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Department of Student & Financial Aid Services

Policies & Procedures Manual

Effective Academic Year 2019-2020

By: Ululy R. Martinez, Esq.

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FINANCIAL AID: GRANTS, LOANS AND SCHOLARSHIPS

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Introduction

Boricua College's Financial Aid Policies & Procedures Manual (the "Manual") is designed to assist financial aid personnel in understanding how student financial assistance is awarded and disbursed at the college. This manual details the regulatory and procedural environment through which student financial assistance must be administered so that Boricua College financial aid personnel can perform their administrative roles more responsibly and effectively. This Manual is not designed to replace regulatory documents and communications from funding agencies, but instead serves as a supplement to these documents. The manual is not intended to provide detailed guidance for financial aid program management – the needed guidance and training materials for working in financial aid will be an annual training program conducted by the Department of Student Financial Aid Services. **The Federal Student Aid Manual** and the **U.S. Department of Education's Information for Financial Aid Professionals** (IFAP) web site (<http://www.ifap.ed.gov/ifap/>) will continue to serve as the primary resources for administering Title IV programs. **HESC Programs, Policies and Procedures** and the HESC website (<https://www.hesc.ny.gov/partner-access/financial-aid-professionals/programs-policies-and-procedures-guide-to-grants-and-scholarship-programs.html>) serve as the primary resources for administering NYS programs. The material in this manual attempts to integrate Boricua College practices with federal, state and city policies and procedures.

Boricua College's financial aid policy is based upon the premise that financial aid resources are to be awarded to students in an equitable and consistent fashion throughout the College. All available funds must be awarded and disbursed in accordance with federal, state, and city regulatory and program guidelines.



CHAPTER 1: Components of the Financial Aid System

A. Establishing Student Cost of Attendance Budgets (COA)

The student's cost of attendance budget (COA) is the first fundamental component required to determine a student's need for financial assistance. The COA is defined as a calculated dollar amount needed for a student to attend Boricua College for a defined academic or award period.

The COA has two components: educational expenses (i.e. expenses directly related to attending college, such as tuition, fees, books, supplies and carfare) and living expenses (housing, food & personal expenses). Boricua College has established two standard student budgets: (1) students living with parents and (2) students living away from parents. The student's living arrangements will determine which budget category (living with or living away) is used for packaging.

Boricua College makes certain assumptions in determining the COA. For example, it is assumed that students will use the New York City transit system to travel to and from school and that those not living with parents are sharing housing costs with someone else.

This chapter lists the individual components of the COA and explains the rationale used to derive them. These budgets represent the maximum expenses for the awarding of need-based aid to a student studying at Boricua College.

B. Determining Expected Family Contribution (EFC)

A calculation is performed to determine aid eligibility for Free Application for Federal Student Aid (FAFSA) applicants through an approved federal methodology. The result of this calculation is referred to as the Expected Family Contribution (EFC). The EFC calculation is an objective formula used to measure the ability of students and/or their families to meet their educational costs. Further, the EFC formula is used for meeting the requirements of most federal and some state aid programs.

There are several assumptions underlying the calculation of an EFC:

- Parents of dependent students are assumed to have an obligation to provide their children with as much financial assistance as family circumstances permit.
- The family's size and any extraordinary expenses are considered in evaluating the family contribution.
- The formula recognizes the need to preserve some of the family assets for the parents' retirement and the educational expenses of other children in the family.



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Step Three of the FAFSA is used to determine which analysis (independent/dependent) is used to obtain the appropriate family contribution. Unlike the cost of attendance budget which is determined by the student's living arrangements (living with parents or living away from parents), the EFC calculation is based on the student's dependency status (dependent or independent).

This Manual provides information on the components of the EFC formula for each category and furnishes worksheets to allow the administrator to hand calculate EFCs.

C. Packaging Student Aid Funds

Packaging is the system by which individual students are awarded available financial aid funds based on each student's financial need. To learn the financial need of a student, the family contribution (EFC) is subtracted from his or her cost of attendance budget. Unmet need establishes the maximum need based aid that can be awarded from all sources.

Awards packaging occurs either centrally through packaging plans built into the Boricua College database or manually by a Financial Aid Administrator (FAA). Packaging plans are designed to allow a FAA the flexibility in the consistent and equitable allocation of aid. Monies from all of the programs for which the student is eligible are used to finance a student's need. The most common sources of financial aid for Boricua College students include:

Federal Award Programs

- Federal Pell Grant
- Federal Direct Loans
 - Subsidized Loan
 - Unsubsidized Loan
 - Graduate/Parent PLUS Loan

Campus-based Federal Aid Programs

- Federal Work-Study (FWS)
 - Federal Supplemental Educational Opportunity Grant (FSEOG)
 - Federal Perkins Loan – Beginning 2016-2017, Perkins Loans were no longer packaged, and as of September 30, 2017 the Perkins Loan program was discontinued

New York State Award Programs

- Tuition Assistance Program (TAP)
 - Aid for Part-Time Study (APTS)



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- NYS Part-Time Scholarship Award Program (PTS)
- New York State Scholarship for Excellence

Special Awards Program

➤ <INSERT ANY SPECIALS AWARDS AT BORICUA COLLEGE>

Boricua College Awards Program

➤ <INSERT BORICUA COLLEGE AWARDS, IF ANY>

CHAPTER 2 – Eligibility Requirements

This chapter describes program eligibility requirements related to the applications process for Title IV student financial aid. Treated separately in this Manual are additional eligibility requirements for verification (Chapter 4), good academic standing and satisfactory progress (Chapter 5).

The program eligibility issues covered in Chapter 2 include:

- Citizenship Status
- Registration with Selective Service
- Overpayment of Title IV Grants
- Default on Title IV Loans

A. Overview of the Title IV Student Eligibility Requirements

To be considered for assistance under the Title IV federal student aid programs, a student must certify certain general eligibility requirements. The school is responsible for ensuring that a student has met all of the relevant eligibility requirements before awarding Title IV funds to that student.

A student must:

- Be a regular student enrolled or accepted for enrollment in an eligible program at Boricua College;
- Have a high school diploma or its recognized equivalent, [e.g., a GED certificate] or complete his or her state's requirements applicable to home schooling;
- Not be simultaneously enrolled in elementary or secondary school;
- Be a U.S. citizen or national, or an eligible noncitizen;
- Have a valid, correct Social Security Number (SSN);
- Be registered with Selective Service, if required;



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- Certify, by signing a Statement of Educational Purpose, that federal student aid will be used only to pay for educational costs;
- Not be in default of a Title IV loan or owe an overpayment on a Title IV grant or Federal Perkins Loan;
- Not have received grants or loans in excess of the annual or aggregate limits;
- Not have property subject to a lien for a debt owed to the U.S.;
- Be maintaining satisfactory progress (SAP);
- Not have disqualifying drug convictions; and
- Have financial need, if applicable.

In addition, a student's eligibility for Title IV funds may be affected by such factors as:

- Prior degrees earned;
- Enrollment status;
- Remedial course work;
- Correspondence study;
- Study by telecommunications;
- Incarceration; and
- A conviction for drug offenses.

Finally, a student who is subject to an involuntary civil commitment after completing a period of incarceration for a forcible or non-forcible sexual offense is ineligible to receive a Federal Pell Grant.

The rest of this chapter discusses eligibility issues arising from the application process [the first column of the table below]. Some of the school-based requirements from the second column such as satisfactory progress and determining financial need are discussed in later chapters of this Manual (see Chapters 5 & 8). For requirements not discussed in this Manual, see the FSA Manual, Vol. I, Student Eligibility.

Criteria Collected on the FAFSA or through the Application Process	Criteria Collected or Monitored by the School	Criteria That Must Be Resolved If Conflicting Information Exists
Citizenship/Immigration Status	Enrollment as a regular student in an eligible program	Simultaneous enrollment in elementary or secondary school
Social Security Number	High school diploma or recognized equivalent , or home schooling	Property subject to a lien for debts owed to the U.S.
Selective Service Registration	Borrowing in excess of annual and aggregate loan limits	
Default/Overpayment	Satisfactory academic progress	
Certain drug offenses/convictions	Financial need	
Statement of Educational Purpose	Individual program requirements	



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Certain data provided by the student on the FAFSA is compared to information stored in various federal databases. The following chart lists the federal agencies with which the matches are conducted and a general description of the match.

Federal Agency	Database Match
Social Security Administration (SSA)	<ul style="list-style-type: none">• Verifies an applicant's (and the parents' of a dependent applicant) SSN as valid and corresponding to the name & date of birth records at SSA• Checks if the SSA belongs to a deceased person• Verifies applicant's claim of citizenship
Department of Homeland Security (DHS) Bureau of Citizenship and Immigration Services	Verifies applicant's eligible non-citizen status
Selective Service	Verifies registration of eligible males with Selective Service
National Student Loan Data System (NSLDS)	<ul style="list-style-type: none">• Verifies applicant's default and overpayment status• Ensures that the aggregate and annual award limits are not exceeded• Confirm that a student is eligible for Title IV funds

B. Criteria Collected on the FAFSA or through the Application Process

When applicant data does not match in one or more of the federal databases, the applicant's application record is flagged by the CPS. When an application is flagged, both the applicant and the financial aid administrator may have to take certain actions to resolve the match flag before FSA funds may be awarded and disbursed. Financial Aid staff must resolve federal edits resulting from failed data matches in the following categories:

- Citizenship and Immigration Status
- Social Security Number Issues
- Selective Service Registration Compliance
- Financial Aid History – Loan Defaults and Grant Overpayments

C. Documentation of Citizenship or Immigration Status



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a. Eligible Categories

Students must meet one of 2 classifications to receive any Title IV grant, loan or work assistance:

1. **U.S. citizen or national** Persons are U.S. citizens by birth or naturalization. A U.S. citizen is a person born in the 50 states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, Guam, and the Northern Mariana Islands, as well as most persons born abroad to parents who are citizens. All U.S. citizens are considered to be U.S. nationals, but not all nationals are U.S. citizens. Natives of American Samoa, Swain's Island or the U.S. Minor Outlying Islands are non-citizen nationals and are eligible for federal student aid. Citizens of the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau are eligible for Federal Pell Grant, but may not receive federal educational loans.
2. **U.S. lawful permanent resident** who has an I-151, I-551, or I-551C (Alien Registration Receipt Card). If not a permanent resident, an eligible non-citizen must have an Arrival-Departure Record (I-94) from DHS showing one of the following designations:
 - "Refugee"
 - "Asylum Granted"
 - "Paroled into the United States pursuant to Section 212 of the I&N Act"
 - "Cuban-Haitian Entrant, Status Pending"
 - "Conditional Entrant" (valid only if issued before April 1, 1980).
 - Notice of Action (I-797) is USCIS's formal communication with customers issued when an application or petition is approved or to confer an immigrant benefit.
 - Persons who have been designated as "victims of human trafficking" or "battered immigrants-qualified aliens" are new categories of eligible non-citizen.

b. Ineligible Categories

- Students granted relief from deportation under the Family Unity Program ["family unity status"] and students living and working in the U.S. as "temporary residents" under the Legalization or Special Agricultural Worker program are not eligible for federal student aid. (These categories became non-eligible categories with welfare reform legislation [P.L. 104-193] and immigration reform legislation [P.L. 104-208] enacted in 1996.)



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- Persons who are in the U.S. on non-immigrant visas such as an F1 or F2 student visa, or a J1 or J2 exchange visitor's visa, are not eligible for federal student aid unless they also have an I-94 with one of the eligible endorsements.

D. Citizenship Match with Social Security Administration (SSA)

All applications are automatically matched with social security records to verify U.S. citizenship status. A successful match occurs when all four social security match elements (SSN, name, citizenship, and date of birth) are confirmed. There is no comment on the SAR/ISIR when the match is successful but the match flag value will either be blank or show an "A" meaning that the student's status as a U.S. citizen was confirmed. Once confirmed, the SSA Citizenship Flag is carried forward to next year's application and the match is not performed again.

If a student leaves the citizenship question on the FAFSA blank, CPS still attempts the citizenship match with SSA. If there is a complete match with the student's Social Security Number, name, date of birth, and U.S. citizenship, the CPS will assume the student to be a citizen. The CPS will reject the application for insufficient information if one of the required items is not provided.

NOTE: the citizenship field on the student's application record will remain blank even if U.S. citizenship status is confirmed. In order to make other corrections, you must also fill in this field with "U.S. citizen".

U.S. citizens born abroad and naturalized U.S. citizens may fail the Social Security citizenship match unless they have updated their citizenship information with the Social Security Administration.

If one or more of the data items don't match SSA records, a comment that applicant's citizenship status could not be confirmed will appear on the SAR/ISIR. If incorrect, the student should make necessary corrections to SSN, name, or date of birth which will also cause the citizenship match to be rerun.

If the Social Security match doesn't confirm that the student is a U.S. citizen, a comment will appear on the SAR/ISIR asking the student to provide documents proving citizenship or, if the claim of U.S. citizenship is in error, to make a correction showing that he or she is an eligible non-citizen. If the student is an eligible non-citizen, he or she must submit a correction that includes the A-number so that a DHS match might be attempted.

Students whose status was not confirmed by SSA but who are in fact citizens must provide documentation of citizenship status to the school. This documentation does not have to be submitted to any federal agency for verification but must be kept in the student's file. The



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student should be advised to contact SSA to update its database, although this is not required for the student to receive aid.

The school determines what documentation is acceptable to demonstrate U.S. citizenship; ED doesn't specify the documentation the student must provide.

If a student must prove his status as a U.S. citizen or national, only certain types of documents are acceptable. A Social Security card or driver's license isn't acceptable for documenting U.S. citizenship or national status since noncitizens and non-nationals can also have these forms of identification. "Enhanced" driver's licenses (provided by a limited number of states to permit non-air travel entry to the U.S. from Canada, Mexico, and the Caribbean) are also not acceptable. The Department doesn't specify all of the acceptable documents.

E. Children Born Aboard to U.S. Citizen Parents

Foreign-born children of U.S. citizens are also U.S. citizens and their status is usually indicated on the SSA database when they receive a SSN. If the SSA database is not correct, such a student will fail the citizenship match. Such students should contact SSA to correct their status. These students may also document their citizenship status by a State Department-issued Form FS-240 (Consular Report of Birth Abroad).

If the birth was registered with the American Consulate/Embassy in a foreign country before the student turned 18, he/she can receive a copy of the certificate by contacting: Department of State Passport Services, Vital Records Section, 44132 Mercure Cir., PO Box 1213, Sterling, VA 20166-1213 [Tel: 202-485-8300]. The student should provide his or her name at birth, date, and place of birth, parents' names, dates and places of parents' birth, a daytime telephone number, and return address. The request must be signed and, for Form FS-240, the student will need to include the original form (to exchange it) or a signed affidavit that the original has been lost or destroyed.

If the student's birth was not registered and the student is now 18 years of age or older, he or she can file a self-petition for a "Certification of Citizenship" to any local DHS office (Form N-600). Proof of the parents' U.S. citizenship at the time of the child's birth must be provided.

F. Lawful Permanent Residents and Other Eligible Non-Citizens

A lawful permanent resident is a non-citizen legally permitted to live and work in the U.S. permanently. Persons who are not lawful permanent residents may be eligible for federal student aid if they are in the U.S. for other than a temporary purpose and with the intention of becoming citizens or permanent residents as in the following eligible categories:



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- **Refugees** are given indefinite employment authorization. Their refugee status continues indefinitely unless revoked by DHS or until the lawful permanent residence is granted, which refugees may apply for after one year.
- **Persons granted asylum** are given indefinite employment authorization and may apply for permanent residence after one year. Asylum status continues unless revoked by DHS or until permanent residence is granted.
- **Conditional entrants** are refugees who entered the U.S. under the seventh preference category of P.L. 89-236 or whose status was adjusted to the lawful permanent resident under that category. Not used after March 31, 1980.
- **Cuban-Haitian entrants.**
- **Persons paroled into the U.S. for at least one year** must provide evidence from the DHS that they are in the U.S. for other than a temporary purpose and intend to become either a citizen or permanent resident.
- **Victims of human trafficking** have the same eligibility for federal benefits as refugees but are certified for this status by HHS and not DHS (see p. 2-13 for more information on this category).
- **Battered immigrants-qualified aliens** may be eligible for federal public benefits, including federal student aid, under the Violence Against Women Act (see p .2-13 for more information on this category).

Using the Systemic Alien Verification for Entitlements Program (SAVE) for Third Step Verification (formerly G-845)

In an effort to expedite the processing of secondary verification confirmation, the U.S. Customs and Immigrations Service (USCIS) has introduced a new web based platform called SAVE. This platform will allow FAAs to upload documentation required for this process. SAVE will be used for the processing of third party verification for determining students' eligibility for Title IV aid. The website can be accessed at: <https://save.uscis.gov/web/vislogin.aspx?JS=YES>

Note: As of May 2018 FAAs must use USCIS/SAVE to submit the Third Step Verification (former G-845) electronically. The G-845 will no longer be accepted in paper forms nor return paper responses. More information available about USCIS/SAVE in IFAP Information Pages.

To initiate Third Step Verification Confirmation, the FAA must complete a SAVE "Document Verification Request." Online. This is a new standard procedure that is used to ask the DHS File Control Office to confirm that an alien's documentation is valid.

To complete the DHS Third Confirmation, you will need student's date of birth and "Case Verification Number" (the 15 digit number that is printed in the "FAA Information" section with the match flags in Part 1 of the SAR) is correctly copied. This number can also be found on the ISIR database match page. Confirmation requests without this number cannot be processed.



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On the USCIS/SAVE website, you will be allowed to:

1. Upload documents
2. Review the DHS Confirmation and name of the student
3. Edit the information of the institution

Attach a photocopy of the front and back sides of the student's immigration document(s) and upload this information to the USCIS/SAVE page no later than 10 business days after receiving this documentation from the student. The photocopy must be legible and cannot exceed 5 MB. Resolution for your scan between 400 and 600 DPI recommended. It is also recommended to use a color copy or scan. A response from DHS should be available within 3-5 days of submission.

a. Native Americans Born in Canada

Individuals born in Canada with at least 50% Native American blood have certain unique rights under the Jay Treaty of 1794, subsequent treaties, and U.S. Immigration Law. The Jay Treaty provides that persons born in Canada with at least 50% Native American blood have the legal right to enter freely into the United States. They are automatically deemed "lawfully admitted for permanent residence" and, thus, eligible for federal student aid. Because there are very few federal aid applicants eligible under the Jay Treaty, the citizenship question on the FAFSA does not have a separate response for such students. A Native American who is eligible for federal student aid because of the Jay Treaty should report on the FAFSA that he or she is an "eligible non-citizen" and should fill in the Alien Registration Number with "A999999999." When the application is matched by the central processor (CPS) with DHS, this response will not be confirmed. It is then the responsibility of the financial aid administrator to obtain proof that the student has 50% Native American blood and was born in Canada.

The following is acceptable documentation of the applicability of Jay Treaty status:

- A "band card" issued by the Band Council of a Canadian Reserve, or by the Department of Indian Affairs in Ottawa;
- A birth or baptismal record;
- An affidavit from a tribal official or another person knowledgeable about the applicant's or recipient's family history;
- Identification from a recognized Native American provincial or territorial organization. If a Canadian-born Native American with at least 50% Native American blood can provide one of the above forms of documentation, and meets other Title IV eligibility criteria, the institution, after documenting the student's file, may award the student federal student aid.



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b. Citizens of the Freely Associated States

Students who are citizens of the Marshall Islands, the Federated States of Micronesia and the Republic of Palau are eligible for Federal Pell Grants but are not eligible for any federal loans. These students should answer “eligible non-citizen” on the FAFSA but leave the A-number item blank. (If they do not have a Social Security number, they are provided a 9 digit pseudo social security number assigned by CPS unless the student never filed a FAFSA before, this is to account for the LEU.) They should take care to provide the correct state abbreviation for the “State of legal residence” item on the FAFSA. Because the student isn’t providing the A-number, the application will not go through the DHS match. As long as the student’s file contains consistent information about his or her citizenship, citizenship documentation does not need to be collected.

c. Immigration Status Determined in Previous Award Year

Unless the school has conflicting information or reason to believe that a student’s claim of citizenship status is incorrect, it may not require the student to produce DHS documentation required of permanent residents or the other categories of eligible non-citizen if the student demonstrated in a previous award that he or she is:

- A born or naturalized U.S. citizen;
- A U.S. non-citizen national (a native of American Samoa or Swain’s Island); or
- A permanent resident of the Freely Associated States (e.g. Trust Territory of the Pacific Islands or the Marshall Islands, the Federated States of Micronesia and Palau) or the Northern Mariana Islands.

A school may not request secondary confirmation if the student demonstrated eligibility through secondary confirmation in the previous award year, provided that:

- The DHS documents used for secondary confirmation have not expired; and
- The institution has no conflicting information about that student’s status.

A school is not prohibited from requesting secondary confirmation for any student who changes a response on an application from “not eligible” or “eligible non-citizen” to “U.S. citizen.” If the school has conflicting documentation, a reason to believe the claim of U.S. citizenship is incorrect or believes the submitted documentation is fraudulent, it may also request secondary confirmation. To invoke the secondary confirmation exclusion, the school must have actually confirmed the student’s status using secondary confirmation. If DHS did not respond to the request in the previous year, the exclusion has not been met. If the following categories are flagged with the citizenship edit, they **must** undergo secondary confirmation each year:



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- **Temporary Form I-551.** Students presenting this form in a prior year should have received the permanent I-551 by the next year and should obtain from DHS either a permanent I-551 or an updated endorsement on the temporary card.
- **Refugee.** The student may have been adjusted to permanent resident status or may have had his or her status revoked
- **Person Granted Asylum.** The student may have been adjusted to permanent resident status or may have had his or her status revoked.
- **Cuban-Haitian Entrant.** The student may have been adjusted to permanent resident status or may have had his or her status revoked.
- **Person Paroled.** The student may have been adjusted to permanent resident status or may have had his or her status revoked.
- **Conditional Entrant.** This individual is still eligible as long as he or she holds a departure record showing admission into this status through March 31, 1980. However, you should refer the student to DHS. DHS is working on adjusting the status of this category of persons to permanent resident status. If DHS continues to designate the student to be a conditional entrant, you should note in the student's file that the student's conditional entrant status was confirmed.
- **Victims of Human Trafficking.** The school must contact HHS each year to confirm that student's status is still valid.

d. Change of Status Within the Award Year

If a student becomes a citizen or eligible noncitizen at any time during the award year, the student may be paid Pell Grant or campus-based funds as if he or she had been eligible the entire award year. For example, if a student attending school during the 2018-19 award year (July 1, 2018, to June 30, 2019) is granted permanent-resident status in May 2019 and is still enrolled in school at that time, that student may receive Pell Grant and campus-based funds for every term they attended that the school considers part of the 2018-19 award year. Similarly, if a Direct Loan borrower becomes a U.S. citizen or an eligible noncitizen during a period of enrollment, his or her loan limit is equal to the limit that he or she would have been allowed had he or she been a U.S. citizen or an eligible noncitizen from the beginning of the enrollment period. In some cases, the expiration date on a student's DHS documentation passes during the award year. Provided the date on the documentation is valid when the school first determines the student's status for that award year, the student does not need to submit new proof. However, if flagged for the next award year, the student would need to provide valid documentation. A school is required to check a student's citizenship status only once during the award year. If a student loses citizenship or eligible non-citizenship status during an award year or during a period of enrollment, the school does not need to take any action to prevent the student from receiving aid.



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e. Replacing Lost Immigration Documents

If a student cannot locate his or her official DHS documentation, he or she must request that they are replaced. Non-citizens who are 18 years and older must have immigration documentation in their possession at all times while in the U.S. Requests for replacement documents should be made to the DHS District Office that issued the originals.

The student will be asked to complete a Form I-90, "Application to Replace Alien Registration Card" or a Form I-102, "Application for Replacement/Initial Nonimmigrant Arrival-Departure Document." PDF versions of these forms can be downloaded from the DHS website at <http://uscis.gov/>. A temporary I-94 might be issued while the replacement documents are pending.

In cases of undue hardship, where the student urgently needs documentation of his or her status, the Freedom of Information Act (FOIA) allows the student to obtain photocopies of the original documents from the DHS District Office that originally issued them. The student can submit Form G-639 to make this request or simply send a letter to the district office.

If unsure which district office issued the original documents, the student may send their request to the FOIA office at:

National Record Center (NRC) FOIA/PA Office
P.O. Box 648010
Lee's Summit, MO 64064-801

G. Social Security Number Match

To receive FSA funds, a student must have a valid Social Security number. The CPS conducts a match with SSA records to determine that a student's SSN is valid and that the name and date of birth associated with that number corresponding to the information provided on the FAFSA. The Department also uses this match to confirm whether or not the student is a U.S. citizen. Except for citizens of the Freely Associated States, the CPS won't process an application without a valid SSN.

The results of the match with SSA records appear on the SAR/ISIR in the "FAA Information" section as the SSN Match Flag. If the match is unsuccessful, a comment will appear on the SAR/ISIR giving the student instructions on how to resolve the problem.

If the match is successful, there is no printed comment to the student and the CPS will not rematch the student's data with the SSA database on subsequent transactions unless the student makes corrections to name, birth date or SSN. Once the match elements have been



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confirmed, the SSN flag for a successful match will be carried forward to next year's Renewal FAFSA and the match will not have to be performed again.

a. Successful Match

If the match with the SSA database confirms the student's SSN, name and date of birth on the FAFSA matches SSA records, the student may receive FSA payments. Once this information is confirmed, the student may not change the SSN on his or her aid record. If a student tries to change a previously confirmed SSN, the CPS won't accept the change and will refer the student to the FAA for help. In the unlikely event that the confirmed SSN is wrong, the student must correct it by filing a new FAFSA.

b. No Match on the Social Security Number

If the SSN the student reported is not found in the SSA database, the student's application will be rejected and the student will receive a comment to correct the SSN or to contact SSA if he or she believes the SSN to be correct.

If the student reports the wrong SSN on the original FAFSA, there are two ways to correct it. The student may file a completely new FAFSA with the corrected SSN. The student may also correct the SSN by changing the original application information. When a student record is first created, the SSN and the first 2 letters of the applicant's last name comprise the CPS record identifier for the processing year. When an SSN correction is submitted, the CPS updates the current SSN but leaves the record identifier unchanged.

The Common Origination and Disbursement (COD) System uses the current [and presumably correct] SSN to process records so it isn't always necessary to change the original "identifying" SSN even if incorrect. *Caution: A student may use both the above alternatives to correct an incorrect SSN, that is, he or she may submit an SSN correction to the original application record and file a completely new FAFSA.*

If a student becomes aware that he or she has used someone else's SSN and a CPS identifier has been created incorrectly, the student with the incorrect SSN must refile a new FAFSA to create a CPS identifier with the correct SSN and should not submit a SAR/ISIR correction. The student whose SSN was used incorrectly will need to submit a correction FAFSA. [See below "Applicants Using Same Social Security Number" for more information.]

If the number reported on the FAFSA is correct but isn't in the SSA database, the student must contact directly a local or regional SSA office to update its database. Once this is done, the student may resubmit the original SSN as a correction and the match should be successful.



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NOTE: the student can't simply resubmit the SSN as an ISIR correction because the CPS will continue to reject the application until the SSA database is updated.

If the SSN provided on the FAFSA was correct but is incorrect on the SAR/ISIR record due to a CPS keypunch error, the student may contact the Federal Student Aid Information Center at 1-800-433-3243 to get it resolved.

c. No Match on Name or Birth Date

If the student's (or a parent's) SSN is in the SSA database, but the name or date of birth doesn't match SSA records, the application will be rejected. If the student's (or parent's) name or date of birth is incorrect on the SAR/ISIR, the student should submit corrections to the CPS. If the student's (or parent's) name or date of birth on the SAR/ISIR is correct, the student must re-enter the information and submit it to the CPS. The CPS will then override the reject. The student is not required to correct this information with SSA before aid is awarded and disbursed but should correct this information with SSA to prevent matching problems in future years. **NOTE:** If the student reports the current (or later) year as his or her birth date, the application will be rejected and the student must submit a correction.

d. Missing Information

No match is performed if the student doesn't sign the FAFSA or provide a last name or birth date. The FAFSA will be rejected and the student must submit a correction with the missing data.

e. Date of Death

If the SSA database shows a date of death with the SSN the student reported, the application will be rejected. The student will either have to correct the SSN reported on the FAFSA or contact SSA if the number he or she reported is correct. Note: in addition to the above date of death match, the CPS will verify that the student's SSN does not appear on a Master Death File supplied to the CPS by SSA.

f. Applicants Using Same Social Security Number

When applicants with similar names report the same SSN by mistake, they may end up with a shared record identifier. The record identifier is the SSN and the first two letters of the applicant's last name as reported on the initial FAFSA. This record identifier remains the same on all subsequent transactions even if corrections are made to either the SSN or the student's last name.



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If another student submits an application with the same SSN and the first two letters of the last name, the CPS assumes the application is a duplicate application being submitted by the first applicant. The only information that would be accepted from the second application would be either an address or school name change. The student using the wrong SSN **must** correct the error by filing a new FAFSA.

If the student using the correct SSN filed after the other student, he or she must submit a special type of application called a “correction application.” The correction application will allow the CPS to accept the student’s data instead of treating it as a duplicate and continuing to provide the other student’s data on the SAR/ISIR.

If the student using the correct SSN applied first, his or her data should already be on the SAR/ISIR record and a correction application should not be necessary. However, he or she should make sure that the address and school choices have not been changed, and if so, should make the appropriate corrections.

Both students should keep all copies of all output documents including those from the first FAFSAs filed. This could be important in establishing whether or not an applicant made an application filing deadline. If you believe a correction application is warranted, obtain one by calling 1-800-4FED-AID or CPS/SAIG Technical Support at 1-800-330-5947.

g. Confirmation of Valid SS Number During Academic Year

If a student who was not able to provide confirmation of his or her SSN at the beginning of an academic year provides confirmation of that number at some point during the academic year, the student establishes eligibility for all Title IV programs (Federal Pell Grant, campus-based funds, Federal Direct Loan, and FFELP), for the entire period of enrollment (generally the entire academic year).

H. Selective Service Registration Compliance

Men between the ages of 18 through 25 are required to register with the Selective Service System. This requirement covers both U.S. citizens, permanent residents, and most other men residing in the U.S. Students required to register with Selective Service must do so to be eligible for FSA funds. Students may register with Selective Service by answering a question on the FAFSA or register online at the Selective Service website at <http://www.sss.gov>. Students who have questions about the Selective Service registration requirement may contact the Selective Service at 1-847-688-6888. In addition to females, major exceptions to the registration requirement are:

- Men born before 1960;



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- Males currently in the armed services and on active duty (does not apply to members of the Reserve and National Guard, not on active duty);
- Males who are not yet 18 at the time they complete their FAFSA (an update is not required during the year, even if a student turns 18 after completing the application);
- Citizens of the Freely Associated States;
- Non-citizens who first entered the U.S. after they turned 26 (*If a male immigrant can show proof of his date of birth from a driver's license, state ID, birth certificate or passport and his immigration entry date into the U.S. from a) a date stamp on their I-94 form, b) a dated passport immigration stamp entry, or c) a letter from USCIS indicating his entry date, this is sufficient documentation that he is clearly not required to register and no Selective Service Status Information Letter is needed*);
Non-citizens who entered the U.S. as lawful non-immigrants on a valid visa and remained in the U.S. on the terms of that visa until after they turned 26 (*If a male immigrant can show proof of his date of birth from a driver's license, state ID, birth certificate or passport and his immigration entry date into the U.S. prior to age 26 from a) a date stamp on their I-94 form, b) a dated passport immigration stamp, c) a letter from the USCIS indicating entry into the U.S., or d) a student visa form (I-20) or other valid U.S. passport visa stamp with expiration date (dates must be from entry date until age 26.)*).
- Individuals who are born female and have changed their gender to male.

There are other less common situations where registration isn't necessary. If a student wasn't required to register prior to meeting one of the following criteria and continues to meet one of these for the entire time through age 25, they are exempted from the registration requirement. These are:

1. Students who are unable to register due to being hospitalized, incarcerated, or institutionalized.
2. Students who are enrolled in an officer procurement program at the Citadel, North Georgia College, Norwich University, or Virginia Military Institute.
3. Students who are commissioned officers of the Public Health Service on active duty and members of the Reserve of the Public Health Service.
4. Students who are commissioned officers of the National Oceanic and Atmospheric Administration.

If one of these exceptional criteria applies, the school must document the student's status. If the student is not clearly exempt from the requirement to register, the student must document the exemption by providing a Selective Service Status Information Letter.



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I. NSLDS Financial Aid History

Students who have previously attended other colleges may have a financial aid history that adversely affects their eligibility for FSA funds at their present college. A student's financial aid history is maintained and can be reviewed using the National Student Loan Data System (NSLDS). NSLDS can also help track changes to the student's financial aid history through the Post-Screening and Transfer Monitoring processes. In general, a student is not eligible for federal student aid funds if he or she is in default or owes a repayment on a federal student aid grant or loan or is subject to a judgment lien for a federal debt. Similarly, a parent may not borrow a PLUS Loan on the student's behalf if either the student or the parent is in default or owes a repayment on a federal student aid grant or loan. Students are also ineligible if they have exceeded annual or aggregate loan limits or have already been paid 100% of a scheduled Pell grant.

CHAPTER 3 – Database Matches

Bi-annually the Office of Financial AID must review the following publication and aggregate the information so that financial aid administrators can efficiently and easily access information about ISIR delivery systems: 2019-2019 Electronic Data Exchange (EDE) Technical Reference, 2019-20 ISIR Guide, and the 2019-20 SAR Comment Codes and Text, and other U.S. Department of Education bulletins such as the 2019-20 Summary of Changes for the Application Processing System.

Familiarity with the 2019-2020 ISIR Guide in its entirety is an essential prerequisite to effectively delivering financial aid services. All the publications mentioned above can be accessed at the U.S. Department of Education's Information for Financial Aid Professionals (IFAP) website: <http://www.ifap.ed.gov/ifap/>

The Office of Financial AID should outline for the staff the major system changes for the new award year, the SAR Reject Codes and SAR Reject Reasons with the instructions from the U.S. Department of Education on how the applicant is to resolve the reject, SAR Comment Texts with C Flags, Assumption Overrides and any edits Boricua College may have.

CHAPTER 4 - Verification

Verification is the process by which a college determines the accuracy of the information reported on the FAFSA for students selected by the Central Processing System (CPS) or the



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college. To verify the information, the Financial Aid Administrator (FAA) collects income and tax records, signed statements, and other documents to compare this information with the data submitted on the FAFSA. The Department of Education designed verification to reduce error rates in the data reported by the student on the FAFSA so that eligible students receive the correct amount of financial assistance.

This chapter outlines the minimum federal requirements for the verification of information on student applications for Title IV funds as contained in 34 CFR 668, Subpart E (Verification and Updating of Student Aid Application Information).

A. Selection for Verification

Applications are selected for verification either by CPS or the college. If a student's application is selected for review by CPS, the school is required to verify selected items on the student's application and collect certain required information and documents before awarding and disbursing federal student aid funds. Every FAFSA selected for verification by CPS must be verified before aid can be disbursed. The option for a school to verify only a certain percentage of the applicants selected for verification by CPS has been eliminated.

Prior to each award year, the FAFSA items that are subject to verification, along with the required documentation, are published in the Federal Register. The specific data items that are to be verified may change from year to year. For the 2018-19 award year, students selected for verification will be placed in one of three verification tracking groups. The items to be verified and the required documentation to be collected are determined by the tracking group in which the student has been placed. These are described in detail beginning on p. 4-8 of this chapter.

If a school has reason to believe that any student's FAFSA information is inaccurate [34 CFR 668.54(a)(2)] or if any information has been found to be discrepant [34 CFR 668.16(f)], the school must verify the accuracy of that information whether or not it is one of the required verification items, and whether or not the CPS selected that application for verification.

All FAFSA information selected for verification whether by the CPS or the school must be verified (and any corrections reprocessed through the CPS) before the school may exercise professional judgment to adjust the cost of attendance (COA) or any data items required to calculate the EFC.

B. Verification Tracking Group Changes

In prior award years, an applicant selected for verification remained in the original verification tracking group for the entire cycle. Beginning with the 2016-2017 processing year, CPS may move applicants from previously assigned Verification Tracking Groups V1 and V4 to



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Verification Tracking Group V5 based on corrections made to the applicant's record or other information available to the Department of Ed. The Department of Ed believes that the number of applicants who may change verification tracking groups is minimal.

A new Verification Selection Change Flag value of C (change in Verification Tracking Group) was added to notify schools when the Verification Tracking Group changes to a different verification tracking group on a subsequent transaction.

Verification Selection Change Flag Y (Transaction now selected for verification when the transaction being corrected was not selected) will continue to be used. Verification Selection Change Flag C will only be assigned when a prior transaction was selected for verification and CPS is moving the new transaction to the V5 Verification Tracking Group.

In FAA Access to CPS Online, you can find the Verification Selection Change Flag in Student Inquiry on the FAA Information and ISIR Compare pages on the eSAR.

In addition, a Verification Selection Flag is now printed in the FAA section on the SARs and SAR Acknowledgements mailed to students. The Verification Selection Flag has the same valid values of Y, C, or blank.

Verification Tracking Groups V2, V3, and V6 – Based on the Department's analysis of the results of assigning some applicants to Verification Tracking Groups V2, V3, and V6, the Department of Education has determined that the burden on families selected for these Verification Tracking Groups far outweighed the benefits. Therefore, applicants will no longer be assigned to the aforementioned Verification Tracking Groups.

a. Discretionary Verification

Individual campuses have the regulatory authority to verify any student's information and ask for any additional documentation needed to ensure the integrity of the federal programs and to aid them in the smooth operation of their offices.

If the school selects a previously unselected application for verification, it can choose which items it wants to verify including items other than those ordinarily required. All other verification requirements, including deadlines and interim disbursement rules, apply equally to all students being verified, whether they have been selected by the CPS or by the school. If a school chooses to select a student for verification, the school is required to update the verification flags (on the View Packaging Summary page) to ensure correct transmission to Common Origination Disbursement (COD) reflecting the verification transaction.



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b. Exclusions From Verification

Sometimes a selected application may be exempt from some or all of the verification requirements if certain unusual circumstances exist. The basis for exclusion must be documented. Other information not excluded must still be verified according to all other requirements.

Except in the case of the student's death, none of the following verification exclusions excuses the school from the requirement to resolve conflicting information. As stated previously, if there is reason to believe the application information is inaccurate or if the institution has conflicting information, the application must be verified in order to determine the correct information and resolve any discrepancies.

c. Unsubsidized Student Financial Assistance Programs

A student who has been selected for V1 verification tracking group but is eligible only for unsubsidized Title IV assistance (that is, an unsubsidized Stafford Loan, a PLUS Loan or TEACH Grant) may be excused from completing verification. The school should note in the student's record if excused from completing verification because of this exclusion.

A student who might be eligible for any subsidized aid program (that is, any federal aid program where financial need is one of the eligibility criteria) may not use this exclusion to avoid verification by borrowing only an unsubsidized loan. In such cases, the school must require the student to complete the verification process.

Although the interest subsidy on Federal Direct Loans was eliminated for graduate students, they should still be required to complete verification if it is determined they have eligibility for any need-based programs such as Federal Work-Study.

NOTE: For all students selected for V4 or V5 verification tracking groups, the school is required to verify the high school completion or equivalent and identity/statement of educational purpose before disbursing any Title IV aid.

d. Death of the Student

If a student dies during the award year, or before the deadline date for completing verification, the school does not need to complete verification, even if an interim or initial disbursement has been made. However, the college may not disburse further Title IV aid to the student's account at the institution or to the student's beneficiaries, except for any already earned Federal Work-Study funds. Funds disbursed prior to death are not considered overpayments. After a student's death, a Stafford Loan cannot be originated or certified, nor the proceeds delivered to the student's beneficiaries.



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e. Spouse Unavailable

Unless it has reason to believe that the reported FAFSA information is incorrect, a school is not required to verify the information of the spouse of an independent student if any of the following conditions apply:

- The spouse is deceased or mentally incapacitated. [**NOTE:** physical incapacitation is not considered a valid exclusion condition.]
- The spouse is residing in a country other than the United States and can't be contacted by normal means.
- The spouse cannot be located because his or her contact information is unknown, and the student cannot obtain it.

