

Session 30

Contingency Planning: How to Keep Operating During Any Type of Disaster

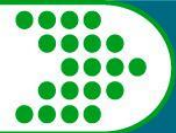
Cathy Brown – *University of West Florida*

Mary Haldane - *Federal Student Aid*

Anthony Jones - *Office of Postsecondary Education*

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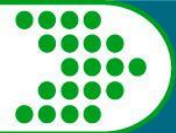




Session Overview

- A Personal Experience
- Contingency Planning
- Reference Information
- General Guidance
- Dear Colleague Letter GEN-04-04





A Personal Experience

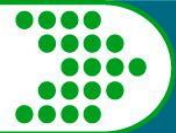
Cathy Brown

University of West Florida

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START HERE
GO FURTHER
FEDERAL STUDENT AID

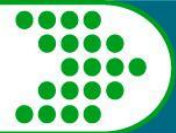


What's The Worst That Could Happen?



- Earth
- Wind
- Fire
- Water
- Humans

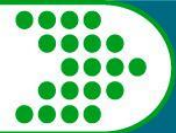




"If you fail to plan, then you plan to fail"

- Evacuation Plan
 - When to close, when to evacuate?
 - Who's in charge?
 - Who stays, who goes?
 - Where to go and how?
 - When to return?
 - What can you take in 15 minutes and how?

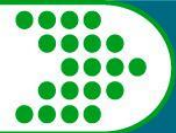




"If you fail to plan, then you plan to fail" (continued)

- Security/Safety
 - Public
 - Data
- Communications

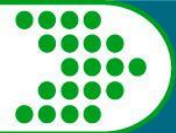




“Not Just Back, Better”

- Taking care of faculty and staff
- Immediate relief for students
- Putting the pieces back together; recovering information
- It will be better



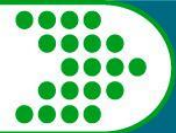


What We Learned

- Know the likely hazards you face & plan accordingly
- Back up your data off-site
- Identify building and floor wardens
- Have personal emergency kits at the ready



- Training, training, training
- People care. Let them help.



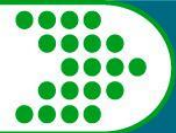
Contingency Planning

Mary Haldane

Federal Student Aid

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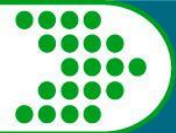




What Are the Different Types of Emergency Plans

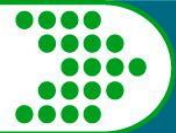
- Occupant Emergency Plan
 - Ensures Safety of Occupants of a Building
 - Evacuation
 - Shelter in Place (SIP)





What Are the Different Types of Emergency Plans (continued)

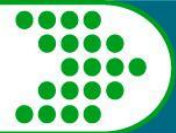
- Disaster Recovery Plan
 - Ensures the Recovery of IT Systems Contingency Plan
- Ensures the Continuation of Essential Functions Across a Wide Range of Potential Emergencies to Provide For:
 - Business Process Continuity
 - Organizational Continuity
 - IT Continuity



Why Develop a Contingency Plan?

- Ensure the Safety of Students, Faculty, Staff, and Visitors
- Prepare Staff and Students for Any Emergency
- Ensure the Continuation of Essential Functions During an Emergency





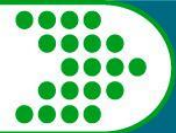
Why Develop a Contingency Plan?

(continued)

- Minimize Damage and Losses Resulting From an Inability to Perform Essential Functions
- Facilitate Decision Making During an Emergency
- Achieve a Timely and Orderly Recovery From a Disruption of Services Caused by an Emergency

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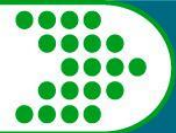




How to Develop a Contingency Plan – A Five Point Plan

- Contingency Plan Development Team
 - Resources
 - Roles and Responsibilities
- Business Impact Analysis
 - Requirements, Processes, and Interdependencies for Contingency Planning

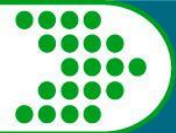




How to Develop a Contingency Plan – A Five Point Plan (continued)

