

Bureau of Health Professions

Date: February 3, 1992
To: Officials at Schools Participating in the Health Professions and Nursing Student Assistance Programs
Subject: Policy Memorandum Number Seventeen

This memorandum provides information concerning items of interest to the health professions and nursing student financial aid community. This memorandum addresses the following topics:

- Application and Award Cycles for 1992-93
- Calculating Need for Additional Health Professions (HPSL)/Loans for Disadvantaged Students (LDS)/Nursing Student Loan (NSL) Funds
- Reporting Requirements for the LDS Program
- Funding for the Scholarships for the Undergraduate Education of Professional Nurses (SUEPN) Grant Program
- Electronic Annual Operating Report (AOR)
- Student Financial Aid Guidelines
- Program Reviews

Application and Award Cycles for Academic Year 1992-93 Funds

For Fiscal Year (FY) 1992, all applications for the health professions and nursing student assistance programs will be mailed in March with a return date in April. Award notices will be mailed in May-June. The funding level for each program will be as follows:

Program

Exceptional Financial Need (EFN) Scholarship	\$ 9.7M
Financial Assistance for Disadvantaged Health Professions Students (FADHPS)	\$ 6.2M
Health Professions Student Loan (HPSL)	\$ 2.5M ¹
Nursing Student Loan (NSL)	\$ 4.0M ²
Loans for Disadvantaged Students (LDS)	\$15.0M
Scholarships for Disadvantaged Students (SDS)	\$17.5M ³
Scholarships for the Undergraduate Education of Professional Nurses (SUEPN)	\$ 2.3M

¹ These funds may only be awarded to schools that established an HPSL fund between July 1, 1972, and September 30, 1985.

² Priority for awards will be given to schools which established NSL funds after September 30, 1975.

³ 30% of this amount (\$5.3M) will be awarded to nursing schools.

Calculating Need for Additional HPSL/LDS/NSL Funds

If your school is planning to request HPSL/LDS/NSL monies for Academic Year 1992-93, you should carefully evaluate your cash needs prior to requesting additional funds by reviewing your cash balance (including monies drawn down from previous awards), projected collections, and projected disbursements. An institution's estimated need, as indicated on the application for funds, will be reviewed in conjunction with data reported on the Annual Operating Report (AOR) and the Debt Management Report (DMR) regarding cash balances and projected collections and disbursements. If your AOR and DMR projections do not indicate any unmet need for Academic Year 1992-93, you should request zero (0) funds. Applications for LDS funds will be evaluated in conjunction with HPSL cash balances and projected disbursements.

Reporting Requirements for the Loans for Disadvantaged Students (LDS) Program

The LDS Program falls within the existing legislative authority for the HPSL Program. As such, this program is a set-aside of funds under the HPSL Program and is governed by relevant requirements associated with the HPSL Program including due diligence requirements, institutional contributions, reporting, etc.

However, schools receiving LDS funds must maintain separate accountability for the funds and will be required to provide separate AORs and DMRs for the LDS program, following the same reporting format used for the HPSL program. This is necessary to assure that when funds are repaid, they will be re-loaned only to students who meet the LDS eligibility criteria.

Funding for the Scholarships for the Undergraduate Education of Professional Nurses (SUEPN) Grant Program

In the final FY 1991 SUEPN General Notice, published May 20, 1991, in the Federal Register, it was announced that preference in the awarding of future scholarships would be given to previous recipients. Since the \$2.3M appropriated for the SUEPN Grant Program in FY 1992 will be completely used to support previous recipients, applications for Academic Year 1992-93 will be sent only to schools with previous recipients still enrolled.

Electronic Annual Operating Report (AOR)

In 1992, we are planning to automate the June 30, 1992, AOR for active and closing HPSL and NSL reports. This capability, based on the Department of Education's Fiscal Operations Report and Application to Participate will improve the accuracy of data, decrease the number of data entry errors, perform internal calculations, and provide feedback to schools on potential problems. The system will consist of personal computer, menu-driven data entry screens with on-screen instructions. To participate in the system, schools must have an IBM compatible computer with a minimum of 640K RAM (internal memory), a hard disk and one diskette drive and MS DOS 2.0 or higher. A printer is not required but will be helpful. Additional information on the electronic AOR process will be mailed to your school in the next couple of months. If you have any suggestions or questions, please contact Ms. Mary Morris at 301-443-1700.

Student Financial Aid Guidelines

The Bureau is currently revising the Student Financial Aid Guidelines, which were last issued in October 1980. The Guidelines consist of three books (Book I, Health Professions Programs; Book II, Nursing Programs; and Book III, Fiscal Management), each of which will be updated to reflect current legislation, new programs, regulations, and policy for the health professions and nursing student assistance programs. Publication of the revised Guidelines is expected in late Fall or Winter 1992.

Program Reviews

During 1992, we will be conducting program reviews at selected schools which participate in the health professions financial assistance programs administered by the Division of Student Assistance. Schools selected will be notified by letter in February.

We will be pleased to respond to any comments or questions regarding this memorandum. In order to benefit from all questions, we request that telephone inquiries be directed to the Student and Institutional Support Branch at (301) 443-4776. Please address correspondence to Room 8-34, Parklawn Building, 5600 Fishers Lane, Rockville, Maryland, 20857.

Michael Heningburg
Director
Division of Student Assistance