



BUSINESS OFFICE

Student Accounts

Policy Manual

Revised 06-2023

Introduction

The Business Office is responsible for the billing and collection of all educational charges for students attending Pennco Tech.

The purpose of this manual is to describe the existing policies and procedures for student accounts at Pennco Tech. This policy manual was created to promote transparency, integrity, and accuracy required for both Pennco Tech's general business practices and the proper administration of student accounts. The manual provides reference for current and future students, as well as Pennco Tech's staff so that a transparent understanding of the functions entailed in handling student accounts is conveyed. These procedures include processing payments and credits, billing tuition and fees, processing educational and miscellaneous charges, manual account adjustments, processing student refunds, monitoring account collections and timely delivery of credit balances.

If a student or parent would like additional information or needs guidance on how to find specific data or information, they can reach out to us by phone or by stopping by the bursar window. The Business Office can provide students and parents with updated tuition rates, books and tool prices, book and tool item lists, school store prices and more.

Business office staff & structure

The Business Office operates as a whole, but is divided into two main components. These two components consist of the "Bursar Office" and the "Back Office".

a) The Bursar Office is in charge of the administration of student accounts. Considered the 'front-end' of the department, the Bursar provides direct customer service to students. This is where they can receive information and make transactions related to their tuition, charges, or books & tools. Often referred to as the 'Bursar Window', this service is present at each campus and stays open during all operating hours at Pennco Tech with the exception of 4:00 pm to 4:30 pm.

b) The Back Office is responsible for financial and accounting oversight for the company and serves as protectors of Pennco Tech's assets by maintaining institutional capital and fulfilling our promise of education. The Back Office's main areas of focus involve financial reporting and analysis, institutional budgeting, and corporate administration. Our accounts payable and vendor relations functions are also considered 'back office' and are carried out by our business office administrator positions.

Current team members

The Business Office department at Pennco Tech consists of 9 employees serving within one of four groups. Institutional leadership for the Business Office is provided by the department directors. The campus managers provide oversight of day-to-day bursar office operations for their respective campus and along with the business office administrator, help manage back-office duties for their campus. The bursar administrators service the bursar (front) office at each campus, whereas the business office administrator level primarily services back-office functions such as accounts payable.

Institutional Directors

Christian Ryan - Executive Director of Business Administration
Angela Nemeth - Assistant Director of Business Administration

Campus Managers

Veronica Fass - Business Office Manager (Blackwood Campus)
Sean Costello - Business Office Manager (Bristol Campus)

Bursar Administrators

Deniene Smith (Blackwood Campus)
Linda Coppola (Bristol Campus)

Business Office Administrators

NyJage Butler (Blackwood Campus)
Carmelita Donnelly (Bristol Campus)

Tuition & billing

Pennco Tech allows for development of the appropriate abilities and talents needed to create a career path suitable for gainful employment. All education comes with expenses, and the institution offers several methods of financial assistance to help with tuition and educationally related expenses.

Students acquire the responsibility to pay with enrollment into one of our programs. 'Tuition' is a common term and although it's often used to reference the total cost of attendance, 'tuition' is actually charged to a student's account for **instructional time only**. There are other related charges that are necessary for learning, such as books, tools and class materials that are a separate charge from tuition. This is an important distinction and students should have the correct understanding of what 'tuition' is representing when they review their account or have conversations with their families or our staff.

During the admissions process, a student is presented with an enrollment agreement. This contract comprises a detailed description of the student's program, tuition and class material charges. Students can also easily find general information relating to tuition on their student portal.

Basics of tuition

Tuition is charged to a student's account according to academic progress. Pennco Tech uses clock hours of instruction to measure each student's progress. Each program has a determined number of clock hours, and a set number of calendar weeks that coursework needs to be scheduled for. Completion of these hours and weeks are required to complete training and earn the certificate or diploma.

As a regulation, there are limits to what an "**Academic Year**" can consist of, and at Pennco Tech some programs cover multiple academic years. A full-time academic year consists of 900 clock hours, and 26 weeks for the day programs. Our evening programs follow the part-time academic year structure and equates to 900 hours and 75 weeks. Each academic year contains two equal payment periods of 450 hours and 13 weeks for the day program. Payment periods for the evening courses amount to 450 hours and 38 weeks. Although the number of clock hours and the number of calendar weeks elapse simultaneously, they are considered independent measures of academic progress. For example, a student may accrue 450 hours before they reach 13 weeks, however both the weeks and hours must be met for proper tuition charges and financial aid payments.

In the case a program has less than the standard Academic Year, but greater than one 450 hour payment period it will also have two payment periods (ex: a 600-hour program consists of two equal 300 hour and 9 week payment periods). A program that is less than the standard academic year and is equal to or less than one 450 hour payment period will have only one payment period, (ex: 300 hours remaining in the program is one payment period).

