Oracle Fusion Cloud Student Financial Planning

Package Title IV loans

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Contents

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1 About packaging Title IV loans

Oracle Student Financial Planning (SFP) automatically manages the packaging of Title IV loans based on the US Department of Education (ED) guidelines and your institution's configuration.

SFP determines Title IV loan eligibility using ED regulations by award year and your institution’s guidelines. This includes fund status updates, and award year selection for crossover payment periods. After SFP confirms eligibility, it calculates the award amount to disburse.

SFP considers students for these loans:

- Direct Subsidized Loan
- Direct Unsubsidized Loan
- Direct PLUS Loans (Parent PLUS Loan and Grad PLUS Loan)

Institutions can also configure and manage Title IV grants, nonfederal funds, and student resources.

2 Required permissions to view packaged funds

Users must have the Student role.

For more information on permissions, see *Manage General Permissions Matrix*.

To view packaged funds, from the administration page go to **Student** > **Financial Information** > **Packaging**.

3 How SFP handles Title IV loans

Oracle Student Financial Planning (SFP) automatically handles eligibility determination, fund status updates, and award year selection for crossover payment periods.

Determines Direct Loan eligibility

If the student passes general Title IV eligibility requirements for a Direct Loan, the student is packaged with the appropriate funding. Direct Loan eligibility requirements are evaluated per award year. SFP determines if the student has exceeded the annual or aggregate loan limits, or if the student had a prior loan discharged due to disability or total and permanent disability.

SFP evaluates the student's program type (for example, graduate, or undergraduate) and determines which type of Direct Loan the student is eligible to receive.

When SFP receives loan period information, it determines if the loan period is for the past, present or future.

For undergraduate students, the dependency status from the student's Institutional Student Information Record (ISIR) is considered to determine if the student is eligible for the Dependent or Independent unsubsidized loan limit.

Updates the Direct Loan fund status

SFP automatically prevents funds from progressing to 'Estimated' if the National Student Loan Data System (NSLDS) received date falls outside the configured window. Institutions can configure the allowable age of NSLDS data using the 'Days_Between_FAH_File_Requests' setting including an additional five-day buffer.

During packaging, SFP updates the fund status from estimated or projected to awarded when the fund meets the configured awarding criteria.

After the status changes to awarded, it doesn't change back to estimated or projected unless the ISIR status changes from valid to invalid. If that happens, SFP updates the fund status from awarded to projected. If a student has already been awarded and the eligible fund amount changes, the fund status stays awarded. However, SFP adjusts the award amount, and the fund requires acceptance when needed.

The Financial Plan Outbound (FPO) message is generated when the student's packaging status changes. The message lets the student know whether the packaging status is projected, estimated, or awarded.

Determines the award year used for Direct Loan awards for a crossover payment period

You can use the Direct_Loan_Crossover_LP_AwY_Selection (Direct Loan Crossover Loan Period Award Year Selection) field in the *Package Schedule Attributes Guide* to select the aid year to use for Direct Loan awards for the crossover payment period. If you don't configure the Direct_Loan_Crossover_LP_AwY_Selection field, SFP defaults to the predefined aid year selection rules per fund code.

When no ISIR is received for the loan period award year, and:

- An ISIR is received for the prior aid year only, SFP packages the Direct Loan fund as projected.
- An ISIR received is for the future year only, the student is ineligible for Direct Loans.

Determines the current and projected awards for Direct Loans

Using the US Department of Education's (ED) annual and aggregate loan limits, the application determines the maximum projected award amount for the current and all future loan periods in the student's program. This gives students a clear picture of how much they can receive for their entire program.

When determining the student's maximum projected Direct Loan awards for a loan period, the application considers the student's:

- Financial need
- Subsidized loan limit
- Unsubsidized loan limit
- Grade level loan limit
- Prorated loan limit
- Remaining overlapping loan limit
- Remaining loan eligibility based on NSLDS annual limits and overlapping loans
- Remaining loan eligibility based on NSLDS aggregate limits, if applicable

Manages loan limit exceptions

SFP lets institutions configure interim exception processing so eligible students can receive prior Direct Loan limits, those that applied before One Big Beautiful Bill (OBBB), for a limited time. The interim exception period is based on the student's expected time to credential, which is the lesser of 3 years or the student's remaining time to credential (up to the published program length).

Borrowing from any of these Direct Loan types qualifies a student for interim exception treatment across applicable Direct Loans: DUNSUB, DUNSUB:Medical, PLUS, and GPLUS. This applies to award year 2026–27 and later.