This exclusion applies only to spouse's data and does not affect any other part of the required verification. The basis for this exclusion should be documented in the student's file.

f. Parents Unavailable

Unless a school has reason to believe that the reported FAFSA information is incorrect, the school is not required to verify the FAFSA information of a dependent student's parents (or obtain appropriate signature(s) for verification purposes) if any of the following conditions apply:

- Student's parents are mentally incapacitated. [**NOTE:** physical incapacitation and death of the parents are not considered valid exclusion conditions. If the parents die after the FAFSA is filed, the student's dependency status changes from dependent to independent and the application information must be updated and verified under the new status.]
- Parents are residing in a country other than the United States and cannot be contacted by normal means.
- Parents cannot be located because their contact information is unknown, and the student cannot obtain it.

The basis for this exclusion should be documented in the student's file. If only one of the dependent student's parents meets one of these conditions, the student and the remaining responsible parent are still subject to all verification requirements.

g. No Funds Disbursed

If the student won't be receiving FSA funds (for reasons other than the student's failure to complete verification), then verification is not required. This category includes students ineligible for aid from the FSA programs and those who withdraw without receiving aid.



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h. Verification Completed At Another School

A student who has completed verification at another school for the current award year, and has transferred to your school, may be excluded from verification. For the student to qualify for this exclusion, the FAFSA data must be the same as it was at the previous school and the FAA must obtain the following items from the school that completed the verification:

- A statement that the student's application data were verified, **and**
- The transaction number of the verified ISIR.

i. Records Lost or Destroyed

Periodically, ED waives certain requirements, including verification requirements, for victims of natural disasters (such as floods or hurricanes) and notifies the financial aid community via *The Federal Register* and/or a *Dear Colleague Letter*. In such cases, the FAA must document in the student's file that the records were not available due to damage caused by a natural disaster and use the verification status code of "S" when reporting the disbursement on COD.

j. Post-Enrollment

If the student is first selected for verification after ceasing to be enrolled at the school for the award year and all disbursements (including any late disbursements) have already been made, he or she may be excluded from verification.

C. Data Items To Be Verified

For 2019-2020 applicants selected for verification will be placed into one of three verification tracking groups. The minimum number of items that must be verified for a selected applicant will vary depending upon which tracking group he or she has been assigned to. The school may choose to verify application items other than those required on a student's ISIR, and may choose which students must provide additional documentation and what that documentation might be, in accordance with consistently applied institutional policies. The school is also required to verify any information it has reason to believe is incorrect on any application, whether or not the application was selected for verification and regardless of which tracking group the applicant has been assigned to.

a. Verification Tracking Groups

The following are the three verification tracking groups into which a selected applicant may be placed and the minimum number of data items that must be verified for each tracking group.

Tracking Flag V1: Standard Verification Group



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- Household size
- Number enrolled in college
- For tax filers:
 - Adjusted Gross Income (AGI)
 - Income tax paid
 - Untaxed IRA distributions
 - Untaxed pensions
 - Education credits
 - IRA deductions and payments
 - Tax-exempt interest
- For non-filers
 - Income earned from work (W2 forms)
 - Verification of non-filing status dated on or after October 1, 2017 (See section Completing Verification for Non-Tax Filers)
 - If the parent(s) of a dependent student or spouse of an independent student do not have a SSN, ITIN or EIN they must submit a signed statement verifying that they do not have an SSN, ITIN or EIN, proof of income and tax filing status.
 - If income earned from work exceeds **IRS 2016** tax filing requirement, then the parent(s) of a dependent student or spouse of an independent student is required to apply for an ITIN or EIN, file a tax return and submit a tax return transcript.

Tracking Flag V2: Reserved for future use by the Department

Tracking Flag V3: Reserved for future use by the Department

Tracking Flag V4: Custom Verification Group

- High school completion status
- Identity/Statement of Educational Purpose

Tracking Flag V5: Aggregate Verification Group

- Household size
- Number enrolled in college
- High school completion status
- Identity/Statement of Educational Purpose
- For tax filers:
 - Adjusted Gross Income (AGI)
 - Income tax paid



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- Untaxed IRA distributions
 - Untaxed pensions
 - Education credits
 - IRA deductions and payments
 - Tax-exempt interest
- For non-filers
- Income earned from work (W2 forms)
 - Verification of non-filing status dated on or after October 1, 2017 (See section Completing Verification for Non-Tax Filers)
 - If the parent(s) of a dependent student or spouse of an independent student do not have a SSN, ITIN or EIN they must submit a signed statement verifying that they do not have an SSN, ITIN or EIN, proof of income and tax filing status.
 - If income earned from work exceeds IRS 2016 tax filing requirement, then the parent(s) of a dependent student or spouse of an independent student is required to apply for an ITIN or EIN, file a tax return and submit a tax return transcript.

Tracking Flag V6: Reserved for future use by the Department

Transcript Type Chart: The Below chart from irs.gov indicates the type of transcripts available:

Transcript Types	4506-T	Get Transcript Online	Get Transcript by Mail
Tax Return Transcript - shows most line items from your tax return (Form 1040, 1040A or 1040EZ) as it was originally filed, including any accompanying forms and schedules. This transcript doesn't show account changes made after the return is processed. A return transcript usually meets the requirements of lending institutions offering mortgages and student loans.	Yes	Yes	Yes
Tax Account Transcript - shows basic data including return type, marital status, adjusted gross income, taxable income, credits and payments. It also shows adjustments made by you or the IRS after you filed the return. Note: If you made estimated tax payments and/or applied your overpayment from a prior year tax return to your current year tax return, you can use this transcript to confirm these payments or credits a few weeks after the beginning of the calendar year prior to filing your current year return.	Yes	Yes	Yes
Record of Account Transcript - combines the information from both the tax account and tax return transcripts.	Yes	Yes	No
Wage and Income Transcript - shows data from information returns reported to the IRS, such as W-2s, 1099s and 1098s. Current tax year information may not be complete until July.	Yes	Yes	No
Verification of Non-filing Letter - proof from the IRS that you didn't file a return this year. Current year requests aren't available until after June 15. This letter	Yes	Yes	No



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doesn't address whether you, the taxpayer, are required to file a tax return for a given tax year. A taxpayer may fail to file a tax return even though he/she is required to do so.			
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Note: The tax account transcript on its own does not satisfy the requirements to complete income verification as it contains limited information.

b. Completing the Verification Process

When all necessary verification documents have been obtained from a student, this information should be compared with the information reported on the SAR/ISIR. If verification shows that all the information provided on the SAR/SIR is correct, and there is no conflicting information, aid for which the student is eligible may be awarded and disbursed. If corrections are required, they should be submitted to CPS. Once the corrections are processed, the subsequent transaction should be reviewed for accuracy before aid can be awarded.

D. New FAFSA Security Enhancements & Possible Conflicting Information

Beginning with the 2018-2019, the Department of Education has enhanced the security and privacy of the sensitive personal data transferred into the FAFSA form from the IRS. The applicant/parent information has been encrypted and the transferred data removed from view on both the IRS DRT website and on the FAFSA. As a result, any CPS web edits that include information transferred from the IRS will no longer be presented to the applicant or parent. Instead, new SAR comments will display on the ISIR (and SAR) to alert the FAA that at least one edit was triggered but could not be displayed to the applicant or parent and therefore, could not be resolved online. The comment codes are 400 (for parents) and 401 (for applicants). The following comment will be displayed on the ISIR (and SAR) for parent and student edits respectively:

400 = Your Financial Aid Administrator may contact you to resolve any issues related to parental data reported on your FAFSA.

401 = Your Financial Aid Administrator may contact you to resolve any issues related to data reported on your FAFSA.

Reasons why Comment Code 400 or 401 might be generated include the following:

a. For Dependent Students and Independent Students:

- Student is a tax filer (FAFSA Question 32) and the AGI retrieved from the IRS is zero, but the total income earned from work (FAFSA Questions 39 and 40) is greater than zero.



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- The total of the Additional Financial Information fields reported on the FAFSA form (FAFSA Questions 44a-f) is greater than the AGI transferred from the IRS.
- Any item from the FAFSA list of Untaxed Income (FAFSA Questions 45a-j) is equal to or exceeds the AGI transferred from the IRS.

b. For Parents of Dependent Students:

- Parent is a tax filer (FAFSA Question 80) and the AGI retrieved from the IRS is zero, but the total income earned from work (FAFSA Questions 88 and 89) is greater than zero.
- The total of the Additional Financial Information fields reported on the FAFSA form (FAFSA Questions 93a-f) is greater than the AGI transferred from the IRS.
- Any item from the FAFSA list of Untaxed Income (FAFSA Questions 94a-i) is equal to or exceeds the AGI transferred from the IRS.

c. Resolution of Comment Code 400/401

To ensure that correct information is used to determine the applicant's Title IV eligibility, when Comment Code 400 or 401 appears on an ISIR, the institution must review the relevant data items for all possible conditions noted above. In many instances, this review may require contacting the student or parent and obtaining documentation to support the accuracy of the information. If the information is determined to be incorrect, institutions must submit corrections.

NOTE: Sometimes there are reasons other than those outlined in this section why Comment Code 400 or 401 may appear on an ISIR. Those technical reasons do not require follow up by an institution. Therefore, once an institution has reviewed each of the conditions discussed above, it need not take any further action. If V1/V5 verification is completed then no further action is required.

E. New and Changed IRS Request, Display and Data Fields Flags

As a result of the enhanced encryption of FAFSA on the Web (FOTW), the Department of Ed has made several changes and updates including new IRS Request Flags, Data Field Flags, and how IRA and pension rollovers and income earned from work are reported on the FOTW.

a. IRS Request Flags – Heading 3

Blank = IRS Data Retrieval Tool not available in the application method utilized (i.e., paper FAFSA, EDE or FAA Access)

00 = Ineligible to use the IRS DRT and was not presented with the option



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01 = Presented with the option to use the IRS DRT, elected to use it, but did not transfer data to FAFSA

02 = IRS data was transferred from the IRS and was not changed by the user prior to submission of the application or correction

03 = IRS data was transferred from the IRS and then changed by the user prior to submission of the application or correction

04 = IRS data was transferred from the IRS and then changed by the user on a subsequent transaction

05 = Student/parent was presented with the option to use the IRS DRT, but did not elect to use it

06 = IRS data was transferred from the IRS, but a subsequent change made the parent/student ineligible to use the IRS DRT

07 = IRS data was transferred from the IRS, but the IRS indicated that the parent/student filed an amended tax return

b. Rollover

If an amount greater than \$0 is transferred from the IRS into the Untaxed Portions of IRA Distributions field or the Untaxed Portions of Pensions field in the FAFSA form, the applicant or parent will be required to answer a new question about whether or not that amount includes a rollover. If the applicant or parent answers “yes,” he/she will be required to provide the amount of the rollover in a new entry field. The CPS will then subtract the user-reported rollover amount from the amount of the IRA or Pension distribution that was transferred from the IRS, and the result will be used in the calculation of the applicant’s expected family contribution (EFC). If applicant used DRT and reported a rollover amount, then the IRS DRT will remain valid as long as no other data fields were changed.

To document the Rollover amount, an FAA can collect one of the following items:

- A signed statement from the tax filer certifying the rollover amount
- A signed copy of a 1040 confirming the rollover amount
- Forms 1099s/and or bank statements (please note code G on the 1099-R form will certify the rollover amount)
- A signed notation from the tax filer indicating the word “rollover” on the IRS Tax Return Transcript



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c. Income Earned From Work

Because IRS-transferred information will not be displayed, applicants and parents who filed a joint tax return will no longer be able to transfer their combined income earned from work into the FAFSA from the IRS DRT. These joint filers will now be required to enter their income earned from work manually. Single applicants and single parents will continue to have their income earned from work transferred from the IRS into their FAFSA.

d. IRS Request Flag Value of 06 and 07

Request flag 06 is used when the applicant or parent was eligible to use the IRS DRT and data was transferred from the IRS, but after submission of the FAFSA, a subsequent change made the applicant or parent ineligible to use the IRS DRT. For example, an applicant reported on the FAFSA that he was married as of 04/2008 and filed a joint tax return. He used the IRS DRT to transfer information from that joint tax return into his FAFSA. He then subsequently corrects his marital status date to 03/2017 and becomes ineligible to use the IRS DRT. This correction to his marital status date means that he was not really eligible to use the IRS DRT initially, and therefore, the tax return information provided on his FAFSA is very likely inaccurate.

If an institution receives an ISIR with an IRS Request Flag value of 06, it must contact the applicant or parent, as applicable, to determine if the income tax return information that was transferred into the FAFSA is correct (e.g., does it include information for the correct parties) given the changes the applicant or parent made to IRS DRT eligibility criteria, and make any necessary changes to the applicant's record.

Beginning with the 2018-2019 academic year, tax filers with an amended tax return are eligible to use the IRS DRT. There is a new IRS Request Flag with a value of 07 that indicates that the applicant or parent filed an amended tax return. This flag will be set when the applicant or parent links to the IRS, successfully authenticates, chooses to transfer his/her information into the FAFSA, and the IRS determines that the tax filer has an amended return on file for the relevant tax year. However, the income and tax information that is transferred from the IRS will be from the originally filed tax return and will not include changes that were made on the amended tax return (IRS Form 1040X).

If an institution receives an ISIR with an IRS Request Flag value of 07, it must contact the applicant or parent, as applicable, and make any necessary changes to any of the data items, regardless of whether those items are required to be verified.

HOW TO RESOLVE IRS REQUEST FLAG 07:



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Selected for Verification

If the applicant is selected for verification and the IRS Request Flag is “07,” the institution needs to determine from the ISIR which tax filer—the student and/or the dependent student’s parent(s)—filed an amended return and document both the original and amended tax return information. The tax filer needs to provide:

- The signed copy of IRS Form 1040X that was filed with the IRS; and either of the following
- A signed or unsigned IRS Tax Return Transcript containing information from the original tax return filed with the IRS or any other IRS tax transcript containing all income and tax information from the original tax return that is subject to verification; or
- Unchanged IRS DRT data on the Institutional Student Information record (ISIR)

NOTE: The Tax Account Transcript can be used in conjunction with a Tax Return Transcript to complete verification without a copy of the 1040X (regardless of whether a 1040X was required). Also, an IRS Record of Account Transcript can be used by itself (without a 1040X, Tax Return Transcript, or DRT) to complete verification of the income data.

Not Selected for Verification

If the applicant is not selected for verification, but there is an IRS Request Flag of “07” on the ISIR, the school must contact the applicant or parent, as applicable, and make any necessary changes to any of the data items, regardless of whether those items are required to be verified. In such cases, the school can choose what documentation it accepts to make the changes. This could include:

- The same documents acceptable for verification
- A signed copy of the original tax return along with the 1040X, or
- A signed statement explaining the changes, if the school deems that to be appropriate

If such an applicant is selected for verification later, the school must request the documentation required for federal verification.

e. IRS Data Field Flags

To help FAAs know what, if any, specific information was changed once retrieved from the IRS and transferred into the FAFSA, the Department of ED now provides a new set of IRS Data Field Flags on the ISIR. Flags are provided separately for student and parent IRS-related data fields that can be transferred from the IRS. For each data item that was retrieved from the IRS, a Data Field Flag value will be assigned to determine if any changes were made. Below is a list of the IRS Data Field Flag values for the 2018–19 FAFSA processing cycle:



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Blank = IRS data not transferred from the IRS (when FAFSA transaction submitted via paper or by an FAA)

0 = IRS data not transferred from the IRS (when FAFSA transaction not submitted via paper or by an FAA)

1 = IRS data transferred from the IRS – Field not changed by the user (tax return transcript NOT required to complete income verification)

2 = IRS data transferred from the IRS – Field changed by the user prior to submission of the application (tax return transcript required to complete income verification except when IRA and Pension fields were changed as a result of the user entering a rollover amount - see page X on how to document Rollovers)

3 = IRS data transferred from the IRS – Field corrected by the user on this transaction (tax return transcript required to complete income verification)

4 = IRS data transferred from the IRS – Field corrected by the user on a previous transaction (tax return transcript required to complete income verification)

f. Reconciliation of Conflicting Information

If, after collecting the information and documentation required for verification, it is discovered that the information submitted conflicts with the information reported on the aid application, the school must reconcile all information received and submit the corrections to the CPS for reprocessing. There is one exception to this requirement: if the student dies during the award year.

During the process of reviewing the submitted documents, it may become apparent that some FAFSA data items – both required data items and others that that were not required (or weren't selected) for verification – are questionable or erroneous. For example, the IRS tax transcript can reveal assets that were not reported on the FAFSA, income earned from work that was not correctly reported, or unusual differences between tax exemptions and the FAFSA household size. Schools may develop their own criteria for uncovering which additional data items seem to be most error prone.

If the school has any reason to believe a FAFSA data item is in error, even if it is not a required verification item, the discrepancy must be verified as correct prior to awarding or disbursing any Pell or campus-based funds, employing a student in the FWS program, originating a Federal Direct Loan or disbursing a previously certified Direct Loan.



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The requirement to resolve inaccurate and conflicting information is separate and distinct from the verification requirements and supersedes all verification rules. Federal student aid cannot be disbursed to a student for whom conflicting information has not been resolved. Further, if you discover discrepancies after disbursing federal student aid, you must reconcile the conflicting information and require the student to repay aid received in excess of his or her eligibility.

g. Subsequent ISIR's

Whenever a change to FAFSA information is submitted to the Department, the applicant's FAFSA record is reevaluated under the verification selection model. While the change may not, in itself, result in the applicant being selected, in some instances the review of the entire record could result in the applicant being selected for verification. All subsequent transactions for a student must be reviewed, even if verification was completed on an earlier transaction. Any changes to the EFC, "C" flags, comments or NSLDS information should be reviewed and evaluated along with any updates or corrections that may have been made to the application data.

If the EFC has not changed and there are no changes in the "C" flags or NSLDS information, or if the data elements that changed were previously verified, then no action is required beyond a notation in the file.

If on a subsequent transaction a previously unverified student is selected for verification or new data elements are flagged that were not previously verified, the school must require the student to verify the information, except that the student does not have to re-submit documentation for the FAFSA information previously verified, if the verified information remains unchanged.

If the EFC has changed, or if there are changes in the "C" flags or NSLDS information, then these matters must be investigated and any conflicts resolved. A conflict is considered resolved when the administrator has determined which data are correct, has collected any required additional documentation, submitted any necessary changes to the CPS for reprocessing, and made the appropriate notation in the student's file.

If the resolution involves confirming that a determination for a previous transaction was the correct one, it is possible that no further actions need be taken, except to document the finding in the student's file.

NOTE: A school is not required to perform verification if the student was selected for verification after their last day of enrollment for the academic year. In other words, a student who is no longer enrolled and is not expected to re-enroll is not required to complete verification if they were selected after they ceased attending.



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h. Internal Controls and Quality Assurance

The FSA Program Participation Agreement (PPA) signed by each college president requires that a school demonstrate the capacity to properly and efficiently administer the Title IV and HEA programs. Part of a school's demonstration of administrative capability is the presence of an adequate system of internal checks and balances. Furthermore, New York State's Internal Control Act of 1987 requires that all state agencies, including City University of New York, have a formal internal control program that involves assessing the risks associated with its critical administrative functions. Each agency must conduct periodic reviews of its internal control mechanisms to determine whether adequate and effective control measures have been implemented. It should be noted that over the past several years ED has conducted numerous program reviews focused on verification compliance. Verification violations make up a significant percentage of federal audit and program review findings.

To better assure compliance with these regulations, each Boricua College financial aid officer must review its internal controls to ensure the accuracy of its verification process. Each college should provide their personnel with extensive training on verification and file review along with periodic refresher training as needed. When a counselor or staff member first begins doing verification, his/her work should be reviewed by a more experienced professional or senior staff member until proficiency is assured. Subsequently, the work of each counselor or staff member doing verification should be periodically spot checked for accuracy and completeness. Finally, each college must establish and maintain a formal process to check its verification files on an ongoing basis to make sure that federal requirements are being met.

i. Changes in Application Data

Corrections: For students not selected for verification, any processing errors that would affect the student's eligibility for federal student aid or would change the EFC must be submitted to the CPS for reprocessing. If the school has reason to believe that any of a student's FAFSA information is inaccurate, the information in question must be verified and the necessary corrections submitted for reprocessing before awarding and disbursing from the subsidized (that is, need-based) federal student assistance programs.

For students selected for verification and receiving subsidized student aid, changes that result to any non-dollar item and to any dollar item of \$25 or more must be submitted to the CPS for re-processing. Also, if a school is required to submit *any* change through CPS because of verification, the school must submit *all* changes, including amounts that are below \$25. If a disbursement has been made to a student based on information that is later found to be incorrect, the corrected/updated information must be used to determine the correct award, and either prior or future disbursements adjusted so that the student receives the correct amount.



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Updates: Although students and schools can correct items that were incorrectly reported on the original FAFSA, only a few answers from the FAFSA can be updated to reflect changes after the FAFSA was signed. In general, information that is correct as of the date the FAFSA was filed cannot be changed; but there are 3 items – dependency status, household size, and number enrolled in postsecondary education – that under certain circumstances must be updated. If a student’s dependency status changes at any time during the award year, the application data must be updated, whether or not the application was selected for verification, except when the update was due to a change in the student’s marital status. The updated information has to be reprocessed through the CPS, even if there is no change in eligibility. The school, at its own discretion, may update dependency status due to a change in the student’s marital status if the school determines that the update is necessary to address an inequity or more accurately reflect the student’s ability to pay. If the school chooses to update the student’s marital status, all updated information must be consistent with the status change, including household size, number enrolled in college and spousal income.

For students selected for verification, household size and number enrolled in college must be updated to be correct at the time of verification unless the change is the result of a change in the student’s marital status. This information also has to be reprocessed through the CPS before awarding and disbursing aid even if there is no change in eligibility. The school, at its own discretion, may update household size and number in college due to a change in the student’s marital status if the school determines that the update is necessary to address an inequity or more accurately reflect the student’s ability to pay.

If the parent of a dependent student remarries after completing the FAFSA but before completing verification, the household size must be updated to include the new stepparent. However, the income and assets of the new stepparent would not be counted in the calculation, though the administrator may use professional judgment to do so.

Valid ISIR Required: A valid ISIR is defined as an output document with an official EFC that is based on application information that is correct and complete on the date the application or correction was signed. If a student’s FAFSA information changes as a result of verification, all corrections or updates to any non-financial item or to any single dollar item of \$25 or more must be submitted to the CPS for reprocessing. However, if any change is required to be submitted through CPS because of verification, then all changes must be submitted, including dollar amounts less than \$25. The valid ISIR reflecting these corrections and containing a final and correct EFC must be received by the school and used as the basis for determining the student’s eligibility for all need-based federal assistance programs. The school must also recalculate the student’s eligibility for Federal Pell Grant and adjust his or her awards package on the basis of the corrected EFC on the valid ISIR.



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NOTE: In prior award years, schools were not always required to obtain a “valid” ISIR in order to make disbursements of federal student aid funds. If the school determined through its own calculations that a student’s award amounts or EFC did not change, it did not have to submit the changes through the CPS. However, the revised verification regulations stipulate that the school must receive a valid ISIR and use it as the basis for awarding and disbursing federal student aid. By definition, a valid ISIR can only be created after the corrected information has been processed through the CPS.

To make changes to a student’s record, the school must have signed documentation from the student and parent (if dependent). This could include a signed corrections statement on a SAR (or equivalent statement on a corrections worksheet), tax transcript (or other tax documents) from student or parent, or other signed documentation as appropriate to the nature of the corrections being submitted.

Adjustments: These occur when a financial aid administrator changes application data in the exercise of his or her professional judgment. If an application has been selected for verification, the school must perform verification on all the required FAFSA data items, collect the necessary worksheets and documentation, submit any changes to the CPS and wait for the corrected ISIR before using PJ to perform an income or expense adjustment. The school must then submit the PJ adjustments to the CPS on a new transaction. Changes to a student’s information as a result of verification, and PJ adjustments to that information, may not be submitted on the same transaction. The school may not submit PJ changes to the CPS until it has received an ISIR confirming the processing of any corrections resulting from verification.

All adjustments made from an administrator’s exercise of professional judgment must be submitted to the federal processor using the appropriate processing flag designating the change as a PJ adjustment, and not as a simple data correction.

NOTE: if a student applicant has not been selected for verification, the school is not required to complete verification before performing a PJ adjustment, unless the school has a policy to select for institutional verification all students who request PJ adjustments. If a PJ causes a previously unselected record to be selected for verification, the verification would be performed from the ISIR transaction on which the PJ was based.

Tolerance Option: Any changes to an individual dollar item on an applicant’s FAFSA that is \$25 or more must be submitted for reprocessing. For example, if the difference reported for the AGI = \$24 and taxes paid = \$5, the institution would not be required to submit changes for reprocessing. However, if the difference for the AGI = \$25 and taxes paid = \$5, the institution would be required to update all changes, not just the change that exceeded the tolerance. Note that all corrections to non- dollar items must be submitted to the CPS for reprocessing. Since the regulations stipulate that an institution must submit *all* changes if required to submit *any*



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change to CPS because of verification, it is recommended that the best practice would be to submit *all* changes irrespective of the dollar amount.

Selected For Verification After Disbursement: If as a result of a correction or update, an application which was not originally selected for verification becomes selected, and the student has already been awarded and disbursed aid based on the previous unselected output document, the student must complete verification before any additional disbursements are made.

If the student does not complete verification, no further aid may be disbursed and the student must repay any Pell, FSEOG, or Perkins disbursed under the unverified application. The student would not be required to repay any FWS wages earned or any Federal Direct Loan funds disbursed. If the completion of verification reveals a change of information, the data must be reprocessed through the CPS and, if there is a change in eligibility, prior and future disbursements adjusted so that the student receives the correct amount.

If the student is selected for verification after ceasing to be enrolled for the award period (with no plans to re-enroll) and all aid for the enrollment period has been disbursed (including any late disbursements), the student may be excused from completing verification and would owe no repayment on any federal aid disbursed on the unselected ISIR.

j. Verification Extension Deadline

If a SAR or ISIR with an official EFC has been processed while the student is enrolled and eligible for payment, and that student aid record has been selected for verification, the student is given a 120 day grace period after his or her last day of enrollment (but no later than the date published by the US Dept. of Education via electronic announcement on the IFAP website) to complete the verification process.

NOTE: an ISIR with an “official” EFC is not necessarily the same as a “valid” ISIR. An official EFC is an EFC that has been calculated by the CPS based on the FAFSA information submitted (whether that information is correct or not) and appears on the output document produced by the CPS. A “valid” ISIR is an output document with an official EFC that is based on application information that is correct and complete on the date the application or correction was signed.

The revised regulations allow schools to submit all corrections or updates resulting from a student completing verification after they are no longer enrolled, but within the 120 day grace period, and then use the valid ISIR with the corrected EFC to award and disburse Federal Pell Grant (subject to the late disbursement rules and R2T4 requirements, if applicable).

NOTE: in prior years, students could not be awarded a late disbursement of Pell based on the corrected ISIR if the corrections resulted in an EFC that was lower than the EFC the student had



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on the last day of enrollment. In these cases, they would have had to have been paid on the higher of the two EFCs even if incorrect. The revised regulations now require that Pell eligibility for these students be determined from the corrected EFC on the final valid ISIR.

See Chapter 10 of this Manual for information on the R2T4 and late disbursement requirements.

Failure to Submit Documentation

A student must provide all information or documents requested by either the Department of Education or the school to satisfy verification requirements or to resolve instances of conflicting or discrepant information (unless a verification exclusion applies). If a student fails to provide the required documentation by the established deadline, or the school fails to obtain a final valid ISIR, he or she:

- Forfeits Federal Pell Grant for the award year;
- May not receive disbursements of additional Federal Pell Grant or FSEOG;
- May not continue in an FWS job;
- May not have a Federal Direct Loan originated or receive further disbursements of loan funds; and
- Must repay any disbursements of Federal Pell Grant or FSEOG already received.

If the school has received any proceeds for a Direct Subsidized Loan on behalf of the student, the school must return all or a portion of the funds to the program under the excess cash tolerance regulation [34 CFR 668.166(b)]. If the student received any interim disbursement of FSA funds before the student completed verification, the school is responsible for returning the money to the programs.

k. FAFSA Verification Documents

The list below identifies four types of documents that are used for FAFSA verification:

- **Tax Return Transcript**
- **Record of Account**

As a reminder a Tax Return Transcript and the Record of Account can be used to verify the following income and tax information of IRS tax return filers:

- Adjusted Gross Income (AGI)
- Taxes paid
- Education credits
- IRA deductions
- Tax-exempt interest income
- Untaxed IRA distributions, and



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- Untaxed pension

➤ **Tax Account Transcript**

The Tax Account Transcript provides “basic data” from the tax return, as well as amended tax return data, but it may not include all of the information that is on a Tax Return Transcript or a Record of Account. Thus, for tax filers who filed an amended tax return, one way that verification may be completed is with both a Tax Return Transcript and a Tax Account Transcript. It is also possible to complete verification for such a tax filer with only their Record of Account. However, the Record of Account may be complicated to read and difficult to interpret.

➤ **Wage & Income Transcript (IRS Form W-2 documentation)**

A Wage & Income Transcript may need to be requested if a non-tax filer is unable to provide copies of IRS Form W-2. IRS Form W-2 or Wage & Income Transcripts can be used to verify income earned from work for non-tax filers. Non-tax filers selected for verification must also provide supporting documentation for verification of non-filing. The W-2 form is also used to verify tax-deferred pensions or retirement savings plans (paid directly or withheld from the employee’s earnings). This information can be found on the W-2 form in boxes 12a through 12d and codes D, E, F, G, H, and S. Do not include amounts reported coded as DD (employer contributions reported toward employee health benefits).



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I. Verification – IRS Documentation Request, Uses and Messaging

Verification - IRS Documentation Requests, Uses, and Messaging

IRS Request Type Submitted	IRS Document Requested	Applicable tax year record on file with the IRS?	Request for document to be sent to a 3 rd party*?	IRS will send...	Where mailed to?	When?
Form 4506-T <i>If Form 4506-T was incomplete or inaccurate, IRS Form 13873 may be provided by the IRS</i> <i>Original chart from February 23, 2017 Electronic Announcement for more information.</i>	<ul style="list-style-type: none"> Tax Return Transcript Tax Account Transcript Record of Account Wage & Income Transcript 	Yes	No	Transcript or Record	To tax filer address on Line 3 of Form 4506-T	Within 10 business days from when the IRS receives Form 4506-T.
	<ul style="list-style-type: none"> Tax Return Transcript Tax Account Transcript Record of Account Wage & Income Transcript 	Yes	Yes	Transcript or Record	To 3 rd party address on Line 5 of Form 4506-T	Within 10 business days from when the IRS receives Form 4506-T.
	<ul style="list-style-type: none"> Tax Return Transcript Tax Account Transcript Record of Account Wage & Income Transcript 	No	No	Transcript with indication that no record is found (<i>this is acceptable documentation to verify nonfiling</i>)	To tax filer address on Line 3 of Form 4506-T	Within 10 business days from when the IRS receives Form 4506-T.
	<ul style="list-style-type: none"> Tax Return Transcript Tax Account Transcript Record of Account Wage & Income Transcript 	No	Yes	Transcript with indication that no record is found (<i>this is acceptable documentation to verify nonfiling</i>)	To 3 rd party address on Line 5 of Form 4506-T	Within 10 business days from when the IRS receives Form 4506-T.
	<ul style="list-style-type: none"> Verification of <u>Nonfiling</u> 	No	No	Verification of <u>Nonfiling</u> Letter	To tax filer address on Line 3 of Form 4506-T	Within 10 business days from when the IRS receives Form 4506-T.
	<ul style="list-style-type: none"> Verification of <u>Nonfiling</u> 	No	Yes	Verification of <u>Nonfiling</u> Letter	To 3 rd party address on Line 5 of Form 4506-T	Within 10 business days from when the IRS receives Form 4506-T.
	<ul style="list-style-type: none"> Verification of <u>Nonfiling</u> 	Yes	No	Document indicating a tax return is on file (<i>see February 23, 2017 Electronic Announcement</i>)	To tax filer address on Line 3 of Form 4506-T	Within 10 business days from when the IRS receives Form 4506-T.
	<ul style="list-style-type: none"> Verification of <u>Nonfiling</u> 	Yes	Yes	Document indicating a tax return is on file (<i>see February 23, 2017 Electronic Announcement</i>); to 3 rd party a message to contact the taxpayer	To tax filer address on Line 3 of Form 4506-T & to 3 rd party using address on Line 5 of 4506-T	Within 10 business days from when the IRS receives Form 4506-T.

*A postsecondary institution is considered a 3rd party for IRS documentation request purposes.



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IRS Request Type Submitted	IRS Document Requested	Applicable tax year record on file with the IRS?	Request for document to be sent to a 3 rd party?	IRS will send...	Where mailed to?	When?
Transcript Toll-free 1-800-908-9946 Note: A Record of Account, a Wage & Income Transcript, or Verification of <u>Nonfiling</u> are not available for request using the toll-free phone number.	<ul style="list-style-type: none"> Tax Return Transcript Tax Account Transcript 	Yes	N/A	Transcript	IRS Address of Record – usually the address from the latest filed tax return	Within 10 business days from when the IRS receives Form 4506-T.
	<ul style="list-style-type: none"> Tax Return Transcript Tax Account Transcript 	No	N/A	Phone response that there is no 2016 tax return on file <i>No response will be sent by mail.</i>	Phone response	Immediately
Get Transcript By Mail www.irs.gov/transcript Note: A Record of Account, a Wage & Income Transcript, or Verification of <u>Nonfiling</u> are not available for request using this process.	<ul style="list-style-type: none"> Tax Return Transcript Tax Account Transcript 	Yes	N/A	Transcript	IRS Address of Record – usually the address from the latest filed tax return	Within 10 business days from when the IRS receives Form 4506-T.
	<ul style="list-style-type: none"> Tax Return Transcript Tax Account Transcript 	No	N/A	Browser response that there is no 2016 tax return on file <i>No response will be sent by mail.</i>	Browser response	Immediately
Get Transcript Online www.irs.gov/transcript	<ul style="list-style-type: none"> Tax Return Transcript Tax Account Transcript Record of Account Wage & Income Transcript Verification of <u>Nonfiling</u> 	Yes, if 2016 tax year was presented as an option on previous screen.	N/A	PDF of the requested document will be presented online for saving or printing	Browser	Immediately



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2018–2019 FAFSA Verification-IRS Tax Return Transcript Matrix						
Information Requiring Verification	FAFSA Q# (Student and	Field# (Student and	2016 IRS Tax Return Transcript Item	2016 IRS 1040 Line #	2016 IRS 1040A Line #	2016 IRS 1040EZ Line #
Adjusted Gross Income	36 and 85	43 and 108	Adjusted Gross Income Per Computer	37	21	4
			For IRS Form 1040 Transcripts: –“Income Tax After Credits Per Computer” less “Excess Advance Premium Tax Credit Repayment Amount” For IRS Form 1040A Transcripts: –“Tentative Tax Per Computer” less “Total Credits Per Computer” For IRS Form 1040EZ Transcripts: –“Total Tax Liability TP Figures Per Computer” less “Health Care: Individual Responsibility” <i>For all transcripts, if taxes paid is negative, enter 0 (zero)</i>			
Income Tax Paid	37 and 86	44 and 109		56 minus 46	28 minus 36	10
Education Credits	44a and 93a	51 and 116	Education Credit Per Computer	50	33	N/A
IRA Deductions and Payments	45b and 94b	58 and 123	KEOGH/SEP Contribution Deduction + IRA Deduction Per Computer	28 plus 32	17	N/A
Tax Exempt Interest Income	45d and 94d	60 and 125	Tax-Exempt Interest	8b	8b	N/A
Untaxed Portions of IRA Distributions	45e and 94e	61 and 126	Total IRA Distributions – Taxable IRA Distributions	15a minus 15b	11a minus 11b	N/A
Untaxed Portions of Pensions	45f and 94f	62 and 127	Total Pensions and Annuities – Taxable Pension/Annuity Amount	16a minus 16b	12a minus 12b	N/A

Notes

The 2018–2019 FAFSA Verification-IRS Tax Return Transcript Matrix is applicable only for U.S. IRS tax return filers (IRS Form 1040, 1040A, and 1040EZ) and includes only the tax return items required by the Department to be verified for 2018–2019.

IRS Tax Return Transcript—Shows most line items from a tax filer’s original tax return (Form 1040, 1040A or 1040EZ). An IRS Tax Return Transcript does not include information from an amended tax return.

PER COMPUTER—A value calculated by the IRS that sometimes displays for certain items on an IRS Tax Return Transcript. The Per Computer amount must be used for verification even if it is different than what was reported by the tax filer to the IRS.

RECOMPUTED <tax return item name> PER COMPUTER* or “VERIFIED AMOUNT” - This amount should be ignored for purposes of verification.

Married Filing Separately—An applicant or an applicant’s parent(s) who filed or will file his or her income tax return as “Married Filing Separately” or who is married to someone other than the individual included on a joint tax return must provide separate IRS Tax Return Transcripts for each person whose information is included on the FAFSA.



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Tax Return Line Items for 2018-2019 Verification

	2016 1040 EZ	2016 1040A	2016 1040
AGI	4	21	37
Income tax paid	10	28 minus 36	56 minus 46
Education credits	N/A	33	50
IRA deductions and payments		17	28 plus 32
Tax-exempt interest income		8b	8b
Untaxed portions of IRA distributions*		11a minus 11b	15a minus 15b
Untaxed portions of pensions*		12a minus 12b	16a minus 16b

Tax Return Transcript Line Items for 2018-2019 Verification

	2016 1040 EZ	2016 1040A	2016 1040
AGI	"ADJUSTED GROSS INCOME PER COMPUTER"		
Income tax paid**	"TOTAL TAX LIABILITY TP FIGURES PER COMPUTER" <i>less</i> "HEALTH CARE: INDIVIDUAL RESPONSIBILITY"	"TENTATIVE TAX PER COMPUTER" <i>less</i> "TOTAL CREDITS PER COMPUTER"	"INCOME TAX AFTER CREDITS PER COMPUTER" <i>less</i> "EXCESS ADVANCE PREMIUM TAX CREDIT REPAYMENT AMOUNT"
Education credits	N/A	"EDUCATION CREDIT PER COMPUTER"	
IRA deductions and payments		"IRA DEDUCTION PER COMPUTER"	"KEOGH/SEP CONTRIBUTION DEDUCTION" <i>plus</i> "IRA DEDUCTION PER COMPUTER"
Tax-exempt interest income		"TAX-EXEMPT INTEREST"	
Untaxed portions of IRA distributions*		"TOTAL IRA DISTRIBUTIONS" <i>less</i> "TAXABLE IRA DISTRIBUTIONS"	
Untaxed portions of pensions*		"TOTAL PENSIONS AND ANNUITIES" <i>less</i> "TAXABLE PENSION/ANNUITY AMOUNT"	

*Exclude rollovers.

**For all transcripts, if income tax paid is negative, use '0' (zero).



CHAPTER 5 – Satisfactory Academic Progress

Recipients of state and federal financial aid are required to be making Satisfactory Academic Progress in accordance with appropriate guidelines. Students who fail to meet the progress requirements due to unusual circumstances that can be documented may apply for a waiver. The minimum satisfactory academic progress and waiver requirements for both federal and state programs are outlined in this chapter. Individual colleges may apply stricter standards to their student body and these standards must be published and available to students. Auditors will hold Colleges responsible for consistently applying the progress standards that appear in campus publications.

A. Federal Satisfactory Academic Progress Standard

Regulations for satisfactory progress for FSA recipients were initially published by the U.S. Department of Education in October of 1983 and were republished in December of 1987 with some minor changes. On July 1, 1994, revised regulations went into effect changing the quantitative component of institutional standards for determining satisfactory academic progress for FSA recipients. ED published further revisions to its satisfactory academic progress regulations in October 2010 that regrouped all SAP requirements into 34 CFR 668.34, mandated the use of standardized terminology, and made more explicit the conditions under which students could appeal loss of Title IV eligibility due to failure to meet an institution's Title IV SAP standard.

a. Regulatory Overview

As part of its demonstration of administrative capability under Section 668.16(e) of the Student Assistance General Provisions, an institution must establish, publish and apply reasonable standards for measuring whether an otherwise eligible student is maintaining satisfactory progress in his or her educational program. In turn, every student applicant must meet the institution's Title IV SAP standards in order to be considered eligible under the Student Eligibility provisions (Section 668.32(f)) to receive (or continue to receive) Title IV funding.

