

Financial Aid Policy and Procedures Manual

2023-2024



Precision Welding Academy
Katy, Texas

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INTRODUCTION

Statement of Purpose

Federal regulations mandate that institutions administering Federal Financial Aid have written policies and procedures. This manual documents Precision Welding Academy (PWA) policies and procedures for administering financial aid. If no policy or procedure addresses a given issue, the Financial Aid Administrator (FAA) and Chief Financial Officer (CFO) will address the issue based upon the intent of PWA's financial aid programs and practices.

This manual:

- Sets forth the policies for administering student aid and describes the procedures to be taken to implement these policies.
- Provides general procedures to ensure that a systematic and consistent approach is taken in the administration of financial aid.
- Provides quick reference to various practices.
- Facilitates the orientation and training of personnel when changes occur.

Financial Aid Reference Documents

In addition to PWA Financial Aid Policy and Procedures Manual, other regulations which affect student aid will be adhered to. These regulations and guides are located at www.fsapartners.ed.gov and the below guides are used by PWA federal financial aid personnel as reference documents:

- Federal Student Aid Handbook
- Federal Registers (Financial Aid Legislation)
- U.S. Department of Education (ED) Audit Guide
- NASFAA Newsletters and website
- Higher Education Act as amended
- Dear Colleague Letters from the Department of Education
- NSLDS Reference Materials
- SAR and ISIR Reference Materials
- Department of Education Webinars and Presentations
- Financial Aid Servicer Webinars and Presentations and Conferences

PHILOSOPHY AND POLICIES OF STUDENT FINANCIAL AID

Mission Statement

PWA's mission is to train and develop the world's premiere welders and fabricators through precision training. PWA offers diploma programs designed to train students for welding careers. Relatively short, yet remarkably comprehensive, these welding programs are carefully planned to provide the best training possible. PWA's programs are organized to stress maximum proficiency in welding.

To fulfill this mission, PWA must:

1. Offer programs, complete in themselves, that shall prepare individuals to take their places in the welding field in the shortest possible time consistent with sound educational practice.
2. Provide, in addition to specialized skills, an understanding of the function and structure of organizations within the welding career area that will enable its graduates to advance to positions of greater responsibility.
3. Provide an educational environment in which students may develop attitudes and social ideals essential to personal fulfillment and service to society.
4. Maintain college-level instruction and high standards of achievement so that its programs may serve as a foundation for further learning.

Financial Aid Philosophy

PWA believes that everyone who desires training which will advance them towards the goal of finding employment should have the opportunity to attend school regardless of his/her financial situation. We promote financial assistance to eligible students so that they may benefit from our technical training with the goal of providing them with a career. The primary purpose of the financial aid program is to provide financial assistance to students who, without aid, would be unable to attend school. Financial assistance is offered in the form of federally funded programs and state funded programs. Financial assistance is viewed only as supplementary. The student and the family of a student are expected to make a maximum effort to assist with educational expenses. Federal financial aid will be administered in accordance with Federal regulations and guidelines pertaining to the type of assistance requested.

ADMINISTRATIVE AND FINANCIAL AID ORGANIZATION AND OFFICE MANAGEMENT

Third Party Services

PWA uses FAME's Assisted Virtual Financial Aid Services. Here is a summary of services:

Assisted Virtual Financial Aid Office Financial Aid Processing

1. Pre-Enrollment:

- The Virtual Financial Aid Office imports ISIRs to determine student's eligibility. An Estimated Financial Aid Offer will be created and provided to the school once notification of a tour has been submitted and a FAFSA received. The Estimated Financial Aid Offer allows the school to know for what Federal Student Aid the student qualifies.
- Standard/Personalized College Financing Plan (VA Approved Schools, VA Students)

2. Verification Support:

- Submitted FAFSAs may require verification. The Virtual Financial Aid Office will request required documents from the school to update the ISIR and complete verification.
- All conflicting information is required to be resolved.
- Professional Judgements and Dependency Overrides can be requested and completed with supporting documentation.

3. Awarding of Federal Student Aid:

- A Financial Aid Offer will be completed for each academic year based on student's hours and eligibility. Each student is required to sign the cover page reflecting acceptance/decline of the Financial Aid Offer. If a decline occurs, a new Financial Aid Offer will be created reflecting the updated amount(s). The revised Financial Aid Offer requires a student signature.
- The Virtual Financial Aid Office communicates with the school regarding Master Promissory Notes, Entrance Counseling and PLUS loans/parent credit checks.
- Transfer Monitoring (if applicable).
- Common Origination & Disbursement, National Student Loan Data System documentation.

