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**PENNCO  
TECH**

# FINANCIAL AID 2024-2025 POLICIES AND PROCEDURES



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## **PENNCO TECH FINANCIAL AID OFFICES**

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# FINANCIAL AID POLICIES AND PROCEDURES MANUAL

2024-2025

## Pennco Tech Financial Aid Office

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## **1.0 Manual Introduction**

Today's Financial Aid programs for postsecondary students were established with passage of the Higher Education Act of 1965, as amended (HEA). The Department of Education offers a broad range of programs under the umbrella of the Higher Education Act. Federal, state and institutional financial aid programs have provided access to higher education for millions of students over the past four decades and, as such, have had a deep and lasting impact on the nation.

Federal regulations mandate that institutions have written policies and procedures. Beyond the federal requirement, There are many benefits to having a written document outlining Financial Aid Office's policies and procedures: for distribution to appropriate persons outside the Financial Aid Office (FAO), for the purpose of informing and fostering an understanding of the complexity and operation of the FAO, and for FAO staff as a referral guide to assist in maintaining consistency in the problem-solving process; and as an important component of a comprehensive training program.

This manual is provided by the Office of Financial Aid for Financial Aid Administrators, institutional staff and at the request of any student it is available to them as well. The manual is constructed for office staff to better understand the Financial Aid programs and how Pennco Tech will deliver them. This manual does not and cannot present every circumstance that might occur. This manual is abridged from the statutory regulations governing federal, state and institutional Financial Aid programs. Any updates needed to this policy will be done in the electronic version of the manual located on the Financial Aid Office's drive on Pennco Tech's server. It is also available upon request and located on Pennco Tech's website under consumer information.

## **2.0 MISSION STATEMENT**

### **Vision:**

Pennco Tech's Financial Aid Office strives to be the leader in the Financial Aid industry as it relates to Proprietary Education. We support student success by providing efficient and innovative financial aid delivery processes using the latest technology and adapting quickly to all institutional and regulatory changes. We pose a unique purpose by providing the highest quality of customer service to our students, their families and the greater community.

### **Mission:**

The mission of the Financial Aid Office is to increase opportunities for success in higher education by helping students and their families seek, obtain, and make the best use of all financial aid resources. The Financial Aid Department strives to provide the highest quality service to students and families among each campus by taking an innovative approach to ensure the processing, and communication, with students is impeccable. Our primary objective is to assist students and families in preparation for meeting the educational costs associated with attending Pennco Tech. In doing so, the Financial Aid Office provides one-on-one confidential counseling to students and families. This is to ensure their understanding of the financial aid awarding process, how those awards relate to the student's program and to resolve any potential concerns or issues associated with financing an education.

The Financial Aid Office's purpose is to provide a customer friendly atmosphere as we make the effort to attain the goal of providing a stress-free financial aid experience for all. We focus on establishing aid eligibility, awarding scholarships, grants, loans, veteran's education benefits and third-party contracts. We seek to create a culture of care and understanding for the student, and their families, to ensure proper guidance at the beginning of the financial aid process, during and thereafter. The Financial Aid staff will deliver resources that allow all students the opportunity to take the first step in beginning their career by offering an ongoing commitment to our values. Furthermore, we contribute to retention efforts by providing continuous assistance to our current students. Thus, helping the student to achieve their educational and academic activities at ease. We provide innovation, transparency, dignity, and most importantly diversity to the students, their families and the greater community.

## **2.1 Commitment and Core Values:**

As a part of the Financial Aid Department's on-going commitment with the student body, greater community and the Financial Aid Community, we have adopted a set of commitments, and values, regarding the administration of aid. By fulfilling these commitments, we respectfully educate our students regarding their rights and responsibilities to financial aid. We instill positivity, appreciation for our customers and most of all take pride in guiding our students appropriately to provide the utmost personable, yet efficient, financial aid process.

- 1) We will utilize our expert knowledge to update our technologies and streamline processes. We will effectively manage financial aid resources as to benefit the student and to also remain compliant with Federal and State mandates. We will work with each department within the Pennco Tech community to assist students from the enrollment process through graduation.
- 2) We understand that the student is our customer and we want to ensure that our customers know, and feel, that they are the most important people in our business. We will provide our students the most courteous attention we can give them, as they are the lifeblood to the Pennco Tech community.
- 3) Stimulate and promote valuable work experiences beneficial to the student, institution and the community. The Financial Aid Department is committed to ensuring all staff is trained, up to date, and always remains professional when interacting with students, parents, other staff members and each other. We will focus on student files as to prevent errors in processing and maintain office decorum. The Financial Aid Office is a dedicated team of professionals obligated to the service of our students and the company.
- 4) We will achieve excellence in all our services by building strong, positive relationships with individuals and organizations inside and outside of Pennco Tech. We believe that it is our team-oriented staff, honoring the values and morale, which will assure the achievement of our vision.

## **2.2 Statement of Purpose**

The purpose of this document is to record policies and procedures surrounding the delivery of financial aid at Pennco Tech. If no policy or procedure addresses a given issue, the FAO staff is expected to use professional judgment based upon the intent of all Financial Aid programs and office practices using all available resources, such as the Federal Student Aid Handbook and the Code of Federal Regulations (CFR) to implement policy as appropriate.

This Manual:

- Provides Financial Aid staff with current policies and procedures that pertains to eligibility assessment for federal aid programs.
- Provides each staff member with general and specific responsibilities of the total staff, their individual responsibilities, and the Office's relationship to other departments/divisions of the institute.
- Provides each staff member with general office procedures so that a systematic and consistent approach may be taken in the operation of all programs; ensuring that similar operations will be handled in a uniform manner.
- Provides a quick reference to various practices and facilitates the orientation and training of personnel when changes occur.

## **2.3 Philosophy of the Financial Aid Office**

The FAO will help students to seek, to obtain, and to make the best use of all available resources to help them finance the costs of attending Pennco Tech. The FAO will provide students with an awareness of finances during school and after graduation. We will provide quality customer service to students, parents, financial institutions

and departments. The FAO will offer one-on-one counseling, orientation presentations, workshops and seminars to foster debt management and enhance financial knowledge. The Financial Aid office will work with our Student Loan Counseling Department team to ensure all students are educated on their student loan debt burden and repayment options.

The FAO will follow internal, state, and federal guidelines to ensure equity, consistency, and regulatory compliance in the delivery of funds to students. We will maintain accurate records on all financial aid recipients processed in our office.

### **3.0 Administrative Organization and Office Management**

The Financial Aid office employs fifteen (15) fulltime employees between it's Bristol and Blackwood Campuses, one (1) Executive Director of Financial Aid, one (1) Title IV Disbursement & Reconciliation Officer, two (2) Financial Aid Associate Director's and eight (8) Financial Aid Administrators. One (1) SLCD manager, and two (2) student loan counselors.

Executive Director of Financial Services  
Kacy Linden  
Bristol, PA & Blackwood, NJ

Title IV Disbursement & Reconciliation Officer  
Cathy Gonzalez  
Bristol, PA

#### **BRISTOL, PA CAMPUS**

**Associate Director of Financial Services**  
Patricia Himes

**Financial Aid Officer**  
De'Shira Jones  
Vanessa Melendez  
Brianna Moyer

#### **BLACKWOOD, NJ CAMPUS**

**Associate Director of Financial Services**  
Carrie Moore

**Financial Aid Officers**  
Cecilia Sloan  
Leilani Knight  
Carrie Seher  
Tiaija Hampton

**Financial Aid Coordinator**  
Hilary Phillips

**Student Loans Counseling Department**  
Jasmine Price  
Student Loan Counseling Manager

**Student Loan Counselors**  
Victor Hom: Bristol, PA  
Bristine Kenyon: Blackwood, NJ

The Financial Aid office is responsible for administering and disbursing Pell Grant Funds, FSEOG, Perkins Loans, Direct Loans, Plus Loans and Alternative Loans, Veteran's Education Benefits, scholarships and third-party funding sources.

High School Merit Scholarships are also administered through the Financial Aid office. Any Federal grant aid that the student is eligible for will be applied first. Once the grant is applied, Pennco Tech's scholarship will assist in filling any remaining unmet financial need regarding tuition, books and tools.



If the scholarship recipient is not eligible to be awarded any grants as determined by the FAFSA, the Pennco Tech scholarship will only cover the cost of tuition for the program. Students without grant funding will be responsible for paying for their books and/or tools. The scholarship is contingent on maintaining Satisfactory Academic Progress. Should a student withdraw for any reason the scholarship will be revoked.

The Financial Aid office is also responsible for determining Student Payment Plans. Students that have remaining balances due to lack of funding for the academic year will be responsible for the remaining balance. Payment plans are due monthly based on the length of the Academic Year that is being packaged. While the Financial Aid office is responsible for determining the amount of the Student Payment Plan; all payments, cash handling, and collections are strictly processed at Pennco Tech's Bursar office.

The Bursar Office is responsible for the following: disbursement of title IV funding, maintaining accurate tuition charges, books and tools charges, adjustments to accounts, student tuition refunds, collecting payments for student accounts, posting funds to students accounts, processing stipend checks (credit balance), referring any student receivables to the appropriate collections department, managing credit balances and reporting any outside scholarships received to the FAO.

### **3.1 General Financial Aid Office Hours and Locations**

Pennco Tech  
3815 Otter Street  
Bristol, P.A. 19007  
Phone: (800) 575-9399 or (215) 785-0111  
FAX: (215) 785-1945

Pennco Tech  
99 Erial Road  
Blackwood, N.J. 08012  
Phone: (888)863-8800 or (856) 232-0310  
FAX: (856) 232-2032

#### **Office Hours: Blackwood/Bristol**

The FAO is open and available to service students from 7:30 a.m. to 8:30 p.m., Monday, Wednesday and Thursday. 7:30 a.m. to 4:00 p.m. on Tuesday and 7:30 a.m. to 3:00 p.m. Friday.

### **4.0 \*COVID National Emergency Declared Over\***

### **5.0 Confidentiality and Privacy of Financial Aid Information**

#### **FERPA (FAMILY EDUCATIONAL RIGHTS AND PRIVACY ACT OF 1974)**

Under FERPA (also called the Buckley Amendment) educational privacy and access rights accrue to the student when he/she turns 18 or enrolls in a post-secondary institution. Pennco Tech is a post-secondary institution. FERPA controls the institutions ability to disclose student information.

(24 CFR 99.31) Under institutional policy, applicants are extended the same privacy rights to their financial aid information as enrolled students. Applicants, students, and parents are governed by the following institutional financial aid privacy policies. The financial aid staff is permitted to and will discuss and otherwise disclose a student's financial aid information to the following parties:

1. The student
2. The student's parent(s) if the student is claimed as a dependent for IRS tax purposes
3. Other institution officials having a legitimate educational reason to know the student's financial aid information (i.e. Bursar Office staff managing the student's account)
4. External agencies and organizations such as guarantors, lenders, and auditors that have a legitimate reason to know the student's financial aid information (i.e. staff such as agencies authorized to process loans and grants for the student)
5. External federal agencies granted such right under FERPA.

Under FERPA, institutions are required to disclose a student's information (sometimes without notification to the student) in response to commands from the courts (typically subpoenas) and demands from specific federal agencies. The Office of Financial Aid must and will comply with all lawfully issued demand for information from the entities identified in the FERPA regulations and will (or will not) notify the student as required.

Student and Parent signatures on the FAFSA and other financial aid documents (i.e. loan applications) authorize the release of their information to certain federal and state agencies. Depending upon the scope of the information requested by the student or other authorized parties, the Office of Financial Aid may require time to present the records requested. When the information requested cannot be produced immediately, the Office of Financial Aid may require such time as is permitted under FERPA regulations to retrieve and present the requested records. Under FERPA institutions have forty five (45) days from the date the school received the request for information. Pennco Tech will extend every measure possible to issue information before the maximum number of days however, situations may arise when the ability to provide those measures are not possible.

The Financial Aid staff is not permitted to discuss or otherwise disclose a student's financial aid information to others, including but not limited to:

1. The parent(s) or stepparent(s) of eligible students who have reached the age of 18 and are not claimed as a dependent for tax purposes
2. High school guidance counselors and teachers;
3. The student's spouse (even when the spouse has disclosed his/her information on the FAFSA)
4. Interested relatives, neighbors and friends

The Financial Aid staff is not permitted to discuss or otherwise disclose academic information (which includes but not limited to scholarship eligibility, financial aid eligibility, grades, grade-point average, academic standing or probationary status) to anyone (except the federal and state agencies responsible for processing the student's financial aid or having authority under FERPA to access such information) other than the student (whether or not the student is dependent, whether or not the parent pays the invoice) without the student's written authorization (authorized by the release form).

## **5.1 Confidentiality of Records**

All records and conversations between aid applicants and/or his/her family and the FAO staff are confidential and entitled to the protection ordinarily given a counseling relationship. Pennco Tech assures the confidentiality of student educational records in accordance with Pennco Tech rules, state and federal laws including the Family Educational Rights and Privacy Act of 1974 (FERPA).

The primary intent of FERPA is to provide students access to their educational records and to limit dissemination of Personally Identifiable Information (PII) without the student's written consent.

As a rule, all currently enrolled and former students have the right to review their records to determine their content and accuracy. Parents of dependent students, as defined by the Internal Revenue Code, who give evidence of this status, have the same rights. A student who wishes to obtain access to his/her financial aid record is able to do so in the presence of a FAO employee.

Staff members are allowed to discuss information contained in files only with those Pennco Tech officials who have been deemed to have a need-to-know. All files are maintained in designated file cabinets within specific locations of Pennco Tech's office areas. All requests for information from external agencies must be accompanied by a signed Release of Confidentiality.

## **5.2 Disclosure Authorization**

When extraordinary circumstances exist that prevent the student from accessing and understanding financial aid information, the financial aid staff will discuss normally confidential information with the individual(s) the

student designates on the Release of Information Authorization form. Students may request a Release of Information Authorization from the Office of Financial Aid. Students must complete and sign the Release of Information Authorization form in the Office of Financial Aid in the presence of a financial aid staff member. Students can rescind the Release of Information Authorization form at any time. Due to the highly sensitive nature of financial aid and academic information, facsimiles, photocopies or mailed Release of Information Authorization forms will not be accepted.

### **Types of information released by telephone:**

Only financial aid information is released to students/parents, student-authorized individuals and authorized Pennco Tech personnel. Before releasing information over the telephone, students must provide identifiers that prove their identity, such as last 4 of their social security number, mother's maiden name, date of birth or any other information the administrator deems acceptable to prove authentication of identity.

### **Directory and Non-Directory Information**

**Directory information** is information contained in a student's education record that would not generally be considered harmful or an invasion of privacy if disclosed. FERPA requires each institution to define its directory items.

**Non-Directory Information** is information that would be considered an invasion of privacy or information that would be traceable to the student without authorization. Some examples of non-directory information include: birth date, religious affiliation, citizenship, disciplinary status, ethnicity, gender, grade point average (GPA), marital status, student I.D., grades/exam scores, test scores (e.g., SAT, GRE, etc.) and progress reports.

Pennco Tech does not release information regarding our students to any person or agency not indicated on a properly completed release form with the exception of those instances noted below.