The institution's Title IV SAP policy is considered reasonable if it meets the following provisions as specified in Section 668.34:

- The policy must be at least as strict as the standard of academic performance the institution applies to a student who is not receiving Title IV program assistance;
- The policy must provide for consistent application of the standard to all students within defined categories (such as full-time, part-time, undergraduate and graduate students) and educational programs;



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- The policy must require students be measured under the institution's Title IV SAP standard either at the end of each payment period or at least once annually to correspond with the end of a payment period. [Note: although the revised regulations give institutions the option of measuring SAP at the end of each payment period (semester), CUNY has opted to continue measuring SAP on an annual basis.]
- The review must include all semesters with attendance at the institution including any summer and inter-sessions whether or not Title IV assistance was received in those semesters/sessions.
- The policy must include both a qualitative and quantitative measure of progress and establish a maximum time-frame in which a student is expected to complete the program.
- The policy must describe how course incompletes, withdrawals, repetitions, non-credit remediation, and transfers of credit affect satisfactory progress; and finally,
- The policy must describe how a student who has lost eligibility due to not making SAP may re-establish eligibility for Title IV assistance.
- The policy must have an established procedure that reviews, and rechecks SAP when notification of a grade change is made. As such, notifications of a grade change for previous terms are identified and SAP is reevaluated for those students.

b. Qualitative Measure

The regulations require that the institution specify the minimum grade point average (GPA) a student must achieve at each SAP evaluation. The most widely used acceptable norm is the academic standard set by the college's accrediting agency to measure good academic standing.

The CUNY Manual of General Policy sets forth the minimal academic standards for retention of full-time and part-time undergraduate students. Under this standard, undergraduates are expected to maintain a minimum cumulative GPA based on the number of credits attempted as in the following table:

Credits Attempted	Minimum GPA
.5 - 12	1.5
13 - 24	1.75
25 - upward	2.00



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Only those credits used for calculating the cumulative GPA required to meet the college's minimum retention standard are used to assess whether a student meets the qualitative component of the Title IV SAP standard. The phrase "credits attempted" is defined differently when referring to the quantitative measure of progress (see p.5-5 for more information).

The regulations also stipulate that, if enrolled in an educational program of more than two academic years, a student must have a GPA of at least "C" or the equivalent at the end of the second academic year. This means that a student must maintain a minimum 2.0 GPA after being at the school for four semesters or six quarters without regard to enrollment status and superseding the above table.

Graduate students are expected to maintain a minimum GPA of 3.0 or higher.

c. Quantitative Measure

To quantify academic progress, an institution must set a maximum time-frame of no more than 150% of an academic program's published length as the maximum time-frame in which the student is expected to finish the program. The college must also specify the pace at which a student must progress through his or her educational program to ensure that the student will complete the program within the maximum time-frame by establishing a minimum percentage of credits a student must successfully complete each academic year. Remedial course-work is not considered in the calculation of the progress toward completion for Title IV purposes.

B. Boricua College's Title IV Satisfactory Academic Progress Standard

The guidelines that follow satisfy the requirements of the revised SAP regulations set forth in 34 CFR 668.34 which took effect July 1, 2011.

a. Undergraduate Students

In order to be making satisfactory academic progress toward a degree, for purposes of receipt of Title IV student financial assistance, an undergraduate student must meet the minimum standards specified below.

1. **Minimum GPA** – achieve at least the GPA required to meet the college's minimum retention standard; if enrolled in a program of more than two years, achieve at least a "C" average, or its equivalent, at the end of the second academic year, or have an academic standing consistent with the requirements for graduation.
2. **Maximum Time-frame** – may not attempt more than 150% of the credits normally required for completion of the degree.



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3. Pace of Progression:

- For baccalaureate programs, accumulated (or earned) credits must be equal to or greater than a certain percentage of the total credits attempted according to the following:

Attempted Credits	15	30	45	60	75	90	105	120	135	150	165	180
Earned Credits	0	5	16	27	42	50	63	72	84	95	110	120

- For associate degree programs, accumulated credits must be equal to or greater than a certain percentage of the total credits attempted according to the following:

Attempted Credits	6	12	18	24	30	36	42	48	54	60	66	72	78	84	90
	0	0	2	4	6	13	19	23	27	33	39	44	49	55	61

All undergraduate students (whether aid recipients or not) will be measured against each of the three SAP components at the end of the spring term to determine eligibility for receipt of Title IV student financial assistance in the upcoming year.

b. Graduate Students

In order to be making satisfactory academic progress toward a degree, for purposes of receipt of Title IV Federal Student Assistance, a graduate student must meet the minimum standards specified below.

- Minimum GPA** – maintain a minimum GPA of 3.0 or better, or have an academic standing consistent with the requirements for graduation.
- Maximum Time-frame** – may not attempt more than 150% of the credits normally required for completion of the degree.
- Pace of Progression** – must accumulate credits toward the degree greater than or equal to two-thirds the cumulative credits attempted at the institution.



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All graduate students will be measured against each of the three SAP components at the end of the spring term to determine eligibility for receipt of Title IV student financial assistance in the upcoming year.

c. Determining Attempted Credits and Accumulated Credits

Attempted credits, as defined in this section, pertain to the courses and credits that must be included in the quantitative measure of progress to calculate pace of progression and maximum time-frame. The accumulation of attempted credits usually reflects the semester course enrollment maintained in a student's permanent record at the college and will usually reflect a student's enrollment as of the Form A date. Accumulated credits should reflect credits that the student has earned towards the completion of the degree program in which the student is enrolled.

In applying the Title IV SAP standard, the college must address how the following types of courses, situations, and procedures may affect a student's GPA and pace of progression:

1. Remedial Courses - Since remedial courses and the remedial component of developmental and compensatory courses do not carry degree credit, the non-credit component of these courses is not included in the total cumulative attempted credits or accumulated credits for determining pace of progression. However, the credit-bearing portion of compensatory or developmental courses would be included in the cumulative earned and/or attempted credit totals for determining pace.

2. Withdrawals - Since the Form A date usually reflects a student's course load for the term, net of program adjustments, withdrawals as part of the program adjustment period (i.e., "drops") will not be included as cumulative attempted credits. Withdrawals which are recorded on a student's permanent record will be included as cumulative attempted credits and will have an adverse effect on a student's ability to meet the pace of progression standard.

NOTE: *Retroactive "non-punitive" administrative withdrawal activity may result in the requirement for the student to repay any assistance received as a result of the student's enrollment at the time of receipt of the student assistance funds.*

3. Incomplete Grades - Courses with incomplete grades are included as cumulative attempted credits. However, these courses cannot be used as credits accumulated toward the degree since successful completion is the criterion for positive credit accumulation. If the student fails to meet the pace of progression standard due to the lack of successful completion grades for incomplete courses, the recording of successful completion grades within a term which brings the accumulated credit level to the



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appropriate standard will restore eligibility for the term and subsequent terms within the academic year.

NOTE: *Following the College policy, once an Incomplete Grade reverts to a grade, the SAP evaluation is reprocessed and eligibility is reassessed.*

4. Repeated Courses -Successfully completed courses can generally be accepted toward degree requirements once. However, each time a student attempts a course, even if that course is part of a forgiveness or amnesty policy whereby credits attempted and grades earned in prior semesters are excluded from the GPA, it must be included as part of the cumulative attempted credit record for the measuring of pace of progression. Therefore, repeated courses, regardless of the prior grade, reduce a student's capacity to meet the pace of progression standard.

NOTE: *the revised regulations allow students to receive Title IV aid for one-time repeat of a previously passed course as long as the student is again receiving credit for the course. Should the student subsequently fail the course, any additional attempt of that course cannot be included in the student's enrollment status for Title IV assistance. There is no regulatory limit on the number of times a student may be paid to retake a failed course, unless the student has also previously passed that course.*

5. Transfer of Credit -Transfer students shall have their pace of progression status initialized for purposes of satisfactory academic progress measurement by using the number of credits determined to be acceptable toward the degree as both cumulative attempted credits and cumulative earned credits earned.

d. Financial Aid Suspension

Undergraduate students who do not meet the minimum undergraduate standard and graduate students who do not meet the minimum graduate standard are placed on financial aid suspension and lose their eligibility to participate in federal student aid programs. Students on financial aid suspension will remain ineligible for Title IV federal student assistance until they take actions that once again bring them into compliance with the appropriate progress standard.

e. Right to Appeal

All students who have been placed on financial aid suspension may appeal through the normal institutional academic appeals process to retain eligibility for Title IV assistance. Students may appeal any component of the SAP standard they have not been able to meet including not meeting the minimum GPA and exceeding the maximum time-frame for program completion.



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An appeal must be based upon mitigating circumstances resulting from events such as personal illness or injury, illness or death of a family member, loss of employment, or changes in the academic program. The student's appeal must include: a) the reasons why the student failed to make SAP and b) what has changed in his or her situation that will allow the student to demonstrate SAP at the next evaluation.

The appeal may be granted if the school:

- Determines that the student will be able to meet the appropriate SAP standard by the end of the next payment period (semester); **OR**
- Develops an academic plan for the student that, if followed, will ensure that the student will either be able to meet the appropriate SAP standard by a specific point in time or achieve completion of his or her academic program.

Title IV appeals should be reviewed by a college committee who can make an accurate academic assessment of the student's capability to meet the appropriate SAP standard by the next payment period/semester. If the committee determines that the student should be able to meet the SAP standards by the end of the next semester, the student may be placed on financial aid probation without an academic plan.

If the committee determines that the student will require more than one payment period to meet SAP, it may develop an individual academic plan that outlines a detailed strategy for the student to regain SAP eligibility or attain program completion within a certain probationary time-frame. The plan can be for one payment period/semester or longer. The academic plan should specify conditions that must be met for the period covered by the appeal such as: the specific coursework that must be taken, the minimum GPA that must be attained, and the number of credits that must be successfully completed. An academic plan may take the student to program completion, rather than meeting the institution's SAP standards at a specific point in time. Program completion, or graduation, should be always regarded as the ultimate attainment of SAP, and the possibility of a student finishing their program of study is a strong argument for a favorable appeal.

f. Financial Aid Probation

A student who has been granted an appeal will be placed on financial aid probation. Students in this status have their eligibility for Title IV program assistance reinstated for one payment period (semester). At the end of the probationary semester, the institution must review the student's academic progress to determine whether the student has met the appropriate SAP standard or has fulfilled the requirements specified in the student's academic plan. A student who once again meets the appropriate progress standard after the probationary semester will continue to receive Title IV assistance until the next scheduled progress evaluation. Students who meet all the conditions of their academic plan at the end of the probationary semester will



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continue to receive Title IV assistance on a monitored, semester by semester basis until the next scheduled progress evaluation.

There is no limit on the number of times a student who is placed on financial aid suspension may follow the financial aid appeals procedure. Although a student may file only one appeal per payment period (semester), additional appeals to extend financial aid probation to subsequent semesters are allowed. As in the original appeal, the student would indicate the mitigating circumstances, the reasons why SAP was not achieved, and what has changed that will ensure the student will be able to meet SAP at the next evaluation. If a student fails to meet the conditions of an approved academic plan, he or she may submit an additional appeal to modify or adjust the plan for the subsequent payment period(s) documenting any unusual circumstances that prevented them from meeting the goals established by the original plan. The college may approve or decline the subsequent appeal and may create an updated plan based on the information submitted.

g. Required Notifications and Monitoring

Colleges must notify students when they are not achieving SAP, explain what steps they must take to regain eligibility, what the appeals process is, whether or not they are required to meet with an academic advisor, what forms need to be completed, etc. Additionally, all elements of the college's Title IV SAP policy should be published on the college's website and in the college bulletin.

The college is **required** to track and monitor:

- All students who do not meet SAP standards.
- All students who file an appeal and are either granted or denied that appeal.
- All students who are granted an individual specific academic plan.
- All students who are granted "probation" status.

It is recommended that an academic office such as Registrar, Academic Advisement or Counseling be responsible for monitoring the students' progress during a probationary semester or if they are meeting the conditions of an approved academic plan(s). Documentation of the appeal, the probation and the academic plan must be retained and available for review by internal and external auditors.

h. Re-establishing Eligibility

Other than having eligibility restored through filing a successful appeal, a student on financial aid suspension may regain eligibility only by taking action that brings him or her into compliance with the appropriate progress standard. The mere passage of time is insufficient to restore Title IV eligibility to a student who has lost eligibility due to not meeting the SAP



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standard. Therefore, students may not re-establish eligibility solely by leaving the institution for at least one year because this action, by itself, would not bring the student into compliance for Title IV SAP.

Students who choose to remain enrolled without receiving Title IV aid may request a review of their academic record after any term in which they were on financial aid suspension to determine if they were able to re-attain the appropriate standard.

If a student is on financial aid suspension at the beginning of the academic year for not meeting one or more components of the school's SAP standard, but meets them at some point later in the academic year, the student may regain Title IV eligibility as follows:

Federal Pell Grant/Campus-based Funds

For Pell Grant and campus-based programs, the student regains eligibility retroactively to the beginning of the most recent payment period during which the student once again met the school's satisfactory academic progress standards, unless the school's satisfactory progress policy provides for reinstatement of eligibility at some later point.

Federal Direct Loan and FFEL Programs

For Federal Direct and FFEL program funds, the student regains eligibility for the entire period of enrollment. Again, this period generally coincides with the entire academic year, unless the school's satisfactory academic progress policy provides for reinstatement of eligibility at some later point.

i. Treatment of Non-Standard Situations

- 1. Readmitted Students** – A student not making SAP cannot re-establish eligibility for Title IV program assistance by re-enrolling after a one year or longer period of non-reenrollment. Upon readmission after any period of non-reenrollment, the student's Title IV progress standing must be re-evaluated for SAP under the standard as the record stood at the end of their last term of attendance. If the student has taken any action during the period of non-reenrollment that would bring him or her into compliance with the progress standard (e.g., successfully completing transferable courses at another institution during the period of absence), this should also be factored into the reassessment. If the readmitted student has not taken any such action, or if the action taken is not sufficient to bring the student back into compliance with the progress standard, the student remains on financial aid suspension and must file a successful appeal to re-establish eligibility.



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2. **Second Degree Students** - Students enrolling for a second baccalaureate, graduate or associate degree shall have their pace of progression status initialized for purposes of satisfactory academic progress measurement by using the number of credits determined to be acceptable toward the degree as both the students' cumulative attempted credits and cumulative earned credits.
3. **Change of Major** - Students who change majors within the same degree or certificate program must complete the degree within the maximum time-frame, unless the institution has allowed for such changes by establishing various time-frames for different programs leading to the degree or by individually re-evaluating the time-frame for these students.
4. **Change of Degree** - If a student changes his or her objective and begins pursuing a different degree or certificate, the institution may make the student subject to the maximum time-frame it establishes for the new objective without regard to time spent pursuing the previous degree or certificate. The institution also has the flexibility to develop a policy that is more restrictive and limits the student to an overall time-frame for the completion of his or her studies.

C. Boricua College Title IV SAP Setup Tables

a. Four year programs

Minimum GPA

Cumulative Attempted Units From	Cumulative Attempted Units To	Minimum Cumulative GPA From	Minimum Cumulative GPA To	SAP Status
0.001	12.999	0	1.499	FAIL
13	24.999	0	1.749	FAIL
25	999.999	0	1.999	FAIL

Maximum Time-frame

Attempted Maximum Units From	Attempted Maximum Units To	SAP Status
120.001	180	WARN
180.001	999.999	FAIL



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Pace of Progression

Cumulative Attempted Units From	Cumulative Attempted Units To	Cumulative Earned Units Percentage From	Cumulative Earned Units Percentage To	SAP Status
25	30.999	0	14.99	FAIL
31	36.999	0	24.99	FAIL
37	45.999	0	34.99	FAIL
46	48.999	0	39.99	FAIL

b. Two-year programs

Minimum GPA

Cumulative Attempted Units From	Cumulative Attempted Units To	Minimum Cumulative GPA From	Minimum Cumulative GPA To	SAP Status
0.001	12.999	0	1.499	FAIL
13	24.999	0	1.749	FAIL
25	999.999	0	1.999	FAIL

Maximum Time-frame

Attempted Maximum Units From	Attempted Maximum Units To	SAP Status
120.001	180	WARN
180.001	999.999	FAIL

Pace of Progression

Cumulative Attempted Units From	Cumulative Attempted Units To	Cumulative Earned Units Percentage From	Cumulative Earned Units Percentage To	SAP Status
25	30.999	0	14.99	FAIL
31	36.999	0	24.99	FAIL
37	45.999	0	34.99	FAIL
46	48.999	0	39.99	FAIL



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c. Boricua College Title IV SAP Status Codes

Calc Status	Severity	Short Description	Description	SAP Status
FAIL	80	FAIL	Failed SAP	Not Meet
OVER	10	OVERRIDE	Override for single term	Meets SAP
PASS	40	PASS	Meets SAP	Meets SAP
PRB1	60	PROB-1	Initial Probationary SAP	Probation
PRB2	61	PROB-2	Continuing Probationary SAP	Probation
PRB3	62	PROB-3	Third Probationary SAP	Probation
UDET	30	UNDETERMIN	Undetermined	Undetermined
WAIV	20	WAIVER	Waiver for one aid-year	Meets SAP
WARN	35	WARNING	Beyond 100% Credits	Meets SAP

d. KEY to the SAP Status Codes

SAP status codes are used by Boricua College on the Student SAP page either in the “Calc SAP Status” field or in the “Override SAP Status” field.

FAIL: indicates that student has not met SAP. Its effect is to inhibit awarding/disbursement of federal student aid. Some colleges use FAIL as an override status to indicate that a student who failed SAP, filed a Title IV Appeal, and had that appeal denied. Such a student would have FAIL in both the “Calc SAP Status” field and in the “Override SAP Status” field.

OVER: used in the “Override SAP Status” field for students who have failed SAP but who have been granted a Title IV appeal. Students with this status are said to be meeting SAP.

PASS: may be used in the “Override SAP Status” field to override a FAIL status when the student has re-attained progress in a subsequent term within the school year.

UDET: used only in the “Calc SAP Status” field to indicate that the student’s SAP status is undetermined. It is a default status in CF delivered aid to indicate that SAP has not yet been run for that student. UDET is not assigned in the interface environment. Students who are in UDET status are assumed, for the moment, to be meeting SAP.



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WAIV: used in the “Override SAP Status” field to waive a student who was incorrectly calculated for SAP by the software. Examples are students who have remedial units being counted in the GPA attainment calculation or for students enrolled for a second degree who are being incorrectly assessed for time-frame or pace of progression.

PRB1, 2, or 3: Used in the “Override SAP Status” field to indicate students who in a probationary semester as the result of a Title IV appeal. These statuses have not been made available for use by interface schools.

WARN: is used in the “Calc SAP Status” field to signal that a student has attempted more than 100% [but fewer than 150%] of the credits required for the degree. This is an eligible status for SAP.

The Severity Codes exist so that the proper outcome of the SAP evaluation is reached for each student. The software measures each component of SAP separately and then arranges them in a hierarchal relationship so that the final result of combining the individual components and the various override conditions yields an appropriate overall SAP status determination.

D. New York State Good Academic Standing Standard

Students receiving NYS awards must show evidence of good academic standing by meeting program pursuit standards and reaching specific benchmarks of academic progress. For financial aid purposes, good academic standing consists of two elements: Program Pursuit and Satisfactory Academic Progress. Program pursuit is defined as completing a certain percentage of degree-specific course work each term. Satisfactory Academic Progress has two components: students must accumulate credits toward the degree at a certain rate and maintain a minimum grade point average in each term a state award payment is received.

An award recipient who fails to maintain good academic standing by not meeting the program pursuit or the academic progress requirement loses eligibility for further NYS awards until he or she is reinstated in good standing. A NYS scholarship may be revoked if the recipient is not reinstated in good academic standing within a reasonable time.

A waiver from these requirements exists to provide qualified students experiencing temporary difficulty in maintaining eligibility with an opportunity to have uninterrupted participation in the state programs. Good academic standing requirements may be waived once.

a. Program Pursuit

Program pursuit is determined each time a NYS award is received whether the award is for full-time or part-time study. Half-time TAP awards for accelerated summer study are not considered part-time awards and are factored into the program pursuit calculation differently.



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During each semester a NYS award is received, a student must complete a certain percentage of a minimum required course load. The percentage of course work that must be completed each semester becomes greater as a student receives additional payments until the point where a student is required complete the equivalent of 100% of the minimum required course load for any remaining payments.

Students receiving full-time TAP payments are evaluated for program pursuit using 12 semester hours as 100% of a minimum full-time course load. Students receiving APTS are evaluated using 3 semester hours as 100% of a minimum part-time course load. [Note: the State defines the minimum enrollment requirement for APTS eligibility as 3 semester hours. This definition holds at Boricua College even though Boricua College customarily makes no APTS awards for enrollment fewer than 6 semester hours of credit.]

More specifically, during the first and second semesters of State-supported study a student must complete 50% of the minimum credits or equated credits required for that payment. If receiving a full-time TAP payment, a student must complete at least 6 semester hours of credit to meet the 50% program pursuit requirement. For APTS purposes, 50% of the minimum part-time course load is defined as 1.5 semester hours of credit.

During the third and fourth semesters of State-supported study a student must complete 75% of the minimum credits or equated credits required for that payment. If receiving a full-time TAP payment, a student must complete at least 9 semester hours of credit to meet the 75% program pursuit requirement. For APTS purposes, 75% of the minimum part-time course load is defined as 2.25 semester hours of credit.

After the fifth semester of State-supported study, and for every semester thereafter, a student must complete 100% of the minimum credits or equated credits required for that payment.

Both degree credits and credit equivalents awarded for remedial work count toward fulfilling the pursuit requirement. In addition, all grades that indicate a student persisted throughout the semester are counted, including second and subsequent "R" grades received for the same course (which are taken to be the equivalent of an "F" grade when determining pursuit or progress). The grades at CUNY that do not count toward meeting the pursuit requirement are "W", "WU", "WA", "WF" and "WN".

Students receiving Part-Time TAP (P-TAP) are considered to be receiving a strict pro-ration of a full-time TAP award. Therefore, these students are evaluated for program pursuit using the total enrolled semester hours of credit for the term in question and applying to that number the appropriate completion percentage. For example, a student receiving P-TAP for 9 semester hours of credit would have to complete 4.5 (rounded down to 4) semester hours of credit to meet the 50% program pursuit requirement and 6.75 (rounded down to 6) semester hours of credit to meet the 75% program pursuit requirement. A student receiving P-TAP for 11



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semester hours of credit would have to complete 5.5 (rounded down to 5) semester hours of credit to meet the 50% program pursuit requirement and 8.25 (rounded down to 8) semester hours of credit to meet the 75% program pursuit requirement.

Once a student receives his or her first State-aid award, he or she is “placed” on the first step of the undergraduate level progress chart. For each full-time or part-time award received, the student moves up one step on the pursuit chart. A student who fails to meet the required percentage of completed course work may not continue to receive State program funds without first re-establishing award eligibility.

b. Academic Progress

To maintain award eligibility, students must meet the academic progress standard for each full-time award semester (that is, each time the student accumulates 6 payment points). This standard has two components:

1. Students must accrue a specified number of credits;
2. Students must achieve a minimum grade point average (GPA).

Old Progress Standard – 1st NYS award received before July 1, 2006

All students new to the program are automatically eligible for their first payment. In addition, there are no minimum credit-accumulation or GPA criteria for the second payment. In order to be eligible for the third payment, a student must have earned at least 6 degree credits with a minimum 1.00 GPA. By the fourth payment, a student must have accumulated 18 degree credits with a 1.2 GPA. A student must maintain a 2.00 GPA (“C” average) from the fifth state payment to the completion of the undergraduate degree. In addition, the student must have accumulated 31 degree credits by the fifth payment, 45 degree credits for the 6th payment, 60 credits by the 7th payment, 75 degree credits by the 8th payment, 90 credits by the 9th payment and 105 credits by the 10th payment.

2006 Progress Standard

The 2006 progress standard applies to students first receiving state aid in 2007-08 through and including 2009-10 and remedial students first receiving state aid in 2007-08 and thereafter. There are separate credit-accumulation and minimum GPA criteria for state aid recipients enrolled in two year associate degree/certificate programs or four year baccalaureate degree programs.

Two-Year Standard: All students new to the program are automatically eligible for their first payment. To be eligible for the second payment, a student must have earned 3 degree credits with a minimum .5 GPA. By the third payment, a student must have earned at least 9 degree



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credits with a minimum .75 GPA. By the fourth payment, a student must have accumulated 18 degree credits with a 1.3 GPA. A student must maintain a 2.00 GPA ("C" average) from the fifth state payment to the completion of the degree. In addition, the student must have accumulated 30 degree credits by the fifth payment, and 45 degree credits for the 6th payment.

Four-Year Standard: All students new to the program are automatically eligible for their first payment. To be eligible for the second payment, a student must have earned 3 degree credits with a minimum 1.1 GPA. By the third payment, a student must have earned at least 9 degree credits with a minimum 1.2 GPA. By the fourth payment, a student must have accumulated 21 degree credits with a 1.3 GPA. A student must maintain a 2.00 GPA ("C" average) from the fifth state payment to the completion of the undergraduate degree. In addition, the student must have accumulated 33 degree credits by the fifth payment, 45 degree credits for the 6th payment, 60 credits by the 7th payment, 75 degree credits by the 8th payment, 90 credits by the 9th payment and 105 credits by the 10th payment.

2011 Progress Standard

The 2011 progress standard applies to non-remedial students first receiving state aid in 2010-11 and thereafter. There are separate credit-accumulation and minimum GPA criteria for state aid recipients enrolled in two year associate degree/certificate programs or four year baccalaureate degree programs.

Two-Year Standard: Non-remedial students new to the program are automatically eligible for their first payment. To be eligible for the second payment, a student must have earned 6 degree credits with a minimum 1.3 GPA. By the third payment, a student must have earned at least 15 degree credits with a minimum 1.5 GPA. By the fourth payment, a student must have accumulated 27 degree credits with a 1.8 GPA. A student must maintain a 2.00 GPA ("C" average) from the fifth payment to the completion of the degree. In addition, the student must have accumulated 39 degree credits by the fifth payment, and 51 degree credits for the 6th payment.

Four-Year Standard: Non-remedial students new to the program are automatically eligible for their first payment. To be eligible for the second payment, a student must have earned 6 degree credits with a minimum 1.5 GPA. By the third payment, a student must have earned at least 15 degree credits with a minimum 1.8 GPA. By the fourth payment, a student must have accumulated 27 degree credits with a 1.8 GPA. A student must maintain a 2.00 GPA ("C" average) from the fifth state payment to the completion of the undergraduate degree. In addition, the student must have accumulated 39 degree credits by the fifth payment, 51 degree credits for the 6th payment, 66 credits by the 7th payment, 81 degree credits by the 8th payment, 96 credits by the 9th payment and 111 credits by the 10th payment.



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Students who first received an award prior to the 2007-08 academic year will have to continue to meet the 2006-07 academic progress requirements. The new progress requirement described above does not effect these students.

Because academic progress is based on cumulative performance, grade changes and the resolution of incomplete grades affect a student's GPA once they are part of a student's record. These changes do not retroactively change past payments but may affect the next payment. Also note that APTS and PTAP recipients are evaluated for academic progress only when they have accrued payments equal to a full-time award semester, that is, each time 6 payment points have been accumulated.

The undergraduate good academic standing requirements are outlined in chart form at the end of this chapter.

c. Treatment of Remedial Students

A student shall be deemed to be in a program approved by the Commissioner for remedial study if he/she:

- Indicates the need for remediation for at least two semesters through scores on a recognized college placement exam or a nationally recognized standardized exam, as certified by the college and approved by the State Education Department;
- Is enrolled in the Search for Education, Elevation and Knowledge (SEEK) program or the College Discovery (CD) program; or
- Is or was enrolled in at least six credit hours of noncredit remedial instruction the first semester they received a TAP award.

Students meeting the definition of remedial student will not be subject to the new academic standards but rather will stay on the 2006 chart.

d. Transfer Students

Number of Previous Payments In assessing the financial aid record of a transfer student, a receiving college must determine the number of payments a student has previously received, and whether or not a student has used a waiver. The Higher Education Services Corporation provides payment and waiver information on the payment roster.

Program Pursuit The payment points which are shown on the certification roster determine the student's placement on the pursuit chart.



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e. Academic Progress – Determining Grade Point Average

The College may choose one of two ways to consistently develop students' transfer grade point averages. Whichever of the two options it elects, a college must uniformly apply it to each and every transfer student.

The first option is to have a student start from scratch, and use, for the purpose of GPA development, only those courses a student actually takes at the new college.

The second option is to calculate an incoming "transfer GPA." This and the GPA a student develops at the new college become the student's cumulative GPA, to be used in assessing the student's academic progress as he or she continues in the program.

f. Academic Progress – Beneficial Placement

A college must make the determination as to where to place a transfer student on the progress chart. It can either place the student at the level of credit (defined here as the number of credits assigned by the new college) or at the level corresponding to the number of payments that the student has already received. The choice is determined according to which of the two options would most benefit an individual student.

The point where a student is placed on the Good Academic Standing chart and the actual number of payments a student has received may not line up. For a transfer student, as for a student who has received a waiver, the headings in the top row of the progress chart might more appropriately be read as next payment instead of first, second, third, etc. Once placed on the chart, either by virtue of starting at step one or higher, a student must meet the appropriate program pursuit and academic progress standards to maintain eligibility each semester.

g. Re-admitted students

A re-admitted student is one who begins a course of study, leaves, and subsequently returns to that same college. For State aid purposes, a re-admitted student may fall into one of three categories. In each of these, a student is subject to the college's normal re-admission procedures.

If a student left the college in good academic standing and is then re-admitted, the student is eligible for NYS aid upon returning to the college. If a student left the college after having lost good academic standing and returns to the college after an absence of at least one year, the student is eligible for NYS aid upon returning to the college.



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If a student left the college after having lost good academic standing and returns to the college after an absence of less than one year, there are two ways this student can regain eligibility for the first semester of the student's return:

- The student is granted the use of a waiver, provided that he or she has not already used the waiver; or
- The student has made up the deficiency by attending without the benefit of State support another college during the semester of absence from the college of initial enrollment.

h. Placement on the Chart for Re-admits

Re-admitted students are placed on the Good Academic Standing Chart according to the rules which govern the placement of transfer students.

i. Accelerated Study

Students can receive an additional term award for attending an additional study term beyond the regular program of study for the academic year. Students can also receive an additional award for *half-time* summer attendance. At CUNY, the summer term is always the accelerated term and the term evaluation process includes both full-time and part-time summer term enrollment.

Accelerated half-time study requires being enrolled for at least six but fewer than 12 credit hours (with a minimum of three real credits). Additionally, to receive an award for half-time accelerated study, the student must have been enrolled as a full-time student in an approved program of study in New York State during the preceding spring term or the next fall term.

In order to be eligible for either a full-time or a half-time award for an accelerated term beginning after January 1, 2007, the student must complete 24 credits at the college of summer attendance in the prior two semesters. These credits may be earned in any combination (i.e., 12 + 12, 6 + 18, etc.). Up to three (3) credits in each of the prior two semesters can be non-credit remedial hours.

Progress criteria for an accelerated award are based upon the same criteria as eligibility for any academic year semester. This means that for an accelerated payment, a student must have achieved in the prior semester both the academic progress and program pursuit standards stipulated on the good academic standing chart for receipt of a "next award." Eligibility for an award for accelerated study does not increase a student's maximum award entitlement under TAP. TAP is still limited to 4 years at the undergraduate level and/or 4 years at the graduate level.



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j. Half Awards

Any accelerated course work becomes part of a student's cumulative GPA. Work performed in the accelerated term affects a student's academic progress standing and therefore his/her eligibility for a next payment.

A student who has a whole number (0, 1, 2, etc.) of previous payments, and who receives a half award in the accelerated term, has his/her payment number "rounded down" for the next award. This means, for example, that a student whose total number of payments at the end of the accelerated term is $3\frac{1}{2}$ will be considered as having received 3 payments for placement purposes only.

If a student has received $4\frac{1}{2}$ payments for 4 full terms plus a half accelerated award and then received a second accelerated half payment, the payments cumulate to 5 and the student would be at the 100% pursuit level for the summer semester.

k. Full Awards

Students who receive full awards in the accelerated term are governed by the standards indicated on the Good Academic Standing chart for that payment number.

l. Regaining Award Eligibility

When a student does not meet the requirements outlined on the good academic standing chart either by failing to reach program pursuit and/or academic progress standards in any given semester, further NYS awards to the student are suspended. For State aid purposes the student can be said to have lost good academic standing and is therefore ineligible for his or her next award.

There are a number of ways a student may regain eligibility:

- A student can combine two or more semesters' work to regain good academic standing, provided that only one of those semesters is paid for through State support.
- A student may be eligible for a waiver. If the college approves a waiver, the student may continue in the State aid program without interruption.
- A student who transfers is automatically eligible for State aid in the first semester at the new college even if the student has not met the good academic standards at the college from which he or she transferred.
- A student who is readmitted into his or her college after an absence of at least one calendar year can become eligible providing he or she meets the college's readmission requirements.



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There is no provision in the State regulations that limits the number of times a student can lose good academic standing and seek reinstatement except that a student may use the waiver provision to regain eligibility only once.

A student who has been granted a waiver for failure to meet program pursuit is not stalled on the good academic standing chart while the waiver is in effect. The student is expected to meet the pursuit standard stipulated for continued participation in the program.

m. Waiver of Good Academic Standing Requirements

In order to provide some allowance for cases where otherwise academically proficient students experience a “bad” semester, a waiver of the good academic standing requirements can be granted. The waiver permits a student to receive a State award the semester immediately following the one in which the student failed to meet the program pursuit and/or academic progress standard. The college must have a written policy statement about the granting of waivers. Failure of the college to adhere to its published policies concerning the waiver or to maintain the necessary documentation may result in an audit disallowance. Because a waiver is to be granted only when unusual or extraordinary circumstances are present, it is not expected that the waiver provision will be used with great frequency. Therefore the following principles are to be kept in mind when establishing policies:

- The waiver should be granted only when there is reasonable expectation that a student will meet future requirements. [A college’s published waiver policy must address student eligibility requirements.]
- A student may receive a waiver of the good academic standing requirements only once. A student may receive this one-time waiver after failing to meet program pursuit guidelines, academic progress standards or a combination of both requirements during one semester. A student who uses a waiver after failing to meet, for example, program pursuit in one semester cannot receive an additional waiver for failure to make academic progress during another semester.
- The granting of a waiver must be approached in terms of the best long-range interests of the student. Use of the waiver is an important option and should only be considered with the concurrence of the student. For example, a student who is one or two credits short of the required number of credits for the next payment might be better served by taking a summer course at their own expense to regain eligibility instead of using a waiver.
- A waiver does not increase the total number of payments a student may receive. Waiver information is reported to HESC and becomes part of the student’s history of state-aid usage. HESC reports prior use of the waiver for all students, including transfer students, as part of the payment roster information.



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- A waiver is not automatic. A student must apply for a waiver according to the procedures clearly established by his or her college. A college must make an assessment of the reasons for the student's failure to meet requirements. The college must also maintain a written record of the findings and determination of each case. In issuing waivers, the college should not use a "check-off" type form with only basic information about the student. There should be a written narrative detailing the effects of the extraordinary circumstances on the student's academic achievement and the waiver officer's findings and determinations for granting a waiver.

n. Placement on the Progress Chart

A student who has been granted a waiver for failure to make academic progress is stalled on the academic progress portion of the chart for the semester during which the waiver is being used. The student is expected to use the term to advance to the level the student could not achieve without the waiver.

A student who has been granted a waiver for failure to meet program pursuit requirements is not stalled on the good academic standing chart for the semester during which the waiver is in effect. By the end of the semester covered by the waiver, the student is expected to meet both the pursuit and progress standard stipulated for continued participation in the program.

o. Eligibility Related Issues

Students who apply for State awards for the first time after having already attended college are placed on the good academic standing chart in step number one, as being certified for their first payment. Because of this, a student's academic performance prior to applying for State aid does not enter into consideration in certifying a student for the first payment. This principle also applies to college credit earned by high school students.

p. Change of Curriculum

Academic Progress is assessed based on accumulated credits and GPA earned toward the program of study that student is enrolled in for that term. Therefore, a change of program would exclude credits and grades for courses that no longer count towards the new program and could throw the student out of progress. In moving from one program to another, the basis for calculating both accumulated credits and cumulative GPA is changed and may differ from the cum credits and GPA showing on the transcript. State guidance does specifically prohibit using change of program as a way of circumventing the C average requirement.



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A student who changes his or her major while receiving State aid may experience some difficulty in making the adjustment during the transition semester. Although a student's continuation in the program will be governed by the same guidelines which pertain to all students in that program, the student who has been succeeding academically prior to switching majors, but loses good academic standing for State awards because of a "bad" transition semester is a likely candidate for a waiver. (Always keep in mind that there should never be an automatic reason for a waiver to be granted; each student's situation should be reviewed and documented individually.) Also note that all work attempted at the institution becomes part of a student's cumulative GPA.

q. Unresolved (Incomplete) Grades at Time of Certification

In the case where a student has met program pursuit and academic progress standards, but has received an incomplete grade, the student can be certified as eligible for the following semester. If the incomplete grade is subsequently changed to a failure and the student's GPA falls below the minimum level required for eligibility, the student retains the current award but would be ineligible for continued payments unless work completed during the State-supported semester is sufficient to raise the student's GPA to at least the required minimum.

r. C Average Requirement

A student who has received the equivalent of two or more full years of NYS student financial aid payments [24 or more payment points] must have a cumulative C (2.0) GPA to be eligible for continued State-supported assistance. This requirement applies to all State-funded general and academic performance awards available at CUNY. If a student fails to achieve a 2.0 GPA after receiving the equivalent of 4 full-time semester TAP payments, he or she may not receive further state aid payments until a 2.0 GPA is once again achieved.

Transfer students with 24 or more payment points are assumed to have met the C average requirement in their first term of study at the new college since only courses for which the student has earned a C or better are normally accepted in transfer. [The school can also consider the actual grades of the courses accepted in transfer, but if this approach is adopted, it must be consistently applied to all transfer students.] If a student with 24 or more payment points of assistance is a readmitted or returning student, with or without transfer credits earned elsewhere, and the GPA is still less than 2.0, the student is ineligible for State-support in the initial term upon return and must attain a 2.0 GPA to regain eligibility unless the student applies for and is granted a waiver (see below).

s. C Average Requirement Waiver

Students may apply for a waiver of the "C" average requirement based on undue hardship resulting from circumstances that have affected their ability to achieve the required C average.



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If granted, this waiver does not count as a use of the one-time only waiver of the NYS Good Academic Standing requirements [see above]. Records of the use of the waiver of the “C” average requirement are separately maintained by the college and not reported to HESC. This waiver of the “C” average requirement may be granted more than once if circumstances warrant.

Note: there can be no waiver of the C average requirement for P-TAP students because having a cumulative GPA of at least 2.00 is in the legislation as one of defining eligibility requirements of the P-TAP program.

NYS Progress Chart										
Program Pursuit										
Demonstrating Program Pursuit means students must receive completion grades in a minimum percentage of course work each semester State aid is received.										
To be certified for payment #:	1	2	3	4	5	6	7	8	9	10
Students must have completed this percentage of a minimum full-time/part-time course load in the last semester TAP, PTAP or APTS was received:	0	50%	50%	75%	75%	100%	100%	100%	100%	100%

NOTE: A student receiving PTAP and APTS must meet the appropriate Program Pursuit standard every semester an award is received. For instructions on calculating program pursuit for PTAP & APTS recipients, see pp. 5-9 – 5-10 of this chapter.

MINIMUM GPA REQUIREMENT [for all students]
Students who have received the equivalent of 2 years of full-time NYS financial assistance [that is, accrued 24 payment points] must maintain at least a 2.00 GPA in order to receive TAP, PTAP or APTS.