4. Ordering and Disbursing of Federal Student Aid:

- Ordering of Federal Student Aid will be completed once Virtual Financial Aid Office verifies all Title IV requirements are met for each student.
- Disbursing Federal Student aid will be posted onto the student’s ledger for each payment period. The school will be notified to transfer the disbursed aid from the Federal Funds Account(s) and into their Operating Account.
- Title IV Credit Balance Determinations will be completed and provided for each payment period and/or loan period. All Title IV credit balances must be resolved within Federal Requirements.

5. Termination/Drops

- The school must post all tuition onto the student’s ledger mirroring school’s policy ensuring unearned/earned tuition is calculated correctly. Institutional charges must reflect accurately on the ledger for billing.
- An Institutional Calculation and a withdrawal notification will be sent to each student via email/Zoho once terminations/drops are processed by the Virtual Financial Aid Office.
- All Federal Student Aid refunds will be completed in the Virtual Financial Aid Office including reductions, excess of Title IV and R2T4s. If a student refund and/or Return to Title IV (R2T4) is required, the school will receive a notification regarding type of refund, lender and amount.
- All documents will be provided to the school via Document Management.

Additional Virtual Financial Aid Office Services and Support

1. “Read Only Access” to Federal Account(s):

- Daily reconciliations of Federal Funds.
- Ensure Title IV refunds are returned to The Department of Education within
- Federal requirements.
- Provide Federal Account(s) bank statements and transactions monthly to
- Fiscal (FAME Department).

2. Student Title IV SAP Appeals: Review supporting documents to assist in determination.

3. Users (if requested):

- National Student Loan Data System (NSLDS)
- Common Origination and Disbursement (COD)

4. Title IV External Audits: Provide assistance during annual audit.

This service is dependent on the school personnel to interface with the prospective students, to gather and provide the documents needed for eligibility and verification validation from the student, and counsel the student and provide the information to Fame's Virtual Financial Aid Office. In addition, Fame’s Virtual Financial Aid Office (VFAO) staff will confirm the student’s eligibility, perform verification validation,

package, and award the student, and provide the school with a Funding Offer Letter, The Direct Loan origination, cash ordering and fiscal tasks outlined under Fame’s Standard FA Service will also apply to the VFAO Service. Once the offer of funding is accepted, VFAO Staff will provide the Official Award Letter to the school. The VFAO staff will also monitor the students’ SAP to ensure subsequent disbursements are made correctly. The VFAO department will also provide end of year Audit package and handles any client, or student questions. FAME's financial aid services include ISIR retrieval, generating financial aid award letters, enrollment reporting, reports that provide an accounting of Title IV award functions, ordering funds and COD updates. Even though FAME performs many Financial Aid tasks, PWA remains responsible for the compliance and outcomes of Financial Aid processing. PWA intends on using Pantheon Student Solutions as a third-party servicer in default management when the need arises.

Authorizing and Disbursing Aid/Separation of Duties

The function of awarding and packaging aid for a student (authorizing payments) is separate from the function of drawing down funds from G5 and posting to student's accounts (disbursing funds). Authorizing payments is performed by VFAO staff with the approval of the Financial Aid Administrator (FAA) while the function of disbursing funds is performed by VFAO staff with the approval of the Chief Financial Officer (CFO).

Purpose of the Financial Aid Office

The purpose of the Financial Aid Office, working in concert with FAME, is: (1) to provide professional financial counseling to students and parents about meeting the costs of education; (2) to administer Title IV Aid programs competently according to PWA’s policies and in accordance with federal regulations; and (3) to maintain institutional records of assistance programs and students assisted.

Responsibilities of the Financial Aid Administrator and Coordination with Financial Aid Coordinators

The primary responsibilities of the Financial Aid Administrator (FAA), working in concert with FAME, are to assess eligibility of applicants for aid and collect the applicable supporting documents, notify students of aid eligibility, award aid in compliance with policies and regulations, complete federally mandated reports, assemble and maintain student aid records and design/implement systems to accomplish these tasks. This position requires knowledge of federal regulations, institutional policies and procedures, ability to deal with students and parents about sensitive issues and the ability to deal with continually changing program regulations.

