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I. FINANCIAL AID OFFICE ORGANIZATIONAL STRUCTURE

A. REGULATORY OVERVIEW

1. Administrative Capability

Any school that participates in federal student aid programs must demonstrate that it is administratively capable. While the bulk of the responsibility for reviewing files, determining eligibility and award amount rests with the Financial Aid Office, other departments manage pertinent data. This requires effective interdepartmental communication and procedures.

According to the Standards of Administrative Capability, the school must:

- administer Title IV programs in adherence to applicable regulations;
- designate a capable individual who has ultimate responsibility for program administration;
- have an adequate number of qualified persons involved in program administration;
- have written procedures or information detailing the responsibilities of the various offices involved in the approval, disbursement and delivery of Title IV funds, as well as the preparation and submission of required reports;
- have internal controls that include adequate checks and balances, including the clear division of responsibilities so that no office coordinates both authorization and disbursement of funds;
- maintain relevant records;
- measure whether or not the student maintains Satisfactory Academic Progress;
- has a system in place to identify and resolve data conflicts and discrepancies;
- refer any cases of fraud to the Office of Inspector General;
- provide adequate financial aid counseling;
- comply with all program and financial reporting deadlines;
- has a Cohort Default Rate that is within the acceptable range as determined by the Secretary of Education; and
- participate in the electronic processes stipulated by the U.S. Department of Education (ED).

Additionally, the school must have a means to provide accommodations for both students and employees in compliance with the Americans with Disabilities Act and the Rehabilitation Act.

2. Financial Aid Office Responsibilities

The Financial Aid Office will ensure that all relevant departments are aware of current regulatory requirements in the administration of Title IV programs. Any changes are communicated quickly and school policies are modified or created, as necessary. The Financial Aid Office should effectively counsel students as to their financial aid options and responsibilities since that office is well-informed of current regulations.

The capable individual ultimately responsible for administering Title IV programs is generally the Director of Financial Aid, or an individual who serves in a comparable position appointed by the school's Chief Executive Officer. This person should be well-trained to effectively manage the Title IV programs in which the school participates, as well as review and process the appropriate applications and forms, and advise students served by the Financial Aid Office.

There should be a clear separation of duties between the Financial Aid Office which awards aid, and the Business Office which disburses aid. In addition, the Financial Aid Office must be aware of any conflicting data housed in the admissions or academic files as these conflicts may impact aid eligibility.

Valuable Links

https://ifap.ed.gov/fsahandbook/attachments/1819FSAHbkVol2Ch3.pdf

B. POLICY & PROCEDURES STATEMENT

PURPOSE OF FINANCIAL AID AT HERITAGE UNIVERSITY

The objective of the Heritage University Financial Aid Program shall be to enable students to attend Heritage University who would not otherwise have the financial resources to enroll and therefore to encourage a student population which is culturally, economically, and socially diversified. The Financial Aid Program at Heritage University continues to promote scholarship, loan, and employment opportunities for its qualified students who must find funds to attend University. The fundamental purpose of the financial aid program at Heritage University is, therefore, to make it possible for students to attend Heritage University who would normally be deprived of a University education because of inadequate funds or lack of other resources.

PHILOSOPHY OF FINANCIAL AID AT HERITAGE UNIVERSITY

Heritage University is a non-profit, independent, non-denominational, accredited four-year institution of higher education. Its mission is to empower a multi-cultural and inclusive student body to overcome the social, cultural, economic and geographic barriers that limit access to higher education. Rooted in the homeland of the Yakama Nation, we embrace transformational student-centered education that cultivates leadership and a commitment to the promotion of a more just society. At Heritage University the development of financial responsibility is considered to be an integral part of a basic education, which prepares the student to be a responsible citizen of the world community. The University believes the primary responsibility for financing post secondary education rests with the student and his/her family; it recognizes that not all students can afford their total educational costs. Because of this Heritage University has elected to participate in Federal Title IV programs, Washington State programs, and other institutional and outside programs, in order to assist the students in meeting their educational expenses. The institution does not discriminate on the basis of sex, race, religion, or handicap in compliance with the Civil Rights Act of 1964.

MISSION AND VISION STATEMENT—INSTITUTIONAL Heritage University is a non-profit, independent, non-denominational accredited institution of higher education offering undergraduate and graduate education. Its mission is to empower a multi-cultural and inclusive student body to overcome the social, cultural, economic and geographic barriers that limit access to higher education. Rooted in the homeland of the Yakama Nation, we embrace transformational student-centered education that cultivates leadership and a commitment to the promotion of a more just society.

VISION

From its founding days, Heritage University has been inspired by a vision of education which embraces issues of national and international significance. These issues revolve around the realization that cooperation across cultural boundaries – whether they be geographic, ethnic, religious, or economic – will be vital to human survival. Heritage University recognizes a basic principle rooted in all the world’s great religious and moral traditions: each human person is endowed with inalienable dignity and gifted with unique potential.

To translate this vision into everyday reality in the Heritage University learning community requires a highly qualified and unusually dedicated faculty and staff, with a low student faculty ratio. These employees’ dedication to the Heritage University mission leads them to create and sustain unique educational programs specifically tailored to the special needs of multicultural and rural or isolated constituencies. The university community attempts to live its motto, “Knowledge Brings Us Together” by placing great importance on the dignity and potential of each student and by considering diverse cultural and ethnic backgrounds as assets to the educational process.

Heritage University has a student body with substantial diversity, which creates an effective learning community where no single cultural group is a majority. To develop community and concern for the common good, Heritage University seeks to provide leadership in supporting cultural pluralism within our own and other communities. Cultural pluralism creates a climate of respect and appreciation by fostering “learning about us” in an interdependent and connected world. Heritage University acts to make its curriculum, staffing, teaching, and other university activities reflect this learning.

Underlying the university’s vision are three key values: (1) honoring each person’s human dignity and potential; (2) seeking intellectual growth and challenges; and (3) celebrating the shared spiritual roots of all humankind.

Financial Aid Policies and Procedures

The Heritage University Vision is embodied in these eight operating principles for the university:

- H** for the *healing* circle of life we live together;
- E** for the *excellence* in teaching and in learning;
- R** for the *responsiveness* to student needs: intellectual, family, and personal;
- I** for the *inclusivity* and cultural pluralism;
- T** for the *team-work* building community;
- A** for the *awareness* leading to continuous improvement;
- G** for *grass-roots* community involvement;
- E** for *effectiveness* in managing limited resources to achieve Heritage's goals.

OPERATIVE FINANCIAL AID PRINCIPLES

The Financial Aid Office at Heritage University was established in 1982 to coordinate the financial assistance offered by the school and to ensure that the established principles are observed in the administration of student aid programs at Heritage University.

- (1) The Financial Aid Office shall manage all funds received for the administration of federal, state and most institutional student aid programs. Other institutional assistance managed through grant or other sources must be reported to the Financial Aid office for purposes of coordination.
- (2) All students requesting financial aid must file an application with the Financial Aid office in accordance with procedures established by that office. Students must also agree to complete any related forms, and submit any required documents, such as income tax forms, upon request of the financial aid administrator.
- (3) The office of Student Financial Aid will require the completion of a Free Application for Federal Student Aid (FAFSA) for each student who applies for funds. Federal Pell, Direct Loan and Campus-based funds will not be committed or disbursed to any student who has not completed this form. The federal processor through its website or by mail shall be used for the processing of the form by the student. In unusual circumstances the institution may submit the form electronically. Any variation from this policy must be approved by the Dean of Enrollment Management Services.
- (4) All undergraduate students applying for institutional assistance through the Financial Aid office will be required to apply for the Pell Grant program and, if a resident of Washington, the university will submit applications for eligible students for the State Need Grant Program. Institutionally controlled funds will not be obligated until a decision on the Pell Grant is known.
- (5) Heritage University recognizes that the primary responsibility for education rests with the student and the family. Financial assistance from the university and other sources is intended only as supplementary to the efforts of the individual and the family. Thus, Heritage University expects students and/or parents to contribute according to their means, taking into account their income, assets, and earnings, including appropriate borrowing against future earnings.
- (6) Selection of students to receive financial aid will be made without regard to age, sex, race, color, religion, national origin, or handicap.
- (7) Financial aid will be offered only after determination that the resources of the family and the student are insufficient to meet the student's educational expenses. The amount of aid offered will not exceed the amount needed to meet the difference between the student's total educational expenses and the family's resources, except that the definition of "need" may vary among programs, and unsubsidized assistance may be used to replace family contributions.
- (8) In awarding funds to eligible students, the amount and type of self-help will be related to the circumstances of the individual and the largest amounts of grant assistance will go to students with the least ability to pay.

The Heritage University Financial Aid office will:

- (9) Make every effort to meet the demonstrated needs of all students to the extent funding will permit and in an ethical manner.
- (10) Award all aid on the basis of demonstrated need except where funds are specified for recognition of special talents.
- (11) Help students seek, obtain, and make the best use of all financial resources available.
- (12) Provide a clear statement of the actual costs of attendance.
- (13) Inform the student of all conditions under which an award is granted.

Financial Aid Policies and Procedures

- (14) Protect the confidentiality of the economic circumstances of the student and his/her family, and discourage others from making any public announcement of the amount of aid awarded a student.
- (15) Respect the confidentiality of student records. Information should be released only with the written consent of the student and his/her family, and all policies and procedures should protect the student's right of privacy.
- (16) Estimate needs honestly and fairly when preparing funding request.

In addition, the following principles will be used:

- (17) We recognize that Heritage University has an obligation to assist in realizing the national goal of equality of educational opportunity. The university, therefore, should work with schools, community groups, and other educational institutions in support of this goal.
- (18) The office should publish budgets that state total student expenses realistically including, where applicable, maintenance at home, commuting expenses, personal expenses, and necessary travel, following the guidance of the Washington Financial Aid Association
- (19) Students receiving aid in excess of their need will receive an adjustment in their aid award as soon as possible after the determination of over award. Adequate records shall be maintained to document any changes in the original award. Circumstances may require returning funds.
- (20) The amount and type of self-help expected from students should be related to the circumstances of the individual in the assignment of funds to those students designated to receive financial aid, the largest amounts of total grant assistance should go to students with the least ability to pay.
- (21) The university should review its financial assistance awards annually and adjust them, if necessary, to reflect changes in the financial needs of students and the expenses of attending the institution. The university has an obligation to inform students and parents of the financial aid renewal policies for enrolled students at the time of the initial offer of financial assistance.
- (22) Because the amount of financial assistance awarded reflects the economic circumstances of the student and his/her family, the university should refrain from any public announcement of the amount of aid offered to any individual student.
- (23) The Heritage University Financial Aid Offices will abide by all applicable federal and state financial aid regulations to the best of their abilities.

The Financial Aid Office is currently staffed by a qualified individual who oversees the administration and awarding of financial aid. The Director of Financial Aid is responsible for keeping abreast of regulatory requirements of institutional, federal and state financial assistance programs. All financial aid administrators are afforded both formal and informal training opportunities in order to help remain current with financial aid regulatory requirements. This will be achieved through in-house trainings as well as workshops and training opportunities offered by professional associations, state and federal agencies.

A separation of duties related to the administration of federal financial aid exists. The Financial Aid Office is responsible for determining financial aid eligibility and the awarding of all sources of financial assistance. The Business Office is responsible for disbursing financial aid to student accounts and for drawing down federal funds from the U.S. Department of Education.

All of the basic functions of the Financial Aid Office are performed by the Financial Aid staff. General duties include: review financial aid applications, complete a needs analysis, determine demonstrated financial need, prepare a financial aid package, and counsel students on their award packages and alternative loan programs.

Heritage University maintains its central campus in Toppenish, Washington, and offers an array of courses through extension of its main campus to several additional locations. Even though coursework is offered at these locations, the primary services, activities and administrative functions, including the processing of financial aid applications and disbursement of funds, are centralized on the main campus in Toppenish.

The university is governed by a Board of Directors. The Board develops and approves global policies relating to the operational direction of education at the university. With respect to the direct administration of the financial aid programs, however, federal policies supersede state and local policy.

Financial aid operational policy decisions are initiated by the Director of Financial Aid Operations. Policies that have the potential for campus-wide impact are recommended to or initiated by the Director of Financial Aid Policy. The Director of Financial Aid previews the policies and recommends them for implementation. The Director of Financial

Financial Aid Policies and Procedures

Aid Operations makes major day-to-day operational decisions relating to the administration of financial aid. The two directors develop internal policies relating to the administration of the programs in consultation with the staff, and with other impacted departments and agencies.

Financial Aid Office Staff

At Heritage University the four main areas within Student Services plus the Controller form a “quint”, whose directors meet regularly for planning, coordination and communication purposes. The other areas within the Quint structure are the following:

- Admissions and Recruitment
- Student Records/Registrar
- Student Life

These areas are all housed at the same location, the Student Service Center (along with a Student Accounts Office), and all areas report to different administrators. See appendix for chart of complete institutional structure.

Because eligibility determination and delivery of student aid involves complex requirements for verifying, monitoring, and coordinating student awards, the Financial Aid Office works closely with many on-campus offices and off-campus agencies to ensure both strict compliance with regulatory requirements and efficient service to students.

Following is a brief description of offices, agencies, and programs with which the office coordinates student aid delivery. Each office performs specific functions, listed below, in relation to the office.

Controller’s Office: The Controller’s Office, and offices under its purview, performs a number of essential functions key to the delivery of funds and accounting for expenditures in the financial aid programs.

The Student Accounts Office: The Student Accounts Office is the office with the greatest level of interaction with the F.A.O. office. The Student Accounts and Student Loan Coordinator perform a variety of coordination functions, such as:

- (1) Maintaining the billings system with regard to student aid transactions.
- (2) Crediting student accounts with student aid and producing and disbursing checks in excess of the amount credited to the student account. Includes preparing lists of those with balance checks, and sending mailed notification to students with a balance created by Title IV funds.
- (3) Disbursing Direct/Unsubsidized/plus amounts to students on the few occasions when these loans are received as paper checks.
- (4) Tracking and billing of student debts owed to the university from financial aid repayments and over awards.
- (5) Repaying Return of Title IV Funds (calculated by F.A.O.) on tuition, fees, and books directly to the financial accounts and maintaining record in the student accounts of auto-debited Loans.
- (6) Producing and mailing promissory notes for Perkins Loan borrowers.
- (7) Performing exit interviews, dues/diligence, and collections on Perkins Loans.
- (8) Providing collection activity data to the F.A.O. office for the FISAP for Perkins.
- (9) Negotiating repayment terms and billing of emergency (short term) loans.
- (10) Coordinating the dispensation of undelivered aid checks with the F.A. Operations office.

Controller’s Office – General Accounting: The Controller’s Office performs the general accounting and assists with reporting for federal student aid programs. In that capacity this office:

- (1) Completes the Federal Cash Transaction Reports (ED 272s) as required.
- (2) Ensures no excess cash is on hand.
- (3) Requests funds to cover disbursements from GAPS when provided with projections of expenditures from the office.
- (4) Requests funds to cover Federal Work-Study disbursements on a regular basis as payroll requests are received from the Work-Study Coordinator.
- (5) Approves the reconciliation of federal accounts for the FISAP.

Payroll Office: The Payroll office (under Human Resources and the Controller) processes student work-study payroll and releases paychecks to the Work-Study Coordinator’s records.

Financial Aid Policies and Procedures

Work-Study Coordinator's Office: The Work-Study office performs most major functions for the student work-study programs including:

- (1) Awarding FWS and SWS
- (2) Obtaining job descriptions and posting work-study employment opportunities.
- (3) Referring students to prospective employers.
- (4) Arbitrating student/employer disputes (on-campus).
- (5) Maintaining student employment files for both Federal Work-Study and Washington State Work-Study programs.
- (6) Adjusting FWS and SWS awards to reflect changes, in coordination with F.A. Operations.
- (7) Reconciling FWS and SWS records and providing updated information to the financial aid office on a regular basis and at year's end for FISAP and Unit Record reporting.

Admissions Office: As the initial contact office for prospective students, in addition to providing key data necessary to drive the financial aid process, the Admissions Office often provides general information about financial aid and refers new students to the F.A.O. Admissions participates in the following coordination activities:

- (1) Ensures all admitted students have a high school diploma or GED.
- (2) Coordinates recruiting teams to include financial aid staff (or other persons to provide FA information) to ensure dissemination of application information.
- (3) Coordinates production and dissemination of a Financial Aid brochure to all prospective students.
- (4) Will provide "student right to know" information to prospective students according to FERPA.
- (5) Refers students to F.A.O. who may be qualified candidates for institutional aid or other assistance.

Registrar's Office/Student Records: The F.A.O. relies on information provided by the Registrar's Office for the following:

- (1) Verification of eligibility for veterans benefits within the Registrar's Office. The Veterans Affairs representative coordinates the receipt of veteran's benefits with the student financial aid process by providing a report on a monthly basis of students who have received veteran's benefits in GI Bill, VEAP, or other categories.
- (2) Accurate enrollment data for determination of Pell and WSNG awards and provides information about complete withdrawals for determination of Return of Title IV funds.
- (3) Deferral request processing for previous borrowers from Direct Subsidized/Direct Unsubsidized, Perkins/NDSL, and health professions loans.
- (4) Update student class codes which affect students' financial aid eligibility.
- (5) Provides access for F.A.O. personnel to the Student (Quo Data) System and training for these personnel in its use.
- (6) Reporting of total annual enrollment figures for the FISAP.
- (7) Provides reports needed by the F.A.O. including semester grades, enrollment lists, graduation lists, etc.

Student Life Office:

- (1) **Withdrawals:** The Student Life Office receives referrals of students who are contemplating cancellation of enrollment and directs those students who have financial aid to the F.A.O. for processing of Return of Title IV Funds, repayments and exit interviews after first referring student to the Registrar's Office for processing of the withdrawal form. The Student Life Office in coordination with the Controller's Office, has a Student Emergency Loan program. It coordinates these programs with the Financial Aid Office by a sign-off process on the request forms.
- (2) **Scholarships:** The Office of Advancement manages the awarding of institutional scholarships by receiving fund information and requirements from the President's and/or Development Office, preparing application forms and publicity, receiving completed applications from students, setting up selection committees, and maintaining the scholarship data base.

Financial Aid Policies and Procedures

It coordinates with the Financial Aid Office by requesting eligibility information from F.A. and providing lists of recipients and scholarship amounts to the Financial Aid Office as they are selected.

- (3) **A.D.A.:** The F.A.O. office receives information when students require additional funding to cover the costs of materials or services related to their disability. Generally such costs are supported through funding provided by Vocational Rehabilitation. When unsupported costs exist, however, the financial aid operations office confirms the need with the A.D.A. representative and increases the student's F.A. budget as appropriate and works with that office to ensure funding is available.
- (4) **Housing:** Student Life maintains a list of available housing for students in the local area near the main campus in Toppenish, and in other communities in the Yakima Valley.
- (5) **Child Care Services:** Heritage University opened an on-site Child Care Center in the fall of 2002. Referrals are made to the childcare site supervisor located with Student Life. Information about the childcare costs is made available to the F.A.O. as needed. In addition, a list of other childcare resources is maintained by Student Life.
- (6) **Other Services:** Financial Aid refers students to Student Life for miscellaneous services such as Student Emergency Loans/Advances, gas vouchers, professional (donated) clothing, grocery vouchers, etc.

Computer Services: Computer Services supports the automated processes of the office by:

- (1) Installing and updating versions of Power FAIDS on an annual basis.
- (2) Providing regular maintenance to the Power FAIDS system.

Departmental Offices: Departmental offices coordinate awarding of departmental scholarships by reporting amounts and recipients to the scholarship office and Financial Aid (when applicable) for update on the Power FAIDS system.

Human Resources: Human Resources support the student employment functions in the following ways;

- (1) By assisting with establishment of federal and state work-study pay rates.
- (2) By providing advice, mediation, and/or other resources on request/by referral when student employee and supervisor conflicts occur.
- (3) By maintaining student employee payroll records and other documents (I-9s, W-4, W-2, etc.)

Off-Campus Locations: The University offers courses leading to degrees at Heritage University in a number of off-campus locations in Washington. Financial aid application processing, awarding and disbursement is centralized on the Toppenish campus. Students identify their enrollment at these locations on the registration form and on the supplemental form.

The Financial Aid Office has established consortium agreements with Community University's located near these locations to allow for financial aid payment from Heritage University as the parent institution based on the student's concurrent enrollment at the Community University and Heritage University. Students verify enrollment at the other University by providing a copy of the registration form and documenting fees paid. If the other University is on a quarter system, quarter units are converted to semester units by the F.A.O. to determine Pell eligibility. Currently Heritage University standing consortium agreements are in place with two community University's: Wenatchee Valley Community University and Big Bend Community University.

FINANCIAL AID OFFICE STRUCTURE AND POSITION RESPONSIBILITIES

Areas of Responsibility -- Summaries

Director of Financial Aid:

Directs the administration of the financial aid procedures according to the established financial aid policies. The Director of Financial Aid is responsible for the management of staff, budgets, and activities in all areas of financial aid services, including grants, scholarships, and student loans.

The Director of Financial Aid is a professional, administrative level position requiring the ability to manage a variety of federal, state and institutional financial aid programs. The position will organize personnel, juggle

Financial Aid Policies and Procedures

multi-tasks, meet deadlines, and respond to a large number of constituents in a timely fashion. The position will serve students by helping them receive the funding they need to cover their educational and living costs while assuring that the institution receives payments for the educational service it offers students.

This position provides system coordination of student financial aid information and funds, including monitoring the awarding process and reconciliation of general and assigned financial aid programs. Implements and administers the automated financial aid delivery system and coordinates its continued functioning; primarily responsible for data administration for financial aid programs; provides system and program support to all functions within financial aid.

This position organizes the activities for the program coordinators, holds F.A. staff meetings, plans and implements changes, reconciles and oversees the reconciliation of all financial aid programs, and is responsible for overseeing the financial aid computing systems (Power FAIDS, EdConnet, EdExpress, HEC Board) and completion of reports and analyses used for federal, state, and institutional reporting. Supports the overall financial aid function; must possess a deep and thorough knowledge of federal and state financial aid rules, regulations, and processes, procedures, and data manipulation requirements.

This position must assure that we are in compliance with federal and state laws and regulations and that periodic reports required by federal and state agencies are accurately and timely prepared and submitted. The Director of Financial Aid supervises the following positions.

Assistant Director of Financial Aid

Currently, this position awards financial aid and is responsible for overseeing and reconciling the Washington State Need Grant. This person also handles the front desk, advising of students, does presentations and visits off-campus sites. This person also supports the Director of Financial Aid.

Financial Aid Programs Coordinator, Loans:

This position is responsible for overseeing assigned programs, specifically the scholarships and Federal Direct Stafford Student Loan programs, supports the overall financial aid function, assists with revising awards of aid and monitors enrollment and eligibility of students receiving loans and scholarships.

Financial Aid Programs Coordinator, Verification and Work-Study:

Primarily performs all of the functions required for the verification process as well as database matches, C-holds, reject codes and other parts of the file review process. This position is responsible for directing the administration of the Federal and State of Washington student work-study programs, including initial awarding of the aid. The Coordinator is responsible for the management of work-study staff, budgets and activities in the above programs.

Financial Aid Programs Coordinator, Front Counter:

This position also serves as the front line for the answering of incoming telephone calls and provides other support to the F.A. office by doing most of the data input of incoming documents, opening and processing mail, processing group mailings of notifications and document requests, identifying outdated files to be archived and other program support duties. This person also helps process award letters.

Work-Study Office Assistant:

The number varies from year to year and is currently at one position. The position provides the balance of the clerical support needed for the department, including assisting with filing, making phone calls, copying, faxing, doing basic data input and word processing. They may also assist with completion of statistical information or reconciliation using reports generated by the staff, and may take on other duties as skills permit.

Financial Aid Department Hours

Regular office hours are 8am to 5pm Monday through Friday, with extended hours to 6pm usually available the week before a semester begins and the first week of each semester. Appointments during later hours are available, when possible, by calling the office. The Financial Aid Offices do not close during the noon hours or during regular hours except by prior notice. Closures for specified hours may be announced during peak processing times.

APPOINTMENTS WITH STAFF

POLICY

The Heritage University Financial Aid Office maintains a modified open-door policy. That is, most student inquiries are handled on the telephone, at the counter or in the office and do not require an appointment. When concerns cannot be resolved in the above ways, an appointment is made for the student with the requested staff person. If the student's concern is not specific to one of the other staff persons or if the student's concern is considered to be major, an appointment is made with the Dean of Enrollment Management Services. At peak processing time during the year, the Financial Aid Office may be closed to department counter service during announced hours. At those times, the front counter receptionist will take messages for the department which will be returned by telephone, if the student is unable to return during the time the office is open.

PROCEDURES

Counter Assistance – The Student Services Center front counter is staffed by the building receptionist (and assistants) who are supervised by the Director of Student Life. When students come in with questions, the receptionist answers any questions about which she is knowledgeable or which she can answer from reports provided to her by the Financial Aid Office. When the receptionist is unable to answer the student's questions, she calls the Financial Aid staff person who is scheduled to handle the "counter" at that time. This person comes to the front and makes the decision as to whether the concerns can be resolved at that time or whether an appointment is necessary.

Scheduling Appointments – Heritage University is a small university, with just five regular full-time Financial Aid staff persons plus the Dean. Because of the department's small size, the staff persons are each responsible for specific areas of financial aid rather than for certain groups of students. That is, there is not a "financial aid counselor" type system where students are assigned alphabetically or by social security number. Instead, students are referred to a staff person by the type of questions or problem they bring. If the person assigned to the counter decides that an appointment is needed, she checks the calendar of the appropriate staff person and schedules the appointment.

TELEPHONE

In the Financial Aid Office, calls that come to the general Heritage University number (509) 865-8600 are routed from the switchboard, first to the Office Manager who either answers the caller's question, or takes a message and then researches the answer, takes a message for referral to another staff person, or refers the call immediately, whichever is appropriate to the circumstances of the call. Occasionally, calls come in through the front desk receptionist who forwards them to the technician who then proceeds in the above manner.

Phone calls may also come in through direct inward dialing. The number listed in the phone book is (509) 865-8502 which is located at the desk of the Office Manager who picks up as many of those calls as is possible and adheres to the above policy.

The Financial Aid Office follows the phone protocol as outlined in the University's office procedure manual (listed below in procedures section) and makes every effort to respond to each call in a timely manner by returning calls within 24 hours, to refer them to the appropriate person and provide an answer to the caller's question as soon as possible.

1. Special Consideration for Students with Disabilities

Heritage University is committed to full compliance with Section 504 of the Rehabilitation Act of 1972, and the Americans with Disabilities Act of 2008. Employees.

COMPLIANCE & INTERNAL AUDITS

A. REGULATORY OVERVIEW

2. Compliance Audit

Schools that participate in Title IV programs are required to submit to ED an annual audited financial statement, along with a compliance audit. The audit must be conducted by an independent auditor and must measure the school's compliance with program laws and regulations. The financial statement allows ED to measure how well the school meets applicable financial standards.

Heritage University is not required to submit an A-133 audit because SFA funding levels fall below the threshold required for such an audit.

3. Internal Audit

It is highly recommended that the school implement an internal audit process of the financial aid function. Through this process, the Business Office or designated audit firm conducts an internal audit of the financial aid function on a periodic basis by following Internal Audit Procedures. The internal audit is designed to review financial aid and financial service policies and procedures that are related to the administration of financial aid. It is designed to be supplemental, and not duplicative, of any other audit the College may conduct.

