



# **Perry Technical Institute**

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## **FINANCIAL AID POLICIES AND PROCEDURES MANUAL**

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## **INTRODUCTION**

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 policies and procedures: 1) for distribution to appropriate others outside the Financial Aid Office for the purpose of informing and fostering an understanding of the complexity and operation of the Financial Aid Office; 2) for Financial Aid Office staff as a referral guide to assist in maintaining consistency in the problem-solving process; and 3) as an important component of a comprehensive training program.

### **STATEMENT OF PURPOSE**

The purpose of this document is to record policies and procedures surrounding the delivery of financial aid at Perry Technical Institute (PTI).

### **THIS MANUAL**

- Provides the financial aid staff with current policies and procedures surrounding federal, state and institutional programs.
- Provides each staff member with the general responsibilities of the total staff and the office's relationship to other departments/divisions of the school.
- Provides each staff member with general office procedures ensuring that similar situations would be handled consistently.
- Provides quick reference to various programs, problems, forms, rules and regulations.
- Provides a clear understanding of policy, authority and responsibility in matters relating to operational practices.
- Provides orientation and training materials for new personnel.

### **FINANCIAL AID REFERENCE DOCUMENTS**

There are many resource guides which assist the Financial Aid Office staff. These citations are maintained in the Director's office in volumes and are available to staff members.

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, Verification Guide, formula books, and Audit Guide), Dear Partner Letters, financial aid legislation and other laws or regulations that impact student aid.

Procedures are also furnished by outside agencies in dealing with their funding and/or administration. Examples of these include Washington State Division of Vocational Rehabilitation (DVR), Washington State Dislocated Worker Program (DWP) and Washington

State Trade Adjustment Assistance (TAA).

This Policies and Procedures Manual does not include all details of the administration of financial aid programs and the related references should be used for in-depth clarity.

## **FINANCIAL AID PHILOSOPHY AND OBJECTIVES**

Through its Strategic Plan, PTI evaluates its mission, purpose and objectives. The objectives of the Financial Aid Office revolve around the major functions of the office. Those functions include: 1) awarding and disbursing funds; 2) reporting at the institutional, state and federal levels; 3) providing a satisfying, open-door policy to assist students.

PTI and each division therein, re-evaluate the school's Strategic Plan every two years.

### **PURPOSE**

The PTI Financial Aid Office offers scholarships, grants, federal student loans, and federal work study employment opportunities. This is for qualified, deserving students who can benefit from further education, but who lack financial resources to continue their education. Aid is granted according to individual need as determined by the Free Application for Federal Student Aid (FAFSA).

### **PHILOSOPHY**

We believe that a consistent and equitable approach to the awarding of financial aid will enable students to attend PTI who would not otherwise have the financial resources to enroll. It, therefore, encourages a student population which is culturally, economically, socially and geographically diversified.

### **FINANCIAL AID CODE OF CONDUCT**

The Financial Aid Office at Perry Technical Institute is a member of NASFAA, the National Association of Student Financial Aid Administrators. We abide by NASFAA's Code of Conduct for Institutional Financial Aid Professionals which states that an institutional financial aid professional is expected to always maintain exemplary standards of professional conduct in all aspects of carrying out his or her responsibilities, specifically including all dealings with any entities involved in any manner in student financial aid, regardless of whether such entities are involved in a government sponsored, subsidized, or regulated activity. In doing so, the Financial Aid Office at Perry Technical Institute is bound by the following:

- Refrain from taking any action for our personal benefit.
- Refrain from taking any action that we believe is contrary to law, regulation, or the best interests of the students and parents we serve.
- Ensure that the information we provide is accurate, unbiased, and does not reflect any preference arising from actual or potential gain.

- Remain objective in making decisions and advising the administration of Perry Technical Institute regarding relationships with any entity involved in any aspect of student financial aid.
- Refrain from soliciting or accepting anything other than of nominal value from any entity involved in the making, holding, consolidating or processing of any student loans, including anything of value (including reimbursement of expenses) for serving on an advisory board or as part of a training activity or of sponsored by any entity.
- Disclose to the administration of Perry Technical Institute any involvement with or interest in any entity involved in any aspect of student financial aid.

## **GOALS**

The primary goal of the financial aid office at PTI is to provide financial means by which a student can continue his/her education. The financial aid programs at PTI are administered according to the following principles:

The primary responsibility for financing education lies with the student and his/her family. When the total resources they can provide do not meet their educational expenses, PTI will guide students and assist them with seeking alternate funds for their post secondary education.

Interested individuals will be made aware throughout the year of financial aid opportunities. A student must submit a FAFSA application each year in which he or she expects to be considered for financial aid. A confidential financial aid package will be developed and offered to the student based on individual need and circumstances, but without regard to age, sex, race, color, religion, national origin or handicap.

Planning/counseling sessions are important and help students plan for the most efficient use of financial aid and the student's resources for education. They are held on an as-needed basis with any student.

The Financial Aid Office at PTI operates within federal and state guidelines and other standards of individual aid programs.

## **ADMINISTRATIVE ORGANIZATION OF THE FINANCIAL AID OFFICE**

President  
Director of Finance & Human Resources  
Financial Aid Director  
Financial Aid Loan Coordinator/Financial Aid Specialist/Financial  
Services Assistant  
Work Study Students

Job Descriptions are found in the Financial Aid Office and the Human Resources Office.

