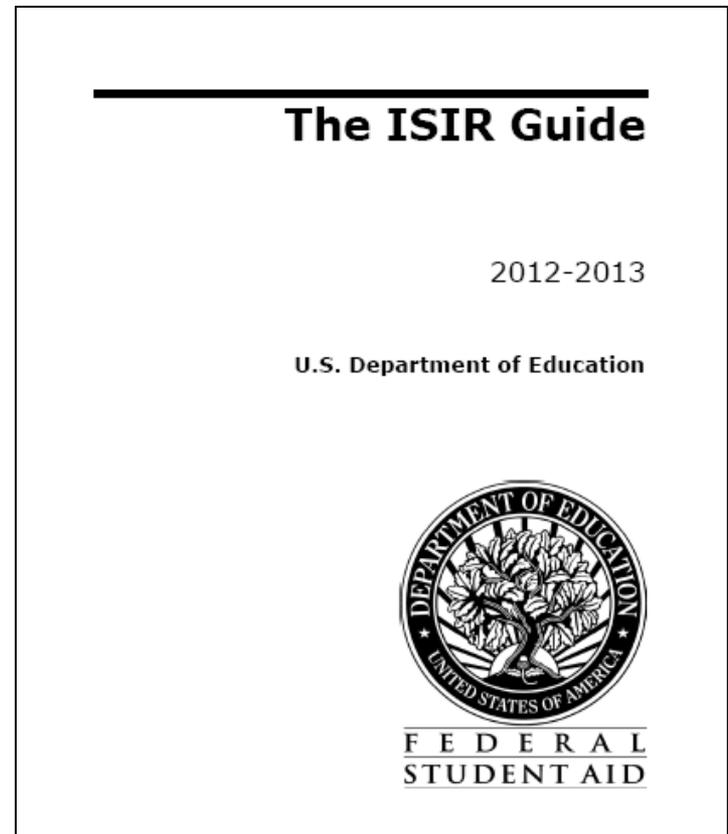
SAR Comment Codes

The 2012-2013 *SAR Comment Codes and Text* document serves as a standalone guide, as well as a companion to the *2012-2013 Electronic Data Exchange (EDE) Technical Reference*.



ISIR Guide

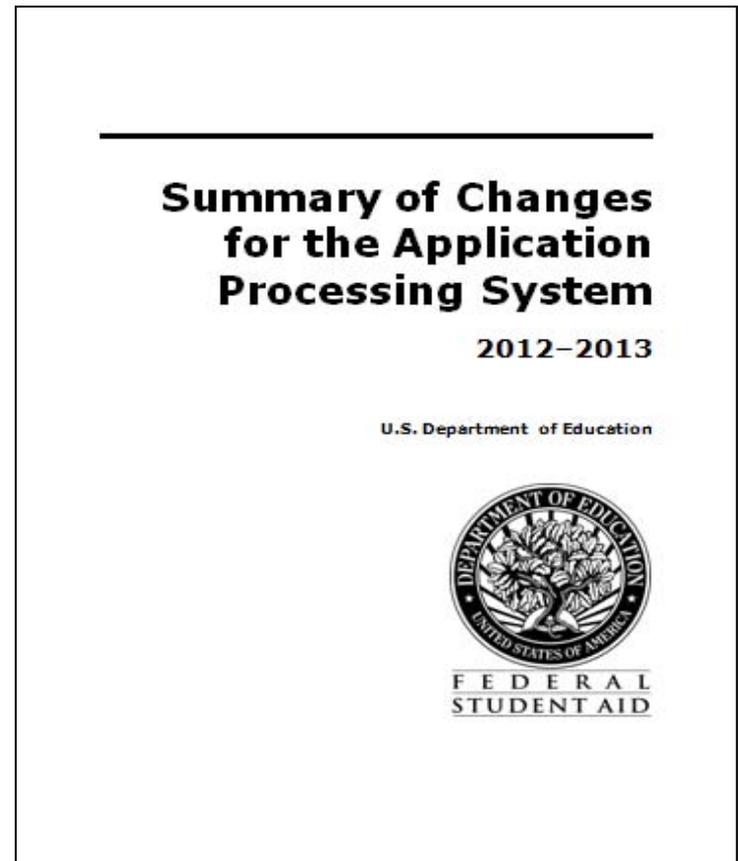
The 2012-13 *ISIR Guide* is designed to assist FAAs with interpreting student information on the ISIR and making corrections.