Financial Aid Coordinators (FAC) work with the FAA to determine financial aid eligibility and packaging a student's financial aid. The FAC's provide face-to-face communications with students, parents and other interested parties and assist in guiding the student through the financial aid process. This assistance may include (among other things) helping students fill out their FAFSA, helping a student through student loan counseling, making sure a student obtains and signs the required documentation, or coordinating phone meetings with the FAA/FAME. PWA is not large enough to need an FAC at this time.

Responsibilities of Business Office

The primary responsibilities of the Business Office (BO) are to maintain student accounts that record charges, credits and amounts due, maintain records in accordance with US GAAP and government auditing standards, reconcile financial data from our financial aid and student information software systems to our general ledger, reconcile cash between our bank statements and general ledger, calculate the return of Title IV funds, implement PWA refund policy, maintaining internal controls and maintaining general stewardship for federal financial funds. The BO is also responsible for all general accounting functions and preparation of PWA financial statements. The CFO manages the BO.

Office Hours and Services

The Financial Aid Office is open and available to students from 8:30 a.m. to 12:00 p.m. and 1 p.m. to 5:00 p.m. Monday through Thursday and 8:30 a.m. to 1:00 p.m. on Friday. Appointments can be made at any time during business hours. When necessary, appointments may be made outside normal business hours to accommodate the schedule of a prospective student. Walk-ins are helped in the order that they sign-in. Please note that students with appointments will take precedence over walk-ins regardless of wait time.

Financial Aid Personnel

The PWA office staff responsible for administering federal financial aid are listed below:

Mark Stroeh	Chief Financial Officer (CFO)
Imran Ayub	Director of Operations/Financial Aid Administrator (FAA)

Financial Aid Records Management

PWA uses software provided by the company FAME for its Student Information System (SIS) and its federal financial aid processing. FAME also serves as PWA's third party processor for financial aid services. The financial aid software provided by FAME is called Freedom Financial Aid (FFA). FFA software supports receipt of ISIRs, automated eligibility and verification, automated packaging of student financial aid awards, cash orders, disbursing funds, and, when necessary, returning funds.

Registration of students is done by the Admissions Office. The person registering the student verifies that the student has completed all required information on the registration form and enrolls the student using the FAME SIS. The student is then scheduled into the appropriate program. All student demographic information and required reporting information is collected during the registration process and entered into our SIS.

Federal Financial Aid students will prepare a Free Application for Federal Student Aid (FAFSA). Once the Central Processing System (CPS) processes a FAFSA received from a student, it sends an Institutional Student Information Record (ISIR) electronically to FAME which in turn submits the ISIR electronically to PWA. The VFAO staff reviews the ISIR and takes required actions necessary to produce a financial aid award letter. PWA Financial Aid presents the student with the financial aid award letter. If the student accepts the financial aid award, the awards are automatically posted to the student record. When the VFAO staff receives the signed award letter, FAME then orders the funding and updates Common Origination and

Disbursement (COD) website. When funding is received in PWA's bank account, VFAO staff records the receipt in FFA which then automatically posts directly to the students account ledger in the FAME SIS. The CFO then transfers the funds from PWA's Pell or Direct Loan bank accounts to PWA's operating bank account.

Security of Financial Aid Records and Student Records

See the PWA Catalog regarding the security of paper student records. As more fully described in the FAME Financial Aid Services Procedures Manual, electronic records are maintained in the FAME SIS for student demographics, enrollment status, attendance, academic progress, grades, student charges, financial aid awards, financial aid award disbursements, refunds / R2T4 calculations, and deferred revenue calculations. FAME hosts the SIS and FFA software systems for PWA. FAME has the appropriate security controls in place to protect against hacking, viruses and other unauthorized security intrusions attempting to access electronic data. FAME backs up PWA student data hosted on their systems.

Each PWA user of these systems has a unique login and password required to be entered before s/he can use the systems. Security privileges on the FAME systems are managed by PWA's Compliance Specialist. Employees are given the access necessary to accomplish the functions of their position. If an employee leaves PWA, his/her access to FAME systems is immediately disabled.

The CFO is the school's Primary Destination Point Administrator (PDPA) who controls access to Federal Student Aid systems. The PDPA and users of the Federal Student Aid systems are responsible for protecting the systems from access by unauthorized personnel.