### **GENERAL FINANCIAL AID OFFICE ADMINISTRATION**

#### **OFFICE HOURS**

The Financial Aid Office is located in the Main Office. It is normally open and available to serve students from 7:30 a.m. to 5:30 p.m. Monday through Friday. Hours on holidays and during student breaks may vary.

#### **CORRESPONDENCE**

General correspondence is routed to the appropriate personnel. When appropriate, correspondence should be responded to within one week. If a staff member is responding to a specific complaint, it is standard procedure for the staff member to have the Director review the correspondence. This allows the Director to be aware of potential problems.

#### **TELEPHONE**

Telephone calls are answered in a friendly and professional manner. Typically, each staff member answers his or her incoming calls. If the caller requires specific information, the staff member should screen the call thoroughly and transfer the information and caller to the appropriate individual.

#### **DISTRIBUTION OF FORMS**

General financial aid forms and information are distributed from the Financial Aid Office and via the PTI website.

#### **STAFF MEETINGS**

Office customer service meetings are held bi-monthly. Financial aid staff meetings are held as

needed.

## **PERSONNEL POLICIES**

The personnel policies of faculty and staff members are outlined in the PTI Employee Handbook.

## **APPOINTMENTS WITH OFFICE STAFF**

Students and parents who require general information may see a staff member without an appointment. If a student requests an appointment with a staff member, an appointment is arranged.

## **RECORDS MANAGEMENT CONFIDENTIALITY OF RECORDS**

All records and conversations between an aid applicant, his/her family and the staff of the Financial Aid Office are confidential and entitled to the protection ordinarily given a counseling relationship. PTI strives to assure the confidentiality of student educational records. PTI developed an Identity Theft Prevention Program pursuant to the Federal Trade Commission's Red Flags Rule, which implements Section 114 of the Fair and Accurate Credit Transactions Act of 2003. This program was developed with oversight and approval of the PTI Safety and Security Committee and the Title IV Compliance Committee and was approved by the President and Board of Trustees in June 2009. As a rule, all currently enrolled and former students have the right to review their records to determine their content and accuracy. A student who wishes to obtain access to his/her financial aid record must schedule an appointment with a financial aid staff member.

## **AUTHORIZATION TO RELEASE INFORMATION**

PTI complies with the provisions of the 1974 Family Educational Rights and Privacy Act (FERPA). FERPA assures students attending a postsecondary educational institution that they have the right to inspect and review certain educational records and to seek corrections of inaccurate or misleading data through informal or formal procedures. FERPA also protects student privacy rights by setting strict limits on disclosure of students' educational records without their consent. Students can seek enforcement of their FERPA rights by filing complaints with the Family Policy Compliance Office, U.S. Department of Education, 400 Maryland Ave. S.W., Washington, DC 20202-5920. Information about this office is available on the Internet at <http://www.ed.gov/offices/OM/fpco>.

PTI has designated the following information as directory information under FERPA and, as such, may be disclosed, without consent, to a third party upon request:

- Student's name
- Degrees, honors and awards received
- Major field of study
- Dates of attendance

A student must submit a written release for additional information to be given to any person or agency.

Students are notified annually of their rights under FERPA.

## **RECORDS**

The Financial Aid Office maintains a file of records for each student receiving financial assistance. Files are held in the Financial Aid Office for two years and older files are kept in retention. All financial aid folders are retained for a minimum of six years after graduation in accordance with the Washington State Record Retention Schedule. Any records involved in any claim or expenditure which has been questioned by federal audit are retained until the question is resolved.

## STUDENT CONSUMER INFORMATION

In order to understand the complicated field of financial aid, accurate and timely dissemination of information to consumers is vitally important. Several policies have been implemented to ensure appropriate dissemination is achieved.

Information regarding PTI financial aid programs and policies is distributed through the following published documents:

The PTI Catalog (includes eligibility requirements, application process, academic progress requirements and aid programs available)

The PTI Website

Additional resources are published outside of, but are distributed through the Financial Aid Office. These resources include:

- Funding Education Beyond High School, published by the U.S. Department of Education
- Pamphlets regarding electronic filing, published by the U.S. Department of Education
- Entrance and Exit Counseling Guides for Borrowers, published by the U.S. Department of Education

Other disclosure and reporting requirements are met as follows:

- An annual campus security report is distributed from the Facilities and Safety Manager's office. These statistics must be published in a report for the previous three calendar years by October 1 of each year and distributed by PTI email to current students and employees annually. PTI submits a web-based statistical report to the U.S. Department of Education (USDE) on an annual basis.
- Completion and graduation rates are available in the Registrar's Office. These rates are published in the Student Handbook for new students and in the catalog. These statistics must be published in the USDE'S IPEDs report each year for the period September 1 through August 31 and are disclosed to all enrolled and prospective students.
- A review is done to highlight PTI's compliance with the drug-free schools and campuses regulations at least once every two years. Information on PTI's Drug-Free and Alcohol-Free Campus and Workplace Policy is given to all staff and students annually and it is published in the Student Handbook for new students and in the Employee Handbook for new employees.
- Constitution Day, a federal student aid (FSA) regulation, is held once a year on September 17<sup>th</sup> or the day before or after depending on what day it falls on if a weekend. A file is kept in the Financial Aid Office, which highlights activities/events that coincide with this celebration.