If a student has ceased attendance, and re-entered to complete the program at a later date, the account charges will be based off of a prorated amount for tuition billing. The cost of

attendance and charges will depend on the student's particular need for completion of the program.

Educational fees

In addition to the student's tuition, each student's account will include other educational charges and fees. Some of these expenses are mandatory and others are optional. The number of educational charges will vary based on student, depending on the options chosen and the availability of financial aid funds.

Charges that are deemed optional include: books, tools, tool boxes, dormitory, and other miscellaneous charges. In the section below, each type of charge is described.

Enrollment fee

In completion of an appointment with the Admissions Department, and a prospective student has accepted the Enrollment Agreement terms and conditions, Pennco Tech charges a mandatory registration fee of **\$100.00**. This fee will be charged to the student's account and will be due at the time the enrollment agreement is signed and received.

Technology fee

A technology fee is assessed to all students attending Pennco Tech. This allows our students to access our facility wi-fi network, our library computers, as well as any personal computing equipment that students borrow or utilize during their program. The fee is \$150 for all students. If the student withdraws or is terminated, the fee is returned in accordance with Pennco Tech's institutional refund policy (see 'Credit Balances & Refund' section). If the student decides to return to finish completing their program, the remaining portion of the fee will be charged as a carryover from their first enrollment. The \$150 fee is charged for every enrollment at Pennco Tech. If a student withdraws from a program and re-enters into another program, the student will be charged the balance of the Technology Fee. The Technology Fee is waived for internal advanced standing students only.

Re-enter fee

When a student has withdrawn, or has been terminated, from their particular program the student has the option to complete the course at a later date. The remaining curriculum and required program hours can be achieved at a time that best suits the student. If the student has decided to return for accomplishment of their program, there is a \$25.00 re-entry fee associated with acceptance of the new enrollment agreement. This fee will be charged to the student's account and will be due at the time the new enrollment agreement is signed and received.

Transcript and translation fees

In the event a student cannot provide the Registrar Office with a copy of their high school diploma or General Educational Development (GED) transcript, the institution must have a transcript request authorization form completed by the prospective student. If translation is required due to receipt of a foreign transcript to ensure its equivalence to a United States high school diploma, the process follows suit. To obtain an official transcript or translation, there is a \$5.00 administrative fee for securing the documentation. Pennco Tech will also charge the students account for any additional cost incurred. Once the process is complete payment will be due on the first day of class. Please note the charges will vary for each student's individual circumstance. Unfortunately, U.S. schools are required to have foreign transcripts translated by an approved source. This means that Pennco Tech must have the translation performed through our offices even if the student already brought in a translated version. Fees for this circumstance apply to the same structure mentioned above.

When a transcript is obtained, it becomes property of Pennco Tech, and remains under the control of the Academic Processor. Federal policy establishes a student's right to observe the document within their file if desired, but the records cannot be returned to the student, or disseminated to other institutions. Transcripts submitted are for enrollment purposes only, and Pennco Tech is not required to make, or release, copies of the transcripts.

Institutional v. non-institutional charges

Institutional charges

Federal regulations and laws proclaim that all tuition, fees, room and board and other appropriate charges an institution assesses a student for educational expenses are considered 'institutional costs'. To consider a charge an institutional charge, it must be assessed to all students conveying equivalent academic requirements to be deemed an 'allowable cost of attendance', also known as an allowable charge.

The law requires that any institution that disburses Direct Loan funds directly to a student's account will be applied to pay for outstanding allowable charges. When a student receives Federal Student Aid all institutional charges can be paid for by the Title IV funds, and if the student is to drop below half time for attendance these charges can be included in the refund calculation.

Non-institutional charges

Non-Institutional charges consist of any charges required for their course that the institution can document because the student had "a real and reasonable opportunity" to purchase elsewhere. In the instance a student may withdraw from their program, non-institutional charges may not be included in the refund calculation. If there are non-institutional charges on a student's account, it will become a debt owed by the student.

The law requires that if there is an outstanding balance for charges that are not considered an allowable cost of attendance, or any prior year charges up to two hundred dollars, the student must give authorization that the Direct Loan funds can be applied to those outstanding charges before any of the Direct Loan funds causing a remaining credit balance is delivered directly to the borrower.

Class materials - distribution & purchase

Books

As a student of Pennco Tech, you will need course books for your program's curriculum. The required books are made available to you through the school, however in most instances this is optional and you are at liberty to go elsewhere to purchase or rent the books. Please be mindful that some courses offered at Pennco Tech utilize books that are custom made for our program(s). For these particular books, your purchase will have to be made with the school. Pennco Tech does not offer book rentals for the entire course. If you forget your book for a class period or if there is a temporary issue with your financial aid, the Education Department can lend you the book for use during class. For students who have their books fully covered by financial aid, all books required for the entire program will be given to the student on their first day of class. It is your responsibility to take possession of the books and keep them in a safe place until use.