Links

<https://ifap.ed.gov/fsahandbook/attachments/1819FSAHbkVol2Ch4.pdf>

II. RECORDS

A. REGULATORY OVERVIEW

1. General Records

The school is required to maintain accurate records detailing its administration of federal funds. Failure to comply with this requirement may result in the loss of authority to administer federal funds. The records for financial aid programs should provide a clear audit trail, proof of student eligibility for funds awarded and disbursed, and adherence to program regulations. The records may be in paper or electronic form.

a) Program records that must be maintained include:

- (1) Program Participation Agreement (PPA)
- (2) Eligibility and Certification Approval Report (ECAR)
- (3) FISAP (if applicable)
- (4) Accreditation reviews, approvals and reports
- (5) Licensing reviews, approvals and reports
- (6) State agency reports
- (7) Audit and program reviews
- (8) Self-evaluation reports
- (9) Other records, as required

b) Fiscal records that must be maintained include:

- (1) Details of all FSA transactions
- (2) Bank statements for accounts containing FSA funds
- (3) Individual student accounts (including charges, payments, disbursements, refunds, etc.)
- (4) General ledger and related subsidiary ledgers
- (5) FWS payroll records (if applicable)
- (6) Fiscal Operations Report section of FISAP (if applicable)
- (7) Other reports, including detail supporting summarized reports

c) Federal Direct Loan & Federal Work-Study Records

Additional records in support of the following federal student aid programs must also be maintained (paper or electronic):

- (1) Direct Loan Program
 - (a) Loan certification or origination, including loan amount and period of enrollment;
 - (b) Budget, estimated financial assistance, and EFC used to determine loan amount;
 - (c) Disbursement dates and amounts; and
 - (d) Documentation of the loan confirmation process (active or passive) for each award year, if the school uses a multi-year MPN (may be in other written material provided by the Financial Aid Office)
- (2) FWS Program
 - (a) Documentation of work, earnings and payroll transactions

2. Student Records

Each recipient of federal student aid must have records that contain the documents listed below. These may not be stored in the financial aid office, but must be maintained by the school. The documents include:

- SAR/ISIR used to determine aid eligibility
- Proof of FSA eligibility (i.e., high school diploma, GED, etc.)
- Documentation supporting all professional judgment decisions
- Financial aid history for transfer students
- Cost of Attendance (COA)/budget information
- Satisfactory Academic Progress (SAP) documentation
- Program of study and course enrollment
- Proof of admission status, enrollment status and period of enrollment

Financial Aid Policies and Procedures

- Required student consent (and parent consent, if applicable) and authorizations
- Necessary student certifications and supporting documentation
- Necessary documentation to resolve conflicting information
- Verification documents
- Loan counseling and related documents
- Documentation detailing the awarding, disbursing, refund and return of FSA funds to student, including dates, amounts and program eligibility determination

3. Record Retention

Minimum Record Retention Periods

FSA Program	Minimum Retention Period	Duration Stipulation
Campus-based Programs (FWS)	Three years	From end of the award year for which the aid was awarded
Except: Fiscal Operations Report (FISAP) and supporting records	Three years	From end of the award year in which the report was submitted
FFEL and Direct Loans: Records related to borrower's eligibility and participation	Three years	From the end of the award year in which the student last attended
FFEL and Direct Loans: All other records, including any other reports or forms	Three years	From end of the award year in which the report was submitted

4. Active Records

Active paper records should be maintained and stored in locking filing cabinets located in the Financial Aid Office. Due to the confidential nature of the documents which are maintained in financial aid files, the Financial Aid Office (or separate file room, if applicable) should be locked when the office and/or the campus is closed. Access to the aid files should be limited to Financial Aid Administrator.

5. Inactive Records

Inactive paper records do not necessarily need to be stored in the Financial Aid Office but should be filed in a secure location which is locked at all times. For students who have received federal loans, records are retained in accordance with the guidelines described above. Files which no longer need to be retained must either be shredded in-house or by an outside shredding service.

6. FERPA Records

In compliance with the Family Education Rights and Privacy Act of 1974 (FERPA), the school must protect the privacy rights of students by limiting the disclosure of personal information contained within the educational records.

Unless specifically requested in writing, directory information may be disclosed to the public without student consent. Directory information includes:

- Name
- Local address
- Local telephone number
- Enrollment status
- Dates of enrollment
- Degree(s) and award(s) received
- Most recent attendance of previous educational institution
- Anticipated graduation date

Non-directory information requires student consent prior to disclosure. Prior authorization is not needed to disclose information to parents of students who are dependent per IRS laws. Authorization from the

Financial Aid Policies and Procedures

student is required for the release of information to parents of independent students, spouses of independent students, and guardians or family members of students made independent by a dependency override.

Exceptions to this regulation are:

- Relevant and authorized school employees
- Representatives of federal and state agencies (e.g., for audit purposes)
- Accrediting organizations

Acknowledgements of such requests for access and file review must be recorded in the student's file.

The student's written consent for disclosure of non-directory information to any other person or agency must contain the following:

- Purpose of disclosure
- List of specific records to be disclosed
- Identity of recipient of records

Discussions regarding aid eligibility and award determinations for dependent students are either with the student and/or the parent. In cases where the parents are separated or divorced, financial aid personnel will only have aid discussions with the custodial parent which is the parent who completes the required applications and submits all required financial documents used in the analysis of aid eligibility on behalf of the student. If a non-custodial parent requests information from the Financial Aid Office in writing, by phone, or through email, the school will inform the non-custodial parent to contact either the student and/or the custodial parent for the desired information or have the student and the custodial parent authorize such disclosure of information in writing to the Financial Aid Office. If a parent of an independent student is seeking disclosure of financial aid information, the school must require the student to authorize the release of such information in writing. The request to release information to the designated party would be maintained in the student's file.

7. HIPAA

Although the Health Insurance Portability and Accountability Act of 1996 (HIPAA) does not generally apply to schools, any health records in any office on campus must be confidentially maintained.

Valuable Links

Recordkeeping <https://ifap.ed.gov/fsahandbook/attachments/1819FSAHbkVol2Ch7.pdf>

B. POLICY & PROCEDURES STATEMENT

OVERVIEW

The Financial Aid Operations Office at Heritage University is responsible for maintenance and of most of the records related to the awarding of financial aid. The office abides by all federal and State of Washington regulations for retaining student records. By utilizing both paper and electronic files, the F.A.O. Office ensures that records are readily available for any necessary purpose, including federal or state audits or program reviews. A clear audit trail system is created by administrators and staff documenting special situations, changes to student information or any other corrections create a clear audit trail system. Other offices on campus are involved in retention of records and will be addressed in the sections about each type of record. Those offices include but may not be limited to the following:

- The F.A. office (as above)
- Business Office, Student Accounts
- Business Office Perkins Loan Office
- Business Office, and Human Resources Payroll
- Registrar's Office
- Admissions

Financial Aid Policies and Procedures

- President's Office

REQUIRED GENERAL STUDENT RECORDS MAINTAINED BY FINANCIAL AID AND OTHER OFFICES

The following required records are maintained for each student financial aid (SFA) recipient of federal funds and are maintained by the office listed.

Financial Aid

- (1) The Institutional Student Information Record (ISIR) (electronic and paper printout) used to determine a student's eligibility for SFA funds.
- (2) Application data submitted to the Department, lenders and guarantee agencies (electronic in most cases) by the school on behalf of the student or parent.
- (3) Documentation of all professional judgment decisions. Heritage University documents supporting requests for changes include (but are not limited to):
 - Family Contribution Revision Request
 - Petition for Dependency Override
- (4) Cost of Attendance Information. Comment in electronic record supporting adjustments and/or written record.
- (5) Satisfactory Academic Progress:
Documentation of the student's satisfactory academic progress. The record of semester grade reports/transcripts is maintained in the Registrar's Office. SAP documents maintained in the F.A. Operations office are:
 - F.A. Probation Letter copy
 - F.A. Suspension Letter copy
 - SAP Petition (Appeal) Form and supporting documentation
 - Statement of Intent
 - Electronic notation of status and effective dates.
- (6) Student certification statements and supporting documents.
 - Heritage University does not enter FAFSA data so the actual certification signature required for application is kept in federal files. Date of this certification or date FAFSA was signed is kept in the electronic record.
 - The award letter packet (financial aid notification) includes the signed Student Certification of Responsibilities, including award acceptance.
 - Signed promissory notes for FFELP loans are maintained by the guarantor. If the student or lender returns the institution's copy, it will be kept in the file.
 - Other certifications related to specific awards or circumstances.
- (7) Documents used to verify applicant data.
Verification records for selected applicants include:
 - Students and/or parents tax returns and supporting documents
 - Other School Enrollment form with supporting documents
 - Signed Verification Worksheet
 - Worksheet A,B,C
 - Other documents are required by the F.A.O. office
- (8) Documentation relating to each student aid recipient's or parent borrower's receipt of SFA Program funds.
 - The amount of the grant, loan and/or FWS award; its payment period; its loan period (if appropriate); and the calculations used to determine the amounts.
These are kept in the electronic record. Records of hand calculations (when applicable) will be kept in the file. Signed copy of initial award letter will be kept in the file.
 - The date and amount of each disbursement or delivery of grant or loan funds.
The F.A.O. office maintains a record (electronic and/or paper) of the information sent to the Business Office to request disbursement or delivery of funds.
 - Return of Title IV Funds and Overpayments: The amount, date and basis of the school's calculation of any Return of Title IV Funds or overpayments due to/from or on behalf of the student aid recipient.

Financial Aid Policies and Procedures

- The record of calculation is kept in a separate folder and/or in the student file. Supporting documents may include attendance records, proof of attendance form, registration form copy, copy of grades or grade transcript.
 - Copy of request to the Business Office payment of the “return” or overpayment due to the SFA program fund, a lender/guarantor or the Department (as appropriate).
- (9) Loan Counseling: Documentation of and information collected at any initial/entrance or exit loan counseling required by regulation. For FFELP loans proof of loan counseling is maintained.
- Either the proof received by e-mail from NELA, or
 - If done by paper packet, a copy of the quiz given at entrance
- (10) Washington State Need Grant: Documents and other state grant documents and certifications.
- (11) Documents supporting proof of eligibility status in areas identified through NSLDS.
- Default: Documents supporting clearance of the default
 - Citizenship or eligible non-citizen status: Documents supporting the questioned status
 - Other eligibility documents as required.
- (12) Institutional documents are also maintained although not required by the Department of Education
- Heritage University Financial Aid Supplement
 - Scholarship applications for those awarded a scholarship. These are forwarded from Student Life.
- (13) Perkins Loan Selection Criteria: 1) Juniors/Seniors/Graduates with Zero EFC. 2) If funds remain students in second selection group will include Freshman and Sophomores and EFC will increase to no more than \$1,000.

Work-Study Coordinator’s Office

- (1) Required student certification statements and supporting documentation
- Code of Responsibility for Security and Confidentiality of Records
 - Certification of truth and correctness of hours worked and of work-study time sheet is signed by the student worker and attests to the above.
- (2) FWS wages paid -- The data and amount of each payment of Federal Work-Study wages.
- Time sheets showing exact times of work, total hours per day and per period, rate of pay and gross wages is kept in the student’s FWS file.
 - A Student Work and Aid Record spreadsheet with a page for each student worker showing each paycheck’s data is maintained and includes the following:
Pay period, pay date, check number, total hours worked this pay period, earnings, accumulated dollars earned, amount remaining in award, signature of receipt of check (unless by electronic deposit) and date received.

Business Office-Student Accounts

- (1) The data and amount of each disbursement or delivery of grant and loan funds. This information is entered into each aid recipient’s billing record for Pell, FSEOG, Stafford Loan, Unsubsidized, Additional Unsubsidized, PLUS (if electronic) and, beginning fall 2002, Perkins. Supporting documents are maintained for the above.
- (2) Return of Title IV Funds and overpayments – The payment amount and date of any Return of Funds of overpayment to the SFA Program fund, a lender or the Department of Education (as appropriate).
- The Business Office keeps a record of all such transactions.
- (3) Institutional refunds and balance checks paid to students, dates, amount and supporting documentation.

Business Office – Perkins Loan Office

Financial Aid Policies and Procedures

- (1) The date and amount of each disbursement or delivery of Perkins Loan funds.
 - The Perkins Loan Office maintains a Perkins Loan record for each borrower which includes the above data with any supporting documentation.
- (2) Loan Counseling -- Documentation of and information collected at any initial/entrance and/or exit loan counseling required.
 - Perkins Loan Counseling documents with signatures and dates signed. These include references, next of kin, and planned employment after graduation, etc. See Business Office for copies of documents currently in use.

Business Office – Payroll

- (1) The date and amount of each payment of Federal Work-Study wages.
 - The payroll office processes the payment of FWS wages and maintains the payroll records for the program.

Registrar's Office

- (1) Documentation of each student's eligibility for SFA Program funds in the area of prior education, i.e. records that demonstrate that the student has a high school diploma or GED and for certain programs has an AA degree or BA degree.
After the student is admitted, the following records are transferred from admissions to the Registrar's Office:
 - GED certificate and scores
 - High school transcript showing graduation date
 - University transcripts showing degrees received
- (2) Documentation of a student's satisfactory academic progress
 - Heritage University transcripts showing grades and completion are maintained via the electronic processes used by the Registrar's Office.
 - Institutional SAP (separate from FA office SAP) letters and supporting documents are maintained by this office.
 - Incompletes – Documents showing the process of contracting for making up an incomplete grade are maintained.
 - Change of Grade form copies are maintained for all grade changes.
- (3) Documentation of a student's program of study and courses in which enrolled.
 - The electronic record of each semester for which the student is enrolled
 - Evaluation of transfer credits documents
 - Admission application and admission letter copies showing program of study
 - Graduation application and evaluation documents
- (4) Data used to establish student's admission, enrollment status and period of enrollment.
 - The electronic record shows admission and enrollment status
 - Period of enrollment. The fact of enrollment for a particular period is available in the electronic record.
 - Period of enrollment dates. The dates during which courses are held and are available in the catalog course schedules, and other records which are kept by this office
 - Copies of registration forms are maintained

Admissions Office

Up to and until the student is admitted, documents concerning admission status are maintained, then they are transferred to the Registrar/Student records.

PROGRAM RECORDS MAINTAINED

President's Office: The President's Office maintains the original copies of the following program records:

Financial Aid Policies and Procedures

- Program Participation Agreement
- Accrediting and licensing agency reviews, approvals and reports
- State agency approval and reports
- Program Review reports
- Audit reports (copy)
- Self-study for accreditation and other self-evaluation reports for the institution
- Financial statements and other records that pertain to financial responsibility and standards of administrative capability

Business Office, Controller: The Controller's Office maintains the original or a copy of the following program records:

- Program Review reports
- Audit reports
- Financial statements and other records that pertain to factors of financial responsibility

Financial Aid Operations Office: The FAO Office maintains copies of the following program records:

- Program Participation Agreement
- Notification of tentative funding levels
- Campus-Based Programs Statement of Account and accompanying report
- Pertinent sections of audit and program review report
- State of Washington Award Notifications

Human Resources:

- Employment records for all persons employed, pertains to standards of administrative capability

FISCAL RECORDS

Overview of Policy: All required fiscal records to support and demonstrate the University's proper use of SFA funds are maintained by the Heritage University Business Office. The office endeavors to provide a clear audit trail that demonstrates that funds were received, managed, disbursed and returned in accordance with federal requirements.

Heritage University accounts for all receipt and expenditure of federal funds in accordance with generally accepted accounting principles.

See Business Offices for specifics of SFA Programs record keeping and retention.

Financial Aid Office: The FAO Office supports the Business Office records retention by maintaining certain fiscally-related documents.

- (1) State grant (WSNG) rosters and reports
- (2) Records used to prepare the Income Grid on the FISAP (in Power-FAIDS program)

RECORDS RETENTION TIMELINES

Policy: Heritage University retains the SFA Programs Records for at least the minimum time required by regulation, and stores the records safely in both paper and electronic form.

Campus-Based and Pell Grant: General records – Three years from the end of the award year for which the aid was awarded.

Exceptions Within Campus-Based and Pell:

Financial Aid Policies and Procedures

- (1) **FISAP** (Fiscal Operations and Application Report). These are kept for three years from the end of the award year during which the report was submitted. That is, the FISAP is kept at least one year longer than the general records.
- (2) **Perkins Repayment Records**: These are kept for three years from the date on which a loan is assigned to the Department, canceled or repaid. This includes the original repayment schedule.
- (3) **Perkins Original Promissory Note**: This is maintained until the loan is satisfied or the documents are needed to enforce the obligation.

FFEL Program Loans: (Direct Loans are not offered at Heritage University.)

- (1) Records related to borrowers' eligibility and participation.
- (2) These are kept for three years from the end of the award year in which the student last attended the school.
- (3)

Institution Student Information Record (ISIR): The ISIR is retained following the general guidelines above and is maintained in its original electronic format as it was archived using the system or software supplied to the University by SFA.

Audit and Program Review Records: Records selected for audit, program review or investigation will be retained until the review is completed, all questions are satisfactorily answered and resolution is reached. This may be longer than the above requirements (but will never be less).

PROCEDURES – FILING SYSTEM – HARD COPY

Financial Aid Operations Offices

The Type of Files:

The F.A.O. office student files are maintained alphabetically by student name (last, first, and middle initial). The label includes the student's social security number and the first year the student was an aid recipient. Additional labels are affixed to the front of the folder for each additional year in which the student applies for financial aid and is an aid recipients.

Storage of Files:

Financial aid files are stored in the file room in the Student Services Center in filing cabinets dedicated to financial aid. Older files (i.e. when there is no further room) are boxed by oldest year and are delivered to the University's storage building located at the northeast end of the campus. The Financial Aid Offices currently use storage building a shared with the Registrar's Office. These paper records are stored in chronological order (whenever possible), and are maintained by the office.

Work Study

Types of Files:

Student work-study files are maintained alphabetically by student name (last, first, and middle initial). There are separate groups of files for state work-study and federal work-study, and the label differentiates between the two. The label also includes the award year to which the enclosed records pertain. The student work-study files are year specific.

Storage of Files:

Student work-study files are stored in the file room of the Student Services Center in filing cabinets dedicated to financial aid. There is rarely a need for archiving but when there is, older records are stored in the storage building assigned by the University, located as above.

Registrar's Office:

Financial Aid Policies and Procedures

Paper student files are stored in the same room and in a similar manner to financial aid's and are maintained by the Registrar's Office.

Other Offices:

See the Business Office payroll, President's Office, etc. for their procedures concerning filing systems and paper file storage and locations.

PROCEDURES – FILING SYSTEM – AUTOMATED

Financial Aid Operations: The F.A.O. office uses Power FAIDS (a CSS product) for its financial aid processing software system. The system stores prior year information beginning with the 1999-2000 award year. The three years prior to that we used the Department's software and records stored in that system.

Other Offices

- (1) **Records on Jenzabar EX and other software:** The Business Office, Registrar's Office and Admissions use the Jenzabar EX software. See those offices for their procedures for storage of this data.
- (2) **Records and Microfiche:** The Registrar's Office stores the Fort Wright University transcripts and copies of early Heritage University grade sheets on microfiche. The microfiche "films" are stored in a cabinet in the Registrar's Office and the machine for reading and reproducing the documents is located in the common area shared by the Registrar's Office and Financial Aid in the Student Services Center. No other student records are kept on microfiche or microfilm at the institution.

Computer Services: The Computer Services department provides backup and support for all electronic records and is responsible for storage of any student records or documentation that is maintained on CDs, tapes, disks or other media. See the Computer Services department for information on their procedures for storage of data on various media.

AVAILABILITY OF RECORDS FOR AUDITORS AND REVIEWERS

Records are easily accessible when needed for auditors and reviewers. When the auditor, reviewer or investigator makes a request for records on official stationery or other identifying documentation, the files or other requested records will be pulled or produced as soon as possible. The reviewer will be given an accessible room or area in which to view the records. The University will cooperate fully with all audits, reviews or investigations.

III. INSTITUTIONAL & PROGRAM ELIGIBILITY

A. REGULATORY OVERVIEW

Before a school may administer federal student aid, it must be certified as an eligible institution by ED. The school must define which type of institution it is and apply to participate in the appropriate Title IV Programs. Eligible institutions must:

- be legally authorized by the state;
- be accredited by a nationally recognized accreditation agency, or have met alternative requirements;
 - Although the school may have program-specific accreditation, the primary accreditation should be given by an agency with the authority to cover all programs at the school.
- admit as regular students only those applicants who have a high school diploma, or equivalent, or who are beyond the age of compulsory attendance as established by the state where the school is located.
 - Effective July 1, 2010, “regular students” will include home-schooled students with no high school diploma or equivalent and dually enrolled secondary students.

The school must have a current Program Participation Agreement (PPA) signed by the school President or Chief Executive Officer and an authorized representative of the U.S. Department of Education. The PPA provides details as to academic program definitions, approved locations and authorization to participate in specific Title IV Programs. The Higher Education Opportunity Act of 2008 (HEOA) created additional features of the PPA, including new regulations for:

- Preferred lender list
- Code of Conduct
- Copyright protection
- Private loan certifications and disclaimers

In addition, the school must also be approved by the appropriate state agencies from which it students receive state grant funds (if applicable).

1. Heritage University University’s Federal Program Participation Agreement (PPA)

Heritage University University’s Federal Program Participation Agreement is effective for the period of expires on December 31, 2019.

2. Federal & State Program Eligibility

a) Eligible Programs

Federal regulations prohibit a school from awarding student aid to students not enrolled in an eligible program. An eligible program is defined as one that is included in the notice of accreditation, authorization by the state and the PPA. Additionally, both the program and location must be approved by these entities. A student who is enrolled in an *unapproved program* or an approved program at an *unapproved location* is ineligible for financial aid.

b) Adding a New Program

ED allows the school itself to add an eligible program if: (1) the school has already been approved for degree programs at the same level as the new program (i.e., associates, bachelors, graduate); or (2) the new program provides at least 10 weeks of instruction time; 8 semester hours, 12 quarter hours or 600 clock hours; and prepares the student for employment in a recognized occupation for which the school offers an already approved program. State and accrediting agency approval must be on file prior to adding the program and disbursing aid.

New programs that do not fall into the two categories must be submitted to ED for approval. Changes to the E-App, along with copies of approvals from accrediting agencies and state authorizing agencies will be reviewed by ED. Once approved, a revised Eligibility and Certification Approval Report (ECAR)

Financial Aid Policies and Procedures

and approval letter are sent to the school, detailing the date the school has become eligible to disburse funds to students in the newly approved program.

NOTE: All new programs must be updated on the ECAR, regardless of whether the school makes the determination or ED must approve the new program.

3. Heritage University Locations

Heritage University operates in only two locations:

- Toppenish, Washington,
- Tri-Cities, Washington,

a) Adding a New Location

The school must report any new locations where at least 50% of an eligible program is offered. The school should submit an updated E-App and copies of new location approvals from its accrediting agency and state legal authorization. Upon submission of these documents, funds may be disbursed to students enrolled in an eligible program at the new location unless the school is required to wait for approval from ED.

There are circumstances in which a school must apply for and wait for approval from ED before disbursing FSA funds at the new location. If the school is:

- provisionally certified;
- on cash monitoring or reimbursement system of payment;
- in receipt of the assets of another school that provided educational programs at that location the previous year, and the other school participated in FSA programs during that year;
- subject to the loss of eligibility under Cohort Default Rate regulations by the addition of the new location; or
- was previously restricted from disbursing FSA funds without ED approval.

After ED has reviewed the documents, if the new location is approved, the school will receive a revised ECAR and approval letter. The date the new location is eligible will be detailed in the documents from ED.

4. Heritage University Accreditation, Licensure Information

Heritage University is accredited by the following accrediting agencies:

Northwest Commission on Colleges and Universities
Washington Student Achievement Council

Heritage University is licensed by the State of Washington as an education institution. Documentation of the accreditation and licensure can be found in the President's Office.

5. Approved Federal Programs

- (a) Federal Direct Loan and Federal Family Education Loan Programs
- (b) Federal Pell Grant Programs and Federal Teach Program
- (c) Federal Work Study
- (d) Federal SEOG

6. Other Requirements

The Higher Education Opportunity Act of 2008 (HEOA) created additional requirements for institutions:

a) Anti-Lobbying

Financial Aid Policies and Procedures

A school may not use federal student aid funds to pay someone to lobby a member of Congress or their employee, nor an officer or employee of Congress or any federal agency.

b) Voter Registration

If the school is located in a state in which the DMV/voter registration provision of the National Voter Registration Act applies, the school must make a “good faith” effort to distribute voter registration forms to students.

c) Preferred Lender List

If the school opts to participate in the FFEL Program, the school must: (1) provide families with a preferred lender list which must contain at least three unaffiliated lenders; (2) provide an explanation of the methods and criteria used for lender selection; and (3) provide comparative information regarding loan rates and borrower benefits. The list must be updated annually. Additionally, the school must include in the information to families a prominent statement that the student and/or parent is not limited to selecting a lender on the preferred lender list.

d) Code of Conduct

The school must publish and enforce prohibitions on revenue sharing, directing students to specific lenders, accepting offers of private loans in exchange for concessions or commitments linked to loan volume or a preferred status. These prohibitions will be applicable to all officers, employees and agents of the school. The Code of Conduct also restricts the acceptance of gifts and compensation.

Valuable Links

<https://ifap.ed.gov/fsahandbook/attachments/1819FSAHbkVol2Ch1.pdf>

<https://ifap.ed.gov/fsahandbook/attachments/1819FSAHbkVol2Ch2.pdf>

POLICY & PROCEDURES STATEMENT

Heritage University implements and follows all of the above stated regulatory requirements.

The following graduate programs offered at Heritage University meet the definition of an eligible program for determining eligibility for federal student aid. They are:

- Certificate
- Associate of Arts
- Bachelor of Arts

IV. CONSUMER INFORMATION

A. REGULATORY OVERVIEW

Current and prospective students, their parents, current and prospective employees and the public are entitled to information about the school, aid programs and their associated rights and responsibilities. The U.S. Department of Education requires that the school provide this consumer information. Although all consumer information does not originate in the Financial Aid Office, in order for the school to be deemed administratively capable, the dissemination of the required information is mandated by federal regulations.

1. Financial Aid Information

Financial aid information may be included in the school catalog, student handbook, and/or school website. The following list outlines the information that should be available to all enrolled and prospective students:

- Available federal student aid (need and non-need based)
- Available state, local, school and private student aid (need and non-need based)
- Application procedures and eligibility criteria for all sources of aid
- How aid is distributed to eligible students
- Student rights and responsibilities associated with each source of financial aid
- How and when financial aid is disbursed
- Terms and conditions of employment offered as part of financial aid
- Loan terms, schedules for repayment and counseling, including the necessity of loan repayment
- Necessity of maintaining Satisfactory Academic Progress, how this is determined and how to regain eligibility if it is lost

ED annually updates FSA information in the publication *Funding Your Education Beyond High School*. This and various other publications may be ordered and retained in the Financial Aid Office. Students may access ED consumer information online at <http://studentaid.ed.gov>. Financial Aid Administrators may access financial information at <http://ifap.ed.gov>.

2. Institutional Information

The school must also make available the following information to all current and prospective students:

- Accreditation and licensure information, including the name of the agency or association
- Available facilities and services provided in ADA compliance
- Cost of attendance, including additional program-specific costs
- Explanation of policies and procedures both the student and the school must follow when the student withdraws, including the requirement to perform a Return to Title IV calculation (R2T4)
- All degrees, certificates and other training offered by the school
- Availability of a GED program, if applicable
- All facilities associated with degree programs (e.g., lab)
- All faculty and associated personnel
- Contact information for both financial aid and general inquiries
- Instructions regarding loan deferments
- Availability of FSA funds for study abroad, if applicable

3. Annual Security Report

The school must distribute to current employees and enrolled students a copy of its security report by October 1 of each year. If a copy of the report itself is not provided (paper or electronic) to each individual student or employee, the school must individually send (paper or electronic) an announcement of the availability of the report. This report must also be made available to prospective students and employees upon request.

The school must have in place policies that ensure that crimes are reported in a timely fashion to campus security and/or law enforcement agencies.

4. Graduation and Completion Rates

The school must make available completion and graduation rates to enrolled and prospective students upon request. These Student Right-to-Know disclosures must be made by July 1.

5. Drug and Alcohol Abuse Prevention

Annually, the school is required to make available to students, faculty and staff information about the prevention of drug and alcohol abuse. If the school participates in campus-based programs (e.g., Federal Work-Study), it must have an employee drug-free awareness program that stipulates prohibited activities and related penalties.

The program must be reviewed once every two years. Effectiveness will be measured by determining the number of drug and alcohol violations/fatalities and the number and type of sanctions imposed.

6. Safety Regulations

a) Fire Safety

The school must track all fires in on-campus student housing. The log should include the nature, date, time and general location of each fire. Annually, the report must be included in a statistics report to ED and must be made available to the college community.

b) Missing Persons

The school must establish a policy and accompanying procedures to address what to do if a student in on-campus housing is missing. The policy must include:

- the option to identify a contact to notify within 24 hours; the contact information may be confidential;
- if the student is under age 18, the school *must* notify the custodial parent or guardian after 24 hours; and
- emergency contact procedures must be initiated, including notification of campus security and/or a law enforcement agency after 24 hours.

c) Emergencies/Evacuation

The school should have in place emergency response and evacuation procedures. These procedures must be tested annually.

7. Loan Counseling

Federal Direct Loans borrowers must be fully advised of their rights and responsibilities with regard to the loan program. The counseling session may be held in person (one-on-one or in a group setting), online or on paper. The Financial Aid Office must document student completion of entrance and exit counseling.

a) Entrance Counseling

Many first-time borrowers are unfamiliar with the concepts of loan repayment and debt management. To fill this gap, all undergraduate students who are first-year, first-time borrowers are required to complete entrance counseling.

(1) Required elements:

- Importance of repayment
- Consequences of default
- Explanation of the MPN
- Repayment is required
- Sample monthly repayment amounts

(2) Suggested additional elements include:

- Review of loan terms and conditions
- Financial management and planning

- Importance of timely communication with lender or ED
- Discussion of deferment and forbearance
- Borrower rights and responsibilities
- Effect of withdrawal
- Importance of record keeping
- Reminder about exit counseling

b) **Exit Counseling**

Prior to graduation, upon withdrawal or upon a drop to less-than-half-time enrollment, Federal Direct Loan borrowers are required to complete exit counseling. Items covered in exit counseling are similar to the items in an entrance counseling session. This session also serves as a further review of the student's loan history. Additional information is provided on debt management strategies and loan deferment policies and procedures. The purpose of exit counseling is to minimize the likelihood of loan default.

