



DEPARTMENT OF HIGHER EDUCATION & WORKFORCE DEVELOPMENT

FINANCIAL AID DEVELOPMENTS

By Kim Slote, Assistant Associate

FEDERAL PELL GRANTS

An [Electronic Announcement](#) was published by the USDE March 1, 2021: First Pell Grant Administrative Cost Allowance Payments for 2020-2021 Award Year. The announcement explains which students a school is eligible to receive ACA payments for and indicates the funds may only be used to defray the costs of administering the Pell Grant, Federal Supplemental Educational Opportunity Grant, Federal Work-Study and Federal Perkins Loan programs. The USDE began processing ACA payments for all schools on Feb. 25, 2021. Contact information is provided for those schools that need assistance regarding their ACA payments.

TECHNICAL

Several announcements related to technology were published by the USDE in the month of March. The listed updates are linked with the corresponding electronic announcement with the date of publication.

- [Operational Implementation Guidance – Federal Student Aid’s Implementation of 2021-2022 Federal Pell Grant Payment and Disbursement Schedules – March 4, 2021](#)

- [COD System Implementation for 2021-2022 Award Year – March 10, 2021](#)
- [TECHNOLOGY SECURITY ALERT – Threat Actors Exploiting On-Premises Microsoft Exchange Vulnerabilities – March 15, 2021](#)

IRS DATA RETRIEVAL TOOL

The USDE published an [Electronic Announcement](#) March 5, 2021: IRS Data Retrieval Tool and Inaccurate \$1 Adjusted Gross Income. Federal Student Aid has discovered the IRS Data Retrieval Tool is returning an inaccurate adjusted gross income of \$1 for individuals that used the Internal Revenue Service’s Non-Filers: Enter Payment Info Here Tool. The error is being investigated to determine the extent of the problem. This announcement outlines further details about the issue and indicates what documents a school can use to verify correct income and tax information or verification of non-filing.

ANNUAL STUDENT LOAN ACKNOWLEDGEMENT

On March 8, 2021, the USDE published an [Electronic Announcement](#): Annual Student Loan Acknowledgement – Borrower Completion Will Not be Required for 2021-2022 Award Year. Due to the continued



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disruptions resulting from the coronavirus, borrowers are not required to complete the Annual Student Loan Acknowledgement for the 2021-2022 Award Year.

DISTANCE EDUCATION

[Dear Colleague Letter ANN-21-04](#) was published March 18, 2021: Live Internet Webinars – Distance Education and Innovation Regulations – Save the Date. The USDE is hosting several webinars that explain the changes to regulatory requirements that take effect July 1, 2021. The announcement provides the dates and times of the webinars. A subsequent [Dear Colleague Letter ANN-21-05](#) provides links to and instructions on how to register for the webinars.

RETURN TO TITLE IV

An [Electronic Announcement](#) was published by the USDE March 19, 2021: Clarification of R2T4 Guidance Related to the COVID-19 National Emergency. This announcement reminds schools of the requirement to report Title IV funds that were not returned to the USDE, due to CARES Act provisions. Examples are provided to illustrate when the R2T4 waiver applies. Instructions outline R2T4 amounts should be reported in the COD system.

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

The USDE published an [Electronic Announcement](#) March 19, 2021: Designation of U.S. Department of Agriculture, Food and Nutrition Services under Section 483(a)(3)(E) of the Higher Education Act. The U.S. Department of Agriculture has been designated by the USDE as an entity allowed to use Free Application for Federal Student Aid data. The data collected will be used to determine a FAFSA applicant's eligibility for temporary SNAP benefits. Students with an EFC of zero will be contacted by the USDE regarding their eligibility by email.

PROPRIETARY SCHOOLS

On March 31, 2021, the USDE published an [Electronic Announcement](#): Availability of Guide for Compliance Attestation Engagements of Proprietary Schools Expending Higher Education Emergency Relief Fund Grants. Proprietary schools that expended \$500,000 or more total HEERF grant program funds are required to have a compliance audit conducted. Schools should ensure that their auditor uses the new *Guide for Compliance Attestation Engagements of Proprietary Schools Expending Higher Education Emergency Relief Fund Grants* when conducting their audit. The Guide is effective March 31, 2021. Audits should



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cover the first fiscal year during which a proprietary school expended HEERF award funds.