



## **Session 52**

# ***E-Signature: Implications of the E-SIGN Legislation for Student Aid***



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# *Legality of Electronic Transactions*



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# ***What are the laws that affect e-transactions?***

Government Paperwork Elimination Act  
(GPEA)

&

Electronic Signatures in Global and  
National Commerce Act (E-SIGN)



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# ***GPEA***

- To promote e-commerce by the Federal Government
- Electronic records have legal effect, validity, and enforceability
- Agencies to allow electronic transactions and maintenance of electronic records, when practicable
- Applies to any transaction with a PRA number





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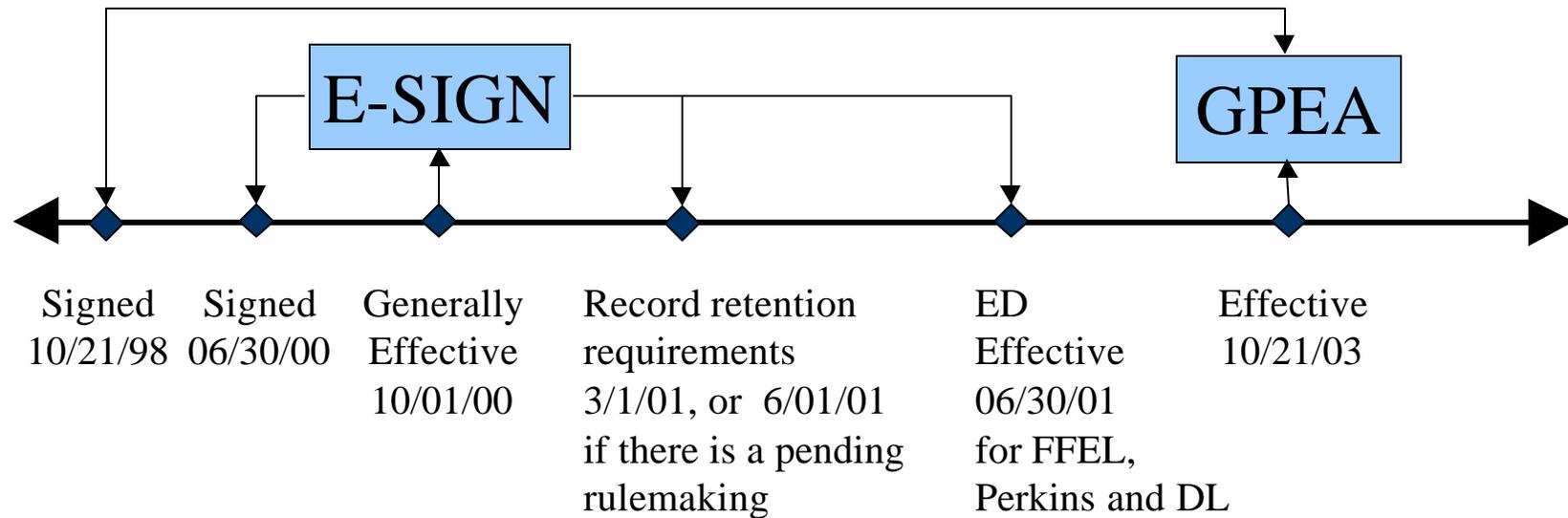
## ***E-Sign Legislation***

- To promote e-commerce in private sector
- Legal equivalence between paper and electronic documents for binding transactions
- Applies to private sector SFA transactions regulated by Federal and State government
- Government to specify standards to ensure accuracy, integrity, and accessibility of records
- Requires consent and protection of [student] consumer in electronic context



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# Legislative Compliance Timeline





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# *Legal and Policy Standards*



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# *Legal and Policy Standards*

- Standards for E-Signature
  - Digitized Signature
  - Digital Certificate
  - Digital Document
    - Note
    - Identifiers
    - Personal Identification Number (PIN)
    - Other Data
- Retention and Retrieval of Records
- Submission of Records to ED





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# *Business Process Workflows*