(1) Required elements:

- Review of entrance counseling information
- Average monthly repayment amount (student specific, or average of students in the same program)
- Repayment options
- Debt management
- Forbearance, deferment and cancellation options
- Information about NSLDS and Ombudsman Office
- Borrower rights and responsibilities
- Opportunity to update personal and contact information

(2) Suggested additional element:

- Pros and cons of consolidation

Exit Counseling is conducted when one of the following conditions occurs: (1) 30 to 60 days prior to graduation; (2) upon notification that the student has withdrawn or taken a leave of absence; or (3) upon notification that the student has been administratively withdrawn. A written notification is sent to the student providing notice of the exit counseling requirement and information on the required elements as noted above.

Valuable Links

<https://ifap.ed.gov/fsahandbook/attachments/1819FSAHbkVol2Ch6.pdf>

B. POLICY & PROCEDURES STATEMENT

A three year comparative campus Security Report is published annually in the *Student Handbook*.

"Safety and Security" is addressed annually in the *Student Handbook*.

Need to incorporate into "Safety and Security" policies covering missing persons and non-medical emergencies/evacuations.

Need to develop policies on what to do in case of fire and fire alarms on-campus. Must be reported with Campus Safety annual report and filed annually with ED.

Recommend that "Medical Emergencies/First Aid" and "Messages" to be published be listed under "Safety and Security" commencing with the 2010-11 edition.

Recommend that the campus Security Report and "Safety and Security" information be published online.

Entrance Loan Counseling must be completed by the student prior to disbursement of funds. A borrower will be directed to the Federal Student Aid website at <https://studentloans.gov/myDirectLoan/index.action>. Once confirmation is received in the Financial Aid Office that the borrower has satisfactorily completed this requirement, funds will be disbursed and credited to the student's account.

Exit Loan Counseling must be completed by the student no later than 10 days prior to the completion of the student's program. A borrower will be directed to the Federal Student Aid website at <https://studentloans.gov/myDirectLoan/index.action>. Borrowers will be notified 60, 45, 30, and 15 days prior to the completion of their degree program. A student who fails to complete Exit Loan Counseling will not be awarded his/her degree until this federal requirement is satisfied.

The "Drug Free School/Workplace Policy" must be created and made available online.

Need to develop policies covering Graduation and Completion Rates

V. ELECTRONIC PROCESSES

A. REGULATORY OVERVIEW

ED requires that the school communicate with it electronically. To this end, the school exchanges data through ED Connect via the internet with ED's Central Processing System (CPS) and Common Origination and Disbursement (COD) website. The origination and disbursement of Federal Direct Loans are coordinated through COD. Files must be sent in COD's common record format. The school must enroll in ED's Student Aid Internet Gateway (SAIG) to facilitate this communication.

A Destination Point Administrator (DPA) is assigned a confidential TG number which allows access to the federal student aid websites where specific information about the school and its students can be obtained online. The DPA may:

- Authorize other staff members at the school to access the various federal websites and/or make global updates to information about the school;
- assign either update and/or query access for the various functions that are available online;
- access to the National Student Loan Data System (NSLDS);
- access the COD website; and
- access other financial aid services.

Financial aid histories are reviewed on the National Student Loan Data System (NSLDS). The DPA (or designated staff members) reviews the financial aid history of transfer students before disbursing aid. The financial aid history of transfer students is updated utilizing the Transfer Monitoring Feature of NSLDS.

All admitted transfer students who are seeking federal aid must complete all of the required federal and institutional applications. In addition, the DPA must review the students' federal loans in NSLDS to determine their federal loan eligibility.

Valuable Links

Administrative Capability: <https://ifap.ed.gov/fsahandbook/attachments/1819FSAHbkVol2Ch3.pdf>

Federal websites: For The Financial Aid Office

- Department of Education: <http://ed.gov>
- Application/Recertification (e-App): <http://eligcert.ed.gov>
- e-Campus: <https://fast.ecampus.com>
- SAIG Enrollment Web Site Address: <http://fsawebenroll.ed.gov>
- SFA Software Download Web Site Address: <http://fsadownload.ed.gov>
- G5 Payment System: <http://g5.gov>
- CPS Online: <https://faaaccess.ed.gov/FOTWWebApp/faa/faa.jsp>
- NSLDS for Financial Aid Administrators: https://nslsdfap.ed.gov/nslsds_FAP/
- COD: <http://cod.ed.gov>
- Information for Financial Aid Professionals: <http://ifap.ed.gov>

Federal websites: For Student

- Student Aid on the Web: <http://studentaid.ed.gov>
- FAFSA on the Web: <http://fafsa.ed.gov>
- NSLDS for Students: http://nsls.ed.gov/nslsds_SA
- DL Servicing for Student: <http://dl.ed.gov/borrower>

Other websites:

- Direct Loan Entrance Counseling: <https://studentloans.gov/myDirectLoan/index.action>
- Direct Loan Exit Counseling:
- <https://studentloans.gov/myDirectLoan/index.action>

B. POLICY & PROCEDURES STATEMENT

Financial Aid Operations Manual

Heritage University implements and follows all of the above stated regulatory requirements.

The Designated Point Administrator at Heritage University is the Financial Aid Administrator, Ilda Meza.

Heritage University reviews the Federal Student Loan histories for all prospective incoming students using the NSLDS transfer monitoring process prior to awarding and disbursing financial aid.

The federal school code for Heritage University is 003777.

VI. INFORMATION TECHNOLOGY

A. REGULATORY OVERVIEW

1. Information Security

In accord with the Financial Services Modernization Act of 1999 (Gramm-Leach-Bliley Act), a school may be considered a financial institution due to the financial relationships that exist. Therefore, an information security program must be implemented that can adequately safeguard consumer information. The program must have the following required elements:

- Designated coordinators
- Risk assessment
- Safeguards and testing/monitoring
- Evaluation and adjustment
- Overseeing service providers

Valuable Links

<https://ifap.ed.gov/fsahandbook/attachments/1819FSAHbkVol2Ch7.pdf>

B. POLICY & PROCEDURES STATEMENT

Heritage University implements and follows all of the above stated regulatory requirements.

VII. COHORT DEFAULT RATE

A. REGULATORY OVERVIEW

The *FSA Handbook* defines the Cohort Default Rate (CDR) as “the percentage of borrowers at a school who enter repayment during a specific fiscal year and default before the end of the next fiscal year.” The federal fiscal year begins on October 1 and ends on September 30. The federal fiscal year refers to the calendar year in which the fiscal year ends.

Annually in the fall, ED transmits electronically the school’s *official* CDR. The *official* CDR is made available to both the school and the public. A *draft* of the CDR is sent in February and the school has the opportunity to submit an incorrect data challenge to make corrections before the official CDR is published. The school must be enrolled in eCDR to receive its rates through the Student Aid Internet Gateway (SAIG). The school may request a copy of the Loan Record Detail Report at any time after the draft or official rates have been released. Schools are encouraged to review the draft CDR since this data is used to calculate the official rates and once the official rates are published, they cannot be changed.

The Family Federal Education Loans and/or Federal Direct Loans included in the CDR calculation are both subsidized and unsubsidized loans.

A school with a CDR under 15% may:

- disburse loans that are only one payment period in length (e.g., semester, trimester) in a single disbursement;
- opt to not delay for 30 days the first disbursement of a loan for a first-time, first-year borrowers.

A school may *not* be deemed to demonstrate “Administrative Capability” if the FFEL and/or FDL CDR:

- equals or exceeds 25% for one or more of the three most recent fiscal years; or
- if the current CDR is 40+%.

The Higher Educational Opportunity Act of 2008 included a few changes to CDR calculation, standards and exceptions and will be effective as noted below. These changes include:

- Commencing with Fiscal Year 2009, the CDR calculation will be based on defaults during a three year period (instead of a two year period)
- Increase of the CDR threshold percentage from 25 percent to 30 percent for Fiscal Year 2012 and beyond
- Any institution whose CDR for Fiscal Year 2012 and beyond is equal to or greater than the new 30 percent CDR threshold rate must establish a default prevention plan

Valuable Links

<https://ifap.ed.gov/fsahandbook/attachments/1819FSAHbkVol2Ch3.pdf>

FSA Default Management Website: <http://ifap.ed.gov/DefaultManagement>

Dear Colleague Letters

GEN 08-12 <http://ifap.ed.gov/dpcletters/GEN0812FP0810.html>

B. POLICY & PROCEDURES STATEMENT

The Financial Aid Administrator receives both the tentative and the official Cohort Default Rate calculations and rates via electronic notice directly from the U.S. Department of Education. Students identified as in default are reviewed by the Financial Aid Administrator to make sure that they are not currently enrolled and that the departure date recorded in the calculation is correct.

Heritage University is subject to the regulatory overview above. The Financial Aid Administrator actively monitors and engages in both Entrance and Exit Loan Counseling so as to maintain a low institutional Federal CDR.

VIII. ENROLLMENT REPORTING

A. REGULATORY OVERVIEW

1. Federal Loan Programs

Since the passage of the Higher Education Act of 1965, as amended, schools have been required to confirm and report the enrollment status of students who receive Federal Student Loans—Federal Family Education Loans (FFEL) and Federal Direct Loans (FDL). This process is called Enrollment Reporting [formerly the Student Status Confirmation Report (SSCR)].

- Schools report the enrollment status of students who received Federal Title IV Student Loans to the National Student Loan Data System (NSLDS)
- This enrollment information is updated in the NSLDS database and reported to Guaranty Agencies (GA), lenders, and servicers of student loans

A student's enrollment status determines eligibility for in-school status, deferment, grace periods, and repayments, as well as the Federal Government's payment of interest subsidies. Enrollment Reporting is critical for effective administration of the Federal Title IV Student Loan Programs.

In 1996, the U.S. Department of Education (ED) began using NSLDS to track the enrollment of all student loan borrowers. ED has incorporated Enrollment Reporting into NSLDS to centralize and automate fully the enrollment verification system. The Enrollment Reporting process benefits the entire student loan community: students, schools, Guaranty Agencies, the Direct Loan Servicer, loan holders, and ED.

Enrollment Reporting must be completed in a timely and accurate manner to meet regulatory requirements. Enrollment information must be reported within 30 days whenever attendance changes for students, unless a roster will be submitted within 60 days. These changes include reductions or increases in attendance levels, withdrawals, graduations, or approved Leaves-of-Absence. It is the school's responsibility, as a participant in the Federal Title IV Student Financial Aid Programs, to monitor and report these changes to the NSLDS.

Even though a school may use an enrollment reporting servicer, it is important that a member of the institution has an online NSLDS User ID with enrollment update capabilities. This allows the school to make immediate enrollment updates to NSLDS to ensure timely:

- Conversion to repayment without loss of the grace period
- Documentation of enrollment for the granting of in-school deferments
- Reporting of enrollment should the servicer relationship change

2. Exit Counseling Report

Within 60 days of receipt, the school must report exit counseling data to the Guaranty Agencies or the Direct Loan Servicing, as applicable. The data may include changes in name, address, social security number, references and should include current driver's license number and state.

3. IPEDS Report

All schools who participate in Federal Title IV Student Financial Aid Programs must report certain institutional characteristics, student and staff demographics and faculty data to the Integrated Postsecondary Education Data System (IPEDS).

Links

COD Technical Reference <https://ifap.ed.gov/codtechref/1819CODTechRef.html>

FISAP on the Web: <https://cod.ed.gov/ecb/index.action>

Safeguard Activity Report in IRS Publication 1075: <https://www.irs.gov/pub/irs-pdf/p1075.pdf>

NSLDS: <http://nslsdfap.ed.gov>

IPEDS: <http://nces.ed.gov/IPEDS/>

B. POLICY & PROCEDURES STATEMENT

1. Reporting

Enrollment reporting, exit loan counseling reporting, and providing financial aid information for IPEDS is provided by the financial aid office. NSLDS reporting is handled by the Registrar and reported to National Student Clearinghouse who then reports to NSLDS.

The Financial Aid Administrator has access to NSLDS online and will have the ability to report enrollment changes directly to NSLDS online on an as needed basis.

2. Withdrawals

The date of withdrawal is determined as follows: (a) the date on the official withdrawal form if filed; (b) the date the student indicates in writing or verbally that he/she is no longer enrolled; or (c) the date the University determines independent of any direct communication with the student that the student is no longer enrolled.

a) Official Withdrawal

The Registrar will process official withdrawals upon receipt and enrollment changes will be indicated on the following regularly scheduled SSCR reporting date.

Students who do not show for classes and do not complete the official withdrawal process

b) Students who transfer from Heritage University to another institution

Upon determining that a student is no longer enrolled at Heritage University because the student has transferred another institution, the University will report these enrollment changes directly to the National Student Clearinghouse who then reports to NSLDS.

3. Exit Counseling Report

The Registrar is responsible for coordinating the submission of the exit counseling data.

4. IPEDS Report

The Registrar's Office is responsible for submission of the IPEDS data.

IX. STUDENT ELIGIBILITY

A. REGULATORY OVERVIEW

The student must meet a set of minimum criteria in order to be eligible for federal student aid.

1. *Regular student.* The student must be enrolled and matriculated in an eligible program of study.
2. *SAP.* The student must be making Satisfactory Academic Progress.
3. *Enrollment.* The student must meet minimum federal student aid standards for all students enrolled in the same academic program. This enrollment level must be the same for all federal student aid purposes (e.g., award determination).
4. *Drug Conviction.* The student convicted of the possession or sale of illegal drugs is ineligible for federal aid if the offense occurred during a period of enrollment in which the student received federal aid. The student's self-certification regarding drug conviction is accepted unless there is conflicting information.
5. *Incarceration.* An incarcerated student is ineligible for federal student loans if the incarceration is the result of a criminal sentence being served in a federal, state or local correctional facility.
6. *Citizenship.* The student must be a U.S. citizen, citizen of the Freely Associated States or eligible noncitizen. Successful database matches with Social Security Administration and the Department of Homeland Security or valid documentation are acceptable proof to verify residency or citizenship status.
7. *Financial Aid History.* The student must not be in default on any federal student loan or in overpayment on any federal grant (unless satisfactory repayment arrangements have been made). Also, a student must not exceed neither the annual nor the aggregate loan limits. A student who has been convicted of federal student aid fraud or is subject to a judgment lien for a debt owed to the United States is ineligible for federal student aid.
8. *Selective Service.* A male student aged 18-25 must be registered with Selective Service.

Valuable Links

2018-2019 SFA Handbook <https://ifap.ed.gov/fsahandbook/1819FSAHbkVol1.html>

School-Determined Requirements <https://ifap.ed.gov/fsahandbook/attachments/1819FSAHbkVol1Ch1.pdf>

Citizenship <https://ifap.ed.gov/fsahandbook/attachments/1819FSAHbkVol1Ch2.pdf>

NSLDS Financial Aid History <https://ifap.ed.gov/fsahandbook/attachments/1819FSAHbkVol1Ch3.pdf>

Social Security Number <https://ifap.ed.gov/fsahandbook/attachments/1819FSAHbkVol1Ch4.pdf>

Selective Service <https://ifap.ed.gov/fsahandbook/attachments/1819FSAHbkVol1Ch5.pdf>

Eligibility for Specific FSA Programs <https://ifap.ed.gov/fsahandbook/attachments/1819FSAHbkVol1Ch6.pdf>

B. POLICY & PROCEDURES STATEMENT

Upon review of each student's ISIR, if a C-Code is evident for Drug Conviction, Incarceration, Citizenship, Financial Aid History, and/or Selective Service, the Financial Aid Administrator follows federal regulation guidelines to resolve the conflict prior to awarding any type of Federal Title IV financial assistance.

1. Regular Student

The Registrar's Office verifies that all admitted students have the appropriate academic credentials. Once a student has been admitted, they are evaluated for Federal Title IV aid eligibility by the Financial Aid Administrator. The Registrar's Office is responsible for ensuring that all prior official college transcripts are documented and become part of the student's official Heritage University academic record.

2. Satisfactory Academic Progress (SAP)

The Financial Aid Department evaluates each student's Satisfactory Academic Progress at the end of every term. The College's financial aid SAP policy is discussed further in the SAP section of this manual.

3. Enrollment

Verification of enrollment is performed manually to determine that the basic Federal Title IV eligibility criteria are met. For any student who does not meet the requirements, the Federal Direct Loan will not pay to the student's account. If the enrollment status changes for a student prior to the census date, the student's financial aid award is adjusted accordingly, if necessary. If a student receiving Federal Title IV aid takes a Leave of Absence (LOA) at any time during the term, the student's financial aid is examined and a return of Federal Title IV calculation (R2T4) is performed to determine if any adjustments should be made.

4. Drug Conviction

This question is answered when students complete the FAFSA. If a student answers "yes," the student's ISIR is flagged and the Financial Aid Office will not award any Federal Title IV financial aid until the issue is satisfactorily resolved.

5. Incarceration

Incarcerated students are ineligible for Federal Student Loans which is the primary source of federal funding for student enrolled at Heritage University. However, should an incarcerated student express an interest to enroll in an on-line course or an independent study course, the student's registration would be evaluated and monitored.

6. Citizenship

If a student's citizenship status cannot be verified by the Social Security Administration (SSA) and/or Department of Homeland Security (DHS), the student's ISIR is flagged. For a student who fails the SSA match, the Financial Aid Office collects a copy of the student's birth certificate, SSA card, or passport to confirm citizenship. For a student who fails the DHS match, the Financial Aid Office collects paperwork from the student which is then evaluated by the local immigration office to determine if a student is eligible for Federal Title IV funds.

7. Financial Aid History

If an ISIR is flagged due to a potential problem with the Financial Aid History, the specific reason is researched. Federal Title IV financial aid will only be awarded when all issues have been resolved.

8. Selective Service

An incoming ISIR is flagged if it cannot be determined whether or not a student has registered for Selective Service. The Financial Aid Office has access to the Selective Service System to verify registration. Once verified, the student is evaluated for Title IV eligibility.

9. **Admissions Policy.** Current information on the University's admission requirements can be found online at <http://www.heritage.edu/admissions/>. The Registrar's office maintains all admissions documentation in the students official academic record. Students must be accepted into an eligible degree program in order to receive financial aid at the University.

XI. SATISFACTORY ACADEMIC PROGRESS

A. REGULATORY OVERVIEW

Recipients of federal student aid retain eligibility by maintaining Satisfactory Academic Progress (SAP). The school is required to have a written policy that is published and available to all students. Additionally, the SAP policy must be the same as or stricter than the academic policy that is applied to students enrolled in the same program who are not receiving federal student aid.

The components of the SAP policy must include a quantitative measure (maximum time frame), qualitative measure (GPA) and must determine the regular intervals when SAP will be measured. The policy must address the treatment of remedial and ESL courses; audited and pass/fail credits; incompletes; transfer, consortium, second degree and second major courses; and withdrawals.

Students who fail to meet SAP and lose their Federal Title IV student aid eligibility may later regain eligibility.

Valuable Links

2018-2019 FSA Handbook

<https://ifap.ed.gov/fsahandbook/attachments/1819FSAHbkVol1Master.pdf>

B. POLICY & PROCEDURES STATEMENT

Students receiving financial aid are required to make satisfactory academic progress toward completing their degree. For the limitation to length of time/number of total credits for which to receive aid, this requirement applies to the student's entire period of attendance at Heritage University, **even though financial aid may not have been received**. Students will be notified if they have not maintained satisfactory progress; however, it is the student's responsibility to monitor his/her own progress. The below is an outline of the main points in Heritage University's policy. It is not all-inclusive and additional details can be found in the institution's Financial Aid Policy Manual, sections 11.3 through 11.12.

Program Requirement.

Students must be in a program of study that leads to an approved certificate or a degree at Heritage University or is part of a planned transfer program and is at least one year in length.

Qualitative Standard

This applies to federal, state and most institutional sources of aid.

- Undergraduate students must have achieved a minimum of 2.0 GPA for any semester in which they receive financial aid.
- Graduate students must achieve a minimum 3.0 GPA for any semester in which they receive financial aid.
- For any semester for which a student fails to meet the minimum GPA, the student will be placed on financial aid warning.
- Failure to meet the GPA standard during the warning semester will result in being suspended from receiving financial aid.

Quantitative Standard-Title IV-Incremental.

- Students must successfully complete a minimum of 2/3 or 67% of the credits attempted.
- Progress is monitored at the end of each semester.
- For any semester during which a student fails to meet the minimum percentage of credits, that student will be placed on financial aid warning.
- Failure to meet the Title IV quantitative standard during the probationary semester will result in being suspended from receiving financial aid.
- Withdrawals (official and/or unofficial), incompletes, NP and failed classes do not count as successfully completed courses. Completed courses are grades A through D-, and Pass (P). Audits and credit by exam are not included in either attempted or completed coursework.

Quantitative Standard-State of Washington funds-Incremental.

In order to receive Washington State grants or Washington State Work Study, students must meet the following standard:

- Must complete the minimum number of credits for the enrollment status for which they received state financial aid.

<u>Class level</u>	<u>Enrollment Status</u>	<u>Must Complete</u>
Undergraduate	-Full time	12 credits
	-Three-quarter	9 credits
	-half-time	6 credits
Graduate	-Full time	6 grad credits
	-half-time	2 grad credits

- Progress is monitored at the end of each semester.
- For any semester during which a student receiving state funds fails to complete the number of credits required, that student will be placed on State of Washington Financial Aid Warning.
- Failure to meet the State of Washington quantitative standard during the warning semester will result in being suspended from receiving state financial aid.
- Withdrawals (official and/or unofficial), incompletes, NP and failed classes do not count as successfully completed courses. Completed courses are grades A through D-, and Pass (P). Audits and credit by exam are not included in either attempted or completed coursework.

Maximum Time Frame/Maximum Number of Credits attempted for Receipt of Financial Aid.

- Federal Title IV standard-
A student may not receive federal funds to attempt more than 150% of the credits required for graduation. This includes all terms at Heritage University, not just those during which the student received financial aid, and includes all transfer credits which were accepted by Heritage University.
- State of Washington standard-
A student may not receive State of Washington funds to attempt more than 125% of the credits required for graduation. This includes all terms at Heritage University, not just those during which the student received financial aid, and includes all transfer credits which were accepted by Heritage University.
- When the student reaches the 125% (for State), and/or 150% (for Federal) of credits attempted, the student will become ineligible for further financial assistance of the applicable type for the semester immediately following and for all subsequent semesters. This applies although the student may not have completed his/her program.

11.0.2.6 Suspension from Receiving Financial Aid-Additional Reasons

- Zero Completion.
The student failed to complete any of the credits for which he/she was enrolled.
- State of Washington Quantitative Standard for Suspension.
The student who received state funds completed less than 50% of the credits attempted for which his/her state funding was disbursed.
- The Student has completed all coursework required to receive his/her degree.

Regaining Eligibility for Financial Aid.

The student must do one of the following:

- Register at the student's own expense or using no Title IV (federal) or State of Washington funds (at Heritage University or at another institution), and complete successfully a minimum of three credits and having a 2.0 or greater GPA for those credits if an undergraduate, or 3.0 if a graduate student. The student must supply transcript(s) as proof that the requirement has been completed if attending another institution.
- Submit the Financial Aid Satisfactory Academic Progress appeal form for reinstatement and be approved by their Financial Aid Coordinator. The appeal requires that the lack of satisfactory

academic progress be due to unusual or extraordinary circumstances that were beyond the student's control, that these circumstances are explained in the student's appeal letter, and that the appeal include a statement showing that these circumstances are no longer a problem and/or that a plan has been made and is in effect that will correct the problems that led to the suspension. The student will also need to agree to and sign an academic plan if the appeal is approved by their Coordinator or by the SAP committee.

- Students appealing their eligibility after failing their academic plan will have their appeal reviewed by a committee of at least 3 Financial Aid Coordinators. The students Coordinator will call a meeting after receiving all necessary items from the student.

WARNING STATUS

- A student who received Federal Student Aid/Title IV funding will be placed on Financial Aid Warning if he/she does not meet the Satisfactory Academic Progress standards, that is if:
 - Less than 67% or 2/3 of the credits in which the student was enrolled up to full-time amount were completed successfully due to withdrawals, incompletes or failing grades, and/or
 - Undergraduate student and the GPA was below 2.0 term gpa (C grade).
 - Graduate student and the semester GPA was below 3.0 term gpa (B grade).
- A student who received State of Washington Financial Aid funding and completed at least 50% of the credits for which he/she received aid will be placed on Financial Aid Warning if he/she does not meet the State Satisfactory Academic Progress standard, that is if:
 - The student did not complete the minimum number of credits for the enrollment status for which he/she received state financial aid, i.e.

<u>Class level</u>	<u>Enrollment Status</u>	<u>Must Complete</u>
Undergraduate	-Full time	12 credits
	-Three-quarter	9 credits
	-Half-time	6 credits
Graduate	-Full time	6 grad credits
	-Half-time	2 grad credits

and/or

- Undergraduate and the semester GPA was below 2.0 (C grade) average.
- Graduate student and the semester GPA was below 3.0 (B grade) average.

FINANCIAL AID INELIGIBILITY/SUSPENDED STATUS

A student that is in a Suspended status will become ineligible for financial aid and all awarded financial aid will be cancelled if:

- Two (or more) consecutive semesters of unsatisfactory academic progress has occurred, that is the student failed to achieve the required standards during the warning semester.
- The student failed to complete successfully any of the credits for which he/she enrolled and received funding (zero completion).
- The maximum number of credits allowed to be attempted has been used, that is, for federal aid, 150% of the number required for graduation, and for State of Washington assistance, 125% of that number.
- For State of Washington financial assistance the student failed to complete at least 50% of the credits for which he/she received state financial aid.

REGAINING/RE-ESTABLISHING FINANCIAL AID ELIGIBILITY

If a student has become ineligible for financial assistance (Federal Title IV and/or State of Washington) due to unsatisfactory academic progress the student may regain eligibility by:

- Register at the student's own expense or using no Title IV (federal) or State of Washington funds (at Heritage University or at another institution), and complete successfully a minimum of three credits and having a 2.0 or greater GPA for those credits if an undergraduate, or 3.0 if a graduate student. The student must supply transcript(s) as proof that the requirement has been completed if attending another institution.
- Submit the Financial Aid Satisfactory Academic Progress appeal form for reinstatement and be approved by their Financial Aid Coordinator. The appeal requires that the lack of satisfactory academic progress be due to unusual or extraordinary circumstances that were beyond the student's control, that these circumstances are explained in the student's appeal letter, and that the appeal include a statement showing that these circumstances are no longer a problem and/or that a plan has been made and is in effect that will correct the problems that led to the suspension. The student will also need to agree to and sign an academic plan if the appeal is approved by their Coordinator or by the SAP committee.
 - Students appealing their eligibility after failing their academic plan will have their appeal reviewed by a committee of at least 3 Financial Aid Coordinators. The students Coordinator will call a meeting after receiving all necessary items from the student.