Summary of Changes for Application Processing Systems

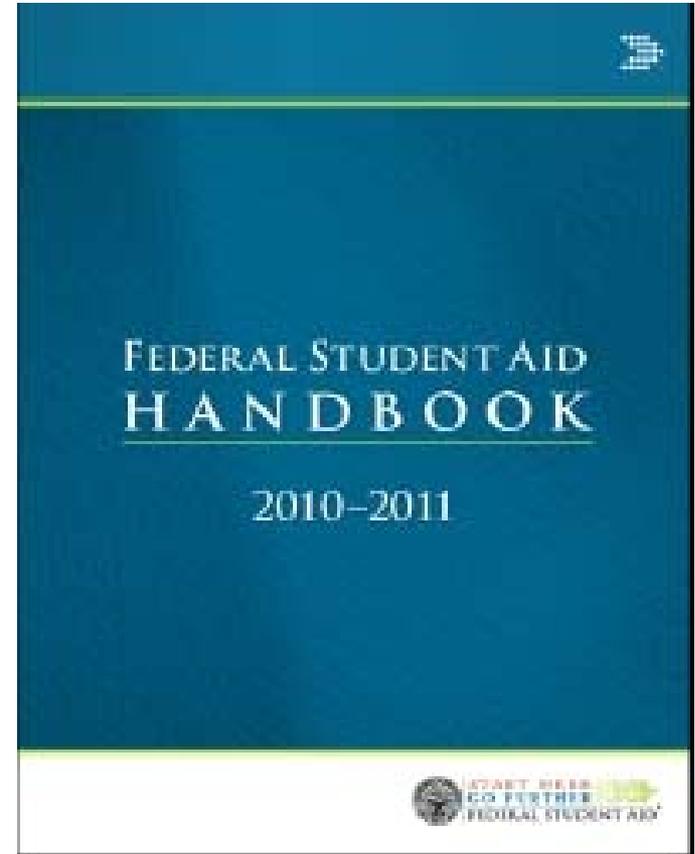
The 2012-13 *Summary of Changes for the Application Processing System* is

- Designed to meet the reference needs of FAAs, programmers, and data processing staff
- Describes updates and enhancements to the 2012-13 application processing system and to student and school web products



Federal Student Aid Handbook

- The *Federal Student Aid Handbook* consists of
 - Application and Verification Guide (AVG)
 - Six other volumes
- The AVG is intended for FAAs to help with
 - Filing the Free Application for Federal Student Aid (FAFSA)
 - Verifying information
 - Making corrections and other changes to the information reported on the FAFSA



Important Dates



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Important Dates

On or about

- **August 8, 2011**
 - 2012-2013 *EFC Formula Guide on the IFAP website*, pending final 2011 IRS tax legislation
- **August 12, 2011**
 - 2012-2013 *Application Processing System Specifications for Software Developers*
- **October 14, 2011**
 - 2012-2013 *Electronic Data Exchange (EDE) Technical Reference* draft (including the ISIR Record Layout and ISIR Cross-Reference)



Important Dates

On or about

- **October 12, 2011**
 - 2012-2013 *Electronic Data Exchange (EDE) Technical Reference*
- **October 14, 2011**
 - 2012-2013 *CPS Test System User Guide*
- **October 21, 2011**
 - 2012-2013 *ISIR Guide on IFAP*

Important Dates

On or about

- **November 1, 2011**
 - 2012-2013 *SAR Comment Codes and Text*
- **December 12, 2011**
 - The CPS Test System is made available

Important Dates

- **January 1, 2012**
 - 2012-13 *FAFSA on the Web* site is available to students and 2012-13 *FAA Access to CPS Online* website
- **January 3, 2012**
 - The 2012-13 CPS begins processing

Contact Information

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