- Continuity Strategies
 - Cost, System Sensitivity, and Recovery Time Objectives
- Plan testing, training, and exercise
- Plan maintenance

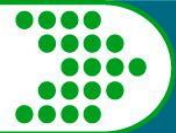




Important Components of a Contingency Plan

- Response Team
- Roles:
 - Senior Management Team
 - Damage Assessment Team
 - Continuity Activities - Lead and Team Members
 - Resumption Activities - Lead and Team Members

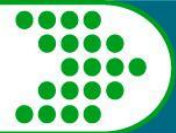




Important Components of a Contingency Plan (continued)

- Training
- Testing
- Alternate Facilities
 - Location
 - Equipment

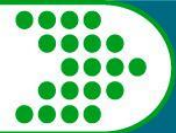




Important Components of a Contingency Plan (continued)

- Notification/Activation Procedures
 - Notification of Senior Management Team
 - Performing Damage Assessment Procedures
 - Essential Functions, Their Priority Order for Recovery, and When They Need to Be Functioning

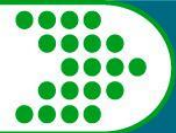




Important Components of a Contingency Plan (continued)

- Continuity Activities
 - Activities to Perform to Keep Essential Functions Working
- Resumption of Normal Activities Procedures
 - Activities to Return the Institution to Normal Operating Procedures and Processing Capabilities

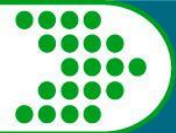




Important Components of a Contingency Plan (continued)

- Communication Plan
 - Internal Procedures and Templates
 - External Procedures and Templates
 - Accounting for Faculty, Staff, and Students Procedures
 - Contact information for faculty, staff, students/parents, and internal and external dependencies

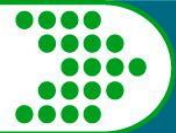




Important Components of a Contingency Plan (continued)

- Vital Records
 - Location
 - Media
 - Access

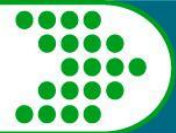




Important Components of a Contingency Plan

- Data Backup and Off Site Storage
- Awareness and Education Activities
- Flyaway Kits
 - Cell Phones and Chargers
 - BlackBerries and Chargers
 - Identification
 - Contingency Plan
 - Occupant Emergency Plan
 - Disaster Recovery Plan
 - Vital Records



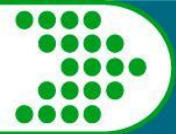


Lessons Learned – Contingency

Planning

- People Are the First Priority
- Practice – Practice – Practice
- Practice Real Scenarios
- Assume No Essential Services
- Make Common Sense Decisions
- Be Prepared to Make Decisions Outside of “Rules”
- Involve Local Authorities



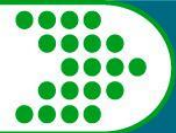


Lessons Learned – Contingency

Planning (continued)

- KISS Principle
- A Contingency Plan Is a Living Document
- Keep Plan Current
- Confirm Communications Are Received
- Backup
 - Essential Data
 - Response Team
 - Phone Tree Callers
- Pre-Position Vital Records at Alternate Site

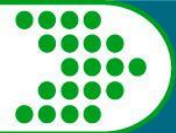




Lessons Learned - Occupancy Emergency Planning

- Establish Building Captains
- Establish Floor Captains and Teams
- Emergency Supplies





Reference Information / General Guidance

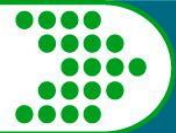
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Office of Postsecondary
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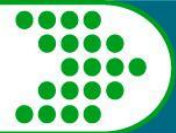
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Reference Information

- Dear Colleague Letters, Federal Registers, and Electronic Announcements
 - General guidance for Title IV participants affected by a disaster: GEN-04-04 (FP-04-03)

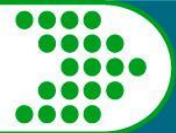




Reference Information (continued)

- Hurricanes Katrina & Rita:
 - Electronic Announcements (posted on IFAP beginning 09/02/05) on topics including transfer students, deadline extensions, adding federal school codes, CPS and COD technical support, etc.
 - Federal Register (09/09/05) announcing deadline extensions
 - IFAP links to additional information
- 09/11 Terrorist Attacks: GEN-01-11, GEN-01-12, GEN-01-13, all posted on IFAP 09/2001
- Disaster Letter 99-28, posted on IFAP on August 5, 1999