**POLICIES AND PRACTICES**  
**GOVERNING STUDENT FINANCIAL ASSISTANCE**

By signing the Award Letter, you agree to comply with the following policies regarding your financial aid award at PTI. Failure to meet the requirements may result in you having to repay funds and being denied future financial aid.

1. The Student Financial Aid Office reserves the right on behalf of PTI to review and cancel an award at any time because of changes in financial or academic status, or change of academic program. If an overpayment occurs, the student is responsible for reimbursing the school.
2. Recipients of financial assistance from PTI MUST notify the Student Financial Aid Office of any grants, scholarships, loans, etc., extended to them from sources outside the school, as these may reduce the financial aid award. Also, any change in name, address or student status must be reported.
3. Most financial aid awards are based on a student's financial need. Information that is reported on the FAFSA is used to calculate an Expected Family Contribution (EFC). Financial aid awards are calculated based on the following equation: Cost of Attendance – EFC – EFA (Estimated financial assistance) = Financial Need. Costs of attendance (COA) figures are available in the financial aid office. EFA can include scholarships or other resources which are also subtracted from the COA to determine need.
4. Financial aid is awarded contingent upon enrollment in an eligible program and maintaining satisfactory academic progress. The school catalog provides information about these policies.
5. It is PTI's policy to disburse financial aid each term. In no instance will a portion of the award be disbursed to the student prior to registration. Refer to the school catalog for registration information.
6. Any commitment of federal/state/institutional funds is tentative and contingent upon subsequent Congressional appropriation and actual receipt of the funds by PTI.
7. New applications for financial aid are required and should be submitted as soon after January 1st as possible for the following school year. Students are responsible for securing and completing the necessary applications online.
8. Concurrent Enrollment: Students enrolled in courses at other colleges while also enrolled at Perry must inform the Financial Aid Office. Students may receive financial aid at only one school in a given term.
9. Federal Pell Grant: Pell Grant awards are based on the student's EFC as determined by the FAFSA. After a student is awarded and accepts his/her awards, the Pell Grant is disbursed directly to the student's account each term. Students' tuition and fees are charged to their student account and any excess funds are issued to the student according to the choice made on the Fund Disbursement Authorization Form (the credit balance authorization form). If an overpayment occurs, the student is responsible for reimbursing the school. Perry awards the year-round Pell Grant following FSA regulations, and

effective 2010-2011 for students that are in a crossover term (summer) Pell Grants will be assigned to the award year with the highest award amount.

10. Federal Supplemental Educational Opportunity Grant (SEOG): Funds are very limited and are awarded by Perry to Pell-eligible students who show financial need as indicated on the Student Aid Report (SAR). Priority is given to those students with 0 EFC. Disbursement will be made to the student's account.
11. Federal Work Study (FWS): If the student's offer of financial assistance includes employment under the Federal Work Study Program (FWSP), the amount shown for this category is the amount of money the student may expect to earn during the academic year as a result of work performed. On-campus work study students are paid minimum wage; off-campus community service work study students are paid \$10/hour. Community service work study students will be tutoring grade school students in reading and/or mathematics and will follow federal guidelines as outlined in the annual agreement between the organization (the elementary school) and PTI. FWS students will be issued a check according to the semi-monthly pay schedule located in the main office.
12. Federal Direct Student Loans: Federal Direct Student Loan eligibility is determined by the FAFSA. All students are awarded the maximum that they are eligible for in the current academic year and are instructed to accept or decline their awards. After a student is awarded and accepts his/her awards, the student loan is disbursed directly to the student's account each term. Students' tuition and fees are charged to their student account and any excess funds are issued to the student according to the choice made on the Fund Disbursement Authorization Form. The student will be notified in writing within 30 days of each loan disbursement, of the dollar amount disbursed and of their right to cancel. If an overpayment occurs, the student is responsible for reimbursing the school.
13. Federal Direct Parent Plus Loans: Plus Loan eligibility is determined by the FAFSA. Parents of dependent students are eligible to apply. Applications are available in the Financial Aid Office. After a student is awarded and accepts his/her awards, the parent loan is disbursed directly to the student's account each term. Tuition and fees are charged to the student's account and any excess funds are issued to the student according to the choice made on the Fund Request and Check Release Form. The parent will be notified in writing within 30 days of each net loan disbursement and of their right to cancel. If a Parent Plus loan request is declined for credit reasons, the student will be awarded an additional \$4,000 per academic year in unsubsidized funds.
14. Federal Perkins Loans: Federal Perkins loan funds are reserved for students with exceptional financial need as funds are available. Pell grant eligibility is determined by the FAFSA and the student is awarded based on personal need with an award year maximum of \$4000. The Perkins recipient fills out the application, entrance interview, statement of rights and responsibilities and promissory note before funds are disbursed to his/her student account. The student will be notified in writing within 30 days of each loan disbursement of the dollar amount disbursed and of their right to cancel.
15. In-House Loans: There are a variety of in-house loans available for students. When the FA Loan Coordinator determines a student has financial need, one of the loans may be offered to them if there are funds available. There are credit requirements for a student

to be eligible and specified limits on the loan amount.

