

Federal Output Documents

Instructor's Notes

Time Estimate:

Lecture 20 minutes

Exercise 5 minutes

Total Time: 25 minutes

By the end of this session, you will be able to:

- *correct a Student Aid Report (SAR) and*
- *review a SAR Information Acknowledgement and an Institutional Student Information Record (ISIR).*

INTRODUCTION

In the previous session, we took the application process through the point where the Central Processing System (CPS) processes a student's financial aid information, resulting in what is known as an output document. The output document contains many database matches, calculations, and all the student information.

The three federal output documents are:

- the Student Aid Report (SAR),
- the SAR Information Acknowledgment, and
- the Institutional Student Information Record (ISIR).

Page 2 of your Workbook has a review of the application process. Take a moment to read that over. [IG, pg. 11]

The CPS sends the output document to the student and school.

Q: What output documents does the CPS produce when the student submits a paper FAFSA or uses FAFSA Express or FAFSA on the Web?

A: A paper SAR for the student, and an ISIR for the school.

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Q: What if the student applies through EDEXpress?

A: The student receives a SAR Information Acknowledgment. The school receives an ISIR.

In this session, we will take a closer look at each of the output documents, discussing the roles of both the school and the student.

THE SAR

A sample 1998-99 SAR begins on page 3 of your Workbook. [IG, pg. 12]

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The SAR is divided into two parts.

Part One - Information Summary

Part 1, as identified at the top center of the form, is the Information Summary.

At the top right of the first page is the student's social security number, the first two letters of the student's last name, the transaction number of this SAR (01 in this case), and a four-digit Data Release Number (DRN). A student can use the DRN to authorize schools not listed on the SAR to electronically request his or her financial aid application.

The section continues with the eligibility letter for federal financial aid. In the upper right corner of this letter is the EFC. A financial aid administrator can quickly compare the EFC with other items on the SAR to generally determine if a student is eligible for a Pell Grant.

Q: What is this student's EFC?

A: 979.

- An asterisk appearing after the EFC means the student's SAR has been selected for verification. We will go into verification in the next session.

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- A letter C appearing after the EFC indicates eligibility problems with the data matches that must be resolved by the financial aid administrator.

Notice that underneath this student’s EFC is a message reading “BA DEG REC’D.”

Q: What will this mean for this student’s Pell eligibility?

A: This student is ineligible, for he has a previous degree.

Part 1 begins with a letter that instructs the student how to use the SAR and alerts the student and financial aid administrator of any errors or inconsistencies in the information submitted. The letter also gives instructions for correcting any errors or inconsistencies.

- Read the letter on the first two pages of the SAR, beginning with “Read this letter..”.

» Give them 1 minute to read the letter.

- Apparently, this student didn’t register with Selective Service. He will have to do so if he wants federal financial aid.

The bottom of this page contains FAA information, which features flags and codes to alert the financial aid administrator of key facts about the student. For a complete list of codes and their meanings, get a copy of the *1998-99 Guide to SARs and ISIRs*.

Q: Based on what we’ve seen on the first few pages of the SAR, what kinds of things would be indicated by flags in this section for this student?

A: (several answers) Pell-ineligible, no selective service match, verification selection.

The SAR continues on page 5 of your Workbook with the data that the student put on his FAFSA. The student should not write in this section. If an error is found here, a

Note to Instructor:
Because this is a sample SAR, it contains inconsistencies, like “BA DEG REC’D” at the top, and language indicating that the student may be eligible to receive Pell in the body of the letter.

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correction is entered on Part 2 of the SAR, which we'll discuss in a moment.

Part One concludes on Page 6 of your Workbook with the NSLDS history page. Here is a printout of the student's financial aid history according to the National Student Loan Data System. This sample is not realistic, but instead shows all that could appear on the page. Notice flags at the top for overpayments, defaults, and other information about the student that can clearly determine Title IV eligibility.

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Schools that are not listed to automatically receive an ISIR for a student must get themselves on the CPS list and draw down the student's ISIR. However, the Part 1 of the SAR is a valid payment document that schools can use to initially pay a student until the ISIR is received.

Part 2 - Information Review/Request Form

Part 2 of the SAR will be one of two possible forms: the Information Review Form or the Information Request Form. Here, students go over their information and make corrections. Part 2 has a printout of each item reported on the FAFSA with adjacent space for corrections. The sample is found on pages 7 through 10 in your Workbook. [IG, pgs. 16-19]

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When an application is processed and the errors are insignificant enough that an official EFC can be calculated, the student receives an Information Review Form. Such is this case with this student.