Location of Records

In addition to the electronic records mentioned above, hard copy financial aid records are located in the Financial Aid Office at 18830 Gummert Road, Katy, TX 77449. Documents are also kept in FAME's Document Management system. The Financial Aid Administrator has the responsibility for maintaining these files and records. PWA will retain all financial aid records and files as required by law for 3 years from the end of the award year for which the aid was awarded.

Organization of Student Financial Aid Record

Each student file will be organized into a permanent financial aid folder housed in the Financial Aid Office or in FAME's Document Management system and will include the following, if applicable:

- PWA Student File Checklist
- ISIR
- Enrollment Agreement
- National Student Loan Data System (NSLDS)
- Direct Plus Loan Denial (Dependent Student)
- Master Promissory Note
- Parent Loan for Undergraduate Students (PLUS) Master Promissory Note (Dependent Student)
- Entrance Counseling

- PLUS Entrance Counseling (Dependent Student)
- Verification Forms
- Student Title IV Authorization Form
- High School Completion docs- Transcript and/or Diploma, GED
- Copy of ID
- Official Award Letter
- Pell/Loan Funding Form
- Student Credit to Account Letter
- Satisfactory Academic Progress (SAP) documentation
- Exit Counseling

For Students who have withdrawn, the following information will also be in the student file:

- Complete Withdrawal Form
- Attendance Records/ Progress Report
- Student Ledger
- Return of Title IV (R2T4)
- Exit Counseling

Confidentiality and Inspection of Student Record

All information (written or oral) that a student and/or family reveals in the process of seeking assistance is confidential. Access to this information is restricted to the Financial Aid Office, FAME, and PWA's Administrative Team. Application materials become the property of PWA upon submission and are maintained in the student's file.

PARTICIPATION IN FEDERAL FINANCIAL AID PROGRAMS

Institutional and Program Eligibility

The documents received from ED showing PWA's eligibility to provide federal financial aid programs are our Program Participation Agreement (PPA) and our Eligibility and Certification Approval Report (ECAR). The documents are in the CFO's office. PWA is approved to offer federal financial aid assistance under the following Title IV programs: Pell grants, Subsidized and Unsubsidized Direct Loans and Plus loans. The class offerings under which PWA is approved to offer federal financial aid assistance are the 1040 Hour Advanced Welding Program and the 1200 Hour Advanced Structural and Pipe Welding Program.

PWA/VFAO staff awards federal financial aid according to federal regulations and guidelines. Financial assistance is viewed only as supplementary. The student and the family of a student, when applicable, are expected to make every effort to assist with educational expenses.

Purpose of Pell Grant and Federal Direct Loan Programs

The Pell Grant program is a grant program designed to provide a foundation of aid to needy students. Pell Grants do not have to be repaid. The Federal Direct Subsidized Loan program offers loans to students and, like the Pell Grant program, is also need-based. The federal government subsidizes the interest while the borrower is in school, in the grace period or in deferment. The Federal Direct Unsubsidized Loan program offers loans to students and is not need-based. The borrower is responsible for the interest that accrues during any period. Federal Direct Plus Loans are loans available to parents of dependent students.

Other Financial Aid Programs

Other programs under which PWA is approved to offer financial aid assistance are:

- Veteran's Administration (VA)
- Workforce Innovation and Opportunity Act (WIOA)
- Texas WorkSource Grant
- Vocational Rehabilitation
- Certain community organizations like Goodwill Industries and the Salvation Army

Definition of Title IV Academic Year

PWA's 1040-hour and 1200-hour welding programs are clock hour programs. PWA's academic year is 1040 hours. PWA's payment periods are determined by clock hours. PWA's first payment period is from hour 1 to hour 520; the second payment period is from hour 521 to 1040; and the third payment period is from hour 1041 to 1200. PWA's 1200-hour program spans two academic years.

STUDENT CONSUMER INFORMATION

PWA's catalog includes consumer information for all programs offered at the school. You can find our catalog on PWA's website <https://www.precisionweldingacademy.com/student-resources-regulatory-information>.

APPLYING FOR FEDERAL FINANCIAL AID PROGRAMS

Student Application

Students must complete a "Free Application for Federal Student Aid" (FAFSA) form. Application forms are free and may be obtained online at <http://studentaid.gov/h/apply-for-aid/fafsa>. Computer usage and assistance in completing the FAFSA are available from the financial aid representative. Students are directed to read the instructions carefully when completing the FAFSA. After completing a FAFSA, students will receive a Student Aid Report (SAR) Information Acknowledgment by mail in five working days for their inspection. Students should review all the information on the SAR. If any changes are necessary, the student can make corrections online using his/her Federal Student Aid ID (FSA ID).