Here's how SFP handles the interim exception processing:

- Sets the 'Loan Limit Exception Indicator' using ED data when it's available. SFP uses the latest value by received date.
- If ED data is unavailable, uses the OB3InterimException document `IsEligible` value, if present. Otherwise, SFP defaults to `N`.
- Applies continuing eligibility constraints based on optional OB3InterimException metadata. For example, continuous enrollment, program Classification of Instructional Programs (CIP) code, credential level, program attendance begin date, and published program length indicator.
- Limits interim exception application to the interim period, up to 3 award years. For award years after 2028–2029, the indicator is set to `N`.

SFP applies this term application and freeze logic:

- The 'Loan Limit Exception Indicator' is set per term. It's evaluated at the award-year level and applied to terms in that award year.
- SFP doesn't update the indicator for terms where the system date is after the term end date or terms with disbursed disbursements.
- Only current (undisbursed) and future terms may be updated.

4 How SFP handles Direct Subsidized and Direct Unsubsidized Loans

Oracle Student Financial Planning (SFP) determines Direct Loan eligibility and award amounts using federal limits, grade level, dependency status, proration rules, and projected borrowing across the student's program.

Determines annual loan limits for Direct Subsidized and Direct Unsubsidized Loans

Grade levels are determined by calculating the total number of credits that can be applied toward program completion and the institution's academic year definition. Calculating the number of credits to use toward program completion includes summing the total number of credits completed and accepted transfer credits. Unacceptable transfer credits, credits earned from taking courses that aren't applicable to the program, and or credits earned before the start of the current program that don't count toward program completion aren't used when determining the student's current grade level. Once the current grade level is determined, future grade levels for the remainder of the student's program are projected.

For undergraduate students, the dependency status from the student's Institutional Student Information Record (ISIR) is considered to determine if the student is eligible for the dependent or independent unsubsidized loan limit.

Determines aggregate and lifetime limits for Direct Subsidized and Direct Unsubsidized Loans

SFP packaging uses National Student Loan Data System (NSLDS) aggregate loan history, when available, to determine a student's remaining annual or aggregate eligibility for Direct Loans. The calculation method is the same across loan types. However, the applicable limit and the NSLDS aggregate field or fields vary by fund and borrower type.

Borrowers with a loan limit exception aren't subject to the new annual and aggregate loan limits while the exception applies.

For borrowers without an exception, the new lifetime aggregate loan limits apply:

- New lifetime limit: $257,500 for all combined undergraduate, graduate, and professional-level Direct Loans. This applies to total amounts borrowed, including repaid, canceled, forgiven, or discharged loans.
- Exclusions: doesn't include Parent PLUS Loans, Graduate PLUS Loans, Consolidation Loans, or HEAL/Health Professions Loans.

If an NSLDS record exists, packaging calculates remaining eligibility using this formula:

Remaining Eligibility = Applicable Limit + NSLDS Aggregate Total + Total Student Financial Aid (SFA) Loan Amount + Sum of Disbursement Amounts

Where:

- **Applicable Limit** (Aggregate Limit) is the applicable aggregate limit for the loan type.
- **NSLDS Aggregate Total** is the applicable NSLDS aggregate value for the loan type.

- **Total SFA Loan Amount** is the applicable institution-originated loan amount that's included in the aggregate calculation.
- **Sum of Disbursement Amounts** is the applicable total of disbursements used in the calculation.

If no NSLDS record exists, packaging treats the student as having maximum aggregate eligibility and doesn't limit eligibility based on loan history.

> **Note:** Some aggregate lifetime limits are based on combined Direct Loan borrowing, including both subsidized and unsubsidized amounts. In these cases, prior subsidized borrowing can reduce remaining eligibility even when packaging an unsubsidized loan.

Determines grade level and annual and aggregate loan limits for graduate Direct Unsubsidized Loans

- New classifications for graduate versus professional students

  Starting with the 2026–27 award year, the One Big Beautiful Bill introduces new classifications for students who receive Direct Unsubsidized Loans. These classifications determine whether a student is considered graduate or professional, and they have different annual and aggregate loan limits.

  A *professional student* is defined by US Department of Education (ED) regulation as a student who is enrolled in a program that awards a professional degree, such as M.D., Pharm.D., J.D., D.D.S., or D.V.M., and typically requires professional license to practice.