16. Private Loans: PTI has an Alternative Loan Benefit Comparison Chart available for students. PTI certifies all private loans prior to disbursement and students' loan limits are determined by the school Cost of Attendance (COA) for their program.
17. Scholarships: Once a student has started school, scholarships will be disbursed into the student account according to scholarship guidelines.
18. Washington State Need Grant: Washington State Need Grants are awarded on a first-come, first-serve basis to all students that are Washington State residents and meet the income criteria for the grant.
19. Washington State Opportunity Grant: Students must apply for the Washington State Opportunity Grant by filling out and submitting an application to the Financial Aid Office. A notice will be posted when the grant becomes available. Students who meet all of the criteria will be awarded the Opportunity Grant prioritized in the order that they applied.
20. Washington State Worker Retraining (WRT) Grant: Students must apply for the WRT Grant by filling out and submitting an application to the Financial Aid Office. Students who meet all of the criteria will be awarded the WRT Grant prioritized in the order that they applied.
21. Federal Financial Aid Return of Title IV Funds Policy: If a student receives Title IV aid (federal student loans, Pell Grant, SEOG) and withdraws prior to the 60% point of the term, repayment of a portion of those funds is required.

## **PARTICIPATION IN FINANCIAL AID PROGRAMS**

The Financial Aid Office participates in financial aid programs funded through a variety of sources. Types of assistance include scholarships, grants, loans and work opportunities.

Scholarships and grants are gift awards which generally do not have to be repaid. Scholarships may be merit or need based. Grants are based on financial need. Work opportunities are considered self-help awards in which performance of duties are required. Work programs provide on or off-campus employment with hourly pay meeting minimum wage requirements or more.

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

As a private nonprofit institution, PTI has been authorized by the United States Secretary of Education to participate in financial aid programs authorized by Title IV of the Higher Education Act of 1965 as amended.

The programs listed below are those in which PTI bears some responsibility in administering. Descriptions and eligibility requirements of each program are found in the federal publication for federally funded programs.

The Program Participation Agreement between PTI and the USDE entitles the Financial Aid Office to participate in the following federal programs:

- Federal Pell Grant Program
- Federal Direct Student Loan Program
- Federal Perkins Loan Program
- Federal Supplemental Educational Opportunity Grant Program
- Federal Work-Study Program

PTI also participates in the following state-funded programs:

- Washington State Need Grant
- Washington State Opportunity Grant
- Washington State Worker Retraining Grant
- Several scholarship programs

Perry Technical Foundation and individual donors also provide numerous scholarships.

Unique circumstances often qualify students for financial aid from a special agency or group. Awards from other sources are used in computing the total aid package for students. Information about these sources is obtained from the students, PTI Accounts Receivable Office,

PTI Foundation Office, Yakima County WorkSource and other agencies. Those agencies also include but are not limited to Veterans' Administration, Washington State Division of Vocational Rehabilitation, Dislocated Worker Program and People for People.

Information we receive regarding miscellaneous outside scholarships is available in the Foundation Office, posted throughout the school and published on the PTI website.

Current federal, state and institutional regulations, policies and guidelines are followed in awarding and disbursing aid from all financial aid programs in which we participate.

## **PROCESSING STUDENT AID REPORTS**

The Financial Aid Office participates in the Electronic Data Exchange (EDE) with the USDE. Student information from the FAFSA and the processed results, the Institutional Student Information Record containing the official EFC are imported on a weekly basis.

Correction of a data element requested by students or required as a result of verification or other review, is processed and submitted electronically to the USDE/CPS. Within approximately 72 hours, a new official EFC is delivered back to the Financial Aid Office. Processing of the Institutional Student Information Record is continued and an award, if eligible, is made.

## **STUDENT BUDGETS**

Student budgets are an integral component in the financial aid equation. Standard student budgets reflecting the average student population cost of attendance at a modest, but adequate standard of living are used to award financial aid.

The Director of Financial Aid collects information to prepare standard costs on an annual basis. All costs are based on limitations to the amounts and other criteria set forth in the federal regulations.

All indirect costs began with Washington Financial Aid Association student budgets as posted on the WFAA website, <http://www.wfaa.org/>.

### **DIRECT COSTS**

Tuition costs are determined by PTI and approved by the Board of Trustees. An average of tuition costs for students is used to determine the exact tuition cost for the standard budget. Fee costs are determined by the institution, based on program-specific needs.

### **INDIRECT COSTS**

Indirect costs consist of the following types of expenses incurred by students: books, supplies, room and board, transportation and miscellaneous items. Room and board expenses are divided into two categories: living with parents and living off-campus. Miscellaneous items include personal expenses for clothing, toiletries, medical/dental, recreational, and other miscellaneous expenses.

Upon request, aid officers may review, and if appropriate, adjust a student's budget. Students should submit an Unusual Circumstance Appeal form attaching appropriate documentation.

Examples of changes to standard budgets include, but are not limited to:

1. Child care – the cost of child care for students with dependent children may be added to a standard budget.
2. Excessive medical expenses that are not covered by insurance or any other source.
3. Out-of-pocket tuition expense at private elementary or secondary schools for children.
4. Special program costs – some of PTI's programs of study (such as Machine Technology) require additional tool expenses that are above the average cost included.

## VERIFICATION

Verification is the process of confirming the accuracy of student reported data on financial aid applications. Typically, the USDE selection criteria translate into verifying 30 percent of the financial aid population. The school has the authority – and may be required – to verify additional students. Students may be selected for verification if there is a discrepancy or a condition which is unusual and warrants investigation.

The Application and Verification Guide published by the USDE is used as a reference for verification requirements.