If a student has part of their book cost covered by financial aid or no coverage at all, the student can purchase individual books on an as-needed basis according to their course schedule. Students always have the option to purchase all course books at the beginning of the program. Regardless of whether or not books are packaged with financial aid, the price remains the same. In unique circumstances, there can be exceptions made for books to be included in a monthly payment plan. In such circumstances, the books are provided on an as-needed (or as-purchased) basis and the student must remain current on their payments in order to receive the books needed for coursework.

Tools

For applicable programs, Pennco Tech students will also need tools for their program curriculum. During the awarding appointment with financial aid, it will be able to be determined whether or not the tools are covered. Students will be provided with a tool kit order form to complete if they would like to purchase the tool kit through Pennco Tech. Whether the kit is covered by Financial Aid awarding, or if the student wishes to pay their own means for the tools, this form is to be completed and given to the Bursar. By the 30th day of class, students

are then eligible to receive their tools. The student will be presented with the same tool kit order form at the time of pick up, and they will need to provide their signature with acceptance of the tool kit. Tools are made available through the school. If a student is absent on the day that tools are distributed, the tool set will be stored until the next day of attendance. At that time, the tool set will either be brought to the student's class or the student will be called down to the Bursar's Office to pick up the toolset.

Tool replacement program

Through Pennco Tech's partnership with Snap-On and Techsource tool companies, we have the ability to offer (with the purchase of a tool kit) coverage for tool replacement and tool repairs throughout the kit's lifetime. Representatives from these two companies are often visiting our campus, and can also be contacted at their offices.. If you would like to speak with a staff member of **Matco Tools for your Automotive, Collision Repair, or Diesel Technology tool kit-** or - speak with **Techsource regarding tool kits for all other programs**, you can approach the representative when on campus, or ask your instructor to assist.

Book/tool return

In most cases, book costs are non- refundable regardless of how they were purchased. The student is only able to return their books for a refund if the book(s) is still in the original packaging or if the book is in the same unused condition as when it was provided to the student. If any mark, fold, or dent exists on a book, it cannot be returned.

Contrary to the school's book policy, tools are **non-refundable**, regardless of the situation. Once the tools are distributed to the student, possession must stay with them. If a tool breaks, Pennco Tech can assist the student with repairs or replacement. If the tool cannot be repaired on campus, it can be sent off to the manufacturer and replaced with a new item free of cost to the student. In the event of a replacement order, please allow time for shipping and processing. After the student graduates or withdrawals, Pennco Tech will no longer assist in the replacement or repair of tools.

Other school services

Dormitory accommodations - Bristol campus

Pennco Tech's Bristol campus has nine double-occupancy dormitory rooms available for Pennco students. The dormitories are offered as they are available. A student is able to reserve dormitory accommodations if a room(s) is available at the time their request is received. Pennco Tech does not make special reservations for any particular program or class start date.

All residents must sign a housing agreement with the Education Department in order to receive dormitory accommodations. Pennco Tech's dorms can be included in the 'Cost of Attendance',

as established by the U.S. Department of Education. Students with excess financial aid eligibility can speak with their Financial Aid Advisor about including dormitory accommodations in their financial aid packaging. The monthly rental fee for dorms is **\$400 per month** for each student. Similar to the Student Tuition Payment Plan (STPP), rental payment plans for dorms are made on a monthly basis in accordance with the payment schedule set by Pennco Tech. Residents must understand that any delinquency equal to, or greater than, two payments subjects the agreement to termination at the discretion of the School Director.

Residents of the dormitory are responsible for the keys issued to them upon occupancy. Every student is given two keys: one for the common door at the front of the dormitory, and one for their specific dorm room. Fees for the keys will not be charged to the student as long as they are returned at the conclusion of their occupancy. If you lose the key to your dorm room, Pennco Tech's Maintenance department will replace the lock on your room's door and provide you with a new key. A charge of **\$20** is assessed to student accounts when locks are replaced. Residents will be charged a fee of **\$80** in the instance of a lost key for the common door.

Pennco Tech school store

It's becoming a Pennco Tech tradition to provide t-shirts to incoming students. Before the 30-day mark of your program Pennco Tech will provide opportunities for you to receive a package of 2 items, consisting of Pennco Tech branded t-shirts or other items. The first opportunity is offered at orientation for your program. Please note this is only offered for students attending orientation. If you miss the orientation date, you'll have the opportunity to collect the other 2 items. These items given to you are not charged to your ledger and you won't see this transaction when viewing your student account on your portal.