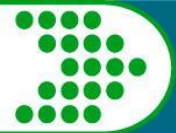




Reference Information (continued)

- Federal Student Aid Handbook
- Regulations
 - Professional Judgment
 - FFEL and Direct Loans

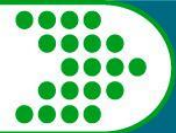




Regulatory Guidance

- Regulatory guidance is in 34 CFR 682.211(f)(11) -- allows loan holder to grant administrative forbearance for up to 3 months if lender determines borrower's ability to make payments has been adversely affected by:
 - Natural disaster;
 - Local or national emergency (as declared by appropriate government agency); or
 - Military mobilization

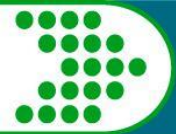




Regulatory Guidance (continued)

- Similar treatment for Federal Direct Loans
- DCL GEN-04-04 (FP-04-03) clarifies that this applies to Federally-declared disasters as well

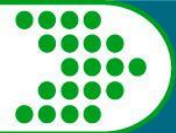




General Guidance for Disasters

- Unless otherwise noted, guidance applies to Federally-declared disaster areas (individual or household assistance)
 - FEMA website is official source (www.fema.gov)



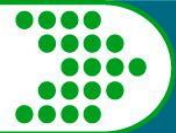


General Guidance for Disasters

(continued)

- Guidance applies to all Title IV borrowers, students, and families who, at the time of the disaster, were:
 - Residing;
 - Employed; or
 - Attending eligible postsecondary institution, in Federally-declared disaster area.



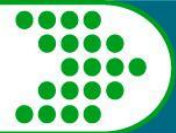


General Guidance for Disasters

(continued)

- Guidance also applies to institutions, lenders, and guaranty agencies impacted by a disaster
- Additional guidance may be issued that supplements or supercedes GEN-04-04 (usually through posts to IFAP)



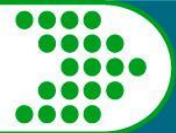


General Guidance for Disasters

(continued)

- When Federally-declared disaster has impacted a school's ability to administer Title IV programs, DCL GEN-04-04 provides relief or specific guidance on how a school should proceed.
 - In many cases in which ED could not provide standard or across-the-board relief, we direct the school to contact their Case Management team for a case-by-case analysis of the school's situation.



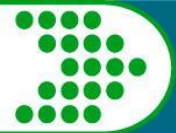


General Guidance for Disasters

(continued)

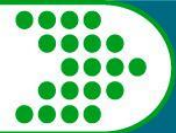
- Always document when deviating from otherwise required actions
 - Must document when invoking GEN-04-04 guidance
- Note that specific future statutory authority may change or enhance the guidance in GEN-04-04
 - For example, Hurricanes Katrina and Rita special exceptions and allocations, and R2T4 student grant overpayments
 - ED will most likely issue some form of guidance or statement when this authority is granted





GEN-04-04: General Provisions

- If school is unable to continue providing student's eligible program, we encourage establishing written agreement with another institution
 - See 34 CFR 668.5 for applicable regulations
- Attempt to reconstruct any records lost, destroyed, or rendered illegible due to a disaster, but if unable to do so, document in the student's file that records were lost/destroyed/damaged due to disaster

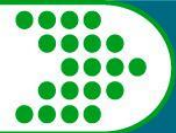


GEN-04-04: General Provisions

(continued)

- If, as a direct result of a disaster, an institution is temporarily closed for a period of time that impacts the length of the academic year, the institution should contact the appropriate Case Management team
 - Case Management will determine, on a case-by-case basis, continued program eligibility and students' continued eligibility for Title IV assistance



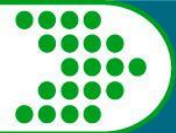


GEN-04-04: General Provisions

(continued)

- Disaster-related assistance received by from the Federal or State government by disaster victims for the purpose of financial relief, shall not be counted as income for the purpose of calculating a family's EFC. Also, this assistance shall not be counted as a resource or estimated financial assistance.