- Another Pennco Tech employee, Representatives of Federal and State agencies and Accrediting organizations.
- Agencies that have obtained their own release indicating the student's signature authorizing Pennco Tech to release specific information.

A student must update or complete a written release form for any additional information to be released to any other person or agency. The student's release form must contain:

- Date of request
- Student's Date of Birth
- Student's ID#
- Student's signature
- Information acceptable to be released

### **Active Records**

The FAO maintains a master record for each student receiving financial assistance. All archived financial aid files are retained in a fireproof room. Student files that are still processing are held within a separate location until the student has graduated. Once graduated, the student's file is placed in the archived file room.

### **Inactive Records**

Inactive files are located in the fireproof archive room.

## **5.3 Social Security Number Policy**

In compliance with the Privacy Act of 1974 (P.L. 93-579): disclosure of applicant's Social Security Number (SSN) is required on applications for financial aid. The applicant's Social Security number will be used to identify the student's account, verify the student's identity during the period of attendance, and to ascertain that there is no improper simultaneous funding under other federal financial aid programs.

As above, applicants are required by federal law to provide their Social Security Numbers (SSN) on the FAFSA. The SSN will be used for Pennco Tech's system of student records, for compliance with federal and state reporting requirements, as well as for debt collection. Pennco Tech will not disclose the SSN to anyone outside the institution except as required by law, and will make every effort to protect the applicant's privacy.

## **5.4 FRAUD, FORGERY AND OTHER CRIMINAL MISCONDUCT**

*Students, parents, spouses, Pennco Tech staff and all others are responsible for accurately portraying information submitted on the FAFSA, and in all supporting documents to the financial aid application process. Such documents include, but are not limited to the FAFSA, verification forms, signature pages, appeal applications, correspondence, etc.*

Falsification of financial aid documents is an extremely serious offense. Students and others who fraudulently complete financial aid documents will be subject to disciplinary action, which may include loss of eligibility for all financial assistance, termination from all Pennco Tech programs, and referral to the U. S. Department of Education for criminal prosecution as well as the Office of Inspector General (OIG). Students identified will also be referred to the School Director for disciplinary action, which may include expulsion from Pennco Tech.

All monies paid to a student that are determined to have been the result of fraud will be immediately due to Pennco Tech. If not repaid, this debt will be referred to a collection agency for collection and legal action, and may also be referred to the U. S. Department of Education.

Debts that are referred to a collection agency are subject to fees for the costs associated with collecting the debt, including attorney fees and court costs. Students, or their paying agents, will be responsible for all collection costs and attorney fees.

When Pennco Tech has credible information that suggests that an individual has engaged in fraud or other criminal misconduct, the case will be reported to the Regional Office of the Inspector General (OIG) and, if applicable, the state or local law enforcement agencies as specified by the U.S. Department of Education under section 668.14(g) of the General Provisions Regulations. The OIG responsible for handling our Bristol and Blackwood campus investigations are noted below. Pennco Tech will refer cases of fraud to the OIG as appropriate to the offices noted below.

## **6.0 Office Inspector General**

### **OIG Bristol**

- OIG Hotline: (800) MIS-USED
- Email: [oig.hotline@ed.gov](mailto:oig.hotline@ed.gov)
- Philadelphia Regional Office: 215-656-6900
- Web Address: <http://www.ed.gov/about/offices/list/oig/hotline.html>

### **OIG Blackwood**

- OIG Hotline: (800) MIS-USED
- Email: [oig.hotline@ed.gov](mailto:oig.hotline@ed.gov)

- Washington D.C. Regional Office: (202) 245-6918
- Web Address: <http://www.ed.gov/about/offices/list/oig/hotline.html>

Any fraud that Pennco Tech refers to the Department of Education may result in criminal prosecution. Criminal prosecution may result in a fine of up to \$20,000, imprisonment for up to five years, or both.

## **7.0 Financial Aid Forms**

The Following is a list of Financial Aid Office forms. The processing time for most financial aid forms is two weeks. The Office of Financial Aid requires approximately two weeks from the date the document is submitted, provided the student's file is complete and ready for processing.

- ❖ Free Application for Federal Student Aid (<https://studentaid.gov/h/apply-for-aid/fafsa>)
- ❖ Release of Information Authorization Form
- ❖ Entrance Counseling (<https://studentaid.gov/entrance-counseling/>)
- ❖ Exit Counseling (<https://studentaid.gov/exit-counseling/>)
- ❖ Direct Loan Master Promissory Note (<https://studentaid.gov/mpn/>)
- ❖ PLUS Loan MPN (<https://studentaid.gov/mpn/parentplus/landing>)
- ❖ Verification Worksheets (V1, V4, V5)
- ❖ Request for an SAI Data Adjustment (PJ)
- ❖ C-Flag Resolution Form
- ❖ Dependency Override Application (PJ)
- ❖ Parent Refusal Form for a Dependent Student (PJ/Unsubsidized Loan Only)
- ❖ Unaccompanied Homeless Youth Verification Form (PJ)
- ❖ Unusual Enrollment History Form
- ❖ Verification of Student Eligibility Checklist Form
- ❖ Authorization and Certification Statement Form
- ❖ Packaging Your Program
- ❖ Explanation of Support
- ❖ Financial Aid Loan Waiver
- ❖ Verification Notification Form
- ❖ Parent Plus Loan Borrower Form
- ❖ Parent Plus Loan Override Form
- ❖ Documentation Follow Up Letter
- ❖ Veterans Rights and Responsibilities Checklist
- ❖ Financial Aid Overview Acknowledgement
- ❖ Financial Aid Information Booklet

### **7.1 Financial Aid Reference Documents**

There are many resource guides that assist the FAO staff. These citations are located on FSA Partner Connect located at <https://fsapartners.ed.gov/home/>.

The documents, which are used to determine students' eligibility for financial aid include current regulations published in the Federal Register, Department of Education guides (such as the Federal Student Financial Aid Handbook, Application and Verification Guide, formula books, and Audit Guide), Dear Colleague letters, Financial Aid legislation, CFR title 34 and other laws or regulations that impact Federal Student Aid.

### **7.2 Policy Development**

The Executive Director of Financial Aid collaborates with other Financial Aid staff to establish institutional policy surrounding the delivery of financial assistance. Policy development adheres to Federal and State laws and regulations as well as to the mission of Pennco Tech.

### **7.3 Responsible Personnel**

The FAO is responsible for ensuring others are aware of any changes to existing policies and procedures or the development of new policies and procedures. This is usually conducted during the director's meeting on Fridays at both the Bristol and Blackwood campuses and/or the Executive Directors meeting that occur quarterly with Pennco Tech's Vice President and Chief Operating Officer. If the information must be disseminated immediately an email update may suffice or an emergency staff meeting will be conducted.

### **7.4 Operating Policies**

The following operating policies are designed to assure that the FAO is effective in carrying out its responsibilities:

All students wishing to apply for Title IV funding must complete the Free Application for Federal Student Aid (FAFSA) using Pennco Tech's School code.

All funds available at Pennco Tech for financial assistance shall be administered through the FAO. The selection of students to receive certain designated scholarships and awards shall be submitted by the responsible department to the FAO for processing. When funds or awards for students are received from outside sources by other offices or third parties, that office will be required to notify the FAO regarding those funds.

The FAO shall maintain adequate records to ensure proper administration of aid funds. This includes ensuring that aid awarded is not in excess of financial need and/or the cost of attendance and that aggregate awards do not exceed total expenditures of funds under each program.

Selection of students to receive financial aid will be made without regard to age, sex, race, color, religion, sexual orientation, national origin, disability or marital status.

All students applying for Federal Student aid are required to apply annually for federal assistance. The FAFSA is available October 1<sup>st</sup> of each year. Students are welcome to visit the office at any time to file their FAFSA. Computers are available in the Financial Aid office's waiting area.

## **8.0 Federal School Codes**

Blackwood: 014877

Bristol: 005939

## **9.0 Correspondence**

The Financial Aid Administrators route general administrative correspondence to the appropriate staff member. If an appropriate recipient is not identifiable, the correspondence should be given to the Executive Director for evaluation and delegation. Where appropriate, correspondence should be responded to within one week. If a staff member is responding to a specific complaint, it is typical procedure for the staff member to have the Executive Director or Assistant Director review the correspondence. This allows the Executive Director/Assistant Director to be aware of potential problems.

**Emails should be responded to immediately or within 24 hours.**

### **9.1 Telephone**

Telephone calls are answered in a friendly and professional manner (i.e. Financial Aid Office, this is "Susie". How may I help you?). Typically, the Financial Aid Administrators receive incoming calls from the Front Desk Clerk. If an Administrator is unavailable, the call is routed to the Senior Financial Aid Manager, Assistant Director or Executive Director. Every attempt is made to return calls the same business day and no later than the next business day.

## **9.2 Distribution of Forms**

General financial aid forms are distributed in the Financial Aid Office. All forms are located on the Financial Aid Drive. Financial Aid brochures and various other forms may be emailed and/or distributed in the Financial Aid Office.

## **9.3 Staff Meetings**

Financial Aid Staff Trainings/Meetings are held monthly on both campuses. The Executive Director has an open door policy and welcomes staff to enter and converse about policy, procedures and student files. Additional meetings may be called at the discretion of the Financial Aid Executive Director, Associate Director or Financial Aid Operations Manager.

## **10.0 Student Financial Aid Appointments**

### **10.1 Financial Aid Overview**

Each student receives a Financial Aid Overview conducted by an FAO when they conclude their tour of the campus. The Overview informs interested students on what Financial Aid is, and highlights important information regarding the following topics:

- How to File a FAFSA
- Types of Title IV Aid
- Pennco Tech's Financial Aid Process of delivering Aid and file completion
- Special Circumstances (Professional Judgements)
- Unusual Circumstances (Dependency Overrides and Unaccompanied Homeless Youths)
- Satisfactory Academic Progress
- Cost of Attendance (Direct vs. Indirect Costs)

At the conclusion of the Financial Aid Overview, the student receives a copy of the Financial Aid Information Booklet, which outlines all parts of the Financial Aid Process.

### **10.2 Financial Aid Appointments**

Financial Aid Appointments are required to ensure the student is aware and accepting of their Financial Aid Awarding. Appointments are conducted in two stages. The first stage is the optional *Initial Appointment*. The initial appointment is offered to students who wish to complete their FAFSA in house. There are desktops within the Financial Aid Office lobby where students and parents may complete the FAFSA.

The second stage is a *Follow Up* appointment. During this time Administrators should have received a processed ISIR for the student. Students are awarded and given their rights and responsibilities, award letter (budget), Student Payment Plan if there is one (information regarding the payment plan are disclosed at signing), and all other applicable forms during this appointment. Students will also complete the required Entrance Counseling and Master Promissory Note on [www.studentaid.gov](http://www.studentaid.gov) if he or she elected to receive a Federal Direct loan.

Parents will also have the opportunity to complete a Common Origination Disbursement credit check for a Parent Plus loan and sign an MPN if approved. Parents will inform the Financial Aid Administrator of the amount they wish to borrow and also sign an award letter confirming that amount. Parents must also complete the Parent Plus Loan Borrower form indicating the amount they wish to borrow and consent for Pennco Tech's Financial Aid Office to perform a credit check to determine an accepted or declined status. If the Parent Plus credit is denied an otherwise dependent student will be eligible to borrow up to the maximum loan eligibility for the academic year under the Independent loan amount. (Please see Direct Loan section for values)

If a student has a **SAR C-code** (flag) that requires resolution, Financial Aid Administrators will explain the c-code (flag) and the appropriate documentation required to properly resolve the flag. Students will be advised that their financial aid funds cannot be approved until all c-code flags are resolved properly.

### **11.0 Accommodations for Disabilities**

Pennco Tech complies with the Americans with Disabilities Act. To this end, Pennco Tech prohibits discrimination in the employment processes based on an applicant's or employee's disability. Pennco Tech shall provide reasonable accommodations to disabled applicants or employees unless to do so would cause an undue hardship.

### **12.0 Calendar of Financial Aid Activities**

Each year, academic calendars are published. The calendars provide specific dates for all Pennco Tech activities, schedules for program coursework and any dates that are reserved as holidays. Please refer to the Pennco Tech catalog for a list of those activities.

### **13.0 Student Consumer Information**

The staff in the FAO recognizes that in order to understand the complications of Financial Aid, accurate and timely dissemination of information to consumers is vital. The full list disclosing Consumer Information is located in the Pennco Tech Catalog and is available to prospective and current students. It also is available as a link on Pennco Tech's Student Portal and website.

Several policies have been implemented to ensure appropriate dissemination is achieved. Pennco Tech's Catalog is updated annually and specific to any regulatory changes. For a comprehensive review of our Consumer Information, please review our catalog located under the Consumer Information section of our website at [www.penncotech.edu](http://www.penncotech.edu) or request a copy from our Education Department.

### **14.0 Financial Aid Program Availability**

Financial Aid programs that are available to students attending Pennco Tech are also listed in the catalog and in this manual. Financial aid funds may be categorized into four basic sources: federal, state, institutional and private.

#### **14.1 Federal**

##### **Available Federal Aid Includes:**

- Federal Pell Grant (PELL)
- Federal Supplemental Educational Opportunity Program (FSEOG)
- Federal Subsidized Direct Loan (SUB)
- Federal Unsubsidized Direct Loan (UNSUB)
- Federal Parent Plus Loan for Undergraduate Students (DLP)

#### **14.2 State**

##### **Blackwood**

Currently Pennco Tech Students, Blackwood Campus are ineligible for any NJHESAA state funds due to the state's determination of eligible programs.

##### **Bristol**

Pennsylvania Higher Education Assistance Agency (PHEAA) provides a number of different programs to the residents of Pennsylvania. Programs are developed to assist students in Associate's Degree programs and technical programs that lead to gainful employment in certain career fields. Pennco Tech is eligible to administer PHEAA



program funds to students in many of the programs that we offer. Please see below for a list of the PHEAA programs that Pennco Tech participates in. Students must meet specific eligibility criteria for each program. For a comprehensive review of all programs offered by PHEAA and their criteria, please visit the website listed below.

[www.pheaa.org](http://www.pheaa.org)

### **Pennsylvania State Programs**

- Pennsylvania Targeted Industry Program (PA TIP)
- Ready to Succeed Scholarship Program (RTSS)
- Pennsylvania National Guard EAP
- Pennsylvania Chafee Education and Training Grant Program

### **New Jersey State Programs**

Currently, there are no state programs accepted at the Blackwood NJ campus

## **15.0 Procedures and Forms Required to Apply**

The procedures and forms required to apply for Financial Aid are published on the Financial Aid Drive.

If conflicting information is present, students/contributors are required to resolve it prior to being awarded Aid. Additional documents may be requested to complete processing of the aid request. Notification of these additional required documents is articulated at the second appointment. Additional information may include, but is not limited to, the following:

- **Proof of citizenship**
- **Marriage certificate**
- **Verification forms (Independent and Dependent)**
- **Tax Return Transcripts and/or W-2s (parent/student/spouse)**
- **Statement of non-tax filer (parent/student/ spouse)**
- **Student Aid Report (SAR)**
- **Admission status**
- **Student certifications**
- **Employment verification**
- **Verification of marital status**
- **High School Diploma or Equivalent**

### **15.1 Availability of Forms and Instructions**

Availability of forms and instructions is listed on the aforementioned documents and on specific aid applications (i.e. loan applications for Federal Direct Loan).