OLD ACADEMIC PROGRESS [for students who received their first NYS award before July 1, 2006]										
Meeting the Academic Progress standard requires that students (a) accumulate at least 6 degree credits by the end of the second TAP-supported semester and between 12-15 credits each semester thereafter; and (b) attain the minimum Grade Point Average as specified in the chart for each State aid payment requested.										
To be certified for payment #:	1	2	3	4	5	6	7	8	9	10
[payment points to be accrued]	6	12	18	24	30	36	42	48	54	60
at the end of the prior semester,	0	0	6	18	31	45	60	75	90	105



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student must										
(a) have earned this # of credits:										
(b) with at least this GPA:	0	0	1.00	1.20	2.00	2.00	2.00	2.00	2.00	2.00

NOTE: A student receiving APTS or PTAP will be evaluated for the credit accrual and GPA requirements after each accrual of 6 payment points.

2006 ACADEMIC PROGRESS [for associate degree students who received their first NYS award in the 2007- 08 through 2009-10 academic years or meet the NYS definition of "remedial student"]						
Meeting the Academic Progress standard requires that associate degree students (a) accumulate at least 9 degree credits by the end of the second TAP-supported semester and between 9-15 credits each semester thereafter; and (b) attain the minimum Grade Point Average as specified in the chart for each State aid payment requested.						
To be certified for payment #:	1	2	3	4	5	6
[payment points to be accrued]	6	12	18	24	30	36
at the end of the prior semester, student must	0	3	9	18	30	45
(a) have earned this # of credits:						
(b) with at least this GPA:	0	.5	.75	1.30	2.00	2.00

NOTE: A student receiving APTS or PTAP will be evaluated for the credit accrual and GPA requirements after each accrual of 6 payment points.

2006 ACADEMIC PROGRESS [for baccalaureate degree students who received their first NYS award in the 2007- 08 through 2009-10 academic years or meet the NYS definition of "remedial student"]										
Meeting the Academic Progress standard requires that associate degree students (a) accumulate at least 9 degree credits by the end of the second TAP-supported semester and between 12-15 credits each semester thereafter; and (b) attain the minimum Grade Point Average as specified in the chart for each State aid payment requested.										
To be certified for payment #:	1	2	3	4	5	6	7	8	9	10
[payment points to be accrued]	6	12	18	24	30	36	42	48	54	60
at the end of the prior semester, student must	0	3	9	21	33	45	60	75	90	105
(a) have earned this # of credits:										
(b) with at least this GPA:	0	1.10	1.20	1.30	2.00	2.00	2.00	2.00	2.00	2.00

NOTE: A student receiving APTS or PTAP will be evaluated for the credit accrual and GPA requirements after each accrual of 6 payment points.

2011 ACADEMIC PROGRESS [for associate degree students who received their first NYS award in the 2010- 11 academic year or thereafter and do not meet the NYS definition of "remedial student"]	
Meeting the Academic Progress standard requires that associate degree students (a) accumulate at least 15 degree credits	



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by the end of the second TAP-supported semester and at least 12 credits each semester thereafter; and (b) attain the minimum Grade Point Average as specified in the chart for each State aid payment requested.						
To be certified for payment #:	1	2	3	4	5	6
[payment points to be accrued]	6	12	18	24	30	36
at the end of the prior semester, student must	0	6	15	27	39	51
(a) have earned this # of credits:						
(b) with at least this GPA:	0	1.3	1.5	1.8	2.00	2.00

NOTE: A student receiving APTS or PTAP will be evaluated for the credit accrual and GPA requirements after each accrual of 6 payment points.

2011 ACADEMIC PROGRESS [for baccalaureate degree students who received their first NYS award in the 2010- 11 academic year or thereafter and do not meet the NYS definition of “remedial student”]										
Meeting the Academic Progress standard requires that baccalaureate degree students (a) accumulate at least 15 degree credits by the end of the second TAP-supported semester and between 12-15 credits each semester thereafter; and (b) attain the minimum Grade Point Average as specified in the chart for each State aid payment requested.										
To be certified for payment #:	1	2	3	4	5	6	7	8	9	10
[payment points to be accrued]	6	12	18	24	30	36	42	48	54	60
at the end of the prior semester, student must	0	6	15	27	39	51	66	81	96	111
(a) have earned this # of credits:										
(b) with at least this GPA:	0	1.5	1.8	1.8	2.00	2.00	2.00	2.00	2.00	2.00

NOTE: A student receiving APTS or PTAP will be evaluated for the credit accrual and GPA requirements after each accrual of 6 payment points.

t. ADA (AMERICAN WITH DISABILITY ACT)

Beginning with the 2015-16 academic year, for ADA students who received their first state award during the 2010-11 academic year and thereafter and who are enrolled less than full-time, good academic standing will be determined using new SAP standards which does not modify the requirements for disabled students, but aligns them to be equivalent with those required of full-time students.

Program: Baccalaureate Program										
Calendar: Semester 2015-16 and Thereafter (ADA Part-Time Students)										
Before Being Certified	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th



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for This Payment										
A Student Must Have Accrued at Least This Many Credits	0	3	9	21	33	45	60	75	90	105
With At Least This Grade Point Average	0	1.5	1.8	1.8	2.0	2.0	2.0	2.0	2.0	2.0

Program: Associate Program								
Calendar: Semester 2015-16 and Thereafter (ADA Part-Time Students)								
Before Being Certified for This Payment	1st	2nd	3rd	4th	5th	6th	7th	8th
A Student Must Have Accrued at Least This Many Credits	0	3	9	18	30	42	51	60
With At Least This Grade Point Average	0	1.3	1.5	1.8	2.0	2.0	2.0	2.0

NOTE: This sample standard of satisfactory progress is referred to throughout the preceding guidelines. Generally it would be used to determine continuing eligibility for State support of students who have no "special circumstances." The progress of students with special circumstances, such as those who have transferred from another institution or have used their waiver, must be monitored on an adjusted schedule.

CHAPTER 6 – Student Budgets

A. 2019-2020 Student Expense Budget Calculations

Boricua College's student expense budgets represent an estimate of the maximum expenses allowed for awarding need-based financial aid to a student pursuing his or her education at Boricua. The types of costs that may be included in the cost of attendance budget are prescribed by Section 472 of the Higher Education Act. While the cost categories are the same for all federal student aid programs, the appropriate amounts to include for each category are determined for Boricua students each academic year by the Office of Student Financial Assistance. Budgets are adjusted every year based on the changes in selected budget elements in the Bureau of Labor Statistics Consumer Price Index for all Urban Consumers available at: <http://www.bls.gov>. The CPI shows the yearly changes in the elements that are used to create Boricua's student expense budget.



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The following charts explain the data used to create the 2019-2020 Boricua Student Expense budgets. These budgets were derived using the 2018-19 budget components and adding the percentage increase from the Bureau of Labor Statistics (BLS) CPI data to that component. Rather than using the national CPI data, the NY/NE/NJ data was used. In addition, we used our own figures for housing and lunch.

Since the budgets are derived in December/January of the prior academic year, data from the prior year are used to create the budgets. Therefore, 2018 expenditures are used to create the 2019-2020 budgets.

B. 2019-2020 Boricua College Tuition Rates

Enrollment	New York State Residents	Out of State Residents
Four Year College	\$ per year (full-time)	\$ per year (full-time)*
	\$ per credit (part-time)	\$ per credit (part-time)
Community College	\$ per year (full-time)	\$ per year (full-time)*
	\$ per credit (part-time)	\$ per credit (part-time)

*Full-time tuition is based on students taking 15 credits per semester.

a. Sample Student Budgets

<INSERT SAMPLE STUDENT BUDGETS

b. Professional Judgment

The FAA may, on a case by case basis, use professional judgment to adjust elements of the cost of attendance based upon individual student requests for such consideration. Such adjustments must be for a compelling unusual circumstance that can be fully supported by documentation in the student's file. Adjustments should be limited to expenses that relate directly to the student and his or her academic program. (Costs related to the student's family are addressed by the EFC formula.) Documented costs for book or supplies related to the student's curriculum in excess of the budget maximums, reasonable costs for the rental or purchase of a personal computer, unusual medical or transportation expenses exceeding the allowances in Boricua College's block budgets might justify the use of a PJ cost of attendance adjustment.



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Remember that 1) the law prohibits the use of professional judgment to create a new cost of attendance category or categories; 2) the FAA is under no obligation to use professional judgments to make COA adjustments; its use by financial aid administrators is optional; and 3) the school must complete the verification process for any applicant selected by the CPS before making a COA adjustment. Note that Boricua College has a standard dependent care allowance that is included in the budgets of students with dependents. This situation would not be an exercise of professional judgment. On the other hand, if a student is requesting dependent care expenses in an amount which exceeds a standard allowance, increasing the allowance on an applicant selected for verification would be a use of PJ authority that should be exercised only after verification was completed.

CHAPTER 7 – Determining Expected Family Contribution

A. 2019-2020 EFC Formula Guide

<https://ifap.ed.gov/efcformulaguide/attachments/071017EFCFormulaGuide1819.pdf>

https://ifap.ed.gov/fsaManual/attachments/1819FSAHbkA_VGCh3.pdf

The FAFSA is the instrument used by the U.S. Department of Education to obtain the information needed to determine Federal Student Financial Aid eligibility and calculate the Expected Family Contribution (EFC) for dependent and independent students. An EFC is calculated when the FAFSA is valid (i.e. not in a rejected status). EFCs are calculated using formulae that have been approved by Congress under Title IV of the Higher Education Act of 1965 as amended for each student category as outlined below. The EFC calculation is often referred to as Federal Needs Analysis or Federal Methodology since it is used along with the COA to determine financial need for subsidized loans and/or need based federal student financial aid programs.

This chapter outlines the three basic EFC formulae (A, B and C) which are published each year in the EFC Formula Guide and in Chapter 3 of the Application and Verification Guide on the IFAP website:

- Dependent Student –Formula A
- Independent Student without Dependents (other than spouse) –Formula B and
- Independent Student with Dependents (other than spouse) –Formula C

Each EFC formula has corresponding worksheets. The worksheets (and their associated information tables) are used to determine the EFC for each formula type that are contained in this chapter. These worksheets can be used to hand calculate an EFC and to gain an



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understanding of the components of Federal Needs Analysis/Methodology. This allows an FAA to understand which FAFSA data elements affect the EFC, which is a necessary prerequisite for the appropriate and effective execution of professional judgment. Also discussed are special or alternate EFC calculations that are applied when certain criteria are met: the Simplified EFC Formula, the Automatic Zero EFC, and EFCs for enrollment periods other than 9 months.

NOTE: The most effective way to utilize this chapter is to review the EFC formula worksheet with its corresponding section in the chapter. For example, use worksheet A when reading through the worksheet A section of the chapter to follow along line by line.

a. EFC Formula for Dependent Students: Worksheet A - Regular

The **Regular Dependent Student - Formula A** calculates the EFC by summing the three final components listed below. As is evident on the EFC worksheets the components are derived through the process of determining applicable income and assets as part of the larger calculation.

The three final components are:

- **Parents' contribution** -this is parents' contribution from Adjusted Available Income (AAI - which includes income, assets and allowances) divided by number in college. **AAI/Number in College**
- **Student's contribution from available income**- this includes income amounts after allowances are considered
- **Student's contribution from assets** – this includes assets after an assessment rate is considered

Determining the Parents' Contribution

The following steps are employed to calculate the Parents' Contribution of the EFC:

1. Determining the Available Income (AI) (Total Income less Total Income Allowances)
2. Determining the Contribution from Assets
3. Determining the Adjusted Available Income (which is AI + Assets)
4. Using Table A6 to determine the parents' total contribution from AAI
5. Determining the Parent's Contribution by dividing the parents' total contribution from AAI by the number in college.

1. Determining Available Income (AI)

1. Parents' **Available Income** is calculated by adding all taxed and untaxed income and subtracting the additional financial information reported on the FAFSA to determine the **Total Income**. Then the **Allowances Against Parents' Income** that account for certain non-



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discretionary expenses such as taxes paid, basic living expenses and an employment expense allowance are determined (called **Total Allowances**) and then subtracted from the **Total Income**.

2. **Equation:** Total Income – Total Allowances = Available Income (AI)

3. **NOTE:** the 2019-2020 Application and Verification Guide indicates that “a school may assume the Income Protection Allowance (IPA)” - see Table A3 – “includes”:

- 30% for food
- 22% for housing
- 9% for transportation
- 16% for clothing and personal care
- 11% medical care
- 12% miscellaneous - other family consumption

2. Determining Contribution from Assets

In the regular EFC formula, the parents’ **Contribution from Assets** is calculated by determining the asset **Net Worth** then subtracting **the Asset Protection Allowance** (Table A5) and multiplying by a **12% conversion rate**.

Net Worth is calculated by:

- summing the asset values reported on the FAFSA,
- calculating the adjusted net worth of business that employs more than 100 employees (if owned) or that of an investment farm (if owned)

Equation: Asset values – Adjusted Net worth of Business/Farm (Table A4) = Net Worth

- subtract the Asset Protection Allowance (Table A5)
- equals the **parents’ discretionary net worth**.

Equation: Net Worth – Asset Protection Allowance = Discretionary Net Worth

The parents’ **discretionary net worth** is then multiplied by a **12% conversion rate** to yield the parents’ **Contribution from Assets**. If the contribution from assets is a negative number, it is considered to be zero. **Equation:** Discretionary Net Worth X .12 Conversion Rate = Parents’ Contribution from Assets.



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In the Simplified and Automatic Zero EFC formulae, the Parents' Contribution from Assets is excluded from the calculation.

3. Determining Adjusted Available Income (AAI)

AAI is determined by summing the Available Income and the Contribution from Assets.

Equation: AI + Contribution from Assets = AAI

4. Determining Parents' Total Contribution from AAI

Then EFC **Table A6** is used to determine what amount of the AAI can be considered by the EFC formula as available to the family to be able to cover costs of a post-secondary education. This is called the **Total Parent's Contribution from AAI**, which can be a negative number.

Equation: AAI modified by Table A6 = Total Parent's Contribution from AAI

5. Determining Parents' Contribution

Finally, the **Parents' Contribution** to the EFC is determined by dividing the **Total Parents' Contribution from AAI** by the number of household members attending college on at least a half-time basis. For this part of the calculation parents are excluded in the number attending college. However, professional judgment may be used to include expenses incurred by a parent that is attending a post-secondary degree program if it is needed for their employment.

Equation: Total Parents' Contribution from AAI/ Number in College = Parents' Contribution

Student's Contribution from Available Income (AI)

The student's contribution from income is determined in much the same manner as the parents' with several exceptions and adjustments as noted below.

The following steps are employed to calculate the Student's Contribution to the EFC from Available Income:

1. Determining the Total Income
2. Determining the Total Allowances Against Student Income
3. Determining the AI
4. Assessing portion of the AI that is used towards the EFC (formatting for spacing required)

1. Determining the Total Income



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Like the parents' contribution, the Total Income is the total taxed and untaxed student income less the total additional financial information as reported on the FAFSA.

Equation: Total Taxed Income + Total Untaxed Income – Additional Financial Information = Total Income

2. Determining the Allowances Against Student Income

The allowances against the student's income include federal and state income taxes paid, an income protection allowance of \$6,570 and parent's Adjusted Available Income only if it is a negative number.

Equation: Income taxes paid + State Tax paid Allowance (Table A7) + Social Security tax allowance (Table A2) + \$6,750 + Parent's negative AAI (if applicable) = Total Allowances

3. Determining the Available Income (AI)

AI is the difference of Total income from Total Allowances.

Equation: Total Income – Total Allowances = AI

4. Assessing portion of the AI that is used towards the EFC

The student's available income is assessed at 50% for student's contribution from income. If this amount is a negative number, it is set to zero.

Equation: AI x .5 = Student's Contribution from AI.

Student's Contribution from Assets

The student's asset Net Worth is calculated exactly as the parents' asset discretionary net worth except that a 20% assessment rate is used, there is no allowance for adjusted net worth of business or farm (Table A4) and that there is no asset protection allowance (Table A5) for a dependent student. This means that a dependent student's assets are very significant when determining the EFC. Therefore, the assets of a dependent student should be documented when completing verification to ensure that there is no potential conflicting information. In the simplified and automatic zero EFC formulae, the student's assets are not considered in the calculation.

Equation: Net Worth x .2 Assessment Rate = Student's Contribution from Assets.

The Regular EFC Calculation – Final Step



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The final step in the regular EFC calculation sums the Parents' Contribution, the Student's Contribution from Available Income and the Student's Contribution from Assets.

Equation: Parent Contribution + Student Contribution from AI + Student Contribution from Assets =EFC.

b. EFC Formula for Dependent Students: Worksheet A - Simplified

The **Simplified Dependent Student Formula** is similar to the regular formula except that the asset information for the parent(s) and student is excluded from the calculation. For the 2018-2019 award year a dependent student qualifies for the simplified EFC formula if the both of the following two conditions are met:

1. Anyone included in the **parents'** FAFSA defined household size who received benefits during 2016 or 2017 from any of the designated means-tested federal benefit programs such as:
 - Medicaid
 - Supplemental Security Income (SSI)
 - Supplemental Nutrition Assistance Program (SNAP formerly Food Stamp program)
 - Temporary Assistance for Needy Families (TANF) (This program may have a different name depending on the state the parents reside in)
 - Special Supplemental Nutrition Program for Women Infants and Children (WIC)

OR

The student's **parents**:

- filed or were eligible to file a 2016 IRS Form 1040A or 1040EZ (included in this are also a Puerto Rican and other U.S. territories tax returns)
- filed a 2016 IRS form 1040 but were not required to do so or if the applicant/parents filed a 1040 solely to claim an educational credit to meet these criteria
- were not required to file any tax return,

OR

The student's **parent** is a dislocated worker,

AND



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2. The combined 2016 AGI (or income earned from work for non-tax filers) of the student's **parents'** was \$49,999 or less

c. EFC Formula for Dependent Students: Worksheet A - Automatic Zero EFC

For the 2018-2019 award year a dependent student meets the automatic zero EFC income threshold if the combined parental AGI (for tax-filers) or income earned from work (for non-tax filers) was \$25,000 or less. The calculation is similar to the simplified EFC formula in that student and parent assets are excluded however the student's and the parents' income are not included in the calculation since an EFC of zero (0) is automatically assigned. Therefore, a dependent student that meets the eligibility criteria for an automatic zero EFC does not need to document asset information when completing verification since this will not affect the EFC and does not constitute the regulatory definition of conflicting information requiring resolution.

For the 2018-2019 award year a dependent student qualifies for the automatic zero EFC formula if the both of the following two conditions are met:

1. Anyone included in the **parents'** FAFSA defined household size received benefits during 2017 or 2018 from any of the designated means-tested federal benefit programs such as:

- Medicaid
- Supplemental Security Income (SSI)
- Supplemental Nutrition Assistance Program (SNAP formerly Food Stamp program)
- Temporary Assistance for Needy Families (TANF) (This program may have a different name depending on the state the parents reside in)
- Special Supplemental Nutrition Program for Women Infants and Children (WIC)

OR

The student's **parents**:

- filed or were eligible to file a 2016 IRS Form 1040A or 1040EZ (included in this are also a Puerto Rican and other U.S. territories tax returns)
- filed a 2016 IRS form 1040 but were not required to do so or if the applicant/parents filed a 1040 solely to claim an educational credit meet these criteria

OR

The student's **parent** is a dislocated worker,

AND



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- the combined 2016 AGI (or income earned from work for non-tax filers) of the student's parents' was \$25,000 or less
- were not required to file any tax return,

NOTE: An independent student without dependents other than a spouse is not eligible for an automatic zero EFC.

EFC Calculation for Enrollment Periods other than 9 Months

The law specifies that the EFC of a dependent student must be modified for enrollment periods greater or lesser than 9-months and only for determining Campus Based Award programs and Federal Direct Loan eligibility. Prorated EFCs are not used to determine Federal Pell Grant eligibility. 9 months is considered the standard enrollment period for a student enrolled in fall and spring. Students who are enrolled for fall only are considered enrolled for 4 months; students who are enrolled for spring only are considered enrolled for 5 months. Students who are enrolled for summer only are considered enrolled for 3 months and this is a non-standard enrollment duration.

For periods of less than 9 months, the parents' contribution is pro-rated according to the number of months of enrollment. Similarly, the student's contribution from Available Income is pro-rated and then added to the contribution from assets, which is not pro-rated.

For periods greater than 9 months: The AAI is adjusted by \$5,070 to create an Alternate AAI which is then calculated based on Table A6 and divided by the number in college. This is further adjusted by subtracting the Parents' Contribution for the 9-month EFC calculation. This is then divided by 12 to obtain the monthly EFC and is then multiplied by the actual number of months in excess of 9 months that the student is enrolled for, which yields the adjustment to the Parents' Contribution. This amount is then summed with the 9-month Parents' Contribution to yield the prorated EFC in excess of 9 months. (See page p. 3 of Worksheet A of the EFC Worksheets for an outline of the calculation). For periods in excess of 9 months the student's contribution remains the same as it does for a 9-month EFC calculation.

A table of alternate EFCs, used when students are attending for periods of 1 to 12 months, can be found in the FAA information section of the ISIR.

Using the Dependent Student EFC Formula Worksheets

The following 12 pages contain the EFC Formula A Worksheets that are published on the Information for Financial Aid Professional (IFAP) website in the [2019-2020 EFC Formula Guide](#)

for:



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- The Regular Dependent Student EFC Formula,
- The Simplified Dependent Student Formula,
- Tables A-1 through A-7 which are needed to determine the various asset, income and other allowances

The EFC Formula worksheets allow FAAs to perform hand calculations for the standard nine (9) month EFC and for periods of enrollment other than nine (9) months for a dependent student. The EFC Formula worksheets also allow FAAs to understand the components for Federal Need Analysis which are needed for properly exercising professional judgment and completing verification.

The simplified EFC worksheet blocks out the asset information not used in the calculation and alerts you if the student is eligible for the automatic zero EFC.

d. EFC Formula for Independent Students without Dependent(s) Other Than a Spouse – Worksheet B (Regular and Simplified)

The **Regular Independent Student without Dependent(s) EFC Formula** calculates the EFC by summing the two final components listed below and then dividing by the number in college. As is evident on the EFC worksheets the components are derived through the process of determining applicable income and assets as part of the larger calculation.

Final Components:

- The student's contribution from available income (AI)
- The student's contribution from assets.

Equation: Student's Contribution from AI + Student Contribution from Assets /Number in college = EFC

- **Student's Contribution from AI** is determined by the following steps:
 1. Determine Total Student/Spouse Income
 2. Determine Allowances Against Student/Spouse Income
 3. Determine Available Income
 4. Multiply by the EFC formula's predefined assessment rate

1. Determining Total Income

Total income is determined by summing the total taxed and untaxed income of the student and spouse (if married) and subtracting additional financial information (questions 44a-44f) that is reportable on the FAFSA.



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Equation: Student and Spouse Income from work + Student and Spouse Untaxed Income – Additional Financial Information = Total Income

2. Determining Allowances against Student/Spouse Income

Allowances against student income include:

- income taxes paid,
- state tax allowance (Table B1),
- student and spouse (if married) Social Security tax (Table B2)
- A predefined Income Protection allowance (IPA) of:
 - \$10,220 for single, divorced/separated or widowed students or if the student is married and the spouse is enrolled at least 1/2 time or
 - \$16,380 for married student if spouse is not enrolled at least 1/2 time
- An Employment Expense Allowance (EEA) of:
 - OR
 - \$0 if the student is unmarried or married but only one person is working or
 - 35% of the lesser of two earned incomes or \$4,000 (whichever is less) if the student is married and both parties are working

All of the above allowances as they apply to each student's circumstances are summed to equal the total allowances.

Equation: Income taxes paid + allowances from Table B1 + allowances from Table B2 + IPA as applicable by marital status and spousal college enrollment + EEA as applicable by marital status = Total Allowances

3. Determining Available Income AI is determined by taking the Total Income and subtracting the Total Allowances.

Equation: Total Income + Total Allowances = AI

4. Assessment rate and the Student's Contribution from AI

The AI is multiplied by the predefined assessment rate of 50% to determine the student/spouse contribution from AI.

Equation: AI X .5 = Student's contribution from AI. **NOTE:** The student's contribution from available income can be a negative number.



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- **Student's/Spouse's Contribution from Assets** is determined by the following steps:
 - A. Cash/savings, net worth of investments, and adjusted net worth of business/farm (calculated by Table B3) is summed to obtain the Net Worth.
 - **Equation:** Cash + Investment Net Worth + Adjusted Net Worth of business/farm = Net Worth
 - B. The asset protection allowance in Table B4 is then subtracted from the Net Worth to yield the Discretionary Net Worth. The asset protection allowance varies depending on the student's age and marital status with a higher allowance for married students. ○ **Equation:** Net Worth – Asset Protection Allowance (calculated in Table B4) = Discretionary Net Worth
 - C. This is then multiplied by a 20% asset conversion rate to produce the student's/spouse's contribution from Assets.
 - **Equation:** Discretionary Net Worth X .2 = Student's/Spouse's Contribution from Assets.

If the contribution from assets is negative then it is considered as zero. In the simplified formula, the student's/spouse's assets are excluded from the calculation.

The **Simplified Independent Student without dependents other than spouse EFC Formula** is similar to the regular EFC formula except that the asset information for the student and spouse is excluded from the calculation. For the 2018-2019 award year an independent student qualifies for the simplified EFC formula if both of the following two conditions are met:

1. Anyone included in the **students'** FAFSA defined household size received benefits during 2016 or 2017 from any of the designated means-tested federal benefit programs such as:

- Medicaid
- Supplemental Security Income (SSI)
- Supplemental Nutrition Assistance Program (SNAP formerly Food Stamp program)
- Temporary Assistance for Needy Families (TANF) (–This program may have a different name depending on the state the parents reside in)
- Special Supplemental Nutrition Program for Women Infants and Children (WIC)

OR

2. The student and student's spouse (if the student is married) **BOTH:**



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- filed or were eligible to file a 2016 IRS Form 1040A or 1040EZ (included in this are also a Puerto Rican and other U.S. territories tax returns)
- filed a 2016 IRS form 1040 but were not required to do so or if the student/spouse filed a 1040 solely to claim an educational credit they meet this criteria (for criteria defining who is required to file a form 1040 please see chapter 4 of this Manual)
- were not required to file any income tax return

OR

3. The student (or the student's spouse, if any) is a dislocated worker

AND

4. The combined 2016 AGI (or income earned from work for non-tax filers) of the student and the student's spouse if married was \$49,999 or less. For non-tax filers the combined income on form(s) W-2 must be \$49,999 or less.

EFC Calculation for Enrollment Periods Other Than 9 Months

The law specifies that the EFC of an independent student must be modified for enrollment periods greater or lesser than 9-months. For periods of less than 9 months, the EFC is simply pro-rated by dividing it by 9 and then multiplying the result by the number of months the student will be enrolled. For periods greater than 9 months, the EFC remains the same as for 9 months

Automatic Zero EFC

Independent students without dependents other than spouse do not qualify for the automatic zero EFC.

The following six pages list the Worksheet B – Independent student without dependent(s) other than spouse EFC formula.

- e. **EFC Formula for Independent Students with Dependents Other Than a Spouse (Regular and Simplified) – Worksheet C**

The **Regular Independent Student with Dependent(s) other than spouse** EFC Formula calculates the EFC by summing the student's Available Income (AI) and the student's contribution from assets to determine Adjusted Available Income (AAI). Then EFC formula Table C6 is used to determine the total contribution from AAI (Table C6 uses predefined dollar amounts and percentages based on the defined AAI ranges) and then the AAI is divided by the



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number in college. As is evident on the EFC worksheets the components are derived through the process of determining applicable income and assets as part of the larger calculation. Each of the final EFC components are derived through their own series of calculations as will be shown below.

Final EFC Components:

- The student's available income (AI)
- The student's contribution from assets.

Equation: Student's AI + Contribution from Assets = AAI modified by Table C6 /Number in college = EFC

- **Student's Contribution from AI** is determined by the following steps:
 1. Determine Total Student/Spouse Income
 2. Determine Allowances Against Student/Spouse Income
 3. Determine Available Income

1. Determining Total Income

Total income is determined by summing the total taxed and untaxed income of the student and spouse (if married) and subtracting additional financial information that is reportable on the FAFSA.

Equation: Student and Spouse Income from Work + Student and Spouse Untaxed Income – Additional Financial Information = Total Income

2. Determining Allowances against Student/Spouse Income

Allowances against student income include:

- income taxes paid
- state tax allowance (Table B1)
- student and spouse (if married) Social Security tax (Table B2)
- A predefined Income Protection allowance (IPA) of:
 - \$10,220 for single, divorced/separated or widowed students or if the student is married and the spouse is enrolled at least 1/2 time

OR

- \$16,380 for married student if spouse is not enrolled at least 1/2 time
- An Employment Expense Allowance (EEA) of:



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o \$0 if the student is unmarried or married but only one person is working

OR

o 35% of the lesser of two earned incomes or \$4,000 (whichever is less) if the student is married and both parties are working

All of the above allowances as they apply to each student's circumstances are summed to equal the total allowances.

Equation: Income taxes paid + allowances from Table B1 + allowances from Table B2 + IPA as applicable by marital status and spousal college enrollment + EEA as applicable by marital status = Total Allowances

3. Determining Available Income

AI is determined by taking the Total Income and subtracting the Total Allowances.

Equation: Total Income + Total Allowances = AI

NOTE: The student's contribution from available income can be a negative number.

Student's/Spouse's Contribution from Assets is determined by the following steps:

Cash/savings, net worth of investments, and adjusted net worth of business/farm (calculated by Table B3) is summed to obtain the Net Worth.

- **Equation:** Cash + Investment Net Worth + Adjusted Net Worth of business/farm = Net Worth

The Asset protection allowance in Table B4 is then subtracted from the Net Worth to yield the Discretionary Net worth. The asset protection allowance varies depending on the student's age and marital status with a higher allowance for married students.

- **Equation:** Net Worth – Asset Protection Allowance (calculated in Table B4) = Discretionary Net Worth

This is then multiplied by a 7% asset conversion rate to produce the student's/spouse's contribution from Assets.

- **Equation:** Discretionary Net Worth X .07 = Student's/Spouse's Contribution form Assets.

The **Simplified Independent Student with dependents other than spouse EFC Formula** is similar to the regular EFC formula except that the asset information for the student and spouse



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is excluded from the calculation. For the 2018-2019 award year an independent student qualifies for the simplified EFC formula if both of the following two conditions are met:

Anyone included in the **students'** FAFSA defined household size received benefits during 2016 or 2017 from any of the designated means-tested federal benefit programs such as:

- Medicaid
- Supplemental Security Income (SSI)
- Supplemental Nutrition Assistance Program (SNAP formerly Food Stamp program)
- Temporary Assistance for Needy Families (TANF) (This program may have a different name depending on the state the parents reside in)
- Special Supplemental Nutrition Program for Women Infants and Children (WIC)

OR

The student and student's spouse (if the student is married) **BOTH**:

- filed or were eligible to file a 2016 IRS Form 1040A or 1040EZ (included in this are also a Puerto Rican and other U.S. territories tax returns)
- filed a 2016 IRS form 1040 but were not required to do so or if the student/spouse filed a 1040 solely to claim an educational credit they meet these criteria (for criteria defining who is required to file a form 1040 please see chapter 4 of this Manual)
- were not required to file any income tax return,

OR

The student (or the student's spouse, if any) is a dislocated worker,

AND

The combined 2016 AGI (or income earned from work for non-tax filers) of the student and the student's spouse if married was \$49,999 or less. For non-tax filers the combined income on form(s) W-2 must be \$49,999 or less.

Alternate EFCs

The law specifies that the EFC of an independent student must be modified for enrollment periods greater or lesser than 9-months. For periods of less than 9 months, the EFC is simply pro-rated by dividing it by 9 and then multiplying the result by the number of months the



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student will be enrolled. For periods greater than 9 months, the EFC remains the same as for 9 months.

Automatic Zero EFC

For the 2019-2020 award year **an independent student with dependents other than spouse** qualifies for the automatic zero EFC formula if the both of the following two conditions are met:

1. Anyone included in the **student's** FAFSA defined household size received benefits during 2016 or 2017 from any of the designated means-tested federal benefit programs such as:

- Medicaid
- Supplemental Security Income (SSI)
- Supplemental Nutrition Assistance Program (SNAP formerly Food Stamp program)
- Temporary Assistance for Needy Families (TANF) (This program may have a different name depending on the state the parents reside in)
- Special Supplemental Nutrition Program for Women Infants and Children (WIC)

OR

The **student and the student's spouse if married BOTH:**

- filed or were eligible to file a 2016 IRS Form 1040A or 1040EZ (included in this are also a Puerto Rican and other U.S. territories tax returns)
- filed a 2016 IRS form 1040 but were not required to do so or if the applicant/parents filed a 1040 solely to claim an educational credit meet this criteria (for criteria defining who is required to file a form 1040 please see chapter 4 of this Manual)

OR

The student (or the student's spouse) is a dislocated worker,

AND

2. the combined 2016 AGI (or income earned from work for non-tax filers) of the student (and spouse if married) was \$25,000 or less or they both were not required to file any tax return

Using the Independent Student with Dependents other than spouse EFC Worksheets



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The remaining pages of this chapter contain the EFC formula C worksheets that are published on the Information for Financial Aid Professional (IFAP) website in the [2018-2019 EFC Formula Guide](#) for:

- The Regular Independent Student with Dependents other than Spouse,
- The Simplified Independent Student With Dependents Other than spouse, and
- Tables C-1 through C-6 which are needed to determine the necessary offsets and allowances against income.

The EFC Formula worksheets allow FAAs to perform hand calculations for the standard nine (9) month EFC and for periods of enrollment other than nine (9) months for an independent student. The EFC Formula worksheets also allow FAAs to understand the components for Federal Need Analysis which are needed for properly exercising professional judgment and completing verification.

The simplified EFC worksheet blocks out the asset information not used in the calculation and alerts you if the student is eligible for the automatic zero EFC.

CHAPTER 8 – Packaging Financial Aid Funds

A. Packaging

This chapter explains the method used by Boricua to package students with available campus-based financial aid funds. All institutional scholarship funds are added to the package by the college (usually after centralized packaging is done). Packaging of students begins in the Spring prior to the award year and continues until funds are exhausted. Students have an equal opportunity to receive campus-based funds whether they are packaged early or late in the packaging cycle. All data and logical edits must be resolved and the student's record should be **READY FOR PACKAGING** before any campus-based funds are offered. Once a student has been packaged, the mass packaging program no longer considers him/her for additional campus-based assistance. Students may be run through the repackaging process based on change in enrollment and/or change in their TAP award.

a. Boricua College Packaging Philosophy

At Boricua College, students are initially mass packaged using federal, state, city, and Boricua College funds. The college has its own campus-based allocations (FSEOG and FWS) that can only be awarded to our students. FSEOG and FWS are not transferrable. The student is permitted to only receive awards from the college.



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b. Timing of Packaging

Boricua College packaging usually begins in early April. This date is dependent upon the new aid year activation and ISIR load processes. Students will receive multiple financial aid award notifications via email from the Boricua College soon after the student has been term activated by Admissions in Boricua College.

c. Effect of processed loans on packaging

Boricua College tries to delay processing Federal Direct Loans for students until after they have been packaged with campus-based aid because the loan will be considered as a student resource and the student's target needs will be reduced accordingly.

Boricua College chooses to automatically package graduate students with loans along with their other need-based aid.

d. Usage of Federal Work Study Awards

A student may be employed through the FWS programs during a period of nonattendance, such as a summer term. A student must be planning to enroll (or to reenroll) and must have demonstrated financial need for the next period of enrollment. The student's FWS (net earnings minus taxes and job-related costs) during this period of nonattendance must be used to cover expenses associated with his or her financial need for the next period of enrollment. At Boricua College, we have a summer *FWS Resource Item Type which is not included in the mass packaging process. Therefore, the college must allocate 62.5% of the student's FWS yearly allotment into the summer resource fund.

e. How Does Packaging Work

Packaging in Boricua College depends on a student having satisfied/completed any checklist that was assigned based on data compiled from the admission application or the submitted ISIR. Students only run through the initial mass packaging program once but will be considered for repackaging based on changing enrollment and NYS Tuition Assistance Program (TAP) award/eligibility changes. Initial mass packaging runs daily to pick up new students whose ISIRs have just been received or students who have completed any outstanding financial aid checklists with assigned tracking groups. Repackaging is also run daily (beginning in the summer) and students receive an email notification any time a change is made to their financial aid package.

f. Packaging Parameters

Packaging parameters change each year based on:



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- the number of students in the packaging pool
- the level of funding in the campus-based programs
- Federal Pell and NYS TAP award amounts

g. TAP Packaging

The **Estimated TAP** packaging algorithm calculates an Estimated TAP award based on the TAP guidelines. This process occurs even when a student has not filed a NYS Payment application (formerly the TAP application) with HESC. This estimate is only done for packaging purposes; no TAP award amount will appear on the student's bill as anticipated aid until application information is processed by HESC. Once the student has filed a NYS Payment application and has met the NYS eligibility requirements, then the student's award appears on the HESC Comprehensive file. The HESC Comprehensive file is received weekly from HESC. At this point, the estimated TAP award is cancelled and replaced by the **Initial TAP** award item type. The Initial TAP award will remain on Boricua College until the TAP certification/decertification process is completed. If the student is certified as eligible then the Initial TAP award is cancelled and replaced by the **TAP award** item type. If the student is certified as ineligible, then the Initial TAP award will be cancelled.

h. Packaging Plans

FSEOG*	All undergrads	\$400
FWS**	Dependent/Independent	\$4000
	Graduate	\$2000 - \$4000
Special Programs	Seek Books	\$1000
	CD Books	\$700
	Seek Books	Set by college
	CD Fees	Set by college
CUSTA	Eligible students	\$100
NYC Council Merit Scholarship	Eligible students	\$700

*EFC's less than or equal to 1000

**EFC's less than or equal to 1500

List of Packaging Plans

1. DOCT – Doctoral



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2. GRAD – Graduate
3. 2NDBA – Students with Prior BA
4. SPCLPROG – Special Program SEEK/CD
5. TAP Only – Tap Only
6. UNDERGRAD – Undergraduate

When a student has completed all the checklist items with assigned tracking groups and is ready to be packaged, the student is then selected for mass packaging. Each student is then evaluated for eligibility for a specific plan in the order listed above until they meet the selection criteria for that plan. At that point, the student is packaged according to the criteria of that plan. Most students are bypassed by the first six plans and are packaged in the UNDERGRAD plan.

Awards are offered in the following order:

1. DOCT – FWS and Federal Direct Unsubsidized Loans
2. GRAD – FWS and Federal Direct Unsubsidized Loans
3. 2NDBA – TAP, TAP Waiver, FWS
4. SPCLPROG – TAP, TAP Waiver, PELL, NYC Merit, Fees, Books
5. TAP Only – TAP, TAP Waiver
6. UNDERGRAD - TAP, TAP Waiver, PELL, NYC Merit, SEOG, FWS

i. Award & Denial Notifications

All students who are packaged receive an email notification that directs them to the View Financial Aid Awards link on Boricua's website that displays their awards. Award files for entering freshmen and transfers are also produced for the colleges to use in sending award notices.

j. Discretionary Funds

During the award year, OSFA may make allocations of campus-based program funds (FSEOG and FWS) to the campuses. These monies are intended to allow FAA the discretion to manually package awards in the campus-based programs.

Discretionary funds are commonly used to:

- Package students with campus-based funds who were not packaged in the regular batch packaging cycles
- Adjust campus-based award amounts based on individual student appeals
- Increase FWS awards so that students may continue to perform FWS assignments



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- Award monies in situations where the FAA, using their discretion, determines that the packaging of the award is warranted

When awarding from discretionary funds, the FAA is not constrained by Boricua College's batch packaging parameters and is free to award up to the limits set for each program by the U.S. Department of Education. However, in awarding discretionary funds, the FAA must make sure that the discretionary awards, when combined with all other sources of assistance, does not exceed the student's cost of attendance.