COMPARISON: INSTITUTIONAL AND TITLE IV QUANTITATIVE STANDARD

Quantitative Standard

Time Frame

- (a) Institution's Policy: **"Normal Progression" is defined as taking place in a "reasonable" amount of time, but no specific definition of time or number of credits is given.**
- (b) Heritage Financial Aid Office's Title IV SAP Policy: **The maximum time frame in number of credit hours attempted is specified in the policy (see 11.3 Quantitative Measures), therefore is "stricter than" the institution's regular policy.**

Increments

- (a) Institution's Policy: **Progress is reviewed each semester, but completion percentage or number of credits is not reviewed.**
- (b) Heritage's Title IV SAP Policy: **Progress is reviewed each semester and number of credits completed vs. attempted is part of the review. Therefore the Title IV standard is "stricter than" the institution's regular policy.**

Qualitative Standard

Grade Point Average

- (a) Institution's Policy (see paragraph 2 under "Academic Warning, Probation and Suspension"): **The institution's policy places a student on academic probation if he/she receives a semester grade point average of below 2.00.**
- (b) Heritage's Title IV SAP Policy:
 - Undergraduate – **Uses the same 2.00 standard for warning (previously referred to as probation). Therefore is "the same as" the institution's policy for this standard.**
 - Graduate – **Uses a 3.00 standard. Matches the institution's academic policy in the graduate section of the catalog. Therefore is "the same as" the institution's policy.**

Increments

- (a) Institution's Policy (see paragraph 4 under "Academic Warning, Probation and Suspension"): The qualitative progress is measured/reviewed "after each semester".
- (b) Heritage's Title IV SAP Policy: **Qualitative progress is measured after each semester of study, therefore (during the academic year at least) is "the same as" the institution's regular academic progress policy for this standard.**

Exclusion of Summer Term

- (a) Institution's Policy: **Although the catalog does not state that summer term is excluded from the GPA review, in practice this is the case. The Academic Standards Committee does not review summer term grades.**
- (b) Heritage's Title IV Policy: **Review is done after every semester. Summer term is included as one of the increments. Therefore the Title IV policy is "stricter than" the institution's practice in this area.**

Warning Periods (previously referred to as probation)

Conditions for Being Placed on Warning

- (a) Institution's Policy: **A student is automatically placed on warning when he or she fails to make a 2.00 GPA for a semester (paragraph 2 under "Academic Warning, Probation and Suspension" states "If the semester grade point average is below 2.00 the student is placed on academic warning"). A quantitative measure is not used and summer term is not reviewed.**
- (b) Heritage's Title IV Policy: **Warning is also automatic, however summer term is reviewed and a student can be placed on Financial Aid Warning as a result of summer term, and a quantitative standard is also used for which a student would automatically be placed on warning. These additional measurements and increments result in the Title IV policy being stricter than the institution's general academic policy.**

Student's Responsibilities During a Warning Period

- (a) Institution's Policy: **See the second sentence in paragraph 2, same section as above: ". . . the student must attain at least a 2.00 semester grade point average for the next six semester credits in order to continue studies." Also in actual practice, courses taken in summer are not usually considered in the next six semester credits.**
- (b) Heritage's Title IV Policy: **The policy sets the same GPA standard and required minimum number of credits to be taken but includes a percentage quantitative standard that must also be met. Therefore in the areas of student responsibilities during warning, the financial aid office's Title IV policy is "stricter than" the institution's general policy.**

Consequences of Failing to Meet these Responsibilities

- (a) Institution's Policy: **"A student on academic warning for two consecutive semesters is subject to academic suspension."**
- (b) Heritage's Title IV Policy: **The policy sets the same "two consecutive semesters" for a suspension from receiving Title IV aid.**

Regaining Eligibility at Time of Suspension

- (a) Institution's Policy: Per paragraph 4, under "Academic Warning, Probation and Suspension", "Students are notified by letter of the Coordinators/Committee's decision and are given the opportunity to appeal in writing . . ."
- (b) Heritage's Title IV Policy: The policy includes notification by letter of any financial aid suspension and the opportunity to appeal in writing, so is the same as the institution's regular policy, although of course the entities to which an appeal is made differ.

Regaining Eligibility After an Absence from the Institution

- (a) Institution's Policy: In the 2015-2016 online Catalog, under section "Readmittance/Reinstatement", paragraph 2, sentence 2 reads "Suspended students may reapply after one semester (excluding summer term) from the suspended date by completing the regular admissions process". Reinstated student re-enters on academic probation and follow the academic probation regulations.
- (b) Heritage's Title IV Policy: The financial aid office's Title IV policy would require such a student who is readmitted after one semester away to either prove that he/she had met the academic conditions for reinstatement while away from the institution or to write and pass an appeal to their financial aid Coordinator before eligibility would be regained for Title IV and Washington State assistance. The Title IV policy is thus "stricter than" the institution's regular academic policy in this standard.

Status Upon Reinstatement

- (a) Institution's Policy: Sentence 3, same section as above, reads "Reinstated students reenter on academic probation and follow the academic probation regulations".
- (b) Heritage's Title IV Policy: The financial aid office policy is consistent with ("same as") the institutions so that when a reinstatement is granted (although the process was stricter) the student is reinstated to financial aid eligibility after a successful appeal and is placed on academic probation and must again meet those standards.

Limit on Probationary Periods

- (a) Institution's Policy: There is no limit indicated in the institution's policy as to the total number of probationary periods that a student will be allowed to receive at the institution.
- (b) Heritage's Title IV Policy: "A student who has had 4 financial aid probation semesters will not be eligible for a 5th [probation]". This would mean students who received financial aid (Title IV) during a warning period four times, would not be eligible to do so a fifth time, unless a successful appeal was made to the Director (not to their Coordinator). Otherwise such a student must meet academic standards on his/her own funding, or at another institution, in order to regain eligibility for Title IV aid at Heritage. This would remain in effect for the remainder of the student's college career. These limits make this section "stricter than" the institution's regular academic policy.

11.3 QUANTITATIVE MEASURE POLICIES (11.3.0 and 11.3.1)

11.3.0 OVERVIEW AND TIME FRAME

11.3.0.1 Overview: The financial aid office Title IV satisfactory academic progress must contain a quantitative measure. The maximum time frame in which a student must complete his or her undergraduate program (that is, in which he/she may receive financial assistance toward that completion) is not to exceed 150% of the published length of the program. Within that requirement, Heritage specifies the following policies:

11.3.0.2 Standard Used to Measure the "Time Frame"

Credits Attempted is Used.

Because many Heritage University students attend part-time, and numerous students "stop-out" for periods of a semester or more at various times during their years of college attendance, Heritage University elects to use the "Credits attempted" standard rather than a maximum calendar length of attendance for receipt of federal Title IV financial aid.

11.3.0.3 Maximum Time Frame Set

11.3.0.3.1 Undergraduate Limit: **The maximum "time frame" will be: Credit hours attempted may equal no more than 150% of the number of credits needed for graduation.**

For most Heritage University bachelor's degree programs the limit will be 183 semester credits (i.e. 122 semester credits needed for graduation times 150%=183 maximum semester credits attempted). If a specific program requires more or fewer credits, the maximum number will vary proportionately.

For WSNB and other State of Washington programs the limit is 125% of credits or 154 credits attempted for most programs.

11.3.0.3.2 Graduate Limit: **The maximum "time frame" will be: Graduate credit hours may equal no more than 150% of the number of credits needed to meet graduation requirements.**

For most Heritage University master's degree programs the limit will be 48 credits (i.e. 32 semester graduate credits needed for graduation times 150%=48 credits). If a specific program requires more or fewer credits, the maximum number will vary accordingly.

For State of Washington funding the limit is 125% of credits or 40 credits attempted for most graduate programs.

11.3.0.4 Treatment of Part-time Attendance

Since the standard used is "credits attempted", terms attended at part-time are treated with the same formula as full-time terms (see 11.3.1 below).

11.3.0.5 All Terms Are Counted

- (a) Credit hours attempted are counted for all terms at Heritage University, including those in which the student did not receive financial aid.
- (b) Credit hours accepted for transfer are counted in the credits attempted maximums.

11.3.0.6 Consequences of Not Meeting the Overall Maximum Time Frame

A Title IV recipient who does not complete his/her program within 150% of the number of credits needed to graduate will be denied further Title IV aid.

An appeal may be made if an unusual circumstance exists. This appeal should be considered separately from the increment level appeals and should be carefully considered.

11.3.0.7 Responsibility for Monitoring

The Financial Aid Director is responsible for monitoring the Maximum Time Frame credits attempted, and may assign a designee within the Financial Aid Office to compile the data and report the results (see procedures sections).

11.3.1 INCREMENTS

11.3.1.1 Progress is Monitored at the end of Each Semester of Attendance

The increment used is the semester or term. The standard semester is 15 or 16 weeks in length. The summer term will be shorter in number of weeks but will contain the same number of instructional hours. Occasionally certain programs may be offered which also designate a semester at a different number of weeks.

11.3.1.2 Semester Quantitative Percentage Minimum/Amount of Credit Hours the Student Must Successfully Complete.

11.3.1.2.1 Minimum Completion Standard: The minimum percentage required to be successfully completed is 2/3 or 66.6% of the "credits attempted" for which aid was calculated and disbursed (the credits attempted number will usually be the same as the initial enrollment).

11.3.1.2.2 Consequences of Not Meeting the Standard: A recipient of Title IV financial aid at Heritage University will be considered as not making satisfactory academic progress and will be placed on financial aid warning at the conclusion of any semester in which he/she fails to complete successfully at least 2/3 (or 66.6%) of the "credits attempted" for which aid was calculated and disbursed (see warning section for additional requirements).

To be considered for warning the student must have completed at least one semester credit. If no credits were completed, see "Zero Completion" below (11.3.1.2.5).

11.3.1.2.3 State of Washington Funds Standard: Students awarded Washington State grants or Washington State work-study must complete the number of credits for which they receive state financial aid or they will be placed on state warning. Failure to complete at least 50% of the credits attempted each semester will result in the cancellation of subsequent disbursements of Washington State funds. Progress is monitored at the end of each semester. (See the Financial Office staff for details.)

11.3.1.2.4 Rationale for 2/3 of Credits Attempted Standard: Completing two-thirds of the credits attempted each semester would allow the student to finish the full program within the 150% maximum. Any lower standard would not assist or inform the student in completing his/her program on time.

11.3.1.2.5 Definitions:

- (a) "Initial enrollment" shall mean the number of credits to be attempted on the official registration in the office of the registrar at the end of the "add period". Early withdrawals, i.e. courses dropped so early that they do not show in the student's grade sheet, would be excluded.
- (b) "Complete successfully" includes all regular passing letter grades (A+ to D-) and pass grades (P). Incompletes, although not counted as courses "completed successfully", will be counted as such if satisfactorily completed within one semester (i.e. before the beginning of the second semester following the receipt of the incomplete grade – including summer). Incompletes will also count differently in "Suspension for Zero Completion" situations (see _____ below).
- (c) "Credits Attempted" will include all courses taken at Heritage University that were used or could have been used for purposes of determining enrollment status for receipt of Federal Title IV financial assistance. This includes all courses in which the following grades are received: All regular passing letter grades, P, NP, F, WA (Administrative withdrawal), WX (Unofficial withdrawal), or I (Incomplete). Dropped courses will be reviewed to determine whether at the time of the add-drop another course was added to replace a particular course or the dropped course was removed from the number of credits which were used on which to calculate the Title IV enrollment status for Pell Grant (and for WSNB).

11.3.1.2.6 Quantitative Suspension Standard – Zero Completion:

In addition to the above quantitative probation standard a student may be suspended at the end of a semester for extreme non-completion. The standard is:

A student who fails to complete any of his/her courses during the semester as evidenced by receipt of 100% grades from the following categories WX, WA, F (fail) and I (incomplete) with the following exception for Incomplete (I) grades only.

Exception: A student who has at least one course incomplete may be placed on the warning list instead of being suspended if a statement of extenuating circumstances is filed by the student and approved by the financial aid appeals committee. The minimum number of incomplete credits (at least one course) must be made up by the student during the subsequent term or the student's status will revert to Suspended. No federal or state funds will be paid for the semester until at least one incomplete is made up. This includes work-study employment.

11.4 QUALITATIVE MEASURE/STANDARD

POLICIES:

11.4.1 STUDENTS ON ACADEMIC WARNING WILL BE PLACED ON FINANCIAL AID WARNING

A Satisfactory grade point average must be maintained each semester as determined by the Registrar's Office and the Financial Aid Office. That is, a student may complete the minimum number of credits yet be placed on academic warning because of a low G.P.A. Any student placed on Academic warning will be considered to be on

financial aid WARNING as well. Such a student will be placed on financial aid WARNING upon being informed by the Academic Standards Committee or the registrar's office.

11.4.2.1 UNDERGRADUATE SEMESTER GRADE POINT AVERAGE (G.P.A.) REQUIREMENT

The following minimum semester grade point average must be maintained by all undergraduate recipients of federal Title IV and/or Washington State Financial Aid.

An undergraduate student will be considered to be making satisfactory academic progress if his/her semester G.P.A. is at least 2.00 (or "C" average).

11.4.2.2. GRADUATE SEMESTER GRADE POINT AVERAGE REQUIREMENT

The following minimum semester grade point average must be maintained by all graduate recipients of federal Title IV and/or Washington State Financial Aid.

A graduate student will be considered to be making satisfactory academic progress if his/her semester G.P.A. is at least 3.00 ("B" average).

11.4.3 FIXED STANDARD

The G.P.A. standard is fixed. A fixed standard has been set as the institution's general policy and financial aid follows this standard so as not to be less strict.

11.4.4 CONSEQUENCES OF NOT MEETING THE QUALITATIVE STANDARD

A student financial aid recipient who does not meet the qualitative standard will be considered as not making satisfactory academic progress and will be placed on Financial Aid WARNING for the following semester (see WARNING section for additional requirements)

11.5 WARNING/CONDITIONAL PERIODS

POLICIES:

11.5.1 CONDITIONS FOR BEING PLACED ON WARNING

Failure to Meet Standards: Following any semester/term (summer included) for which a Title IV recipient fails to meet either the quantitative (percentage of the credits completed successfully) or the qualitative (G.P.A.) standard, that student will automatically be placed on WARNING.

11.5.2 CONDITION FOR RECEIVING AID DURING A WARNING SEMESTER;

Students will be sent a letter informing them of warning status. Students are not required to submit any further documentation.

11.5.3 STUDENT'S RESPONSIBILITIES DURING THE WARNING PERIOD

11.5.3.1 Quantitative Standard: The student/recipient on warning must meet the same semester completion standard as in a regular semester.

11.5.3.2 Qualitative Standard: The student/recipient on warning must meet the same semester G.P.A. standard (2.00 for undergraduates and 3.00 for graduate students) as in a regular semester.

11.5.3.3 Conditions Set by the F.A. Coordinator or Financial Aid Director: If any conditions were set by the F.A. Coordinator or Financial Aid Director for continued receipt of funds (this will not generally occur in first warning, but will often occur for students in Suspension after a successful appeal), the student must meet those conditions during the probationary term.

These conditions might include seeking and receiving tutoring or counseling assistance, retaking a specified course before moving to a higher level, registering for fewer credits, or similar conditions specific to the student's situation.

11.5.3.4 Incompletes: In some unusual situations, a student/recipient who has at least one incomplete may be allowed to receive funds in spite of having completed no credits the previous semester. This will be either because of programmatic incompletes, or through an appeal of a "Zero Completion" suspension.

Such a student will be required to finish the coursework for the incomplete within the warning semester so that the incomplete will be removed before or at the same time as grades are posted for that semester.

11.5.4 CONSEQUENCES OF FAILURE TO MEET RESPONSIBILITIES/ REQUIREMENTS DURING THE WARNING PERIOD

11.5.4.1 Cancellation of Aid/Ineligibility for Title IV: The student who fails to meet the responsibilities will become ineligible for Title IV and State of Washington funds and the student's financial aid will be cancelled/suspended.

11.5.4.2 Suspension Status: The student will be considered to be "not" maintaining satisfactory academic progress, and will be placed on Financial Aid Suspension or Unsatisfactory Academic Progress status.

11.5.4.3 Right to Appeal: The student will have the right to appeal the Financial Aid Suspension designation and loss of aid

11.5.5 LENGTH OF THE WARNING PERIOD

11.5.5.1 One Semester: The warning period will last for one semester and warning conditions will apply during the next semester attended after warning is designated. The same conditions apply whether the next semester attended is immediate or following an absence from the university.

11.5.5.2 Extension of Probation: **Probation may be extended on appeal of a suspension, for an additional semester.**

11.5.5.3 Summer Term is Included: **The warning period may be summer term if this is the “next semester attended”. (This differs from the regular institutional practice.)**

11.5.6 LIMIT ON SUSPENSION PERIODS

11.5.6.1 Limit: Four (4) Semesters on Suspension: **A student may be on financial aid Suspension only four total terms at Heritage University, i.e. a student who has had four (4) financial aid Suspension semesters will not be eligible for a fifth Probation term (and will be eligible to appeal with the Financial Aid Office), but instead will have to meet one of the other reinstatement conditions.**

11.5.6.2 Appeal to Financial Aid Director or Top Financial Aid Official Only: **The only appeal is to the top administrator in the financial aid department and for extremely unusual extenuating circumstances only.**

11.6 CATEGORIES OF STUDENTS

POLICIES:

11.6.1 UNDERGRADUATE AND GRADUATE STUDENTS

Undergraduate and graduate students have different standards to meet in the following areas:

Qualitative Standard: **The undergraduate student must maintain a 2.00 semester G.P.A., and the graduate student must maintain a 3.00. These G.P.A. differences match the differences in the university’s general academic progress policy.**

11.6.2 STATE OF WASHINGTON AID RECIPIENTS, QUANTITATIVE STANDARD

Recipients of State of Washington funding must meet a stricter quantitative completion standard in order to continue to receive those funds. These standards are determined by State of Washington regulation and are explained in 11.3.0.3.1, 11.3.0.3.2 and 11.3.1.2.3.

PROCEDURES

MONITORING STUDENT CATEGORIES

11.7 TREATMENT OF REMEDIAL COURSES AND ENGLISH AS A SECOND LANGUAGE COURSEWORK

POLICIES:

11.7.1 REMEDIAL COURSES

11.7.1.1 Limit on Remedial Courses to be Funded: **The limit on remedial courses (below 100 level) which may be included in a student's Title IV and State of Washington funded coursework will be one year's worth or thirty (30) semester credits.**

11.7.1.2 DEFINITION OF REMEDIAL COURSEWORK

Remedial courses are those which are numbered below 100. They do not count as credits toward graduation, but are included in determining the student's enrollment status for the semester in which they are taken.

11.7.1.3 Effect of Remedial Coursework on Financial Aid:

11.7.1.3.1 Effect on Maximum Time Frame: **The up to 30 credits of remedial coursework will be in addition to the 150% (federal) or 125% (State of Washington) limits for Maximum Time Frame, and will not count as "credits attempted" toward these maximums.**

11.7.1.3.2 Effect on Enrollment Status: **Funded remedial coursework (within the limit) will be counted as part of the semester's enrollment status for financial aid purposes other than "Maximum Time Frame".**

11.7.1.3.3 Effect on Cost-of-Attendance: **Remedial coursework (within the limit) will be included in the calculation for cost-of-attendance.**

11.7.1.3.4 Effect on Incremental/Semester Quantitative Standard: **Funded remedial coursework (within the limit) will be included in the calculation for the minimum completion standard. (It will be considered as "credits attempted" for this purpose).**

11.7.1.4 When Limit is Reached: **Further remedial credits, beyond 30 semester credits (one year's worth) will not be included for financial aid for any purpose, including the following:**

- **Determining enrollment status for calculating the amount of Pell Grant, Washington State Need Grant or other grant which amount is based on a specific enrollment status.**
- **Determining minimum enrollment status for funds with a minimum requirement (e.g. Direct Loans require a minimum of half-time).**
- **Determining tuition or other costs for the Cost-of-Attendance.**
- **Calculating minimum completion for SAP. See Need Analysis section for further explanation.**

11.7.2 ENGLISH AS A SECOND LANGUAGE (E.S.L.) COURSEWORK

- **E.S.L. Courses Not Included in Limit: Per U.S. Department of Education Title IV regulations, English as a Second Language (E.S.L.) courses do not count against the one-year (30 semester credit) limitation for "remedial" coursework. Heritage University therefore does not limit E.S.L. courses, and they may be included for all regular financial aid purposes, including enrollment status and cost of attendance.**

11.9 TREATMENT OF TRANSFER STUDENTS, SECOND DEGREES AND SECOND MAJORS.

POLICIES:

11.9.1 TRANSFER STUDENT/TRANSFER CREDITS

11.9.1.1 LEGAL REQUIREMENT FOR A FINANCIAL AID POLICY CONCERNING TRANSFER CREDITS AND THE MAXIMUM TIME-FRAME.

From Federal Student Aid Handbook;

- 1) 'A school's policy must explain how the following affect the SAP determination... transfer courses.'
- 2) ' Similarly, for transfer students a school must at least count those transfer credits that apply toward the current program (though the school may count all credits from the previous school)'

11.9.1.2 FINANCIAL AID REASONS FOR RULES CONCERNING ACCEPTANCE OF TRANSFER CREDITS

- 1) The rules insure fairness across all groups of students enrolled at Heritage University in respect to maximum time frame.
- 2) No one group of students is over-advantaged by having blocks of credits excluded, thus giving them a longer maximum time-frame in which to complete their program. For example, more liberal transfer acceptance could advantage transfer students over students who complete their entire program at Heritage University.
- 3) As part of Heritage University's mission 'to provide quality, accessible higher education to multi-cultural populations which have been educationally isolated' we would not want to disadvantage those 'educationally isolated' students who have attended only our own institution.

11.9.1.3 FINANCIAL AID OFFICE POLICY CONCERNING TRANSFER CREDITS AND MAXIMUM TIME-FRAME

- 1) The financial aid office accepts the number of transfer credits as evaluated by the Registrar's Office and the academic departments at the time of admissions (and as further amended by those offices as credits taken at a later time are transferred in) or if the evaluation is corrected to deny credits
- 2) This number of credits accepted is considered to be the beginning of number of credits attempted for the maximum time-frame requirement.
- 3) The financial aid office reserves the right, per 'Second Major' policy to exclude accepted transfer, credits from the 'credits attempted' when a change of program/major was made at the time of transfer and these credits were not used for any degree or certificate related purpose at Heritage University (i.e. not used for General University Requirements, pre-requisites, program major, program minor, any other program purpose, nor to meet the number of electives needed, nor any other purpose related to the earning of a degree, or certificate at Heritage). See 11.9.3 for General Major Policy. The office will consult with Registrar concerning such situations as they arise.

11.9.1.4 HERITAGE UNIVERSITY'S REQUIREMENT FOR TRANSCRIPT OF TRANSFER CREDIT

1) **Institution's Policy: from 2018-2019, Admission's and Financial Aid section (only transcript-related lines are shown here).**

- TRANSFER, POST-BACCALAUREATE, AND RESIDENCY TEACHING CERTIFICATE STUDENT ADMISSION
Transfer student or student with a baccalaureate degree should submit the following documents to the Admissions Office.

- 1) **A Heritage University application form.**

- 2) **An official transcript from each regionally accredited college/university attended. A high school transcript is also required of students who have earned less than 60 semester credits.**
- **MASTER'S DEGREE STUDENT ADMISSION**
Applications with baccalaureate, master, or doctorate degree from regionally accredited college or university should send the following items to the Admissions Office for acceptance to the University.
 - 3) **Official transcript from each college/university attended.**
 - **Financial Aid Policy.**
The financial aid office honors the institutional policy of requiring transcripts from all schools attended and does not have a different policy.

11.9.1.5 RESTRICTIONS ON ACCEPTANCE OF TRANSFER CREDITS

1) Institution's Policy; from 2018-2019 Catalog, Admissions and Financial Aid Section.

- 'Transfer Post-Baccalaureate and Residency Teaching certificate Student Admission...
 5. **Transfer credits are accepted from regionally accredited (or candidate) colleges and universities with the following restrictions:**
 - a) **Transfer credits must have a minimum grade of 1.70 (C-) on a 4.00 scale for undergraduates.**
 - b) **A maximum of 60 semester or 90 quarter hours of academic credit is accepted from junior and community colleges toward a four-year degree. (Occupational-vocational courses are not accepted although exception may be made if relevant to a particular major or consortium agreement.)**
 - c) **A maximum of 4 semester credits of physical education credits is accepted toward a four year degree.**
 - d) **A maximum of 6 semester credits of traditional courses with a Pass grade is accepted. However, academic departments may have specific regulations regarding Pass courses.**
 - e) **Credits awarded through examination programs such as College Level Examination Program (CLEP) and Advanced placement (AP) are evaluated on an individual basis.**
 - f) **Heritage may grant credit for learning sponsored by business, industry, or government if the learning has been evaluated by the American Council on Education (ACE) or by the Program on Non-collegiate Sponsored Instruction (PONSI) of New York.**
 - g) **Credit may be granted for educational experience from formal military service schools which have been evaluated by the American Council on Education (ACE) and which are found in The Guide to the evaluation of Educational Experiences in the Armed Forces.**
 - h) **Domestic and international students who have completed college credits in another country may be considered for freshman admission. Transfer credit is evaluated through a course-to-course analysis and may require review by an external entity with expertise in the field of foreign credential assessment. The acceptance of credit is based on factors such as the current status of the transfer study, applicability to the Heritage University program, and quality of grades.'**

Heritage University reserves the right to accept or reject non-traditional means of obtaining credit depending on the relevance and application of such credits to the total degree program.

VETERANS ADMISSION

- Veterans of the U.S. military service apply for admittance, as indicated above, to the University and for V.A. benefits simultaneously. The University may allow credit for military service activities which have educational content to students who present acceptable military records. Such records are submitted as part of admission credentials along with a request for evaluation.

2) FINANCIAL AID POLICY:

- The Financial Aid Office recognizes the restrictions on number and type of credits accepted by the registrar's office and the academic departments and does not impose further restrictions.

11.9.1.6. MAXIMUM TIME-FRAME AND EVALUATION OF TRANSFER CREDITS

11.9.1.6.1 WHO DOES THE EVALUATION?

1) Institutional Policy; from 2018-2019 and from a document maintained in the registrar's Office/Student records.

- From Catalog

Transfer, post –Baccalaureate, and Residency Teaching Certificate Student Admission.

Informal evaluations of transfer credit may be requested. Such evaluations are subjected to change when all official transcripts are received, and evaluated by the registrar. The University reserves the right to evaluate all transfer credits in relation to its programs.

- From registrar's Office/Student Records document.
Title: Transfer Credit Policies And Process

Informal evaluations of transfer credit may be requested. Such evaluations are subjected to change when all official transcripts are received, and evaluated by the registrar. The University reserves the right to evaluate all transfer credits in relation to its programs.

2) As is identified above, the registrar's office does the evaluation of courses accepted to satisfy General College Requirements. The Registrar's Office also lists all acceptable courses that could be used by the academic departments from the student's program (major, minor, etc). These courses are further evaluated by the departments.

3) FINANCIAL AID POLICY

- The Heritage University Financial Aid Office recognizes the restrictions on number and type of credits accepted by the registrar's office and the academic departments concerning specific majors.
- The Financial Aid Office does not evaluate transfer credits.

11.9.6.2 TIMING OF THE TRANSFER CREDIT EVALUATION

1) Registrar's evaluation

a) When Is It Completed?

- Transfer credit Evaluation is done as part of the admission process and is completed before or at the same time that the student is fully admitted.

b) When Are Transfer Students and Advisors Notified of the Results?

- 'Once the student is officially matriculated', 'a copy of the evaluation for is sent to the student and advisor'.

c) When is the Financial Aid Office Notified of the Results of the credit evaluation that the student is a Transfer?

- When the student is fully admitted the admissions Office (which has received the completed evaluation forms from the Registrar's Office) forwards the appropriate reports and documents to financial aid.
- Refer to the procedures section below in 11.9____ for details concerning the reports and forms received by financial aid.

2) ACADEMIC ADVISOR'S EVALUATION

a) When Is The Program /Department Credit, Evaluation Completed?

- From transfer credit Policies and Procedures Registrar's do after the student has been admitted the Academic Advisors reviews the list of courses that are transferable and indicates which approved transfer course, if any, may be used to fulfill requirements beyond the G.U.R.S
- The academic advisors also completes a petition for Substitution or Waiver For indicating which approved transfer courses, if any, may be used to fulfill major requirements,. This for is then submitted to the Program Chair for approval and lastly forwarded to the registrar's Office for final approval and processing.

This is also done after the student has been admitted to the University.

b) When Is the Student Notified?

- When the advisor completes the initial evaluation a copy of the advising sheet is given to the student (and the original is maintained in the student file of the academic advisor).
- Any changes made because of the Petition for Substitution or Waiver Form submission process would be communicated to the student after final approval.

c) Is the Financial Aid Office Notified of the Results of the Academic Advisor's / Programs Evaluation and , If So , When?

- No, the Financial Aid Office is not currently notified as part of a regular progress.
- The Financial Aid Office may, on a need-to-know basis request a copy of the final evaluation or a specific student from the advisor or from the registrar's Office.
- The Financial Aid Office may also request a copy of the student's advising for from the advisor when needed.

11.9.1.7 CIRCUMSTANCES OTHER THAN S.A.P. WHERE TRANSFER CREDIT EVALUATION/TRANSFER STUDENT INFORMATION IS NEEDED.

Refer to other sections in this manual for policies and procedures on the following areas where this information is required or useful. This list may not be all inclusive.

- 1) Year in School.
 - For funding /awarding purposes to determine amounts of annual student loan eligibility.
 - To determine eligibility for scholarships or grants that are year-school specific.
 - To know when to begin to monitor cumulative loans so, student does not exceed overall eligibility.
- 2) Prior Financial Aid
 - Knowledge of who is a transfer assists in determining when/whether to access NSLDS on the student for default and other reasons.
 - The WSNB archive must be accessed for all transfer students in order to determine prior Need Grant received.
 - To determine when to access NSLDS for prior loans received.

11.9.1.8. WHEN DOES THE FINANCIAL AID OFFICE MONITOR TRANSFER CREDITS FOR MAXIMUM TIME-FRAME S.A.P REASONS?

- 1) At the time of admission the number of transfer credits is noted in the financial aid file/P.F. system.
- 2) See 11.1.2.2, especially 11.1.2.2.3 for specifics on when and how the monitoring is done.
- 3) In general, a student who enters with a number of credits transferred that is above what would be anticipated for his/her year in school will be identified for special monitoring beginning at the time of admission.
- 4) The students identified in 11.9.1.8.3 will be checked each time the SAP process is done for total Credits Attempted that is at least annually.
- 5) Close monitoring of these students will be done when such a student has attempted 60 % of the allowable maximum number of credits, but has not received degree and/or has not completed the degree requirements.