### **15.2 Methods of Disseminating Consumer Information**

The primary methods of disseminating consumer information to Pennco Tech students is through the Admissions Department and given at the time interested students request to tour the campus and upon applying to Pennco Tech. The Education Department also updates all students annually in regards to Consumer information. This dissemination may be provided by hard copy documents or specific links to a website location regarding the information to be reviewed.

The Pennco Tech Student Portal also provides links to Consumer Information for our Blackwood and Bristol Campuses.

## **16.0 Student Eligibility Requirements**

Student eligibility requirements are listed in Pennco Tech's School Catalog and on specific aid applications (i.e. loan applications for Federal Direct Loan, FAFSA and Admissions Applications).

### **16.1 General Student Eligibility for Federal Title IV Financial Aid**

There are several eligibility requirements which a student must meet in order to be considered for federal funds. Students must:

- Be enrolled as a regular student in an eligible program, cannot also be enrolled in elementary or secondary school.
- Demonstrate financial need according to Federal Methodology.
- Have a high school diploma, a GED, or have passed a test approved by the Department of Education.
- Be enrolled in a degree seeking or eligible certificate program.
- Be a U.S. Citizen or eligible non-citizen.
- Make Satisfactory Academic Progress as determined by the institution.

### **17.0 Criteria for Selecting Recipients and Determining Award Amounts.**

Available funds are awarded based on specific aid programs, eligibility criteria and a student's financial need.

### **18.0 Rights and Responsibilities of Students receiving Financial Aid**

As a recipient of financial aid, there are certain rights and responsibilities students should be aware of. These rights and responsibilities of students receiving financial aid are available and distributed to students during their follow up appointment. Students are also welcome to receive this information at any given time before, during and after their enrollment at Pennco Tech.

Students have the right to know:

Financial Aid programs available at Pennco Tech; application processes which must be followed to be considered for aid; criteria used to select recipients and calculate need; Pennco Tech refund and repayment policy; FAO policies surrounding Satisfactory Academic Progress; and Special facilities and services available for the handicapped.

Students are responsible for:

Completing all forms accurately and by the published deadlines; submitting information requested by FAO staff in a timely manner; keeping the FAO informed of any changes in address, name, marital status, financial situation, or any change in student status; reporting to the FAO any additional assistance from outside sources such as scholarships and educational benefits; notifying the FAO of a change in enrollment status; maintaining Satisfactory Academic Progress; and re-applying for aid each year.

### **19.0 Cost of Attendance**

**\*The FAFSA Simplification Act (116 Pub. L. 260, Division FF, Title VII) and the Consolidated Appropriations Act, 2022 (117 Pub. L. 103, Division R) jointly modify the COA components and consumer information pertaining to those components. The revisions provide more clarity and detail to individual COA components, and institutions must implement them for the 2023-24 Award Year.**

**Below are the required components when constructing the Cost of Attendance:**

- Language regarding costs of supplies or equipment has been moved out of tuition and fees. Placed in a clearer definition of "books, course materials, supplies and equipment" (including the documented rental or purchase of a personal computer).
- Transportation expenses may include transportation between campus, residences, and a student's place of work.
- Room & Board are now known as "living expenses".
- Living expense categories are associated with specific housing and food circumstances such as on or off campus and with or without a meal plan.
- Loan fees for non-federal student loans are no longer to be included in the COA.
- Professional licensure, certification, or a first professional credential costs for a program requiring professional licensure, certification, or a first professional credential for employment in the field of study

**Below are the components that must be added upon the student's request:**

- Dependent Care
- Disability related expenses
- Study abroad expenses
- Cooperative education costs

A description of the tuition for attendance is published in the student's Enrollment Agreement and signed during the Admissions process. An estimated budget for the total cost of attendance is published in the Financial Aid office's database and provided to students along with their award letter during their follow up appointment. The Cost of Attendance is comprised of tuition, transportation, miscellaneous items, books, course materials, supplies and equipment. The Financial Aid Office uses a list of collected information to determine reasonable cost for personal items, living expenses, miscellaneous items and travel. The information gathered to make decisions regarding the Financial Aid Office's cost of attendance is researched based on the Consumer Price Index, The Bureau of Labor statistics, the cost of rent for modest apartments and surveys conducted through the student population body (which will be individually identified when used for specific components). Separate costs are used for each program offered at Pennco Tech reflecting the appropriate tuition, books and supplies required for each program.

### **19.1 Tuition and Fees**

#### **HEA Sec. 472(1).**

Pennco Tech uses actual tuition amounts for each program as outlined in the student's Enrollment Agreement.

### **19.2 Miscellaneous Personal Expenses**

#### **HEA Sec. 472(2).**

The allowance for miscellaneous expenses is intended to allow students a reasonable standard of living. The allowance may include clothing, recreation and personal care expenses.

### **19.3 Loan Fees**

#### **HEA Sec. 472(12).**

For students or parent(s) borrowing through the Federal Direct Loan Program, schools must include in the COA any fees deducted from loan proceeds. The law requires a loan fee be charged on all Direct loans to help offset the cost of providing loan funds. Fees are deducted from the loan proceeds before disbursement. Pennco Tech uses the actual cost of the loan fees in determining the COA.

### **19.4 Transportation Expenses**

#### **HEA Sec. 472(2).**

The transportation component of the COA includes the cost of a students' travel as it relates to attending school. The transportation figure is based on the cost of transportation to and from school. The transportation component of the budget is constructed based on the average number of miles traveled monthly multiplied by the federal mileage reimbursement rate multiplied by the number of months the student will be enrolled. Federal regulations prohibit including in student budgets the direct expense to purchase and maintain an automobile.

### **19.5 Living Expenses**

#### **HEA Sec. 472(3).**

Room and Board expenses are based on a survey of rent for one-bedroom apartments in the Pennco Tech-Blackwood NJ/Bristol, PA area and the national College Board estimated cost. The amounts established determine the allotment for students with parents and on or off campus. Our Bristol, PA location has a limited number of

dorms available for students attending that campus. Room and Board costs for living on campus are specific to the amount the institution charges each student per his/her dorm contract.

### **19.6 Books, Course Materials, Supplies and Equipment**

#### **HEA Sec. 472(2).**

The books and supplies allowance is adequate to cover the cost of required materials for the student's coursework. Books and Supplies are available at Pennco Tech's Bursar office. Pennco Tech purchases books and/or supplies from its distributor. Students are packaged for their books, supplies and tools at direct cost, if the student wishes to purchase books and supplies from Pennco Tech. Students are able to purchase their supplies alternatively should they wish to do so.

### **20.0 Special Provisions for Books and Supplies (Title IV eligible recipients)**

#### **34 CFR 668.164(i)**

In order to academically succeed in a program, a student must be able to purchase books and supplies at the beginning of the academic period. Students have the ability to purchase books directly at the Bursar or opt out and receive payment for books and supplies to be purchased alternatively by the 7<sup>th</sup> day of the payment period. Student account charges are reflected as a stipend for books and supplies (if opting out).

If a student opts to purchase books directly from Pennco Tech's Bursar each book and/or supplies charge will be itemized per the purchase on the student's ledger. *(In order for a student to be eligible to receive a disbursement for books and supplies, a student must meet all the student eligibility requirements before the start of the student's payment period. A student, who has not completed the verification process, has an unresolved c-code or has unresolved conflicting information IS NOT covered by this special provision for books and supplies if those issues have not been resolved at least 10 days before the start of the student's payment period. Students who are Direct loan borrowers and are subject to the 30-day delayed (new borrower) disbursement provision will not have their loans considered in the calculation of whether or not a credit balance exist 10 days before the start of the student's payment period.)*

### **21.0 Institutional Refund Policy**

A detailed description of the refund policy is included in Pennco Tech's Business Office Policies and Procedures manual. Students may also view Pennco Tech's refund policy on our website.

### **22.0 Academic Programs Offered**

A description of the academic programs offered at Pennco Tech is listed in the Pennco Tech Catalog. Additional information may be obtained from the Education Department.

### **23.0 Persons Designated to Provide Financial Aid Information.**

Only information published, provided, or referred by FAO staff is valid. Any additional information should be verified with staff from the FAO.

### **24.0 Student Retention and Completion Data**

Student retention and completion data is gathered by the Academic Processor at each campus. This information is also located on the Pennco Tech website and distributed weekly through our population report.

### **25.0 Information for Students with Disabilities**

Information concerning students with disabilities is listed in the Pennco Tech Catalog and available at our Education Department.

## **26.0 Information on Accreditation**

Information concerning accreditation is listed in the Pennco Tech Catalog. Additional information may be obtained from the Office of Education.

## **27.0 Systems Operations**

The FAO uses Anthology Student to automate processing aid application as much as possible. Federal eligibility information is received electronically from the Department of Education using EDConnect and Electronic Data Exchange (EDE). The data is loaded into Anthology as the data arrives.

## **28.0 Packaging**

### **28.1 Financial Aid Package Processing**

Processes have been established in Anthology to automatically generate an award letter following the packaging and budget generation process. The award letter is generated at that time of the follow up appointment and signed in the Financial Aid Office with an Administrator. One copy is given to the student the original is retained in the student's file. Students may also scan, fax or email a copy of their signed award letter to the Financial Aid Office. In addition to the signed award letters, all VA students are provided with a College Financing Plan, which is a standardized form in compliance with the VA Principles of Excellence, used to compare costs at different schools prior to enrolling.

### **28.2 Loan Processing**

The Financial Aid office processes all federal loan programs. Federal Direct loans are processed via Anthology and sent directly to COD for processing. Any alternative loan processing will follow the protocol of the specific lender.

## **29.0 Department of Education Software Installation and Upgrades**

The FAO at Pennco Tech uses the Department of Education recommended software to import ISIRs and to send and receive origination and disbursement records. The software is EdConnect. Upgrades to the software are often necessary and a yearly installation of new software is also necessary. The Director of IT is responsible for software upgrade installations and programming in Anthology.

## **30.0 Institutional Student Information Record (ISIR)**

The ISIR is the school's electronic version of the Student Aid Report which is generated only after a student completes a FAFSA. ISIRS are downloaded using EdConnect and loaded into Anthology Student. The electronic ISIR file is then used in packaging and awarding financial aid. The student's needs analysis is then calculated using data elements on the ISIR and directly computed from the Cost of Attendance components in the Anthology Student system.

## **31.0 FAFSA Changes – “Whats New”**

### **FAFSA® Simplification Act 2024-25:**

The Department of Education will have fully implemented the FAFSA Simplification Act which includes a complete redesign of the FAFSA application process. Streamlining the process and making it easier for students and families to navigate the application.

The Federal Needs Analysis Methodology has been updated to expand eligibility for federal student aid. This includes Pell Grants, and provides a 'user friendly' experience for students and their families. Depending upon a student's (or families) financial circumstances, they may be able to avoid answering up to 26 questions.

**Student Aid Index (SAI):** The Expected Family Contribution Number (EFC) is being retired. It will be replaced with The Student Aid Index (SAI). The Student Aid Index will be based off number in the household and the 2022 poverty guidelines.

**Removal of the IRS Data Retrieval Tool:** FSA will now transfer Federal Tax Income (FTI) from the IRS onto the FAFSA application with the user’s consent to do so. Consent and approval will allow release of information to third parties (federal government agencies, institutions of higher education agencies and designated scholarship organizations). The IRS DRT portal will not need to be accessed to transfer tax information as long as approval is given by the student and/or contributor.

### **Marital Status Changes due to the Defense of Marriage Act Changes (continued for 2024-2025)**

On June 26, 2013 the Supreme Court struck down the section of the Defense of Marriage Act (DOMA) that provided that for purposes of federal programs, a marriage can only be between one man and one woman. Consistent with this decision, same-sex couples must report their marital status as married if they were legally married in a state or other jurisdiction (foreign country) that permits same-sex marriage.

The Department has revised the FAFSA and FAFSA on the Web to provide additional guidance to applicants who are same-sex married couples or have same-sex married parents. For further information about the DOMA changes and the implications for Title IV student financial assistance programs, see [Dear Colleague Letter GEN-13-25](#). (Continued for 2023-2024)

### **Parental Information Changes (continued for 2024-2025)**

On April 29, 2013, The Department posted [Dear Colleague Letter GEN-13-12](#), which alerted Financial Aid Administrators to changes related to the collection of parental information. As described in this letter, beginning with the 2014-2015 FAFSA, dependent students are required to include income and other information from their legal parents (biological and/or adoptive) if those parents live together, regardless of the parents’ marital status or gender.

### **Revised Responses for Contributor Marital Status Question (continued for 2024-2025)**

The Department changed the “Single” response for the parents’ marital status question to “Never Married” and added a new response labeled “Unmarried and both parents living together.” The parents’ marital status question responses are now reordered and displayed on the FAFSA as follows:

- Never married
- Unmarried and both legal parents living together
- Married or remarried
- Divorced or separated
- Widowed

### **31.1 FAFSA Partner Portal for Administrators**

#### **Identity Verification Results Functionality to FPP**

In the 2016-2017 FAFSA year, the Department added an Identity Verification Results feature to FAA Access, enabling Administrators to provide the required verification results for students selected for identity and high school completion status. *For the 2017-2018 FAFSA award year, the Department added a new value of six (6) to the identity verification results tool stating “Verification attempted, issues found with both identity and HS completion.” Beginning with the 2021-2022 removal of High School completion was implemented. No longer a verifiable item. (Continued for 2024-2025)*

These are the applicants selected for Verification Tracking Groups V4 and V5.

### **32.0 Verification**

**Verification Regulations: 34 CFR 668.51–61**

Verification is the process of confirming the accuracy of student reported data on the Free Application for Federal Student Aid. For any academic year, the office of student financial aid verifies 100% of CPS-selected verifications. Verification is a review, mandated by law, conducted by the financial aid staff wherein the applicant's FAFSA is compared to external documents, such as the federal income tax return transcript, in order to substantiate the FAFSA data. Students, parents and spouses are reminded that by signing the FAFSA and certain other financial aid documents, they are agreeing, if asked, to provide information that will verify the accuracy of their completed forms. The student is ineligible for financial aid if the student, parent(s), or spouse refuses to submit verification documents as requested.

### **32.1 Selection of Applications to be Verified**

The FAO verifies those applicants identified by the Department of Education (ED). In addition, aid administrators may select a student for verification if there is a discrepancy or a condition that is unusual and warrants investigation. If the FAFSA reflects significant numerical improbabilities (such as a tax liability number that is equal to, or that exceeds, the adjusted gross income) the applicant may be non-randomly selected for verification in order that the financial aid staff can correct the apparent discrepancy. The Financial Aid Office staff is required, by federal regulation, to resolve any discrepancies that are created by information submitted at any point that conflicts with that already in a student's file. Resolution of discrepancies may result in revision to a student's aid amounts and/or types. Depending upon the nature of the discrepancy, the financial aid staff may be required to correct a student's financial aid awards for a past year(s), whereupon Pennco Tech will bill the student for previously disbursed aid.