- The student checks the information on the form for accuracy and corrects any errors.
- Only if there are any errors should the student correct, sign, and return the form for reprocessing

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When an application is processed and the CPS cannot produce an official EFC because of significant errors or inconsistencies, then the student receives an Information Request Form. The student is requested to provide correct information to the sections highlighted on Part 2.

- If an EFC was not calculated and shown at the top of page one of the sample SAR, Part Two would have been an Information Request Form.

One change students might want to make on either the Information Review Form or Information Request Form is which schools should receive their information. If they replace one school with another, the original school will not receive any updates or corrections the student submits.

After the student reviews and, if necessary, corrects his SAR, he should sign it.

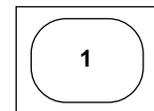
- If he makes corrections, he should mail the form to the address listed on it.
- If he does not make corrections, he should simply keep the SAR (giving a copy to any schools that weren't listed with CPS to initially receive ISIRs for the student).

Notice that the form ends with the "School Use Only" box, which is for the financial aid administrator (FAA) to use for professional judgment (just like it is on the FAFSA). We will discuss the use of this box in detail during Session 17.

SAR Outcomes

Overall, there are three possible outcomes for a SAR: (OH 1)

- **The SAR is Pell-Eligible.** An undergraduate student is eligible for some amount of Federal Pell Grant in 1998-99 if the EFC is **2800** or less. Part Two of the SAR will be an Information Review Form.



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- **The SAR is Pell-Ineligible.** If the EFC is too high, the student is not eligible for a Pell Grant. Note that if the student is Pell-ineligible, the information on the SAR can still be used to determine eligibility for other federal aid and non-federal aid. Part Two will still be an Information Review Form. The student should review the information and correct any errors.
- **The SAR is Rejected.** No EFC is calculated for a rejected SAR.
 - A SAR will be rejected if:
 - ◆ the FAFSA has incomplete or inconsistent responses;
 - ◆ the student fails to print out, sign, and send the paper signature page for the FAFSA Express or FAFSA on the Web; or
 - ◆ the FAFSA is mailed before January 1 of the award year. In this case the SAR itself won't even be processed, and the student will have to resend the FAFSA after January 1.

If the student has a rejected SAR, he or she must correct or complete the information on Part 2, which will be an Information Request Form, and mail it in for reprocessing. Assisting students with corrections can help prevent additional rejected SARs.

THE SAR INFORMATION ACKNOWLEDGMENT

Students applying at their school through EDExpress receive a paper SAR Information Acknowledgment. A sample is on pages 11 and 12 of your Workbook. [IG, pgs. 20-21]

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The SAR Information Acknowledgment contains a summary of the student's information. Students are not to write on this document. If they need to make corrections, they must:

- return to a school that does application processing and make the corrections through EDEExpress; or
- order a duplicate two-part paper SAR and make corrections to Part 2. Students can order a duplicate SAR by calling the Federal Student Aid Information Center at 319-337-5665.

Like a SAR or ISIR, a valid SAR Information Acknowledgment establishes a student's eligibility.

THE ISIR

Please turn to pages 13 through 15 of your Workbook. This is a print out of an Institutional Student Information Record (ISIR). [IG, pgs. 22-24]

When a student applies for federal financial aid and lists your school on the application, you are set up to receive processed information from the CPS in the form of an ISIR. You can draw down ISIRs using EDEExpress or receive them on magnetic tapes or cartridges from the CPS. If a student wants to receive financial aid at your school, the student **must** include you on his or her list of schools on the application. Once you are listed with the CPS, your school will receive all of the student's present and future ISIRs. (OH 2)

If the student does not list your school, you may make an initial payment of student aid using the student's SAR or SAR Information Acknowledgment. However, within 30 days of receiving the SAR or SAR IA, your school must get added to the CPS list. The student can correct his or her SAR

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and add your school by writing it on Part 2 of the SAR and sending it in, or calling the Federal Student Aid Information Center at (319) 337-5665 and adding it over the phone. (OH 3)

Also, you can add your school by obtaining the student's DRN from the student's SAR or SAR IA. Once you have the DRN, you can use EDEExpress to send the CPS the your school code.

Schools and/or servicers **must** receive ISIRs, so they must participate in the EDE electronic application process. To do so, schools must apply to ED. Action Letter #4 [GEN-96-20] has the details.

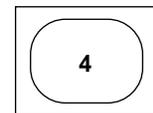
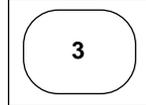
What questions do you have about the three output documents?