11.9.2 SECOND DEGREES

The financial aid office must take into consideration how these students will be treated with regard to the maximum time-frame.

11.9.2.1 REASON FOR SEPARATE MAXIMUM TIME-FRAME RULE FOR SECOND DEGREES

- 1) Readmission is Required at Heritage University
 - The student seeking a second degree has completed a prior degree.
 - The student is thus being admitted to a new program (also see 11.9.2.4).
 - The admission Standards of the new program must be met by the student.
- 2) Fewer or a Different Number of Credits Are Usually Needed; credits from first degree that count towards second degree will be included in Maximum Time Frame calculation for both Graduate and Undergraduate degrees.

During the Second Degree Program

- The student has usually already completed all of the general university requirements while earning the first degree if it was a bachelor's degree (and especially if the degree was earned at H.U.)
- Some of the major courses needed may be waived in some cases without requiring a replacement number of credits.

- For second master's degrees the Core of the courses will usually already have been completed (especially if the first degree was earned at H.U.)

11.9.2.2 WHY SHOULD THE POLICY RULES BE INDIVIDUALIZED RATHER THAN SETTING A SINGLE, SPECIFIC MAXIMUM FOR ALL?

- 1) Setting a single Maximum Number of Credits Per Program Could Advantage or Disadvantage the Second-Degree Seeking Student.
 - The student could be advantaged over other students if he/she was expected only to complete the new program's total number of credits (times 150%) without Consideration of any reductions or adjustments for prior courses taken.
 - The student could be disadvantaged if he/she was expected to complete the new program's total number of credits (times 150%) without pre-requisites and possible other requirements being taken into consideration and added to the total.
- 2) Setting An Average Maximum Would Not Be Fair to the Second-Degree seeking student Nor Helpful to the Advisor.
 - Second-Degree student programs are always more individualized than are first degrees. See 11.9.2.1.2 for some of the reason.
 - Second-Degree programs are impossible to quantify without analyzing individual's needs.

11.10 COMPLETION OF DEGREE REQUIREMENTS

POLICIES:

11.10.0 OVERVIEW AND RATIONALE

Although a few students/recipients will need to take up to the 150% of the number of credits needed for graduation before achieving their degree, most students will complete their program far short of this maximum. A policy therefore is needed to guide students toward completion of their programs, and to prevent misuse of the above provision.

11.10.1 WHEN A STUDENT HAS COMPLETED ALL COURSEWORK FOR A PROGRAM

11.10.1.1 Not Eligible for Further Title IV Financial Aid: A student who has completed all coursework for the program in which he/she is admitted and enrolled, but who has not applied for the degree/certificate to which he/she is entitled will not be eligible for further Title IV or State of Washington financial assistance for that program.

11.10.1.2 Eligible for Institutional Funding Only: A student who has completed all coursework for the program in which he/she is enrolled, but has not received the degree/certificate, may be eligible under some circumstances for institutional or outside aid. This will be determined on a case-by-case basis.

11.10.2 TREATMENT OF ADDITIONAL ELECTIVE CREDITS

11.10.2.1 Graduate Program: The student/recipient will be considered to be making Satisfactory Academic Progress while taking coursework that is within the scope of the student's degree program. This would not include enrolling

in additional elective credits or credits from a different major that are not recommended and/or not approved by the advisor and/or program administrator of the program in which the student is enrolled. When the student completes the required number of elective credits for the program, any additional electives must be approved in writing by the program administrator, advisor or designee and the approval submitted to the financial aid office.

XII. Federal SEOG Processing

XIII. Federal Work Study Processing

XIV. FEDERAL DIRECT LOAN PROGRAM PROCESSING

A. REGULATORY OVERVIEW

A school must be certified by the U.S. Department of Education (ED) to participate in any Federal Student Aid program, including the Federal Direct Loan (FDL) Program. A school must submit an Electronic Application for Approval to Participate in the Federal Student Aid Programs (E-App) to ED to apply for participation in the FDL Program.

The E-App collects information that allows ED to examine three major factors about the school: institutional eligibility, administrative capability, and financial responsibility. For schools that have participated in FSA programs, ED will examine a school's compliance audits, financial statements and program reviews, and will check to insure that the school has submitted all required financial statements and compliance audits. The Department may request additional materials such as the school's Satisfactory Academic Progress policy, admissions policies and refund policies.

B. PROCESSING OVERVIEW

1. The student completes the Free Application for Federal Student Aid (FAFSA). The application is submitted to Central Processing System (CPS) for processing. The CPS performs need analysis and database matches.
 - a) The school receives Institutional Student Information Report (ISIR).
 - b) The student receives Student Acknowledgement Report (SAR).
2. The student completes the Master Promissory Note (MPN). The MPN may be serial or annual.
 - a) The Electronic MPN may be completed at online.
 - b) The Paper MPNs may be generated by COD or the school.
3. The student completes entrance counseling; counseling may be completed online.
4. The school determines individual student awards.
 - a) The school confirms FDL program eligibility.
 - b) The school determines the loan period which may not exceed 12 months. Depending on program type, the loan period may be a Scheduled Academic Year (SAY) or Borrower-Based Academic Year (BBAY).
 - c) The school calculates the award, taking into account annual and aggregate loan limits.
5. The school creates the origination/disbursement file which contains student records. The file is submitted to COD in batch file or directly into COD.
 - a) The record contains student and school identifying information, award type, award year, loan period start and end dates, and award amounts.
6. COD generates a response file.
 - a) The response file contains accepted and/or rejected records. Rejected records will have an edit code linked to the reject reason to enable reject resolution.
 - b) The response file includes status and expiration date of MPN.
 - c) If the record type is a PLUS Loan, the response file will include the outcome of the credit check.
 - d) Booked loans are serviced by Direct Loan Servicing System.
 - e) Booked loans are reported to NSLDS.
7. Accepted records are funded to G5 based upon the school's funding method.
 - a) Advanced Pay: school-initiated drawdown, school determines amount.
 - b) Pushed Cash: COD-initiated drawdown, COD determines amount.
8. The school draws down FDL funds and disburses the funds to individual student accounts.
9. Reconciliation is performed; discrepancies are resolved.
 - a) Monthly
 - b) Annually
10. COD Reports
Various reports are available to assist schools in administering the FDL program:
 - a) *30-Day Warning*: identify and resolve un-booked loans in COD
 - b) *Inactive Loans*: identify inactive loans
 - c) *Funded Disbursement Listing*: identify disbursements used in funding calculation for that day
 - d) *Pending Disbursement Listing*: identify disbursement to be used in funding calculation for a particular day

- e) *School Account Summary*: summary and detail of cash and loan data; used to reconcile with school data
 - f) *Duplicate Student Borrower*: lists borrowers at school with awards at another school; used to identify potential overawards
 - g) *SSN/Name/Date of Birth Change*: lists borrowers with changes in identifying information; used to monitor changes and prevent rejects.
 - h) *MPN Discharge Report*: lists MPNs that are inactive due to discharge and no longer available for linking
 - i) *Expired MPN Report*: lists MPNs that are expired and no longer available for linking
 - j) *MPNs Due to Expire Report*: lists MPNs that will expire within the next 60 days
 - k) *Direct Loan Rebuild*: details origination and disbursement data on COD; used to rebuild lost data
11. Direct Loan Servicing Reports
- a) Entrance Counseling
 - b) Exit Counseling
 - c) Delinquency

C. POLICY & PROCEDURES STATEMENT

Heritage University participates in the Federal Direct Loan Program. Federal Direct Loans are processed utilizing the federal software program EdConnect and PowerFails. The Financial Aid Office is responsible for determining student loan eligibility and awarding Federal Direct Loans according to the federal student aid eligibility requirements. The Business Office is responsible for disbursing the loans to student accounts and for drawing down funds through the Federal Government's G5 system.

Students who enroll in courses for credit or audit but have not been formally admitted or matriculated into a Heritage University eligible degree or certificate program are ineligible for Federal Title IV financial aid.

1. Award Process

To obtain a Federal Direct Loan, a FAFSA must be completed and submitted. The Federal Expected Family Contribution (EFC) obtained from the FAFSA data is used to determine loan eligibility including loan type (subsidized or unsubsidized). Prior to determining Federal Direct Loan eligibility, the student's FAFSA data is verified, corrected and any conflicts (reject codes) are resolved as required by the federal processor by the Financial Aid Office. Heritage University verifies only those files selected by the federal processor.

Once eligibility has been determined, the student is notified of his/her Federal Direct Loan eligibility via a financial aid award letter issued by the Financial Aid Office.

2. Origination/Disbursement

After the student has completed the FDL MPN and entrance counseling, and has returned the signed financial aid award letter indicating the amount of the FDL he/she would like to borrow, an origination/disbursement file is submitted to COD using PowerFails. COD then generates a response file that contains accepted and/or rejected records. Rejected records will have an edit code linked to the reject reason to enable reject resolution. The response file includes status and expiration date of MPN.

3. Draw Down of Funds

Once ED approves the Federal Direct Loan disbursements, the dollar amount for each FDL disbursement batch is placed in the University's G5 account. The Business Office has access to the total amount ED has approved for disbursement within G5. The business office draws down the net total of approved disbursements and is reimbursed for disbursements of the Federal Direct Loans it has made to student accounts through the transmittal process.

4. Reconciliation

The Financial Aid Office and the Business Office reconciles student level award detail for Federal Direct Loans upon receipt of loan proceeds no less than every month.

5. Internal Controls

- a) Federal Direct Loans are awarded according to the federal guidelines in terms of annual eligibility amounts.
- b) Students complete entrance counseling online at the time of completing the MPN.
- c) The College reconciled FDL records upon receipt from COD prior to posting disbursements to student accounts.
- d) 30 Day Delay for First Time Borrowers - POLICY: Heritage Universities 3 YR Cohort Default Rate (CDR) is above 15% and therefore must delay delivery of Direct Stafford Loans. The delay of delivery will be for first year, first time borrowers. The delays will extend 30 calendar days into the semester regardless of which semester the students begins their enrollment. The 30 day rule will remain in effect until the CDR is below 15% for the 3 most recent fiscal years.

PROCEDURES: Heritage Universities Financial Aid Office will follow the following procedures when disbursing student loans to first year first-time Direct loan borrowers:

Student will be identified with the use of a report (1st Time-30 day hold) in PowerFails. The report will determine if the student has borrowed in the past or has attended before by capturing the combined NSLDS Loan totals and the students Year-In-School. Both of these items come directly from the students ISIR. The report also looks at the Lifetime Credits Earned which come in to PowerFails from the Registrars records in EX.

After students are identified with this report they will be marked as First-time Borrowers in PowerFails under Direct Loan Data. This field is set to delay the first scheduled disbursement for 30 calendar days from the start of the term.

XV. FEDERAL GRADUATE PLUS LOANS

A. REGULATORY OVERVIEW

Students may opt to access additional funding to cover educational costs through the Federal Graduate PLUS Loan Program. All student PLUS Loan borrowers must complete a FAFSA. The funds borrowed must be repaid and are for educational purposes only. Students must be enrolled at least half-time. Graduate or professional students may borrow under the Federal Family Education Loan (FFEL) PLUS Loan Program or the Federal Direct PLUS Loan Program.

The school must determine the student's eligibility for a Federal Direct Loan prior to certifying a Federal Graduate PLUS Loan. If the student is eligible for a Federal Direct Loan but has not requested the maximum amount, the school must notify the student and provide the student the opportunity to request the maximum amount. A graduate or professional student is not required to accept a Federal Direct Loan as a condition for receiving a Federal Graduate PLUS Loan, nor can a school require that.

1. Loan Period

The loan period generally is equal to the period of enrollment. It may not exceed 12 months. There are two ways to define the period of enrollment or academic year. A Scheduled Academic Year (SAY) follows a school's published academic calendar (e.g., fall-spring semester dates); it has a fixed beginning and ending each year. A Borrower-Based Academic Year (BBAY) is not fixed; it "floats" with an individual student or cohort of students' academic progression. Most schools with traditional standard term, credit hour programs use SAY.

2. Application Process

The borrower must complete a Master Promissory Note (MPN). The MPN may be completed and signed with an ink signature on paper or with an e-signature on an electronic application. The MPN may be serial (multi-year, maximum 10 years) or annual.

Borrowers are required to receive the following consumer information:

- Borrower's Rights and Responsibilities Statement, provided with the MPN
- Loan disclosure with loan detail, at or prior to first disbursement
- Plain Language Disclosure, provided for any subsequent loans on an existing MPN

If a school opts to use a serial MPN, it must clearly indicate whether the confirmation process is active or passive. In an active confirmation, a student must request or accept the loan amount before funds can be disbursed. A passive confirmation allows requires no affirmative student response, but the school must notify the student and allow time for the student to decline all or a portion of the loan awarded. A school may have different confirmation processes for different cohorts of students.

The Federal Graduate PLUS borrower must specify the amount he/she wishes to borrow; this must be documented. Even if the borrower has a serial MPN, there must be a documented request for each loan.

Valuable Links

Loans 2018-19 Handbook

<https://ifap.ed.gov/fsahandbook/attachments/1819V3C5FinalDec.pdf>

B. POLICY & PROCEDURES STATEMENT

Heritage University implements and follows all of the above stated regulatory requirements.

Students who enroll in courses for credit or audit but have not been formally admitted or matriculated into a Heritage University eligible degree or certificate program are ineligible for Federal Title IV financial aid.

XV. OUTSIDE SCHOLARSHIPS & GRANTS

C. POLICY & PROCEDURES STATEMENT

Students are required to notify the Financial Aid Office of any grants and/or scholarships they receive from private sources outside of Heritage University. A student may never receive financial aid in excess of the Total Cost of Attendance, especially if the student is receiving Federal Title IV funds. All sources of financial aid must be included in the financial aid package.

Heritage University encourages students to apply for outside scholarships and grants. When the Financial Aid Office is notified by the student or the awarding organization or agency of a pending outside scholarship or grant, the student's financial aid award is reviewed and adjusted according to the following sequence: 1) to meet any demonstrated unmet financial need; 2) to reduce or replace self-help according to the student's preference (e.g., loan or work-study); and 3) to reduce or replace an institutional scholarship or grant a student has been awarded on a dollar for dollar basis.

If the scholarship or grant is disbursed directly to the University through Electronic Funds Transfer (EFT) or paper check, the Business Office will apply the amount of the scholarship or grant directly to the student's account.

XVI. ALTERNATIVE LOAN PROGRAMS

D. POLICY & PROCEDURES STATEMENT

Students who need to borrow funds to help off-set their educational expenses are encouraged to first consider the Federal Student Loan Programs. However, if students choose not to borrow or are unable to borrow from the federal program, they may be eligible to borrow through educational alternative loan programs.

There are various loan programs that students may consider. The application process, eligibility criteria, minimum and maximum loan amounts, interest rate, fees, repayment options and loan benefits vary. Heritage University publishes a Lender List which includes *Alternative Loan Options*. Students are not required to select one of the loans from this list but may use it to compare the different loan programs.

The student must follow the specific loan program's application process, including certification of the alternative loan by the Financial Aid Office. The University will only certify an alternative loan for a student who is enrolled as a matriculated student at Heritage University. Funds are usually disbursed directly to the University through Electronic Funds Transfer (EFT) or paper check. The Business Office will apply the net amount of the loan directly to the student's account.

A student may never receive financial aid in excess of the Total Cost of Attendance, especially if the student is receiving Federal Title IV funds. All sources of financial aid, including alternative loans, must be included in the financial aid package.

XVII. FINANCIAL AID CALENDAR OVERVIEW

E. INSTITUTIONAL OVERVIEW

The overview below reflects the month-by-month key financial aid communications and processes that support the Federal Direct Loan program for both currently enrolled students and prospective incoming students.

September

Prospective Incoming Students

- Incoming students matriculate.
- Review enrollment data to identify non-enrolled students.
- Certify FDL Loans; certify alternative loans.
- Disburse FDL Loans.
- Process SAR Corrections for any ISIR changes made as a result of verification and/or other documentation which change the students' EFCs.
- Business Office submits FDL fund reconciliation.
- Scholarship/grant-in-aid report.

Returning Students

- Returning students matriculate.
- Review enrollment data to identify non-enrolled students.
- Certify FDL Loans; certify alternative loans.
- Disburse FDL Loans.
- Business Office submits FDL fund reconciliation.
- Scholarship/grant-in-aid report.

October

Currently Enrolled Students

- Finalize any outstanding files for the current academic year requiring verification, clarification or resolution of discrepant information.
- Disburse FDL Loans.
- Business Office submits FDL fund reconciliation.
- Scholarship/grant-in-aid report.
- Prospective students begin filing FAFSAs.

November

Currently Enrolled Students

- Finalize any outstanding files for the current academic year requiring verification, clarification or resolution of discrepant information.
- Business Office submits FDL fund reconciliation.
- Scholarship/grant-in-aid report.

December

Prospective Incoming Students

- Review and revise institutional application procedures for the upcoming academic year.

Currently Enrolled Students

- Finalize any outstanding files for the current academic year requiring verification, clarification or resolution of discrepant information.
- Business Office submits FDL fund reconciliation.
- Scholarship/grant-in-aid report.

January

Prospective Incoming Students

- Application forms and supplemental documents for the next academic year are finalized and put into production.
- Develop Cost of Attendance budgets for the upcoming academic year.

Currently Enrolled Students

Financial Aid Operations Manual

- Review Satisfactory Academic Progress for current students to determine their continued eligibility for Federal Title IV student financial aid.
- Disburse FDL Loans.
- Business Office submits FDL fund reconciliation.
- Scholarship/grant-in-aid report.

February

Prospective Incoming Students

- Prospective students continue to file FAFSAs for the upcoming academic year.
- Begin uploading ISIR records.
- Send tracking letters for missing information to prospective students whose FAFSAs have been received.
- Send a general email notification to admitted prospective students encouraging them to file a FAFSA.

Currently Enrolled Students

- Business Office submits FDL fund reconciliation.
- Scholarship/grant-in-aid report.

March

Prospective Incoming Students

- Prospective students continue to file FAFSAs for the upcoming academic year.
- Upload ISIR records.
- Verify FAFSA files.
- Send tracking letters for missing information to prospective students whose FAFSAs have been received.
- Send a general email notification to admitted students encouraging them to file a FAFSA.
- Begin processing SAR Corrections for any ISIR changes made as a result of verification and/or other documentation which change the students' EFCs.

Currently Enrolled Students

- Business Office submits FDL fund reconciliation.
- Send Exit Loan Counseling reminders to prospective graduates.
- Monitor on-line FDL Exit Loan Counseling sessions completed.
- Update NSLDS.
- Scholarship/grant-in-aid report.

April

Prospective Incoming Students

- Prospective students continue to file FAFSAs for the upcoming academic year.
- Upload ISIR records.
- Verify FAFSA files.
- Send tracking letters for missing information to prospective students whose FAFSAs have been received.
- Send a general email notification to admitted prospective students encouraging them to file a FAFSA.
- Award financial aid to students who have been admitted and whose financial aid applications have been verified.
- Process SAR Corrections for any ISIR changes made as a result of verification and/or other documentation which change the students' EFCs.

Currently Enrolled Students

- Business Office submits FDL fund reconciliation.
- Send Exit Loan Counseling reminders to prospective graduates.
- Monitor on-line FDL Exit Loan Counseling sessions completed.
- Update NSLDS.
- Scholarship/grant-in-aid report.

May

Prospective Incoming Students

- Prospective students continue to file FAFSAs for the upcoming academic year.
- Upload ISIR records.
- Verify FAFSA files.
- Send tracking letters for missing information to prospective students whose FAFSAs have been received.
- Send a general email notification to admitted prospective students encouraging them to file a FAFSA.
- Award financial aid to students who have been admitted and whose financial aid applications have been verified.
- Process SAR Corrections for any ISIR changes made as a result of verification and/or other documentation which change the students' EFCs.
- Scholarship/grant-in-aid report.

Currently Enrolled Students

- Business Office submits FDL fund reconciliation.
- Send Exit Loan Counseling reminders to prospective graduates.
- Monitor on-line FDL Exit Loan Counseling sessions completed.
- Update NSLDS.
- Scholarship/grant-in-aid report.

June

Prospective Incoming Students

- Prospective students continue to file FAFSAs for the upcoming academic year.
- Upload ISIR records.
- Verify FAFSA files.
- Send tracking letters for missing information to students whose FAFSAs have been received.
- Award financial aid to students who have been admitted and whose financial aid applications are complete.
- Notify FDL borrowers to submit MPN and to complete Entrance Loan Counseling on-line.
- Process SAR Corrections for any ISIR changes made as a result of verification and/or other documentation which change the students' EFCs.
- The Business Office forwards bills to incoming students.
- Scholarship/grant-in-aid report.

Currently Enrolled Students

- Students graduate.
- Business Office submits FDL fund reconciliation.
- Send Exit Loan Counseling reminders to prospective graduates.
- Monitor on-line FDL Exit Loan Counseling sessions completed.
- Update NSLDS.
- Scholarship/grant-in-aid report.

July

Prospective Incoming Students

- Upload ISIRs.
- Verify FAFSA files.
- Begin origination and certification of Federal Direct Loans; certify of alternative loans.
- Process SAR Corrections for any ISIR changes made as a result of verification and/or other documentation which change the students' EFCs.
- Send reminders to students who have not completed MPNs and Entrance Loan Counseling.
- Send tracking letters for missing information to students whose FAFSAs have been received.
- Review appeals.
- Scholarship/grant-in-aid report.

August

Prospective Incoming Students

- Upload ISIRs.
- Verify FAFSA files.
- Send reminders to students who have not completed MPNs and Entrance Loan Counseling.

- Certify FDL Loans; certify alternative loans.
- Continue Verification Process for all students who have not completed the process.
- Process SAR Corrections for any ISIR changes made as a result of verification and/or other documentation which change the students' EFCs.
- Send tracking letters for missing information to students whose FAFSAs have been received.
- Review appeals.
- Scholarship/grant-in-aid report.

September

- Repeat Month-by-Month Cycle

XVII. APPLICATIONS AND FORMS

1. POLICY & PROCERDURES STATEMENT

1. The following forms are required for students who are applying Federal Title IV financial aid and/or for institutional need-based grants:
 - i. **Free Application for Federal Student Aid (FAFSA).** A student applies for Federal Title IV financial aid (Federal Direct Loan, Federal Graduate PLUS Loan, and Federal Work-Study Program) by completing the FAFSA. The FAFSA may be completed online at www.fafsa.ed.gov. The results of the FAFSA analysis are also used in determining a student's demonstrated financial need for institutional need-based grants. The student signs the FAFSA electronically using an FSA ID and password. Personal created on the U.S. Department of Education (ED) website. Limited copies of the paper FAFSA are also available at Heritage University. A paper FAFSA may be completed by the student and mailed directly to ED by the student for data entry.

The Central Processing System (CPS) processes the application by performing the required database matches and data edits. Additionally, the Expected Family Contribution (EFC) is calculated using the data entered from the FAFSA. Usually within 2-5 days from submitting the FAFSA electronically, two output documents are simultaneously generated—a Student Aid Report (SAR) and an Institutional Student Information Report (ISIR). The SAR is sent to the student and the ISIR is sent to Heritage University (and any other schools listed on the application). The information on the ISIR affords the Financial Aid Office the ability to determine the student's financial aid eligibility and identifies any issues that require resolution.

NOTE: Returning students submit the **Renewal FAFSA**.

- ii. **Heritage University Financial Aid Supplement.** The student must complete the University's application and return the form directly to the Financial Aid Office.
- iii. **Student's U.S. Federal Individual Income Tax Return.** The student must submit a copy of his/her individual tax return from the prior year. For example, if the student plans to enroll in AY2018-19, the student must submit the 2017 individual tax return. If the student is married and filed a separate return, a copy of the student's spouse's individual tax return is also required. Please be sure the copy of the tax return copy is properly signed and dated and submitted to the Financial Aid Office by **June 1st**.
- iv. **Independent Verification Worksheet.** Students who are selected by the Central Processing System for verification must complete the verification process prior to receiving a financial aid award notification. The Independent Verification Worksheet will be forwarded to selected students by the Financial Aid Office at Heritage University along with a request for any additional supporting documentation. The independent worksheet requests: student household data, student (and spouse, if married) income information, (and spouse, if married) and must be signed by the student (and spouse, if married). The completed form should be returned directly to the Financial Aid Office with all supporting documentation.
- v. **Entrance Counseling Interview Form.** First-time borrowers of a Federal Direct Loan and/or first-time borrowers of a Federal Graduate PLUS Loan *must* complete Entrance Counseling. Borrowers are encouraged to complete Entrance Counseling on-line via a link on Heritage University University's website and on the Direct Loan website. If the counseling session is not completed electronically online, the student may complete a paper copy. Entrance Counseling must be completed simultaneously to completing the Master Promissory Note (MPN) if completed online.
- vi. **Master Promissory Note (MPN).** All Federal Direct Loan and Federal Graduate PLUS Loan borrowers must complete a Direct Loan MPN. The MPN is a contract between the borrower and the U.S. Department of Education and is retained by the loan servicer. Borrowers are encouraged to complete the electronic Direct Loan MPN. The borrower's signature (electronic or ink) indicates that the

borrower agrees to all loan terms and conditions. Heritage University requires all borrowers to submit a MPN annually.

Valuable Links

2018-2019 Tax Transcript Verification Requirements

<https://ifap.ed.gov/eannouncements/010919Chngsto1819and1920VerificationReq.html>

Independent Verification Worksheet

<https://ifap.ed.gov/eannouncements/081617VerificationSuggestedTextPackage1819.html>

XIX. FINANCIAL AID APPLICATION PROCESSING & FILE REVIEW

2. POLICY & PROCEDURES STATEMENT

1. Financial Aid Application Process

Incoming and returning students must complete the Free Application for Federal Student Aid (FAFSA). The student can submit the FAFSA on-line at www.fafsa.ed.gov. The data and analysis of the data by the U.S. Department of Education is electronically forwarded to Heritage University for review by the Financial Aid Office to determine the student's eligibility for Federal Title IV funds. The analysis must be received at Heritage University by June 1st.

All supporting documents received via the postal mail are manually dated and placed in the student's file. Required documents are manually tracked and an email or postal letter is sent to the student notifying the student as to which documents are missing. A copy of the request is placed in the student's file. When all the required documents are received, the file is reviewed by the Financial Aid Administrator and an award notification is sent to the student via a postal letter. The student must sign the award notification and return it to the Financial Aid Office accepting or declining the award. If a Federal Student Loan is offered to the student as part of the student's financial aid package, the student must indicate the total amount of the loan the student wishes to borrow for that specified academic year based on the student's eligibility.

2. Data Base Matches

The Central Processing System (CPS) receives and processes all FAFSAs. The CPS performs database matches with other federal databases to determine student eligibility for financial aid consideration by Heritage University. Additionally, the CPS checks the application for inconsistencies, contradictions and missing information. Any applications with a database mismatch are identified on the first page of the ISIR with a "C" code to the right of the EFC with an accompanying comment. Numerically coded information is listed under the FAA Data on page three of the ISIR. Detailed explanation of the meaning of the codes can be found in the ISIR Guide.

Citizenship: A student must be a citizen or eligible non-citizen to receive Federal Student Aid. The CPS performs matches with the Social Security Administration (SSA) for U.S. citizens. Eligible non-citizens are matched with the Department of Homeland Security (DHS). If the match for eligible non-citizens fails after the primary and automated secondary confirmation, the collects documentation and conducts a manual secondary confirmation with United States Citizenship and Immigration Services (USCIS).

NSLDS Financial Aid History: A student is ineligible for federal student aid if he/she is in default on a federal student loan, has exceeded the annual or aggregate federal loan limits, owes an overpayment on a federal grant, or has not made satisfactory repayment arrangements to resolve the default or overpayment.

Selective Service: If a male student is required to register for Selective Service, he must do so in order to be eligible for federal student aid. This requirement applies to U.S. citizens and others who are born male and between the ages of 18-25.

Department of Veterans Affairs: If the student indicates on the FAFSA that he/she is a military service veteran, that information is matched against the Department of Veterans Affairs.

3. "C" & Reject Code Clearance

An application with a "C" code contains data that Heritage University must resolve. Depending on the cause, C code resolution may not result in a subsequent transaction from CPS showing "C" code clearance. However, as long as the Financial Aid Office has documents on file which give evidence of "C" code clearance, financial aid may be awarded to the student and disbursed to the student's account.

Financial Aid Operations Manual

An application may have two types of reject codes. Verifiable reject codes can be confirmed by simply re-entering the same value or be corrected to a different value. Non-verifiable reject codes must be changed or provided (if field was originally left blank). All FAFSAs with reject codes do not have an EFC calculated and the data in question is highlighted on the ISIR. The reject code must be resolved in order to determine the student's EFC.

Heritage University clears all C and Reject Codes that result in an invalid ISIR prior to awarding.