Students who applied for financial aid the previous year may qualify to use a Renewal FAFSA. The student may access the Renewal Application online by using their FSA ID. On the renewal, the student should correct his or her information and submit it to the processing center.

Once the FAFSA is completed, the school will receive an Institutional Student Information Record (ISIR). This ISIR will be used to determine the student's award.

To be eligible for benefits, students must provide the following items:

- A Standard High School Diploma from an Accredited High School or GED
- Driver's License or photo ID
- Verification Worksheet (provided by Financial Aid Administrator) - if applicable
- Tax Transcripts and W2's (provided by IRS) - if applicable
- Non-filers must submit an Income Verification Worksheet (provided by Financial Aid Administrator) AND Non-filers' statement (provided by IRS) - if applicable

Enrollment in a program of study abroad approved for credit by the home school may be considered enrollment in the home school for purposes of applying for federal student financial aid

VERIFICATION

Regulations governing the Title IV student financial aid programs require institutions to verify applicant-reported data in certain instances. These regulations also require institutions to develop written policies and procedures to carry out the verification process (34CFR 668.53).

Verification is the process of checking the accuracy of information submitted by applicants when they apply for financial aid. All records and other materials used in completing the application will be saved in the student's financial aid folder. This information will be needed later to prove the information submitted is correct. After submitting the FAFSA, the student will receive a SAR which includes a summary of application information and the determination of the expected family contribution (EFC). This EFC is the result of computations involving the financial and non-financial data submitted on the application. The method of computation is applied to all students uniformly. The specific computations involved in the calculation may be obtained by contacting the Financial Aid Administrator (FAA) or VFAO staff.

The Central Processing System (CPS) selects potential students who apply for aid for verification. To be eligible for benefits, students selected for verification must provide the following items:

- Verification Worksheet (provided by FAA)
- Tax Transcripts (provided by IRS)
- Non-filers must submit an Income Verification Worksheet (provided by FAA) and Non-filers' statement (provided by IRS)

All students who have been selected for verification by the US Department of Education (ED) must complete verification before being awarded Title IV financial aid.

The FAA/VFAO staff will verify all information that is furnished and retained in the student file against the ISIR to ensure accuracy. The CFO, designated representative, or VFAO staff will resolve conflicting and/or inconsistent information related to the student's application. The requirement to resolve conflicting data is separate and distinct from the verification requirements and supersedes any verification policies.

PWA/VFAO staff only verifies students who are selected for verification by CPS. For those students who are selected for verification, the FAA/VFAO staff explains the process orally, provides the student with a list of required documents and a form requiring the student's signature stating they understand the process. This form states what documentation and actions are required and the timeframe within which an applicant must provide any documentation requested. The form includes:

- The consequences for failure to meet the deadline
- The method by which the applicant will be notified of the results of verification
- The method by which the applicant will be notified if as a result of verification the applicant's EFC changes and results in a change in the amount of the applicant's assistance under Title IV, HEA Programs

An applicant whose FAFSA information is selected for verification must complete verification before PWA/VFAO staff makes any changes to the applicant's values of the data items required to calculate the EFC under authority of Section 479(a) of the HEA.

Acceptable Documentation for Items to be Verified

When verification is required, the FAA/VFAO staff collects appropriate documentation from the applicant based on the guidelines published in The Federal Student Aid Handbook. Items that generally must be verified by comparing the data items on the SAR/ISIR with identical data items on the IRS tax return and/or other primary documentation are listed in the following section.

Applicants selected for verification will be required to produce items detailing proof of any combination of the following:

- Household size
- Number enrolled in Postsecondary Education
- Adjusted Gross Income
- Income Taxes Paid
- Income Earned from Work
- Untaxed Income and Benefits
- SNAP Benefits
- High School Diploma
- Identity/Statement of Educational Purposes
- Child Support Paid

PWA's FAA/VFAO staff will resolve discrepant information in compliance with 34 CFR Part 668.16(f) and as described below.

