

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE

OPERATING POLICY

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September 26, 2016	FINANCIAL AID PROCEDURES	D-OP-12-16	1 of 7
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POLICY STATEMENT

This policy relates to the basic Financial Aid procedures including Student Eligibility, Awarding/Packaging, Fund Management, and Documents/Reports required by the U.S. Department of Education.

PROCEDURES

The Financial Aid Office of BridgeValley Community and Technical College (College) provides assistance to students who, without such aid, would be unable to begin or continue their education. Promoting and assuring higher education access and opportunity are the basic tenets of student financial assistance administration at the College. The Financial Aid Office promotes higher education opportunity for qualified students while adhering to federal and state guidelines. Our highest goal is to assist students as they become well-educated, productive, and contributing members of our global society.

Student Eligibility

To be eligible for aid, students must have a high school diploma or equivalent and must be enrolled in an eligible program. Eligible programs include associate degree programs and one year certificate programs that prepare students for gainful employment in a recognized occupation as recorded on the current participation agreement with the Department of Education. Continuing students must meet Satisfactory Academic Progress (SAP) requirements (defined in detail in a subsequent section). Students must be enrolled at least half-time in order to be eligible for loans. Students who do not pass all edit checks for Federal Student Aid (FSA) eligibility or who do not supply documentation to clear eligibility issues will not receive aid.

Awarding and Packaging

A financial aid package consists of three types of aid:

1. Scholarships and grants which are referred to as "gift aid" and do not have to be repaid.
2. Loans which are generally repayable with interest after the student ceases half-time enrollment.
3. Federal Work Study employment.

The Financial Aid Office first determines the student's eligibility for gift assistance. These gift aid sources include Federal Pell Grant, Federal Supplemental Education Opportunity Grant (FSEOG), WV Higher Education Grant (WVHEG), Higher Education Adult Part-time Student (HEAPS) Grant, Promise and other awards based on talent and entitlements. Additional gift assistance from institutional funds may be awarded depending on the student's academic performance and financial need. If financial need remains after gift aid has been awarded, loan and/or federal work study (FWS) awards are given. If these funds are insufficient to meet the full need, a gap of unmet need is left in the aid package.

Initial awarding is determined by a computerized method giving funds in the following order: Pell, FSEOG, FWS, Subsidized Loans, Unsubsidized Loans, PLUS loans. Automated packaging ensures consistent, equitable, and fair distribution of financial aid funds.

WV State Grants and Scholarships

Once the WV State Grants and Scholarship rosters are received, each student is checked to confirm eligibility requirements have been met. The criteria and amount of the award vary depending on the student and grant/scholarship type. These awards include: WVHEG, Promise Scholarship, WV Engineering Science and Technology Scholarship, HEAPS. At least three times each academic year, each state grant and scholarship roster is reconciled to verify all eligible students were awarded the correct amount of grant or scholarship. HEAPS is awarded after eligibility determination is made.

Other Aid Resources/Loan Reduction

When adding aid resources from outside agencies, every effort is made to first reduce loans. Loans are reduced in the following order: PLUS Loans, Unsubsidized Loans, Subsidized Loans. If additional need-based awards cannot be accommodated through loan reduction alone, then funds will be reduced in the following order: FWS, FSEOG.

Summer Awarding/Packaging

Students are generally packaged for a nine month enrollment period. Any unused portion of student loans and Pell grants may be used to complete summer enrollment packages. For the purposes of the Pell Grant and Direct Student Loan programs, summer sessions are combined into one "cross-over" payment period.

Verification

Federal Verification

One hundred percent of applicants selected for verification by the Central Processing System (CPS) of the U.S. Department of Education are verified.

Institutional Verification

Students who were not selected for verification by CPS but who have incomplete, inconsistent or conflicting information on their FAFSA will be selected for institutional verification. A student who has their FAFSA "flagged" by CPS will not be selected for institutional verification. Eligibility will be verified through appropriate documents to support the data items that are noted.

Notification of students

Students selected for verification are sent an email referring them to their Bridge account for a list of needed documents. Reminder emails are sent monthly to all students with unsatisfied requirements.

Disbursement of Financial Aid

Financial aid is not released to student accounts until class attendance is confirmed. Beginning the second week of the term, refund checks are printed weekly for any student with a credit balance.