Valuable Links

2018-2019 FSA Handbook Corrections/Adjustments

<https://ifap.ed.gov/fsahandbook/attachments/1819FSAHbkAVGCh4.pdf>

2018-2019 ISIR Guide <https://ifap.ed.gov/isirguide/attachments/1819ISIRGuideNov2017Update.pdf>

IRS Publication 17 <https://www.irs.gov/pub/irs-prior/p17--2017.pdf>

XX. VERIFICATION

1. REGULATORY OVERVIEW

1. Student Selection

Students selected for verification by the Central Processing System (CPS) will have identifiers on the output document indicating that verification is required. All federally-selected applications must be verified. The Financial Aid Office may also choose to verify an application if there are inconsistencies on the ISIR or in conjunction with other established institutional parameters.

The school is required to verify all CPS-selected applications, up to 30% of the total number of student aid applicants. The school may choose to verify more than 30%, or if the CPS-selected number is less than 30%, the school is not required to select additional applications to reach 30%. The verification tracking flag on the ISIR can be used to help financial aid staff prioritize if the school opts to verify only 30%; the higher the number, the more significant the potential errors. The definition of “applicant” will be defined by the school. It may be (a) anyone who applies to the school, (b) anyone enrolled at the school, or (c) anyone enrolled who is eligible to receive aid.

If a transfer student’s application has been verified by another school during the same award year, the current school is not required to perform verification again if a letter is received from the prior school. The letter must contain a statement that the application was in fact verified, indicate the transaction number of the verified application and, if applicable, why the school was not required to recalculate the EFC.

Due to unusual circumstances, a selected application may be exempt from verification. These exemptions include:

- death of the student;
- incarceration;
- recent immigrant (arrived in US in the current or previous calendar year);
- spouse unavailable (applies only to spouse information on application in the case of a spouse who is deceased, or mentally or physically incapacitated, residing in another country and cannot be contacted, or cannot be located);
- parent(s) unavailable (applies only to parent information on dependent student’s application in the case of a parent who is deceased or mentally or physically incapacitated, residing in another country and cannot be contacted, cannot be located);
- Pacific Island resident; or
- student is not a Federal Title IV financial aid recipient.

2. Timeline and Notification

Immediately following the load of a student’s ISIR they are notified via email and a printed letter of their selection for verification. No federal or state financial aid program can be disbursed until verification is complete. A communication flow established in the financial aid system (PowerFaid) will both email and mail up to 5 separate communications at two week intervals, informing the student of their selection for verification. These communications will outline the procedures for resolving these items. Students can resolve verification items prior to the start and/or during the academic year. Once verification is complete students are awarded and notified of their eligibility.

3. Documentation

Students selected for verification are required to submit the following documentation for all members of the household whose financial data was included on the FAFSA:

- Verification worksheet (V Groups)
- Tax Transcript for Individual Income Tax Return Form 1040, 1040A, or 1040EZ
- Other documentation, as necessary (e.g., details of untaxed income, W-2 form(s))

4. Data Elements

There are five major data elements that must be verified:

- Household size
 - Number enrolled in school
 - Adjusted Gross Income (AGI)
 - US income tax paid
 - Certain untaxed income and benefits
- a. **Household Size.** Includes those who are dependents of the head of the household or who receive more than half their support from the head of the household. This number may include a child or dependent who doesn't physically reside with the head of household, but is supported by the head of household (as in the case of divorce or separation). The spouse of an independent student should be included in this number. Foster children are not included in the household size.
- **Number Enrolled in School.** Always includes the student. Any others in the household who will be enrolled at least half-time in a degree or certificate program during the award year should also be counted. Parents of dependent students who are enrolled in school are not included.
 - **Adjusted Gross Income (AGI) and Taxes Paid.** Verified using a Tax Transcript. Each individual who reported financial data on the ISIR must be included (i.e., student and/or spouse). The AGI and taxes paid on the ISIR must match the tax transcript, unless adjustments were made because of Professional Judgment.

If an individual is not required to file a tax return, he/she will not have an AGI or taxes paid, but should report income earned from work.

- **Untaxed Income and Benefits.** Includes any income excluded from federal income taxation. There are three forms of untaxed income and benefits that must be verified: child support, IRA/Keogh deductions and interest on tax-free bonds. With the exception of child support, these can be verified using the tax return. References of sources of untaxed income can be found in the annual federal *Verification Guide* available online at www.ifap.ed.gov.

Interim Disbursements

Application which has not yet been verified, but does not appear to be inaccurate may be paid on. Disbursements of this type are called interim disbursements. If, however, verification results in an overpayment or the student never submits verification paperwork the school will be liable. Interim disbursements may be made as follows:

- Federal Work-Study: may pay wages up to 60 days after enrollment
- Federal Direct Loan: maybe be certified/originated but not disbursed

4. Selected After Disbursement

A student who has already received a disbursement of federal student aid and who is subsequently selected for verification must have all anticipated disbursements suspended until verification has been completed. If after verification the student has lost eligibility for previously disbursed funds, the student is responsible for repayment of all grant aid; any Federal Direct Loan or FWS funds may be retained by the student.

5. Review of Subsequent ISIR Transactions—Post-screening

Any adjustments to FAFSA data made by the student or made by *any* school listed on the application will result in a subsequent ISIR transaction. Additionally, CPS may “push” ISIRs if there is a new database mismatch. Therefore, the Financial Aid Office must review all subsequent ISIR transactions, even if an earlier transaction has already been verified. If there are no changes that affect eligibility, no action is required. If the EFC has changed but it doesn't affect the amount and type of aid received, or the data elements that changed have already been verified, no action is required. If the EFC has changed and

relevant data elements have not been verified, a closer examination is necessary. Any "C" flags, NSLDS data changes or other conflicting information must be resolved.

If the review of a subsequent ISIR results in changes to the funds awarded, the student is sent a revised award letter. Funds for which the student has lost eligibility are returned to the fund source.

Valuable Links

2018-2019 FSA Handbook

Verification <https://ifap.ed.gov/fsahandbook/attachments/1819FSAHbkAVGCh4.pdf>

Independent Verification Worksheet

<https://ifap.ed.gov/eannouncements/081617VerificationSuggestedTextPackage1819.html>

POLICY & PROCEDURES STATEMENT

Heritage University implements and follows all of the above stated regulatory requirements.

The definition of “applicant,” as defined by Heritage University, is anyone enrolled who is eligible to receive aid.

The Financial Aid Office performs Verification on only those students selected by the Central Processing System or applications if there are inconsistencies on the ISIR or in conjunction with other established institutional parameters. Verification is completed prior to the disbursement of financial aid funds to the applicant.

Required verification notices are published in the financial aid award enclosure.

XXI. CONFLICTING & INACCURATE INFORMATION

3. REGULATORY OVERVIEW

If the school has conflicting information or has any reason to believe the data entered on a student's application is incorrect, the discrepancy must be resolved before disbursing federal student aid. If the discrepant information is discovered after the funds have been disbursed, subsequent disbursements are suspended until the issue is resolved. The requirement to resolve conflicting or discrepant information encompasses all student files held by the school, including, but not limited to, the Financial Aid Office, Admissions Office, Business Office and Registrar's Office.

Financial aid staff must have a basic understanding of relevant tax issues that affect need analysis. The aid administrator is required to know whether a person was required to file a tax return, what the correct filing status for an individual should be, and that an individual cannot be claimed as an exemption by more than one person. For more detail on these basic tax issues, see IRS Publication 17.

Any evidence of a student, employee or third-party who has fraudulently obtained federal funds must be reported to the Office of Inspector General.

1. ISIR Corrections

It is assumed that application data is correct as of the date the application was signed. A student or financial aid staff member may submit ISIR corrections as necessary, with two restrictions.

- a) Dependency status may be updated at any time, unless the change is due to marital status.
- b) Number in household and number in college may only be updated if verification is performed.

4. POLICY & PROCEDURES STATEMENT

Heritage University implements and follows all of the above stated regulatory requirements.

Heritage University requires that any discrepant information be clarified prior to packaging a student's financial aid award.

XXII. COST OF ATTENDANCE BUDGETS

A. REGULATORY OVERVIEW

A key element to determining the Cost of Attendance (COA) is identifying the academic year. The academic year definition may vary depending on the program. The academic year is comprised of payment periods; financial aid disbursements are made on a payment period basis. An academic year generally has at least two payment periods.

There are three types of academic years:

1. Standard term: semesters, trimesters, quarters
2. Nonstandard term: not semesters, trimesters, quarters; measured in credit hours, has established start/end dates during which all coursework is completed
3. Non-term: measured in clock hours, or measured in credit hours and:
 - a) does not have established start/end dates
 - b) may overlap terms
 - c) courses are self-paced or independent study courses that overlap
 - d) courses are sequential and don't begin/end within the term

The Cost of Attendance, or budget, is a critical component in awarding financial aid. The total of all financial aid received by a student may never exceed the Cost of Attendance. Financial need is determined by subtracting the Estimated Family Contribution (EFC) from the Cost of Attendance (COA).

$$\text{COA} - \text{EFC} = \text{Need}$$

The budget is comprised of direct and indirect costs incurred during the student's period of enrollment. It may be based on actual values or averages. Additionally, there may be different costs for different cohorts of students. The basic budget components are:

- Tuition & Fees (Direct)
- Room & Board (Direct or Indirect)
- Books & Supplies (Indirect)
- Transportation (Indirect)
- Personal or Miscellaneous Expenses (Indirect)

Additional allowable costs may include:

- Dependent care
- Study abroad expenses
- Disability expenses ("physical/mental impairment that substantially limits major life activity")
- Employment expenses for co-op study
- Loan fees

Special circumstances may warrant financial aid staff to use Professional Judgment to adjust Cost of Attendance components. An example of an adjustment to the COA may be for students whose actual book expenses exceed the budgeted amounts.

If a student is enrolled less than half-time, the budget may only include tuition, fees, and an allowance for books, supplies and dependent care, and limited room/board allowance.

Valuable Links

2018-2019 FSA Handbook

EFC <https://ifap.ed.gov/fsahandbook/attachments/1819FSAHbkAVGCh3.pdf>

Academic Year/Payment Period <https://ifap.ed.gov/fsahandbook/attachments/1819V3C1FinalDec.pdf>

Cost of Attendance <https://ifap.ed.gov/fsahandbook/attachments/1819V3C2FinalDec.pdf>

B. POLICY & PROCEDURES STATEMENT

1. Heritage University Cost of Attendance Budgets

The budgets for on-campus and off-campus students are calculated on an annual basis by the Financial Aid Administrator utilizing data based on actual direct costs established by the University, and national and regional average indirect costs established by educational organizations and governmental agencies. These budgets are then used in calculating a student's demonstrated financial need based upon the student's intended program of study and housing status. Additional allowances may be incorporated into the budget on an individual basis based upon the student's needs.

Cost of Attendance are kept in the financial aid office.

The terms **budget**, **cost of attendance** and **cost of education** are synonymous. For the purposes of this section, we will use the term "budget".

OVERVIEW OF POLICY

- Standard student budgets are developed by the Heritage University Financial Aid Office to reflect actual costs a student pays for tuition and fees and average costs a student pays for other expenses related to his/her attendance at the University. Student budgets are reviewed annually and updated as appropriate to reflect increases in student costs.
- The F.A. office uses the standard budget provided by the Washington Financial Aid Association (WFAA) as a guide. The office uses all suggested costs from the WFAA budget except for a slight variation in the transportation cost amount. The office also adds a locally calculated child care/dependent care amount. Budget component amounts are intended to be modest but adequate to meet actual expenses.
- Separate budget categories are constructed for the different populations listed below. This section will explain the rationale for treating the groups, or certain budget items within the groups, separately.
- In order to arrive at standard costs that can be applied uniformly, the FA office is required to make assumptions about populations (groups) of students and further to recognize differences in student costs and to define those differences.

DEPENDENT UNDERGRADUATES LIVING WITH PARENTS

Room and Board

- (1) The cost for room and board for a student who is living at home with his/her own parents (or with one parent) is considered to be lower than is the cost for a student living on his/her own in an apartment or house. The student living with parents is expected to have the board costs paid by the parent or at least partially paid by the parent with some of the meals together, heating and utilities costs generally paid by the parent, rent or house payment assumed by the parent with only minimal contribution from the student to assist with the parents' costs.
- (2) The dependent student at home is also different from the independent student who is still at home or has moved back in with the parent. The dependent student living with parents is less likely to be paying rent to the parents than is the independent, or if paying rent it is likely that the payment amount is less. The assumption is made because this student is younger and closer to having been fully dependent on the parent.

Miscellaneous/Personal

- The student who is living at home with his/her parents (or with one parent) is considered to have lower personal and miscellaneous expenses than does the student living on his own (i.e. away from parents). The student living at home usually shares such items as toothpaste, soap, laundry supplies, cleaning supplies, etc. with the parents and with other persons in the household.
- The student living at home with parents will usually have access to various items provided by the parents instead of having to purchase them. These could include (but are not limited to):

- Home entertainment items: Television, radio, CD player, etc.
- Furniture
- Bedding and bathroom linens (i.e. sheets, towels, blankets, etc.)
- In some cases a vehicle is loaned to the student. The transportation cost is not different however because students generally pay their own gas and upkeep.

Tuition and Fees

Tuition cost is the same as for the other undergraduate populations but differs from those in the masters degree programs.

INDEPENDENT UNDERGRADUATE LIVING WITH PARENT

Room and Board

- The cost for an independent student living with parents is considered to be lower than that for a student living away from the parents (i.e. on his/her own in an apartment or house).
- The cost for an independent student living with parents is considered to be higher than the dependent student living with parents because the independent is more likely to be paying rent or paying a larger share of the rent/house payment and board costs. This assumption is made because the independent student is either older or has assumed other adult responsibilities by virtue of being a parent, having been in the military, or being married. The independent student living with parent has often (but not always) been away from home and has moved back in with the parents.

Miscellaneous/Personal

- The student who is living at home with his or her parents is considered to have lower personal and miscellaneous expenses than does the student living on his own (i.e. away from parents).

Tuition and Fees

Tuition cost is the same as for the other undergraduate populations but differs from those in the master degree programs.

INDEPENDENT OR DEPENDENT UNDERGRADUATE LIVING AWAY FROM PARENTS

Room and Board

- The student living away from his or her parents is considered to have higher room and board expenses than the student living at home with parents. Whether this student is dependent or independent, undergraduate or graduate, does not matter to the level of room and board costs. The key is where the student is living.
- The student living on his own assumes the full cost of all room and board items including (but not limited to) the following:
 - Rent or house payment
 - Groceries and other meal costs
 - Utilities (heat, electricity, garbage, sewer, home telephone)
 - Taxes

Miscellaneous/Personal

- The student living away from his or her parents is considered to have higher personal and miscellaneous expenses than the student living at home with parents. Whether this student is dependent or independent, undergraduate or graduate, does not matter to the level of personal and miscellaneous costs. The key is where the student is living.

- The student living on his own assumes the full expense of all of his/her own personal costs and is considered to receive no assistance from parents in paying for these costs.

Tuition and Fees

Tuition cost is the same as for the other undergraduate populations but differs from those in the masters degree programs.

MASTERS DEGREE STUDENTS LIVING AWAY FROM PARENTS

Room and Board and Miscellaneous/Personal

- Masters degree (graduate) students are assumed to be living away from parents; therefore some of the costs are the same as for undergraduates in the same living situation.
- For the rationale for the room and board costs refer to **7.1.4.1** above.
- For the rationale for the miscellaneous and personal costs refer to **7.1.4.2** above.

Tuition and Fees

- Tuition for graduate level courses is charged at a different rate than is undergraduate.
- The masters degree/graduate budget cost assumes full-time at six (6) graduate credits.

Books and Supplies

- Graduate full-time is six (6) graduate credits which is either two or three courses. Undergraduate full-time is twelve (12) credits and is usually four courses or more.
- Because the number of courses for the full-time masters degree student is half that of the undergraduate, the book cost is considered to be half the amount for undergraduates.

STUDENTS IN STUDY ABROAD PROGRAMS

- Since Heritage University has no regular study abroad programs, there is not a different standard budget and students are assigned the appropriate one of the four standard budgets.
- Adjustments can be made on a case-by-case basis.

CONSORTIUM AGREEMENTS/CONTRACTUAL ARRANGEMENTS

- Heritage University consortium agreements are generally with local community Universities (Columbia Basin, Wenatchee Valley, Big Bend) or in-state four-year Universities and the student does not leave the area in which he/she resides in order to take the additional courses. Therefore the student is assigned the appropriate one of the standard budgets and only tuition and fees are adjusted.
- An adjustment is made for tuition and fees, using the actual cost of tuition from the home (parent) and host schools totaled.

PROCEDURES FOR ASSIGNING BUDGETS TO THE STUDENTS

Power-Faids Assignment

- The budgets are assigned by the computer program which is set up to identify the proper budget for each student.
- Items that are programmed to be compared on the ISIR when the system assigns a budget are the following:
 - Dependency status, i.e. independent or dependent.
 - Living with parents, or living away from parents.
 - Year in school. Undergraduate is year 1 through 5. Graduate is year 6 and above.

HOW BUDGETS ARE DERIVED AND UPDATED

BASIC BUDGET COMPONENTS/FEDERALLY-MANDATED

OVERVIEW OF BUDGET AMOUNTS – POLICY

- Standard student budgets are developed by the Heritage University Financial Aid Office to reflect actual costs a student pays for tuition and fees and average costs a student pays for other expenses related to his/her attendance at the University. Student budgets are reviewed annually and updated as appropriate to reflect increases in student costs.
- The F.A. office uses the standard budget provided by the Washington Financial Aid Association (WFAA) as a guide. The office uses all suggested costs from the WFAA budget except for a slight variation in the transportation cost amount. The office also adds a locally calculated child care/dependent care amount. Budget component amounts are intended to be modest but adequate to meet actual expenses.
- Average costs for books and supplies, room and board, transportation, miscellaneous and personal are established by the WFAA budget committee by doing a statewide survey of costs about every five years. WFAA also does a review of published guidelines using the Consumer Price Index (CPI) for the State of Washington, which generally uses the Puget Sound area. The CPI is used to establish the percentage of increase for the year. The University does not change the costs for the local area unless we do our own survey in a particular year.

RATIONALE FOR SPECIFIC BUDGET COMPONENTS AND ASSIGNED AMOUNTS

Tuition and Fees

- (1) Tuition and fees for the standard budget are set at the full-time amount and are adjusted for lesser enrollment status.
- (2) **Undergraduate:** Full-time for all undergraduate students is defined as twelve (12) undergraduate credits or more so the budget amount is 12 multiplied by the cost per credit. Three-quarter time is defined as 9 to 11 credits (3/4 time enrollment = 9 x cost per credit). Half-time enrollment is defined as 6 to 8 credits and is programmed at 6 times the cost per credit. Less than half time is 1 to 5 credits and is programmed at 3 times the cost per credit.
- (3) **Graduate Tuition (Masters Degree):** Full-time graduate enrollment is defined as six (6) graduate credits or more, and the budget amount is set at 6 multiplied by the cost per graduate credit. Half-time graduate enrollment is defined (since fall 2001) as two (2) graduate credits or more. The half-time budget amount however was set at 3 graduate credits as an average half-time graduate enrollment.
- (4) Fees vary and are not currently included in the standard tuition amounts, but are added as part of the adjustment process.
- (5) **Consortium Tuition** – The budget for tuition is adjusted to reflect all hours in which a student enrolls that are applicable to the student's degree or certificate at all of the schools that are a party to the specific agreement.

Books and Supplies

- The average book and supplies cost is taken from the Washington State Financial Aid Association (WFAA) guidelines. Book costs are considered to be standard and not to vary locally. Heritage University uses an on-line bookstore service for its undergraduate book ordering, rather than a local supplier.
- **Undergraduate:** For books we use the WFAA guidelines for the full-time undergraduate budget amount. Undergraduate full-time is twelve (12) credits and is usually four courses or more.
- **Graduate/Masters Degree:** For graduate books, half the amount of the undergraduate books and supplies is used. The rationale is that the number of courses needed for full-time graduate enrollment is approximately half the number of courses for full-time undergraduates. Full-time graduate enrollment is 6 credits and is usually two 3-credit courses or three 2-credit courses

Room and Board

- The WFAA guidelines amount is used for the room and board item in the standard budget. Heritage University has not done a costs survey for the local area in recent years. Since the University has programs in several parts of the state on both the east and west sides, using the statewide WFAA guidelines is considered to be appropriate for Heritage University students.
- This is an average cost (not actual).

Transportation

- The WFAA amount is used as a guide for the average distance from the University (nine miles) and average trips and miles per day (36 miles/two trips), but the number of days per week is changed to four as the average undergraduate student does not attend classes on Fridays.
- This is an average cost (not actual). Adjustments to actual miles may be made on request or as deemed appropriate by the office.

Miscellaneous and Personal Expenses

- For miscellaneous and personal expense, the WFAA guidelines are followed for the standard budget amounts. As with room and board, this average statewide cost is considered to be appropriate for the students at Heritage University.

Computer Purchase or Lease/Rental

- A reasonable amount for computer purchase or lease or rental may be added to the budget on request, but is not included in the standard budget.
- The Associate Director of Financial Aid Operations will make the determination as to whether or not the amount the student requests is “reasonable” considering current market costs and the uses for which the student needs the computer.
- The Associate Director may require that the costs must be documented for the computer purchase or rental.

7.2.3.8 Updating Student Budgets Annually

- Student budgets are updated once a year for the new academic year using (for most items) the current WFAA guidelines.

7.2.3.8 Procedures for Documenting Budgets

(1) Budget Set-up in Power Faid

- The budget amounts for each item for the 9-month year are taken from the source document (WFAA guidelines or institutional calculation as appropriate for the particular item).
- The amounts are calculated for each period of enrollment (POE), for each population of student, for every budget category and entered into Power Faid by the administrator.
- The Associate Director of Financial Aid Operations is responsible for performing the calculations.

(2) Budget Screen in Power Faid

- The individual student's budget is shown (and can be adjusted as necessary) on the budget screen in the financial aid computer system.

7.2.3.9 Procedure - Checking Budget Assignments for Accuracy

(1) Each staff-person is instructed to watch for inaccurate budgets, unusually high or unusually low budgets, and missed assignments and is trained in what to watch for when working with the student's file.

(2) The most common errors and correction:

- Budget unusually low
- No room and board and/or no miscellaneous and personal is included for the undergraduate. This is usually a result of the applicant not indicating where they live, i.e. off campus, or with parents. **Correction:** Determine the living situation by checking the student's and parent's address and comparing the two.
- No tuition amount listed. This is usually a result of the applicant not listing the year in school. Without the year in school, the program cannot determine whether the student is undergraduate or graduate and cannot assign a correct budget. POE may not show enrollment status, so the tuition amount cannot be "assigned". **Correction:** Add the correct year in school or enrollment status for the POEs from supporting documents available in the student's file.

XXIII. OVERAWARDS & OVERPAYMENTS

A. REGULATORY OVERVIEW

1. Overawards

An overaward occurs when a student's aid exceeds financial aid need. Changes in eligibility or receipt of other forms of aid may result in an overaward. Should this occur, the financial aid office may be required to adjust Federal Title IV student aid.

a) Direct Loans

If a student has been awarded a Federal Direct Loan and it has been certified or originated but it has not yet been disbursed, the loan may be canceled or reduced to prevent an overaward. This adjustment must be made prior to adjusting any campus-based aid. If the loan has already been disbursed, the Financial Aid Office may:

- (1) reallocate the loans;
- (2) reduce the second or subsequent disbursement, or
- (3) either return the portion of the loan for which the student is not eligible (with an explanation to ED, thereby facilitating adjustment of fees/insurance) or return the entire disbursement and ask for a new disbursement.

If the overaward occurs after the Federal Direct Loan has been fully disbursed, the Financial Aid Office need not adjust the loan. Other funds over which the Financial Aid Office has control may be adjusted.

A student who receives Federal Direct Loan funds in excess of his/her annual or aggregate limit is no longer eligible for Federal Title IV funds. In order to regain eligibility, the student must repay in full the excess amount or make satisfactory repayment arrangements with the lender. It may be possible to resolve the overpayment by reallocating the subsidized/unsubsidized loan amounts. The student may opt to resolve the overpayment by consolidating the excess amount.

If the student has reached the annual or aggregate limit of subsidized loans, only unsubsidized loan funds can be awarded. If the student has reached the annual or aggregate limit for all Federal Direct Loans, no Federal Direct Loan funds can be awarded.

b) Federal Work-Study

A student can never be required to repay wages earned. Therefore, the Financial Aid Office may only adjust work-study by reducing future payments. If the student continues employment, the student cannot be paid from FWS funds. If after all other funds have been reduced and an overaward remains, the school must reimburse FWS from its own funds.

2. Overpayments

An overpayment occurs when a student receives aid that exceeds his/her federal student aid eligibility. Overpayments may occur because of incorrect data on the FAFSA, COA miscalculation, paying ineligible students, or paying aid in excess of allowable program maximums.

a) When the School is Liable

Students are not liable for overpayments that occur as a result of errors in the Financial Aid Office. An overpayment may occur as the result of not adhering to program eligibility criteria or making interim disbursements. Because the school's judgment resulted in the disbursing of the funds, the school is ultimately responsible for returning the overpayment. Subsequent disbursements cannot be reduced to correct such errors.

The school must be able to document that a student began attendance. If a student fails to begin attendance in any class any federal grants and loans disbursed must be returned to the fund source. These funds should be returned within 30 days of when the school realizes that the student failed to begin attendance (i.e., census date). If the student begins attendance in some but not all enrolled classes, eligibility will need to be recalculated based upon the new enrollment level.

b) When the Student is Liable

A student whose eligibility decreases is responsible for the repaying the overpayment. An attempt can be made to reduce the overpayment by adjusting later disbursements during the award year. If the overpayment cannot be resolved by adjusting subsequent disbursements, the student must be notified promptly. This notification should include a request for full payment and an explanation that if the student does not make payment in full or satisfactory repayment arrangements, he/she will be ineligible for Federal Title IV funds aid until the overpayment is resolved.

After a student receives an overpayment, eligibility may be reestablished if the student repays the excess amount or makes satisfactory repayment arrangements to the holder of the debt for the excess amount. A student who consolidated the loan that exceeded the loan limit (annual or aggregate) is considered to have entered into a satisfactory repayment arrangement and has regained eligibility.

Overpayments must be reported to NSLDS within 30 days of the date the Financial Aid Office realizes there is an overpayment. Overpayments for which the school is liable are not reported to NSLDS. Grants overpayments which are not repaid by the student must be referred to Borrower Services for collection or a school may choose to repay an overpayment to ED on the student's behalf. The Federal Title IV debt is then considered paid and Federal Title IV eligibility is restored. The student is then required to pay the school.

c) Referring Overpayments to ED Collections

If the school chooses not to repay an overpayment on the student's behalf, the Financial Aid Office will report the overpayment to ED Collections. The *Overpayment Referral Form* is completed and submitted on school letterhead and should include the Pell ID number. The dates of disbursement entered on the form must match the dates entered in NSLDS to avoid duplicate records. When the overpayment has been referred to ED Collections, the source code in NSLDS should be changed from SCH-School to TRF-Transfer and ED Collections' Borrower Services will then be the contact for information regarding the overpayment.

Valuable Links

2018-2019 FSA Handbook

Overpayments/Overawards <https://ifap.ed.gov/fsahandbook/attachments/1819FSAHbkVol4Ch3.pdf>

B. POLICY & PROCEDURES STATEMENT

Heritage University University's policy is to pay any overpayments provided the overpayment is the result of a change in eligibility due to a change in the student's financial circumstances or receipt of additional external sources of financial not anticipated at the time awarding. In those cases where the student is liable for the overpayment, the student is then held responsible for repaying Heritage University.

XXIV. PROFESSIONAL JUDGMENT

A. REGULATORY OVERVIEW

The financial aid office is authorized by the U.S. Department of Education (ED) to modify data elements used to calculate the Expected Family Contribution (EFC) or the Cost of Attendance (COA) when a student has special or unusual circumstances, but only on a case-by-case basis. An adjustment made by the Financial Aid Office is valid only at the school making the adjustment; adjustments made at other institutions are valid only at those institutions. The reason for the adjustment must be documented in the student's file. Decisions made by the Financial Aid Office are final and cannot be appealed to ED.

Professional Judgment (PJ) cannot be used to alter the formula used to calculate the EFC nor the tables used in the calculation. A student who is independent cannot be made dependent by Professional Judgment. Any educational expenses incurred post-enrollment cannot be included the COA.

Professional Judgment is exercised at any time during the awarding cycle when circumstances warrant a review of the student's file.

1. Circumstances That May Warrant PJ

There are a number of circumstances that may result in the Financial Aid Office using its discretion by adjusting a student's EFC or COA. These decisions are made on a case-by-case basis and are not applicable to an entire group of the student population. Below are examples of circumstances that may warrant PJ and where an adjustment can be made. This list is not exhaustive, nor is PJ required in every instance.

- Tuition expenses at an elementary or secondary school
- Unusually high medical/dental expenses not covered by insurance
- Nursing home expenses not covered by insurance
- Dependent care
- Unemployment
- Dislocated worker
- Changes in family income/assets
- Roth IRA conversions
- Abusive family relationships

2. Request for PJ Consideration

Students requesting an appeal must do so in writing to the Financial Aid Office.