CORRECTIONS AND UPDATES

We need to make an important distinction between corrections and updates.

- *Corrections* are changes made to information that is incorrect on the SAR or SAR IA **because the information was either entered incorrectly on the FAFSA or was processed incorrectly by the CPS.** This information has not changed since the student completed the FAFSA.
- *Updates* are changes made to information that has **changed since the student completed the FAFSA.** Making these changes is *required* and are the only updates a student may make to his or her SAR. The three circumstances requiring updates are: (OH 4)
 - the student's dependency status has changed for a reason other than marriage;
 - the student's household size has changed; or

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- the number of the student's family members enrolled in postsecondary schools has changed.

However, note that only students selected by the CPS for verification may update household size and number of student's family members enrolled in postsecondary schools. If the student was not chosen for verification, he or she can only update a change in dependency status.

In summary, the way corrections or updates are made depends on the type of output document.

- SAR—Students make changes directly to Part 2 and mail it to the FAFSA processor, which in turn enters the data and sends it to the CPS. Students also have the option of taking their data to a school that participates in EDEExpress to have the changes made electronically.
- SAR Information Acknowledgment—Students can either order and change a paper SAR **or** take the changes to an institution that participates in EDEExpress. A school employee will enter the new data and submit it directly to the CPS for reprocessing.
- ISIR—A school employee enters the changes electronically using EDEExpress and submits the changes directly to the CPS for reprocessing.

The school must maintain signed correction documentation reflecting the changes. The documentation could be a SAR or other documents, such as tax returns, a verification , or an address change form.

Before we finish this session, does anyone have any final questions?

Now, please complete the quiz on page 16 of your Workbook. [IG, pg. 10]

» Give the participants a few minutes, and then review the answers.

PW 16

Instructor's Notes**Review Quiz—The SAR**

1. Information Review Forms are used to make mandatory corrections indicated on the SAR. **No**
2. Information Review Forms have printouts of each FAFSA item with adjacent spaces for corrections. **Yes**
3. If a student completes the FAFSA with insufficient information for an EFC to be calculated, the SAR is flagged as "Pell-ineligible." **No**
4. Information Request Forms are used to make optional corrections indicated on the SAR. **No**
5. The Information Request Form is Part 3 of the SAR. **No**
6. The Information Request Form contains each item from the FAFSA and space for corrections. **Yes**
7. Part 2 includes the following: Information Summary, eligibility letter, FAFSA information, NSLDS history. **No**
8. Part 1 of the SAR contains the eligibility letter. **Yes**
9. Part 2 of the SAR is where the student makes corrections. **Yes**

BACK AT THE OFFICE

When you return to your office, order a copy of *A Guide to 1998-99 SARs and ISIRs*. Also, determine when the next training is available for EDE to learn how to use the EDE process.

What else should you do when you get back to your office?

PW 17

Review of the Application Process		
Paper FAFSA	FAFSA on the Web/ FAFSA Express	EExpress
How is it completed and submitted?		
<p>The student:</p> <ul style="list-style-type: none"> • completes the paper FAFSA and • mails it in for processing 	<p>The student:</p> <ul style="list-style-type: none"> • completes the application on a computer; • sends it to the CPS online; and • prints, signs, and mails signature page (unless independent student using Renewal FAFSA on the Web) 	<p>The student:</p> <ul style="list-style-type: none"> • completes the paper FAFSA <p>The school official:</p> <ul style="list-style-type: none"> • enters the data electronically; • sends it to the CPS online; and • maintains the paper FAFSA
How long does processing take?		
2 weeks	72 hours	72 hours
How are changes to output documents made?		
<p>The student:</p> <ul style="list-style-type: none"> • writes corrections on Part 2 of SAR and mails it in for processing, or • takes corrections to the school for electronic entry 	<p>The student:</p> <ul style="list-style-type: none"> • writes corrections on Part 2 of SAR and mails it in for processing, or • takes corrections to the school for electronic entry 	<p>The student:</p> <ul style="list-style-type: none"> • takes corrections to the school for electronic entry or • requests Part 2 of the paper SAR

Insert Chris' SAR, page 1

Insert Chris' SAR, page 2

Insert Chris' SAR, page 3

Insert Chris' SAR, page 4

Insert Chris' SAR, page 5

Insert Chris' SAR, page 6

Insert SAR page 7

Insert SAR page 8

Insert SAR Info. Ack, page 1

Insert SAR Info. Ack, page 2

Insert ISIR page 1

Insert ISIR page 2

Insert ISIR page 3