PTI only initially verifies students in which the USDE selected for verification. However, students may be asked to provide additional information if further investigation is needed to resolve a discrepancy.

Upon receipt of the electronic Institutional Student Information Record (ISIR), a Document Tracking Letter is automatically generated for any student who is selected for verification according to the federal selection criteria. This letter informs the student of additional information which is required to complete the financial aid application (verification form, student and parent tax returns, etc.).

Students are notified that until the missing items are submitted to the Financial Aid Office, additional processing of their file is not possible.

Required documentation items are identified and receipt date is maintained on the financial aid software. Once the items are received, the file is routed to the Financial Aid Specialist or Director for verification.

Documentation submitted to the Financial Aid Office must be legible, appropriate, and have the student's ID number for identification purposes. If the student submits a document which is not legible, the document will be returned and appropriate documentation will be requested.

Students who fail to submit verification documents will not be awarded financial aid.

Students are notified that they are selected for verification on the SAR. The document tracking letter also indicates to the student that he/she has been selected for verification. When the corrected ISIR is received, final review of the file takes place and an award is made, if applicable.

Because the Financial Aid Office is liable for disbursements made prior to verification, it is the policy of the office not to award nor disburse funds until verification is complete. PTI's policy

does not allow interim disbursements. Students must complete the verification process before aid is awarded or disbursed. Therefore students are not notified if the verification changes their EFC.

Financial Aid Office policies and procedures are designed to eliminate the possibility of an overpayment from any fund. If, however, an overpayment does occur, a stop order is placed on the student's records by the Financial Aid Office and a letter is sent to the student. Students are not allowed to register for subsequent terms and academic transcripts are withheld until the account has been cleared.

## **AWARDING FINANCIAL AID**

The Financial Aid Office has developed an institutional packaging philosophy to ensure consistent, equitable and fair distribution of financial aid funds.

PTI's policy is to provide the financial aid needed to each applicant to ensure that a degree or program will be completed; to minimize the adverse effects of financial concerns on academic performance; to provide the most advantageous combination of aid funds for which the student qualifies (subject to the availability of funds); and to make maximum use of all financial aid funds available to the institution.

### **PTI ACADEMIC YEAR DEFINITION**

All trimester programs, 24 credits in 30 weeks

All quarter programs, 36 credits in 30 weeks

### **PTI'S MEASUREMENT OF ACADEMIC YEAR AND LOAN PERIOD**

Borrower-Based Academic Year 1, (BBAY1)

### **GENERAL PACKAGING GUIDELINES**

Once a student file is marked complete, the Financial Aid Director and Financial Aid Loan Coordinator will award aid in the PowerFAIDS System.

- Determine if there are any outside resources (i.e. scholarship, WIA).
- Determine Pell Grant eligibility.
- Determine eligibility for other aid in this order: grant, scholarship.
- Award federal loans.
- Not all funds awarded to students will be expended because students may not enroll, may withdraw, or may decline a portion of their award.

### **STUDENT SECONDARY CONFIRMATION**

PTI has established the following procedures relative to the secondary citizenship confirmation process for Title IV financial aid applicants who have indicated that they are eligible non-citizens or permanent residents of the United States. If the ISIR does not confirm eligible Title IV applicant status and the student submits reasonable evidence of eligible status, the school will initiate the secondary confirmation process through the Immigration and Naturalization Service (INS) and Department of Homeland Security (DHS).

- All students who indicate an eligible status, but whose eligible status is not confirmed by the tape match as evidenced on their ISIR or SAR must be given a copy of these procedures.
- Students have 30 days from the date the institution receives the ISIR/SAR or 30 days from the student's receipt of this document (whichever is later) to submit documentation for consideration of eligible non-citizen status.
- Failure to submit the information by the deadline prevents the institution from disbursing any Title IV funds or certifying the student as eligible for any Title IV funds.
- The institution will not make the decision regarding “eligible non-citizen” status without the student having the opportunity to submit documentation supporting a claim of eligibility.
- Students must submit documentation of their current immigration status to the Financial Aid Office. This documentation must be official documents from the INS. In order to initiate the required process, students must submit INS documents which are legible and which demonstrate the latest status with INS.
- The institution will initiate secondary confirmation within 10 business days of receiving both the output documents and the student’s immigration status documents.

## **RESOLVING CONFLICTING INFORMATION**

PTI financial aid officers are responsible for resolving any discrepancies between a student’s FAFSA and other information of which the school becomes aware. If information is received from any source that conflicts with the information provided on the FAFSA, it must be verified and updated if necessary. If for any reason an income or tax document is submitted, PTI will review the information for possible conflicts with the applicant’s FAFSA responses.

## **DETERMINATION OF TOTAL FUNDS TO BE AWARDED**

The Director determines the total aid funds to be awarded during an award year. The USDE sends the Financial Aid Office information detailing annual fund allocations for Campus-Based Funds through the Federal Authorization Letter with the Official Notice of Funding. Federal Pell Grant Payment Schedules and Federal Loan Limits are determined by USDE and the school is notified annually. Institutional scholarships are awarded on the student award letter when they are awarded by the PTI Foundation Office, and outside scholarships are awarded when they are received by PTI. The Washington Higher Education Coordinating Board will notify PTI of state-funded programs.