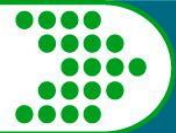


GEN-04-04: General Provisions

(continued)

- FAAs are encouraged to use their professional judgment authority (granted under HEA §479A) to reflect more accurately the financial need of students and families affected by a disaster
 - Must still make adjustments on a case-by-case basis and clearly document the student's file with the reasons



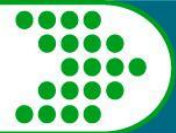


GEN-04-04: General Provisions

(continued)

- If student fails to meet satisfactory academic progress standards due to a disaster, the institution may apply the exception provision of “other special circumstances” contained in 34 CFR 668.34(c)(3)
 - must document student’s file that student’s failure to maintain SAP was due to disaster





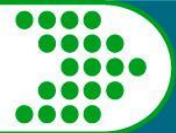
GEN-04-04: General Provisions

(continued)

- For those applicants selected for verification whose records were lost or destroyed because of a disaster, the verification requirements during the award year will not be enforced
 - Must document when verification is not performed for this reason
 - When reporting Federal Pell Grant disbursement, use verification status code “S”

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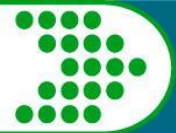


GEN-04-04: General Provisions

(continued)

- Schools are strongly encouraged to provide full refund of tuition, fees, and other institutional charges (or to provide comparable amount against future charges) if student withdraws as a direct result of a disaster



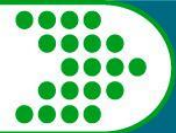


GEN-04-04: General Provisions

(continued)

- If student withdraws because of a disaster, the institution must perform the return of Title IV funds calculations in accordance with 34 CFR 668.22, as it must for any student who withdraws
- If institution makes refund of institutional charges, R2T4 calculations must be based upon originally-assessed charges



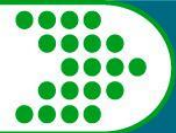


GEN-04-04: General Provisions

(continued)

- Student directly affected by disaster need not request in writing a leave of absence
 - Documentation of LOA must include reason for LOA and reason for waiving written request requirement
 - LOA definition generally applies only to clock hour or non-term programs



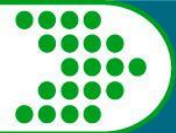


GEN-04-04: General Provisions

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- If Title IV credit balance exists for any reason when a student withdraws, it must first be applied to any Title IV grant overpayment that exists as a result of the student's withdrawal

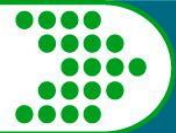




GEN-04-04: General Provisions

(continued)

- Concerns related to deadlines and timeframes in the following areas should be addressed through the appropriate Case Management team:
 - Cash management requirements (includes credit balances; notices and authorizations; borrower request for loan cancellation; excess cash; FFELP funds; and institutional eligibility, financial responsibility, and administrative capability)

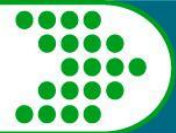


GEN-04-04: General Provisions

(continued)

- Concerns related to deadlines and timeframes in the following areas should be addressed through the appropriate Case Management team: (continued)
 - Return of Title IV funds (includes post-withdrawal disbursements)
 - Campus Security Reporting and Equity in Athletics Disclosures

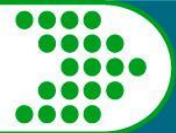




GEN-04-04: Federal Pell Grants

- If, due to a disaster, a school is unable to meet the deadlines for:
 - reporting disbursement records, contact Case Management for a case-by-case analysis
 - final Pell Grant reporting, request extension by calling Pell Grant Customer Service (800-474-7268), or submit request via COD website (on “Request Post Deadline Processing” screen located on left hand side of menu under the School tab)

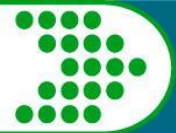




GEN-04-04: Campus-Based Programs

- If an institution is unable to use at least 90% of each of its Campus-Based allocations because of a disaster, the Secretary will consider the failure of an institution to expend funds solely due to a disaster as an appropriate criterion for a waiver of the underutilization penalty
- Affected institutions must make waiver request by contacting Campus-Based Call Center (877-801-7168) for waiver submission guidelines