The Pennco Tech Business Office also provides an array of school gear available for purchase. You can view these items at our bursar window, displayed in cases on your campus, and online @ <https://www.penncotech.edu/pennco-tech-school-store>. Purchases made will be charged on your student ledger but must be paid before the goods are received. Unfortunately, students are prohibited from using financial aid funds for the purchase of school store items.

Graduation event tickets

Pennco Tech allows the sale of graduation tickets to any active student approaching completion of the program and their graduation ceremony. The student is to understand that the sale of the ticket is **non-refundable** under all circumstances. At the time of the purchase, if the student is still active, and owes hours to complete the program there are stipulations for attending the ceremony. The student will be required to sign an agreement that they have read and understood that the sale of the ticket is for ceremony attendance only. This agreement states they will not receive their certificate of completion until all program requirements are met. If applicable, if a tuition debt remains (after the posting of all financial aid funds) the sale of the tickets will be declined.

Student payments

Pennco Tech offers a variety of options to help ease the burden of tuition related expenses. Each option has criteria and eligibility that has to be met, but the Business Office strives for student satisfaction by working with each student and assisting in affording their educational goals.

Financial aid disbursements

In the event the student has seen the Financial Aid Department and has accepted any Federal Student Aid (FSA) funds, these funds will be automatically disbursed (paid) to the student's account when the student is deemed eligible. The Business Office is required to provide the student with Direct Loan receipts. These receipts are expected for Direct Subsidized, Unsubsidized and Parent Plus loan disbursements. Similar to financial aid and academic information, correspondences related to charges and payments are provided through the online student portal. The student portal is presented and trained to each starting student. When students first log in, they will be presented with a statement to accept electronic communication relating to their Pennco Tech enrollment. If the student has authorized Pennco Tech to communicate electronically, each loan receipt is posted on the student's portal, as well as sent to the student's email(s) on file. With or without acceptance of electronic communication, there is an exception for students who are awarded with the Parent Plus Loan. These receipts will always be delivered via postal mail to the resident address on file. If the student has denied electronic communication, all receipts and information will be prepared in paper form and delivered to the student in class or by mail.

Student Tuition Payment Plan (STPP)

Pennco Tech's Student Tuition Payment Plan (STPP) offers students the option to pay tuition fees over monthly installments and avoid the lump sum payment due at the beginning of the program. The STPP can be used as a budgeting tool, or for students to simply start their education with more manageable tuition costs. Pennco Tech does not charge interest or finance fees for the STPP. This plan is used when a student's financial aid eligibility is below their need for the program's total cost of attendance. The Financial Aid Office assists with assessing the student's need and determining an amount for the STPP.

The first payment of the STPP is expected on the first day of class. The student is then responsible for making a payment each following month (with a maximum of 12 months). If you elect for the STPP, a breakdown of payments will be provided during your financial aid appointment. Although the Financial Aid Office determines the amount and specifics of the STPP, all payments are to be made at the Bursar's Office. It is at the Bursar's window that you can make your payments, ask any questions regarding the STPP and receive your books and tools.

The Bursar Office is responsible for handling past due Student Tuition Payment Plans. Students are expected to make their payments on time based on their payment plan due dates. Although Pennco Tech does not charge fees or interest for any late payments, failure to make payments can cause consequences. To help alleviate the stress of missing a monthly payment, we offer

an optional automatic deduction service. If a student chooses to opt in, the Bursar will provide a credit card authorization form. Once completed, the information will be securely submitted into the system for an automatic monthly debit on the date of the student's choice and for the amount requested.

If a student falls behind on their payment plan, they will be contacted by the Bursar Office during school hours to bring their account current. Students with past due accounts will also receive notices in the mail. These notices provide instructions for students, or their parents, to make a payment onto the student's account. If a student misses consecutive payments, and efforts on behalf of Pennco Tech fail to find a solution, the student may be asked to meet with the School Director. Pennco Tech takes pride in our willingness to be flexible with each student's financial situation. However, if a student's account is in arrears by more than two payments and they fail to show an ability or willingness to make their STPP payment, the student will be at risk for termination of their enrollment.

Acceptable payment methods

Pennco Tech accepts the following payment methods for student payments as well as goods and services sold by the school:

- Cash
- Check written to 'Pennco Tech' or 'Pennco Institutes Inc'.
- Credit Card (including American Express)
- Digital wallets (Apple Pay, Google Pay)
 - Please note, venmo is only accepted by Pennco Tech if the purchaser is using the physical venmo card.
- Money Orders

Scholarships

Pennco Tech has several programs through which Institutional Scholarships are offered for prospective students at our school. Our institution is directly affiliated with the Imagine America Foundation (IAF), which services higher education by providing scholarship availability to high school students. Pennco Tech offers this program to any high school student who has graduated within the calendar year, and presents proof of their High School Diploma. Students who are accepted into a program with Pennco Tech will receive an automatic scholarship from the Imagine America Foundation of \$1,000.00. To find general information, or to apply, please visit their website directly at www.imagineamerica.org.