## **OUTSIDE RESOURCES**

Students are encouraged to seek assistance from outside resources. It is required that all outside assistance be reported to the Financial Aid Office. Student aid including outside resources, may not exceed the student's cost of attendance. Therefore, if a student has been awarded funds by the aid office and receives an outside award, an adjustment to the original award letter may be necessary. If an adjustment is necessary, the outside aid will replace self-help aid if possible.

## **AWARD LETTER AND ACCEPTANCE OF AWARDS**

Students receive notice of financial aid via an award letter. Students sign and return their award letter to PTI, accepting or declining each award.

## **FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANT**

FSEOG funds are very limited and are awarded by Perry to Pell-eligible students who show financial need as indicated on the SAR. First priority is given to those students with 0 EFC.

## **OVER-AWARDS**

If a potential or actual over-award is discovered, USDE guidelines regarding over-awards will be followed. Other aid that may need adjusting to prevent an over-award will be done in the following order, first to last: Loan, FSEOG, scholarship.

## **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 aid 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. Enclosures with the award letter acknowledge the right of the Financial Aid Office to make a change to any award.

### **REVISION INITIATED BY THE FINANCIAL AID OFFICE**

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

- There is a presence of conflicting information within the file.
- There is a change in availability of funds.
- There is a Financial Aid Office error.

Students are sent a revised award letter as soon as possible with a message explaining the change. In the case of an office error, it is customary to contact the student personally, or send a personalized letter.

### **REVISIONS INITIATED BY REQUEST FROM STUDENT**

It is the student's responsibility to notify the Financial Aid Office of changes in a student's resources and/or circumstances. The student may notify the Financial Aid Office of such an instance that affects the student's family contribution by completing an Unusual Circumstances Appeal along with any documentation to validate the change in circumstances. If a change to the award is allowed, the aid administrator will release a revised award letter.

### **OVER-AWARDS**

An over-award occurs any time a student's financial aid (federal, institutional, state and outside aid) and other resources exceed the demonstrated financial need for the award period by more than an allowable tolerance (currently \$300).

### **ELIMINATING AN OVER-AWARD**

Before reducing a student's aid package because of an over-award, an attempt should always be made to reduce or eliminate the over-award. Two methods are:

1. Increase cost of attendance budget using allowable expenses.
2. Adjust undisbursed funds.

## **CAUSES OF AN OVER-AWARD AND/OR OVER-PAYMENT**

There are several causes of an over-award/over-payment:

1. Student wages – the student earns more than the awarded FWSP funds.
2. Change in the enrollment status.
3. Additional resources – the student has resources greater than those originally used to calculate the award.
4. Administrative error – the aid administrator inadvertently makes an error.
5. Fraud – the student intentionally deceives or misrepresents information to obtain funds.

## **TREATMENT OF AN OVER-AWARD**

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

1. An over-award from administrative error must first reduce or eliminate next term's overpayment and then bill the student for any remaining amount.
2. If an over-award occurs due to fraud, follow the procedures outlined by the USDE.

## **OVER-PAYMENT**

Over-payments occur when a student receives aid that exceeded his/her eligibility. This can result from misreporting information on the FAFSA, cost of attendance miscalculations, paying ineligible students, disbursing aid in excess of maximum limits.

The aid administrator must reduce the over-payment using the following sequence:

1. An over-payment from administrative error must first reduce or eliminate next term's overpayment. Then bill the student for any remaining amount.
2. If an over-payment occurs due to fraud, follow the procedures outlined by the USDE.

PTI may decide to pay the over-payment for the student and then the student would not be considered to be in an over-payment situation and therefore would be eligible for Title IV funds. The student would then be billed for the amount owed to the school.

## **FEDERAL WORK STUDY**

FWS is an award that is disbursed as payroll for hours that a student works in a position that the school has identified as one that meets USDE's requirements. The FWS award is used to compensate the student for educational expenses while in school.

### **FUND MAINTENANCE**

The bank account for the FWS program will be the same account used for Pell and other campus-based funds. The awards from and refunds to the fund should be identified per student, rather than in lump sum amounts. This is a match award. PTI matches 25% of the student's gross FWS wages.

### **AWARDING**

The student's award is based on financial need. Cost of attendance minus EFC minus EFA = financial need. Packaging is based on net earnings, after taxes and job-related costs are subtracted. Students will apply for FWS job openings that will be posted in the Financial Aid Office. FWS jobs can be on campus or off campus. PTI offers off-campus work study jobs with federal, state, or local public agencies or private non-profit organizations that serve the public interest. Each position has a job description. Students must complete I-9 and W-4 forms. The student's need, number of hours per week the student can work, the period of employment, the wage rate, and the amount of other assistance for the student will be considered when determining eligibility. A transfer of up to 25% of FWS can be made to both FSEOG and Perkins.

Seven percent of the school's federal authorization must be used in a community service position. Of the 7%, at least one student must be placed in a reading tutor or family literacy position. PTI's off-campus positions will be community service work study jobs.

### **DISBURSING**

The students are paid with a payroll check for the total amount of the hours worked and USDE reimburses the school 75% of the payroll amount unless there is a different matching amount based on the student's employment. For instance, community service jobs are reimbursed at 100%.

### **WORK STUDY STUDENTS' ACCESS TO EDUCATIONAL RECORDS**

Work study students' access to educational records has long been a concern at PTI. Work study students can be granted access to personally identifiable information in the educational records of other students for the limited purpose of performing tasks assigned by and under the supervision of an educational official with whom the college has determined to have a legitimate educational interest in the educational records of students.