Students flagged for verification by the Central Processor and flagged in a verification tracking group can possibly move from one verification group to another depending on the flag. The Central Processor may move applicants from previously assigned Verification Tracking Groups V1, or V4 to Verification Tracking Group V5 based on corrections made to the applicant's record or other information available from Federal Student Aid. (Continued for 2023-2024)

Verification Selection Change value of C (change in Verification Tracking Group) is present (on the ISIR) to notify institutions that the Verification Tracking Group has changed to a different verification tracking group on a subsequent transaction. (Continued for 2024-2025)

### **32.2 Verification Exclusions**

There are times when you do not need to verify a student's application. **Except in the case of the student's death, however, none of the exemptions excuse you from the requirement to resolve conflicting information.** Administrators must identify and document in the aid folder why the student is not required to complete verification. Other information not excluded must still be verified according to all other requirements. You do not have to verify FAFSA information of a student in the following situations:

- An applicant who died during the award year
- A dependent student whose parents cannot comply because of specified reasons (i.e., parents are deceased, are physically or mentally incapacitated, or parents are residing in another country and cannot be contacted by normal means, or cannot be located because the student does not have and cannot get their contact information)
- Students who are only eligible for an unsubsidized loan (Requesting to receive an unsubsidized loan in lieu of need based aid to prevent the verification process is not possible)
- A spouse of an independent student if the spouse has died, is mentally incapacitated, is residing in another country and cannot be contacted by normal means, or cannot be located because the student does not have and cannot get his/her contact information)
- Pennco Tech will not accept verifications performed at another institution. Therefore if a student is selected for verification, that student must supply all necessary verification documents before receiving any title IV funds.
- A student who does not receive Title IV funds

- Post Enrollment: Student was selected for verification after ceasing to be enrolled and all disbursements were made.

### 32.3 Verification Time Frame

Pennco Tech reserves in-person appointments for every financial aid recipient. During this appointment, applicants selected for verification are informed of the necessary documents and processes for completing their verification. Administrators print a letter that informs the student he/she is selected for the verification process, defines what verification is and informs the student of the additional information required to complete his/her financial aid file. If the FAO has received ED information identifying the student as selected for verification, the letter requests the appropriate verification documents (i.e. verification worksheets, student and parent tax returns).

Students are notified that until the missing items are submitted to the FAO, their awards are estimated and can change during the verification process. If a student's Student Aid Index changes as a result of the verification process, Pennco Tech will make the necessary adjustments to their awards and inform the student as appropriate. If a student submits documentation that appears fraudulent, the FAO staff member must notify the Executive Director Of Financial Aid

### 32.4 Documentation

Documentation submitted to the FAO must be legible, appropriate, and have the student's Pennco Tech ID number or social security number for identification purposes. If the student submits a document which is not legible (i.e. a copy of a tax return transcript in which the income numbers are not identifiable), appropriate (a tax return transcript is requested and the student submits a W-2), or identifiable (student submits a copy of the step-parents tax return and the last name does not match the student's and there is no link to the student by identifiers) the documents will be returned and a request for additional documentation is requested. If possible, the return of documentation is recorded on the student's account in the comment section of the academic year screen.

Verification worksheets have been constructed to assist students and parents with the collection of verification data. All verification worksheets must be clearly identifiable and signed at the time of verification. Students are warned that any false or misleading information could result in fine and punishment.

If a student or parent has filed an amended tax return an Aid Administrator will need a signed copy of the IRS form 1040X that was filed, a Tax Return Transcript (which does not have to be signed), or any IRS transcript (such as a return transcript for taxpayer or RTFTP) that includes all the original income and tax information required to be verified, i.e. AGI, income, tax paid, education credits, etc.

### 32.5 Conflicting Information Regarding Tax Filing Status

When reviewing an ISIR for packaging, if an Administrator notices that the income information pulled from the FADDX \*does not\* match the manually entered information given by the student/contributor, tax documentation must be received to resolve the conflicting information.

**32.6 Identity/Statement of Educational Purpose** can be satisfied with an original unexpired government- issued ID and signed statement of educational purpose or a copy of that ID and the statement notarized. Since the Pennco Tech Financial Aid office reserves in-person appointments, it is encouraged that all students with this requirement submit the necessary documents at the time of their appointment. The Financial Aid Administrator is responsible for documenting their name and date the document was received and processed. *Once received, the Administrator is responsible for updating the FAFSA Partner Portal online Identity Verification Results using the Identity Verification Results feature within 60 days of requesting the information from the student.*



- Because the *Verification of Identity* function is not currently available in FPP, any V4 or V5 initial identity outcomes or changes must be made within 60 days or 30 days respectively of the normal timeframe requirement or when the FPP *Verification of Identity* function is made available, whichever is later.

## **Filing Extensions**

With the change to prior-prior year tax data, even those who received a tax filing extension will be able to use information from a completed tax return by the time verification is required. Therefore, only students and parents granted an extension beyond the automatic six-month extension may submit the following for verification:

- *An unexpired copy of the IRS's approval (form 2350) of an extension beyond the automatic six-month extension for tax year 2018;*
- *Verification of Non-filing Letter (confirmation that the tax return has not yet been filed) from the IRS or other relevant tax authority dated on or after October 1, 2019;*
- *A copy of IRS Form W-2 for each source of employment income received or an equivalent document for tax year 2018 and,*
- *If self-employed, a signed statement certifying the amount of the individual's Adjusted Gross Income (AGI) and the U.S. income tax paid for tax year 2018.*

### **32.7 Non- Tax Filers**

For Non-Tax Filers, Aid Administrators must receive a W-2 form for each source of employment income. The student must supply a signed statement listing the sources and amounts of income earned from work not provided on a W-2 and certifying that a tax return has not been nor is required to be filed. Documentation noted on the verification worksheet is sufficient for confirmation of wages. If the student has income not listed by a W-2 a signed statement by the student listing the income, source of the income and that the student did not receive a W-2 form for this income.

Persons from a foreign country who are not required to file a tax return can provide a W-2 or an equivalent document. If a person must provide a W-2 form but cannot do it in a timely fashion, he or she may contact the IRS for a W-2 wage transcript. If a W-2 wage transcript is not available for the person, you may permit the person to submit a signed statement with the amount and source of income earned from work and the reason the W-2 is not available at this time.

Persons who submit W-2 wage income over the IRS threshold for non-filing will be required to file a federal income tax return before verification can be completed. Likewise any person that has filed their tax information incorrectly will be required to amend their tax information before the verification process can commence (example: married couple, living together, one filed head of household the other filed single).

### **32.8 Masked Transferred Data (Continued for 2024-2025)**

Beginning with the 2018–2019 award year, the actual values of the imported data will not be viewable by students and parents (they will however still appear on the ISIR). This is to enhance security and privacy and to prevent the misuse of sensitive tax-related data. (See the electronic announcement of May 3, 2017). Because aid officers and other officials will be able to see the transferred data, and in keeping with the expectation that they protect the confidentiality of data associated with the Title IV programs, they must not disclose income and tax information from the FAFSA with the applicant, his spouse, or his parents unless they can authenticate their identity.

For example, a student appearing in person and presenting an unexpired, valid, government-issued photo ID such as a driver's license would be an effective way to authenticate his identity. (See the September 5, 2017, announcement for more information).

As a result of IRS data being masked, students and parents will not be able to change data fields on the FAFSA; the Financial Aid Office will need to make corrections.

### **\*New for 2020-2021 (continued for 23-24) - Masked Social Security Numbers**

Along with many other changes to the FAFSA this year, the Department has made the decision to mask a user's social security number in the event the user is the SSN to log into FAFSA on the web. This is to protect the user's identity, privacy and a more secure way to log in. The SSN will be masked and this will be the default setting. If the user wishes, they can opt to show or hide the values they enter.

### **Implemented for 2017-2018 (Continued for 2024-2025)**

Beginning with the 2017-2018 application, the FAFSA will be available on October 1<sup>st</sup>, of the year before the upcoming award year.

## **33.0 Username and Passwords replaces Federal Student Aid PIN**

Students and Parent(s) will create a username and password to authenticate their identity when accessing the FAFSA. Rather than entering their SSN, name, date of birth and PIN to perform functions such as starting a renewal FAFSA, signing a FAFSA, or making FAFSA corrections, a user will enter a new FSA ID. This will eliminate the use of Personal Identifiable Information and resolve the issue of multiple PIN assignments for one individual when identifiers change due to life circumstances. (continued for 2024-2025)

## **34.0 FAFSA on the Web Correction Instruction Enhancements (Discontinued for 2024-2025)**

### **35.0 Document Collection Procedures**

When documents arrive the documents are retained in the student's electronic file. When all required documents are received, the student is considered complete and ready to be packaged as approved from estimated. The student's account is updated in the Packaging screen and the student will receive an updated award letter.

#### **35.1 Processing Time Frame**

Processing of verification typically takes about two weeks from the time all required documents are submitted.

#### **35.2 Failure to Comply**

Students who fail to submit verification documents never become complete. Therefore, aid is not approved for these students. Students who do not complete their file will be notified and informed that a Pennco Payment Plan must be prepared in order to remain enrolled at the institution.

#### **35.3 Submission after Deadline**

Students who submit verification documents very late after the time they were requested will be awarded aid on an availability basis. Typically, by the end of the academic year aid funds beyond federal loans and the Federal Pell Grant are depleted. Students are encouraged to submit the documents during the time of their enrollment. However, Pennco Tech will process late submission of verification documents up to 120 days after the student's enrollment or the published deadline established by the Department of Education for a Pell grant applicant (usually September), whichever is earlier. Campus-Based and Stafford (Direct) Loan applicants must complete verification by the same deadline.

#### **35.4 Notification of Verification to Applicants**

Students selected for verification will receive a letter from their FAA informing them of the verification process, definition of verification and the corresponding documentation that will need to be provided for the student's financial aid file to complete and approve their financial aid funds. A letter will be given to the student for guidance, and a signed copy retained for their file.

Students are notified that they are selected for verification on the Student Aid Report (SAR). In addition, Pennco Tech Financial Aid Administrators inform students in person of their verification selection status and the necessary documents to complete the verification process.

### **36.0 Verification of Data Elements**

Pennco Tech verifies only those data elements required by the federal government. However, aid administrators are free to ask for additional information if further investigation is needed to resolve a discrepancy. The Department's long-term goal is for a customized approach to verification. A menu of potential verification items for each year are published in the Federal Register and the items to verify for a given application will be selected from that menu and indicated on the student's output documents. Currently, verification is determined by three tracking groups. Students who are selected for verification will be placed in one of the three tracking groups. The group determines which FAFSA information must be verified for the student. The Verification tracking groups are noted below.

#### **36.1 Standard Verification Group: Tracking Flag V1**

Students selected in this verification group are required to provide information for all of the following noted below.

##### **Adjusted Gross Income**

Adjusted gross income is verified by comparing a copy of the student, spouse, or parent income tax transcript to ISIR data. Discrepancies must be corrected before further processing.

##### **U.S. Income Tax Paid**

U.S. Income Tax paid is verified by comparing a copy of the student, spouse, or parent income tax transcript to ISIR data. Discrepancies must be corrected before further processing

##### **Untaxed Portions of IRA Distributions**

This information is located on the Tax Return Transcript. The calculation is determined by the amount of taxable IRA distributions compared to the total amount distributed. If there is a difference between the two, the untaxed portion must be listed on the FAFSA. If it is listed on the FAFSA, compare the amount to determine if it is accurate. If not, correct the FAFSA to the amount determined by the Tax Return Transcript.

##### **Untaxed Portions of Pensions**

This information is located on the Tax Return Transcript. The calculation is determined by the amount of taxable Pension distributions compared to the total amount distributed. If there is a difference between the two, the untaxed portion must be listed on the FAFSA. If it is listed on the FAFSA, compare the amount to determine if it is accurate. If not, correct the FAFSA to the amount determined by the Tax Return Transcript.

##### **IRA Deductions and Payments**

This information is located on the individual W-2, located in BOX 12 (Please see W-2 attachment for the explanation of deductions)

##### **Tax- Exempt Interest Income**

This information is located on the Tax Return Transcript as Tax-Exempt Interest

### **Education Credits**

This information is located on the Tax Return Transcript as Education Credits

### **Income Earned from Work**

This information is located on the Tax Return Transcript as Wages, Salaries, Tips, etc.

### **Family Size**

Family size is verified by comparing the Verification Worksheet to ISIR data. A properly completed verification worksheet serves as verifiable data for accuracy or correction purposes. Discrepancies must be corrected before further processing. All applicants must update family size or number in college to be correct as of the date of verification unless the update is due to a change in the student's marital status.

#### **NOTE: Verification of number in the family size is not required if –**

- **For a dependent student the household size indicated on the ISIR is two (2) and the parent is single or separated, divorced or widowed, or the household size on the ISIR is listed as three (3) and the parent is married or unmarried and living together.**
- **For an independent student the household size indicated on the ISIR is one (1) and the applicant is single, divorced or widowed or the household size indicated on the ISIR is two and the student is married.**

### **36.2 Custom Verification Group: Tracking Flag V4**

#### **Identity/Statement of Educational Purpose**

As of September 1<sup>st</sup>, 2021, the Department has removed high school completion status as a verification item under tracking groups V4 and V5. As a result, while high school completion (or recognized equivalent) is still required for Title IV eligibility, institutions will no longer be required to obtain high school completion documentation in order to complete V4 or V5 verification. **GEN-21-06**

Reporting Identity Verification must be completed within 60 days of notification to the student via the Fafsa Partner Portal.

\*Financial Aid Administrators are required to report the results from students selected in this tracking group by the Central Processing System. ONLY THOSE STUDENTS SELECTED FOR THIS FLAG BY THE PROCESSOR SHOULD BE ENTERED INTO THE FAFSA PARTNER PORTAL TO CPS ONLINE SYSTEM. (If a student is selected for this verification flag in subsequent years, there is no need to request the documentation confirming high school diploma status and/or an ID confirming the student's identity however, the information MUST be reported to the CPS as if verification was satisfactorily completed for that year.)

### **36.3 Aggregate Verification Group: Tracking Flag V5**

As of September 1<sup>st</sup>, 2021, the Department has removed high school completion status as a verification item under tracking groups V4 and V5. As a result, while high school completion (or recognized equivalent) is still required for Title IV eligibility, institutions will no longer be required to obtain high school completion documentation in order to complete V4 or V5 verification. **GEN-21-06**

\*Financial Aid Administrators are required to report the results from students selected in this tracking group by the Central Processing System.

ONLY THOSE STUDENTS SELECTED FOR THIS FLAG BY THE PROCESSOR SHOULD BE ENTERED INTO THE FAA ACCESS TO CPS ONLINE SYSTEM. (IF A STUDENT IS SELECTED FOR THIS VERIFICATION FLAG IN SUBSEQUENT YEARS, THERE IS NO NEED TO REQUEST THE DOCUMENTATION CONFIRMING HIGH SCHOOL DIPLOMA STATUS AND/OR AN ID CONFIRMING THE STUDENTS IDENTITY HOWEVER, THE INFORMATION MUST BE REPORTED TO THE CPS AS IF VERIFICATION WAS SATISFACTORILY COMPLETED FOR THAT YEAR.)

Reporting Identity Verification must be completed within 60 days of notification to the student via the Fafsa Partner Portal.