3. Rendering the Decision

All PJs are reviewed on a case-by-case basis. An appeal decision is not reached until all supporting documents have been received. Any adjustments to the student's ISIR are clearly documented in the file and changes submitted to CPS for processing. Once the decision has been made, the student is notified in writing. If the decision results in changes to the student's award, a revised award letter is sent.

Links

2009-2010 FSA Handbook

Professional Judgment <https://ifap.ed.gov/fsahandbook/attachments/1819FSAHbkAVGCh4.pdf> Dependency Override <https://ifap.ed.gov/fsahandbook/attachments/1819FSAHbkAVGCh2.pdf>

College Board Tip sheets <http://professionals.collegeboard.com/higher-ed/financial-aid/im/tips>

B. POLICY & PROCEDURES STATEMENT

In accordance with the federal regulations, Heritage University will consider a student's appeal based upon the circumstances outlined above or any additional circumstance that may warrant consideration. Each appeal will be considered on an individual basis with no guarantee that a Professional Judgment override will be granted with regards to any Federal Title IV Student Assistance or institutional grant aid. Any consideration for an increase or modification in a student's eligibility for subsidized and/or unsubsidized Federal Stafford Loan will be reviewed in accordance with the program's established policies.

Appeals are made at the local campus level. An appeal must be made in writing, signed and dated; any supporting documentation should be submitted with the appeal. It is at the discretion of the financial aid administrator in granting the student's appeal and revising the student's financial aid award. The student will be notified by the financial aid administrator in writing within 15 business days from the date that all requested support documentation is received. The decision rendered by Heritage University's Financial Aid Office is final and cannot be appealed to ED.

In addition, there may be circumstances where changes occur during an academic period where an enrolled student may submit an appeal. These include situations such as a loss or change in employment, divorce or separation, death of a parent, or loss of certain educational benefits. For any need-based appeal, Porter and Chester Institute may consider using estimated current year income. A copy of the parent's most recent tax return and W-2 forms would be required, if filed. In addition, other available information such as last pay stub, court order or decree, certificate of death, notice of unemployment, would be requested by the school. If projected year income is used to recalculate the student's EFC, a copy of the appropriate tax return may be requested by the school. If the actual income reported on the tax return was much higher than the estimated income used in the recalculation, the school, at its sole discretion, may readjust the student's financial aid award. At the very least, projected year income may not be utilized in determining a student's demonstrated financial need in subsequent years.

XXV CASH MANAGEMENT

A. REGULATORY OVERVIEW

4. Managing Funds

Schools should establish a separate bank account for Federal Title IV student aid funds (e.g., Federal Work-Study). The bank account should be federally-insured or secured by collateral more or less equal in value to Federal Title IV student aid funds. The funds in the account must only be used for federal student aid purposes; any unclaimed funds always return to the fund source. If the school does not establish a separate bank account, it must be able to clearly distinguish federal student aid funds.

Federal Direct Loans are made available to the school through ED's payment system called G5. The Current Funding Level (CFL) determines the amount available for the school to drawdown; each program has a separate authorization.

Schools receive funding from ED in one of four payment methods:

- **Advanced Pay.** Schools may submit funding requests at any time. If the request is accepted, the funds are made available.
- **Just-in-Time.** Schools submit disbursement records within 7 days of actual disbursement.
- **Cash Monitoring.** School must submit limited documents to ED and then funding is made available after school has already paid student.
- **Reimbursement.** School must submit detailed documents to ED and then funding is made available after school has already paid student.

a) Excess Cash

The school has 3 days from when federal student aid funds are forwarded to its account to disburse to individual student accounts. Any remaining funds must be returned after the 3 days have elapsed. If the excess cash amount is 1% or less than the amount of the total drawn down in the prior award year, the school may apply tolerance and retain excess cash for up to 7 days.

If a student is ineligible at the time of disbursement but the school expects the student to become eligible, the funds may be held an additional 10 days (total of 13 days for EFT transactions and 40 days for checks requiring borrower endorsement).

5. Disbursements

Federal regulations require a school to divide the functions of authorizing payments and disbursing funds so that no single office or individual has the responsibility for both functions for any student receiving Federal Title IV funds. The Financial Aid Office determines eligibility and awards funds; the Business office is responsible for disbursing funds.

The following financial aid programs are directly applied to the students account to pay school charges (e.g., tuition and fees, room and board, if applicable, etc.):

- Federal Direct Loan
- Federal Graduate PLUS Loan
- Institutional scholarships and grants
- Private scholarships
- Alternative loans

a) Definition of Disbursements & Disbursement Methods

Based on federal cash management regulations, "disbursement" is defined as "the payment of federal student aid to the student account or student/parent directly." Disbursements may be used to cover

allowable charges (tuition, fees, and if contracted with the school, room and board). The school must have authorization from the student/parent to use federal student aid to cover the cost of other education-related expenses (e.g., library or parking fees). Federal student aid is applicable only to allowable charges for the enrollment period for which it is awarded, unless authorization is obtained to apply the funds to minor prior year charges (less than \$100). Other sources of financial aid may be applied to cover prior year charges.

Any recipients of Federal Title IV funds may not be penalized for nonpayment if federal regulations restrict payment (e.g., 30 day delay for disbursement of federal loans for first-time borrowers).

b) **Checking Eligibility at Disbursement**

A student who was eligible when funds were awarded may have lost eligibility. Schools are required to check eligibility at disbursement to confirm that the student continues to be eligible. The school must verify that the student:

- is enrolled;
- if non-term, has completed previous period;
- if disbursement date is on or after 1st day of classes, began attendance; or
- if a loan disbursement, is enrolled at least half-time;

1. Disbursement Dates & Schedules

a) **Early Disbursements**

The earliest that the school may disburse federal student aid is the later of (a) 10 days before the first day of classes for the payment period; or (b) the date the student completed the previous payment period for which he/she received Federal Title IV student aid. Any Federal Title IV student aid disbursed early for a student who never attends classes must be returned to the fund source.

If the school's Cohort Default Rate is greater than 10%, disbursements of the Federal Direct Loan for first-time borrowers cannot be paid prior to 30 calendar days after the student's program of study begins.

b) **Retroactive Disbursements**

Federal regulations require that the school pay a student retroactively for completed payment periods within the award year if the student was eligible during those periods. For example, if a student's ISIR is received in the spring semester, as long as the student was enrolled at least half-time in a prior payment period, a Federal Direct Loan may be certified.

c) **Late Disbursements**

In certain circumstances, a student may be eligible for a disbursement for which he/she would otherwise be ineligible due to being no longer enrolled at the school. As long as the Financial Aid Office has a copy of a processed ISIR with an official EFC dated prior to the date the student became ineligible, the student may be considered for a late disbursement. Federal Direct Loans must be certified or originated prior to the date the student became ineligible.

Late disbursements must be made or offered to those students who complete the payment period or who withdraw during the payment period and has earned aid that could have been disbursed. If the late disbursement is made/offered to a student who withdraws during the payment period it is called a post-withdrawal disbursement.

The Financial Aid Office is not permitted to make a late disbursement if:

- (1) it is a second or subsequent disbursement of Federal Direct Loan funds if the student has not graduated or has not completed the loan period;

- (2) it is a Federal Direct Loan disbursement and the student is a first-time borrower who did not complete the first 30 days of the program of study (if the school's CDR is greater than 10%);
or
- (c) more than 180 days have elapsed since the student became ineligible.

2. Credit Balances

A federal student aid credit balance occurs when “the total amount of federal aid disbursed exceeds the total amount of allowable charges.” A student with a FSA credit balance on their student account must have the credit paid directly to them within 14 days of when the credit occurs (unless the funds were disbursed prior to the start of the payment period, then the funds must be paid within 14 of the first day of classes). Schools are not required to pay credit balances under \$1.

3. Student & Parent Authorizations

Schools must obtain additional authorization to perform certain functions. These authorizations must not be required or students compelled to grant authorization. The school must clearly explain the extent of the authorization and the steps required to cancel or modify the permission granted. Authorizations are not retroactive and become effective as of the signature of the authorization. A school may create one form or statement for multiple authorizations, but each must be clearly distinguished.

- **Disbursing Title IV Funds by EFT to Designated Bank Account**
Bank account must be Federal Deposit Insurance Corporation (FDIC) insured or a National Credit Union Share Insurance Fund (NCUSIF) account. The account type may be savings or checking.
- **Disbursing FSA Funds to Pay Prior-Year Charges Other than Tuition, Fees, Room & Board**
Prior-year charges may not exceed \$200. All financial aid is applied to the term for which it is associated.
- **Disbursing Title IV Funds (including FWS) to Pay Allowable Charges for Other than Tuition, Fees and Room & Board**
- **Holding Excess Title IV Funds (Credit Balances)**
Any authorization to hold credit balances expires at the end of the loan period or last payment period in the award year. Schools are required to pay to the student: (a) any remaining loan balance by the end of the loan period, and/or (b) any other program funds by the end of the last payment period in the award year.

4. Student Notifications

a) Title IV Eligibility & Payment Information

Students must be notified of the amount of Federal Title IV funds they are eligible to receive, including information regarding how and when these funds will be disbursed.

Students who have applied for financial aid are informed through a written award letter that outlines the types and the amount of financial aid offered, and includes information on anticipated disbursement schedules.

b) Crediting Title IV Loan Proceeds & Borrower's Cancellation Right

Students must be notified whenever Federal Direct or Graduate PLUS funds are paid to the student's account.

- **Active confirmation** – notification must be sent within 30 days (before or after) of the funds being paid.
- **Passive confirmation** – notification must be sent within 30 days before or 7 days after the funds being paid.

The notification must include (a) the date and disbursement amount, (b) an explanation of cancellation rights, and (c) the procedure and deadline by which a cancellation may be made. Any request to cancel a loan received within the time period indicated below must be honored.

- **Active confirmation** – 14 days
- **Passive confirmation** – 30 days

5. Post-Withdrawal Disbursements

See Post-Withdrawal Disbursements under section: “XXXI. Return of Title IV Funds.”

Valuable Links

2018-2019 FSA Handbook

Information Security <https://ifap.ed.gov/fsahandbook/attachments/1819FSAHbkVol2Ch7.pdf>

Managing Funds <https://ifap.ed.gov/fsahandbook/attachments/1819FSAHbkVol4Ch1.pdf>

Disbursing Aid <https://ifap.ed.gov/fsahandbook/attachments/1819FSAHbkVol4Ch2.pdf>

B. POLICY & PROCEDURES STATEMENT

Heritage University receives Federal Title IV funds from the U.S. Department of Education only after a financial aid recipient’s file has been verified and eligibility confirmed for all Federal Direct Loans.

The Business Office generates a letter than outlines the borrower’s cancellation rights within 3 days of any Federal Title IV Student Loan being posted to a borrower’s account.

XXVI LEAVE OF ABSENCE

A. REGULATORY OVERVIEW

A Leave of Absence (LOA) refers to a specific time period when a student is not in attendance as specified by his/her academic calendar. In order for a student to be considered on a federally approved Leave of Absence, **all** of the following criteria must be met:

- The school must have a formal written LOA policy that includes a requirement that the student submit the request in writing and state the reason for the request;
- The student must adhere to the school's policy in submitting the request;
- The school must have a "reasonable expectation" that the student will return from the LOA;
- The school must follow its written policy when approving the LOA;
- The school may not charge additional institutional charges or adjust the need calculation, thereby increasing the student's FSA eligibility;
- The current LOA, when combined with any other LOAs, may not exceed 180 days in any 12-month period;
- The student must return to the program at the same point he/she exited it (does not apply to clock hour or non-term programs); and
- Federal Student Loan recipients must be informed of the consequences of not returning from a Leave of Absence prior to granting the LOA.

If the school's Leave of Absence policy does meet all of the criteria listed above, then the student is considered withdrawn and a R2T4 calculation must be performed.

Valuable Links

2018-2019 FSA Handbook

Leave of Absence <https://ifap.ed.gov/fsahandbook/attachments/1819FSAHbkVol5Ch1.pdf>

C. POLICY & PROCEDURES STATEMENT

1. Heritage University's Leave of Absence Policy

A student who is the recipient of a Federal Direct Loan and/or a Federal Graduate PLUS Loan may not exceed 180 days on a Leave of Absence in any 12-month period and must return to the program at the point that he or she exited in order to maintain his or her loan grace period. A student who has exhausted his or her grace period and is unable to begin repayment of a loan may apply for a deferment or forbearance for payment. A student returning from a LOA must complete the term in order to be eligible to receive a second or subsequent disbursement. The U.S. Department of Education will be notified of the student's withdrawal date (the date the LOA began) when a student fails to return at the end of the 180 days of an approved LOA. Any LOA that does not meet all of the conditions for an approved LOA (as specified by ED) is considered a withdrawal for Federal Title IV funds purposes.

XXVII Return of Title IV (R2T4)

B. REGULATORY OVERVIEW

Federal regulations require that the Return of Title IV Funds calculation be performed if any Federal Title IV recipient withdraws from all classes prior to the end of period for which funds have been awarded. As Return of Title IV (R2T4) repeatedly tops the list of most common compliance audit findings, it is imperative that the Financial Aid Office is both fully informed as to R2T4 regulations and that procedures are in place to adhere to them. Additionally, an explanation of R2T4 must be included in the consumer information provided to prospective and enrolled students. This explanation must include all applicable refund policies (e.g., federal, state, institutional), what happens to federal funds when the student withdraws, and outline the school's official withdrawal procedures.

The school must be able to correctly identify those students for whom a R2T4 calculation must be performed. Students who never begin attendance are not Federal Title IV recipients. A student who begins attendance but completely withdraws prior to the school's census date is considered a Federal Title IV recipient and a R2T4 calculation must be performed.

There are a number of ways through which the school may document that the R2T4 calculation has been performed. ED has provided, free of charge, worksheets which may be completed by hand and software in the form of the R2T4 Web Product accessed through CPS Online. Schools are not required to use either of these provisions. The school's financial aid management system may have a feature which performs this calculation, or the school may use its own software and/or worksheets. If the tools provided by ED are not utilized, the Financial Aid Office must assure that all R2T4 policies are strictly adhered to when using alternative methods.

1. Withdrawn Students Who Were Selected for Verification

The requirement to complete a R2T4 calculation within 45 days applies to students who have been selected for verification. Whether or not verification has been completed determines the funds which are included in the calculation.

If the student has not submitted all verification documents prior to the when the school performs R2T4, the school may only include in the calculation those funds which are not subject to verification (i.e., Graduate PLUS, unsubsidized loan) and meet late disbursement rules. Interim disbursements of funds subject to verification must be returned and are not included in the calculation.

If the verification deadline is after the 45-day deadline for R2T4 and the student submits verification documents, the school must perform verification and revise the R2T4. The fund amounts (as determined by verification) must be included in the calculation as aid that could have been disbursed.

2. Credit Balances

Occasionally a student will have a Federal Title IV credit balance at the time of withdrawal. These credit balances are not handled in accordance with general cash management rules. The credit balance is retained on the student account until after the R2T4 calculation is performed. The school will then return unearned funds it is required to return. Any applicable refund policy should be applied. Any remaining Federal Title IV credit balance funds should first be applied to a grant overpayment. Within 14 days of the date the R2T4 calculation was performed, the school must pay authorized institutional charges; with the student's authorization, reduce student loan debt; or pay the student/parent. If the student/parent cannot be located, the aid must be returned to the fund source.

3. Critical Dates

Dates are key components of R2T4. The withdrawal date defines the percentage of the payment period completed which in turn determines the amount of aid earned. The date of determination sets the R2T4 deadline. Identification of the withdrawal date and date of determination varies depending upon whether or not a school is required to take attendance.

a) Required to take attendance

A school is required to take attendance if it is required by an outside entity. It is possible that a school be required to take attendance for only a cohort of students, not its entire student population (e.g., student enrolled in a nursing program, recipients of a certain scholarship or grant). If a student in this cohort withdraws, the school must use its attendance records to ascertain critical dates.

Withdrawal Date

The withdrawal date at a school that is required to take attendance is last day of attendance as determined by attendance records.

Date of Determination

The date of determination at a school that is required to take attendance is determined in accordance with the school's attendance policies. ED expects that within 14 days of the last day of attendance the school would have determined whether or not a student plans to withdraw.

b) Not required to take attendance

A school that is not required to take attendance may determine the withdrawal date and date of determination depending on the withdrawal type.

Official Notification

Student begins official withdrawal process or otherwise provides notification.

- Withdrawal date: Earlier of (a) the date the student begins the official withdrawal process; or (b) the date the student otherwise provides notification.
- Date of determination: Later of withdrawal date or date of notification.

Official Notification Not Provided

No official notification due to circumstances beyond the student's control (e.g., illness, accident, grievous personal loss); or otherwise withdraws without providing official notification. Students who withdraw without providing official notification must be determined within 30 days of the earliest of: (a) the end of the payment period; (b) the end of the academic year; or (c) the end of the student's educational program.

- Withdrawal date: Date school determines is related to circumstances beyond student's control; or the midpoint of the payment period.
- Date of determination: Date school becomes aware the student has ceased attendance.

Related to LOA

Student does not return from an approved LOA; or student takes an unapproved LOA.

- Withdrawal date: Date the student began the LOA.
- Date of determination: For approved LOA, the earlier of: (a) date of end of LOA; or (b) date the student notifies the school she will not be returning. If the LOA is unapproved, the date the student began the LOA.

Withdrawal After Rescinding Previous Official Notification

- Withdrawal date: original withdrawal date on previous official notification.
- Date of determination: date school becomes aware that student did not/will not complete payment period.

4. Formula Calculation

The Return of Title IV calculation is a proration of earned versus unearned financial aid during a period of enrollment. The earned financial aid percentage is calculated by dividing the days attended in the period by the total days in the period. This percentage is multiplied by the total amount of aid disbursed and aid that could have been disbursed to ascertain the earned financial aid. Subtracting earned aid from aid that was awarded and disbursed determines the amount of unearned aid that must be returned. The responsibility to repay unearned aid is shared by the school and the student in proportion to the aid each is assumed to possess.

Any unearned Federal Student Loan funds the student is required to return are repaid in accordance with the terms of the Master Promissory Note (MPN). Unearned grant funds the student must return are classified as an overpayment. Students must repay half of the unearned amount of any grant overpayments. The student is not required to return an overpayment amount that is \$50 or less.

The student may be billed for any account balance created when the school is required to return funds. The balance due would be the result of tuition charges that are no longer being covered by the unearned aid or unearned aid that the student received.

If the student did not receive all of the funds that were earned, the student may be due a post-withdrawal disbursement.

5. Federal Funds

The R2T4 calculation may include federal funds which have already been disbursed or could have been disbursed to the student's account. Those funds are limited to: Pell Grant, ACG, National SMART Grant, TEACH Grant, FSEOG, FFEL Direct and PLUS Loans, Direct Direct and PLUS Loans and Perkins Loans.

Federal funds excluded from the R2T4 calculation include Federal Work-Study and the Byrd Scholarship.

6. Student Aid Information (Step 1)

a) Rounding

Disbursed amounts included in the R2T4 calculation should include the net amount actually disbursed to the student account. These should be rounded to the nearest penny. Repayment amounts (both school and student responsibility to return) may be rounded to the nearest dollar.

b) Disbursed Aid

Generally, funds are considered disbursed when a student account is credited or funds are paid directly to the student. Aid is considered "disbursed" if it is disbursed before the date of determination. The exception to this rule is an inadvertent overpayment, which is treated as aid that could have been disbursed.

c) Aid That Could Have Been Disbursed

The R2T4 calculation may also include aid that has not yet been disbursed. In order for the aid to be included it must meet late disbursement rules. It is possible that a school is prohibited from making a post-withdrawal disbursement of funds included in the calculation as aid that could have been disbursed.

The conditions for late disbursement must be met prior to when the student became ineligible:

- ED processed a SAR or ISIR with an official EFC (does not apply to PLUS); and
- For FFEL or FDL, the school originated or certified the loan.

Additionally, the student must have signed a MPN before the R2T4 calculation is performed in order for FFEL, FDL or Federal Perkins to be included as aid that could have been disbursed.

Aid may be included as could have been disbursed, but a school is prohibited from making a post-withdrawal disbursement of:

- Second disbursement of FFEL or FDL if the student has not reached calendar midpoint or completed half of the coursework/clock hours of the loan period (not applicable to standard term programs);
- Second or subsequent disbursement of FFEL or FDL unless student has graduated or successfully completed loan period; and
- Disbursement of FFEL or FDL to first-year, first-time borrower who withdraws before 30th day of program of study (schools with low default rates are exempted).

A school may be required to do a separate determination of the date the student lost eligibility in order to make a post-withdrawal disbursement.

d) Inadvertent Overpayments

Occasionally, a school will disburse aid to a student's account prior to realizing that the student is no longer in attendance. This is considered an inadvertent overpayment. Inadvertent overpayments may be included in the R2T4 calculation as aid that could have been disbursed. ED revised this policy in 2002 to prevent a school from having to re-request funds which had been returned.

If an inadvertent overpayment does not meet late disbursement rules or the school would have been prohibited from making the disbursement (as explained above), the overpayment must be returned in its entirety within 45 days of the date of determination.

If the inadvertent overpayment does meet late disbursement rules and the school is not prohibited from making the disbursement, the school is required to return only the unearned portion within 45 days of the date of determination.

7. Percentage of Title IV Aid Earned (Step 2)

a) Calendar

Before the percentage of the payment period or period of enrollment completed is determined, the total number of calendar days in the payment period or period of enrollment must be calculated. The count will not include scheduled breaks of five or more consecutive days. Additionally, the days of an approved Leave of Absence are excluded.

b) Rounding

Percentages should be calculated to four decimal places and rounded to three decimal places, with one exception. The exception applies to the percentage of funds earned:

Excerpt from 2008-2009 SFA Handbook, pp. 5-46

Students who withdraw at any point after the 60% point in the payment period or period of enrollment have earned 100% of their Federal Title IV funds. If the standard rounding rules were used in this situation, a quotient of .6001 through .6004, which is greater than 60%, would be rounded down to .600 (60%), and the student would not have earned 100% of his or her Federal Student Aid. Therefore, for the purpose of determining whether a student has earned 100% of the Federal Title IV funds for the term, in order to recognize that students completing more than 60% of the period (by any amount) earn 100% of their Federal Student Aid, amounts of .6001 through .6004 are not rounded.

8. Unearned Aid (Steps 5-9)

a) Institutional Charges

The institutional charges included in the R2T4 calculation are used to determine how much of the unearned funds the school must return. These charges are those initially charged which the student would have been responsible for paying if he/she had not withdrawn. If the student's enrollment changes before she withdraws (e.g., drops from full-time enrollment to half-time enrollment) the charges used in the R2T4 calculation should reflect this adjustment. Any institutional refund policies or additional charges assessed which are not educational costs (e.g., application fee, parking fee) should not be included in the R2T4 calculation.

b) Returning Unearned Funds

If the result of the Return of Title IV calculation determines that the student has received more aid than he/she earned, the unearned funds must be returned to the fund source. The responsibility of returning funds may fall on the school, the student or both. Federal regulations have set the order in which funds must be returned, up to the net amount disbursed during the payment period for each fund source.

1. Federal Unsubsidized Direct Loan (FFEL/FDL)

2. Federal Subsidized Direct Loan (FFEL/FDL)
3. Federal Graduate PLUS Loan (FFEL/FDL)
4. Federal Parent PLUS Loan (FFEL/FDL)
5. Federal Pell Grant
6. ACG (Not applicable to Heritage University University)
7. National SMART Grant (Not applicable to Heritage University University)
8. FSEOG
9. TEACH Grant

The school must return unearned funds for which it is responsible to the fund source within 45 days of the date of determination.

The Return of Title IV calculation, as revised by HERA, determines an initial amount of unearned aid which the student must return. It then separates this amount into loans and grants. The unearned loan funds for which the student is responsible are repaid in accordance with the terms of the promissory note.

9. Grant Overpayments

Unearned grant funds for which the student is responsible are only the amount of the original overpayment that exceeds 50% of the amount disbursed or that could have been disbursed in the payment period. Students are not required to pay original grant overpayments of \$50 or less (program-specific).

The school may choose to pay grant overpayments on the student's behalf. The student thereby retains Federal Title IV eligibility, but owes the school the overpayment amount.

a) Managing Grant Overpayments

If the school chooses not to repay the overpayment in the student's behalf, it must inform the student of his responsibility to repay the overpayment. A student who owes an overpayment as a result of withdrawal has a maximum of 45 days from the earlier of the date: (1) the school notified the student of the overpayment; or (2) the school was required to notify the student of the overpayment.

The school is required to notify the student of a grant overpayment within 30 days of the when it was determined that the student owes a grant overpayment. The notification must include the following information:

- A statement declaring that the student owes an overpayment
- A statement that the student's Federal Title IV eligibility will lapse if the student does not take steps to resolve the overpayment prior to the 45th day
- The student may resolve the overpayment in one of three ways:
 - Make a payment to the school in full repayment of the overpayment amount;
 - Make a repayment agreement with the school (maximum time frame is two years); or
 - Make a repayment agreement with ED.

A student who pays his debt in full before the 45th day should be neither reported to NSLDS nor referred to Borrower Services for collection.

b) Reporting and Referring Grant Overpayments

Reporting grant overpayments creates a record in NSLDS. If the student fails to resolve the overpayment in full within 45 days, on the 46th day, the student loses Federal Title IV eligibility and it is not regained until he/she has made a satisfactory repayment agreement with ED. A student who contacts the school prior to the 45th day and wishes to make repayment arrangements with ED should have his overpayment immediately reported in NSLDS and referred to Borrower Services.

Referring grant overpayments turns the student debt over to Borrower Services. The student may contact Borrower Services no earlier than 10 days after his overpayment has been referred to Borrower Services. Student contact information for Borrower Services is:

U.S. Department of Education
Borrower Services – Default Resolution

P.O. Box 5609
Greenville, Texas 75403
Phone: 800-621-3115

In order for ED to facilitate repayment arrangements with the student, the school must refer the student to Borrower Services by means of an *Overpayment Referral Form*, which is mailed to:

Student Loan Processing Center—Overpayments
P.O. Box 4157
Greenville, Texas 75403

10. Post-Withdrawal Disbursement

If the Return of Title IV calculation determines that a student has earned aid which has not yet been disbursed, the school is **required** to make or offer the student a Post-Withdrawal Disbursement (PWD); this is not optional. Any post-withdrawal disbursement must meet late disbursement rules and must be made within 180 days of the date of determination. The school must document post-withdrawal disbursements and may use ED's *Post-Withdrawal Disbursement Tracking Sheet* to fulfill this requirement.

Depending on the source of the PWD funds, the school may need to acquire authorization prior to posting the funds to the student account.

a) Federal Loans

The school must both notify the student of PWD eligibility and obtain authorization from the student prior to making a PWD to the student account of loan funds. Additionally, if the loan proceeds will be covering anything other than current charges on the student's account (i.e., educationally-related expenses, prior charges) the school must also have authorization from the student to cover these charges. Authorization also must be obtained prior to disbursing any PWD loan funds to the student/parent. The notification and request of authorization may be combined in the same communication. It must be sent no later than 30 days after the date of determination.

The authorization should include the type and amount of the loan disbursement. The student has the option to accept all of the funds offered, a portion of the funds offered, or to decline the funds. The notification must also include an explanation that loan funds posted must be repaid and consideration should be given to keeping loan debt to a minimum.

The school may set a response deadline of 14 days or more. If a response is not received before the deadline, the school is not required to make the loan PWD. The funds must be disbursed within 180 days of the date of determination.

Valuable Links

2018-2019 FSA Handbook

Withdrawal/Return of Title IV <https://ifap.ed.gov/fsahandbook/attachments/1819FSAHbkVol5Ch1.pdf>

Borrower Collections Referral Form

<http://ifap.ed.gov/aidworksheets/attachments/2008ReferralforCollection.pdf>

C. POLICY & PROCEDURES STATEMENT

1. Policies and Procedures for Withdrawn Students

- a) The Financial Aid Office is informed by the Registrar or Business office of any student who has withdrawn. The Registrar or business Office determines the date of withdrawal, basing it on the student's last date of academically-related activity.

- b) The Financial Aid Administrator uses the provided date to perform a Return of Title IV (R2T4) calculation as required by the U.S. Department of Education. This calculation is completed immediately so that all necessary refunds/late disbursements can be made within the time-line allotted by ED. ED will be contacted to cancel future payments and adjust payments received as necessary per the Return of Title IV calculation.
- c) Unless a student can complete an Exit Interview with the Financial Aid Administrator, the student will be mailed the form for completion or advised to go online. A paper Exit Interview form must be completed by the student and returned directly to the Financial Aid Office.
- d) In the case where a student is entitled for a post-withdrawal disbursement of a Federal Direct Loan, the student is informed by mail. **All regulations provided by the Department of Education are reviewed to ensure the student is eligible for the disbursement of funds prior to the notification.** The letter must fulfill all requirements of HERA as documented in 34 CFR 668.22. Letters will have a clearly stated deadline by which the student must respond if the student wishes to accept the disbursement. Honoring late acceptance letters will be at the discretion of the Financial Aid Administrator.
- e) All Return of Title IV worksheets, including post-withdrawal tracking sheets if applicable, will be maintained in the student's financial aid file along with a copy of the Exit Interview form.
- f) If a withdrawn student has a credit balance after all adjustments in federal and institutional aid has been made, the Business Office will issue payment of the credit balance to the student.