Online Book Vouchers

Students may be granted an online book voucher to purchase or obtain books and supplies if funds could have been disbursed 10 days before the beginning of the payment period **and** the disbursed funds would have created a Title IV credit balance. Students are provided with the lesser of the presumed credit balance or the amount needed by the student as determined by the school. Students who are eligible for book vouchers are not required to accept them. Students who wish to purchase books using their own resources may do so.

Loans for First Time Borrowers

There is a mandated 30 day delay on the disbursement of loans to first-time borrowers. Class attendance is once again confirmed prior to the release of these funds.

Enrollment Reporting Process

To monitor attendance throughout the semester, faculty report last date of attendance at the end of the first week, the end of fourth week, at midterm and at the end of the term.

Satisfactory Academic Progress

The following requirements must be met in order for a student to be considered to be making satisfactory academic progress.

Minimum Cumulative Grade Point Average

Associate Degree Students

0-29 attempted credit hours 1.50

30-44 attempted credit hours 1.75

45 or more attempted credit hours 2.00

Certificate Students

0-15 attempted credit hours 1.75

16 or more attempted credit hours 2.00

Maximum Number of Hours Allowed

Based on the federal 150% rule, students may not exceed 1.5 times the maximum number of credit hours required to complete their degree or certificate program. Only one uncompleted degree or certificate program will be used to determine the maximum hours. Students will be evaluated at the end of each term. If it is determined that the degree or certificate program cannot be completed within the 150% time frame, all aid will be terminated and no appeal will be

allowed. Students who have already completed an associate or bachelor degree are required to meet with the Financial Aid Office to develop an academic plan to include the maximum hours of aid eligibility.

Ratio of Hours (Passed) to Hours Enrolled

Required ratio of total hours passed vs. total enrolled to date

Associate Degree Students

1-29 attempted credit hours	50%
30-44 attempted credit hours	58%
45 or more attempted credit hours	67%

Certificate Students

0-15 attempted credit hours	60%
16 or more attempted credit hours	67%

Note: *Withdrawal, incomplete, repeated, noncredit and developmental hours are counted for the calculation of hours enrolled. A student may receive Title IV aid to repeat a course until a passing grade is received unless the student is attending under an academic plan due to maximum hours. In this case the student may not receive Title IV aid to repeat classes that were failed or from which they withdrew. A student may repeat a previously passed class only once in order to obtain a higher grade but may not be paid to repeat a block of passed courses. Students may only attempt 30 semester hours of developmental courses. Once a student has reached the 30 semester hour limit, Title IV funds may not be used to pay for further developmental coursework, new or repeated.*

Financial Aid Adjustments due to Non-Attendance

Within two weeks of the beginning of each term, Pell is recalculated to the correct enrollment (full-time, three-quarter time, half-time) based on faculty reports of first week attendance. Students reported as not attending are notified by email that proof of attendance *for all classes* must be provided to retain their original award. Any student who receives federal funds and is found to be failing all classes at midterm and/or the end of term will be contacted to determine the last date of attendance and if Title IV aid must be returned. Students who have received aid but are subsequently reported as not attending will receive an email notification of the attendance requirement. Students are given two weeks to provide proof of attendance which includes confirmation from the instructor, a photocopy of a recent graded assignment, a photocopy of a recent graded exam, or proof of attendance at an academically-related activity. If no documentation is provided or the paperwork submitted is insufficient to document attendance, financial aid will be cancelled or reduced.

Return of Title IV Aid

When a student stops attending or withdraws from the institution, the Financial Aid Office determines the portion of Title IV funds to return, including the amount and kinds of funds the school returns and the amount the student owes in overpayment (if any). The school will return its portion of the funds to the appropriate source within thirty days of the withdrawal date. The school has ninety days from the withdrawal date to make any post-withdrawal disbursements.

Pell Overpayment

In cases of Pell Overpayment, a notification letter will be sent to the student within 30 days from the date of withdrawal. The student is informed that within 45 days they must 1) pay the amount owed in full to the college, or 2) notify the college of their inability to pay. If within this 45 day period the student fails to make either of these arrangements, a letter is sent to the student indicating that the overpayment has been reported to National Student Loan Data System (NSLDS) and the student has been referred to Debt Resolution Services. After the 45 day deadline, repayment arrangements must be made with the Department of Education's Debt Resolution Services.