Household Size

Verification Worksheet completed and signed by student and/or parent is acceptable documentation. Number Enrolled in Postsecondary Education Verification Worksheet completed and signed by student and/or parent is acceptable documentation. If there is reason to doubt the information, the schools listed may be contacted to confirm enrollment. The student should always be included in this number. Others can be included only if they are counted in the household size and will be attending a postsecondary educational institution at least half-time (15 clock hours per week) in the current award year. These individuals must also be working toward a degree or certificate leading to a recognized educational credential at an eligible school.

Dependent students must exclude parents as number enrolled in college.

Adjusted Gross Income

Acceptable documentation for independent students (and spouse) is a signed copy of U.S. Tax Transcript for the base year. For dependent students, a signed copy of parents and student's U.S. Tax Transcript for the base year is needed.

U.S. Income Tax Paid

Acceptable documentation for independent students is a copy of U.S. Tax Transcript for the base year; for dependent students, a copy of parent's and student's U.S. Tax Transcript for the base year is needed. Tax Transcripts are provided by the IRS. Prior to June 15, 2012, a signed copy of a Tax Return was acceptable documentation for students and parents. This is no longer accepted for documentation purposes.

Income Earned from Work (non-tax filers)

For Non-Tax filers, the following documentation is needed: a verification worksheet completed and signed by the student (spouse optional) and/or parent; a non-filers transcript; and a listing of sources and amounts of all income for the base year.

Certain Untaxed Income and Benefits

- Child Support - Verification Worksheet completed and signed by student and/or parent is acceptable documentation.
- IRA/Keogh deductions - Acceptable documentation is the tax transcript or alternative tax documents.
- Foreign Income Exclusion - Acceptable documentation is the tax transcript or alternative tax documents.
- Interest on Tax-Free Bonds - Acceptable documentation is the tax transcript or alternative tax documents.

SNAP Benefits

If the ISIR shows that someone in the parents' or student's household received SNAP benefits in the year being awarded, the student must provide a signed statement indicating receipt of the benefit to PWA. If PWA/VFAO staff has reason to doubt the receipt of SNAP benefits, we must require him/her to obtain and give us documentation from the agency that supplied the benefit. This documentation may include, but is not limited to, an account summary, statement, or website printout that clearly verifies the SNAP benefits received and that the document was obtained through official means from the agency.

High School Diploma or GED® Requirement

To be eligible to receive financial aid the student must have received their high school diploma by the start of the school year for which they are applying for aid.

Checking the Validity of a High School Diploma

For Title IV student aid purposes, in determining whether a student's high school diploma is valid, PWA checks with the Council for Higher Education Accreditation on their website at chea.org to determine if a diploma issued from that school is recognized as a valid high school diploma. If the school is not listed, PWA will check accreditation websites and the high school's website for validity.

Foreign High School Diploma

For Title IV students with a Foreign High School Diploma, PWA will have the student submit his/her high school credentials with a translation. The CFO will deny or approve the results after careful review.

Checking the Validity of a GED

The regulatory provision that allows a GED certificate to be considered the "equivalent of a high school diploma" requires obtaining the certificate or proof of certificate from a state GED website. The requirement for PWA is not satisfied by completing a "GED program." For Title IV purposes, there is no concept of a valid GED program, online or not. The student must take and pass the GED test in person at a designated GED Testing Center. Once the student has completed all sections of the GED test and passed by satisfactorily meeting minimum scores, the State will issue a certificate of high school equivalency and post GED certification on a State website. Texas high school diploma and GED searches may be found at: <https://tea.texas.gov/student-assessment/certificate-of-high-school-equivalency/certificate-and-transcript-search-information>

The student may also be issued an official GED transcript by the test publisher or the jurisdiction where the test was taken which will provide the test scores for each academic content area of the GED test.

Identity / Statement of Educational Purposes

Students need an original government-issued photo identification (ID) such as a passport or a driver's license. Students must verify high school completion status and identity/statement of educational purpose in addition to the items in the Standard Verification Group.

Child Support Paid

If the ISIR shows that the student or parent paid child support in the year of the completed FAFSA, the student must provide a signed statement or, if she/he is dependent, signed by either parent and giving the annual amount of the support, the names of those who paid it and to whom it was paid, and the name(s) and ages of the child(ren) for whom it was paid.

If PWA/VFAO staff believes that the signed statement is inaccurate, the student must provide appropriate documentation, such as a statement from the recipient of the child support showing the amount provided, or other documentation that the payments were made, such as copies of the child support checks, money order receipts, or records of electronic child support payments.