**For verification tracking groups V1 and V5**, if the financial aid administrator determines that the amounts provided and **verified** from other income information (e.g., adjusted gross income, income earned from work, untaxed income not included on the FAFSA) do not appear to provide sufficient financial support for the applicant and, if appropriate, the applicant's parents or spouse must explain how the family was financially supported during the 2024-2025 calendar year. Financial Aid Administrators will use the **Explanation of Support form** to determine the family's income and resources.

**36.3 (a) Reserved for FSA Purposes (No Longer Selection)**

- Verification V6 Group (Household Resources) -reserved for FSA purposes
- Verification V2 Group (SNAP formally Food Stamps) -reserved for FSA purposes
- Verification V3 Group (Child Support Paid) -reserved for FSA purposes

**36.4 Institutional Discretionary Items**

The FAO verifies those applicants identified by the Department. Aid administrators may select a student for verification if there is a discrepancy or a condition that is unusual and warrants investigation. If a student submits verification documentation (i.e. tax transcripts), the FAO staff must verify the information on the document against the information in the student's file.

**36.5 Notification Verification is Complete**

Students receive an award letter confirming the sources and amount of financial aid awarded after verification has been completed. Students sign a new award letter if estimated aid has changed. If not, the student's original award letter is sufficient.

**36.6 Correction Procedures**

If corrections are needed, the FAA will be required to update the verifiable items in the Fafsa Partner Portal. This will result in a subsequent SAR. Once received, verification will be done on the updated information. For students selected for verification and who are receiving subsidized aid, changes that result to any non-dollar item and to any dollar item of twenty five dollars or more must be submitted for processing. If a non-dollar item needs to be corrected, all corrections must be completed for the student's verification.

**37.0 Conflicting Information for Non-selected Applicants**

Aid Administrators are required to resolve any discrepancies discovered in a student's file. Aid administrators will use all information noted in the student's file and from other departments to determine if conflicts exist. Students are responsible for complying with any information Aid Administrators request to clear conflicting information. Students will be informed of what documents to submit to clear the conflict.

**38.0 Updating Information CFR 668.55**

Generally, a student cannot update information that was correct as of the date the application was filed because the FAFSA is considered to be a snapshot of the family's financial situation as of that date. After the FAFSA is signed, only certain items can be updated under the following conditions:

**All applicants whose dependency status changes must update that status and the associated FAFSA information throughout the award year except when the update is caused by a change in the student's marital status.**

**All applicants selected by the Department or the school for verification of household size or number in college must update those numbers to be correct as of the date of verification unless the update is due to a change in the student's marital status.**

**Pennco Tech will not update the above due to a marital status change unless it is deemed necessary to address an inequity or to reflect more accurately the applicant's ability to pay. Each decision will be made on a case by case basis and the reason must be well documented in the student's file. The new Student Aid Index will be used to award and disburse all title IV aid.**

## **39.0 Disbursements**

### **39.1 Interim Disbursements CFR 668.58**

Pennco Tech does not disburse any student's Title IV aid until verification is complete and a subsequent ISIR has been received as verified. On occasion there may be instances where it is warranted to disburse funds on an interim basis to a student. Those students will be handled on a case by case basis and thoroughly documented as to why the intermittent disbursement was made. Only Pell and Federal Supplemental Education Grant (FSEOG) funds are eligible to be disbursed for the student prior to a properly completed verified ISIR.

### **39.2 Selection after Disbursement**

A student's application might be selected for verification after corrections are submitted and the student has been paid based on the previous unselected CPS transaction. Aid Administrators must verify the applicant before making any subsequent or further disbursements.

If verification does not justify aid already disbursed, Pennco Tech will make the necessary adjustments to the aid package and the student will be responsible for repaying all aid for which he or she was not eligible for with the exception of Stafford (Direct) Loan.

### **39.3 Submitting Changes**

Changes are submitted to CPS through the Fafsa Partner Portal. A corrected ISIR should be received by Pennco Tech within 72 hours. Once the verified ISIR is received, Pennco Tech will award and disburse aid on that particular transaction.

### **39.4 Late Disbursements**

Generally a student ceases to be eligible for aid once he or she has finished the term and is no longer enrolled. However, the student may submit verification documentation and receive a late disbursement after that time if the Department processed a SAR or ISIR with an official SAI while they were still enrolled. As per guidance from the Federal Register indicating the last date an eligible student is entitled to receive a disbursement from any of the Title IV programs.

## **40.0 Verification Following Disasters GEN-10-16**

The Secretary will not enforce verification requirements during the award year for applicants whose records were lost or destroyed because of a disaster. Pennco Tech will document when a student is not required to have verification performed due to this status. Pell Grant disbursements will be documented with a status code of “S”.

#### **41.0 Parent Remarriage after Applying**

While the applicant does not typically update household size or number in college because of a change in marital status, if a student is dependent and his/her parent remarries between application and verification, he /she must update household size to include the new stepparent. However the student would not count the new stepparent’s income and assets.

#### **42.0 Cases when a Tax Transcript May Not Be Available**

**Victims of identity theft:** When the IRS determines that a tax filer has been or likely was a victim of identity theft, it will not allow the filer to use the FADDX or to get a Tax Return Transcript until the matter has been resolved, which in some complex cases can take up to a year.

Victims of identity theft who cannot get a return transcript or use the FADDX may submit a Tax Return DataBase View (TRDBV) transcript as well as a statement they have signed and dated indicating that they were victims of tax-related identity theft and that the IRS has been made aware of it. They do this by calling the IRS’s Identity Protection Specialized Unit (IPSU) at 800-908-4490. After the IPSU authenticates the tax filer’s identity, she can ask the IRS to mail her the TRDBV transcript, which is an alternate paper transcript that will look different than a regular transcript but is official and can be used for verification.

Unless aid administrators doubt the TRDBV transcript’s authenticity, you do not need to get an IRS signature or stamp or any other validation. (See DCL GEN-14-05) for a sample TRDBV transcript. Those who cannot obtain a TRDBV transcript may instead submit another official IRS transcript or equivalent IRS document if it includes all of the income and tax information required to be verified.

#### **43.0 Amended tax returns:**

If the student or parent filed an amended tax return. they must submit a signed amended tax return (1040X) along with a Tax Return Transcript that includes the information from the original tax return, and does not have to be signed. Or any other IRS tax transcript(s) that include all of income and tax information required to be verified. (Please See AVG –P15 for further guidance on amended tax returns and the DR Tool)

***Tax returns from foreign countries and other specific locations:*** Students or parents from foreign countries may not have a U.S. Tax Return. In this case Administrators must accept a translated copy of the student or parent(s) foreign tax return converted into U.S. dollars or a signed statement certifying their income and taxes paid.

#### **44.0 SUBSEQUENT ISIRs**

Pennco Tech Office of Financial Aid will review all subsequent transactions for a student for the entire processing year even if verified on an earlier transaction. The initiative is to determine if there has been a change in the student’s SAI, a new SAR comment code, NSLDS information or if the “C” flag status has changed and requires resolution that would impact eligibility for aid.

If none of the above is noted generally no action is required. If the SAI does change but either does not affect the amount and type of aid received or the data elements that changed were already verified, no action is required.

If the SAI changes and the pertinent data elements were not verified then aid administrators must investigate. Anytime a “C”-flag changes or NSLDS data have been modified, administrators must resolve any conflicts.

#### **45.0 Overpayments**

FAO policies and procedures are designed to eliminate the possibility of an overpayment from any fund. If however, an overpayment does occur, students' Certificate is withheld until the account has been cleared.

#### **46.0 Need Analysis**

The Financial Aid office uses the federal methodology of needs analysis and the Student Aid Index results from the FAFSA.

Because the formula focuses on a snapshot, the information on the application form must be accurate as of the application date. If the financial aid administrator discovers that any of the submitted information was inaccurate as of the application date, he or she can make a correction to that information. The financial aid administrator may not, however, update the information on the application form to reflect changes that occurred after the application date, with a few notable exceptions.

Those exceptions relate to applications selected for verification. In particular, changes in the household size and number in college can be updated when the application is selected for verification (but only if the application is selected for verification), if the change is due to something other than a change in the applicant's marital status. The new information should be accurate as of the verification date.

This verification policy and procedures manual serves the purpose of documenting how Pennco Tech will complete the verification process and the overall understanding of the verifiable items and the acceptable documentation to resolve those items. This verification policy does not cover every single instance that could appear through-out the verification process. The FAO will consult all resources to make the most accurate decisions when completing a student's verification.

#### **47.0 Professional Judgment (PJ) Special Cases HEA Sec. 479A(a) –**

There are unusual situations when Aid Administrators will need to exercise their discretion. Some cases may be related to modifying a student's data that calculates the SAI, performing a dependency override, resolving conflicting information, reporting cases of fraud, and determining a student to be an unaccompanied homeless youth. Professional judgment does allow a Financial Aid Administrator to adjust the information on the form, but only given the existence of special circumstances.

Aid Administrators may use PJ on a case-by-case basis only to adjust the student's cost of attendance or the data used to calculate the student's SAI. This adjustment is only valid at Pennco Tech. The reason for the Adjustment must be documented in the student's file, and it must relate to the special circumstances that differentiate the student-not to conditions that exist for a whole cohort of students. Administrators must resolve any inconsistent or conflicting information shown on the SAR before making any adjustments.

If a student is selected for verification, verification must be completed before PJ can be exercised. An Aid Administrator's decision regarding adjustments is final and cannot be appealed to the Department. The law does not allow Aid Administrators to modify either the formula or the tables used in the SAI calculation. Pennco Tech will exercise Professional Judgments for students in the following cases:

##### **47.1 Determining if an otherwise Dependent student should be independent (Dependency Override) HEA Sec. 480(d)(7)**

Students who may be eligible for a Dependency Override must meet extraordinary conditions such as family abuse, estrangement from parents, abandonment, parental incarceration, incapacitating parental illness or other unusual family circumstances. A student's ability to demonstrate self-sufficiency, parent(s) refusing to contribute to the student's education, parent(s) unwillingness to provide information on the FAFSA or for verification purposes is not acceptable grounds to process a Dependency Override Professional Judgment.

Any student that believes he or she meets the criteria for a Dependency Override must complete Pennco Tech's Dependency Override Application, submit a signed and dated personal statement explaining the relationship with his/her mother and father, a statement from his/her custodian or person he/she resides with, a letter from a non-family member to corroborate his/her statement(counselor, teacher, clergy, community group, social services



agency, medical personnel, court, high school official or any other disinterested third party deemed suitable by the Financial Aid Administrator).

Once all documentation has been received the Financial Aid Administrator can make a sound decision as to the approval or denial of the student's Dependency Override Application. Typically, another adult is assisting the student (a grandparent, a girlfriend/boyfriend's parent). If the student is receiving other assistance, in-kind support should be checked and documented. If the application is approved Aid Administrators will flag the transaction in FPP as Dependency Override Indicator, the student will receive a subsequent ISIR with a dependency status of Independent. The student's awarding and disbursing will be applied on the Dependency Override ISIR with a valid SAI.

#### **47.2 SAI Adjustment Request (Reduction in Income) HEA Sec. 479A**

Students or parents who have had a reduction in their income for any of the reasons noted below will be required to complete an SAI Data Adjustment Request Form and attach all necessary documentation. SAI Adjustments are completed by comparing Prior Prior Year (PPY) income to current changes in the student, spouse or parent(s) situation.

The Financial Aid Administrator will determine the appropriate income year regarding the student's, spouse's or parent's change. The FAFSA now requires 2021 tax year income, which is PPY Income. As a result of this change a student, student's parent(s) or spouse may have had a change occur regarding their income situation during any one of the years 2021 or 2022. Financial Aid Administrators will determine eligibility for an adjustment by reviewing all relevant information specific to a student's income circumstances and determine the appropriate PJ adjustment for the student by considering either Prior Year 2021 income or Projected Year 2023 income. Students will be notified in writing of the specific adjustment used to process their Professional Judgment application.

Students who already have a zero to -1500 SAI are not eligible for an SAI Adjustment request as zero is the lowest SAI possible.

- Job Loss
- Separation/Divorce
- Medical Expenses over 11% of IPA
- Roth IRA inflation of AGI
- Death of a wage earner

#### **47.2 (a) PJ and Unemployment Benefits (DCL GEN-09-04 and GEN-09-05)**

If a student or parent is receiving unemployment benefits, Aid Administrators have the authority to collect documentation to determine the receipt and zero out any income earned from working as well as the unemployment benefit amount. Aid Administrators must use the SAI Adjustment Checklist Worksheet to display the amount of income earned from work and unemployment income that was disregarded under this provision. Once all necessary documentation is received Aid Administrators will complete the adjustments appropriately and flag the transaction in FAFSA Partner Portal as a FAA Professional Judgment. The student will receive a subsequent ISIR with a Professional Judgment indicator. The student's awarding and disbursing will be applied on the PJ ISIR.

#### **47.3 Unaccompanied Homeless Youth (McKinney-Vento Homeless Assistance Act)**

A Financial Aid Administrator can also determine if a student is an unaccompanied youth who is either homeless or is self-supporting and at risk of being homeless. It is important to examine the student's living situations and claims on a case-by-case basis. If a student does not have, and cannot get, documentation from any of the authorities you must determine if he/she is an unaccompanied youth who is homeless or is self-supporting and at risk of being homeless.

Aid Administrators must use the Unaccompanied Homeless Youth Verification form as guided by the National Association for The Education of Homeless Children and Youth (NAEHCY), if the student cannot provide third-party documentation confirming their homelessness. Students that are homeless as a family unit are not eligible to answer the questions related to unaccompanied youth at risk or homelessness.

#### **47.4 Homeless youth definitions at-risk of being:**

- Homeless: lacking fixed regular and adequate housing
- Self –Supporting: when a student pays for his own living expenses, including fixed, regular and adequate housing.
- Unaccompanied: When a student is not living in the physical custody of a parent or guardian.
- Youth: a student who is 21 years old or younger or still enrolled in high school as of the date he/she signs the FAFSA application.

\*Students who do not meet the definition of youth because they are older than 21 (and not yet 24) and who are unaccompanied and homeless or self-supporting and at risk of being homeless qualify for a homeless youth determination.

Supporting information to determine a student’s unaccompanied homeless youth status can be from a school districts homeless liaison, state homeless education coordinator or the director of a shelter or transitional housing program. If an Aid Administrator has determined a student as an unaccompanied homeless youth, the Aid Administrator will select the appropriate response in FPP Unaccompanied Youth determined by school district liaison, Unaccompanied Youth determined by HUD, or at risk of homelessness. If an Aid Administrator has determined that the student is at risk of being homeless by the McKinney-Vento Interview Application the appropriate response is to select at risk of being homeless in FPP.

#### **47.5 Students without Parent Support (Parent Refusal Form)**

Students whose parents refuse to support them are not eligible for a dependency override; however they may be able to receive unsubsidized Stafford (Direct) loans only. For a student to be eligible for this provision Aid Administrators must get documentation:

- (1) That the student’s parent(s) refuse to complete his/her FAFSA
- (2) That they do not and will not provide any financial support to the student. Include the date support ended. If the parent(s) refuse to sign and date a statement to this effect, you must get documentation from a third party (the student is not sufficient), such as a teacher, counselor, cleric, or court.