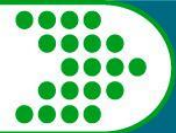




GEN-04-04: Campus-Based Programs (continued)

- If an institution is having trouble filing its complete FISAP by the published deadline because of a disaster, the institution should request assistance from the Campus-Based Call Center (877-801-7168)

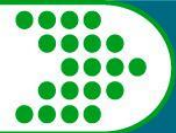




GEN-04-04: Federal Work-Study

- If a school is unable, due to a disaster, to expend at least 7% of its FWS allocation to compensate students employed in community services, the Secretary will consider the failure of an institution to expend these funds solely due to a disaster as an appropriate criterion for a waiver of this expenditure requirement



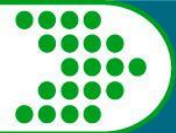


GEN-04-04: Federal Work-Study

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- Affected institutions must make waiver request by contacting Campus-Based Call Center (877-801-7168) or following annually-published waiver submission guidelines



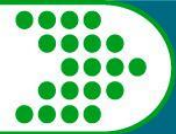


GEN-04-04: Federal Work-Study

(continued)

- The Secretary encourages institution to employ their FWS students in the cleanup and relief efforts for the communities affected by a disaster. These efforts would be considered part of the institution's community services activities under the FWS Program.

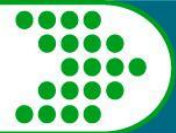




GEN-04-04: Federal Perkins Loans

- Any borrower in “in-school” status at time of disaster should continue to be in “in-school” status during period of disaster-related nonattendance until such time as borrower withdraws or re-enrolls in next regular enrollment period (whichever is earlier)
 - Period of disaster-related nonattendance should not impact grace period
 - Document student’s file



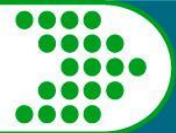


GEN-04-04: Federal Perkins Loans

(continued)

- For a borrower who is in repayment at the time of a disaster, but is unable to continue to repay the loan due to the disaster, the Secretary authorizes the institution to grant a forbearance for a period not to exceed three months
 - Borrower may request forbearance orally or in writing without submitting documentation (beyond 3 months requires written request and documentation)
 - Institution must document student's file



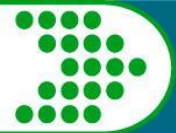


GEN-04-04: Federal Perkins Loans

(continued)

- Institutions that have concerns regarding the following issues should contact the appropriate Case Management team for a case-by-case analysis:
 - Billing and collection activities required by Part 674, Subpart C – Due Diligence
 - Borrowers in initial or post-deferment grace periods

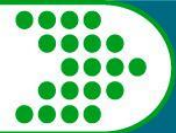




GEN-04-04: FFEL and Direct Loans

- Any borrower in “in-school” status at time of disaster should continue to be in “in-school” status during period of disaster-related nonattendance until such time as borrower withdraws or re-enrolls in next regular enrollment period (whichever is earlier)
 - Period of disaster-related nonattendance should not impact grace period
 - Doesn’t affect how institution reports borrower’s enrollment status on SSCR





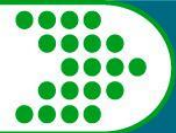
GEN-04-04: FFEL and Direct Loans

(continued)

- If institution is unable to complete and return SSCR to NSLDS according to established schedule due to disaster, contact NSLDS Customer Service (800-999-8219) to modify reporting schedule
 - If using Nat’l Student Clearinghouse, contact Clearinghouse

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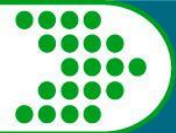




GEN-04-04: FFEL Loans

- Lenders are authorized not to disburse loan proceeds to institutions affected by a disaster if institution's operations have ceased or opening delayed.
- Revised disbursement schedules, loan periods, completion dates, etc. may be necessary.

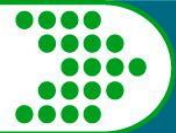




GEN-04-04: Federal Direct Loans

- If institution is unable to meet promissory note, loan origination record, and initial and subsequent disbursement record submission requirements due to a disaster, contact appropriate Case Management team for case-by-case analysis





Contact Information

- Your feedback and comments are appreciated!
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