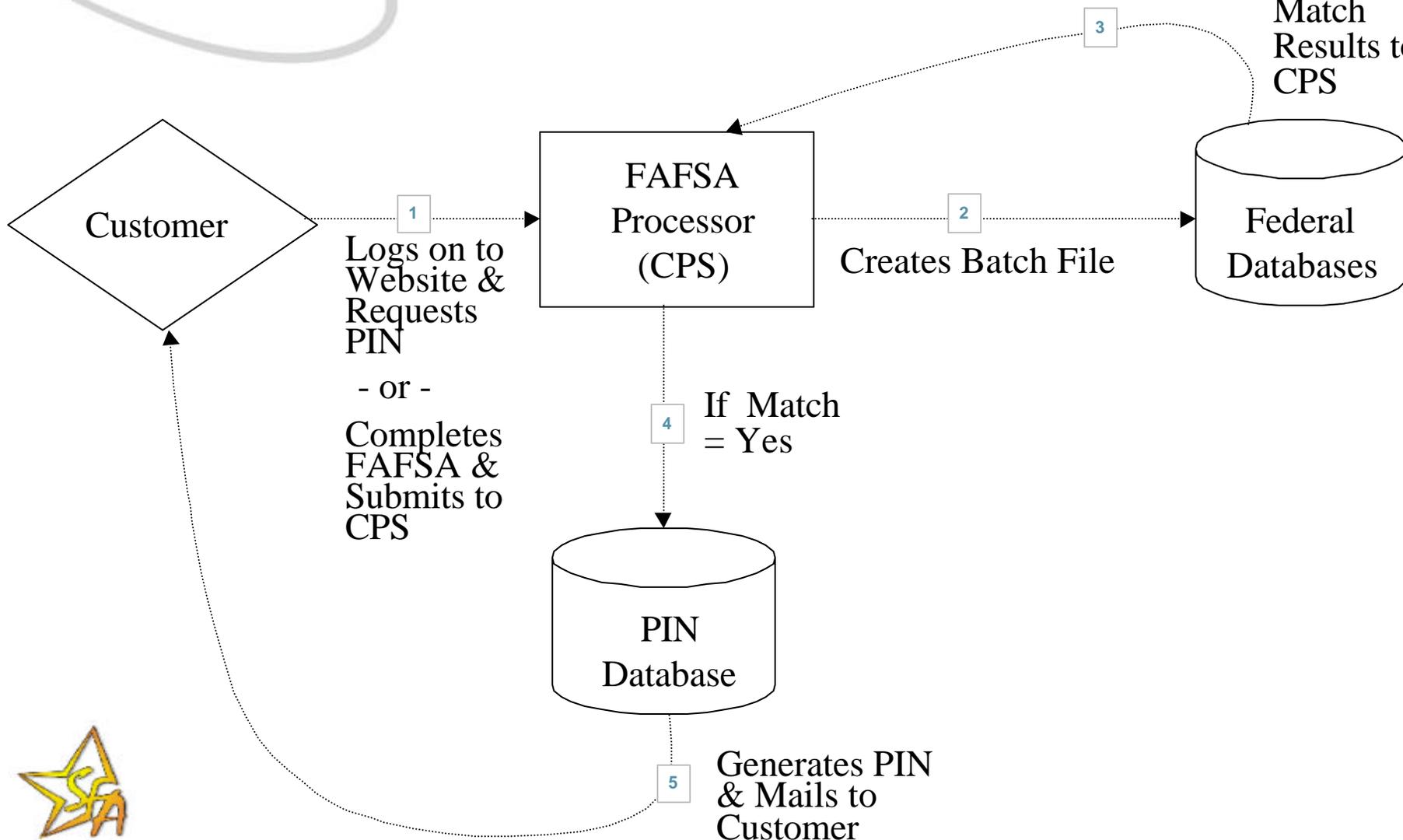


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