Return of State Grants and Scholarships

When a student, who is receiving both federal and state aid, withdraws from the institution, the percentage of state aid returned is based on the federal refund policy. When a student, who is receiving state aid only, withdraws from the institution, the percentage of state aid returned is based on the institutional refund policy.

Consortium Agreement

Students may elect to take classes at another institution provided that they receive prior approval that the credits will transfer and apply toward their major. A consortium agreement is completed by the Financial Aid Office and faxed or mailed to the host institution. Aid will not be disbursed to a student for the classes taken at another institution until the completed consortium agreement is received from the host institution. Permission is granted only when the host institution is eligible to process federal aid by the Department of Education.

Fund Matching

Matching funds for FWS are regulated by the Financial Affairs Office. The Financial Aid Office reviews FWS payrolls monthly and monitors compliance with community service requirements. In any aid year, up to 25% of the federal capital contribution for FWS may be transferred and expended as FSEOG as needed. Up to 5% of the funds expended may be claimed as an administrative cost allowance. FSEOG is matched with a non-cash contribution typically from institutional scholarships and grants, waivers of tuition or fees, and state scholarships and grants using the aggregate method.

Fiscal Operations Report and Application to Participate (FISAP) Completion

Multiple offices supply data used in FISAP reporting. All data are coordinated by the Director of Financial Aid and are reviewed by those who supply the data prior to submission to the Department of Education. All data are entered into the online FISAP report. Once all data are verified as correct, the report is submitted and signature pages forwarded to the college President. The report and signatures are submitted prior to September 30 each year.

Default Management Strategies

Default Management Strategies include required entrance counseling and exit counseling for borrowers, timely and accurate reporting of enrollment information to the Department of Education, and sharing satisfactory academic progress information across campus.

A. Entrance Counseling

All first-time applicants for Direct Loan program loans must complete entrance counseling using the studentloans.gov website. No loans are disbursed until this requirement is met.

B. Early Identification and Counseling for Students At-Risk

Students at-risk generally refer to borrowers who withdraw from their educational programs, borrowers who do not meet standards of satisfactory academic progress or both. Counseling materials and emails regarding financial literacy are sent to all at-risk students.

C. Timely and Accurate Enrollment Reporting

Faculty are required to submit attendance reports at the end of the first and fourth weeks, and at midterm. Faculty also report the last date of attendance for any students receiving F grade at the end of the term.

D. Exit Counseling

Graduates, students who withdraw, and students who do not return to campus the following term are notified of the Exit Counseling requirement. The notification contains information on how to complete the form online as well as information regarding loan indebtedness, deferment and forbearance options, and contact information should the student need assistance.

E. NSLDS Date Entered Repayment (DER) Report

The Financial Aid Office will review the DER Report to ensure borrowers enter repayment in the correct cohort year and that the school receives an accurate cohort default rate (CDR).

F. Maintain Contact with Former Students

In order to maintain contact with former students, the Financial Aid Office collects a variety of reference information including cell phone numbers, e-mail addresses, and numbers and names of a variety of family members. The Financial Aid Office will work with lenders, guaranty agencies, and servicers to identify delinquent and hard to reach borrowers, or those who have not been contacted at all, to ensure students are aware of their repayment options and obligations. The Financial Aid Office will respond promptly to requests for information on delinquent borrowers.

G. Loan Record Detail Report (LRDR) Data Review

The Financial Aid Office thoroughly examines the draft and official cohort default rate (CDR) data to ensure that it includes the correct borrowers and loans, and the rates are accurate. Incorrect data reflected in the draft CDR will be challenged. If an error is discovered on the official CDR, an adjustment will be requested or an appeal will be submitted within 60 days of receiving the LRDR.

H. Analyze Defaulted Loan Data to Identify Defaulter Characteristics

The Financial Aid Office will periodically complete a comprehensive analysis of defaulters by gathering information to discern who is defaulting and why. The review will include internal data such as high school attended, program of study, demographics, grades, etc. as well as a review of the LRDR for common characteristics among defaulters. Preventive measures will be taken to correct any current practice determined to be ineffective thereby preventing current and future borrowers from experiencing the same difficulties that plagued past defaulters.

Full Policies and Procedures

The full version of all College financial aid policies and procedures is kept in the Financial Aid Office and available upon request. Federal policies and procedures may be found online at www.ed.gov and www.ifap.ed.gov.

Approved by: Cabinet **Date:** 8/24/2016