CHAPTER 9 – Special Programs Guidelines

A. Special Program Guidelines

The local campus is responsible for reviewing the economic eligibility of all entering Special Programs (SEEK/CD/) students. A first-time freshman can be permitted to register as a Special Programs student prior to the documentation of their economic eligibility, but cannot receive Special Programs funds until program eligibility is confirmed. Although special circumstances may warrant more time, economic eligibility should be confirmed prior to the entry semester's census date. Special Program economic eligibility review applies only to first-time, incoming freshman. Once admitted to a SEEK/CD/ program, students may continue to receive Special Programs supportive services in subsequent years as needed, regardless of changes in the family's income. However, to receive and to continue to receive special program funding, students must demonstrate need by filing FAFSA and NYS TAP applications appropriate to the academic year for which funding is desired. Where required by the US Department of Education, students must complete the verification process described in chapter 4.

a. Economic Eligibility Criteria for Entering Freshmen

For purposes of determining a student's economic eligibility for Special Programs, a student's dependency status must first be determined in accordance with the federal definition. A student is considered economically disadvantaged if he or she is a member of a household whose total annual income falls within the limits indicated on the economic guidelines chart below. A dependent student's household consists of the student and everyone that is dependent upon the income that supports that student. All economic eligibility criteria apply to the base year (the calendar year prior to the student's first academic year in college). For 2019-20, it is the 2018 calendar year. Income levels are based on the 2018 poverty guidelines and are 185% above of the poverty level.

Economic Guidelines Chart 2018-2019



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Persons in the 2017 household	2017's Total Upper Income limit
1	\$22,311
2	\$30,044
3	\$37,777
4	\$45,510
5	\$53,243
6	\$60,976
7	\$68,709
For 8 or more persons	Add \$7,733 for each additional person.

Reference to the household income chart need not be made if the student falls into one of the following categories and documentation is available:

1. The student's household is the recipient of:
 - Family Assistance Program Aid or;
 - Safety Net Assistance through the NYS Office of Temporary & Disability Assistance, or a county department of social services; or
 - Family day-care payments through the NYS Office of Children & Family Services or a county department of social services; or
2. The student is living with foster parents who do not provide support for college, and, no monies are provided from the natural parents; or
3. The student is a ward of the state or a county.

Total Annual Income

Total annual income refers to all taxable and nontaxable monies that are received by the household. Such monies may be derived from various sources: wages, salary, tips, dividends, interest, Social Security disability, annuities, pensions, veteran's benefits, and unemployment benefits. When determining income from a federal tax return, total annual income refers specifically the IRS 1040 tax return line titled "Total Income." All untaxed income declared on a tax return must be added to the tax return's "Total Income."

For Special Programs eligibility purposes the following shall not constitute income:

1. Monies received specifically for educational purposes from sources such as veteran's education benefits, and education grants from the Office of Vocational Educational Services for Individuals with Disabilities (VESID);
2. Social services or public assistance payments received through the Family Assistance Program, or Safety Net;
3. Assistance Program and Family Day-Care Payments;
4. Federal Earned Income Credit (EIC).



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The applicant's income is taken into account only when he/she meets the federal definition of independence.

Fifteen Percent Variation

A maximum of 15 percent of the students admitted to Special Programs may come from a household whose income exceeds the Economic Guidelines Chart. Such decisions are made on a case by case basis in response to unusual and extenuating circumstances. The determination of such special circumstances is the purview of the financial aid office. Documentation of these circumstances must be kept on file by the school at which such students are enrolled. In all cases, this documentation must include a statement from a disinterested, reliable third party, such as a member of the clergy, a legal representative or a social worker, who has direct knowledge of the student's situation. Students accepted into Special Programs under the 15 percent rule must be so designated at the determination of initial eligibility.

Categories into which these variations may fall are limited to the following:

1. Serious mismanagement of the household income with little of the funds accruing to the interest of the student. Serious mismanagement might be defined as use of a controlled substance by head of household, bankruptcy, or a history of gambling. For this category, the statement from the disinterested third party and financial aid counselor notes would be acceptable documentation.
2. A one-time fluctuation in household income where there is a history of low income. Satisfactory evidence that a household's yearly income, immediately prior to the base year, fell within the limits of the applicable household income scale shall be sufficient to establish the existence of a one-time fluctuation in household income. Documentation of both the base year's and the year prior to the base year's income are collected.
3. Households with substantial long term, non-reimbursed medical obligations (such as maintenance of physically or mentally handicapped children). This may be documented by the appropriate medical bills or a statement from the facility if the family member is institutionalized.
4. Families which must maintain two households, one for the wage earner and one for dependents, in order to maintain employment. Documentation required would be leases, utility bills for both residences and a statement from the employer attesting to the job location.
5. Families where the EFC as computed from base year financial data by a United States Education Department approved need analysis system indicates no parental contribution (from a dependent's household or zero EFC from an independent student's household).



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If a college wishes to use the 15 percent rule to enroll a student in a Special Program, they should collect the required documentation, complete a 15 Percent Variation Request form and submit it to the Director of Boricua College's Office of Special Programs.

b. Economic Eligibility Documentation for Entering Freshmen

For Special Program eligibility, only the 2018 income of the dependent student's parents or the 2018 income of the independent student/spouse need be documented. The following shall comprise acceptable documentation for determining Special Program economic eligibility:

All Income, Earned Dividends, Interest, Pensions & Annuities

A signed copy of the appropriate year's Federal income tax return (IRS Form 1040, 1040A, or 1040EZ) and where appropriate, W2 forms. When the original tax returns are unavailable, applicants may request a copy of the tax return or a transcript from the IRS: <http://www.irs.gov/Individuals/Get-Transcript>

Pension/Annuity/Unemployment Benefits

A letter from the applicable agency showing the base year's total disbursement/benefits (if not already reported on IRS Forms 1040, 1040A, 1040EZ or 1099).

Social Security, Supplemental Security Income or Veterans Administration Non-Educational Benefits

A letter from the applicable agency showing the appropriate year's total award for each member of the household (including Medicare premiums) or IRS Form 1099 for each member of the household.

Social Services Payments

Verification from a branch of the State Office of Temporary and Disability Assistance, Office of Children and Family Services Assistance, or a county department of social services showing the appropriate year's benefits received and the names of recipients.

Child Support and/or Alimony

A court order, affidavit or amounts reported on student's Free Application for Federal Student Aid (FAFSA).

Zero Household Contribution

The student's need analysis output document, either the SAR or ISIR.

Additional Members in Household

For persons not listed as an exemption on an IRS document or not referred to as part of the household on a Public Assistance document, the following may be appropriate birth



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certificates, marriage certificates, third-party verification, or similar documentation (e.g., Medicaid cards or Immigration documents) may be accepted.

No Income

If an independent student or parent declares no base year income, that/those person(s) must submit an IRS "Verification of Non-filing Letter." A "Verification of Non-filing Letter" can be obtained from the IRS "Get Transcript Online" tool at www.irs.gov/Individuals/Get-Transcript or by submitting, to the IRS, the IRS Form 4506-T and checking box 7. **Note:** base year Verification of Non-filing Letters are not available until June 15 of the following year.

c. Eligibility for Receiving Special Programs Financial Assistance

To receive Special Programs financial Assistance, a student must do the following each academic year:

- File a Free Application for Federal Student Aid (FAFSA) and a NYS TAP application by the deadline established by the student's financial aid office.
- Be enrolled full-time.

Note: Special Programs students must begin attendance in each of the courses used to determine enrollment status each semester. If a student receives a WN grade in a course, that course must be excluded from the calculation of enrollment status. If, after receiving a disbursement of Special Programs funds, a student is found to have not established a fulltime enrollment, that semester's special program funding must be returned.

d. Exceptions to fulltime enrollment/attendance requirement

The Special Programs director may give written approval:

- For a student to carry only those courses needed for graduation in the student's last semester of enrollment, even if it is less than full-time.
- For a student to carry less than a full-time load due to extenuating circumstances that are documented in the Special Programs office.
- Allowing a student to drop from full-time to 9 credit/contact hours provided the Special Programs counselor has deemed the action advisable and proper authorization is maintained in the Special Programs office under the student file.

Students are not required to enroll fulltime in order to receive summer immersion program funding or to receive summer Special Program funding

Part-time status is granted for only one semester but can be extended through a waiver. Thus, students who are enrolled part-time for two or more semesters must receive a waiver if they



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are to maintain their SEEK/CD eligibility and remain in the Program. Part time waiver extensions cannot be granted at the college level but must be approved by the Office of Special Programs.

The majority of part-time Special Program students fall into the following five categories:

- Certified differently-abled students whose mandated accommodation(s) include a reduced course load;
- Graduating seniors requiring fewer than 12 credits to complete their degrees;
- Students on probation who are required to attend part-time;
- Students who have not met the basic skills requirements and are consequently required to take a reduced course load; and
- Students pursuing a major that has restrictions on the course load.

Note: that the part-time waiver policy and procedure applies to students who enroll part-time at the beginning of the semester; it does not apply to students who enroll full-time and later drop classes thereby becoming part-time. As a means of facilitating part-time waiver requests, the Office of Special Programs has developed a Student Part-Time Enrollment Report. The Student Part-Time Enrollment Report must be submitted to OSP each semester. After reviewing the Report, OSP will approve the waivers and return them to the respective campuses for appropriate action and for inclusion in the students' files.

For students seeking a waiver for a second (or more) part-time semester for reasons other than the five listed above, Directors must complete and submit the following Request for Additional Part-Time Semester Enrollment for SEEK/CD Student form.

e. Books, Fee/Stipend Payment System

To be eligible for summer stipends, books, and fees, a student must file a FAFSA and a NYS TAP application by the deadline date established by the University/College. For 2018-2019, the maximum amount awarded for books and supplies is based on available funding and may be less than the amount built into the student budget in Chapter 6 graduating. Book funds and student fee credits should be disbursed as early in a semester as is possible. Back payments will be allowed throughout the term. However, for the summer session, only back payments for books and fees will be permitted. All books, fees, and stipend disbursements must be processed and accounted for through SFA or Boricua College.

f. Period of Student Funding Eligibility

- A SEEK student is allowed ten (10) semesters of eligibility and CD students are allowed six (6) semesters, or the equivalent, of opportunity program eligibility. In



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addition, all special program students are allowed one Immersion and two regular summer semesters.

- Five-year baccalaureate programs: a student is allowed twelve (12) semesters, or equivalent, of opportunity program eligibility if enrolled in a registered five-year baccalaureate program.
- When a Special Programs student graduates upon the completion of the 11 semester for SEEK or the 7th semester for CD, that student would be eligible for an additional semester of Special Programs financial aid support.
- When a Special Programs student has not been a STAP recipient but will be graduating upon the completion of the 11th semester (for SEEK) or the 7th semester (for CD), that student would be eligible for an additional semester of Special Programs financial aid support (SEEK the 11th semester – CD the 7th semester). See TAP/STAP eligibility below.
- Requests for exemptions for individuals who do not fall into the first 3 categories should be submitted to the University Office of Special Programs for consideration. Special Program directors are required to maintain records for all exemptions given to students.

The maximum length of leave of absence granted to CD/SEEK students shall not exceed three (3) consecutive semesters. Where special circumstances warrant, requests for exceptions along with appropriate justification shall be transmitted by the College Special Programs Director to the University Office of Special Programs for appropriate approval.

g. Calculation of Semester of Eligibility

A student will use one semester of Special Programs eligibility every time he or she registers as a full-time student. To calculate the number of semesters used by students who were required to register part-time (e.g. those on academic probation or for whom part-time status was approved for exceptional reasons), add up the total number of credits or equated credits taken while enrolled on a part-time basis and divide it by fifteen.

h. Eligibility for Non-Citizens

There are no citizenship requirements for Special Programs eligibility. However, all Special Program students must be New York State residents. Students in diplomatic or student visa categories (J-1, F-1) are not eligible for Special Programs. Undocumented students are not eligible for Special Programs, federal or NYS financial aid funding but may receive other services associated with the program.



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i. Continued Eligibility

Special Programs students are not required to submit financial aid applications for continued Special Programs eligibility. However, a student must file a FAFSA each year that Special Program funding is desired.

j. Transfer Students

All students transferring between CUNY Special Programs or from HEOP/EOP programs into CUNY Special Programs must submit a completed Special Programs transfer request to the college of their attendance (see page 10-10). The local Financial Aid Office has the responsibility for reviewing the completed transfer form and to determine eligibility for CUNY Special Programs.

k. Pre-Freshman Summer Experience

Students provisionally admitted as incoming freshmen into a SEEK, CD Program who fail one or more of the CUNY reading, writing, and/or mathematics skills assessment tests are required to attend a pre-freshmen summer session. Students who are required to, but do not, attend the summer session are not eligible for SEEK/CD admission in the fall semester.

l. Loan Defaults

Students in active default of Title IV funds or who have other delinquent Federal Student Aid accounts are not eligible to transfer within Special Programs until all delinquent accounts are cleared.

CHAPTER 10 – Student Aid Fund Payments

A. Disbursements

Federal student aid funds are considered to have been disbursed when the school credits a student's account:

- FSA program funds received from the Department, or
- School funds labeled as FSA program funds and used in advance of receiving actual FSA program funds.

At the point FSA funds are actually disbursed, a student becomes a Title IV recipient with all of the rights and responsibilities of a recipient. When a loan borrower becomes a recipient, he or she assumes responsibility for the loan and any accrued interest, and has the right to cancel the loan. The date of disbursement determines when the college (and the university) must comply



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with regulatory requirements for the timely delivery of credit balances to students and other cash management issues.

Federal funds are not considered disbursed if the college simply makes a memo entry for billing purposes or credits the student's account but does not identify it as an FSA credit (for example, "estimated" or "anticipated" Pell). Disbursement occurs only when an FSA credit is posted on the student's account. The earliest that a school may disburse FSA funds by crediting the student's account is 10 days before the first day of classes for that payment period.

a. Determining If a Student Is a Title IV Recipient

A Title IV recipient is a student or parent who has either already received FSA program funds or has met the conditions that allow for a late disbursement of FSA funds. No disbursement may be made to a student until he or she is enrolled for classes for the payment period. A student is considered enrolled after registering for classes regardless of the payment of tuition and fees.

If a disbursement of FSA funds occurs on or after the first day of classes, except for Direct Loans, the school must verify the student has participated in an academically related activity in each class for which eligibility is based. If a student withdraws (officially or unofficially), is expelled before the first day of classes or does not begin attending classes, or if the college cannot document that the student ever participated in an academically related activity for the classes for which payment is being made, the student would be considered not to have completed the registration requirements and would not be considered an enrolled student. The school would be required to return any FSA funds paid to this student for the payment period. See the section later in this chapter entitled "Treatment of Overpayments" for more information.

b. Allowable Charges

A college may debit a student's account only for allowable charges. These are:

- Current year tuition, fees, room and board (if contracted with the college);
- Other current year charges incurred by the student for educationally-related activities other than tuition, fees and institutionally contracted room and board if the college has obtained the students (or parent's) written authorization. Note: Current charges are those assessed to the student for the current award year or for the Direct Loan period as certified by the college. A Direct Loan certified for Fall semester only may not be automatically used for Spring semester charges.
- Prior year charges that are less than \$200. A student/parent's permission is not required to apply the \$200 unless educational charges other than tuition, fees, room and board are included in the prior year charges. According to regulation 34 CFR 668.164(d) (2) schools may not apply current year Title IV funds to settle a prior year liability in excess



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of \$200 even with student authorization. Note: students who owe more than \$200 in prior year charges may use their current year Title IV funds to settle the debt, but the college may not cash or split the check or use any other means which involves the college interceding in the disbursement process. The student must settle the debt by writing the college a separate check or presenting a money order or cash.

University policy states that students who have prior year tuition and fee liability (receivables) cannot register if they have not settled their liability with the college. However, colleges do allow students that fall into this category to complete their registration when they have reason to believe the receivable will be settled.

c. Required Student Authorizations

The college must obtain authorization from the student (or parent borrower) before:

- Disbursing FSA funds by EFT to a student or parent designated bank account;
- Using FSA funds to pay for allowable charges other than tuition, fees, and room and board (if the student contracts with the college);
- Holding an FSA credit balance.

The college may not require or coerce the student's (or parents') authorization and must explain how the authorization may be modified or canceled. A student's or parent's authorization may be modified or cancelled at any time. Once the authorization is canceled or modified, the college may not perform the function, or must perform the function as modified from that date forward. Two or more items may be included on one authorization statement; however, the student must be informed that s/he may refuse to authorize any item on the statement. Any authorization must clearly explain how the college will carry out the activity. Even though the college does not need to detail every aspect pertaining to the activity, a blanket authorization that only identifies the activities to be performed is not acceptable. An authorization may be effective for the entire period a student is enrolled at a college unless a shorter period of time is specified. A cancellation or modification of an authorization is not retroactive. A cancellation or modification of an authorization to pay for charges other than tuition and fees is effective from the date the college receives it.

B. Specific Program Disbursement Requirements

a. Pell Grant

The college can use its discretion in disbursing Pell Grants within a payment period (or semester) to best meet a student's needs. In all cases, the full amount of the award due to the student must be disbursed by the end of the payment period (or semester). The college may choose to pay a student at the beginning of the semester or after a financial aid census date or



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in several installments throughout the semester. At Boricua College, the financial aid certification date is the 7th day of classes for the standard award period. At this time, the financial aid eligible enrollment is confirmed on the student's record.

The college must notify the student of the amount s/he will be paid and the method of payment. If the college is refunding the student by check, the college must tell the student when the check will be available.

A student may be paid retroactively for any completed semester within the current award year as long as the student remains eligible for payment for those semesters. For example, if the student's ISIR is processed with an official EFC while he or she is still enrolled in the spring semester, and the student was also in attendance and eligible for payment in the fall semester, the college may pay the student funds for both the fall and spring semesters. However, the amounts of the fall payment must be calculated based only upon the completed coursework, with the exception being R2T4 cases.

b. Direct Loan

Before any Direct Loan funds can be disbursed, the student must have returned a legally enforceable promissory note; and this note must have been accepted by the Direct Loan Servicer. In general, Direct Loans must be paid in two or more installments – no disbursement may exceed half of the loan amount and half of the loan period must have elapsed before the second disbursement may be made. A loan may be paid in one disbursement if half of the loan period has elapsed before the first payment has been made or if the school's cohort default rate is less than 15% for the 3 most recent years.

If a student is in the first year of undergraduate study and is a first-time Direct Loan borrower, or if the school's cohort default rate has been 15% or greater for the three most recent years for which data is available the school may not disburse the first installment of the loan until 30 calendar days after the student's program of study begins. Schools whose cohort default rate is less than 15% for the three most recent years are not required to delay the first disbursements for such students.

The borrower must have been provided with a disclosure statement at, or prior to, the first disbursement. The disclosure statement must include specific information about the loan, such as loan type, anticipated amounts and dates of disbursement, and loan cancellation instructions. The school must check the student's eligibility at the time of disbursement (for example, checking enrollment status to see that the student has not dropped below half-time). The school must notify the student, or in the case of Parent PLUS, the student's parents, of the amount s/he will be paid, the method of payment and whether the loan is subsidized or unsubsidized.



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When Direct or PLUS loans are being credited to a student's account, a written notice on paper or in electronic form must be sent no earlier than 30 days before and no later than 30 days after crediting the student's account indicating:

- the date and amount of the disbursement;
- the borrower's right to cancel all or part of the loan;
- the procedures and time by which the borrower must notify the school of their desire to cancel the loan.

c. Timely Book Allowance

The October 2010 Program Integrity Regulations require schools to ensure that certain students can obtain books and supplies by the seventh day of a payment period. Schools must comply with this provision if the following conditions are met:

- the student is eligible for a Federal Pell Grant;
- the school could disburse the student's Title IV funds 10 days before the beginning of the payment period; and
- if all Title IV funds were disbursed, the student would have a remaining Title IV credit balance.

The student must have met all eligibility requirements for the funds and all conditions related to disbursement must have been met 10 days prior to the beginning of the payment period for this provision to apply. Therefore, schools would not have to comply with this provision for students who have not completed verification, or have an unresolved "C" code or unresolved conflicting information by this date. Likewise, if the student is subject to the 30 day disbursement rule for Direct Loans, the school would not consider the amount of the Direct Loan in determining the available Title IV credit balance.

The amount to be provided for books and supplies is the lesser of the anticipated Title IV credit balance or the amount the school determines the student needs as reflected in the books and supplies allowance used in the student's cost of attendance budget for the payment period. Books and supplies are disbursed as refunds.

A school needs to be able to confirm whether or not a student has actually begun attending classes within seven days of the start of the payment period and must ensure that eligible students be able to obtain or purchase books and supplies by the seventh day of the payment period. However, if a student never begins attendance in the payment period, the school would be liable for returning any Title IV funds except Direct Loan funds disbursed directly to the student. If a student withdraws from a payment period for which the institution provided a bookstore voucher, those expenses for the required course materials are considered institutional charges for R2T4 purposes.



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d. Interim Disbursements

The school, prior to receiving the valid ISIR record, may make one disbursement from Federal Pell Grant, and FSEOG, may begin student participation in the FWS program for 60 days, and originate and disburse a subsidized Federal Direct Loan. However, if the school makes such a disbursement but does not receive the valid ISIR reflecting the corrections, it must reimburse the appropriate program account by making restitution from its own funds. The FWS student would have to be paid for all work performed but not from FWS program funds. Schools are not required to make interim disbursements and, given the potential for a high degree of institutional liability, it is not advisable for this option to be exercised.

e. Late Disbursements

A student who is no longer enrolled has lost Title IV eligibility and generally, may not be paid further FSA program funds for the enrollment period (semester). However, there are some cases where a late disbursement of FSA program funds may be made to an eligible student if the student became ineligible solely because s/he is no longer enrolled at the college for the award year.

In the case of a Direct Loan, if the student did not withdraw but fell below a half-time enrollment status, the college may, but is not required to, make a late disbursement of the first disbursement of the loan to pay institutional costs. However, an institution may not make the late disbursement if the student was a first-year, first-time borrower unless the student completed the first 30 days of his/her program. This limitation does not apply if the institution is exempt from the 30-day delayed disbursement requirement.

A student who is no longer enrolled because he/she has completed the award year period of enrollment or program prior to all aid being disbursed must receive a late disbursement of funds. A student who withdrew before completing the payment period (semester) and did not receive all awarded Title IV funds must be offered a post-withdrawal disbursement to which he/she may be entitled following the rules for post-withdrawal disbursements contained in the R2T4 regulations (see the discussion on “Return to Title IV funds” later in this chapter). Though not the same as a late disbursement, a post withdrawal disbursement must meet the same conditions as a late disbursement.

In all late disbursement situations, a SAR/ISIR must have been processed with an “official” EFC while the student was still eligible (that is, before he or she withdrew or ceased to be enrolled). The official EFC on this initial ISIR need not be the final correct and payable EFC, but merely an EFC determined by CPS from the information on a processed ISIR. However, before making a late disbursement of FSA program funds, the school must receive a “valid” ISIR within the appropriate federal deadline (or by the September 2019 processing deadline, whichever is earlier). A valid ISIR is one that has been reviewed for correctness, has resolved all conflicting



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information, all federal edits appropriately addressed, all verification requirements (if selected) completed, and has been reprocessed (if necessary) with the final correct and payable EFC. Pell eligibility for a student who's ISIR requires reprocessing after they have ceased to be enrolled must be determined from the correct EFC on this final valid ISIR.

For purposes of determining eligibility for a late disbursement, use the CPS processing date on the SAR/ISIR. For an ISIR, use the field labeled "Processed Date." For a SAR, use the date above the EFC on the first page. For a SAR Acknowledgment, use the date labeled "transaction process date" in the School Use box. For Boricua College, refer to the 3rd tab of the federal application data page.

An ISIR with issues that were not resolved before the student's last day of enrollment should be selected for verification [if not already selected by the CPS] so that the 120 day grace period for completing verification and making corrections may be utilized to resolve the remaining issues.

When a SAR/ISIR has been processed for a student but the school is not listed, and then that student ceases to be enrolled, the school must be added as one of the school choices so that payment may occur. When the school receives the ISIR, it will have a processing date that

postdates the student's last day of attendance. In this circumstance, the school must obtain a copy of the SAR/ISIR processed while the student was still enrolled in order to document his/her eligibility (e.g., was the record processed with an official EFC prior to student's last day of attendance?).

A late first disbursement of a Direct Loan must occur within 180 days after the student withdrew or otherwise became ineligible. The college may not make a second or subsequent disbursement of a Direct Loan unless the student successfully completed the period of enrollment for which the loan was intended. If a student receiving a first disbursement of a Direct Loan withdraws in the Fall semester but re-enrolls for the Spring semester, he or she may not receive the 2nd disbursement of the loan. In this scenario, the college needs to cancel the 2nd disbursement and a new loan for the Spring term would have to be originated per the student's request.

The college may pay a student Federal Work-Study funds after the last day of attendance for work performed while the student was still in school; however, FWS funds may not be used to pay a student for work performed after the student ceased to be enrolled.

Federal Pell and FSEOG funds must be disbursed no later than 180 days after the student withdrew or otherwise became ineligible. Students who haven't completely withdrawn may only be paid for courses completed. For FSEOG funds, the college must also have awarded the aid before the student ceased to be enrolled.



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A school may no longer request approval from the Department to make a late disbursement beyond the 180 day late disbursement period.

NOTE: Although 180 days is the maximum time allowed by ED to make a late disbursement, both Boricua College pay calendar limitations and Boricua processing schedules may further limit the processing window for late disbursements.

C. Required Disclosures Regarding College Refund Policies and Procedures

The college must provide written information to prospective and current students explaining the college's refund and repayment policies and procedures, including the requirements for the return of FSA program funds when a student withdraws from school, information on any refund policy with which the school must comply, details on how refunds will be calculated and distributed, and other factors that determine the amount of the student's refund. Students must be given a description of the procedures they must follow to officially withdraw from school and request a refund.

a. Retaking Previously Passed Coursework

Students may receive FSA funds for one repeat of a previously passed course. The credits for the retaken course may be included in the total number of credits when determining enrollment status.

b. Federal Financial Aid Checks and EFT

There are three regulations pertaining to Title IV financial aid refunds by check and EFT:

- 21 day rule A school cannot hold a federal financial aid check longer than 21 days from the issue date. At Boricua College, refund cycles are generally run weekly, all financial aid refund checks are mailed centrally. Undeliverable checks are returned to Central Office and voided and reversed in the financial aid office. Colleges are advised to follow up on these returned checks and take appropriate actions.
- 45 day rule When a student 's check is returned by the U.S. Post Office as undeliverable, the college must either distribute the check to the student or return the funds within 45 days from the date the college received the check as "undeliverable mail." The regulation also advises that if an EFT is rejected, the college may make additional attempts to reissue the funds or return the funds within 45 days if additional attempts are not made. Undeliverable checks are returned to Central Office and voided and reversed in the office of financial aid. EFT rejections are also voided and reversed in the office of financial aid, and reissued in the weekly refund cycles. Colleges are advised to follow up on these returned checks or EFT rejections in order to take appropriate actions. Thus, CUNY is in compliance with the 45 day rule.



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- 240 day rule ED has established that where a Title IV check is not cashed, the funds must be returned within 240 days of the issue date. To comply with this regulation, all uncashed checks issued from Boricua College's disbursement system that are approaching the 240 day limit are voided, reversed, and the related financial aid award is adjusted. The financial aid funds are returned back to the corresponding program.

D. Declining or Returning Federal Pell Grant Funds by Student

A student may decline all or part of a disbursement of Pell Grant funds that the student is otherwise eligible to receive. A student may wish to take this action as a strategy to conserve Pell eligibility for future semesters in light of the 600% Lifetime Eligibility Usage (LEU) limit.

To decline Pell Grant funds, a student must deliver to the school a signed, written statement clearly indicating that the student is declining Pell Grant funds for which he or she is otherwise eligible and that the student understands that those funds may not be available once the award year is over. The school must, if necessary, submit any adjustment files for the student to the Common Origination and Disbursement (COD) System.

a. Returning a Federal Pell Grant

A student may return all or a portion of Pell Grant funds that the student was otherwise eligible to receive, as long as this action is taken during the same award year. A student may not return any Pell Grant funds from a prior award year that the student was otherwise eligible to receive.

To return all or a portion of Pell Grant funds, the student must deliver to the school a signed, written statement clearly indicating that the student is returning Pell Grant funds for which he or she is otherwise eligible and that the student understands that those funds may not be available once the award year is over. The student must return the funds directly to the school, and the school must return those funds to its Pell Grant account. The school must then submit the required adjustment files for the student to the COD System.

E. Disbursement Notification Requirements

This chart details the various disbursement notification requirements. Note that all parent references below apply only to PLUS funds borrowed by the parent on the student's behalf.

Notification	Information To Be Conveyed	Who Must Be Notified	When	How	Comments



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<p>Title IV Eligibility & Payment Information</p>	<p>For each Title IV program:</p> <ul style="list-style-type: none"> ● Amount to be received, including PLUS ● Expected disbursement date; and ● Method of disbursement. <p>For FWS, notice must include amount authorized to be earned in the award period.</p> <p>For Direct Loans both subsidized and unsubsidized amounts must be indicated.</p>	<p>Institution must notify student.</p>	<p>For all Title IV programs other than FWS, notice must be sent each award year before Title IV funds are disbursed.</p> <p>For FWS, notice must be sent each award period before initial disbursement of FWS wages.</p>	<p>Electronic or written notice sent directly to student.</p>	<p>For each Direct Loan, amount may be either full amount of loan originated or estimated net disbursement.</p> <p>For FWS, award period is period of time covered by student's FWS award (e.g., academic year if awarded for fall and spring semesters).</p> <p>FWS award period may consist of parts of 2 award years (i.e., summer FWS award crosses over July 1).</p>
<p>Crediting Title IV Loan Proceeds to Student's School Account</p>	<p>If school credits student's school account with Direct Loan proceeds:</p> <ul style="list-style-type: none"> ● Anticipated disbursement date and amount of disbursement; ● Borrower's right to cancel all or portion of loan; and ● Procedures 	<p>Institution must notify student.</p>	<p>School must make notification between 30 days prior to and 30 days after crediting student's school account, if affirmative confirmation received; otherwise, no earlier than 30 days prior to and no later than 7 days after crediting</p>	<p>Electronic or written notice sent directly to student.</p>	<p>School is considered to have disbursed student's Title IV loan proceeds by crediting student's school account, if it:</p> <ul style="list-style-type: none"> ● Disburses proceeds by means of EFT to bank account designated by student or parent; and



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	and deadline by which borrower must inform school of his or her decision to cancel all or portion of loan.		the student's school account.		<p>then</p> <ul style="list-style-type: none"> ● Withdraws all or a portion of those funds to credit student's school account to pay tuition, fees, room, board, or other authorized charges. <p>If borrower wants to cancel all or a portion of the loan, he or she must respond:</p> <ul style="list-style-type: none"> ● By the later of the first day of payment period or 14 days after date of the school's notification, if school uses an active confirmation process; or ● Within 30 days after date school sent the notification, if school does not use an active confirmation process.
Crediting TEACH Grant Proceeds to Student's School Account	If school credits student's school account with TEACH Grant funds:	Institution must notify student.	School must make notification each award year before funds	Electronic or written notice sent directly to student/parent.	Institution must return TEACH Grant proceeds, cancel TEACH Grant, or do



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	<ul style="list-style-type: none"> ● Amount of TEACH Grant funds to be received; ● How and when those funds will be disbursed; and ● Student's right to cancel all or a portion of TEACH Grant. 		are disbursed.		<p>both, if:</p> <ul style="list-style-type: none"> ● By the later of the first day of payment period or 14 days after date of the school's notification, if school uses an active confirmation process; or ● Within 30 days after date the school sent the notification, if school does not use an active confirmation process. <p>Institution may return TEACH Grant proceeds, cancel TEACH Grant, or both, if student requests cancellation of a TEACH Grant after the applicable time period above, but within 120 days of TEACH Grant disbursement date.</p> <p>If institution does not return TEACH Grant proceeds, or cancel TEACH Grant, the institution must</p>
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					notify the student that he or she may contact ED to request TEACH Grant be converted to a Federal Direct Unsubsidized Loan.
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F. Correcting Over awards

An over award of Federal Student Aid funds is created when a student's aid package combined with all other resources exceeds a student's financial need. While care must be taken not to over award a student in creating the initial awards package, changed circumstances after a student is packaged may cause an over award. For example, a student may be awarded an academic scholarship late in the term; or a student's eligibility may decrease because of updates made to the application record, or the student may wish to extend his or her work-study employment. When circumstances such as these create an over award, the FAA must adjust the federal student aid in the package or take other actions to eliminate the over award.

Before making any such adjustments, the student's financial need should first be re-evaluated to determine whether he or she has increased need that was not anticipated when the school initially awarded aid to the student. If the student's need has increased and the total packaged aid does not exceed the revised need, no further action beyond documenting the change is required. However, if the school determines that total assistance still exceeds his or her need after a re- evaluation, the school must reduce or cancel any future Title IV or institutional disbursements. Beginning with any unsubsidized loans the student is scheduled to receive, the school must first reduce a student's level of borrowing.

a. Institutional Responsibility

As a condition for participation in the FSA programs, each college president signs a program participation agreement that, as one of its provisions, requires that the school demonstrate administrative capability. Part of this provision requires the designation of an official who is responsible for coordinating all financial aid information at the college. This is intended to ensure that awards are made appropriately and over awards of certain forms of FSA program funds are prevented. Colleges are responsible for ensuring that students who receive campus-based FWS and FSEOG funding have all other financial resources considered so that total funding from FSA programs does not exceed the allowable costs of attendance. Similarly,



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colleges are responsible for knowing and considering all other financial resources when certifying a student's eligibility for Federal Direct Loans to prevent students from borrowing unnecessarily. Colleges have the further responsibility to continually monitor the receipt of other scholarships and awards during the year to ensure that excess federal funds are not disbursed to students. The flow of information about these additional sources of funding must be maintained during the year to facilitate timely adjustment of the aid package to prevent over awarding students.

b. Estimated Financial Assistance or Not

Colleges should take into account the nature and purpose of an institutional or outside award or scholarship before including it as estimated financial assistance. If a student receives the award because of their postsecondary enrollment, it should count as estimated financial assistance unless the award is considered wages for employment according to state or federal rules, or wages for employment based on need. Awards that take the form of wages for employment or would otherwise be reportable as taxable income on a tax return (and thus the FAFSA) would not be counted as estimated financial assistance.

c. Over award Tolerance

There is a \$300 over award tolerance for the campus-based programs. The tolerance is allowed only if an over award occurs after the campus-based aid has been packaged. This threshold cannot be used to deliberately award campus-based aid that in combination with other aid exceeds the student's financial need.

d. Pell Grant/Iraq & Afghanistan Service Grants

These grants are never adjusted to take into account other forms of aid, except in the case when an IASG recipient subsequently becomes Pell eligible.

e. Federal Direct Loan

If the loan has not been originated or the loan proceeds have not been already completely disbursed, the over award must be eliminated by canceling or reducing the requested loan amount and/or canceling or reducing other aid in the student's package, as necessary. In general, there is no \$0 over award tolerance for Direct Loans.

If the over award is discovered after the school has received the funds, and a reassessment of the student's financial need shows no increased need for assistance, the school may:

- Use some or all of the amounts of packaged unsubsidized, PLUS, or non-federal loans to replace the EFC rather than using these funds as a resource (if this was not already



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done), thereby reducing or eliminating the over award. [Remember that if the sum of the loan amounts exceeds the EFC, the excess must be treated as a resource.]

- Cancel or reduce the second or subsequent loan disbursements.
- If the over award still exists after these adjustments have been made, return any loan monies that the student has not yet received to ED. [Note: Federal Direct Loan funds must be returned before campus-based aid is canceled or adjusted.]
- If the student is ineligible for only part of the disbursement, either return the amount of the loan for which the student has become ineligible or cancel the entire loan and originate a new loan for the lower amount.

If the over award situation occurs after the entire loan has been fully disbursed, there is no loan over award (unless the student was ineligible for the entire loan). The borrower is responsible for repayment of the loan according to the terms of the promissory note. However, the school may have to adjust the aid package to prevent an over award of campus-based funds. The school may elect to return loan funds applied directly to the student's account, though this is not required. NOTE: if a student received more than the annual or aggregate loan maximum due to inaccurate information provided inadvertently, he or she may continue to receive federal student aid if the excess amount is repaid or satisfactory arrangements to repay the excess are made.

f. Campus-Based Aid

If the aid package does not contain a Federal Direct Loan, or if the school has eliminated the loan over award, and the student's total resources still exceed the student's need the school must resolve the over award by reducing or eliminating campus-based awards. If it is found after reevaluating the student's need that his or her need has increased and the total resources do not exceed the need, then no further action is necessary.

g. FSEOG

If the school recalculates the student's need and determines that the total resources still exceed need by more than an applicable over award tolerance, the school must try to eliminate the over award by reducing or canceling future disbursements. If the over award cannot be eliminated in this manner, the amount of the loan or grant that exceeded the student's need is an overpayment and must be repaid (see below).

h. Federal Work-Study

A student can't be required to repay FWS wages legitimately earned; a FWS over award can only be remedied by adjusting future payments. Students who continue to be employed after that point cannot be paid from FWS funds. If the work study earnings exceeded need then the school must reimburse the FWS program from its own funds.



G. Treatment of Overpayments

An overpayment is created whenever a student has received federal grant or loan disbursements in excess of his or her eligibility. Overpayments may occur when a student receives additional assistance that was not considered when he or she was first packaged. Overpayments may also be caused by misreported information on the ISIR that is later corrected, miscalculated EFCs or costs of attendance, payments to an ineligible student, or payments made in excess of grant or loan maximums. An overpayment may result when a student withdraws or drops out before the end of the payment period and has received a disbursement in excess of the amount s/he was entitled to for the time period he or she was actually enrolled. (See "Return of Title IV Funds" below for more complete discussion of this last topic.)

A student who owes an overpayment is ineligible for additional federal student aid payments until the overpayment is satisfied. In some cases, however, it may be the school which is required to repay the overpayment.

a. Federal Pell Grant/IASG

If a student receives an overpayment of these funds that is not the result of an institutional error, he or she may continue to receive SFA funds if the overpayment can be eliminated by reducing later disbursements of these funds in the same award year.

NOTE: the school cannot reduce awards from the current award year to eliminate overpayments from a previous year.

If the overpayment cannot be eliminated by adjusting later disbursements in the award year, and the overpayment was not the result of the school's error, the student may not receive additional federal student aid funds until the overpayment is repaid in full or satisfactory repayment arrangements with the school are made.

A student may not be held accountable for an overpayment of these funds due solely to an institutional error or the school's failure to follow regulatory requirements. The institution must immediately restore the overpayment to the appropriate program account.

An overpayment of Pell/IASG funds for which the institution alone is liable may not be considered a Title IV debt of the student, though the institution may pursue collection of the overpayment with the student as an institutional debt. The student's eligibility for receipt of additional Pell Grant disbursements or other federal student aid funds remains unaffected.

If returning the funds causes the student to have an open balance of institutional charges for the current award year, any subsequent disbursements for that award year may be applied to



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that balance, if it is for an allowable charge, or if the institution has the student's written permission to apply aid to other charges.

A student may not receive Pell/IASG funds from more than one school for the same period of enrollment. The COD system identifies students who have been reported as recipients at multiple schools for the same enrollment period. The schools involved must coordinate their response so that the student receives these funds for attendance at only one of the schools for the period. If after 30 days the schools haven't resolved the matter, the payments at both schools are disallowed and the matter may require ED involvement to be resolved.

b. FSEOG

If a student receives a Federal SEOG overpayment that is not the result of an institutional error, he or she may continue to receive federal student aid funds if the overpayment can be eliminated by adjusting subsequent disbursements, other than Federal Pell Grant, within the same award period. If the overpayment cannot be eliminated by adjusting later disbursements in the award year, and the overpayment was not the result of the school's error, the student may not receive additional federal student aid funds until the overpayment is repaid in full or satisfactory repayment arrangements are made.

A student may not be held accountable for a FSEOG overpayment which is due solely to an institutional error or the school's failure to follow program requirements. The institution must immediately restore both the amount of the overpayment along with any administrative cost allowance claimed on that amount to the appropriate program account. The school may not correct the overpayment by reducing subsequent disbursements within the award year.

A FSEOG overpayment for which the institution alone is liable may not be considered a Title IV debt of the student. The institution may pursue collection of the overpayment with the student as an institutional debt. The student's eligibility for receipt of additional federal student aid funds would remain unaffected.