Work study students who are assigned tasks dealing with educational records of other students will receive instruction on the college's policies and procedures concerning access to student educational records, and will review and sign a PTI Confidentiality Policy. They will also be advised that information contained in the educational records of other students is confidential and must not be discussed or shared with anyone other than their immediate supervisor.

## FEDERAL LOAN COUNSELING

Entrance loan counseling is conducted in the classroom when a student begins a program at PTI. The Loan Coordinator presents detailed information on the Federal Direct Loan Program. A Direct Loan entrance counseling video by the USDE is viewed which outlines the student's rights and responsibilities under the Direct Loan Program. The student is required to document that they have attended and received loan entrance counseling information by completing the Rights & Responsibilities Checklist available in the entrance counseling guide for direct loan borrowers. The school uses this completed document to track requirement has been fulfilled before the student's first loan is disbursed into his/her account.

Exit loan counseling is conducted in the classroom 60 days prior to the student's graduation date. The Loan Coordinator presents detailed information on the Federal Direct Loan Program. Students view a Direct Loan exit counseling video by the USDE which outlines the student's rights and responsibilities under the Direct Loan Program. Loan history totals are printed and distributed from the National Student Loan Data System (NSLDS) reflecting each student's total federal debt that has been originated at the school. Loan servicer contact information is provided for every student for account tracking purposes along with a summary of education tax benefits available through the IRS site (publication 970). The student is required to document they have attended and received loan exit counseling information by completing the Rights and Responsibilities Checklist along with the Student Contact Information Sheet available in the exit counseling guide for Direct Loan borrowers. The school uses these completed documents to track requirement has been fulfilled before the Certificate of Completion is released to the student. A copy of Student Contact Information Sheet is made for the student's file and the original is mailed to the loan servicer. If a student withdraws early or is absent when the presentation is scheduled, he/she is given private exit counseling. If the student is not available, a letter is sent along with booklet Exit Counseling Guide for Direct Loan borrowers requesting the student to return the Rights and Responsibilities Checklist along with Student Contact Information Sheet. Federal loan history printout from NSLDS along with an education tax benefits summary are also included.

## PROFESSIONAL JUDGMENT

The Higher Education Act of 1992 allows financial aid administrators to make professional judgment decisions when there are special or unusual family or student circumstances that may call for adjustments in determining a student's eligibility for financial aid. Circumstances requiring professional judgment must be analyzed on a case-by-case basis. These circumstances must be documented.

Professional judgment adjustments may increase or decrease a student's EFC or cost of attendance. Specified adjustments may be made to data elements, but not to the formula. Adjustments made will apply to all institutional, state and Title IV aid awarded.

An applicant whose FAFSA information is selected for verification will be verified before Professional Judgment is performed.

Circumstances which may warrant a professional judgment decision include, but are not limited to the following:

- A change in income of the student's family that would affect the family's ability to pay for college expenses. Examples would be loss of employment, loss of untaxed benefits, a separation or death.  
Documentation required: verification of change, examples listed on Unusual Circumstance Form.
- Student requests consideration as an independent student.  
Documentation required: verification of change, examples listed on Unusual Circumstance Form.
- Excessive medical expenses. Documentation required: Verification of medical expenses paid by family from doctors, hospitals, etc. or copy of tax return verifying itemized deductions, showing medical expenses.

The required documentation listed for each of these circumstances explains what information is necessary for each situation. The documentation must be complete before approval will be considered. Documentation of professional judgment decisions will be maintained in the student's financial aid file.

Professional judgment situations are unique. Circumstances other than those listed may be considered and will require documentation specific to the situation.

The Director of Financial Aid has the final authority to make professional judgment decisions.

## REFUND/REPAYMENTS

The full PTI refund policy is found in the school catalog.

Up through the 60% point in each payment period or period of enrollment, a pro-rata schedule is used to determine how much FSA Program funds the student has earned at the time of withdrawal. After the 60% point in the payment period or period of enrollment, a student has earned 100% of the FSA Program funds.

The amount of financial aid earned is the percentage of aid earned multiplied by the total amount of aid that was disbursed for the payment period or period of enrollment as of the day the student withdrew.

1. If the day the student withdrew occurs on or before the student completed 60% of the payment period or period of enrollment for which the assistance was awarded, the percentage earned is equal to the percentage of the payment period for which assistance was awarded that was completed.
2. If the day the student withdrew occurs after the student has completed greater than 60 percent of the payment period or period of enrollment, the percentage earned is 100%.

The percentage of the payment period or period of enrollment completed is determined by calculating the total number of calendar days in the payment period divided into the number of calendar days completed in that period as of the day the student withdrew.

### **FUNDS WILL BE RETURNED IN THE FOLLOWING ORDER:**

1. Unsubsidized Federal Stafford Loans
2. Subsidized Federal Stafford Loans
3. Perkins Loans
4. Federal/Direct Plus Loans
5. Federal Pell Grants
6. FSEOG

### **Refunding State Need Grants**

If a student withdraws and his/her last date of attendance is prior to or at 50% of the term, the SNG repayment will be based on the percent of the term not completed, according to the SNG repayment policy.