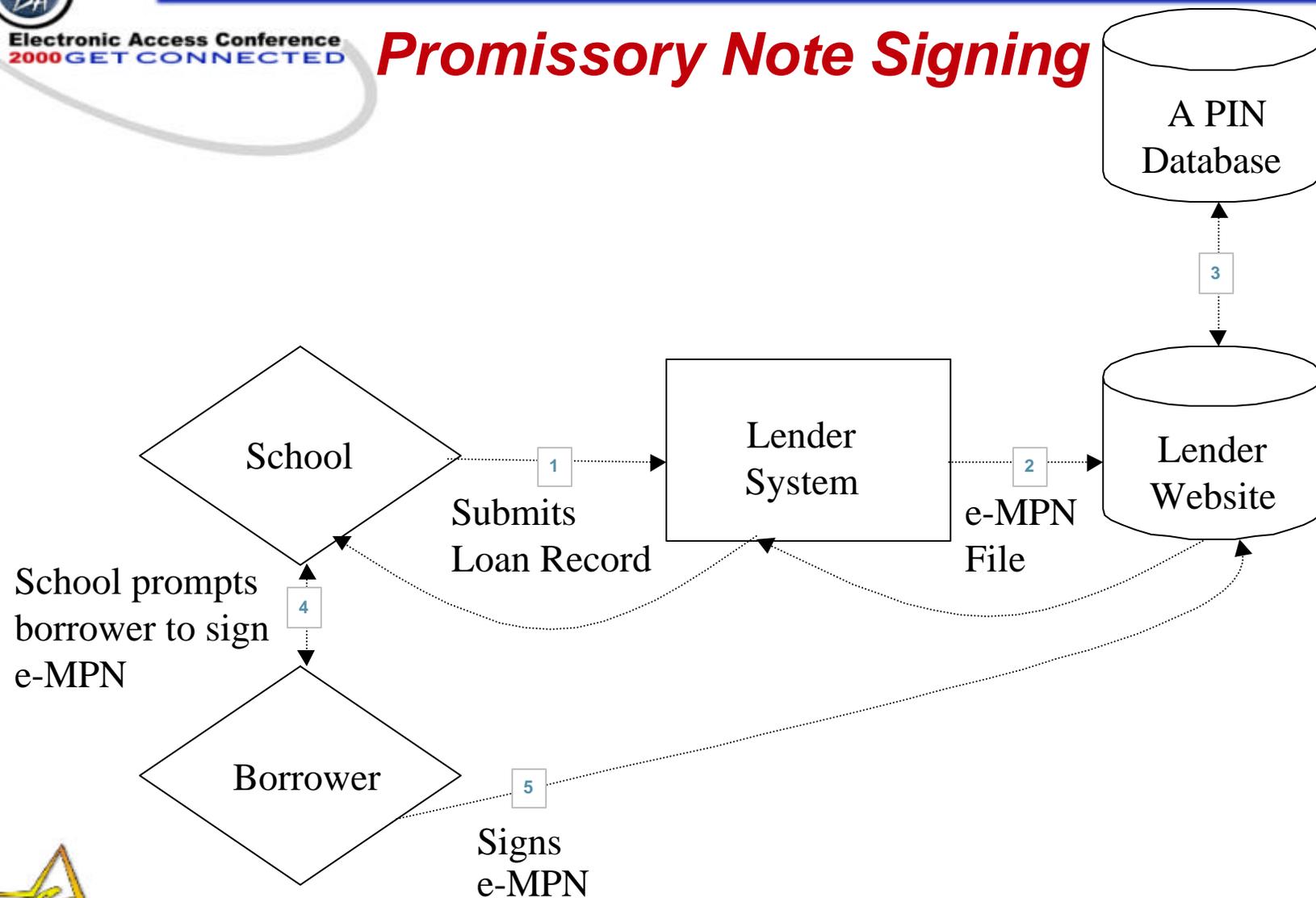
# PIN Generation and Issuance