If returning the funds causes the student to have an open balance of institutional charges for the current award year, subsequent disbursements for that award year may be applied to that balance if the open balance is for an allowable charge, or if the institution has the student's written permission to apply aid to other charges.

c. Student Fails to Begin Attendance

If a student never attends any classes, officially withdraws, drops out or is expelled before the first day of classes, all Federal Pell Grant, or FSEOG funds must be returned by the school to the respective programs within 30 days of learning the student did not begin attendance. At a school that has a census date on which it reports its enrollment levels to a state, local



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jurisdiction or outside agency, it would be reasonable to expect the school to return funds no later than 30 days following the census date. The student would not be considered a Title IV overpayment. The institution may pursue collection of the overpayment with the student as an institutional debt. The student's eligibility for receipt of additional federal student aid funds would remain unaffected. At CUNY, a student who fails to begin attendance is assigned a grade of "WN" according to the date indicated on the University's academic calendar. The WN grade is a non-payable grade. If a student begins attending some but not all of his or her classes, the student's Pell Grant or IASG must be recalculated based on the student's actual enrollment status. Any amount disbursed for a class or classes the student never attended must be returned to the program. Though the student is liable for the overpayment, the school may return the funds to ED on the student's behalf and pursue the collection of the overpayment as an institutional debt.

If a Federal Direct Loan recipient withdraws or is expelled before the term begins, or doesn't begin attendance, or if the school cannot document any attendance, the school must return within 30 days of learning the student did not begin attendance any Direct Loan funds that were credited to the student's account at the institution for the payment period or period of enrollment. In addition, the school must return the amount of any tuition/fee payments made directly by or on behalf of the student to the school for the payment period or period of enrollment, up to the total amount of the loan funds disbursed. For any remaining loan funds disbursed directly to a student, the school must notify the applicable loan servicer that the student did not begin attendance, so that the lender or Department can issue a final demand letter to the student for immediate return of any loan funds that were disbursed directly to the student. For further details see GEN 13-02.

d. Student Begins Attendance on a Less Than Half-Time Basis

If a student who received a Direct Loan disbursement begins attendance for the loan period, but does so on a less than half-time basis despite having originally enrolled (registered for classes) on at least a half-time basis, neither the institution nor the student is required to return any loan proceeds. However, the institution must not make any subsequent disbursements of the loan, unless the student resumes enrollment on at least a half-time basis. For further details see GEN 13-02.

e. Overpayments Due to Interim Disbursement

When an overpayment results from interim disbursements made before verification was complete, and the verification ultimately showed the student to be ineligible, the school shares liability with the student for the repayment of the overpayment.

If an overpayment is the result of an interim disbursement, the student may continue to receive federal student aid funds if the overpayment can be eliminated by adjusting subsequent



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financial aid payments, or if the student repays the overpayment in full, or makes satisfactory repayment arrangements with the school.

If the student doesn't repay the overpayment, the school must repay the overpayment from its own funds within 60 days of the student's last day of enrollment, or by the last day of the award year, whichever comes first. Once the school satisfies the overpayment, the student regains eligibility for FSA funds. However, nothing in the regulations prohibits the college continuing to treat the amount owed by the student as an institutional debt and continuing its collection efforts.

f. Overpayments Due to Student Error

If a student's error or failure to report information on a FAFSA caused the overpayment, the student is responsible for repayment. If the overpayment cannot be eliminated by adjusting later disbursements in the award year, the student cannot receive additional federal student aid payments until he or she repays the overpayment in full or makes satisfactory repayment arrangements with the school. If the student doesn't repay the overpayment, the school is not liable for the overpayment, but must make a reasonable attempt to contact the student and collect the overpayment.

For an FSEOG overpayment, the school must promptly try to recover the overpayment by sending the student a written notice requesting payment in full and must consider and respond to any claims by the student that the overpayment is a mistake.

If the student is found to be responsible for repaying the overpayment, the school may elect to make the repayment for the student from its own funds. When the school makes the repayment on the student's behalf, the student is no longer considered an overpayment and may once again receive federal student aid funds. Instead of being an overpayment, the amount owed becomes an institutional debt that is repaid according to the school's normal collection procedures.

g. Overpayments – Minimum Thresholds

A student does not owe an overpayment if the amount is less than \$25. The \$25 threshold does not apply to amounts that are remaining balances of an initial larger amount, nor does it apply to amounts remaining after applying the \$300 tolerance. If an overpayment results from an R2T4 calculation, the student will not owe the overpayment if the amount is less than \$50. These minimum amounts are considered program specific.



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h. Reporting Overpayments to NSLDS

Overpayments resulting from student error must be reported to NSLDS within 30 days of the date the school learned of the overpayment using the on-line NSLDS screens. Only unresolved overpayments that are the result of student error are reported to NSLDS. Overpayments that are the result of an institutional error must be repaid by the school using school funds.

Once an overpayment is reported to NSLDS, the student's future application output documents will be flagged with an overpayment indicator. The Financial Aid History section of the SAR/ISIR record will contain information about the overpayment including whether or not the student has made satisfactory repayment arrangements.

NOTE: in the case of a grant overpayment resulting from an R2T4 calculation, the school will report the overpayment to NSLDS if the student fails to establish a repayment arrangement with either the school or the Department within 45 days after the student was first notified of the overpayment. If the student repays in full by the 45th day of the period of extended eligibility, there is no NSLDS reporting requirement. (See the next section of this chapter, "Return of Title IV Funds," for more information.)

Examples of Institutional & Student Liability

Overpayment Scenario	Liability
Student reports incorrect information on FAFSA.	Student liability only – student erred in reporting incorrect data.
School fails to resolve conflicting information on original or subsequent transaction before making a disbursement based on that transaction.	Institutional liability only – school must resolve all conflicting information before disbursing Title IV aid.
Student receives outside scholarship and is awarded FSEOG. Bursar fails to notify financial aid office of the outside scholarship and student receives overpayment of FSEOG funds.	Institutional liability only – school had information about the outside scholarship when FSEOG was disbursed.
School properly makes interim disbursement to student selected for verification but final verified EFC results in reduced award amount.	Joint institutional and student liability – student erred in reporting incorrect data and school chose to make the interim disbursement. School must try to recover overpayment from student and if unsuccessful after 60 days, must repay from its own funds.
School makes disbursement based on unselected ISIR for which it had no conflicting information. Student fails to complete verification.	Student liability only; as long as no further disbursements were made, school would not have violated any disbursement rules.
School makes disbursement based on unselected ISIR for which it had no conflicting information. Verification of subsequent transaction results in reduced award amount.	Student liability only – student erred in reporting incorrect information; school did not violate any disbursement rules. Note: overpayment may be recovered by adjusting later disbursements
School's cost of attendance is miscalculated.	Institutional liability only – school erred in determining the student's Scheduled Award.
School disburses Pell Grant based on incorrect Scheduled Award.	Institutional liability only – school erred in determining the student's Scheduled Award.
School disburses Pell Grant to transfer student without checking the student's remaining eligibility within the	Institutional liability only – school is required to check a transfer student's remaining eligibility for the award year



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required time frames.	before disbursing a Pell Grant.
Student fails to begin attendance in all classes for which s/he was enrolled; school recalculates Pell award as required by regulations.	Student liability only – student's change in enrollment affected the enrollment status on which the amount of the Pell award was based.
Student drops classes for which s/he registered; school recalculates Pell award as required by school's policy.	Student liability only – student's change in enrollment affected the enrollment status on which the amount of the Pell award was based.
School disburses Title IV funds but cannot document that student attended any class.	Institutional liability only – school must be able to document student attended each class at least once.
Student withdraws; R2T4 calculations result in student owing a Title IV overpayment.	Student liability only – student received unearned Title IV funds.

i. Return of Title IV Funds (R2T4)

Title IV funds are awarded to a student under the assumption that the student will attend school for the entire period for which assistance was awarded. Under the Return of Title IV (R2T4) regulations, a student is considered to have withdrawn from a payment period or period of enrollment if he or she does not complete all of the days in the payment period he or she was scheduled to complete. Students “earn” the assistance they have been awarded in direct proportion to the number of days of the payment period (semester) they remain enrolled, through the 60% point in the semester. A student who withdraws after the 60% point earns 100% of the aid for that term.

If a recipient of FSA grant or loan funds withdraws from school after beginning attendance during a semester, the college must calculate the amount of assistance the student earned. If the amount disbursed to the student is greater than the amount the student earned, the unearned funds must be returned. If the amount disbursed to the student is less than the amount earned, then the student is eligible to receive a post-withdrawal disbursement (PWD).

If the student has received excess funds that must be returned to ED, the college shares the responsibility of returning those excess funds with the student. The college’s portion of the excess funds to be returned is equal to the lesser of the entire amount of the excess funds, or the student’s total tuition and fee charges multiplied by the percentage of unearned funds. If the college is not required to return all of the excess funds, the student may be required to return a portion of the remaining amount. The college must return its share of unearned funds to the Department of Education through the Office of University Controller (OUC). The student may repay his or her share to the college or, if the overpayment has been referred to NSLDS, make arrangements to repay the Department of Education directly.

Eligible Student

The student must be fully eligible to receive federal funds prior to the date of withdrawal, that is, the conditions that make a student eligible for a “late disbursement” of Title IV funds must



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be met in order for Title IV aid to be considered “aid that could have been disbursed” and included in the R2T4 calculation.

Determining Student’s Withdrawal Date

The R2T4 process cannot occur until the college learns that the student has completely withdrawn. The date the college determines the student withdrew (also referred to as the “date of determination”) captures the point in time when the college could reasonably have been expected to know that a student withdrew.

- For official withdrawals, this date is either the date the student began the withdrawal process or the date of his or her withdrawal notification.
- For unofficial withdrawals, this date is the date the college becomes aware that the student is no longer in attendance (usually after the end of the semester). [Note: For a student who withdraws without providing notification to the school, the school must determine the withdrawal date no later than 30 days after the end of the earlier of (1) the payment period or the period of enrollment (as applicable), (2) the academic year, or (3) the student’s educational program.]
- At CUNY the Institutional determination date for these calculations is 21 days from the end of the term
- For approved leaves of absence, this date is the date the leave began.
- In the case of a student who stops attending after rescinding a withdrawal, this date is the date the college becomes aware that the student did not or will not be able to complete the semester (usually reverts to the original withdrawal date). Refer to section X for more details

NOTE: The college must document a student’s withdrawal date and maintain the documentation

The date of determination is used to determine the following R2T4 deadlines:

- The college must perform an R2T4 calculation within 30 days
- The college must disburse grant funds within 45 days to the student (written acceptance by the student is not required for post-withdrawal disbursements of grant funds)
- The college must notify a student if a grant overpayment is due within 30 days
- A post-withdrawal disbursement of loan funds must be offered to the borrower within 30 days
- The college may disburse loan funds no later than 180 days if the borrower accepts the offer of all or a portion of a post-withdrawal disbursement of loan funds (written acceptance by the borrower is required for post-withdrawal disbursements of loan funds)
- The college must return the amount of Title IV funds for which it is responsible no later than 45 days



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The types of withdrawal and the corresponding withdrawal trigger date are summarized in the chart below.

H. Withdrawals

a. Official Withdrawals

When a student officially withdraws, the college may use any one of the following dates that best represents the student's last date of attendance:

- Date student began the withdrawal process prescribed by the college
- Date student provided official notification
- Last date of attendance at an academically related activity as documented by the college

b. Unofficial Withdrawals

When a student leaves without notice, the college may use any one of the following dates that best represents the last documentable date of attendance:

- Last date of an academically related activity
- Date provided by an instructor
- Date college determines illness, accident, or grievous personal loss occurred
- Mid-point of the semester

c. Administrative Withdrawals

If a school administratively withdraws a student (e.g., expels, suspends, or cancels the student's registration) who has not notified the school of his or her intent to withdraw, the last possible date of withdrawal for the student is the date the school terminates the student's enrollment.

d. Rescinding Withdrawal

A college may allow a student to rescind a notification of withdrawal. The student must give written notice that s/he is continuing in academic activities and that s/he intends to complete the semester. This rescission would be negated if the student subsequently ceases attendance prior to the end of the semester. In this instance, the student's withdrawal date would revert to the original date of notification (unless the college can document student's later attendance at an academically-related activity). The college must have a formal published policy on rescinding withdrawals.



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e. Approved Leaves of Absence

A college may grant a student multiple leaves of absence; but the total of all leaves of absence may not exceed 180 days within a 12 month period. The college must have a reasonable expectation that the student will be able to return and complete the course work within the semester. The student must return by the end of the leave of absence or s/he must be treated as a withdrawal. In the case of a student who fails to return from an approved leave of absence, the withdrawal date reverts to the date the leave of absence commenced. If the student has received a loan, s/he must be told that failure to return will affect the grace period of the loan. The college must have a formal published policy on leaves of absence. The school's written policy must require that a student submit a written, signed and dated request that includes the reason for the request.

I. Determining the Amount of Aid the Student Earned

The semester begins on the first day of class and ends on the last day of final exams. Any scheduled breaks of five consecutive days or more should be excluded from the count of days. This includes Spring Break and the breaks between the modules in each semester at Boricua College. The amount of aid a student has earned is determined by dividing the number of days that the student attended by the number of days in the semester, then multiplying the result by the amount of federal aid the student "could have been disbursed". This amount is compared to the amount of aid the student actually was disbursed to determine whether FSA funds must be returned or whether the student will receive a post- withdrawal disbursement.

a. Aid That Could Have Been Disbursed

The calculation of earned Title IV program assistance includes all Pell Grant, TEACH Grant, FSEOG, and FFEL/Direct Loan funds that were disbursed or could have been disbursed to a student. Federal Work-Study (FWS) funds are not included in the calculation.

For purposes of determining earned Title IV aid, the college includes as "aid that could have been disbursed" any undisbursed Title IV aid for the period for which the return calculation is performed so long as the conditions for late disbursements in 34 CFR 668.164(g)(2) were met prior to the date the student became ineligible. This is true regardless of whether the college was prohibited from actually making the disbursement on or before the day the student withdrew so long as the conditions for late disbursements listed below are met prior to withdrawal.

The conditions for a late disbursement that must be met before the date the student became ineligible are:



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- the Department processed a Student Aid Report (SAR) or Institutional Student Information Record (ISIR) with an official Expected Family Contribution (EFC) for the student (except in the case of a PLUS loan)
- for a Direct Loan, the college originated the loan
- for a FSEOG, the college made the award to the student

NOTE: A promissory note must be signed for a loan to be included as aid that could have been disbursed in an R2T4 calculation. The signature may be obtained after the student withdraws but the note must have been completed before the school performs the calculation (see DCL GEN- 05-16 published October 27, 2005 for more information).

Some funds included in “aid that could have been disbursed” are funds that the student may not actually be eligible to receive. Specific examples of “aid that could have been disbursed” that would not be offered as a post-withdrawal disbursement are:

- Second or subsequent disbursements of Direct Loan funds
- If a student who has withdrawn did not begin attendance in enough courses to establish a half-time enrollment status, the school may not make a first disbursement of a Direct Loan to the student after the student withdraws. However, the funds are included as aid that could have been disbursed in the Return calculation.
- A disbursement of a Direct Loan to a first-year, first-time borrower who withdraws before the 30th day of the student’s program of study (except when this delay does not apply because of low default rates)

NOTE: if there is a disbursement of excess Pell Grant based on enrollment in classes for which non-attendance dates were subsequently reported, the school must:

- recalculate the Pell enrollment status
- return the amount the student was overpaid
- perform the R2T4 calculation based on the student’s correct Pell eligibility

b. Crediting the Student’s Account

The college may credit the student’s account with Title IV grant funds from a post-withdrawal disbursement without his or her authorization to satisfy current year tuition and fee or contracted room and board charges (incurred prior to withdrawal). Before crediting a student’s account with Title IV loan funds from a post-withdrawal disbursement to cover allowable charges, the college must obtain authorization from the student (or the parent in case of a PLUS loan). The college must also have written authorization from the student (or parent in case of PLUS) to credit the student’s account with Title IV loan funds from a post-withdrawal disbursement for other than the allowable current charges.



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The school is not required to obtain confirmation from a student before making a post-withdrawal disbursement of Title IV grant funds. These may be either credited to a student's account to pay allowable charges or disbursed directly to a student without the student's or parent's authorization.

c. College Return of Unearned Aid

The college must return unearned aid for which it is responsible to the Department of Education within 45 days after the college determines the date of withdrawal. The college's portion of the excess funds to be returned is equal to either the entire amount of the excess funds disbursed, or the total tuition and fee charges multiplied by the percentage of unearned funds, whichever is less.

d. Student Return of Unearned Aid

The student is assumed to have possession of Title IV funds only if the amount of disbursed Title IV funds exceeds institutional charges. The student's share of unearned aid that must be returned is derived by subtracting the college's share from the total unearned amount. Any loan funds that the student must return are repaid according to the terms of the promissory note. Grant funds in excess of \$50 that the student must return are regarded as an overpayment. Under the HERA, the amount of a grant overpayment due from a student is limited to the amount by which the original grant overpayment amount exceeds half the total Title IV grant funds received (or that could have been received) by the student.

The student who owes a grant overpayment due to a withdrawal retains Title IV eligibility for a maximum of 45 days from the earlier of the date the college sends the student notice of the overpayment, or the date the school was required to notify the student. If the student repays in full, or enters into a repayment agreement with either the school or ED within 45 days, the student retains eligibility. If the student fails to take action to resolve the overpayment within the 45 days, the school must report the overpayment to NSLDS immediately after the 45 days has elapsed and must refer the overpayment to ED's Debt Collection Service (DCS) in accordance with instructions in the most recent FSA Manual, Volume 5 "Over awards, Overpayments and Withdrawal Calculations". Unresolved overpayments not referred to DCS ultimately become the school's responsibility to repay.

J. Order of Return of Title IV Funds

Amounts returned to the Department of Education must be credited to the FSA programs in the following order:

1. Federal Unsubsidized Loan
2. Federal Subsidized Loan



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3. Federal PLUS
4. Federal Pell Grant
5. FSEOG
6. TEACH Grants for which a Return is required
7. Other Title IV Grants

a. Post-Withdrawal Disbursement

If a student has received less Title IV funds than s/he has earned, the student (or parent) must receive a post-withdrawal disbursement of any grant funds within 45 days from the date of determination. The school is not required to obtain written confirmation from the student or parent of their acceptance of a post-withdrawal disbursement of grant funds.

The college must notify in writing to the student within 30 days of the college's determination of withdrawal prior to making a post-withdrawal disbursement of loan funds. The notification must:

- Identify the type and amount of the loan funds
- Ask whether those loan funds are to be credited to the student's account or disbursed directly to the student (or parent)
- Include the information necessary for the student, or parent for a parent PLUS loan, to make an informed decision as to whether the student or parent would like to accept any disbursement of loan funds
- Request confirmation of any post-withdrawal disbursement that the student or parent, as applicable, wishes the school to make

The school must document the result of the notification process and the final determination made concerning the disbursement, and maintain that documentation in the student's file. Once a school has received confirmation from a student, or parent in case of a PLUS loan, that he or she wants to receive the post-withdrawal disbursement of loan funds, a school must make the post- withdrawal disbursement of Title IV loan proceeds as soon as possible, but no later than 180 days after the date of the school's determination that the student withdrew.

b. Verification Not Completed Before Withdrawal

A school must offer any post-withdrawal disbursement of loan funds within 30 days of the date of the school's determination that the student withdrew. The school must return any unearned funds within 45 days. A school must make a post-withdrawal disbursement of grant funds within 45 days of that date of determination.

Schools must disburse any Title IV grant funds within 45 days of making a withdrawal determination and disburse any loan funds the student accepted within 180 days. If verification



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is not completed in time for the school to meet the 45 day R2T4 deadline, the school should include in the R2T4 calculation only that Title IV aid that was not subject to verification (PLUS and unsubsidized loans).

If the student completes verification after the initial R2T4 calculation but within the 120 day verification extension deadline, the school must perform a new calculation and make the appropriate return or post-withdrawal disbursement. The post-withdrawal disbursement must be made within 180 days after the student's last date of attendance in the semester the withdrawal occurred.

If the student fails to provide all required verification documents in time for the school to meet the 45-day return deadline, the school must return any Title IV funds disbursed on an interim basis.

c. R2T4 Treatment for Students Called to Active Duty

Provisions of the Higher Education Relief Opportunities for Students (HEROES) Act of 2003 now codify treatment of Title IV eligible students who must withdraw from school because of active duty service during a war or other military operation or national emergency; or, qualifying National Guard duty during a war or other military operation or national emergency; or who reside or are employed in an area that is declared a disaster area by any Federal, State or local official in connection with a national emergency; or who suffered direct economic hardship as a direct result of war or other military operation or national emergency, as determined by the Secretary. Under the HEROES Act, effective December 12, 2003, the school must perform an R2T4 calculation for students who withdraw due to their status as an affected individual. If these calculations result in the school being required to return funds to one or more of the Title IV programs, it must do so as it would for any student who completely withdraws. However, for these students, the school is to exclude from the student's total institutional charges those amounts covered with non-Title IV sources of aid, such as tuition covered by a NYS TAP grant.

If these calculations result in an overpayment that is the student's responsibility to repay, s/he is not required to return or repay the overpayment. Consequently, the school should not contact the student for repayment, report the student as an overpayment to NSLDS. However, the school must document in the student's file the amount of any overpayment as part of the school's documentation of the applicability of this waiver.

If an affected student is entitled to a post-withdrawal disbursement, the school must offer a minimum 45 calendar days for the student to respond to a school's notification of their eligibility for the disbursement (the usual deadline is 14 days). However, the school can choose to extend the deadline up to 180 days.



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The HEROES Act encourages schools to provide a full refund of tuition, fees, and other charges for the portion of the instruction period an affected student could not complete, or for which s/he did not receive academic credit. For example, Boricua College policy prescribes that in instances where students who are recalled to active duty do not attend for a sufficient time to qualify for a grade, there shall be a 100% refund of tuition and all other fees except application fees. Any refund request for military service must be documented in order for it to be processed. (No refund can be made to a student so called who has been assigned an earned grade, regardless of whether the grade is passing or failing.)

Before making a refund to these students, the school should perform the required R2T4 calculations based upon the originally assessed charges. Any reduction of institutional charges may take into account the funds the school is required to return. Therefore, the school would not return funds to the federal programs and at the same time provide a refund of those same funds to the student.

d. Withdrawal date when a student dies

As a non-attendance institution, the college must determine the withdrawal date for the student under 34 CFR 668.22(c)(1)(iv). This section provides that if the college determines that a student did not begin its withdrawal process or otherwise provide official notification of his or her intent to withdraw because of illness, accident, grievous personal loss, or other such circumstances beyond the student's control, the withdrawal date is the date that the college determines is related to that circumstance. The withdrawal date can be no later than the date of the student's death. **The college must maintain the documentation it received that the student has died.**

e. Death of student receiving Title IV funds

When the college determines that a student has died during a period, it must perform a Return calculation. If the Return calculation indicates that an institution is required to return Title IV funds, the school must return the Title IV funds for which it is responsible. The student's estate is not required to return any Title IV funds disbursed to the student. Therefore, an institution should neither report a grant overpayment for a deceased student to NSLDS, nor refer a grant overpayment for a deceased student to Debt Resolution Services.

If the college had previously reported a grant overpayment for a student who is deceased to Debt Resolution Services, it should inform Debt Resolution Services that it has received notification that the student is deceased. The regulations governing the Direct and Federal Perkins Loan programs provide for a discharge of a borrower's obligation to repay a Federal Direct or Federal Perkins Loan if the borrower dies (including a Direct PLUS Loan borrower's obligation to repay a Direct PLUS Loan if the student on whose behalf the parent borrowed dies).



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If the college is aware that a student who has died has any outstanding Title IV loan debt, the school should contact the student’s estate and inform it of the actions it can take to have the student’s Title IV loan debt cancelled. If a Title IV credit balance created from funds disbursed before the death of the student exists after the completion of the Return calculation and the institutional refund calculations, the institution must resolve the Title IV credit balance in one of the following three ways.

1. In accordance with the cash management regulations, paying authorized charges at the institution (including previously paid charges that are now unpaid due to the Return of Title IV funds by the institution);
2. Returning any Title IV grant overpayments owed by the student for previous withdrawals from the present school (the institution may deposit the funds in its federal funds account and make the appropriate entry in G5); If the institution has previously referred the grant overpayment to Debt Resolution Services, the institution should provide Debt Resolution Services with documentation that the student has died so that Debt Resolution Services can delete the overpayment from its records.
3. Returning any remaining credit balance to the Title IV programs.

f. Consumer Information

The college must provide information about R2T4 when a student withdraws. This information must include the requirements for withdrawing from the college as well as a summary of the requirements of 668.22 of the federal regulations.

g. Further Guidance for Return of Title IV Funds

For a more comprehensive treatment of the R2T4 regulations, readers should turn to the most recent FSA Manual, Volume 5 “Overawards, Overpayments and Withdrawal Calculations”. Here you will find extended discussion of each element of the R2T4 calculation with definitions, examples, worksheets, case studies and regulatory citations to assist in a better understanding of this process. Additional guidance can be found in Dear Colleague Letters GEN-04-03 (February 2004); GEN-00-24 (December 2000); GEN-98-28 (November 1998). This guidance is easily referenced from <http://www.ifap.ed.gov/ifap/>

Detailed information about managing R2T4 is published and available separately.

Return of Title IV Funds – Requirements and Deadlines

Party Responsible	Requirement	Deadline
College	Determining withdrawal date for a	30 days after the end of the earlier



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	student who withdraws without providing notification	of either the semester, academic year, educational program (as appropriate)
College/OSFA	Return of unearned Title IV Funds	45 days from the date the college determined that the student withdrew
College/OSFA	Post-withdrawal disbursement to the student's account for: tuition and fees and other allowable charges for the current year; prior year charges for less than \$200 with written authorization from the student	180 days from the date that the college determined that the student withdrew in accordance with requirements for disbursing Title IV funds (34 CFR 668.164)
College/OSFA	Written notification providing the student (or parent) the opportunity to accept all or part of a loan (Direct, or PLUS) for post-withdrawal disbursement to pay institutional charges	Within 30 days of the date of determination in accordance with requirements for authorizations and notifications (34 CFR 668.22(a)(4)(i)(B))
College/OSFA	Written notification of student's eligibility for post withdrawal disbursement of loan funds in excess of outstanding current charges	Within 30 days of the date of determination
College/OSFA	Post withdrawal disbursement to student of earned Title IV funds in excess of outstanding current charges	Grants: no later than 45 days from the date of determination; Loans: no later than 180 days from the date of determination
College	Notification to the student (parent) of the outcome of a late request for a post withdrawal disbursement	Not specified (but should be ASAP)
College/OSFA	Notice to the student of a grant overpayment	30 days from the date the college determined that the student withdrew
College	Report to NSLDS if the student does not pay the overpayment in full or does not enter into a repayment agreement within 45 day grace period after notification of grant overpayment or fails to meet the terms of the repayment agreement	No later than 45 days after student is notified of overpayment
College	Referral of the student to ED Borrower Services if the student does not pay the overpayment in full or does not enter into a repayment agreement within 45	ASAP after the expiration of the 45 day grace period



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	day grace period after notification of grant overpayment or fails to meet the terms of the repayment agreement	
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Return of Title IV Funds – Notification Requirements

Party Responsible	Notification	Requirements
College	Consumer Information	College's withdrawal policy College refund policy Office(s) where students should file withdrawal forms Requirements for the return of Title IV funds
College/OSFA	Written notification of the student's eligibility for post-withdrawal disbursement of Title IV loans funds in excess of outstanding current charges.	Identify the type and the amount of Title IV loan funds that make up a post-withdrawal disbursement to the student. Explain that the student (or parent) may accept all or part of the disbursement Advise the student or parent that no post-withdrawal disbursement of loan funds will be made unless the college receives a response within the time frame set by the college. Explain that the student (or parent) may cancel all or a portion of loans that may be credited to institutional charges.
College	Response (may be electronic) to a late request for a post-withdrawal disbursement (that the college chooses not to make).	Disbursement is at the discretion of the college, but cannot exceed 180 day deadline.



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College	Repayment Agreement	<p>Terms permitting the student to repay the overpayment while maintaining eligibility for the Title IV funds.</p> <p>Repayment in full must be made within 2 years of the date the college determined that the student withdrew.</p>
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Return of Title IV Funds – Determining Trigger Dates

Withdrawal Type	Circumstance	Student's Withdrawal Date (1)	Date of School's Determination that Student has Withdrawn
Official Notification (Official Withdrawal)	Student began the school's withdrawal process	Date the student began the school's withdrawal process	Date student began withdrawal process or date of withdrawal notification, whichever is later
	Student provides official notification to school of intent to withdraw	Date the student otherwise provides notifications	
Official Notification Not Provided (Unofficial Withdrawal)	Official notification not provided by student because of circumstances beyond student's control	Date the school determines is related to the circumstance beyond the student's control	Date the school becomes aware student has ceased attendance (2)
	All other instances where student withdraws without providing official notification	Midpoint of the payment period, or period of enrollment, as applicable	



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Leave of Absence Related	Student does not return from an approved leave of absence or takes an unapproved leave of absence	Date the student began the leave of absence	The earliest of the dates of the end of the leave of absence or the date the student notifies school that s/he will not be returning to school (for unapproved leaves of absence, the date the leave of absence began)
Withdrawal After Rescission of Official Notification	Student withdraws after rescinding previous official notification of withdrawal	Student's original withdrawal date from previous official notification	Date the school becomes aware the student did or will not complete the period of enrollment

1. In place of the dates listed, school may always use as a student's withdrawal date the student's last day of attendance at an academically related activity, if this can be documented.
2. For a student who withdraws without notification, the school must determine the withdrawal date no later than 30 days after the end of the earlier of the (1) payment period or period of enrollment (as appropriate), (2) academic year, or (3) the student's educational program.

CHAPTER 11 – Record Retention and Release

A. RECORDS RETENTION AND RELEASE

Colleges are required to retain financial aid applications and supporting awarding and payment documentation for a specified period of time after the student receives the aid. The record retention requirements differ from program to program; there are also differences between rules established by Boricua College and various state and federal agencies. Apart from records storage, colleges must also follow federal, state and College regulations regarding the release and dissemination of student information. In addition, the state and federal governments have implemented stringent requirements concerning the use and dissemination of personally identifying information about students. This chapter outlines the various records retention and release requirements the financial aid administrator (FAA) must be aware of and follow in order to be in compliance with federal and state law and College policy.



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a. Federal Records Retention Requirements for Title IV Programs

Under federal law, a school must keep comprehensive and accurate records demonstrating the proper administration of FSA program funds and must show a clear audit trail for FSA program expenditures. Records must clearly show that each recipient was eligible for the funds and that the funds were received, managed, disbursed, and returned in accordance with program regulations.

Program Records

A school must maintain records in the appropriate offices that document its eligibility to participate in the FSA programs, as well as the FSA eligibility of its educational programs, the school's financial responsibility and standards of administrative capability. The FSA program records that must be maintained include, but are not limited to:

- Program participation agreement, approval letter, and Eligibility and Certification Approval Report (ECAR),
- Application portion of the FISAP
- Accrediting and licensing agency reviews and reports
- State agency reports
- Audit and program review reports
- Self-evaluation reports
- Other records, as specified in regulation, that pertain to factors of financial responsibility and standards of administrative capability.

Fiscal Records

Schools must account for the receipt and expenditure of all FSA program funds in accordance with generally accepted accounting principles. A school must keep fiscal records that reflect each FSA program transaction along with general ledger control accounts and related subsidiary accounts that identify each FSA program transaction and separate those transactions from all other school financial activity.

FSA Recipient Records

A school is required to maintain, in the appropriate office, the following records pertaining to each FSA recipient, including but not limited to:

- Documentation pertaining to students' admission, program of study and specific courses in which they were enrolled along with the data used to establish



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enrollment status and period of enrollment, and maintenance of satisfactory academic progress.

- Documentation directly related to each student's (or parent's) eligibility for Title IV funds (such as proof of high school diploma, GED or ability to benefit).
- Documentation relating to the awarding and disbursing of Title IV funds (COA information, required student certifications, SARs/ISIRs, documents used for verification of applicant data, counselor's notes, financial aid history information for transfer students, FWS placement records, FWS job description records, FWS time sheets, loan entrance & exit counseling, professional judgment decisions, resolutions of conflicting information).
- The amounts of all FSA program grants, loans or FWS awarded; their payment period; the loan period, if appropriate; the calculations used to determine the amounts of these awards; the date and amount of each disbursement, the date and amount of each payment of FWS wages, and the repayment history for Perkins Loan borrowers.
- Information on the date, amount and basis for the calculation of any refunds/returns or overpayments due to or on behalf of the student and the payment of any return or overpayment to the FSA program fund, a lender or the Department, as appropriate.

Minimum Record Retention Periods

Student records must be organized and readily available for review by auditors. All the student records required by regulation do not have to be maintained in the financial aid office, only those directly pertaining to the awarding of financial aid.

A school is required to keep records relating to the school's administration of a campus-based program or the Federal Pell Grant Program for three years after the end of an award year for which the program funds were awarded and disbursed. This retention period covers program records maintained by the financial aid office, as well as other records relating to the administration of FSA programs maintained by the Offices of the Registrar, Bursar and Admission. A school may be required to retain records longer than the minimum retention period if the records are involved in any loan, claim, or expenditure questioned in any FSA program review, audit, or investigation. If the three-year retention period expires before the issue in question is resolved, the school must continue to retain all records until resolution is reached.

Records Retention Chart

FSA Programs/Records	From the end of the award year in which	From the end of the award year for which	From the end of the award year in which	Loan is satisfied or as long as	From the date on which a loan is
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	report was submitted	the aid was awarded	the student last attended	documents are needed to satisfy the obligation	assigned to ED, cancelled, or repaid
Campus-Based, Pell, TEACH, IASG		3 Years			
Fiscal Operations Report (FISAP) and supporting records	3 Years				
Perkins repayment records (after 12/87, includes original repayment schedule, though manner of retention remains same as the promissory note)				UNTIL	
Perkins original promissory notes (before 12/87, included original repayment schedule)					3 Years
FFEL & Direct Loans:					
Records Related to borrower's eligibility and participation			3 Years		
All other records, including any other reports or forms	3 Years				

b. Special Retention Rules for FISAP and Federal Perkins Loan Program

Schools must retain all required records for a minimum of three years. However, the starting point for the three-year period is not the same for all records. For example, a school must keep the Fiscal Operations Report and Application to Participate (FISAP) and records necessary to support its data for three years from the end of the award year in which the FISAP is submitted. For instance, records for a FISAP submitted during the 2017–2018 award year must be kept until at least June 30, 2020, three years from the last day of the award year. That FISAP is the



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record for the previous year, 2016–2017, and the application to participate for the coming year, 2018– 2019. The submission of the FISAP is usually completed in October and any corrections submitted by December.

There is an additional exception to the general record retention period for repayment records (including any cancellation and deferment request) for Perkins Loans. These records must be kept for 3 years from the date on which loan is repaid, canceled, or assigned to the Department of Education. Perkins original promissory notes and original repayment schedules must be kept until the loan is paid in full, discharged or canceled in full, or assigned to the Department of Education. The original promissory notes and repayment schedules must be kept in a locked, fireproof container.

c. Special Retention Rules for Direct Loan and FFEL Programs

Records relating to a borrower’s eligibility and participation in Direct Loan and FFEL programs must be kept for three years after end of the award year in which the student last attended the school. All other records and reports related to a school’s participation in the loan programs must be kept for 3 years after end of award year in which records are submitted to the Department of Education, to a lender, or to a guaranty agency.

d. Formats for Record Retention

A school must maintain all required records in a systematically organized and retrievable manner. Unless a specific format is required, a school may keep required records in:

- Hard copy
- Microform
- Computer file
- Optical disk
- CD-ROM
- Other media formats.

Regardless of the format used to keep a record, all records (except ISIRs) must be retrievable in a coherent hard copy format. A coherent hard copy format includes, for example, an easily understandable print out of a computer file.

Any document that contains a signature, seal, certification, or any other image or mark required to validate the authenticity of its information must be maintained in its original hard copy or in an imaged media format. This includes tax returns, verification statements, certifications, and SARs used to determine eligibility. A school may maintain a record in an imaged media format only if the format is capable of reproducing an accurate, legible, and



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complete copy of the original document. When printed, the copy must be approximately the same size as the original document.

The SAR or ISIR must be kept in the format in which it was received by the school, except that a paper SAR may be maintained in either a hard copy or imaged media format. CUNY has the ability to preserve the ISIR data that it has maintained during the award year by archiving the data to a disk or other computer format.

Schools that participate in FSA programs must cooperate with the agencies and individuals involved in conducting any audit, program review, or investigation authorized by law by providing timely access to the requested records for examination and/or copying.

e. Records Retention Requirements for Special Programs

The provisions regarding records retention for Title IV programs also apply to the awarding and payment of Special Program funds. In addition, records documenting student eligibility to enter the program and student eligibility to receive aid (full-time study) must also be maintained.

Records documenting compliance both with the economic and academic criteria for program admission must be kept for three years after the student receives a degree. If the student stops- out or drop-out, these records must be kept for a minimum of six years so that the college can maintain information on program eligibility for that student in case he/she returns. After six years, it is the student's responsibility to re-establish eligibility.

f. Records Retention Requirements - Aid for Part-time Study Program

Institutions participating in New York State's Aid for Part-time Study Program are required to maintain the following records for a period of 5 years, following the end of the academic year for which an award was made:

- A copy of all applications submitted to the institution, whether an award was made or not, together with any ancillary documents which may have been required to be submitted with the application.
- A record of the institution's evaluation of financial need for eligible applicants.
- A fiscal record for each term for each student for whom an award was made which shall include total tuition charges, all financial aid, the amount of the award under this program and the amount of tuition waived (or refunded).
- An academic record for each term for which a recipient received an award that shall include a list of all courses registered for in that term, grades received and the cumulative average for the term.



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g. Boricua College Records Retention and Disposition Regulations

The Boricua College Records Retention and Disposition Schedule issued in May 2007 indicates the minimum length of time that college officials must retain their records before the records may be disposed of legally. All Boricua college records must be retained in accordance with the retention periods and guidelines specified in this Schedule and in any related policies, procedures, guidelines, or directives that Boricua has issued or may issue in the future.

Student financial aid records, including but not limited to Free Application for Federal Student Aid (FAFSA) reports, applications for assistance and related eligibility determination records, financial aid disbursement records, copies of income tax forms, financial aid transcripts from other schools, award and declination notices, verifications for non-taxable income and other tax-related records, instructor requests for work-study students, student work-study job descriptions, copies of work-study time records to verify hours with student schedule, and veteran's service information

RETENTION: 6 years after graduation, date of last attendance, or financial accounting, whichever is longer

Financial aid reports (state, federal, and other) covering multiple students, including but not limited to Tuition Assistance Program (TAP) reports

RETENTION: 6 years

NOTE: Appraise these records for continuing administrative or historical value prior to disposition. Records with historical value should be retained permanently. Reports containing information showing trends in student financial aid over time may be valuable for planning and other decision-making as well as research purposes.

Student bankruptcy records, including but not limited to pleadings and correspondence with court, receiver, student, or creditors' committee

RETENTION: 6 years after case closed

Student loan repayment records

RETENTION: 6 academic years after loan is repaid, fully canceled, or assigned to U.S. Department of Education

h. Disclosing Student Information Under FERPA

The Family Educational Rights and Privacy Act of 1974 (FERPA sets limits on the disclosure of students' personal information from records kept by institutions. FERPA requires that



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institutions establish policies that permit students to inspect and review their educational records, request the amendment of records believed to be inaccurate or misleading, and give consent to disclosure of personally identifiable information in educational records, with some exceptions. Revised regulations, issued in 1997 by the Department of Education to implement the 1994 statutory amendments, eliminated a requirement that educational institutions maintain written policies regarding access, disclosure, and challenges of educational records. Instead, colleges are required to include this information in their annual notification of rights to students.

The Student Records Access Policy of the Board of Trustees of The City University of New York (January 26, 1998 Minutes) provides that the University and its colleges shall be in full compliance with FERPA and its implementing regulations. The CUNY Office of the General Counsel and Vice-Chancellor for Legal Affairs published “Guidelines for the Implementation of the Student Records Access Policy and the Federal Family Educational Rights and Privacy Act (FERPA)” dated October 19, 2000. Subsequently, amended guidance was released in the form of a memorandum dated April 5, 2005 and titled “Student Records Access and the Family Educational Rights & Privacy Act (“FERPA”) and the USA Patriot Act.” These documents may be accessed on the “Student Advisory Memos” page of the CUNYSAM website.