Pennco Tech Financial Aid Administrators are required to have the parent of the student complete the Parent Refusal Form as clear documentation for making a decision to award a student an Unsubsidized Direct loan. The student will need to file the appropriate FAFSA for the award year and receive a rejected ISIR. The student must also complete Entrance Counseling and an MPN on [www.studentaid.gov](http://www.studentaid.gov) in order to receive the unsubsidized loan.

Students qualifying under the above regulation are only eligible for dependent academic year maximum loans based on their grade level. (See Direct Loan section of this manual)

#### **47.6 Staff Authority**

Professional Judgment (PJ) decisions may be made to adjust eligibility for all Title IV and Campus- Based aid. Documentation supporting special circumstances must be maintained in the student’s file. The Financial Aid Assistant Director and the FAO Administrators have the authority to adjust a student’s eligibility using Professional Judgment.

### **48.0 Participation in Financial Aid programs**

The FAO participates in a variety of Financial Aid programs. Assistance may include scholarships, grants, and/or loans. Scholarships and grants are gift awards which do not have to be repaid. Loans are self-help awards since repayment is

required. The type of aid awarded depends upon the student's financial need and is generally a combination of gift and self-help assistance.

#### **48.1 Institutional and Program Eligibility**

The Program Participation Agreement (PPA) is appropriately signed and validated, representing that Pennco Tech complies with the laws, policies, and regulations governing the Federal Student Aid programs. The Financial Aid Executive Director and the Director of Business Office operations tracks and coordinates the recertification process for Pennco Tech. The Eligibility and Certification Approval Report (ECAR) contains the most critical data elements that determine the basis of the institution's approval.

#### **48.2 Institutional Eligibility**

As a proprietary institution, Pennco Tech has been authorized by the United States Secretary of Education to participate in the financial aid programs authorized by Title IV of the Higher Education Act of 1962 as amended.

#### **48.3 Terms of Agreement**

The Program Participation Agreement between Pennco Tech and the Department of Education entitles the FAO to participate in the following federal programs:

The FAO applies for Campus Based funds through the Fiscal Operation Report and Application to Participate (FISAP). The FAO applies annually for federal funds through the FISAP which is submitted each year either late September or early October. The financial aid staff works together to collect the necessary statistics to complete the report. The Executive Director loads the finalized data into the Electronic FISAP Program on the eCampusbased website and the information is signed and sent to the Department of Education.

### **49.0 Federal Programs**

The federal programs in which the FAO participates are listed in the section above. The Federal Perkins Loan Program and the Federal Supplemental Educational Opportunity Grant Program are referred to as campus-based programs because although funded primarily with federal dollars, the institution is able to determine how these funds should be awarded to students. FSEOG requires a twenty five percent non-federal Pennco Tech Match for each student's disbursement.

- Federal Pell Grant Program
- Federal Supplemental Educational Opportunity Grant
- Federal Direct Loan Programs
- Direct Subsidized Stafford Loan Program
- Direct Unsubsidized Stafford Loan Program
- Parent Plus Loan for Undergraduate Students
- Federal Perkins Loan Program (Retired-no extension provided)*

### **50.0 Federal Pell Grant**

The Federal Pell Grant is an entitlement program. Students must demonstrate financial need to qualify. Financial need is determined by the Estimated Family Contribution provided on the student's SAR and ISIR.

#### **50.1 Purpose of Program**

The Federal Pell Grant program is federally funded with the purpose of helping financially needy students meet the cost of post-secondary education. This program is centrally administered by the federal government and is typically the foundation of a student's aid package.

#### **50.2 Determine Eligibility**

The FAO uses the Pell award as the foundation of the student's financial aid package. Therefore, students requesting financial assistance during their enrollment are required to establish Federal Pell Grant eligibility before additional

determination of funds eligibility is made and/ or awarded. Beginning with the 2017-2018 Award Year students are eligible to receive up to 150% of their scheduled award (**continued for 23-24**).

In order to determine eligibility for any federal financial aid program, students must file a Free Application for Federal Student Aid (FAFSA) and have the results sent to Pennco Tech. The FAO will accept results through electronic transmission with the Central Processing System (CPS). Student eligibility is determined only through the CPS of the Department of Education using the Federal Methodology need analysis formula. The FAO must have an official SAI before eligibility for any fund may be determined.

Students are notified of the amount of the Pell Grant through an award letter. With the award letter, the student receives documentation stating how funds are to be disbursed.

Pell awards are recalculated when there is a change in the SAI and when the cost of attendance changes.

Students who submit eligible SAR's or have electronic Pell data submitted to Pennco after the end of an enrollment period for which the student met all the necessary criteria, will receive a retroactive (late) award provided the student's file is complete and the student is eligible based on late disbursement condition rules.

### **50.3 Payment**

Pell Grant funds are disbursed to students. The Pell Grant is disbursed through electronic transmission to the Bursar Office. Pell Grant funds are applied to tuition charges first; any credit balances that the student has not authorized Pennco Tech to manage will be delivered to the student.

### **50.4 Over-awards**

In the event of an over-award, the student's account is placed on hold until such time that the overpayment is rectified.

### **50.5 Recordkeeping**

Financial Aid records are maintained in the student's folders as well as Anthology Student. The Senior Financial Aid Manager and the Assistant Director are responsible for account management and appropriate record security for all student aid account transactions. The amount and date of any overpayment restored to the program account, the cost of attendance, determination of enrollment status, enrollment period and eligibility of enrolled students who submit valid Pell records, name, Social Security number, amount paid, and amount and date of each payment are maintained electronically and in appropriate binders and electronic records on select Pennco Tech drives.

### **50.6 Student Eligibility**

Students must meet the eligibility requirements. In addition, the Pell Grant is awarded only to undergraduates up unto a student's first bachelor's degree. After a bachelor's degree has been obtained whether foreign or domestic a student is not eligible for PELL funds. Student eligibility is determined only through the Central Processing System of the Department using the Federal Methodology need analysis formula.

### **50.7 Amount of Federal Pell Grant**

The amount of Federal Pell Grant for which a student is eligible is determined using the Student Aid Index (SAI) and the corresponding cost of education from the Federal Pell Grant Eligibility Chart published by the Department. The maximum amount varies from year to year and is based on congressional funding for the program.

### **50.8 Verification Procedures**

Verification procedures for the Federal Pell Grant are identical to other Title IV aid. See verification section of this manual.

### **51.0 Federal Supplemental Educational Opportunity Grant (FSEOG)**

The FSEOG is a gift program for students who demonstrate financial need.

## **52.0 Purpose of program**

### **34 CFR 676.4**

The FSEOG program is federally funded for the purpose of helping financially needy students meet the cost of post-secondary education. This program is administered by the institution; however, FSEOG funds are awarded to Pell Grant recipients first with a zero to -1500 SAI (first selection).

#### **52.1 Determining Eligibility**

In order to determine eligibility for any federal financial aid program, students must file a Free Application for Federal Student Aid (FAFSA) and have the results sent to Pennco Tech. The FAO will accept results through electronic transmission with the Central Processing System (CPS). Student eligibility is determined only through the CPS of the Department of Education using the Federal Methodology need analysis formula. The FAO must have an official SAI before eligibility for any fund may be determined.

FSEOG grants are awarded to students who qualify for a Pell Grant and have a zero to -1500 SAI. Students are notified of the amount of their FSEOG eligibility through an award letter. With the award letter, the student receives documentation stating how funds are to be disbursed.

#### **52.2 Matching Requirement**

Pennco Tech matches the federal allocation of FSEOG funds by 25% as prescribed by law. Student ledgers are posted with a non-federal share (25%) disbursement first. After the non-federal share is posted, students federally funded share (75%) of the FSEOG grant is disbursed and applied to the students account. The total of the non-federal share (25%) and federal share (75%) equal the student's total (100%) FSEOG award.

#### **52.3 Payment**

FSEOG funds are disbursed to students. Before disbursement, a compliance computer match is run to ensure the student remains eligible for the grant and is meeting all Satisfactory Academic Progress rules and clock hour rules for disbursements.

The FSEOG is disbursed through the Financial Aid Office to the Bursar Office. The Bursar office subtracts tuition and other appropriate outstanding charges before releasing the remaining proceeds to the student.

#### **52.4 Over-awards**

In the event of an over-award, the student's account is placed on hold until such time that the overpayment is rectified. Pennco Tech will also complete the necessary steps to resolve the over-award and ensure the over-award does not become an overpayment.

#### **52.5 Recordkeeping**

Financial Aid records are maintained in student's files as well as in Anthology Student. Student records include the demonstration of need and FSEOG eligibility. The Assistant Directors, Senior Financial Aid Managers and the Administrators are responsible for account management and appropriate record security for all student aid transactions and how need was met for all aided students.

#### **52.6 Student Eligibility, Selection and Amount of Award**

Students must meet the student eligibility requirements. In addition, FSEOG is awarded to Pell eligible students with a zero to -1500 SAI. Pennco Tech receives a small allocation at the beginning of each award year. Once those funds are exhausted The Financial Aid Office will not award any additional funds to students. FSEOG schedules are adjusted and updated per the Department of Ed's allocation. The FAO self-imposes minimum and maximum

awards to ensure that the greatest number of students have an opportunity to receive a portion of the FSEOG allocation. Award amounts may change each award year. The Bristol and Blackwood Financial Aid Offices have specific award amounts as it relates to each program. FSEOG schedules are reviewed each award year and adjusted for each program.

**52.7 Disbursement Procedures**

FSEOG funds are disbursed to students only after an official SAI from the Central Processor has been received. Students must meet Satisfactory Academic Progress and disbursement rules for clock-hour schools.

**53.0 Federal Direct Loan Programs**

The rules for awarding Direct Loans are different than for Pell Grants and other FSA programs. For Direct Subsidized/Unsubsidized Loans, there are annual loan limits that vary by grade level, and there are aggregate limits on the total (cumulative) loan amount that may be outstanding at one time. The loan period, payment period, and disbursements within that period may not always correspond to the payment periods that Pennco Tech may use for Pell Grants. The requirement to prorate Direct Subsidized/Unsubsidized Loan limits under certain circumstances is different than the requirements for calculating Pell Grants. Currently, the 2024-25 interest rates for the Federal Direct Loans are 6.53% for Subsidized/Unsubsidized Loans, and 9.08% for Direct PLUS Loans.

**53.1 Academic Year (BBAY)**

Pennco Tech uses a Borrower Based Academic Year as opposed to a Scheduled Academic Year. The Borrowers Academic Year and Loan Period float with the borrower’s program. The borrower must successfully complete the clock hours and weeks of instructional time in the FSA academic year before the borrower is eligible for a new annual loan limit. Loan limits are noted below.

**53.2 Dependent Undergraduates (excluding dependent students whose parents can’t get PLUS)**

<b><u>Subsidized</u></b>	<b><u>Total Amount including Unsubsidized</u></b>
First Year.....	\$3,500 .....\$5,500
Second Year.....	\$4,500 .....\$6,500
Third Year and Beyond.....	\$5,500 .....\$7,500

**53.3 Independent Undergraduates & Dependent Students whose parents can’t get PLUS**

First Year.....	\$3,500.....\$9,500
Second Year.....	\$4,500 .....\$10,500
Third Year and Beyond.....	\$5,500.....\$12,500

*Note: All undergraduate annual loan amounts are subject to proration. As noted below.*

**53.4 Proration**

The annual maximum loan amount an undergraduate student may receive must be prorated when the borrower is:

- Enrolled in a program that is shorter than a full academic year; or
- Enrolled in a program that is one academic year or more in length, but is in a remaining period of study that is shorter than a full academic year.

Aid Administrators should keep in mind that loan limit proration determines the maximum loan amount that a student may borrow for a program or remaining portion of a program, not the loan amount that the student actually receives. In some cases, the actual loan amount that a student is eligible to receive (based on COA, SAI, and other aid) may be less than the prorated loan limit. The formula for calculating the prorated portion of a loan is noted below. Proration rules for Pell are similar however, the institution must take into consideration not only the clock hours the student is enrolled for the program but also the weeks the student is enrolled in the program. Pell proration is based on Formula 4.

### **Clock-hours enrolled in program**

**Clock-hours in academic year**

**For Pell Must Compare and Select the lesser of the two**

### **Weeks enrolled in program**

**Weeks in academic year**

**60 hours remaining in the student's program**

**60 hours in program = .0666**

**900 hours in academic year**

**2 weeks in program = .0769**

**26 weeks in academic year**

**Example: Annual Loan Limit Sub 4,500                       $0.0666 \times 4,500 = 299$**

**Annual Loan Limit Unsub 6,000                       $0.0666 \times 6,000 = 399$**

**Pell Example: Scheduled Award \$5,850 x .0666 (hours) = \$389.61 (\$389)**

**Scheduled Award \$5,850 x .0769 (weeks) = \$449.86 (\$449)**

**In the Pell Scenario the student's award would be \$389 as that amount is the lesser of the two.**

### **53.5 Overlapping Loan Periods**

Transfer students and re-enter students are subjected to the annual loan limits. If a student transfers from another school to Pennco Tech or changes to a different program at Pennco Tech and there is an overlap of academic years, this overlap may affect the amount of loan funds the student is eligible to borrow.

An overlap in academic years exists if the academic year at the new school (or the academic year for the new program) begins before the calendar end date of the academic year at the prior school or new program. If a transfer student wishes to borrow loan funds at Pennco Tech, Administrators must print the NSLDS record and COD disbursements for the student to determine the amount of loan funds the student is eligible to receive. Students will only be awarded the difference between funds already disbursed and the amount of the annual loan limit per funding source.

### **53.6 Payment**

Federal Direct Loan funds are disbursed in two equal amounts over the academic year. If the remaining portion of a program is equal to or less than one half of an academic year, loans will be awarded with one payment period and two disbursements within that payment period. Before disbursement a compliance computer match is run to ensure

the student remains eligible for the loan i.e SAP and attendance rules for clock-hour schools. The Bursar provides students with Direct Loan receipts. These receipts explain to the student their right to cancel the loan.

### **53.7 Over-awards**

Once the entire Federal Direct Loan proceeds have been released to the student, an over award does not exist. If however, the student becomes ineligible, a full or partial return (RT24) will be processed through FPP to CPS online or Anthology Student.

### **53.8 Recordkeeping**

Financial aid records are maintained in student's files as well as in Anthology Student. Student records include the demonstration of need and Federal Subsidized Loan eligibility. The FAO Administrators are responsible for account management and appropriate security for student aid account transactions and how need was met for all aided students.

## **54.0 Return of Funds to the Department of Education**

The Title IV Disbursement and Reconciliation Officer is responsible for preparing the Return of Funds calculation worksheet. The actual refund process (return of funds) is finalized in Pennco Tech's Business Office within 45 days after the student has ceased to maintain eligibility. (see also R2T4 section of this manual)

## **55.0 Processing Procedures**

All eligible students will receive an Award Notification letter. The award letter must be signed in person with a Financial Aid Administrator. In order to assure timely disbursements of aid, students are encouraged to accept their signed Award Notification and submit all requested documents immediately. The student must sign a Master Promissory Note (MPN) with the Department of Education for Federal Direct Loans. Disbursement dates are listed in the student's electronic file in Anthology Student and given at the date of appointment. The Bursar offices issues students Direct Loan disbursement receipts explaining their disbursement and timeframe for their "borrower's right to cancel" the loan.