Our institution also has a scholarship program through our relationship with the Youth Mentoring Partnership. Under this program, up to 4 scholarships are offered between our two campuses each academic year. These scholarships may be either full-time or part-time and are subject to change. You can find more information on this scholarship and organization at www.youthmp.org. Applicants for the Pennco Tech/YMP scholarship program must adhere to the following requirements:

- a) The individual must submit a FAFSA (Free Application for Federal Student Aid)
- b) If the student is eligible for Federal Pell Grant Funds or FSEOG, these funds are to be awarded to the account for tuition expenses.

- c) The student must apply all grant money towards tuition costs and Pennco Tech will afford a scholarship for the remaining amount due.
- d) The enrollment fee must be paid by the student.
- e) Books, tools, and the technology fee can be split between the school and the student.

Pennco Tech also offers the Employee Scholarship program. If a Pennco Tech employee has a spouse, or descendant, interested in a program this particular person will receive a scholarship to assist with tuition costs. Applicants for the employee scholarship program must adhere to the following requirements:

- a) The individual must submit a FAFSA (Free Application for Federal Student Aid)
- b) If the student is eligible for Federal Pell Grant Funds or FSEOG, these funds are to be awarded to the account for tuition expenses.
- c) The student must apply all grant money towards tuition costs and Pennco Tech will afford a scholarship for the remaining amount due.
- d) Enrollment fee, books, tools, and the technology fee are to be paid for by the student.

Disclaimer: Terms are subject to change for all scholarship programs at Pennco Tech. Additionally, if a recipient of a scholarship withdraws from the school, the scholarship may be adjusted in the same manner that tuition charges are adjusted. If books and tools are part of the scholarship received, that amount will not be adjusted.

Outside agency grant programs

There are other opportunities where a student may qualify for a scholarship, grant or payment provided by an outside agency. These programs include, but are not limited to, One Stop Career Training Center, Trade Act (TRA), Veterans Programs, High School Scholarship Programs and Division of Vocational Rehabilitation Services (DVR). The student must show proof of any of the above aforementioned program approvals in their Financial Aid appointment to further the process.

Another agency to offer tuition assistance is Amazon.com, Inc. This company presents the allowance to their employees who are looking to further their education at a post-secondary institution. Pennco Tech accepts this partial scholarship offered by Amazon.com, Inc. Please note this is not a full scholarship. The Amazon company awards a max of \$3,000 per academic year. Terms are subject to change by the Amazon Inc corporation.

Credit balances

Throughout the school's history, Pennco Tech's ownership has valued fair and just refund policies along with the responsible use of tuition funds. In this section it is discussed in detail how refunds and credit balances differentiate, along with how Pennco Tech's institutional policies and procedures are associated with refunds, and the handling of credit balances. The policies support two important objectives of Pennco Tech's administration: 1) resolving eligible credit balances on student accounts in compliance with federal and state regulations and 2) ensuring adequate refunds proportionate to a student's academic progress.

The following pages will define the terms 'credit balance' and 'refund', explain how they relate to student accounts and illustrate examples of the concepts.

Credit balance overview

A credit balance is created when the total amount of credits (payments) posted to a student's account exceeds the total amount of charges applied to the account for a specific loan period. In essence, the existence of a credit balance means there is an overpayment. However in many instances, a credit balance exists because of the timing of a credit posted to the account. It's common for financial aid and scholarship funds to be disbursed (or credited) in different loan periods than they were awarded for.

Credit balances can result from the payments of several different sources (personal payments, financial aid disbursements, scholarships, etc.). The handling of each credit balance depends on the sources of funds posted to the account. Pennco Tech distinguishes the different types of credit balances into two categories: **Title IV Financial Aid Credit Balances** (or Title IV Credit Balances) and **Non-Title IV Financial Aid Credit Balances** (or Non-Title IV Credit Balances). Each of the two types is described below.

Title IV financial aid credit balance

A credit balance from excess Federal Student Aid (FSA), also known as a 'Title IV credit balance', results when the total Federal Title IV Financial Aid disbursed to a student's account exceeds the allowable charges for tuition, class materials, and room & board contracted by Pennco Tech for a specific loan period. Allowable charges, under regulatory guidelines, are distinguished costs of education deemed critical for student attendance and success. Books, tools, and room/board are typical examples of 'allowable charges'. However, certain items or services such as clothing/gear from the Pennco bookstore do not qualify as allowable charges. Therefore, charges for Pennco gear are not included when calculating excess Title IV aid. The timing of disbursement for various sources does not affect the calculation of excess Title IV funds. In other words, it does not matter which order the funds were applied; if Title IV payments exceed allowable charges for the loan period, the credit balance is eligible for refund.