FERPA prohibits funding of an educational agency or institution that has a policy or practice of disclosing students’ education records (or personally identifiable information contained therein) without the consent of the parent. When a student turns 18 or attends a postsecondary institution at any age, the rights under FERPA transfer from the parent to the student.

FERPA defines “education records” as “those records, files, documents and other materials, which:

- i) contain information directly related to a student; and
- ii) are maintained by an educational agency or institution or by a person acting for such agency or institution.”

FERPA excludes from the definition of “education records” (and from the restrictions and rights of access under FERPA) records that are maintained by a law enforcement unit of an education agency or institution that were created by that unit for the purpose of law enforcement.

Under FERPA, students have the right to inspect and review their education records. The school must provide students with the opportunity to inspect their records within 45 days of receiving such a request. The school may require the student to review the information with an institutional official present and may set a policy regarding making copies of information for the student. Schools may not charge a “records retrieval fee” but may charge for the copying as long as the charges do not prevent the student from access to the records. Students do not



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have the right to inspect and review financial information submitted by their parents unless the parent has given written permission.

Institutions must safeguard disclosure of personally identifiable information about students and provide an opportunity for students to challenge the contents of the record. The Registrar's Office shall maintain a record of each request for and disclosure of a student education record, other than directory information. Each campus is to have an official or employee designated by the college president to hear student appeals from denial of access to records, requests to correct records, or other rights under FERPA.

Appeals concerning alleged failures by a CUNY College to comply with the requirements of FERPA may be made to the University's General Counsel and Vice Chancellor of Legal Affairs within 30 days of the alleged failure to comply, and appeal decisions shall be submitted to the Board Committee on Student Affairs and Special Programs for its approval, with the student having the opportunity to submit a response.

FERPA generally requires prior written consent from the parent or eligible student before the institution may disclose personally identifiable information from education records to a third party. However, the law contains a number of exceptions to this general rule. Institutions may disclose education records or their components without written consent of the student to:

- persons or organizations determining financial aid eligibility or award amounts, or concerning enforcement of terms of the student's financial aid. Since terms of a Title IV loan require that it be repaid, a collection agency may have access to those records necessary to enforce the terms of the promissory note.
- a college, Central Office or Board of Trustees official, employee, or agent, such as an attorney representing the college, whom the college has determined to have a legitimate educational interest in the particular student's records.
- an official or employee of another college, or other institution of postsecondary education, who indicates the student seeks enrollment or intends to enroll, provided that the college also gives the student written notice of such disclosure, and upon request, a copy of the record that was disclosed.
- authorized representatives of the Comptroller General of the United States; the Secretary of Education of the United States; or State and local educational authorities where access to the education records is in connection with an audit or evaluation of the Federal or State supported education programs or for the enforcement of or compliance with Federal legal requirements which relate to those programs.

Although the protections under FERPA transfer to the student after he or she turns 18 years old, or enters a postsecondary institution at any age, FERPA provides ways in which a school may, but is not required to, share information from an eligible student's education records with parents, without the student's consent. For example:



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- Schools may disclose education records to parents if the student is claimed as a dependent for tax purposes.
- Schools may disclose education records to parents if a health or safety emergency involves their son or daughter.
- Schools may inform parents if the student, if he or she is under age 21, has violated any law or policy concerning the use or possession of alcohol or a controlled substance.
- A school official may generally share with parent information that is based on that official's personal knowledge or observation of the student.

Institutions may disclose, without consent, information from education records in compliance with a judicial order or a lawfully issued subpoena. However, the institution must first make a reasonable attempt to notify the student, except in the case of Federal grand jury subpoenas or law enforcement subpoenas where the court has ordered the institution not to disclose to anyone the existence or contents of the subpoena or the institution's response.

FERPA also permits the disclosure of educational records or personally identifiable, non-directory information from education records in connection with a health or safety emergency "if knowledge of the information is necessary to protect the health and safety of the student or other individuals." However, any release must be narrowly tailored considering the immediacy, magnitude, and specificity of information concerning the emergency. This exception is temporally limited to the period of the emergency and generally will not allow for a blanket release of personally identifiable information from a student's education records.

FERPA permits educational agencies and institutions to disclose, without the consent or knowledge of the student or parent, personally identifiable information from the student's education records to the Attorney General of the United States or to his designee in response to an ex parte order in connection with the investigation or prosecution of terrorism crimes. An ex parte order is an order issued by a court of competent jurisdiction without notice to an adverse party. FERPA does not require a school official to record a disclosure of information from a student's education record when the school makes that disclosure pursuant to an ex parte order and "shall not be liable to any person for that production."

When the institution releases personally identifiable information, such as loan records, such information must be accompanied by a statement informing the recipient that the information may not be disclosed to others without the written consent of the student.

The release of a financial aid transcript to another institution and the providing of information to the Inspector General of the Department of Education do not require notification/permission of the student.

A record must be kept of each request for access and each instance of disclosure of a student's personally identifiable information. The record must identify who requested the information



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and their legitimate interest in the information. The record must be added to the student's permanent file and kept for as long as the educational records are kept. There are exceptions to this requirement. The school does not have to record instances when the request is made by:

- The parent or eligible student
- A school official who has a legitimate educational interest
- A party with written consent from the parent or eligible student
- A party seeking directory information
- Certain court orders or subpoenas.

i. Boricua College Policy on Withholding Student Records

Boricua College's policy regarding students who have not satisfied their financial obligations with the colleges was originally promulgated on April 20, 1964 and last amended on November 18, 2002:

"Students who are delinquent and/or default in any of their financial accounts with the college, the University or an appropriate State or Federal agency for which the University acts as either a disbursing or certifying agent, and students who have not completed exit interviews as required by the Federal Perkins Loan Program, the Federal Family Education Loan Program, the William D. Ford Direct Loan Program, and the Nursing Student Loan Program, are not to be permitted to complete a registration, or issued a copy of their grades, a transcript of academic record, certificate or degree, nor are they to receive funds under the Federal campus-based student assistance programs or the Federal Pell Grant Program unless the designated officer, in exceptional hardship cases and consistent with Federal and State regulations waives in writing the application of this regulation."

The designated officer referred to above is the President of the college. In the case of the Law School, the designated officer is the Dean of the Law School.

A college may refuse to perform an administrative service such as certifying registration status or signing loan deferment documents for any student who has failed to meet his/her financial obligation to the college. This sanction is less severe than the ultimate sanction of canceling a student's registration which is permitted based upon the Board's policy indicated above.

NOTE: The following discussion on a college's right to withhold academic transcripts was posted to the NASFAA website on 2/2/09:

Many financial aid administrators wonder if a school can withhold an academic transcript when a student has defaulted on a Title IV loan, owes an overpayment on a Title IV grant, or has failed to complete a Perkins or Stafford Exit Interview. While the school has the discretion to make its



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own policy on this matter, it must be sure that its policy does not violate the Family Educational Rights and Privacy Act (FERPA).

Prior to July 1, 1995, a school could have included a provision in the Perkins promissory note that it would not release academic transcripts of students in default. In July 1995, however, the Department of Education (ED) reassessed this practice in light of FERPA and concluded that a school would be in violation of this law if it denied a student access to inspect and review his or her education records. Under the FERPA regulations, the institution must give a student a copy of the records if failure to do so would effectively prevent him or her from exercising the right to inspect and review the records.

Subsequently, ED clarified that a school could withhold official transcripts, but could not deny an individual access to, or unofficial copies of, his or her education records. Therefore, if a school chooses to withhold the official transcript, a copy of the transcript should be furnished to the student stamped with the word "unofficial" (or a similar indication).

Many schools find withholding official academic transcripts to be an effective tool in encouraging student loan repayment. Although the official academic transcript may be withheld, it is important to remember that an institution may not deny an individual access to his or her education records, and may be required to provide the individual with unofficial copies of records.

j. Use of Social Security Numbers as Student ID Numbers Prohibited

On July 1, 2001, an amendment to New York State education law took effect that restricts the use of students' social security numbers by educational institutions. The law reads: "No public or private elementary or secondary school or college...shall display any student's social security number to identify such student for posting or public listing of grades, on class rosters, or other lists provided to teachers, on student identification cards, in student directories or similar listings, or, unless specifically authorized or required by law, for any public identification purpose."

k. Financial Services Modernization Act

Colleges and universities must have implemented an information security program by May 23, 2003, to be in compliance with provisions of the Financial Services Modernization Act (Gramm-Leach-Bliley Act, or GLB Act), a Federal Trade Commission (FTC) rule which mandates extensive new privacy protections for consumers. The GLB Act requires financial institutions to take steps to ensure the security and confidentiality of customer records, such as names, addresses, phone numbers, bank and credit card account numbers, income and credit histories, and Social Security numbers. Higher education institutions which participate in financial activities, such as making Federal Perkins Loans, are considered financial institutions for GLB Act purposes.



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Colleges and universities are deemed to be in compliance with the privacy provisions of the GLB Act if they are in compliance with the Family Educational Rights and Privacy Act (FERPA). However, higher education institutions are subject to the provisions of the GLB Act related to the administrative, technical, and physical safeguarding of customer information.

Financial institutions, including colleges and universities, need to “develop, implement, and maintain a comprehensive written information security program that contains administrative, technical and physical safeguards” appropriate to the size and complexity of the institution and the sensitivity of any customer information at issue.

Colleges and universities must:

- Designate an employee or employees to coordinate their information security program;
- Identify reasonable, foreseeable internal and external risks to the security, confidentiality, and integrity of customer information that could result in the unauthorized disclosure, misuse, alteration, destruction, or other compromise of such information, and assess the sufficiency of any safeguards in place to control these risks.
- Design and implement information safeguards to control the risks identified through risk assessment and regularly test or monitor the effectiveness of the safeguards’ key controls, systems and procedures.
- Require service providers by contract to implement and maintain adequate safeguards.
- Periodically evaluate and adjust information security program based on the results of testing and monitoring, any material changes to operations, or any other circumstances that are known to have or that may have a material impact on the institution’s information security program.

The FTC regulations on safeguarding customer information are available at: http://www.access.gpo.gov/nara/cfr/waisidx_03/16cfr314_03.html

Here is an additional resource provided by the Catholic University of America Office of General Counsel that relates to the Financial Services Modernization Act (Gramm-Leach-Bliley Act): <http://counsel.cua.edu/FEDLAW/glb.cfm>

CHAPTER 12 – New York State Award Programs

A. Eligibility Criteria (Applicable to all NYS Award Programs) Citizenship

To be eligible for any New York State award, a student must meet one of the citizenship requirements for the Federal Student Aid programs. For more information about FSA citizenship requirements, refer to Chapters 2 & 3 of this Manual.



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B. New York State Residency Requirements

A student must meet New York State residency requirements to be eligible for NYS- sponsored scholarships and awards.

a. Legal Residence

To satisfy the residency requirement, the student must be a legal resident of New York State. This means that the student is currently living in New York State and intends to make New York his or her permanent home. A person must have established a domicile or permanent place of abode within NYS to be considered a legal resident of the state. Living in NYS for the sole purpose of attending a post-secondary institution does not, by itself, establish legal residence.

b. Duration of Residency

A student must be one of the following to be eligible for NYS awards:

- a legal resident of New York State for at least one year (12 months) preceding the first day of classes of the term for which an award is requested;
- an undergraduate student who is a legal resident at the time of application and was a legal resident for the last two semesters of high school regardless of any intervening time spent outside New York;
- a graduate student who is a legal resident at the time of application and was a legal resident for the last two terms of undergraduate study, regardless of any intervening time spent outside New York;
- a veteran or former National Service Volunteer who was a legal resident upon entry into the service and who re-established legal residence within 6 months of release from active duty, regardless of the amount of time spent outside New York.

c. Legal Residence of Dependent Students

The legal residence of a financially dependent student is presumed to be that of the parents. If the parents are separated or divorced, the legal residence of the custodial parent (or the parent who would have been awarded custody if the student was still a minor) is presumed to be the legal residence of the student. If the parents live out of state, the student is presumed to live out of state. A student may petition HESC for recognition of residence separate from either or both parents if circumstances warrant.

d. Loss of Residency



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New York State residency is lost when the student (or the parents of a financially dependent student) discontinues permanent legal residence in the state. Assistance will be stopped for any term beginning after the residence changed.

e. Disputed Residency

HESC provides a Residency Questionnaire to any student whose residency it is questioning or to students who have been denied an award on the grounds of residency without completing the questionnaire. HESC will review the completed questionnaire before making a final determination.

f. Institutional Responsibility

The school should take into account any information it has that reflects on a student's New York State residency. A diploma from a non-NYS high school, or an out of state address for parents or for billing purposes, would reflect negatively on a student's claim of NYS residency. In these cases, the school must review and document the eligibility for NYS awards for any student whose residency is questionable. In cases that cannot be resolved by the college, the institution should request that HESC send a Residency Questionnaire to the student and wait for the student's residency to be resolved before proceeding with any certification activity.

C. Title IV Eligibility

To be eligible for payment of TAP awards, students must attend an institution that is Title IV eligible. Schools whose Title IV participation is revoked by the U.S. Dept. of Education will lose TAP eligibility as well.

a. Approved Program of Study

To be eligible for a state award, a student must be enrolled in an approved program of study. Approved programs of study are those leading to a degree, or to a diploma or certificate fully creditable to a degree. An approved program is one registered by the New York State Education Department, or where applicable, the New York State Department of Health, as of the start of the term for which assistance is sought. Each academic department sets specific course requirements for each approved program and these are set forth in the college's catalog. The institution must offer and the student must follow the program consistent with how it was approved. Student petitions for exceptions to or waivers of program requirements must be fully documented. Schools must also be aware of when a particular program approval is due to expire and not certify students beginning study in that program after the expiration date unless written arrangements have been made with SED to have the program approval renewed or extended.



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b. Matriculated Status

A student must have matriculated status to be eligible for a state sponsored grant or scholarship. A student in a two-year program must also declare a major by the beginning of the sophomore year; a student in a baccalaureate program must declare a major by the beginning of the junior year. Any student enrolled in one of the two special programs for the economically or educationally disadvantaged, College Discovery or SEEK, are considered to be matriculated by virtue of their acceptance into the program.

c. Full-time Status

With the exception of awards made for accelerated summer study, PTAP awards, and awards made through the APTS or Vietnam/Persian Gulf Veteran Tuition Assistance Programs, a student must be in full-time status to be eligible for a state-sponsored grant or scholarship.

Definition of Full-time Status

Full-time status is defined as enrollment for at least 12 semester hours of matriculated credit for a term of at least 15 weeks, including exam periods, or the equivalent. Credit equivalent units may include independent study, practice teaching, graduate assistantship, thesis or dissertation research, etc. These equivalent activities must be required as an integral part of the student's program of study. "Matriculated credit" means that courses may be counted toward the full-time status requirement only if they are creditable towards the student's degree. Electives are acceptable when taken in accordance with published degree requirements. A student may take courses not applicable to the degree in a given semester as long as the course work is above the minimum full-time requirement of 12 credits.

Remedial Courses

For payment purposes, remedial courses may be counted toward the full-time enrollment requirement. However, the student must also be registered for at least 3 degree credits in the first term for which payment is sought and at least 6 degree credits for every term thereafter.

Repeated Courses

Courses in which the student has already received a passing grade cannot be included in meeting the minimum full-time study requirement for state-sponsored financial aid. Repeated courses may be counted toward full-time study if a student repeats a failed course, repeats a course for which additional credit is allowed, or has received a passing grade that is unacceptable in a particular curriculum. A student may repeat any previously passed course in a given semester as long as the course work is above the minimum full-time requirement of 12 credits. A transfer student may repeat a course taken at a prior college if the grade received at



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the prior college is too low to permit the student to be admitted to a particular major at the transfer college.

Time of Assessment

Students may achieve full-time status if they register for a sufficient number of credits as of or between the first day of classes and the certification status date (usually at the end of the add/drop period) and incur a tuition liability for each of the courses constituting the full-time study requirement. A student who drops below full-time after achieving "full-time status" for the current semester will not lose their award for that term. However, the student may face losing eligibility in a subsequent semester if he or she does not meet the program pursuit or academic progress requirements.

Students Who Fail to Attend

While schools are expected to make a good faith effort to ensure that students who never actually attend are not certified for awards, HESC will allow the certification of students who register for a sufficient number of credits and incur a full tuition liability but fail to attend classes. However, the school should be able to demonstrate that through its normal practices and procedures it was unaware that the student never attended; there was no refund or forfeit of other financial aid funds for non-attendance; and that it has made arrangements to collect full tuition liability for that term.

Boricua College collects Commencement of Attendance rosters to record for Title IV purposes whether or not a student actually begins attendance in the classes in which he or she has enrolled. Therefore, if a student receives a WN grade in a course, that course cannot be used to determine enrollment for TAP and other State awards.

Students Not Charged Full-Time Tuition

If an activity is considered integral to the student's program of study and contributes to the student's full-time enrollment, but no tuition is charged for the activity, the student is exempt from the requirement of having a tuition liability for each of the full-time credits. However, such awards cannot exceed the actual tuition liability.

Medical/Health Waiver

If satisfactory medical evidence can be provided that substantiates a health or medical condition that absolutely prevents a student from engaging in full-time study, the student may combine two or more terms at less than full-time into one regular term of full-time study. Situations like these require the institution to review and document the student's medical condition, monitor the terms in which the student attended less than full-time, and then certify



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the student's eligibility for an award in the semester during the term when the student has accumulated enough credits for a full-time award.

Students with Disabilities

Students who are disabled, as defined by the 1990 Americans with Disabilities Act (ADA), do not have to attend school full-time to be eligible for NY State aid. These students are eligible for a partial TAP award if they are attending part-time (at least three credits per semester). The TAP award is prorated according to the number of credits enrolled. The student must meet all other TAP eligibility requirements and the College must be able to document that the student is disabled as defined by the ADA.

d. High School Graduation Requirement

All recipients of NYS awards must have graduated from high school, have a TASC (formerly known as GED) or other equivalent of a high school certificate, or have received a passing score on a federally approved ability-to-benefit (ATB) test. Students must have a U.S. high school diploma or recognized equivalent (i.e., GED, homeschool documentation, or NYS H.S. Equivalency Diploma). Students who do not have these credentials must attain a passing score on all three parts of the ACT COMPASS exam.

Students must take and pass the Accuplacer exam within the institution's add/drop period or within 30 days of the first day of classes, whichever is earlier, to be eligible for a NYS award. In some rare and exceptional circumstances, a student may be allowed to take and pass the exam up to 30 days after the add/drop period or 60 days after the first day of classes if the school has been unable to identify the student until later in the term. Students must be notified in writing, prior to the beginning of classes, of their potential liability if they fail to pass the ATB exam and become ineligible for NYS awards.

On January 18, 2012, the U.S. Department of Education issued a Dear Colleague Letter (GEN-12-01) that provided information on recent changes made to Title IV student aid programs under the U.S. Department of Education Appropriations Act, 2012 (Title III of Division F of the Consolidated Appropriations Act, 2012 - Public Law 112-74). Among other changes contained in the Act, students who first enroll in a program of study on or after July 1, 2012 and who do not have a high school diploma or a recognized equivalent, or who do not meet prescribed home school requirements would no longer be eligible to receive Title IV student aid. Students who do not possess a high school diploma or a recognized equivalent but were enrolled in a Title IV eligible program prior to July 1, 2012 would continue to qualify for Title IV student aid under one of the ability-to-benefit (ATB) alternatives.

NYS Education Law (Section 661(4)(e)) allows students first receiving TAP in 2007-08 and thereafter to receive TAP if they have received a passing score on a federally approved ATB test



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and which has been identified by the Regents to satisfy certain requirements. The elimination of the ability-to-benefit (ATB) alternatives to a high school diploma is for purposes of determining Federal student aid (Title IV) eligibility only. The change does not withdraw the existing federal approval of those tests nor does it eliminate federally approved ATB tests for the purposes of admissions. Consequently, there is no current impact on student eligibility for the Tuition Assistance Program (TAP).

e. Good Academic Standing

To receive payment under state grant or scholarship programs, a student must maintain good academic standing. Good academic standing, as defined for purposes of determining state aid eligibility, consists of two components which are discussed fully in Chapter 5 of this Manual:

- Program Pursuit – completing a certain percentage of course work each term for which state aid is received; and
- Satisfactory Academic Progress – accumulating a specific number of credits and achieving a specified cumulative GPA each term.

f. C Average Requirement

Students who have received the equivalent of two or more full years of NYS student financial aid payments [24 or more payment points] must have a cumulative C (2.0) GPA to be eligible for continued State-supported assistance. [See Chapter 5 of this Manual for more information.]

g. Minimum Tuition

To qualify for a tuition-based NYS award, the student must incur a liability of at least \$200 per academic year pro-rated by term. There is no other minimum tuition requirement for any other grant or scholarship program HESC administers.

h. Student Loan Default

A student who is in an unresolved default status on any state or federal educational loan is not eligible for any state-sponsored grant or scholarship, regardless of guarantor.

Determining Default Status

HESC tracks the repayment status of the loans it administers and determines default status. HESC will also track the default status of federal educational loans guaranteed by organizations other than HESC. A loan is considered to be in default unless the student has cleared the default by paying the loan in full, bringing the payment current, establishing satisfactory repayment status or having the debt discharged.



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Clearing Default Status

Students must clear a loan default by May 1st of the award year in order to receive an award for any term of that award year. HESC will re-process the payment applications of any student denied an award previously because of a loan default who clears the default by the May 1st deadline.

Renewed Eligibility for Financial Aid (REFA)

HESC will restore eligibility for state award programs to a student in default if he or she meets the conditions for establishing satisfactory repayment by making six consecutive monthly voluntary payments. Once state aid is restored, students must continue to make regular scheduled monthly payments. Students approved for an award through REFA who fail to continue making scheduled monthly payments lose their eligibility for further state awards. Students with HESC loan repayment issues may contact the HESC Loan Examining Unit at (518) 4731688.

i. Out of State Study

A student may receive payment of a state-sponsored grant of scholarship for out-of-state study only if the following conditions exist:

- The student is required to pay all tuition and instructional fees for foreign (or out-of-state) study to the approved unit of the college;
- The off-campus study program must be an integral part of Boricua College's curriculum and tuition must be payable to and received by the college in the same way tuition is charged for any other Boricua College program; and
- All credits taken at the foreign (or out-of-state) school must be accepted towards the student's degree at Boricua College.

D. HESC PROGRAM DESCRIPTIONS

HESC administers both state and federally funded student financial aid programs for undergraduate and graduate students. Some programs, like TAP, are administered solely by HESC; others may be administered jointly with other state agencies. Administrators are encouraged to examine the HESC fact sheets for each program at: <https://www.hesc.ny.gov/partner-access/financial-aid-professionals.html>

a. Tuition Assistance Program (TAP)

The Tuition Assistance Program (TAP) helps eligible New York residents attending in-state postsecondary institutions pay tuition. Depending on the academic year in which the student



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began study, and the specific college the student attends, annual TAP awards at CUNY can be as much as 100% tuition, barring other budgetary limitations imposed by NYS.

Eligibility Criteria

To be eligible for TAP at CUNY, a student must:

- meet one of the U.S. citizenship requirements;
- be a legal resident of New York State;
- be matriculated in an approved program of study;
- enroll as a full-time student;
- be in good academic standing (Please refer to Chapter 5 for additional P&P requirements);
- have at least a cumulative C average after two annual payments;
- be charged tuition of at least \$200 per academic year;
- not have a statutory state or federal educational loan from any guarantor in an unresolved default status;
- not exceed the income limitations set for the program;
- must have graduated from high school, have a GED or other equivalent of a high school certificate or have attained a passing score on a federally approved ability-to-benefit test (applies to first-time award recipients from academic year 1996-97 to academic year 2006-07);
- must have a high school diploma or recognized equivalent from a recognized school within the U.S. or attain a passing score on a federally approved & Commissioner of Education administered ability-to-benefit test (applies to 1st-time recipients in the 2006-07 academic year and thereafter);
- must have a high school diploma or recognized equivalent from a recognized school within the U.S. or attain a passing score on a federally approved, Board of Regents chosen & Commissioner of Education administered ability- to-benefit test (applies to 1st-time recipients in the 2007-08 academic year and thereafter).

Duration of Awards

Undergraduate students enrolled in 4-year programs may receive up to the equivalent of 8 semesters of TAP assistance for full-time study; up to 10 semesters in an approved program; no more than 6 semesters if enrolled in a 2-year program. TAP awards are no longer available to graduate students.

Payment Points and Eligibility

HESC monitors the usage of NYS awards by assigning payment points for each award a student receives: 6 points for a full-time semester payment; 3 points for a half-time accelerated study



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summer payment; and 3 points for an APTS payment. PTAP usage is measured as a proportional fraction of a full-time semester TAP payment (e.g., a 7 semester credit PTAP award = 3.5 payment points; a 10 semester credit PTAP award = 5 payment points). A student is allowed a total of 48 undergraduate points in combined TAP/APTS and other state-sponsored program assistance (60 for approved 5-year programs).

Award Calculation

Awards are calculated as an annual entitlement based on New York State taxable income for the preceding tax year, and are pro-rated and paid on a term basis. Award amounts cannot exceed the statutory maximum or 100% of tuition, whichever is less. HESC calculates the actual amount of a student's award using formulas from the TAP award schedules at the end of this chapter.

Undergraduate Students

Dependent Students or Independent Students Who Have Tax Dependents

First Year Award Received	Award Ranges
2000-2001 and thereafter	\$500-\$5,165
1994-1995 through 1999-2000	\$500-\$4,290
All years prior to 1994-95	\$500-\$3,740

* The maximum TAP award for students enrolled in 2-year degree programs is capped at \$4,000.

Independent Students Who Are Single With No Tax Dependents

First Year Award Received	Award Ranges
All years since 1994-95	\$500-\$3,025
1992-93, 1993-94	\$500-\$2,575
All years prior to 1992-93	\$500-\$2,450

Independent Students Who Are Married With No Tax Dependents



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First Year Award Received	Award Ranges
All years	\$500-\$3,025

Graduate Students

TAP for graduate students has been eliminated.

Income Limits

- Dependent Undergraduate Students or Students Who Are Married or Have Tax Dependents \$80,000 NYS Net Taxable Income.
- Single Independent Undergraduate Students With No Dependents \$10,000 NYS Net Taxable Income

Income from New York State, Federal and local government pensions must be included for the purposes of calculating the TAP award, consistent with the requirement for reporting private pension income.

Other Factors Affecting Award Calculation

- other family members enrolled in post-secondary institutions;
- other educational benefits received;
- financial independence;
- level of study;
- whether the student attends a community or senior college;
- academic year in which 1st payment of state awards are received.

Changes in Award Amount During a TAP-Supported Semester

A student's award may change for any one of the following reasons:

- Total net taxable income verified by HESC is greater or lesser than that originally reported on the application resulting in an award change, or the attendance of other family members in post-secondary education as reported on the application cannot be verified by HESC;
- Student loses state-aid eligibility during a TAP-supported semester because of a failure to either make or maintain satisfactory repayment arrangements on a defaulted student loan at the point the default status is reported to HESC, the award is withdrawn;



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- TAP award is recalculated due to student withdrawals that result in decreased tuition liability;
- Student changes information on TAP application record by submitting a TAP Change Form to HESC, or by responding to request for information from HESC.

Changes in Economic Circumstances

Students may apply to HESC for an adjustment to income due to a change in the family's economic circumstances. State law recognizes death, permanent disability, or divorce of a parent or spouse, "catastrophic illness" of the applicant and circumstances where the applicant or spouse is called to active military duty.

Applying for TAP

CUNY no longer produces a CUNY TAP application. CUNY FAFSA filers apply for TAP directly with HESC using one of several methods of application:

1. Link from FAFSA on the Web (FOTW) to TAP on the Web (TOTW) – When students successfully complete FOTW, they may link from the FOTW Confirmation page to TOTW to apply for NYS awards. Applicants must first be "authenticated" by creating a HESC UserID and PIN before accessing the TOTW application. The TOTW application is pre-filled with some of the applicant's FAFSA data. The student's and parent's PIN serve as the signature for the TOTW application. Students/parents who do not use a PIN may satisfy the TOTW signature requirement by submitting the FOTW signature page to the federal processor.
 - When students submit a TOTW application but use the FAFSA signature page for the required signatures instead of a PIN, HESC waits 15 days for evidence from the CPS that a signature page was received. If no signature page is received by the CPS, an email postcard will be sent to the student with the link to TOTW (see below).
2. Directly access the HESC TAP on the Web site – If a student uses a paper FAFSA, misses the NYS link or abandons the TOTW session, he/she may still use TOTW to apply for NYS awards online. To access TOTW, students must be NYS residents, list a NYS college on the FAFSA, have a valid EFC, and undergo HESC authentication by establishing a HESC UserID and PIN. When ISIR data from the federal processor is received for these applicants, HESC will send them an email or postcard with the following URL: <https://www.tapweb.org/totw/> inviting them to apply for TAP.
3. Paper Express TAP Application (ETA) – If a student fails to sign-on to TOTW within 3 weeks of notification by HESC, he/she will be sent a paper ETA which he/she must return to HESC.



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4. HESC Electronic Multi-Year TAP Application – Certain students whose electronic or paper FAFSA data has not significantly changed from last year will have their TAP application data generated automatically without actually having to refile an application for the new award year.

TAP Information Changes

Once the TAP application has been processed, students may make changes or corrections to the application data through the HESC web site. Using the HESC UserID and PIN, students will be able to update, edit, correct and supply missing data to their TOTW record. Students must report changes or corrections to their application data directly to HESC.

Filing Deadline

The final filing deadline for TAP is June 30 of the award year for which aid is sought.

TAP Certification Codes

Code	Explanation
1	Eligible. The student satisfies all of the eligibility criteria for the award. A student who meets this criteria but then drops below full time is also certified using Code 1 as long as the student incurs tuition liability for each of the credits comprising full-time study.
2	TAP-No Scholarship. The student satisfies all eligibility criteria for a TAP award but does not meet the eligibility criteria for a scholarship for which he/she has also been approved. If an institution denies a scholarship because the scholarship holder would have received a concurrent benefit and the student is not eligible for TAP, use Code 9 to decertify the student for the scholarship.
3	Withdrawn with Tuition Liability. The student has withdrawn from all courses or has been terminated from school after the first day of classes but has incurred a tuition liability for the term. (Schools should also report reduced term tuition liability under tuition field.) NOTE: Schools should carefully review good academic standing before certifying a student for an award for a later term if the school used a Code 3 in the preceding term.



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4	Not Registered. The student was not registered for the term, has withdrawn without incurring a tuition liability or chooses to refuse the award.
5	Not Full-time. The student is not registered for sufficient credit hours (or the equivalent) for the term to meet full-time study requirements; or for accelerated summer study, the student was not registered for sufficient credit hours for the term to meet the half-time study requirement or was not in full-time attendance during an adjacent term; or for part-time Veterans Tuition Award, the student was not registered for sufficient credits (three credits minimum) for the term to meet part-time study requirements.
6	Not Matriculated. The student is not a recognized candidate for a degree or for a diploma or certificate creditable towards a degree.
7	Does not meet the Accelerated Study requirements.
8	Not in Good Academic Standing. The student does not meet the Commissioner's Program Pursuit requirements or the institution's approved standards of satisfactory academic progress or does not have a C average (2.0 GPA) after having received two years of TAP. NOTE: For students who are not in good academic standing but are granted the one-time waiver, certify Code 1 and enter a "W" in the waiver column.
9	Miscellaneous. This code is used to decertify a student who is not eligible for an award for reasons other than those in Codes 4 through 8. Examples: Not an approved program, the student does not meet New York State residency or U.S. citizenship requirements, the high school graduation requirement, scholarship recipient accepts a concurrent benefit, or a graduate student is matriculated for a second graduate degree at the same level for which the student already received a graduate level TAP award.

b. Part-Time TAP (PTAP)

State Education Law was amended to create a Part-Time Tuition Assistance Program (PTAP) for students attending not-for-profit independent degree-granting colleges in New York State.

Eligibility Criteria

A student may receive PTAP if he or she has:



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- enrolled as a first-time Freshman in the 2006-07 academic year or thereafter;
- earned 12 or more credits toward graduation in each of two consecutive semesters by the time the first PTAP award is sought;
- at least a 2.00 cumulative grade point average;
- satisfied all program requirements for NYS TAP awards except for full-time attendance (refer to the previous section on TAP eligibility criteria);
- enrolled for at least 6 but fewer than 12 semester hours with at least 3 of these being degree credits.

Note: The first P-TAP awards under this new program occurred in the 2007-08 academic year.

Award Amounts

A PTAP award is calculated as a proportional fraction of a normal full-time TAP award based on the number of part-time credits a student is registered for.

Income Limits

Refer to the income limits for TAP above.

Selection for a PTAP Award

Students may be considered for P-TAP during the summer if they meet P-TAP enrollment requirements. Colleges may have to determine whether students are to receive either a summer P-TAP award or half a TAP award for accelerated study. In addition to meeting the above P-TAP eligibility criteria, a student receiving a summer P-TAP award who had been attending full-time prior to the summer term would be expected to continue as a P-TAP student (that is, continue as a part-time student) in the subsequent fall term. The college can determine if P-TAP or APTS is more beneficial to the student.

Setting Enrollment

A student's enrollment status will be set as of the end of the add/drop period or Form A. If a student who is eligible for PTAP is part-time at this point, PTAP will be used; otherwise, APTS will be credited.

Application Procedures

Refer to TAP application procedure in the previous section.



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c. Aid For Part-Time Study (APTS)

The Aid for Part-Time Study (APTS) program provides grant assistance to eligible students enrolled part-time in an approved undergraduate program at participating institutions. Unlike TAP, APTS is a campus-based discretionary program funded by an annual appropriation. Colleges must apply each year to participate in the APTS program by an established deadline. The allocation to each college is based on prior year part-time enrollment in degree credit courses. The annual Boricua College appropriation may be reapportioned among the individual colleges as needed.

The University is required to supply HESC with a roster of the names of those selected for APTS awards within 45 days after the end of the add/drop period. At the point of selection for APTS, each college must waive the tuition for each student selected in the amount of the award. The colleges are reimbursed at the end of the semester for amount of tuition waived for eligible students who complete the term with a passing average and for up to 10% of all the term awards made for those students who fail to achieve a passing average for the term.

Eligibility Criteria

To be considered for an APTS award, students must:

- meet one of the U.S. citizenship requirements;
- be a legal resident of New York State;
- enroll part-time (CUNY requires enrollment in at least 6 but fewer than 12 semester hours with at least 3 of these being degree credits)*;
- maintain good academic standing;
- have at least a cumulative C average after having received the equivalent of two full years of payment of State-sponsored student financial aid;
- be charged tuition of at least \$100 per academic year;
- not have a statutory state or federal educational loan from any guarantor in an unresolved default status;
- not exceed the income limitations set for the program;
- not have used up undergraduate TAP eligibility;
- must have graduated from high school, have a GED or other equivalent of a high school certificate or received a passing score on an approved ability to benefit test.

Note: a student who meets the TAP definition of “full-time” may not be considered for an APTS award even if they have dropped to part-time by the end of the add/drop period.

Duration of Awards



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Awards are limited to the equivalent of eight full-time semesters (48 payment points) of undergraduate study or ten semesters (60 payment points) for an approved 5-year program. Students who participate in both the TAP and APTS program cannot exceed the equivalent of 8 full-time semesters of undergraduate study (10 semesters for an approved 5 year program). Students receiving APTS who are enrolled in two-year programs are **not** subject to the 6 full-time semester (36 payment point) limitation of eligibility.

Award Calculation

The annual APTS award cannot exceed \$2000 or tuition, whichever is less. Currently, the limit on the State annual allocation of APTS funds to CUNY does not permit maximum awards. In recent years, CUNY maximum APTS awards have been limited to \$45 per credit. The per credit APTS award amounts are set by OSFA each semester and revised as necessary based on the total annual allocation and the amount of the allocation already expended.

Income Limits

APTS eligibility is based on NYS NTI from the preceding calendar year.

- Students eligible to be claimed as tax dependents by their parents can have a family NYS NET taxable income as much as \$50,550. Family income includes student AND parents' income.
- Students not eligible to be claimed by parents as tax dependents can have NYS NET taxable income (including spouse's income) as much as \$34,250. Spouse's income must be included if marriage occurred on or before December 31 of the previous calendar year.
- Students not eligible to be claimed by parents but were eligible to claim tax dependents can have NYS NET taxable income (including spouse's income) as much as \$50,550. Spouse's income must be included if the marriage occurred on or before December 31 of the previous calendar year.

Selection for an APTS Award

HESC distributes APTS funds to the college Department of Student and Financial Aid Services and the colleges decide who to award APTS funds to, based on the funds they have available and students' need.

Application Procedures

Students who wish to apply for APTS first complete a FAFSA and a NYS TAP application, then answers the 2 unique APTS questions on the Boricua College.



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d. Math & Science Teaching Incentive Scholarships

This program provides scholarship assistance to outstanding New York State high school graduates based on grades in certain Regents exams.

This scholarship program provides an annual award to students at either the bachelor or master's degree level who enter into a contract with HESC agreeing to teach full time for five years in the field of math or science in a middle or secondary school in New York. Awards will be made upon the successful completion of the academic year.

e. American Airlines Flight 587 Memorial Scholarship

American Airlines Flight 587 Memorial Scholarship provides access to a college education for children, spouses, and financial dependents of individuals who died as a direct result of American Airlines Flight 587's crash in Rockaway, Queens, New York on November 12, 2001.

f. NYS Science, Technology, Engineering and Mathematics (STEM) Incentive Program

The New York State Achievement and Investment in Merit Scholarship (NY-AIMS) provides high school graduates who excel academically with \$500 in merit-based scholarships to support their cost of attendance at any college or university located in New York State.

g. NYS Achievement and Investment in Merit Scholarship (NY- AIMS)

The New York State Achievement and Investment in Merit Scholarship (NY-AIMS) provides high school graduates who excel academically with \$500 in merit-based scholarships to support their cost of attendance at any college or university located in New York State.

h. Regent's Awards For Children of Deceased or Disabled Veterans (CV)

Eligibility Criteria:

- Students whose parent(s) served in the U.S. Armed Forces during specified periods of war or national emergency and, as a result of service, died or suffered a 40% or more disability, are classified as missing in action, or were prisoners of war. The veteran must currently be a New York State resident or have been a New York State resident at the time of death, if death occurred during or as a result of service. The periods of service are:

Vietnam/Indochina 12/22/61 - 05/07/75



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Korean Conflict 06/27/50 - 01/31/55

World War II 12/07/41 - 12/31/46

World War I 04/06/17 - 11/11/18

Persian Gulf 08/02/90 - end of hostilities

Merchant Seamen 12/07/41 - 08/15/45

- Students whose parent(s) have been a recipient of the Armed Forces, Navy, or the Marine Corps expeditionary medal for participation in operations in Lebanon, Grenada, Panama. The periods of service are:

Lebanon 06/01/83 - 12/01/87

Grenada 10/23/83 - 11/21/83

Panama 12/20/89 - 01/31/90

- Students who were born with spina bifida whose parent(s) are Vietnam Veterans who served in the U.S. Armed Forces in Indochina between 12/22/61-05/07/75.

The award is \$450 per year. Eligible students must apply before May 1 of the academic year for which they are requesting payment. Students must initially establish eligibility by submitting a Child of Veteran Award Supplement form with HESC BEFORE applying for payment.

i. Memorial Scholarships

Memorial Scholarships for Families of Deceased Firefighters, Volunteer Firefighters, Police Officers, Peace Officers and Emergency Medical Service Workers provide financial aid to children, spouses and financial dependents of deceased firefighters, volunteer firefighters, police officers, peace officers*, and emergency medical service workers who have died as the result of injuries sustained in the line of duty in service to the State of New York.

*Peace Officers are defined in the criminal procedures law and include many categories including New York State Correction Officers.

j. Veterans Tuition Awards

Veterans Tuition Awards (VTA) provides up to the full cost of undergraduate tuition at State University of NY for full-time study or actual tuition charge whichever is less. Awards for part-



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time study are prorated by credit hour. Awards are available for up to 8 semesters (4 years) of full-time undergraduate study or 10 semesters (5 years) for students enrolled in an approved 5 year program. Awards are also available for up to 6 semesters (3 years) of graduate study or 4 semesters (2 years) of study in an approved vocational training program. Programs are approved by the NYS Division of Veterans Affairs Bureau of Veterans Education.