### **55.1 Entrance/Exit Loan Counseling**

All first-time transfer and re-entry students borrowing a federal loan are required to complete entrance counseling. Entrance counseling is completed online either in the Financial Aid Office or another location convenient for the student. The Financial Aid office assists students with Entrance Counseling as per a student's request. Pennco Tech's Student Loan Counseling Department assists students with Entrance and Exit counseling as well as loan information. For more information on Entrance and Exit counseling, please see Pennco Tech's Student Loan Counseling Department Handbook located on Pennco Tech's website.

### **55.2 Consortium Agreements**

Due to the nature of Pennco Tech programs, Pennco Tech does not participate in consortium agreements and WILL NOT sign to be the home school for any title IV funds.

### **55.3 International Students**

International students are not eligible for federal or state financial aid because they do not meet the citizenship requirement. International students may receive non-federal aid and are encouraged to apply for such aid.

### **55.4 Revision of Financial Aid Awards**

Once an award letter is sent to the student, there may be instances which warrant a change to the original notification. An administrator may review a student's circumstances, make an adjustment to an award and release a revised award letter. This revised award invalidates the original award notice.

#### **55.4(a) Revision initiated by the FAO**



The FAO will automatically consider a revision in a student's aid package when the following occurs:

There is conflicting information in the file. There are changes resulting from verification. There is a change in availability of funds.

The award letter acknowledges the right of the FAO to make a change to any award. Notification of the change is submitted to the student for acceptance. In the case of an office error, it is customary to contact the student personally or send a personalized letter.

#### **55.4(b) Revisions Initiated by Request from Student**

Students may decline any portion of their award. Lack of acceptance does not count as a revision. If a student wants to add an award, the request will be referred to an Aid Administrator. It is the student's responsibility to notify the FAO of changes in resources. If the student makes an appointment with an Aid Administrator and reveals a change in circumstances which may affect the student's family contribution, the student should document the situation by written letter reiterating the conversation and including supportive documentation. If a change in the award is allowable, the Aid Administrator will release a revised award letter.

### **55.5 Over-awards**

An over-award occurs any time a student's disbursed financial aid (federal, institutional, and outside aid) and other resources exceeds the cost of attendance for the award period by more than an allowable tolerance. There are certain cases when an over-award may be present on the student's account however an adjustment to certain aid sources may not be necessary. Please see each section regarding over-awards.

#### **55.5(a) Eliminating an Over-award**

Before reducing a student's aid package because of an over-award, an Administrator should always attempt to alleviate the situation by reducing or eliminating the over-award. The following possible allowance should be checked.

Adjust un-disbursed funds (all un-disbursed financial aid funds must be withdrawn in the case of an over-award).

#### **55.5(b) Causes of an Over-award and/or Overpayment**

There are several causes of an over-award:

- Reduction in cost of attendance
- The student changes budget categories
- Additional resources – the student has resources greater than those used to calculate the award.
- Administrative error – the Aid Administrator inadvertently makes an error.
- Fraud – the student intentionally deceives or misrepresents information to obtain funds.

#### **55.5(c) Treatment of an Over-award**

If eliminating the over-award is not possible the administrator must reduce the over-award using the following sequence:

- Over-awards with campus based funds have a tolerance of (\$300) three hundred dollars. Determine if the student is a recipient of campus based funds.

- An over-award from an Administrative error must first reduce or eliminate next payment periods overpayment. The administrator must notify the student for any remaining amount. The student will also receive a bill from the Business Office. Once a Direct loan has been disbursed, there is no over-award. If an over-award occurs due to fraud, all federal aid will be reversed. Based on Pennco Tech's COA, an over-award is not typically common however it is necessary to address.

## **56.0 Return of Title IV Funds 34 CFR 668.22 (a)(1)**

### **\*New regulations as of 7/1/21 – Early graduation does not apply to Pennco Tech (continued for 23-24)**

When a recipient of Title IV programs withdraws from an institution during a payment period or period of enrollment in which the recipient began attendance the institution must determine the amount of Title IV program funds that the student earned as of the student's withdrawal date. Pennco Tech calculates Return of Funds based on the student's scheduled payment period hours.

There are Federal Regulations that mandate how title IV funds will be calculated when a student withdraws from school before the completion of a payment period. Students are requested, but not required, to notify the school, in writing of their intention of withdrawing.

The Financial Aid Office is required by federal statute to recalculate federal financial aid eligibility for students who withdraw (officially or unofficially), drop out, are dismissed or take a leave of absence. The federal Title IV financial aid programs must be recalculated in these situations.

If a student leaves the institution prior to completing more than 60% of a scheduled payment period, the Financial Aid Office must recalculate eligibility for Title IV funds. Recalculation is based on the percentage of earned aid using the following

#### **56.1 Federal Return of Title IV funds formula:**

Percentage of payment period completed= the number of hours scheduled to be completed up to the withdrawal date divided by the number of total hours established in the payment period. This percentage is also the percentage of aid earned.

Any break of five days or more is not counted as part of the days in the payment period.

Funds are returned to the appropriate federal program based on the percentage of unearned aid using the following formulas: If a student earned less aid than was disbursed, the institution would be required to return a portion of the funds and the student would be required to return a portion of the funds. Keep in mind that when Title IV funds are returned, the student may owe a debit balance to the institution. If a student earned more aid than was disbursed, the institution would owe the student a post-withdrawal disbursement.

#### **56.2 Return to Title IV Deadlines**

##### **Within 30 days of Student's Last Date of Attendance (LDA)**

- Pennco Tech must notify the student (and/or parent) of eligibility for a Post Withdrawal Disbursement of Direct Loan Funds via mail
- Pennco Tech must notify the student (if a borrower) to complete their Exit Counselling obligation via mail
- The Title IV Reconciliation and Disbursement Officer must complete the R2T4 Calculations

##### **Within 45 days of Student's Date of Determination**

- Pennco Tech must return unearned Title IV funds based on the R2T4 Calculations

- Pennco Tech must disburse any Post Withdrawal Disbursements of Grant Funds directly to the student (in excess of outstanding allowable charges)

### **Within 180 Days of Student’s Date of Determination**

- Pennco Tech must disburse any Post Withdrawal Disbursements of Grant or Direct Loan Funds to student’s account for allowable charges
- Pennco Tech must disburse Post Withdrawal Disbursements of Direct Loan Funds directly to the student (in excess of outstanding allowable charges)

*\*New Order of Return for 21-22 (continued for 23-24):*

#### **R2T4 – ORDER OF RETURN**

- 1. Unsubsidized Federal Direct Stafford Loans**
- 2. Subsidized Federal Direct Stafford Loans**
- 3. Federal Direct PLUS Loans**
- 4. Federal Pell Grants**
- 5. Iraq and Afghanistan Service Grants**
- 6. FSEOG (Federal Supplemental Education Opportunity Grant)**
- 7. TEACH Grants**

Each student who withdraws has an R2T4 calculation form completed and retained in his/her file. The Aid Administrator will also retain in the file an “attendance running sum” which indicates the students progression through the payment period(s) based on actual attendance, the scheduled hours associated with that attendance and the appropriate payment period used to calculate the students R2T4. Aid that has been disbursed will be considered based on the student’s actual payment period progression and aid that could have been disbursed will be included based on applicable eligibility guidelines established by law.

Students who perfectly attend will follow Pennco Tech’s “set up” disbursement schedule and payment periods. Students who need additional time to complete payment periods, will have their payment periods extended and subsequent disbursement dates rescheduled to a later date. This rule directly impacts the R2T4 process calculation and will be considered when the determination is being made in regards to the students scheduled hours, attended hours and payment period start and end dates.

Should the student reenter within 180 days, aid that has already been disbursed and retained will be calculated to determine the student’s remaining eligibility (Please see Treatment of Reenters, Program Change and Transfers within this manual)

### **57.0 Academic Year**

A fulltime academic year at Pennco Tech is 900 hours 26 weeks for day programs and 900 hours 75 weeks for evening programs. Each Academic Year consists of two payment periods of 450 hours each. A program less than the standard Academic Year but greater than one payment period will also have two payment periods, (ex: 600 hour program has two 300 hour payment periods). Likewise a program that is less than the standard academic year and equal to or less than one payment period will have one payment period. (ex: 300 hours remaining in the program is one payment period/ *note: if a student is a Direct Loan recipient two disbursements must be made within the payment period.*

#### **57.1 Example of the Academic Year Break Down for a Given Program as it relates to Financial Aid and Payment Periods.**

**Diesel/Truck Technology**

**Day School Certificate**

Course__		Clock Hours
DTD 112	Electrical & Computer Engine Management	450
DTD 113	Chassis	450
DTD 114	Engines and Drivetrain	450
DTD 104	Preventive Maintenance AC & Welding	450

**Total Program Hours: -----1800**

While each course is 450 hours, the Financial Aid office will couple the hours into an academic year. The academic year(s) noted below show an example of the program hours and weeks to determine the payment periods. The Financial Aid office will obtain an accurate calendar from the Education office to determine the days and number of hours the student is intended to complete to satisfy program requirements. (Full-time students attend 26 weeks in a 900 hour Academic Year at 34 hours per week, part time students attend 75 weeks in a 900 hour Academic Year at 12 hours per week). The Financial Aid office will count the number of hours and weeks to ensure that the student has successfully completed the number of hours and the number of weeks in a payment period before a subsequent disbursement is made. The Financial Aid office will also make sure all other student eligibility regulations are satisfied i.e. SAP, excused absences etc.

The construction of the Financial Aid Office Academic Year(s), Payment Periods and Disbursement dates is located below. The Schedule for the Academic Year, Payment Periods and Disbursement Dates is for the above program. Assuming the student started on 2/23/23 perfectly attended and is graduating on 3/12/24. 1800 Hour Day Program.

All information in regards to the student's progression in the program is estimated. Students who do not attend at the normal pace of the program may require extensions to their payment period(s). The extension is intended to provide the student with more time to complete the required clock hours in the payment period (not to exceed 150% of the program expressed in calendar time). Students that require an extension to their payment period(s) may not graduate at the time scheduled. Disbursement dates that have been scheduled prior to the student's extended payment period may also have to be rescheduled.

**57.2 Academic Year, Payment Periods, and Disbursement Dates**

Start Date	Grad Date	Stafford	Stafford	Pell	Pell
		AY 1	AY 2	2022-23	2023-24
2/23/2023	3/12/2024	2/23/23	8/31/23	2/23/23 to 5/24/23	8/31/23 to 12/4/23
		To	to		
		8/30/23	3/12/2024	450 hours	450 hours
		Disb 1- 3/27/23	Disb 1- 8/31/23	5/25/23 to 8/30/23	12/5/23 to 3/12/24
Disb 2- 5/25/23	Disb 2- 12/5/23	450 hours	450 hours		
		900 Hours	900 Hours		
		26 weeks	26 weeks		

### Academic Year 1 Payment Period(s) 34 CFR 668.4

Payment Period	Start Date	End Date	Hours	Weeks	Disbursement Date
Payment Period 1	2/23/23	5/24/23	450	13	3/27/23- DL & Pell
Payment Period 2	5/25/23	8/30/23	450	13	5/25/23- DL & Pell

### Academic Year 2 Payment Period(s)

Payment Period	Start Date	End Date	Hours	Weeks	Disbursement Date
Payment Period 1	8/31/23	12/4/23	450	13	8/31/23- DL & Pell

### **58.0 Disbursements 34 CFR 685.303(b)(3) 30 day delay, 34 CFR 685.301(b)(3)**

Disbursements are made on a payment period basis. Pennco Tech uses formula 4 (PELL) to calculate the student’s eligibility for disbursements. Pennco Tech makes the first disbursement for a student 30 calendar days after the student’s attendance. Students must complete the number of hours and weeks in the previous payment period before any subsequent disbursements will be made.

#### **58.1 Subsequent Disbursements**

Subsequent disbursements will be made after the student has been deemed eligible based on student eligibility rules, Satisfactory Academic Progress Policy, and disbursement rules. In some cases students may meet the number of weeks but not the number of hours within a payment period. In this case students will not receive a subsequent disbursement until both the number of hours and weeks within the previous payment period have been successfully completed. The weeks that have accrued while the student attends to gain additional hours will be counted towards the next payment period to determine disbursement eligibility for Pell grant funds only.

#### **58.2 Excused time and Make Up time**

**As of 7/1/2024, Pennco Tech no longer has an Excused Time Policy for both New Students and Re-Entry Over 180 students.** Any students who have unsatisfied make up time will not receive a subsequent disbursement until the weeks and hours of the previous payment period have been satisfied.

58.2(a) Any students that re-enter within 180 days and prior to December 31st 2024 will remain subject to the old excused time policy. For a complete description of the old Excused Time Policy, please see the Pennco Tech Catalog listed on our website.

#### **58.3 Retroactive Disbursements for Completed Periods**

Pennco Tech must pay a student retroactively for any completed payment periods within the award year if the student was eligible for payment in those periods. Pennco Tech will determine if the student was eligible for a retroactive disbursement according to the rules regarding each program fund.

### **59.0 Treatment of Reenters, Changing Programs and Transfers**

#### **59.1 Reentry within 180 days 34 CFR 668.4(f)**

A student who withdraws and reenters the same program at Pennco Tech within 180 days is treated as if he or she did not cease attendance for purposes of determining the student’s aid awards for the period. A student who reenters

the same program within 180 days is considered to be in the same payment period, he or she was in at the time of the withdrawal. The student retains his or her original eligibility for that payment period(s) and is treated as though he or she did not cease attendance.

Pennco Tech measures payment period progress in clock hours for enrolled students. A student who returns within 180 days of his or her original withdrawal is immediately eligible to receive all title IV funds that were returned when the student ceased attendance. Pennco Tech will restore the student's aid package and schedule the appropriate disbursements. Once the student completes the payment period that he or she has been paid, he or she is eligible for a subsequent disbursement of Title IV aid.

In cases where the student returns outside of the original loan period, Pennco Tech will extend the loan period and reschedule any pending disbursements.

Pennco Tech will Re-disburse aid that had been disbursed and then returned under the Return of Title IV aid provisions.

Pennco Tech will disburse (**AID THAT COULD HAVE BEEN DISBURSED**) to the student if/when the student is determined to be eligible for those disbursements.

Students will be charged tuition based on the difference of their reentry tuition (remaining program tuition) and tuition that was already billed for the previous payment period. (For an expounded definition of tuition charges, please see the Business office Policies and Procedures manual located on Pennco Tech's website under Consumer Information).

Aid Administrators will determine the amount of aid the student is eligible for from each funding source. Pell, Loans (Plus, Sub, Unsub) and FSEOG. Aid Administrators must check the appropriate sources for information related to awarding and disbursing (NSLDS, COD and ISIR). Students who have been withdrawn will have the appropriate R2T4 processing form in their file. Aid administrators must determine that all information is accurate on the R2T4 and the amount of aid that is re-awarded does not exceed the annual eligibility amounts; scheduled award for PELL and Direct Loan maximum borrowing limits.