Title IV funds consist of Federal Student Aid awarded from programs administered by the U.S. Department of Education. These funds include: Federal Direct Subsidized and Direct Unsubsidized loans, Direct Parent PLUS loans, Pell Grants and Federal Supplemental Educational Opportunity

Grants (FSEOG). Payments made from the student, family member or any other outside sources are not Title IV. This also includes funds provided by any other public or private agency, regardless of whether the fund source is a loan or a grant. This includes Sallie Mae and NJ Class private loans, Pennco Tech scholarships and grants, Pennsylvania PHEAA and other state grants, Vocational Rehabilitation Chapter 31 Benefits, tuition exchange programs, Post 9/11 GI Bill Chapter 33 Benefits, and federal tuition assistance for active military service members.

In accordance with federal regulations, students who are not first year, first time borrowers are eligible for early disbursement(s). This allows students with excess financial aid to purchase the books and/or tools needed for the program if they have not received a refund by the tenth day of a new payment period. Pennco Tech’s policy states all students enrolling into a program have a thirty day first disbursement delay. Therefore, students who have been awarded excess financial aid are permitted to use their pending or disbursed funds to purchase their books and tools from the Pennco Tech bookstore. This method for purchasing books and supplies is optional. For more information on the use of financial aid for purchasing books and tools, please see the ‘Cost of Attendance’ section of the Financial Aid Policies & Procedures Manual.

The Department of Education’s regulation is to eliminate eligible Title IV credit balances from the student’s account within 14 days of the date it was created. Pennco Tech’s policy is to deliver credit balances immediately to the student. Students or parents with questions regarding Title IV credit balances are urged to ask representatives of the Business Office. For purposes of understanding this policy, please see the examples below to help you determine if you are eligible for a Title IV refund:

The **first table (shown below)** displays the student has received financial aid from federal, state and other lending sources. A credit balance of (\$1,006.00) exists on the student’s account because the total financial aid amounts to \$11,366 which is greater than the charges of \$10,360. The credit balance is not a Title IV credit balance, because the \$5,870 in Title IV aid (Direct Subsidized, Direct Unsubsidized, FSEOG and Pell Grant) is less than his total allowable charges of \$10,360 (for tuition, class materials, and room and board). There is no excess of Title IV aid. The timing of disbursements does not affect the calculation of excess Title IV funds. This student is eligible for a financial aid refund, but he does not meet the requirements for a Title IV refund.

Title IV Calculation Example - First Table				
<u>Item Description</u>	<u>Charges</u>	<u>Payments (Credits)</u>	<u>Balance</u>	<u>Academic Year</u>

Enrollment Fee	\$100.00		\$100.00	
Student Cash Payment		\$100.00	\$0.00	
Dormitory Fee	\$300.00		\$300.00	1
Tuition	\$8,950.00		\$9,250.00	1
Books	\$560.00		\$9,810.00	1
Tool Kit	\$550.00		\$10,360.00	1
PHEAA Grant		\$1,964.00	\$8,396.00	1
Pell Grant		\$3,048.00	\$5,348.00	1
25% FSEOG		\$37.50	\$5,310.50	1
75% FSEOG		\$62.50	\$5,248.00	1
Subsidized Loan		\$1,732.00	\$3,516.00	1
Unsubsidized Loan		\$990.00	\$2,526.00	1
Sallie Mae Private Loan		\$3,532.00	(\$1,006.00)	1

The **second table (shown below)** also shows a student receiving funds from both Title IV and non-Title IV sources. The total payment amount of \$7,328 exceeds the total charges of \$6,275, resulting in a credit balance (\$1,053). In this case, the total amount of Title IV payments (Direct Subsidized, Direct Unsubsidized, and Federal Pell Grant) equaling \$6,751 also exceeds the total amount of allowable charges \$6,275. Therefore, a Title IV credit balance equaling (\$476) is created. This student is eligible for a Title IV refund. The credit of (\$476)

will be delivered to the student and the remaining credit of (\$577) will remain on the account for future allowable charges.

Title IV Calculation Example - Second Table				
<u>Item Description</u>	<u>Charges</u>	<u>Payments (Credits)</u>	<u>Balance</u>	<u>Academic Year</u>
Enrollment Fee	\$100.00		\$100.00	
Student Cash Payment		\$100.00	\$0.00	
Tuition	\$5,475.00		\$5,475.00	1
Books	\$800.00		\$6,275.00	1
Pell Grant		\$2,050.00	\$4,225.00	1
Subsidized Loan		\$1,732.00	\$2,493.00	1
Unsubsidized Loan		\$2,969.00	(\$476.00)	1
SallieMae Private Loan		\$577.00	(\$1,053.00)	1