Eligible students are New York State residents discharged under honorable conditions from the U.S. Armed Forces and who are:

- Vietnam Veterans who served in Indochina between 2/28/61 and 5/7/1975.
- Persian Gulf Veterans who served in the Persian Gulf on or after 8/2/1990.
- Afghanistan Veterans who served in Afghanistan during hostilities on or after 9/11/2001.
- Veterans of the U.S. Armed Forces who served in hostilities that occurred after 2/28/1961 as evidenced by receipt of an Armed Forces Expeditionary Medal, Navy Expeditionary Medal or a Marine Corps Expeditionary Medal.

NOTE: Tuition payments received by a veteran under the Chapter 33 Program and Yellow Ribbon component will be considered duplicative of any VTA award a student may have received. However, payments received under the Montgomery GI bill do not duplicate the VTA award.

Combined tuition benefits available to a student cannot exceed the actual tuition. Students attending high tuition schools may be eligible to receive the federal and State benefits. Additionally, students whose "Percentage of Maximum Benefit Payable" under the Chapter 33 Program is less than 100% of tuition may also receive both federal and State benefits.

k. **World Trade Center Memorial Scholarship**

The World Trade Center Memorial Scholarship guarantees access to a college education for the families and financial dependents of innocent victims who died or were severely and permanently disabled as a result of the Sept. 11, 2001 terrorist attacks on the United States of America and rescue and recovery efforts.

l. **Flight 3407 Memorial Scholarship**

This program is intended to benefit the children, spouses and financial dependents of those who perished in the crash of Continental Airlines Flight 3407 in Clarence, NY on February 12, 2009.



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m. Military Enhanced Recognition Incentive and Tribute – Merit Scholarship also known as Military Service Recognition Scholarship (MSRS)

Provides financial aid to children, spouses and financial dependents of members of the armed forces of the United States or of a state organized militia who, at any time on or after Aug. 2, 1990, while a New York State resident, died or became severely and permanently disabled while engaged in hostilities or training for hostilities. For study in New York State.

n. NYHELPS Alternative Loans

A new alternative educational loan program for NYS students, families and schools. Key features of the program are lower interest rates than other alternative loans, the availability of fixed and variable rate loans, an up to \$10,000 annual borrowing limit and required web-based financial literacy instruction for borrowers. The first NYHELP loans were expected to be available in January 2010.

o. Other Financial Aid

For more information including about these and other state and federal student financial aid programs (loans, grants, and scholarships) for full-time, part-time, graduate, and undergraduate study, visit the HESC website at: <http://www.hesc.ny.gov/content.nsf>.

p. HESC School Services Assistance

HESC's college administrator access number: 1-866-431-HESC (1-866-431-4372) brings administrators to a customer service portal with a voice response system menu. This phone number is designed specifically for administrator use and is not intended to be used by students. Students should use 1-888-NYS-HESC (1-888-697-4372).

q. TAP Award Certificate Messages

HESC prints the following messages on the student's copy of the TAP award certificate. HESC prints the message number on the school copy of the award certificate. HESC annually updates the year references in some messages.

Message Number	Message
054	Award Denied. You cannot receive an award because you do not meet the statutory high school graduate or alternate requirement.
401	Award Denied. Information reported in your application for payment indicated that you do not meet the statutory New York State residency requirement. If you have established permanent (i.e., "Legal") residence and wish to appeal this



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	determination, contact HESC and request that an Affidavit of New York State Residence be sent to you.
402	Award Denied. Our records show that you are on leave. While on leave you are not entitled to payment of benefits. You may terminate your leave by notifying HESC on a Change Form.
403	Award Denied for One or More Terms. You're in default on a student loan or have failed to comply with a service requirement made a condition of your award. Eligibility can be restored should you resolve your loan default status.
404	Award Denied. You are not a Scholarship holder and you have not requested a Tuition Assistance Program award.
405	Award Denied. You are neither a United States citizen, permanent resident alien, a paroled refugee, nor a refugee.
406	Award Denied. Review of your Affidavit of New York State Residence indicates that you do not meet the New York State residency requirement.
407	In response to the other educational aid question on your 1997-98 TAP application, you indicated that you will be receiving other educational aid which duplicates the purpose of the TAP award.
408	Award Denied. You have failed to provide all of the Social Security numbers required by law. If you want an award, you must submit the requested Social Security numbers.
409	Award Denied For One or More Terms. You have already been certified for an award under the Aid for Part-Time Study program.
410	Award Denied. You were already certified as in attendance at another educational institution.
411	Award Denied. This educational institution does not offer the term for which you requested assistance.
412	Award Denied For One or More Terms. The term(s) for which you requested assistance is (are) not approved for an award for part-time study.
413	Your award reflects your financially dependent status. You do not satisfy the legal criteria which would enable you to exclude the income of your parents.
414	Financial Independence Denied. You have been processed for scholarship only. If you want to be processed for TAP as a dependent student, report your parents' income



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	on a Change Form.
415	Award Denied. This institution does not have a program approved for the Vietnam Veterans/Persian Gulf Veterans Tuition Award requested.
416	The terms indicated below are the final terms for which you are eligible for a Vietnam Veterans/Persian Gulf Veterans Tuition Award.
417	You cannot receive a Vietnam Veterans/ Persian Gulf Veterans Award for all terms. You have accumulated the maximum number of payments under this program.
418	Your Vietnam Veterans/Persian Gulf Veterans Tuition Award was reduced because of a refund owed HESC resulting from a previous award overpayment.
419	Your Vietnam Veterans/Persian Gulf Veterans Tuition Award for the term(s) below has not been processed at your request.
420	Funding for the Regents College and Regents Nursing Scholarship Programs was not included in the XXXXXX State Budget. Accordingly, no payments will be made for the XXXXXX academic year.
421	Award Denied. This institution does not offer a program approved for the Tuition Assistance Award Program (TAP) award requested.
422	You reported other educational aid deemed by the New York State Commissioner of Education to duplicate the purpose of your TAP award. If the total of that aid and your TAP award exceeded your tuition charge, your TAP award has been reduced.
423	Tuition Assistance Denied For One or More Terms. The net taxable income you reported on your application exceeded the statutory limit set for the TAP award.
424	If you are receiving a Tuition Assistance Program (TAP) Award, the term(s) indicated below are the final term(s) for which you are eligible.
425	You cannot receive a TAP award for all terms. You have accumulated the maximum number of payments under this program or you are not eligible for other reasons.
426	Award Denied. The award which you requested is not approved for part-time study for the summer term.
427	Tuition Assistance Award Denied. The annual tuition charged at the institution you are attending is less than \$200.
428	Your TAP award was reduced because of a refund owed HESC resulting from a previous award overpayment.



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429	The term(s) indicated below are the final term(s) for which you are eligible for a Supplemental Tuition Assistance Program (STAP) Award.
430	If you are educationally disadvantaged and will be enrolled in remedial courses, you may be eligible for a Supplemental Tuition Assistance Program (STAP) Award. If so, contact your institution's Financial Aid Office.
431	Scholarship Denied For One or More Terms. This institution does not offer a program approved for the Scholarship Award requested.
432	You have been processed for Scholarship only. You do not meet the New York State residency requirement for other awards requested.
434	The term(s) indicated below are the final term(s) for which you are eligible for a Scholarship Award.
435	You cannot receive a Scholarship Award for all terms. You have accumulated the maximum number of payments under this program.
436	Award Denied. The award which you requested is not approved for part-time study for the summer term.
438	Your Scholarship award was reduced because of a refund owed HESC resulting from a previous award overpayment.
439	You are on leave from your Nursing Scholarship. Therefore, you are not entitled to payment of your Scholarship award.
441	Award Denied. This institution does not offer a program approved for the Child of Veteran and/or Child of Police/ Firefighter/Correction Officer award requested.
444	The term(s) indicated below are the final term(s) for which you are eligible for a Child of Veteran and/or Child of Police, Firefighter, Correction Officer Award.
445	You cannot receive a Child of Veteran and/or Child of Police, Firefighter, Correction Officer Award for all terms. You have accumulated the maximum number of payments under this program.
446	Award Denied. The award which you requested is not approved for part-time study for the summer term.
448	Your Child of Veteran and/or Police/ Firefighter/Corrections Officer award was reduced because of a refund owed HESC resulting from a previous award overpayment.
450	Financial Independence Denied. Your reported residence with your parents exceeds the maximum period allowed by law. If you want an award as a dependent student,



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	report your parents' income.
451	Financial Independence Denied because you stated you were claimed as a tax dependent by your parents. If you want an award as a dependent student, report your parents' income.
452	Financial Independence Denied because you reported receipt of financial assistance in excess of \$750. If you want an award as a dependent student, report your parents' income.
453	Financial Independence Denied because you do not satisfy the legal criteria which enables you to exclude the income of your parents. If you want an award as a dependent, report your parents' income.
454	Financial Independence Denied. The documentation submitted did not show unusual and exceptional family circumstances that allow exclusion of parental income. If you want an award as a dependent, report your parents' income.
455	Shown below are your XXXXXX awards. If during the year you wish to change any information upon which your awards are based, submit those changes to HESC using a HESC Change Form.
456	Your summer award was calculated based on half-time study at the tuition charge shown. Your award may be revised depending on your actual summer tuition charge as certified by the above institution.
499	The processing of your application has resulted in multiple messages regarding the status of your application. A separate letter is being sent to you containing those messages.
500	Award Denied. This educational institution is not approved for the award(s) you requested.
501	You are not eligible for a XXXXXX TAP award because you are either not attending an approved institution or have requested termination of the processing of your application.
502	Award Denied for One or More Terms. You have received the maximum number of payments for a student enrolled in a two-year program. If enrolled in a program that requires more than two years, see the Financial Aid Office for assistance.
510	You were not registered for that payment term, or had withdrawn with no tuition liability, or were not registered at the correct level of study, or wished to refuse the award.
511	You were not in full-time attendance for that payment term; nor in part-time attendance where allowed by law.



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512	You were not matriculated in an approved program for that term.
513	You were not in good academic standing.
514	You were not in an approved five-year program and consequently not eligible for a fifth year of benefits; or you were not a New York State resident for the required period of time; or you were not a United States citizen; or, you received TAP for a prior degree at the same level as presently sought; or you were in default on a Federal Stafford student loan.
601 602 603 604	Your award for the XXXXXX semester has been recalculated due to certification activity by the above school. In the process of certification, the school indicated a change in either the tuition which you were charged; the status of your attendance; or the amount of other benefits that you received which offset your tuition charges. If you have any questions concerning this certification, you should contact the above school.
605 606 607 608	Your award for the XXXXXX term has been recalculated after your placement on a payment roster but before the processing of the above school's certification of your eligibility. The recalculation was a result of either a change in information supplied by you or an internal adjustment generated by HESC. If you have any questions concerning this award, contact HESC.
609 610 611 612	The above school has notified HESC that you are not eligible for payment of your Scholarship for the XXXXXX semester. If you have any questions concerning this determination, contact the above school.
613 614 615 616	The above school has indicated that you withdrew from the XXXXXX semester with a tuition liability. Your award has been recalculated based on the tuition liability which the school stated you had incurred. If you have any questions concerning this determination, contact the above school.
617 618 619 620	The above school stated that you were not registered at their institution for the XXXXXX semester. If this is incorrect, contact the above school.
621 622 623 624	The above school has indicated that for the XXXXXX semester you were not in attendance to the extent required to receive a payment. If you have any questions concerning this determination, contact the above school.
625 626 627 628	The above school has indicated that you were not matriculated in the program for which you registered for the XXXXXX semester. If you have any questions concerning this determination, contact the above school.
629 630 631 632	The above school has indicated that for the XXXXXX semester the program in which you are registered is not approved for payment of a TAP or Scholarship award or you are not in an approved five-year bachelor degree or remedial program and are therefore ineligible for payment beyond four years in a bachelor degree program or



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	three years in an associate or other two-year program.
633 634 635 636	The above school has indicated that for the XXXXXX semester you were not in good academic standing. If you have any questions concerning this determination, contact the above school.
637 638 639 640	The above school has indicated or HESC has determined that you are ineligible for the XXXXXX semester for one of the following reasons: You were not a New York State resident; you were not a United States citizen; you were in default on a Federal Stafford student loan; or you have not responded to a HESC request for information.
641 642 643 644	Your award for the XXXXXX semester has been recalculated after your school was notified of your award. As a result, your tuition account at the school may have changed.
645 646 647 648	Your certified award for the XXXXXX semester is indicated above. If you have any questions concerning the award for this term, contact HESC.
701	ETA sent to student.
980	The above school indicated that you were not eligible for your scholarship. If incorrect, contact the institution.
981 982 983 984	Your award has been revised due to information supplied by the above institution during the processing of your payment for the XXXXXX term. Please refer any questions to that institution.
985	You have failed to respond in a timely fashion to our request for information or you have not submitted the information needed to complete the processing of your XXXXXX application.
986	You have failed to submit your application for payment by May 1, XXXX. As a result, you will not be eligible for an award.
988	The above institution indicated that you were not eligible for your Vietnam Veterans/Persian Gulf Veterans Tuition Award. If incorrect, contact the institution.
989	HESC sent a request for additional information which was returned by the U.S. Postal Service due to an incorrect address. That address must be corrected for application processing to continue.

r. TAP Award Schedules

TAP awards are determined from family NYS net taxable income as reported on a NYS Student Payment Application and verified with NYS Department of Taxation. The student's dependency



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status, academic level and year state aid was 1st received determines which TAP award schedule is used. All annual awards are reduced by \$100 after 4 payments.

Undergraduate Award Schedules (through 2019-2020 Academic year)

For students who are dependent on their parents, or financially independent and are married with tax dependents

Schedule A – For student who received awards in the 1993-94 school year or earlier	
Maximum Award - \$3,740 or 100% Tuition (whichever is less)	Minimum Award - \$500
Net Taxable Income	Award Reduction
\$7,000 or less	0
\$7,001 – 11,000	7% of the excess over \$7,000
\$11,001 – 18,000	\$280 + 10% of the excess over \$11,000
\$18,001 – 80,000	\$980 + 12% of the excess over \$18,000
\$80,001 or more	NO AWARD
Schedule D – For first-time recipients in the 1994-95 through 1999-2000 school years	
Maximum Award – \$4,290 or 100% Tuition (whichever is less)	Minimum Award – \$500
Net Taxable Income	Award Reduction
\$7,000 or less	0
\$7,001 – 11,000	7% of the excess over \$7,000
\$11,001 – 18,000	\$280 + 10% of the excess over \$11,000
\$18,001 – 80,000	\$980 + 12% of the excess over \$18,000
\$80,001 or more	NO AWARD
Schedule E – For first-time recipients in the 2000-01 school year or thereafter	
Maximum Award – at 4 year schools: \$5165 or 100% Tuition (whichever is less); -- at 2 year schools: \$4000 or 100% Tuition (whichever is less)	Minimum Award – \$500
Net Taxable Income	Award Reduction
\$7,000 or less	0
\$7,001 – 11,000	7% of the excess over \$7,000
\$11,001 – 18,000	\$280 + 10% of the excess over \$11,000
\$18,001 – 80,000	\$980 + 12% of the excess over \$18,000



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\$80,001 or more	NO AWARD
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For students who are independent and single without dependents

Schedule K – For students who received awards in the 1991-92 school year or earlier	
Maximum Award – \$2450 or 100% Tuition (whichever is less)	Minimum Award – \$500
Net Taxable Income	Award Reduction
\$3,000 or less	0
\$3,001 – 10,000	31% of the excess over \$3,000
\$10,001 or more	NO AWARD
Schedule L – For first-time recipients in the 1992-93 and 1993-94 school years	
Maximum Award – \$2575 or 100% Tuition (whichever is less)	Minimum Award – \$500
Net Taxable Income	Award Reduction
\$3,000 or less	0
\$3,001 - 10,000	31% of the excess over \$3,000
\$10,001 or more	NO AWARD
Schedule M – For first-time recipients in the 1994-95 school year and thereafter	
Maximum Award – \$3025 or 100% Tuition (whichever is less)	Minimum Award – \$500
Net Taxable Income	Award Reduction
\$3,000 or less	0
\$3,001 - 10,000	31% of the excess over \$3,000
\$10,001 or more	NO AWARD

For students who are independent and are married without tax dependents

Schedule C -- Applicable to students who receive awards in any school year	
Maximum Award – \$3025 or 100% Tuition (whichever is less)	Minimum Award – \$500
Net Taxable Income	Award Reduction
\$7,000 or less	0
\$7,001 – 11,000	7% of the excess over \$7,000
\$11,001 – 18,000	\$280 + 10% of the excess over \$11,000
\$18,001 – 39,999	\$980 + 12% of the excess over \$18,000
\$40,000 or more	NO AWARD



FINANCIAL AID: GRANTS, LOANS AND SCHOLARSHIPS

CHAPTER 13 – Boricua College Award Programs

<Insert Boricua College award programs>

CHAPTER 14 – Additional Resources

This chapter is intended to provide you with information you may need that is not contained elsewhere in this Manual. You may find the updated section on Internet resources especially valuable in helping you keep abreast of new programs and policy changes and as a means of improving and enlarging your services to students.

A. Sample Financial Aid Application Forms

Verification worksheets and any forms that have been provided by Boricua College can be accessed at this URL: <INSERT LINK>

Tuition Waivers

Insert info here

NYC High School Students

Insert info here

Employees Program

Insert Info here

B. Web Sites of Interest to the Financial Aid Professional

The sites listed below have been verified as of July 2018. Some of the sites are actually sub-sites of general interest pages.

a. U.S. Government Agencies (other than the Department of Education)

The White House <https://www.whitehouse.gov/>

- Official *White House* site presents issue positions, news, Cabinet, appointments, offices and major speeches. Includes biography, video tour and photo essays.

The U.S. Senate <https://www.senate.gov/>



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- The United States Senate is a legislative chamber in the bicameral legislature of the United States, and together with the House of Representatives makes up the U.S. Congress.

The U.S. House of Representatives <https://www.house.gov/>

- The United States House of Representatives is one of the two houses of the United States Congress alongside the Senate. The composition and powers of the House are established in Article One of the United States Constitution.

U.S. Citizenship & Immigration Services

- <https://www.uscis.gov/>
- Immigration law and regulations, printable forms, employer information, etc.

U.S. Information Agency Fulbright Scholar Programs

- <https://www.cies.org/>
- The Council for International Exchange of Scholars (CIES), the scholar division of the Institute of International Education (IIE), is well known for its expertise and extensive experience in conducting international exchange programs for scholars and university administrators.

Internal Revenue Service <https://www.irs.gov/>

- Downloadable IRS forms and instructions, etc.

The Bureau of Labor Statistics Consumer Price index <https://www.bls.gov/>

- Used to develop CUNY's expense budget. The Bureau of Labor Statistics is a unit of the United States Department of Labor. It is the principal fact-finding agency for the U.S. government in the broad field of labor economics and statistics.

U.S. Government Accountability Office <https://www.gao.gov/>

- Investigative arm of Congress charged with examining matters relating to the receipt and disbursement of public funds. See GAO reports and testimony here. The Government Accountability Office is a government agency that provides auditing, evaluation, and investigative services for the United States Congress. It is the supreme audit institution of the federal government of the United States

U.S. Government Publishing Office



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- <https://www.govinfo.gov>
- Access to government documents: the Budget of the U.S. Congressional Documents, Congressional Reports, Federal Registers, Public Laws, etc. It is an agency of the legislative branch of the United States federal government.

Code of Federal Regulations (Annual Edition)

<https://www.gpo.gov/fdsys/browse/collectionCfr.action?collectionCode=CFR>

- The Code of Federal Regulations (CFR) annual edition is the codification of the general and permanent rules published in the Federal Register by the departments and agencies of the Federal Government produced by the Office of the Federal Register (OFR) and the Government Publishing Office.

Selective Service System <https://www.sss.gov/>

- Independent agency responsible for implementing a military draft. Laws, regulations, history, statistics, FAQs, on-line registration, and other official information. Administrators may check students' registration status.

U.S. Department of Veterans Affairs <https://www.benefits.va.gov/gibill/>

- Provides comprehensive information for veterans' benefits and links to other benefits available to Veterans. The GI Bill provides educational assistance to service members, veterans etc...

U.S. National Archives and Records Administration (NARA) <https://www.archives.gov/>

- The National Archives and Records Administration is an independent agency of the United States government charged with preserving and documenting government and historical records.

b. U.S. Department of Education Sites for Administrators

U.S. Dept. of Education Home Page <https://www.ed.gov>

- Press Releases, Grants and Contracts, Research and Statistics, Financial Aid Regulations, Policy and Program Information, Links to ED Offices, Publications and Budget Information. Find federal *education* legislation, regulations, guidance, and other policy

Federal Student Aid



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- <https://studentaid.ed.gov/sa/>
- Links to Information for Financial Aid Professionals, Financial Aid for Students, Direct Loans, Project EASI, Customer Service Task Force. The official home page for the *federal student aid* programs administered by the US Department of Education.

NSLDS Professional Access https://nsldsfpap.ed.gov/nslds_FAP/

- Allows administrators to check student borrower history, loan default and overpayment status and to update student overpayment and default records.

Information for Financial Aid Professionals (IFAP) <https://ifap.ed.gov/ifap/>

- Consolidates guidance, resources, and information related to the administration and processing of Title IV federal student aid into one online site for use by the entire financial aid community. Includes Dear Colleague and Action Letters, Federal Registers, Online Technical References, Worksheets, Schedules and Tables, and other links to sites of interest to Financial Aid Professionals.

Training for Financial Aid Professionals (TFAP)

<https://www2.ed.gov/offices/OSFAP/training/index.html>

- Schedules and Online Registration for training activities, conferences and events offered to aid administrators by the U.S. Department of Education.

Federal Student Aid Data Center <https://studentaid.ed.gov/sa/data-center>

- Obtain reports by school on grant, loan, and campus-based aid program volume.

Financial Aid Toolkit for Counselors

<https://financialaidtoolkit.ed.gov/tk/outreach/order-publications.jsp>

- Search for and order documents and publications for teachers, administrators, policymakers, researchers, parents, students and others with a stake in higher education.

c. U.S. Department of Education Sites for Students and Families

Federal Student Aid Gateway <https://studentaid.ed.gov/sa/redirects/federal-student-aid-ed-gov>

- A comprehensive information portal for students and families planning for or attending college.



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Federal Student Aid Portal <https://studentaid.ed.gov/sa/>

- Information resource for students and families for federal student aid programs.

Funding Your Education <https://studentaid.ed.gov/sa/sites/default/files/funding-your-education.pdf>

- Dept. of Education publication especially for high school students, providing general information on student aid.

The Federal Student Aid Resources <https://studentaid.ed.gov/sa/resources>

- Information on College Preparation and the Federal Student Aid Programs.

Completing the FAFSA

- <https://studentaid.ed.gov/sa/afsa/filling-out>
- Useful reference page for aid professionals and students; provides more detailed instructions to the individual FAFSA items than contained in the paper FAFSA instructions.

FAFSA on the WEB <https://www.fafsa.gov/>

- Allows students to complete the FAFSA online. NYS residents are presented with the opportunity to link to TAP on the Web from the FAFSA Confirmation page.

Federal Student Aid ID (FSA ID) Registration <https://fsaid.ed.gov/npas/index.htm>

- Allows students and parents to request or change a FSA ID.

Title-IV School Code Search <https://fafsa.ed.gov/FAFSA/app/schoolSearch>

- Find the six-character Code for any school in the Title IV School Code List.

Direct Loan Program

- <https://studentloans.gov/myDirectLoan/index.action>
- General information about the Direct Loan Program for students, parents and aid professionals with links to interactive calculators, loan consolidation, etc.

Direct Loan Online Entrance/Exit Counseling



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- <https://studentloans.gov/myDirectLoan/index.action>
- Allows students to complete the entrance/exit counseling requirement and allows administrators to check on a student's entrance/exit counseling status.

Direct Loan Consolidation Information Center

- <https://studentaid.ed.gov/sa/repay-loans/consolidation>
- The online source of information about the Direct Loan Consolidation Loan Program for borrowers, schools and loan holders.

Direct Loan Repayment Interactive Calculators

- <http://www.studentloanborrowerassistance.org/resources/referral-resource/ombudsman-programs/>
- Site to help borrowers plan their borrowing, manage debt burden, and choose the best repayment plan.

Guide to Defaulted Student Loans

- <https://studentaid.ed.gov/sa/repay-loans/default/get-out>
- Information on FFEL, Direct and Perkins Loans, including loan repayment options, loan consolidation, loan cancellation and discharge.

National Student Loan Data System (NSLDS)

- https://www.nsls.ed.gov/nsls_SA/
- ED's student aid database providing student access to centralized, integrated tracking of Title IV loans and Pell grants through their entire cycle from approval to closure.

FSA Ombudsman <https://studentaid.ed.gov/sa/repay-loans/disputes/prepare>

- This Department of Education office helps students resolve disputes and solve other problems with federal student loans.

d. New York State Government Sites

Welcome to New York State

<https://www.ny.gov>



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Office of the Governor

<https://www.governor.ny.gov/>

- Strategic Programs, Key documents, Press Releases, Annual Information Statement

NY State Senate

- <https://www.nysenate.gov/>
- Contact your state senator. Find out about bills introduced, passed and signed into law or vetoed. Committee membership. Public Hearings. Press Releases.

Find My Senator

- <https://www.nysenate.gov/find-my-senator>
- Find your senator and share your views on important issues.

NY State Assembly

- <https://assembly.state.ny.us/>
- Find out about bills introduced, passed and signed into law or vetoed. Committee membership. Public hearings. Press releases. Contact your assemblyman.

NY State Education Department

- <https://www.nysed.gov/>
- Current publications, Programs and Services.

NY State Dept. of Labor

- <https://www.labor.ny.gov/home/>
- Services for Individuals - Job seekers, Students, unemployed.

e. New York State Agencies

Higher Education Services Corp.

- <https://www.hesc.ny.gov/>
- This NYS agency administers the Tuition Assistance Program (TAP), guarantees student loans, offers guidance to students, families and administrators and administers a successful College Savings program for students and families.



FINANCIAL AID: GRANTS, LOANS AND SCHOLARSHIPS

- HESC Online Programs, Policies & Procedures <https://www.hesc.ny.gov/partner-access/financial-aid-professionals/programs-policies-and-procedures-guide-to-grants-and-scholarship-programs.html>
- HESC's reference guide to administering NYS Grant and Scholarship programs.

TAP On The Web

- <https://www.tap.hesc.ny.gov/totw/>
- NYS students who have filed a FAFSA and have received an EFC may access a TAP on the Web application for online completion and submission to HESC.

TAP Coach

- <https://www.hesc.ny.gov/partner-access/financial-aid-professionals/tap-and-scholarship-resources/tap-coach.html>
- A comprehensive tool that assists college financial aid officers with TAP administration and containing detailed information on a variety of TAP-related topics.

f. Professional Associations

NASFAA

- <https://www.nasfaa.org>

EASFAA

- <https://www.easfaa.org/>
- Eastern Association of Student Financial Aid Administrators.

NYSFAAA

- <https://www.nysfaaa.org/>
- New York State Financial Aid Administrators Association provides general financial aid information for students and their families

NACUBO

- <https://www.nacubo.org/>
- National Association of College and University Business Officers

NASSGAP



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- <https://www.nassgap.org/>
- National Association of State Student Grant and Aid Programs

NASPA

- <https://www.naspa.org>
- Student Affairs Administrators in Higher Education

AACU

- <https://www.aacu.org/>
- Association of American Colleges and Universities

AACC

- <https://www.aacc.nche.edu/>
- American Association of Community Colleges

ACE

- <https://www.acenet.edu/Pages/default.aspx/>
- American Council on Education (ACE) is the nation's most influential, respected, and visible higher education association.

HEUG

- <https://www.heug.org>
- Higher Education User Group – organization for users of Oracle/People Soft

g. Free Scholarship Search Sites

- CollegeXpress <https://www.collegexpress.com/reg/signup>
- College Board Scholarship Page <https://bigfuture.collegeboard.org/scholarship-search>
- College Net <https://www.collegenet.com/about/>
- fastWEB! <https://www.fastweb.com/>
- International Scholarship Search <https://www.internationalscholarships.com/>
- Petersons <https://www.petersons.com>
- Scholarship Experts
<https://www.unigo.com/scholarships#/fromscholarshipexperts>
- SuperCollege.com <http://www.supercollege.com/>



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h. International Student Resources

- International Education Financial Aid <https://www.iefaf.org/>
- Smart Students' Guide to Studying in the U.S. <http://www.edupass.org/>
- International Student Study Abroad Resource Center
<https://www.internationalstudent.com/>

i. Other Useful Sites

Financial Aid Information Page <http://www.finaid.org/>

- A free, comprehensive, independent guide to student financial aid including links to scholarship searches and financial aid calculators.

Chronicle of Higher Education <https://www.chronicle.com/>

- Allows registered users access to The Chronicle Online.

College Board <https://www.collegeboard.org/>

- This need analysis servicer markets PROFILE, an alternative, need analysis product used by many private colleges and universities.

Corporation for National & Community Service <https://www.nationalservice.gov/>

- The Corporation for National Service provides information regarding federal programs in national service such as America Reads and AmeriCorp.

Currency Converters:

- The Universal Currency Converter <https://www.xe.com/currencyconverter/>
- Current Exchange Rates Site <https://www.x-rates.com>
- OANDA – the Currency Site <https://www.oanda.com/currency/converter/>
- **National Center for Education Statistics** <https://nces.ed.gov/surveys/annualreports/>
Compendium of data from many sources about topics such as, average increase in tuition costs, average # of high school students attending college by state, etc.
- **FAST WEB's Quick Reference Guide to Student Financial Aid Statistics**
http://www.fastweb.com/nfs/fastweb/static/QRG_Student_Aid_Statistics.pdf
- **Educational Testing Service Network (ETS)** www.ets.org/



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- **Mapping Your Future** - <https://www.mappingyourfuture.org/> This site helps students find information to plan careers, select schools and pay for their education.
 - **National Center for Education Statistics** - <https://nces.ed.gov/> The primary federal entity for collecting and analyzing data relating to education in the U.S. and other nations.
 - **Project Vote Smart** - <https://votesmart.org/> Tracks the performance of over 13,000 political leaders including the President, Congress, Governors and State Legislators.
 - **U.S. Department of Health & Human Services Poverty Guidelines (ASPE)**
<https://aspe.hhs.gov/poverty-guidelines>
 - **Zillow.com** <https://www.zillow.com/> This site provides free real estate information and can be used to search for home values, mortgage rates, etc.
 - **Property Value Assets** <https://webapps.nyc.gov/CICS/fin1/find0011>
 - **ZIP Code Lookup** - <https://tools.usps.com/go/ZipLookupAction!input.action>
This site allows you to supply ZIP plus four codes for any address and helps you check the validity of any given address.
- j. **Lender Home Pages of Interest**
- **Bank of America Student Banking** <https://www.bankofamerica.com/student-banking/>
 - **Campus Door** - <https://www.campusdoor.com/> - Offers a well-regarded alternative loan program that offers competitive interest rates and flexible repayment options.
 - **Discover Student Loans** - <https://www.discover.com/student-loans>
Offers scholarships and competitive alternative loans with low interest rates and flexible repayment options.
 - **EduCap, Inc.** - <http://www.loantolearn.com> - Offers the Loan to Learn student loan program, the first nationwide privately-funded education loan program since 1986.
 - **Key Education Resources** - <https://www.key.com/html/education-planning.html>
A nationwide education funding provider for over 50 years offering a variety of loans for full-time and part-time students.
 - **Nelnet (National Education Loan Network)** <https://www.nelnet.net>
Student loan products and services including origination, funding, and servicing of student loans including Stafford, PLUS, private, and student consolidation loans.



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- **SallieMae** - <https://www.salliemae.com>
A loan guarantor and servicer that provides borrowers self-service account access, repayment calculators, etc.
- **Wells Fargo**
<https://www.wellsfargo.com/student>

C. Veterans Educational Benefit Programs

For the most up to date comprehensive information on all the benefits programs listed on this page, check the GI Bill website at: <https://benefits.va.gov/benefits/>

a. Post 9/11 Veterans Educational Assistance Act

The Post 9/11 GI Bill takes effect August 1, 2009 and will provide up to 36 months of educational benefits for individuals who served on active duty on or after September 11, 2001. Eligibility for benefits is extended to 15 years from the last period of active duty. Benefit entitlement will be determined by length of active duty service after September 10, 2001. In addition to tuition and fees (not to exceed the most expensive in-state undergraduate tuition at a public institution), there are provisions for a monthly housing allowance equal to E-5 basic allowance for housing with dependents (in the same zip code as the college), and a yearly stipend of \$1,000 for books and equipment.

b. Montgomery GI Bill - Active Duty Educational Assistance

The MGIB program provides up to 36 months of educational benefits payable for up to 10 years following release from active duty. This benefit may be used for degree and certificate programs, flight training, apprenticeship/on-the-job training and correspondence courses. Remedial, deficiency, and refresher courses may be approved. To apply, applicants use VA Form 22-1990 or they may apply online at: <https://www.va.gov/education/apply-for-education-benefits/application/1990/introduction>

c. Montgomery GI Bill - Selected Reserve Educational Assistance

The MGIB-SR program provides up to 36 months of educational benefits to members of the Selected Reserve, including the Army, Navy, Air Force, Marine Corps and Coast Guard Reserves. This program does not require a person to serve on active duty to qualify. To apply, applicants must obtain a Notice of Basic Eligibility (DD Form 2384 or 2384-1) from their unit and complete VA Form 22-1990. To apply online: <https://www.va.gov/education/apply-for-education-benefits/application/1990/introduction>



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d. Reserve Educational Assistance Program

REAP is a program that provides up to 36 months of educational benefits to members of the Selected Reserves, Individual Ready Reserve (IRR), and National Guard who are called to active service. The educational assistance allowance payable under REAP is a percentage of the MGIB rate based on the number of continuous days served on active duty. To apply, applicants complete VA Form 22-1990 and indicate they are applying for REAP. To apply online: <https://www.benefits.va.gov/gibill/reap.asp>

e. Veterans Educational Assistance Program

VEAP is available for members of the armed forces who first entered active duty between January 1, 1977 and June 30, 1985 and elected to make contributions from their military pay to participate in this educational benefits program. Member contributions are matched on a \$2 for \$1 basis by the government. To apply, applicants use VA Form 22-1990 or they may apply online at: <https://www.benefits.va.gov/gibill/veap.asp>.

f. Survivors' and Dependents' Educational Assistance

This program provides educational and training opportunities to eligible dependents of certain veterans who died or are totally and permanently disabled as the result of a service-connected disability. The program offers up to 45 months of benefits. Spouses of disabled veterans have 10 years from the date the VA establishes eligibility to use the benefit.

Surviving spouses of veterans who died while on active duty have 20 years from the date of the veterans' death to use the benefit. Children may use the benefit while they are between the ages of 18 and 26. Time limits can be extended under certain circumstances. Applicants use VA Form 22-5490 to apply or they apply online at: [https://www.benefits.va.gov/VOCREHAB/Dep Edu Assist Chapter 35.asp](https://www.benefits.va.gov/VOCREHAB/Dep_Edu_Assist_Chapter_35.asp).

g. Vocational Rehabilitation and Employment Program

The VR & E Program aids veterans with service-related disabilities to prepare for, find, and keep suitable jobs. If any training is needed, the VA will pay training costs, such as tuition, fees, books, supplies, equipment, and, if needed, special services. While in training, the VA pays a monthly benefit, called a Subsistence Allowance, to help with living expenses. To receive an evaluation for these services, a veteran must have received, or will receive, a discharge other than dishonorable, and have a service-related disability rating of at least 10%. To apply, applicants use VA Form 28-1900 or they may apply online at: https://www.benefits.va.gov/vocrehab/eligibility_and_entitlement.asp



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h. Veterans Work-Study Program

VA work-study program recipients must be receiving full-time GI Bill benefits to be eligible. Up to 750 hours per year, payable at least at the federal minimum wage are available to eligible veterans. For more information visit: <https://www.benefits.va.gov/gibill/workstudy.asp>

D. ACCES – Training at a College or University

Adult Career & Continuing Education Services (ACCES) is a NYS government office that provides a variety of educationally related services and some financial assistance for eligible students.

ACCES may support college training as part of a client’s Individualized Plan for Employment (IPE).

College Components	ACCES Provisions
Full-Time Tuition, Fees, Books & Materials	ACCES's contribution for direct college expenses related to tuition, fees, required texts and materials is calculated after all other available financial aid and ACCES calculated student/family resources are applied.
Room and Board	ACCES may contribute a certain maximum amount per academic year. A cost-effective analysis will be applied regarding commuting vs. living on campus and ACCES will pay towards the lower of the two expenses.
Length of Training	Students may be allowed additional time to complete an Associate’s Degree or a Bachelor’s Degree. If approved, the maximum allowances include all part-time training and previously completed course work that can be applied to the current degree program.
Part-Time	Part-time training is defined as taking fewer than 12 credits per semester or the equivalent for schools operating on a trimester or other basis. It cannot exceed two calendar years and, with agreement of the ACCES VRC, may be allowed any time during the training. If courses are dropped during a semester, resulting in fewer than 12 credits, the semester must be considered as part-time. ACCES’s maximum contribution amount is prorated based on the percentage of full-time credits taken.
Summer, Mini, or Intersession	ACCES may contribute when it is cost effective to ACCES; enables completion of otherwise unavailable required or sequential courses; allows repeat of failed course work required to meet the IPE employment goal date; or individual is restricted from taking the required number of credits per semester. This assistance is in addition to ACCES’s maximum contribution for direct



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	college expenses and is paid at the part-time rate.
Approved Vendors	Colleges must meet accreditation requirements and the institutions selected must be most cost effective to ACCES.
Financial Aid	Students must apply for all available Financial Aid and provide ACCES with documentation, including award amounts by established deadlines.
Refunds/Overpayment	If an overpayment exists, i.e. financial aid awarded and any ACCES advance payment exceeds actual cost, the consumer is expected to repay ACCES the overpayment amount.
Academic Standards	Students must provide ACCES with the academic standards for their degree program, as defined by the college. These standards, as well as the standards to continue receiving TAP and Pell awards, must be met by the student in order for ACCES to continue financial support for college training.
Out-of-State Training	May be allowed, but ACCES costs will equal the amount that would have been contributed toward a college program available within NY State.

Graduate Training	ACCES will contribute to graduate level training only when such training is required for the individual's Individualized Plan for Employment (IPE). ACCES maximum contribution limits apply.
Foreign Training	Allowed only if the home educational institution is providing instruction outside the US and such training is required for the degree program. ACCES maximum contribution limits apply.

The conditions under which students with disabilities can receive ACCES support for their educational plans are described at: <http://www.acces.nysed.gov/>

E. Configuration of Social Security Numbers

The Social Security number is divided into three parts: the area, group and serial numbers. Until June 25, 2011, the first three (3) digits of a person's social security number indicated the person's state of residence from the mailing address shown on the SSN application. Since that date, SSA has introduced a randomized process of assigning SSNs; therefore, in newly assigned SSNs, the area number no longer has geographical significance. The process of random assignment has also introduced area numbers not previously made available for assignment.

Within each area, the group number (middle two (2) digits) ranges from 01 to 99 but are not assigned in consecutive order. The group number has no special geographical significance but is used to break the numbers into blocks of convenient size for SSA processing operations.

Within each group, the serial numbers (last four (4) digits) run consecutively from 0001 through 9999.



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a. High Group List and Other Ways To Determine If A SSN Is Valid

- <https://www.ssa.gov/employer/ssnvhighgroup.htm>
- Any number beginning with 000 will NEVER be a valid SSN.
- = New areas allocated, but not yet issued
- ** 700-728 Issuance of these numbers to railroad employees was discontinued July 1, 1963.

b. Identifying Invalid (or Impossible) Social Security Numbers

An invalid (or impossible) Social Security Number (SSN) is one which has not yet been assigned. Prior to June 25, 2011, a valid SSN could not have an area number between 734 and 749, or above 772. Effective June 25, 2011, the SSA began to assign SSNs randomly, thus allowing for the assignment of area numbers between 734 and 749 and above 772 through the 800s. However, the following still holds true as of this writing:

- No SSNs with an area number in the 900 series have been assigned. Numbers from 987-65-4320 to 987-65-4329 are reserved for use in advertisements.

There are also special numbers which will never be allocated:

- Numbers with all zeros in any digit group (000-##-####, ###-00-####, ###-##-0000).
- Numbers of the form 666-##-####.