\*For a student who completed more than 60% of his or her training before ceasing attendance, Pennco Tech may not have returned any Title IV aid for the payment period. If the student returns within 180 days, because the student received 100% of his or her aid for that period, the student would not be eligible to receive additional Title IV aid until he or she has completed the weeks of instructional time and hours in the required payment period(s).

### **Cost of Attendance for Reenters within 180 days**

The cost of attendance used in the calculation is the cost associated with the original period before the student withdrew. Once the student has withdrawn and then returned to the same program within a 180-day period, the student remains in the same payment period. The cost of attendance for such a student returning to the same program within 180 days must reflect the original education costs associated with the payment period from which the student withdrew.

### **59.2 Reentry after 180 days 34 CFR 668.4(g)**

If a student withdraws from Pennco Tech without completing the payment period and reenters the same program at Pennco Tech more than 180 days after the withdrawal and received credit for previous hours attended then the student starts a new payment period when he or she reenters.

Aid Administrators must treat the hours remaining in the program as if they are the student's entire program. The number of payment periods and length of each payment period are determined by applying the rules in the appropriate part of the definition of a payment period to the hours remaining in the program upon reentry.

For the purpose of calculating payment periods *only* the length of the program is the number of clock hours and the number of weeks of instructional time that the student has remaining in the program he or she reenters. If the

remaining hours and weeks constitute half of an academic year or less, the remaining hours constitute one payment period.

Typically clock hour students who repeat a term are ineligible for financial aid funds for that repeated term, however students who reenter after 180 days may have a repeat term included in their packaging provided that they have the available Title IV funds.

**EXAMPLE: Student withdraws after completing 302 hours of a 900 clock-hour program. The student has 148 hours remaining in a 450 hour payment period. The student reenrolls after 180 days in the same program and receives credit for all 302 hours completed.**

**The program length for purposes of determining the new payment periods is 598 clock hours, the new payment period hours are 299 and 299. Students attending fulltime, attend Pennco Tech at 34/35 hours per week. To determine the weeks in the payment period Aid Administrators must divide the number of hours remaining in the program by the number of scheduled hours per week (34/35 hours). This student's weeks would be 18. The payment periods would be 299 hours each and 9 weeks. The student would not be eligible for a subsequent disbursement until after the first 299 hours and 9 weeks have been completed.**

**Any reduction in the student's awards would be based on whether the student's scheduled award or annual loan limits are exceeded (overlapping loan periods or PELL disbursed at Pennco Tech or another institution). Aid Administrators must calculate disbursement dates based on the student completing the number of weeks and hours within the previous payment period before scheduling a subsequent or second disbursement.**

When the student's remaining hours are less than a scheduled academic year (900 hours) administrators must prorate the student's eligibility for awarding purposes.

This student if Grade Level 1- Dependent, would be as follows:

## **LOANS**

**LOANS ARE ORIGINATED IN TWO EQUAL DISBURSEMENTS FOR THE TOTAL AMOUNT.**

DEPENDENT MAX ANNUAL AWARD \$5,500

DIRECT SUBSIDIZED LOAN \$3,500 Prorate:  $3500 \div 900 \times 598 = 2,325$  two disbursements 1163/1162

DIRECT UNSUBSIDIZED LOAN \$2,000 Prorate:  $2000 \div 900 \times 598 = 1,328$  two disbursements 664/664

\*If the student is eligible for additional unsubsidized loan funds based on a parent plus denial then the unsubsidized eligibility would be \$6,000 instead of \$2,000 and standard prorating rules would apply.

## **PELL (Formula 4)**

Scheduled Award (if Max Pell) 7,395

$7,395 / 900 \text{ hours} \times 598 \text{ hours} = \$4,914$

$7,395 / 26 \text{ weeks} \times 18 \text{ weeks} = \$5,119$

Aid Administrators must use the lower of the two, which would be 4,581. In most cases the hours is the lower amount, however it is necessary to calculate both the weeks and the hours to determine the correct amount to award.

## **Cost of Attendance for Reenters after 180 days**

The cost of attendance used in the calculation is the cost associated with the reenter period (after 180 days of LDA). Once the student has withdrawn and then returned to the same program after the 180-day period, the student's academic year and payment period(s) are calculated based on the remaining hours in the student's program. The

cost of attendance for such a student returning to the same program after 180 days must reflect the reenter educational costs associated with the reenter academic year and payment periods. As noted above, any hours remaining less than an academic year requires all aid to be prorated based on that amount, it is the same process for the Cost of Attendance. The Cost of Attendance must be prorated based on the components and the number of months the student is actually enrolled. Campus Based Funds and Direct Loans must follow the prorated SAI and COA, while PELL will have a scheduled 9 month SAI and COA.

### **59.3 Change in Program**

Students who change programs are treated as new students. Due to the nature of Pennco Tech programs, no one program is identical to the other. Students who change programs and have already received disbursed financial aid for an award year are subject to the remaining eligibility based on previous disbursed funds. Students are encouraged to consult with the Education Department to determine how changing programs will affect their enrollment status and hours earned. The Financial Aid Office does not determine the amount of hours acceptable as credit towards other programs. The Education Department will consult with students to determine any hours applicable towards other programs (if any).

### **59.4 Transfers**

Applicants with previous comparable training may be admitted with advance standing. Any determination for advance standing is requested through Pennco Tech's Education Department. Students who transfer to Pennco Tech will be subjected to their remaining annual award eligibility at Pennco Tech and placed on NSLDS transfer monitoring process for a period of time. The Financial Aid Office will determine the student's remaining eligibility by checking COD and NSLDS for awards and disbursed aid. Any hours that a student receives as a result of transfer credit will be used in the calculation to determine the necessary remaining hours in the program for awarding and packaging purposes. Students will only be packaged for hours necessary to complete their program.

## **60.0 Resolving C-Codes (Abridged)**

Aid Administrators are required to review the students Institutional Student Information Record (ISIR) for any comment codes and SAR c-flags. The student's ISIR and SAR list comment codes pertaining to the student's FAFSA after it has been processed. While some comment codes are for informational purposes, other comment codes are flagged and require an adequate resolution. Pennco Tech has developed a SAR C-Flag Resolution Form. The form is intended to assist Administrators in resolving the c-flag properly and according to Department of Education standards.

Aid Administrators are required to properly document the form, noting all comment codes with c-flags and how those flags were resolved. Administrators must attach all documentation used to resolve the flag and retain that information in the file. This manual cannot provide every c-flag that requires resolution. Some common c-flags are listed below. For a more comprehensive look at comment codes and how to resolve them please review the 2019-2020 SAR Comment Code and Text manual provided by the Department of Education.

### **60.1 Common SAR C-flags that Require Resolution (See SAR Comment Code and text for code number)**

- DHS Primary and Secondary Match not determined (Eligible non-citizen)
- Social Security Administration (US Citizen match not found)
- Department of Veteran's Affairs
- Department of Defense
- Unusual Enrollment History
- NSLDS Codes
  - ❖ Active Bankruptcy
  - ❖ Discharged Loans
  - ❖ Default
  - ❖ Overpayment
  - ❖ Over Loan Aggregate
  - ❖ Name/Social Security Number Mismatch



❖ PELL Lifetime Eligibility Used

While the aforementioned comment codes may be listed on the student’s ISIR it does not necessarily mean that the comment code is legitimate. Students and parents sometimes make errors on their FAFSA application while completing it. Students and parents may transpose numbers, list parent information where student information may be requested or have hyphenated names that are not recognized through the specific database matches. In those particular cases Administrators must determine the information that must be corrected, have the student correct the FAFSA and submit it back through the Central Processing System to resolve the c-flag.

## **61.0 Satisfactory Academic Progress (SAP) Policy for Financial Aid Programs**

Federal law and regulations require that all students receiving financial aid maintain Satisfactory Academic Progress (SAP) according to both qualitative and quantitative measures. The following policy represents the standards adopted by Pennco Tech’s Financial Aid Office and applies to all students receiving financial aid, including Federal Direct Student Loans. Satisfactory Academic Progress is reviewed every payment period. Students enrolled in a program of more than two academic years must have a Grade Point Average (GPA) of at least a “C” or its equivalent or must have an academic standing consistent with Pennco Tech’s graduation requirements. Students should visit the Education Department to inquire about their SAP status and requirement.

### **61.1 Conditions for meeting Satisfactory Academic Progress Policy**

Students must meet all components associated with Satisfactory Academic Progress. Students must maintain a grade point average of at least 70% (Qualitative Measure), A Pace of at least 66.66% (scheduled Clock Hours/weeks Completed for the Payment Period (Quantitative), and Maximum Timeframe (completing the program within 150% of the established program length as it relates to calendar time). Students fail the maximum timeframe component when it becomes mathematically impossible to complete the program within 150% of the published program calendar length timeframe. The Financial Aid Office will notify students via written letter format regarding their SAP status when failing one or more of the aforementioned SAP components. Pennco Tech does not have an appealing process to assist students in regaining Title IV eligibility after failing Maximum Timeframe Standards. Students may consult the Education Department to determine the necessary steps required to complete their academic program.

Students are required to complete 66% of the hours/weeks within a given payment period to maintain their required pace. Students will be checked for both completed hours and weeks as it pertains to SAP. (\*Although a student may be making Satisfactory Academic Progress, the student may not be eligible to receive a subsequent disbursement until the total number of hours and weeks are completed for the previous payment period. For a complete description regarding subsequent disbursements, please see the disbursement section of this manual).

### **61.2 Grading System (Qualitative Measure)**

Students must achieve at least a 70%, or a GPA of 2.0, at the end of their payment period to meet SAP.

<b>Percentage</b>	<b>GPA</b>
90-100%	4.0
80-89%	3.0
70-79%	2.0
60-69%	1.0
Below-60%	Failure

### **61.3 Required Completion Rate (Maximum Timeframe)**

The maximum timeframe is generally **150%** of the published length of the program. This means that students must complete their clock hour program within 150% of the time it normally takes.

#### **Clock Hours Per Program                      Maximum Timeframe to complete a Program**

Hours	Weeks	Hours	Weeks
1350	39	1350	59
1200	34	1200	51
1200(evening)	100	1200	150
960 (evening)	80	960	120
960 (Day)	28	900	42
900	26	900	39
900(evening)	75	900	113
600	18	600	27
600(evening)	50	600	75

\*While a student’s Maximum Timeframe is calculated based on the number of weeks it takes the student to complete the program, the student is not eligible to receive additional financial aid funds for more hours than required for the program. With the exception of a re-enter student who enters Pennco Tech after 180 days from separating from the institution the Financial Aid Office cannot pay funds to a student for repeat course hours.

#### **61.4 Pace (Quantitative Measure)**

Pennco Tech evaluates pace as the students’ completed hours compared to that which is scheduled. If the completed hours are equal to that of a completed payment period, the student’s SAP calculation is reviewed. The student will be reviewed for SAP as noted below. Students who repeat a previously completed course will have the amount of time that it takes to complete the repeated term factored into their Maximum Timeframe standing. Students must be mindful of the number of repeated courses included in their current program as it can affect whether or not the student is able to complete the program on time.

##### **61.4(a) Example of Pace**

At 450 completed hours 600 scheduled hours elapsed

$$450/600 = 75\%$$

Expressed in Calendar time

$$15 \text{ weeks}/20 \text{ weeks} = 75\% \text{ (Both items checked according to Maximum Timeframe)}$$

**\*Next SAP review is at 900 attended hours (if the student is in an academic program that is longer than one academic year)**

#### **61.5 Financial Aid Warning**

In order for students in a clock-hour program to receive financial aid, they must maintain Satisfactory Academic Progress toward completion of their degree or certificate. Satisfactory progress is evaluated at the point when the student has attended all required clock hours in the payment period. If satisfactory progress is not achieved at the end of the payment period, students will automatically be placed on **Financial Aid Warning**. Financial Aid Warning letters are mailed to the student and copies placed in their Financial Aid file.

At the end of each payment period, the student’s cumulative grade point average will be determined as well as the students pace of completion. Students who do not achieve a cumulative grade point average of 70% or a Pace of Completion of 66.66% at the end of the payment period will be placed on Financial Aid Warning for one subsequent payment period. During this warning period, the student will receive any financial aid funds due to them. If the

cumulative grade point average is less than 70% or the pace of completion is less than 66.66% **after the Financial Aid Warning** payment period, the student's financial aid will be terminated. If the student satisfactorily completes the Financial Aid Warning period based on the standards, the student remains eligible for future financial aid funds.

### **61.6 Satisfactory Academic Progress and Appeals**

Pennco Tech's Financial Aid Office does not have an appealing process for failing Satisfactory Academic Progress. Students not making SAP for financial aid programs will be required to pay for any additional courses they are scheduled to complete from their own resources. If the student achieves SAP on his/her own, then the student regains eligibility for ALL financial aid programs. Students must visit the Financial Aid Office to inquire about their Satisfactory Academic Progress status and confirm if the successful completion of a course has enabled them to regain Title IV eligibility; breaks in enrollment or the absence of attending does not assist the student in regaining Title IV eligibility.

### **61.7 Incompletes and Satisfactory Academic Progress**

Students who receive an incomplete "I" for any course that is included in their current program will have the incomplete averaged into their cumulative GPA standard. The "I" will affect the student's GPA standing similar to the effect of receiving a zero for the course. Hours achieved from the grade of Incomplete are counted in the student's attempted hours and completed; this will affect the student's pace of completion. Students are advised to visit the Education Department to determine how to convert the incomplete grade. Students must notify the Financial Aid Office when a grade of incomplete has been changed.

### **61.8 Satisfactory Academic Progress Review for Conflicting/New Information**

In all cases the Financial Aid Office must recheck Satisfactory Academic Progress when new information has been received or previous information has been changed. This may include a significant improvement in GPA or evidence of mitigating circumstances in the student's life. The Financial Aid office will contact the student in written letter format to inform the student of any current or changed information regarding the student's SAP status due to any updates affecting the student's academic record. Students who are unsure of their academic standing in their program must contact the Education Department to resolve any discrepancies or issues.

### **61.9 Transfer Hours and Satisfactory Academic Progress**

Only transfer credits that count toward the student's current program are counted (as both attempted and completed hours). Students who receive credit for transfer hours in their current program are not eligible to receive financial aid funds for the course that those transfer hours have satisfied. The student is not eligible to be paid additional financial aid funds or receive additional time for the already completed course as it relates to Maximum Timeframe standards.

## **62.0 Enrollment Reporting**

Pennco Tech is required to report the enrollment status of every student receiving Title IV aid to the National Student Loan Data System (NSLDS). This enrollment information is merged into the NSLDS database and reported to guarantors, lenders, and servicers of student loans within 15 days of receiving the report. This is completed via the Student Status Confirmation Report (SSCR).

Pennco Tech receives the Enrollment Report through EdConnect (a Federal System) every other month. Once received a response, it is exported into our Anthology Student system. The file will render any errors that are associated with the student's enrollment and program information. Should there be any errors associated with the student's record the record must be reviewed and/or corrected for accuracy via the Academic Processor with the assistance of the FA Administrator.

The Academic Processor/FA Administrator will manually update any students with errors on the NSLDS website to ensure timely reporting. Once every student's status is updated and submitted without errors successfully, the process is complete.

This process is pertinent to the student's loan status and program status. Students must be updated on a regular, timely basis so that the most accurate information is used regarding guarantors, lenders, and servicers.

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