  These conditions apply to professional students:

  - The student must not receive Title IV aid as an undergraduate student for the same period of enrollment.
  - The professional degree must represent both completion of the academic requirements needed to begin practice in the profession and a level of professional skill beyond what's normally required for a bachelor's degree.
  - The professional degree is generally at the doctoral level and requires at least six academic years of postsecondary education, including at least two years of postbaccalaureate work.

  A *graduate student* is defined by ED regulation as a student who is enrolled in a program that awards a graduate credential, such as a master's degree, on completion but isn't classified as professional under ED definitions.

- New annual and aggregate loan limits

  Borrowers with a loan limit exception aren't subject to the new aggregate loan limits while the exception applies.

  For borrowers without an exception, new separate graduate and professional loan limits apply. Undergraduate loans don't count toward these new limits.

Student Type	Annual Unsubsidized Limit	Aggregate Unsubsidized Limit
Professional	$50,000/year	$200,000
Graduate (no prior professional enrollment)	$20,500/year	$100,000

Student Type	Annual Unsubsidized Limit	Aggregate Unsubsidized Limit
Graduate (prior professional enrollment)	$20,500/year	$200,000

> **Note:** Previously, the annual and aggregate limits for graduate and professional students were $20,500 and $138,500 respectively.

- Grade level changes

  Starting with the 2026–27 award year, six new grade and academic levels, 8 through 13, are introduced to separately categorize different types of graduate and professional students. These new levels replace levels 6 and 7.

  - 8: Graduate Never Professional
  - 9: Graduate was Professional
  - 10: Professional Never Graduate
  - 11: Professional was Graduate
  - 12: Graduate Concurrent Enrollment
  - 13: Professional Concurrent Enrollment

  Configuration will allow schools to determine a grade level that aligns with ED requirements. SFP reports this determined value as the student level code in COD communications.

Determines additional unsubsidized limits for Direct Loans

Additional unsubsidized Direct Loan awards are calculated by determining the grade level limit up to the independent grade level limit considering any loans that overlap the current loan period using NSLDS data.

Dependent students whose 'PLUS Loan Denial Indicator' is **true** on the ISIR are automatically considered for additional unsubsidized Direct Loan funds. A dependent student's unsubsidized Direct Loan amount can also be manually increased beyond the grade level limit for combined subsidized and unsubsidized Direct Loans.

- If the application awards a student additional unsubsidized Direct Loans due to a PLUS denial, it automatically sets the 'Additional Unsubsidized Eligibility Indicator' to **true** when reporting the loan to Common Origination and Disbursement (COD).
- If you manually award additional unsubsidized Direct Loans, you can set or unset 'Additional Unsubsidized Eligibility Indicator.' For more information on editing funds, see *Add, Edit, or Remove a TIV Fund*.

In either case, the application sets the 'Additional Unsubsidized Eligibility Indicator' to **true** when reporting the loan to COD.

Students in selected medical programs can also receive additional unsubsidized Direct Loan funds. The amount is determined using the student's academic program and fund configuration.

Configuring additional unsubsidized Direct Loans for students in selected medical programs isn't part of the baseline configuration. To set this up, you need to update the FAS Fund Config workbook (**FAS_FUND_CONFIG.csv**):

1. In the `Fund_Code` column, enter `DUNSUB`.
2. Reference a Groovy script in the Medical_Eligible_Program_Amount_Info column. In this script, you can determine which programs are eligible for the additional unsubsidized Direct Loan amounts and how much a

student should receive. When students are awarded Direct Loans using this script, the fund description includes "Medical"

For any student receiving additional unsubsidized Direct Loan funds in a selected medical program, the application sets the 'HIPPA Indicator' to **true** when reporting the loan to COD.

Determines if the loan limit needs to be prorated

The application prorates the student's loan limit if the student is in an undergraduate certificate program and the program length is less than a standard academic year.

To prorate the loan limit, the application multiplies the student's loan limit (based on grade level) by the lesser of the following ratios:

- Remaining Program Credits ÷ Academic Year Definition Credits
- Remaining Program Weeks ÷ Academic Year Definition Weeks

If the student is in an undergraduate bachelor's program and the Borrower-Based Academic Year (BBAY) has a partial academic year, the application prorates the student's loan limit. To prorate the loan limit, the application multiplies the student's loan limit (based on grade level) by the following ratio:

Remaining Program Credits ÷ Academic Year Definition Credits

To identify the final academic year to be considered for proration, SFP uses the last academic year received in the Student Academic and Financial Information (SAFI) message. To ensure correct Direct Loan calculations, all academic years up to the end of the student's program must be sent in the SAFI Message.