Returns  
Batch File  
Match  
Results to  
CPS



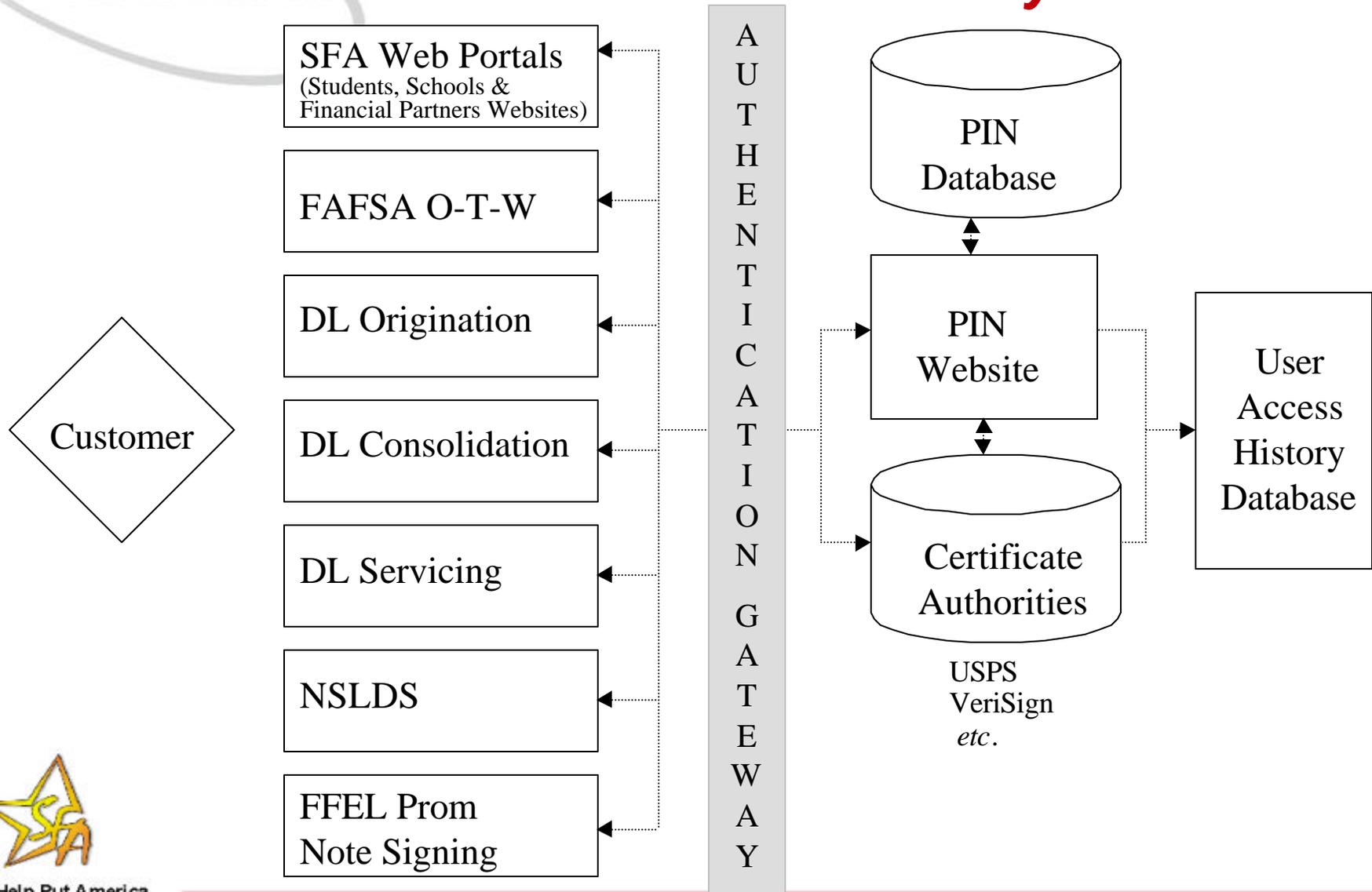


# Promissory Note Signing





# Authentication Gateway





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# E-MPN

Database  
Matches

**FAFSA**

**PIN**

**E-DOC**

**Origination/  
Certification**

**School  
Data**

The image shows a screenshot of a 'Direct Loans' form, likely a Master Promissory Note (MPN). The form contains various fields for borrower information, school details, and loan terms. A large, semi-transparent 'PROOF' watermark is overlaid across the center of the document. The form is titled 'Direct Loans' and 'Master Promissory Note'.



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# E-MPN

Database  
Matches

**FAFSA**

## E-Record

**PIN**

**E-DOC**

- Promise to Pay
- Disclosures
- References
- Entrance Counseling

-SSN  
-DOB

**Origination/  
Certification**

**School  
Data**

- Grade Level
- Loan Amount
- Loan Period





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## Questions and Answers?

Visit SFA's Electronic Identification website at:

[EXTRANET.SFA.ED.GOV/CIO](http://EXTRANET.SFA.ED.GOV/CIO)

You will be prompted for a username and password once you click on the *Electronic Identification* hotlink. The username is USERNAME. The password is PASSWORD.

This site will give you:

- 1) a listing of questions and answers from the three EAC conferences
- 2) the presentation slides given at the EAC on Electronic Signatures
- 3) the ability to send questions and comments to SFA
- 4) a calendar of upcoming events in relation to e-signatures