Verification Status Codes

A Verification Status Code of "Blank" - A blank space indicates that the SAR/ISIR was not selected for verification by CPS.

- V1- Standard Verification
- V4- Custom Verification Group
- V5- Aggregate Verification Group

Completion of Verification

If the verification process shows no errors in non-dollar items or dollar items, the information will be used to process the student for Pell purposes. The FAA/VFAO staff files the documents in the student's financial aid file folder or in the Document Management system. If the verification process shows errors in non-dollar items or errors in dollar items for the student and/or the parent, the student and/or parent's information must be corrected and the corrected information must be reprocessed. The student will be responsible for correcting the information on the FASFA and resubmitting the application. All corrections must have documentation signed by the student, spouse and/or parent. When the reprocessed SAR/ISIR is received, it is reviewed. If the SAR/ISIR is now accurate, the verification process is complete. The Verification Checklist and all verification documents are filed in the student's financial aid file folder or in the Document Management system.

After completing verification, PWA must also have on file the final and valid federal output document showing the final official Expected Family Contribution (EFC).

Verification Deadline

If a student does not complete verification within 21 days of requested verification information, the student forfeits the Pell for the award year and will be responsible for all tuition and fees owed to the school. Exceptions can be made by CFO on a case-by-case basis.

Verification of Other Information

The SAR/ISIR will often have comments requiring the FAA to verify specific items. Any specific item flagged by CPS will be included in the verification process.

Supplemental Verification List Used by FAA

Attached as Addendum A is an additional supplemental checklist used by PWA's FAA/VFAO staff when performing verification duties.

PROFESSIONAL JUDGEMENT

PWA/VFAO staff will apply professional judgement sparingly, on a case-by-case basis and only in exceptional circumstances. All professional judgements will be approved by the CFO.

DEPENDENCY OVERRIDES

The federal government developed the FAFSA as the tool for calculating all students' aid in a fair way. For the vast majority of students, it allows for a reasonable calculation of financial responsibility and aid eligibility. On very rare occasions, a student's situation may need to be reviewed more closely for possible adjustment.

In cases where a student is in an abusive family situation which creates extreme hardship preventing them from attending college, a dependency override may be considered by the FAA. Documented child-abuse cases, release into DHS or court custody, or parental incarceration are examples of extreme situations that can be considered for an override. Such situations must be documented by two non-family sources and must involve a total abandonment by the parents from all emotional, financial and physical support for the student.

Note that factors such as parental unwillingness to give information or financial help to a student does not make a student eligible for a dependency override. This is the case whether or not the parents claim the student as a dependent on their federal tax return and it is the case whether or not the student lives with the parent.

To have a Dependency Override request considered, students must supply the following:

- A letter written by the student requesting consideration as an independent student. This must clearly explain their relationship with their parents and detail how the family structure has been completely dissolved.
- Completed FAFSA form or SAR if the initial aid application has already been submitted.
- Copy of current year completed federal tax return for student showing sufficient income to have paid for all expenses.
- At least two supporting letters submitted (preferably on letterhead) from independent agencies validating the student's breakdown in family structure. This may include, but is not limited to, letters from social services, foster-care givers, high school counselor, youth protection agency, church pastor, or copies of police records confirming abuse. No provider of a letter should be a family member. Other documentation may be submitted as the student deems appropriate.

DOCUMENTS REQUIRED PRIOR TO AWARDING PELL AND DIRECT LOANS

Once all paperwork is completed, the FAA/VFAO staff will put the financial aid file together. The file will have all required payment information and documentation. Listed below are some of the documents that must be present in the files (if applicable):

- ISIR
- Enrollment Agreement
- Proof of High School Diploma or GED
- Verification worksheet
- Verification of amount of income and taxes - Tax Transcript provided by the IRS and W2

- Master Promissory Note
- Entrance Counseling
- Unofficial Award Letter
- Title IV Authorization form

Procedure to Follow Concerning Missing Information

If information is missing, the FAA/VFAO staff requests the student to bring missing documents. Once documentation is submitted, it is filed in the student's financial aid file. Once the financial aid file is together, the FAA/VFAO staff will print the official award letter to have the student sign. The printing of the official award letter triggers ordering the Pell disbursement upon the student attending class. The award letter is sent to the campus financial aid coordinator for student signature.