5 How SFP handles Direct PLUS Loans

Oracle Student Financial Planning (SFP) determines Direct PLUS Loan eligibility, reviews prior applications and credit decisions, and calculates current and projected Parent PLUS or Grad PLUS award amounts.

Determines Direct PLUS Loan eligibility

Undergraduate and graduate students may be eligible for a Direct PLUS Loan for each award year. SFP evaluates Direct PLUS Loan eligibility for each award year. It determines whether the student had a prior loan discharged because of disability or total and permanent disability and, if so, whether Comment Code 137 has been cleared. SFP also checks whether the student or borrower is a citizen of the Marshall Islands, Micronesia, or Palau. If so, the student or borrower must provide an Alien Registration Number. If the student meets the general Title IV eligibility requirements for a Direct PLUS Loan, SFP packages the student with the appropriate funding.

After the Direct PLUS Loan application is received, SFP considers the credit decision results when it determines the student's eligibility.

Effective July 1, 2026, the One Big Beautiful Bill (OBBB) terminates the Grad PLUS Loan program. Beginning with the 2026–2027 award year, SFP doesn't package new Grad PLUS Loans. Existing Grad PLUS Loans that were packaged before this change remain packaged and aren't removed because of this change.

Students who qualify for an interim exception may remain eligible to receive Grad PLUS Loans (GPLUS) for up to three years after July 1, 2026, even though new Grad PLUS packaging is otherwise disabled.

Determines if there's prior Direct PLUS Loan application for the borrower in the academic year

SFP can award multiple Parent PLUS or Graduate PLUS Loans within an academic year, including loans received by more than a single borrower.

To award multiple Direct PLUS Loans, you need to update the FAS Fund Config workbook (**FAS_FUND_CONFIG.csv**):

1. n the Fund_Code field, enter PLUS or GPLUS.
2. Reference a Groovy Script in the PLUS_Credit_Decision_Matching_Criteria field. In this script, you can determine the terms within a student's program that a Direct PLUS Loan application is matched to. When students are awarded Direct PLUS Loans using this script, the fund description includes the borrower name and application ID.

Evaluates the credit decision

When a student qualifies for a Direct PLUS Loan based on the final credit decision status for the academic year being evaluated, the application determines whether the loan period is past, present, or future.

If the borrower has an accepted or approved credit decision that's processed during the current academic year and it hasn't expired, the borrower is eligible for a Direct PLUS Loan. SFP doesn't award a borrower a Direct PLUS Loan if their credit decision is denied. If the borrower is denied, the PLUS Loan Denial Indicator is updated so the student can receive additional unsubsidized funding. If a new Direct PLUS Loan application with an updated credit decision is received, the application updates the PLUS Loan Denial Indicator.

The credit decision form name has been updated from Credit Decision Override to Credit Status Response. You can still see both forms in SFP depending on the award year the form was received.

- Award years 2014–2015 and earlier: Credit Decision Override
- Award years 2015–2016 and later: Credit Status Response

If a Credit Status Response message is received, the application considers the credit decision result while determining the student's eligibility.

If the borrower has multiple credit decisions, SFP first determines if the borrower has an accepted or approved credit decision and then uses the latest credit decision to determine Direct PLUS Loan eligibility. If the credit decision is denied, but the borrower has an endorser, the application obtains the endorser amount and considers the endorsed amount during awarding.

When a Direct PLUS Loan application/Credit Status Response file is received and associated with a student, SFP evaluates the credit decision status and calculates the application loan amount associated with the credit decision status. When a Credit Status Response is received for a student, the application considers the override code received within the file.

When a Direct PLUS Loan application or Credit Status Response file is received for a student, SFP determines if the credit decision is for a Parent PLUS or Grad PLUS Loan, the associated academic years, the credit decision status, and if applicable, associates an endorser amount to the credit decision status.

Determines the current and maximum projected award amount for Direct PLUS Loans

SFP determines the maximum projected award amount for the current loan period and all future loan periods in the student's program.

SFP also determines the Maximum Projected PLUS Award for an academic year in which all eligibility requirements have been satisfied and awards up to the amount unpackaged. The student's Maximum Projected PLUS Award is limited by either the Unpackaged Amount, the Endorser Amount (if applicable), or Application Loan Amount (if applicable).

Determines annual and aggregate limits for Direct PLUS Loans

SFP packaging uses National Student Loan Data System (NSLDS) aggregate loan history, when available, to determine a student's remaining annual or aggregate eligibility for Direct PLUS Loans. The calculation method is the same across loan types. However, the applicable limit and the NSLDS aggregate field or fields vary by fund and borrower type.

