



Policy Changes Approved April 21, 2011

Unified Student Loan Policy

Batch 176: Proposals 1236 - 1239

The nation's guarantors provide the following summaries to inform schools, lenders, and servicers of the latest *Common Manual* policy changes. These changes will appear in the manual's next annual update. These changes will also be incorporated into the *Integrated Common Manual*. The *Integrated Common Manual* is available on several guarantor websites, and it is also available on the *Common Manual's* website at www.commonmanual.org. Please carefully note the effective date of each policy change.

School Misrepresentation

The *Common Manual* has been updated to include the Department's definition of misrepresentation and substantial misrepresentation and the actions the Department may take if it determines a school or one of its representatives has engaged in such activities.

Affected Sections: 4.1.E School Code of Conduct
Effective Date: Information provided by a school on or after July 1, 2011.
Basis: §668.71; *Federal Register* dated October 29, 2010, pp. 66958-66959.
Policy Information: 1236/176
Guarantor Comments: None.

Foreign School Audited Financial Statements

The *Common Manual* has been updated to align the Manual's text with final rules published in the *Federal Register* on November 1, 2010, regarding a foreign school's submission of audited financial statements.

Affected Sections: 4.3.A General School Financial Responsibility Requirements
4.8 Independent Audits
Effective Date: Foreign school audited financial statement submissions on or after July 1, 2011.
Basis: §668.23(h).
Policy Information: 1237/176
Guarantor Comments: None.

Definition of "Module"

The *Common Manual* has been revised to provide an updated glossary definition of "module," based on final rule changes published in the *Federal Register* dated October 29, 2010. A "module" is a course or group of courses that do not span the entire length of the payment period or period of enrollment in a program including, for example, an intersession that the school combines with a standard term, or mini-sessions that the school combines to form a summer term.

Affected Sections: 6.1.B Academic Year Categories
Appendix G
Effective Date: Enrollment periods that begin on or after July 1, 2011.
Basis: §668.22(l)(6); *Federal Register* dated October 29, 2010, pp. 66897, 66935, and 66951.
Policy Information: 1238/176
Guarantor Comments: None.

Certifying Loans in Both the FFELP and the FDLP

The Manual has been corrected to include statutory changes that, for a specified time period, permitted a school to certify loans of the same type – either Stafford or PLUS – under both the FFELP and the FDLP for the same borrower even if the certifications applied to the same loan period.

Affected Sections:	4.1.A Establishing Eligibility
Effective Date:	None. These provisions were implemented and enforced by the Department.
Basis:	Section 2210 of the Health Care and Education Reconciliation Act of 2010 (HCERA), P.L. 111-152
Policy Information:	1239/176
Guarantor Comments:	None.