6. Federal Title IV Financial Aid Refund Policy

Heritage University is not required by the SFA programs, by the accrediting agency or by any other licensing or finding agency to take attendance).

A Withdrawal Date is:

- (1) For official withdrawals the later of the date the student began the institution's withdrawal process or officially notified the institution of intent to withdraw.
- (2) For unofficial withdrawals the midpoint of the period for a student who leaves without notifying the institution (unless documentation of a different date of last attendance is on file).

Unofficial Withdrawal / Withdrawal Without Notification

- (1) Heritage University will use the Midpoint if no other documentation is available.
- (2) The Heritage University financial aid office will use the student's last academically-related activity if such information is available. This may include the following and must be confirmed by an employee of the University and be made available to the financial aid office:
 - (a) An attendance roster submitted to the financial aid office by the instructor. (Heritage University's financial aid office assists in this process by providing instructors with an appropriate form for their use at the beginning of each enrollment period.)
 - (b) An exam taken by the student.
 - (c) An academic counseling or advisement appointment kept by the student.
 - (d) The comments on an official grade sheet submitted to the registrar's office.
 - (e) Turning in a class assignment.
 - (f) Attending a study group (only if assigned by the institution – Heritage University does not generally assign or require study groups).

DETERMINING THE WITHDRAWAL DATE

Who Determines the Date?

- The Associate Director, Operations of Financial Aid determines the withdrawal date based on withdrawal documents provided by the registrar's office for official withdrawals, and other documentation available at the institution for unofficial withdrawals.

Timing of the Determination

Official Withdrawals

- When student submits an official withdrawal form:
- The "date" of the institution's determination that the student withdrew" is the later of:
 - (1) The withdrawal date; that is the date the student began the withdrawal process.
 - (2) The date of the student's notification to the institution. This includes verbal notice to the designated office (that is to the registrar's office) as well as written notice.
- The financial aid office receives a copy of the form (beginning 2004-2005, the financial aid office signs off on the form and takes a copy) and begins the R2T4 process by determining the withdrawal date.

Unofficial Withdrawals

- When semester grades are received which show that the student received all grades of WX, WA, F, NP and/or I (Incomplete).
- The Associate Director will gather related documents as listed in **12.2.1.2** and determine the withdrawal date.

RESCINDING WITHDRAWAL NOTIFICATION

- When a student changes his/her mind after informing the registrar's office of plans to withdraw or not to return to classes, and instead continues attending classes, the institution must request a written statement from the student that he/she no longer plans to withdraw.
- If the student should not actually return to school, the withdrawal date is the original date that the student first provided notice.
- **Exception:** It is always allowable to document a last-date of attendance in classes or at an academically-related activity.

Extenuating Circumstances: If a student left without notification because of circumstances beyond the student's control and the student was unable to withdraw officially, Heritage University may determine a withdrawal date related to those circumstances, and will document those circumstances and resulting withdrawal date.

In most cases, the decision that there were extenuating circumstances will be made by the registrar's office, and an Official Withdrawal will be issued.

PERFORMING THE CALCULATION

Calculations are performed by the Associate Director, Operations of Financial Aid (with a back-up person to be designated). Currently, a paper calculation is done. Use of the Department's software is being considered. The forms provided by the Department of Education in the SFA Handbook, most recent edition, are used.

Official Withdrawals:

Withdrawal Form: Since a financial aid person will be signing all withdrawal forms, it will no longer be necessary for another office to inform financial aid that a student has withdrawn when a form has been completed. Previously, the business office would call or send e-mail notice to the Associate Director, Operations of Financial Aid when it was noted that a student had made a complete withdrawal. This was in effect for the 2003-2004 year.

Other Notice: When a student gives notice in some way other than the official withdrawal form, the designated office for receipt of such information, the registrar's office, will notify the Associate Director

MAINTAINING CALCULATION DOCUMENT

Return of Title IV Funds File: The Associate Director maintains folders containing the calculation worksheets and supporting documents for all R2T4 calculations.

Student's File: A copy of the calculation worksheet and supporting documents is placed in the student's financial aid file.

Post Withdrawal Disbursement Notification

The Associate Director will notify the student and/or parents that they are owed a post-withdrawal disbursement, and will notify the business office to credit the student's account.

How Students/Parents Are Notified: A letter is sent to the student/parents stating that the disbursement is due to him/her and under which circumstances, which will include:

- (1) The amount credited to the student's account without permission needed (for current outstanding charges for tuition and fees only; Heritage students do not have room and board charges on their student accounts),
- (2) The amount to be credited to the student's account that must be authorized by the student (or in the case of a PLUS Loan, the parent),
- (3) What action the student/parent must take to accept the funds, and whether the authorization is to give permission to credit the account for other charges or to have the funds disbursed to the student,
- (4) The types and amounts of the Title IV funds that make up the post-withdrawal disbursement,
- (5) That the student or parent may decline all or a portion of these funds,
- (6) (recommended to be included), the advantages of using the funds to pay down prior loans,
- (7) That the student/parent has deadline of 14 calendar days from the date the school sent the notification in which to respond, and
- (8) That if the student/parent does not respond within the 14 calendar days, the school would return any "earned" funds that it is holding to the Title IV programs.

TREATMENT OF WASHINGTON STATE NEED GRANT FOR REPAYMENT

Overview: For repayment by the student, as a result of withdrawal, the Washington State Need Grant (WSNG) repayment amount will be determined using the Title IV aid unearned percentage as calculated in Step 5 of the Return of Title IV funds worksheet and will be returned using the procedures outlined in the Washington State Need Grant Handbook.

Date of Withdrawal: The withdrawal date used for Return of Title IV funds will be the date used in the calculation for Washington State Need Grant repayment.

Percent of Unearned Aid. As noted above in 12.7.1, the Title IV aid unearned percentage will be used in the calculation for Washington State Need Grant repayment.

Unearned WSNG. The 'Unearned Washington State Need Grant' will be calculated by multiplying the WSNG by the percent of unearned aid.

Reduction of WSNG (grant) amount to be repaid. As with the federal grants the earned WSNG amount will be multiplied by 50% (.50) to determine the amount the student will be required to repay.

1 Student Notification concerning repayment.

- (1) Responsibility for notification of student. The responsibility differs from the
Federal Return of Title IV Funds. In the case of Washington State Need Grant the Financial Aid Operations Office will be responsible for notifying the student that he/she owes a repayment.
- (2) Information that will be provided to the student upon notification.
 - (a) Reason that repayment is due.
 - (b) Amount of repayment owed.
 - (c) How to repay including where to send the repayment.
 - (d) Consequences of failure to repay.
 - (e) Timing of repayment.

Notification to Washington Student Achievement Council Concerning Repayment.

- (1) Responsibility for notification. The Financial Aid Operations Office will be responsible for notifying the WSAC when a student owes a WSNG repayment.
- (2) Form to be used. The 'Repayment Status Sheet' provided in the State Need Grant Program Manual will be used for notification to the WSAC.
- (3) Information that will be provided to the WSAC.
 - (a) On the form, the following will be included:
 - Student Name
 - Social Security number
 - Student's current address
 - Student's phone number
 - If a dependent student-the Parent's name, address and telephone number.
 - The amount that needs to be repaid, and the term(s) for which the repayment is due.
 - Signature of financial aid administrator and the date signed.
 - (b) To accompany the form, the following will be provided:
 - A copy of the correspondence sent to the student notifying them of their Washington State Need Grant repayment obligation.
 - A copy of the WSNG Repayment Worksheet.
 - Pertinent correspondence (if any) from the student concerning the repayment.

WSNG Repayment Worksheet.

Timeframe for Repayment of Funds.

- (1) 45 day limitation. Students owing a repayment have forty-five (45) days in which to make arrangements to re-pay.

- (2) Payment arrangements. During the 45 days the student must:
- Pay in full, or
 - Make arrangements with the Washington Student Achievement Council.

12.7.10 Loss of Eligibility If no action is taken within the time limit eligibility for all forms of Washington State Aid (including State Work-Study) is lost.

12.7.11 Regaining Eligibility State of Washington aid eligibility may be regained by:

- (1) Repaying in full
- (2) Making arrangements which are acceptable to the WSAC, and which are communicated by the WSAC to the University's Financial Aid Operations Office.

XVIII. INSTITUTIONAL REFUND POLICY

A. POLICY & PROCEDURES STATEMENT

Institutional Refund Policy. Separate from the Return of Title IV calculation is the College's tuition refund policy. Refunds are granted through the Business Office upon written request by the student, through the official withdrawal process. Tuition refunds follow the schedule below:

Heritage University's institutional refund policy, as published in the online Catalog.

B. REFUNDS

All requests for withdrawals must be made on an official add/drop form for refunds to be granted. This official form must be submitted to the Registrar's office and approved before refund requests are granted.

Heritage University Refund Policy

Days (including weekends and holidays)	Percentage of Refund
First day of the semester through the 14th calendar day	100%
15th day through the 28th day	50%
29th day through the end of the semester	0%

Heritage University Refund Policy for Intensive Weekend or Short Term Classes

Student Withdraws	Percentage of Refund
Prior to 10% of the total contact hours of the course	100%
Prior to 20% of the total contact hours of the course	50%
Prior to 25% of the total contact hours of the course	25%
After 25% of the total contact hours of the course	0%

All above percentages exclude non-refundable fees. Laboratory fees are refundable. Refunds will be available to the student approximately four weeks after an official withdrawal form is submitted to and approved by the Registrar's Office. An additional two weeks are required to process refund requests made by mail. Debts owed to the university must be paid in full before any tuition refund is issued. These debts include, but are not limited to, payments owed to the bookstore, tuition and fees. First-time students on financial aid shall be accorded prorated refunds, per U.S. Department of Education regulations.

Note: The final line in the policy refers to a no longer applicable Title IV rule, as all Return of Title IV Funds are currently pro-rated and are no longer called "refunds".

RESPONSIBILITY FOR DEVELOPING REFUND POLICY

- The Chief Financial Officer, or the Controller or other person(s) the CFO designates develop and revise the institutional refund policy. The President and/or Cabinet Officers may also be involved.
- The Financial Aid Office is not primarily involved in developing this policy, but may be included in discussions so as to make others aware of how the institution's refund policy complements or conflicts with the Return of Title IV Funds regulations.

RESPONSIBILITY FOR IMPLEMENTING THE INSTITUTIONAL REFUND POLICY

- The Controller's Office is responsible for implementing and administering the institutional refund policy.

INSTITUTIONAL REFUND POLICY AWARENESS

- Financial Aid Office personnel are aware of and informed about the institutional refund policies, procedures and practices and assist by making students aware of the policy and by referring them to the correct person(s) in the Controller's Office/Business Office.

XXIV. CONSTITUTION DAY AND CITIZENSHIP DAY

C. REGULATORY OVERVIEW

Educational institutions receiving Federal Title IV funding are *required* to hold an educational program pertaining to the United States Constitution on September 17th of each year, commemorating the September 17, 1787 signing of the Constitution. This statute is commonly referred to as “Constitution Day.” However, when September 17 falls on a Saturday, Sunday, or holiday, Constitution Day shall be held during the preceding or following week. Section 111 of the Consolidated Appropriations Act of 2005 does not authorize funds to carry out this requirement. Schools are given total flexibility as to how to commemorate this event.

Reference

Section 111 of Division J of Pub. L. 108-447, the “Consolidated Appropriations Act, 2005,” Dec. 8, 2004; 118 Stat. 2809, 3344-45

Valuable Links

Library of Congress: <http://memory.loc.gov/ammem/browse/updatedList.html>

National Archives: http://www.archives.gov/national_archives_experience/charters/constitution.html

The Annenberg Classroom: <http://www.annenbergclassroom.org/default.aspx>

The National Constitution Center: http://www.constitutioncenter.org/ncc_progs_Constitution_Day.aspx

D. POLICY & PROCEDURES STATEMENT

TBA

Recommended: Heritage University implements and follows the above stated regulatory requirement. The type of educational program may vary from year-to-year.

XXX. FEDERAL TITLE IV FRAUD

E. REGULATORY OVERVIEW

1. Student Fraud

The Financial Aid Office is required to refer any student suspected of committing fraud to the U.S. Department of Education's Office of Inspector General (OIG). Some commonly falsified items may include, but are not limited to:

- a) false claims of independent status
- b) false claims of citizenship
- c) use of false identity
- d) forgery of signatures
- e) false statements of income

Any discrepant information on applications, need analysis documents, tax returns, citizenship documents, or social security documents must be resolved.

7. Institutional & Third Party Fraud

The Financial Aid Office is required to refer any third-party suspected of committing fraud to ED's Office of OIG.

8. Office of Inspector General

Mailing Address: Office of Inspector General
U.S. Department of Education
400 Maryland Avenue, SW
Washington, DC 20202-1500

Phone: 1-800-MIS-USED
Email: oig.hotline@ed.gov
Website: <http://www.ed.gov/about/offices/list/oig/hotline.html>

POLICY & PROCEDURES STATEMENT

Heritage University University's policy is to complete a thorough investigation of any student suspected of committing fraud on a federal financial aid application. Such an investigation will include, but is not limited to inquiries, both in writing and in person, with the student parent to ascertain the legitimacy of the accusation. The student may be referred to student disciplinary action in accordance with Heritage University University academic requirements. If the University determines that fraud was committed, the student will be reported to the OIG.

STEPS TO MAKING A DECISION THAT A POTENTIAL FRAUD SHOULD BE REFERRED

Step 1:

If . . . A financial aid staff-person, while doing regular file review (such as verification) or doing a student/parent interview suspect fraudulent information,

Then . . . The financial aid staff-person refers the file to the financial aid Associate Director for Operations for review and states the suspicion.

Step 2:

If . . . After the Associate Director reviews the document(s) he/she also suspects fraud,

Then . . . He/she refers the file to the Dean of Enrollment Management Services for review.

Step 3:

If . . . After the Dean of Enrollment Management Services reviews the documents he suspects fraud,

Then . . . The Dean refers the file/documents to his immediate supervisor, the Assistant Vice President for Support Services for review.

Step 4:

If . . . After the Assistant Vice President for Support Services reviews the documents he suspects fraud,

Then . . . The Assistant Vice President refers the documents to the Vice President for Support Services for review.

Step 5:

If . . . After the Vice President for Support Services reviews the file/documents he suspects fraud,

Then . . . He may refer the file to the President or may contact directly the school's legal counsel.

Step 6:

If . . . After reviewing the documents and speaking with any/all of the above persons the school's legal counsel feels/thinks there is a suspicion of fraud,

Then . . . He or she contacts the Office of the Inspector General.

REFERRALS TO THE OIG

When a decision is made that an instance of fraud may have occurred, that is that a student, employee, or other individual has misreported information and/or altered documentation to increase student aid eligibility or to fraudulently obtain federal funds, Heritage University will report those suspicions and provide any evidence to the Office of Inspector General.

The following methods may be used by accessing the OIG website and doing one of the following:

- Complete a special complaint form on line
- Call the toll free number (1-800-Mis-Used)
- Send an e-mail message to oig.hotline@ed.gov
- Call an OIG office in this area (a list of offices and telephone numbers are provided)
- The URL for the OIG website is: <http://www.ed.gov/offices/OIG/hotline.htm>

2.4.1 ACCOMMODATIONS FOR DISABILITIES

ACCOMMODATIONS – INSTITUTIONAL

(1) Classrooms & Other Services:

- Most classrooms (buildings and rooms) are wheelchair accessible. When a student needing accommodation is registered in a course assigned to a non-accessible classroom, the Registrar's Office will assign the course to an accessible site. Food service, Bookstore, Library, Academic Skills Center and other services are located in accessible sites.
- Other disabilities – Accommodations for other disabilities are made through the Student Life Department's ADA representative with complete compliance to law and regulation.

(2) **Financial Aid Offices Compliance**

- Offices – The Financial Aid Offices are wheelchair accessible, and the Student Services Center building is handicapped accessible through its south entrance (closest to the Work-Study Coordinator's office).
- Accommodations for other disabilities – The Financial Aid Office requests help and advice through the Student Life Department's ADA representative when assistance is needed in communicating with a student (e.g. sign language interpreter, etc.) or other ADA concerns.
- Budget changes – The Office of Financial Aid will increase a student's budget for legitimate extra costs (that are not otherwise reimbursed) associated with a disability. The ADA representative is consulted concerning such costs when questions arise.

2.4.3 TREATMENT OF CORRESPONDENCE AND FORMS POLICY

2.4.3.0 PUBLICATIONS AND CONSUMER INFORMATION OVERVIEW

The Financial Aid Office prepares and disseminates a variety of publications to assist students and families in understanding the financial aid process.

The Financial Aid Office prepares and updates one general booklet of financial aid information which students may keep as a reference. The office also believes that delivering information specific to a student's circumstance at the time the information is appropriate is an effective way to make sure the information is understood by the student. For that reason, the Financial Aid Office makes a number of circumstance-specific information pieces available to students that it distributes at various points in the process.

- (1) **Heritage University Financial Aid Information Booklet:** This 28-page (plus cover) booklet gives a comprehensive look at the financial aid process and is meant to be used as a general reference for the student.

The contents are organized to assist the student in understanding the process. It begins (following an overview) with a step-by-step explanation of the financial aid process, followed by a section on verification and satisfactory academic progress, a billing and payment information section, sample forms, staff directory, and on the back cover a brief outline of the steps for applying for financial aid.

The booklet was published in February of 2002.

- (2) **Financial Aid Brochure:** A tri-fold (one sheet, two sided) is published jointly by Financial Aid and Admissions, and is distributed mostly by the admission office recruiters. It includes the following:
- What is financial aid?
 - How do I apply?
 - Dependent/Independent information
 - What happens after I apply?
 - How much financial aid will I get?
 - How can I find out more?
 - Contacts and phone numbers
- (3) The **Student Guide** is a publication provided by the U.S. Department of Education which is used by Heritage University as a general information publication. The Student Guide describes federal eligibility requirements, programs, student's rights and responsibilities, and provides all required information about loans. It is published annually and a sufficient supply for the year is ordered by the Financial Aid Operations Office.
- (4) **Financial Aid Award Letter Packet** is distributed after the student's file has been completed and an Award Letter has been prepared. This packet includes:
- Two copies of the Award Letter
 - Student Certification of Responsibilities (back side of Award Letter)
 - Loan Amount Confirmation and Lender Confirmation (page 2 of Award Letter)

- Financial Aid Conditions of Award/Student Responsibilities student copy. This is a longer version of the information provided on the backside of the Award Letter. When the student signs the Award Letter, he is certifying that he has read this document.
- (5) **F.F.E.L.P. Loan Information** brochures provided by the Northwest Education Lending Association are available in the Financial Aid Office and at the reception desk. These brochures consist of an Entrance Interview packet and an Exit Interview packet and provide the following items concerning Stafford Loans, Unsubsidized Stafford Loans and Additional Unsubsidized Stafford Loans.

Brochure Topics

- Program Eligibility and Application
- Repayment Terms and Options, Schedule and Disclosure Rules
- Debt Management, Deferments and Refinancing
- Interest Rates and Guarantee Fees, Costs of Borrowing, Capitalization
- Consequences of Default
- Rights and Responsibilities
- How much can you afford?
- Recordkeeping suggestions
- Loan relief
- Deferment types and time limits

Enclosures

- Entrance Counseling checklist and list of enclosures
- Entrance/Exit Interview sheet (NELA publications)
- Loan Counseling Test
- Heritage University Payment options and standard Loan Repayment Chart

Other Available Handouts and Information Sheets

- Student Expense Budget Sheet
- Loan brochures provided by lenders
- List of scholarship website sources
- Other handouts are prepared as needed

6. Other University publications include information specific to financial aid.

The course schedule includes the following:

- A half page of financial aid information with suggested dates for registering in order to ensure timely receipt of aid (usually on the tuition and fees page), office phone numbers and FAFSA website address.
- The “Finances” page includes the institution’s refund policy for withdrawals and rules concerning how to pay tuition and fees.
- Steps for applying for Financial Aid page same as the back cover of the Financial Aid booklet.
- FERPA policy page
- A page about Student Life resources including work-study.

The Heritage University Catalog provides the following financial aid related information

- Accreditation of the university and of the university programs.
- Statements concerning non-discrimination, diversity and equity, and ownership and administration.
- Student information calendar.
- Section on Admissions and Financial Aid – Financial Aid section, includes information on eligibility, determining need, application, financial aid programs (grants, loans, employment, and scholarships), yearly reapplication, a sample student budget and the right to make changes.
- Tuition and Fees section includes information on the university’s institutional refund policy.
- The Academic Policies section includes FERPA policies, and Student Directory Information policy.

The Career Services Office prepares and distributes information related to work-study employment.

The Heritage University Federal Work-Study Student Handbook

- The Supervisor's Handbook contains all of the information as listed above in the Student Handbook plus a supervisor's section. The supervisor's section includes such topics as hiring rules, supervisor responsibilities, and procedures for termination of work-study employment and suggestions for supervisors to improve job performance.
The Career Services also distributes informational pamphlets and booklets on the Washington State Work-Study Program including the Employer Handbook.

2.4.3.1 CORRESPONDENCE (to/from students) AND FORMS

2.4.3.1.1 The following financial aid office forms and form letters are made available to Financial Aid applicants for completion:

1. **Heritage University Financial Aid Supplement** – Asks State of Washington questions, questions about outside aid, questions about data the institution wishes to collect, and clarification questions (i.e. items that are not clear on the FAFSA such as student status/year in school).
2. **Verification Packet**, which includes
Memo (computer generated) with missing verification information identified (form letter)
Verification Worksheet, Independent or Dependent – Heritage University uses the U.S. Department of Education form
Verification Worksheet V1-V6, -- This is a version of the worksheet pages from the FAFSA so students can identify what was included in the appropriate FAFSA lines.
3. **Admission Checklist for Students:** This admission checklist and application provided by the Admissions Office is included with verification packet or missing information letter when the student is identified as not having been admitted.
4. **Missing Information Letter:** This is a computer-generated form letter listing documents that are needed to complete the student's financial aid file. It also contains a paragraph asking the student to read the comment section on his/her SAR for more information on such things as Match NSLDS, Match SS#, etc.
5. **Family Contribution Revision Request and Student Contribution Revision Request:**
The student indicates the reason for requesting the revision.
Estimated Current Year Income. The student completes a form giving actual income to date, and estimated for rest of year.
6. **Budget Adjustment Request Form:** On this form the student indicates the reason and amounts needed for additional expenses not included in the cost of attendance.
7. **Verification of Citizenship or Eligible Non-citizen Status:** This form gives the student specific information about what defines the above statuses, lists and describes the documents needed to prove citizenship and/or eligible non-citizen status and a check sheet on which the student may identify his/her status.
8. **Petition for Dependency Override:** On this form, instructions are given to assist the student who feels that he/she should not be considered dependent with understanding the rules and providing documentation to support his/her claim of independent status.
9. **Attendance Verification Form – Undergraduate and Graduate:** This form is used to assist the student accounts office with proof that the aid recipients have actually begun or are continuing to attend the classes in which they are enrolled. Spaces are provided for class listing and instructor's signature and the date.

10. **Statement of Intent:** The Statement of Intent form is used for students whose Satisfactory Academic Progress status is probation. On this form the student is attesting that he/she intends to complete the credits satisfactorily during the probationary term.
11. **Satisfactory Academic Progress Petition Form:** This petition form is for aid recipients who have been suspended from the receipt of financial aid and who wish to appeal the suspension. It explains what type of circumstances must be addressed in the appeal letter, and what documentation must accompany it.
12. Other forms to assist the Financial Aid Office with its aid processing will be developed as needs arise.
13. In addition, the Work-Study Coordinator's Office provides the following forms for use by work-study applicants and recipients:
 - (1) Work-Study Application
 - (2) Work-Study Employment Contract
 - (3) Confidentiality form
 - (4) Performance Evaluation Form – This form is used as a 4-week assessment to determine if the worker is in the right job but can also be used as an annual assessment or the supervisor may use the institution's form for regular employees or another format of their choice.
 - (5) Time Card
 - (6) Payroll Signature Page
 - (7) Work-Study Regulations Form – This form is used at the time of hiring, and is also used when a violation occurs in order to remind _____ re-educate the student worker about the specific infraction.

2.4.3.2 PROCEDURES FOR HANDLING CORRESPONDENCE AND FORMS

- (1) **Receipt and distribution of routine correspondence.** The Financial Aid technician receives and opens the mail for the Operations Office then does the following:
 - (a) If basic data input is needed, she organizes the letters and performs the entry.
 - (b) If the correspondence is specific to the duties of another staff person or needs further action after data entry is performed, the technician distributes the form or correspondence to the appropriate person for action.
- (2) **Response to correspondence:** The appropriate staff person determines whether or not a response is needed, whether the response should be made by telephone or mail, and what that response should be. The staff person either makes the response herself or assigns the technician or another assistant the task of responding. When appropriate, a "comment" is placed in Power FAIDS about the nature of the response, and for some types of responses the revision or request for information will be listed in the communication log in PF.
- (3) **Use of form letters:** In most circumstances the request for information and/or other responses by mail will be done with the use of standard form letters which are listed above in 2.4.3.2. This results in a more uniform and easier to understand explanation of what is needed, since the form letters are reviewed carefully and changed if the office becomes aware wording is not clear.

Form letters are generated as needed in batches or singly. Batches will be generated when groups of students need to have the same or related information requests, for example verification, missing information requests or award letter. Form letters may also be sent to an individual student when appropriate as a response to a phone call, a letter or otherwise noting that specific information is needed.

- (4) **Responsibility for outgoing mail:** Form letters are sent in batches in some stages of processing. For example, when the office becomes aware that a group of recently downloaded records includes applicants who have been selected for verification, then verification packets are created and mailed out for these applicants. Each staff person coordinates the creation of such packets or letters within her duty assignment and assigns the mailing to the technician or to another assistant. Single letters will usually be mailed by the person creating them instead of being assigned elsewhere.

Incoming/Outgoing Mail Process

Outgoing – Take office mail to mailroom (before 9:30am)

- Write account code on outgoing mail (left upper corner)
- Place inter-campus mail in inter-office envelopes
- Incoming – Pick up office mail (after 12:30pm)
- Sort mail by staff person

- Open and date stamp as received
- Give to appropriate staff member
- *In the Financial Aid Office* – The above processes are assigned to the Financial Aid technician or she re-assigns them to an assistant.
- *In the Work-Study Coordinator's Office* – These processes are assigned to the Work-Study office assistant.

2.4.3.3 Distribution of Forms: Responsibility for distributing financial aid information and application forms (FAFSA and institutional) lies with the Financial Aid Office staff and is handled in the following manner:

- Ordering FAFSA forms and Student Guides. FAFSA forms and Student Guides for the next academic year are ordered on-line as availability is announced for fall. The person currently responsible is the Office Manager who monitors the supply.
- Production of forms and handbooks.
- *Printed booklets* – The production of major pieces, i.e. booklets and pamphlets that need to be printed outside the office is the responsibility of the Dean of Enrollment Management Services (or the Work-Study Coordinator for work-study publications) who makes the arrangements by following the agreed upon institutional procedures.
- Copied Forms.
- Keeping an adequate supply of forms that are done on the copier is the responsibility of the Office Manager in the Financial Aid Office and the Work-Study Office Assistant in the Work-Study Coordinator's Office. These persons will make sure that the offices and the front reception do not run out of forms.

2.4.3.4 Storage of Forms

- Financial Aid boxes of forms and booklets are stored in the file room of the Student Services Center, and in the end cabinet under-counter shelves in the supply/copier area. Overflow may be stored in the university's storage sheds located at the northeast end of the campus. The Financial Aid Offices use storage building "A". The Office Manager has a key to the storage building as does the Registrar.

Smaller amounts of forms and applications are kept in folders at the desk of the Office Manager or in the filing cabinets in the center of the Operations Office.

A supply of applications and the most often needed forms are also kept at the front reception desk and near it in cabinets next to the interior door.

- Work-Study Coordinator. Handbooks and boxes of forms are stored in the supply cabinets in the Student Life section of the Student Services Center. The Student Life Administrative Assistant keeps the key to these cabinets.

Smaller amounts of forms are kept in the desk file drawers and/or upper cabinets by the Student Life Administrative Assistant's desk (she keeps the key to this area). A few forms are also kept in the Work-Study Coordinator's Office.

Form holders for display and easy access are located behind the desk of the Administrative Assistant, near the entry and exit doors to the area and in the Coordinator's Office.