Borrowers with a loan limit exception aren't subject to the new annual and aggregate loan limits while the exception applies.

For borrowers without an exception, the new annual and aggregate loan limits apply:

- Annual limit: $20,000 per year across all parents for a dependent student, regardless of loan forgiveness, repayment, or discharge amounts
- Aggregate limit: $65,000 lifetime across all parents for a dependent student, per enrollment

If an NSLDS record exists, SFP packaging calculates remaining eligibility using this formula:

Remaining Eligibility = Applicable Limit - NSLDS Aggregate Total + Total SFA Loan Amount - Sum of Disbursement Amounts

Where:

- **Applicable Limit** (Aggregate Limit) is the applicable aggregate limit for the loan type.
- **NSLDS Aggregate Total** is the applicable NSLDS aggregate value for the loan type.
- **Total SFA Loan Amount** is the applicable institution-originated loan amount that's included in the aggregate calculation.
- **Sum of Disbursement Amounts** is the applicable total of disbursements used in the calculation.

If no NSLDS record exists, SFP packaging treats the student as having the maximum aggregate eligibility and doesn't limit eligibility based on loan history.

Sets the final credit decision status

The final credit decision status is confirmed or updated when a Direct PLUS Loan application or Credit Status Response file is received and associated with an academic year.

The final status is used to determine the student's eligibility for a Direct PLUS Loan award. SFP packages a separate Direct PLUS Loan for all approved credit decisions received that have been matched to an academic year or term within the student's program.

Once the final credit decision status is determined for an academic year, SFP sets the 'Plus Denial Indicator' based on the credit decision status.

6 How SFP handles loan limits for less than full-time enrollment

For term-based programs, Oracle Student Financial Planning (SFP) applies a configurable schedule of reductions to direct loans by prorating the student's annual loan eligibility based on enrollment intensity, which is the percent of full-time enrollment.

This ensures the student's academic year award doesn't exceed the adjusted loan limit when the student enrolls less than full time. Disbursed amounts are maintained when enrollment changes occur during a payment period.

This applies to Direct Loans (Subsidized, Unsubsidized, Grad PLUS, and Unsubsidized Medical) but not to nonterm program types.

High-level baseline configuration calculation

Before applying enrollment intensity, SFP evaluates all standard Direct Loan eligibility rules, such as grade level, full-time or full-year rules, remaining annual and aggregate eligibility, unpackaged amount, and overlapping loans. It also determines whether a loan limit exception applies, which drives whether the One Big Beautiful Bill (OBBB) versus pre-OBBB limits are used.

SFP:

- Calculates the academic year enrollment intensity percentage: *(Academic year enrolled credits ÷ academic year full-time credits) × 100*
- Determines the term share of the annual limit based on the term structure for the academic year.
- Calculates the term enrollment intensity percentage: *(Term enrolled credits ÷ term full-time credits) × 100*
- Applies enrollment intensity to determine the adjusted term award for each loan.

> **Note:** Enrollment intensity is independently calculated per loan. For example, Direct Subsidized and Unsubsidized Loans aren't prorated as a combined total. For Grad PLUS Loans, enrollment intensity is applied to the unpackaged amount (*cost of attendance (COA) - higher priority aid*) to determine the adjusted annual eligibility.

Carry forward and disbursement timing

- Enrollment intensity must be evaluated at the time of disbursement.
- SFP doesn't recalculate enrollment intensity for a disbursement after it has already disbursed.
- If enrollment is updated mid-term after the term is fully disbursed, SFP recalculates and applies changes to future anticipated disbursements only.
- When calculating term-enrolled credits for enrollment intensity, SFP excludes withdrawn credits.
- If a student's calculated eligibility for a term exceeds the maximum allowed for that term, such as when the student enrolls above full-time credits, the excess amount is carried forward to a subsequent term.

Rounding

Enrollment Intensity percentages are rounded to the nearest whole percentage using standard rounding rules.

7 How SFP handles institutional limits for Direct Loans

The One Big Beautiful Bill (OBBB) introduces an institutional loan limits provision that enables institutions to set their own lower program-level loan limits for an academic year for both student and parent borrowers.

Institutions can set this up in the configuration workbooks. When configured, Oracle Student Financial Planning (SFP) automatically adjusts student funding based on institution-defined limits and communicates the adjusted amounts to Common Origination and Disbursement (COD).