Payment (elimination) of credit balances

To eliminate the Title IV credit balance, a check will be issued to the student. The student is the only individual authorized to take ownership of the check. In the instance a student account has been awarded a Parent Plus loan, the law requires that any excess Parent Plus disbursement that has generated an eligible credit balance, the funds are to be returned to the parent. However, the parent may authorize Pennco Tech, in writing or through StudentLoans.gov, to transfer the proceeds of a Parent Plus credit

balance directly to the student. In this case, Pennco Tech will issue a check to the student. The student and/or parent have a total of 240 days to cash their check. If 240 days have lapsed and Pennco Tech has lost contact with a student who is due a Title IV credit balance and the institution has exhausted all methods (within reason) to locate the student, the school will return the credit balance to the appropriate FSA program/lender.

Non-Title IV financial aid credit balance

Credit balances can exist when the sum of all credits exceed the allowable charges for a specific loan period. Credit balances resulting from the direct overpayment on behalf of the student and/or parent are part of this category. Payments from students/parents in excess of what is owed during the current payment period will be treated as prepaid tuition and will not be returned to the student unless the payment plan is paid in full or he/she leaves the school prior to completion.

If a credit balance on a student's account is related to other non-Title IV Financial Aid funds (for example, external awards, such as scholarships, grants, or private loans) the credit balance on the account may be reduced to the student depending on the specifics of the situation and the conditions of the award.

In the event of a withdrawal, any remaining credit balance will be returned through the refund process. Please continue reading this document for information regarding the early departure of a student and associated refunds.

Institutional Refund Policy

It is important for Pennco Tech that we honor a refund policy in situations where students must depart from their program. A refund is the repayment, or return of funds received, in consideration for the student's tuition and related educational expenses. Refunds can be made directly to the student, back to the original sources of financial aid, or both depending on government regulations. In addition to Title IV sources (ex: Pell Grant, Subsidized, Unsubsidized and Plus loans) other fund sources are available, including VA benefits, TRA, One Stop and/or DVR grant(s). If a refund is due to one of these resources, the student should speak directly to their financial aid administrator to see how the refund process is affected. Similar to credit balances, certain aspects of Pennco Tech's refund policy are governed by regulatory requirements. Differences in regulations between the States of Pennsylvania and New Jersey have an impact on our refund policy.

Refunds for cancellation

Pennco Tech has a refund cancellation policy for both Blackwood and Bristol campuses. Students are eligible **for a full refund on advance payments when one of the following occurs:**

- 1) An application is not accepted by Pennco Tech
- 2) The start of the program is rescheduled or cancelled
- 3) The applicant notifies Pennco Tech in writing within **five** calendar days after signing the enrollment, even if classroom instruction has begun
*-Note: A request for cancellation that is not made in writing needs to be confirmed in writing by the applicant within an additional period of **five** calendar days*
- 4) If cancellation is requested more than **five** days after an applicant signs the enrollment agreement, the registration fee is nonrefundable

Refunds for termination & withdraw

If after commencement of classes either:

- 1) the applicant should terminate his/her enrollment for any reason - **or** -
- 2) the applicant is terminated for failure to meet academic, attendance, financial or disciplinary standards, remaining prepaid tuition will be refunded within 30 days after the date of determination of withdrawal.

If the student withdraws prior to seventy percent completion of their payment period (anything equal to or less than 69.9%), the tuition is charged pro rata to the scheduled hours in the current payment period relative to total hours in the payment period. This calculation determines the amount of unearned tuition. In the event a student withdraws at seventy percent (or more) completion, all tuition charges are deemed fully earned within that current payment period.

***Please note: The Blackwood campus occasionally requires an additional 15 days to process a refund.**

Return of Title IV funds (R2T4)

A majority of the refunds processed at Pennco Tech include sources from the Title IV programs. Before refunds are administered, the level of Title IV funds awarded may need to be recalculated by the school's Financial Aid Office. This practice is governed by Federal Student Aid and the U.S. Department of Education, and is referred to as the 'Return of Title IV Funds'. You may also see this term referred to as "R2T4" for its acronym. A full description is located in the Financial Aid Policies and Procedures Manual.

Collections of educational debt

Enrollment into a program at Pennco Tech acquires a financial obligation to the student. If upon graduation or departure from Pennco Tech, there is still an amount due remaining on the student's account, the institution will take certain steps. A remaining balance at the point of departure can result from non-payment on a student tuition payment plan or from financial aid overpayments delivered to student or third party receivables. Within this manual it is discussed in the Student Tuition Payment Plan section that many students require a payment plan with monthly installments to cover tuition expenses. In pursuance of the collection of debt, this process describes how Pennco Tech enforces three separate collection categories. This section reviews the procedure(s) as they are applicable to the student. Remember, transcripts or certificates will not be released to, or on behalf of, a student for any reason **until their account is paid in full.**

Internal collections

The collections procedure begins internally, where Pennco Tech representatives of the Business Office are making efforts to contact the student directly to satisfy the remaining dues. The school will exhaust efforts and give a reasonable amount of time before turning over the student's account to an outside collections agency.