**Institutional Scholarships** – No repayment required.

**Work study funds** are paid for work performed and no repayment is required.

## **OUTSTANDING STUDENT ACCOUNTS**

Students are not allowed to register for further classes if they have an outstanding account. If an exception is made, and the student is eligible to receive assistance from any type of funds, the financial aid funds would be applied through credit to the student's account (in compliance with federal guidelines regarding this issue, if federal funds are involved). If this does not satisfy the debt, the student would be required to repay the balance immediately or further collection measures would be taken.

## **RETURN OF TITLE IV FUNDS**

The Registrar notifies the Financial Aid Office of all withdrawals.

The Financial Aid Office will use the last day of attendance on the withdrawal form as indicated by the registrar in determining the percentage of the pay period the student completed.

The Financial Aid Office will use the worksheet on FAA Access (USDE website) to determine the required repayment from the institution and student. The Federal Return of Title IV funds formula (R2T4) dictates the amount of Federal Title IV aid that must be returned to the federal government or the lending institution by the school and/or the student. The federal formula is applicable to an eligible student receiving federal aid when that student withdraws on or before the 60% point in time in the payment period.

After R2T4 is done and refunds are made, PTI completes an institutional refund calculation that determines if the student owes the school any money or there is an additional refund due. The student is then billed for any amount owed to the school. If there is an additional refund it will be returned to the student unless the student gives PTI permission to return to USDE to reduce federal loans.

If a student receives less Title IV funds than the amount earned, the school will offer the student a disbursement of the earned aid that was not received at the time of his/her withdrawal which is a post withdrawal disbursement. Post withdrawal disbursements will be made from Pell grant funds first if eligible. If there are current educational costs still due the school at the time of withdrawal, a Pell grant post withdrawal disbursement will be credited to the student's account. Any Pell grant funds in excess of current educational costs will be offered to the student. Any federal loan program funds due in a post withdrawal disbursement must be offered to the student and the school must receive the student's permission before crediting their account.

Refunds will be made to the federal programs within 45 days of the student's date of determination.

## **SATISFACTORY ACADEMIC PROGRESS REQUIREMENTS FOR FINANCIAL AID RECIPIENTS**

**Definition:** Students must be making Satisfactory Academic Progress in order to remain eligible for financial aid. Students must complete each quarter or trimester with a minimum GPA of 2.0.

If at the end of the term the student did not make satisfactory academic progress, financial aid funds will be terminated. The student will be responsible for funding the next enrollment period and if upon completion of that period the student has the minimum GPA of 2.0 he/she may regain financial aid eligibility.

No student will be allowed to repeat quarters or trimesters that result in a total time of enrollment exceeding 1.5 times the specified time for the program.

If due to extenuating circumstances, the student fails to meet academic progress requirements, he or she may appeal the termination of his or her financial aid. Appeals are completed on the Financial Aid General Appeal Form. Based upon its own review of a student's circumstances, the Financial Services Office may make allowable exceptions to the stated satisfactory progress requirements. All such waivers will be reviewed on an individual basis and will take into consideration special circumstances and improved academic performance.

## **AUDITS AND PROGRAM REVIEWS**

Federal regulations require a FSA compliance audit every fiscal year. Each audit must cover the time period since the last audit. PTI's fiscal year ends June 30, and is audited annually by a private auditor. Auditors review a sample of student files to ensure the Financial Aid Office is in compliance with federal, state and institutional policies. Any exceptions found during the audit will be addressed. The auditor then submits an Independent Auditor's Report including any findings to Perry and the PTI Board of Trustees. An electronic version of the audit is sent to PTI from the auditors and the Director uploads it to the government using the online submission site eZ-Audit. Federal reviews are conducted by the USDE on a basis determined by the department.

Preparation for the audit is done in cooperation with the auditor's requests. Typically, the auditors will randomly select a specific number of students from each of the Title IV programs. The files are pulled and given to the auditors. Any additional assistance requested is responded to promptly.

A complete listing of financial aid audit guidelines is listed in the Audit Guide published by the USDE. See this reference document for additional information.

## **FRAUD**

There are difficult situations where students and/or parents purposefully misrepresent information in hopes of obtaining aid or obtaining additional assistance. The Financial Aid Office is required to have a policy of referral when confronted with actual or suspected cases of fraud and abuse.

### **POLICY FOR FRAUD**

Students and parents who willfully submit fraudulent information will be investigated to the furthest extent possible. All cases of fraud and abuse will be reported to the proper authorities.

### **PROCEDURES FOR FRAUD**

If in an aid administrator's judgment, there has been intentional misrepresentation, false statements, or alteration of documents which have resulted or could result in the awarding or disbursement of funds for which the student is not eligible, the case shall be referred to the Director for possible disciplinary action. After investigating the situation, if the Director believes there is a fraudulent situation, all information must be forwarded to the Office of Inspector General of the USDE or the local law enforcement agency.

The Director of Financial Aid reviews the student's aid file with the appropriate aid administrator and if the decision is made by the Director to pursue the possibility of denying or canceling financial aid, a written request to make an appointment is to be sent to the student. If the student does not make an appointment, the Director may:

- Not process a financial aid application until the situation is resolved satisfactorily.
- Not award financial aid.
- Cancel financial aid.
- Determine that financial aid will not be processed for future years.

All processing of the application or disbursement of funds shall be suspended until the Director has made a determination as to whether the student shall be required to make an appointment.

Fraudulent situations should be reported to the hotline of the Department of Education Inspector General at (404) 562-6460 or (800) 647-8733.