Approaching graduation collections

Students impending completion of the program curriculum and hours will receive a letter approximately thirty days prior to their potential last date of attendance. One will be given to the instructor and delivered in class, as well as mailed to the resident address on file. The contents are to inform the student they are approaching graduation and have an outstanding final balance due. This correspondence acts as their Final **active notification** for the collections process.

Payment will be due before their graduation ceremony to satisfy the balance. If the student has failed to do so, an invitation to attend graduation **will not be released.** Once the account has been balanced to zero, Pennco will release the certification and/or transcripts upon request.

Internal collections - inactive student

Immediately after the student has culminated their attendance with Pennco Tech, whether they have graduated from the program or have withdrawn, their account becomes inactive. If there is a balance owed to Pennco Tech at that time, the student is to assume responsibility of payment.

If there has been no communication from graduated students within approximately thirty days of their last date of attendance, a **first notice** is sent advising them of this financial obligation. The letter will grant an additional thirty days from the date of the letter to make a payment. For withdrawn students, the Business Office needs to confirm

the account balance prior to sending the First Notice. This could take roughly two to three weeks, as the Return of Title IV funds process must first be completed. Once the balance has been confirmed, the Bursar will mail the first notice to the address on file, and the student will have thirty days from the date of the letter.

If the Bursar Office does not receive a response within thirty days from the date of the first notice, the account is determined to be negligent. At this time, a **second notice** will be mailed to the student's residence. The second letter will explain prior correspondence, and another thirty days is granted.

In the event the Bursar has not received a response or payment after the second notice, a **final notice** is generated. Again, referencing prior correspondence, the final notice is composed with progressively stronger communication. This letter indicates a payment must be received within 15 calendar days from the date of the letter to avoid being reported to an outside collections agency.

Please note: each account is updated if there is correspondence with the student, and payment received upon receipt of notification(s).

External collections

After the Bursar Office's efforts to collect delinquent account balances, and internal methods have been unsuccessful, Pennco will take the necessary measures to collect the debt. Once the time frame outlined in the Internal Collections process has been exhausted, a third party agency will be employed. The student must contact the Collection Agency directly, and set up their payment arrangement with the company. If the account balance remains outstanding after six (6) months with the collection agency, it will be forwarded to a second agency for review. After at least one year from the time the account entered collections, the institution will retain the debt on its books. Therefore, if a student accidentally calls the institution to make their payment after the balance has been transferred, we are able to place the payment on the account and inform the agency of the transaction. All communication on the account status is updated in our third party database to continue tracking any collection activities as they take place. Please be mindful that any outstanding balance being held with a collection agency can be reported to the credit reporting agencies and can impact your credit score.

Bristol 1st Collection Agency:

Conserve, Accounts Receivable Management

200 CrossKeys Office Park

Fairport, NY, 14450

Phone: (800) 724-7500 / Website: www.conserve-arm.com

Blackwood 1st Collection Agency:

Reliant Capital Solutions, LLC

670 Cross Pointe Rd.

Gahanna, OH, 43230

Phone: (866) 837-5096 / Website: www.reliantcapitalsolutions.com

Bristol & Blackwood 2nd Collection Agency:

Monarch Recovery Management, Inc.

3260 Tillman Drive, Suite 75

Bensalem, PA, 19020

Phone: (800) 220-0605 / www.monarchrm.com

1098-T - Student tuition statement

The form 1098-T, also known as a Student Tuition Statement, serves as an alert to the student that their tuition and related expenses may make them eligible for federal income tax credits. The form can then be used when filing the individual tax return so that the tax credit generated can be claimed. This tax credit form is instrumental for any student who has paid what is known as qualified educational expenses. These expenses include tuition charges, enrollment fees, course materials or any miscellaneous purchases that are directly related with the student's educational needs.

The 1098-T form is generated and filed by the Business Office for students with payments during the prior year. The 1098-T is now delivered to the student electronically via the online student portal. This form will be available in the first few months of the following year, and before the due date for tax returns. Your accountant or tax preparer can best advise you in the utilization of this form when preparing your taxes.

If you have issues obtaining your 1098-T statement or don't remember how to log onto your student portal, please contact the Business Office at the campus you attend/attended.

This handbook has been created to properly disseminate information, and adhere to all rules and regulations warranting compliance. All policies and procedures of the Business Office are executed within the policies of our institution as a whole. This document is available to all Business Office employees, to students when requested in person and available for review at anyone's discretion on the Pennco Tech website, www.penncotech.edu/consumer-information.