Procedure to Follow Concerning Conflicting Information

The FAA/VFAO staff reviews documents to make sure there is no conflicting information in the student file. If conflicting information exists, the student is advised on what conflicts are found and how they must be resolved. If no conflicts exist, the FAA/VFAO staff proceeds with processing.

Procedure for Handling Void Applications

In the event that the applicant receives an eligibility letter only, s/he may submit it to the FAA/VFAO staff for review and assistance. The FAA/VFAO staff reviews comments on the letter explaining why the SAR/ISIR is void. If the applicant submits a void application, the FAA/VFAO staff assists the applicant in the interpretation of the letter and the corrective actions that may be required. The usual problem is the failure of the student and/or others to sign the original application either with a "wet" signature, or by signing electronically with their FSA ID number.

Procedure for Handling Rejected Applications

The applicant receives an Eligibility Letter and Information Review Form. Comments will appear on the SAR explaining the application rejection and indicating action the applicant may take to correct his/her information so that eligibility may be determined. The FAA/VFAO staff's role is the same as with the void application stated above.

Procedure for Handling Ineligible SAR/ISIR

The applicant receives an Eligibility Letter and Information Review Form. The eligibility letter states that the Expected Family Contribution (EFC) is too high for a Pell Grant. The FAA/VFAO staff is available to discuss other avenues for assistance.

OTHER ELIGIBILITY REQUIREMENTS

The FAA/ VFAO staff reviews the documents in the file and ascertains that the student meets general qualifications for financial assistance as listed below.

Need

The need for the Pell grant program is documented by submission of a valid SAR/ISIR with an EFC of less than \$6,656 by the student.

Default Status

If a student is in default on a previously issued student loan, s/he is not eligible for further Title IV assistance. However, it is possible for the student to obtain satisfactory arrangements for repayment. The student must have a letter from the holder of the loan stating that the student has made satisfactory repayment arrangements and is eligible for Title IV funds before any funds may be disbursed.

Educational History of Student

If the student has attended other schools in the past, the FAA/VFAO staff can assess the NSLDS information from SAR/ISIR concerning defaults and overpayments. If the student has attended another school and the FAA/ VFAO staff determines that it has been within the current award year, she will then access National Student Loan Data System (NSLDS) at <https://nsldsfa.ed.gov/login>. If the student is a transfer student for Pell purposes, the NSLDS will give the student's current year Pell disbursement and the current year scheduled award. This information will be used in the award calculation.

Social Security Benefits

If the student receives social security benefits, the amount is verified with a signed statement by the applicant and/or spouse and/or parents certifying that the amount of Social Security shown on the application is correct and documentation from the Social Security Administration showing the total amount of benefits received by the applicant and/or the applicant's spouse (if applicable) and/or the dependent applicant's parents. This is required only if the student is selected for verification or the FAA/VFAO staff has reason to believe that it was reported incorrectly.

Undergraduate Status

If a student states on FAFSA that s/he has a Bachelor's degree, then s/he is not eligible for the Pell Grant because students who have undergraduate bachelor degrees are not eligible for the Pell Grant.

Course Repeats

Students who want to repeat our 1040-hour or 1200-hour welding courses are not eligible for federal financial aid assistance.

PELL GRANT AWARDS

The Pell Grant program is a grant program designed to provide a foundation of aid to needy students. Pell Grants do not have to be repaid.

Amount of Pell Grant

Grant amounts are available only to students enrolled in our 1040-hour or 1200-hour welding programs. Grant amounts are based upon the Expected Family Contribution (EFC) and PWA's Cost of Attendance (COA). PWA's COA is described on the next page (table) and the student's EFC is located on the student's most recent ISIR. A student's financial need is based on the formula COA minus EFC equals Need. The government provides a payment schedule annually to be used to determine the amount of a Pell Grant. For the 23/24 award year the maximum Pell award is \$7,395. If a student's EFC is \$6,656 or higher, s/he is not eligible for the Pell Grant.

Cost of Attendance/Sample Budget

9-Month Budget

2023/2024 - \$25,894

Housing – 53%

Transportation – 11%

Miscellaneous – 36%

<u>2023-2024</u>
<u>NOT AT HOME</u>
Room/Board = $\$25,894 \times 53\% = \$13,724 / 9 = \$1,525.00$
Transportation = $\$25,894 \times 11\% = \$2,848 / 9 = \$316.00$
Miscellaneous = $\$25,894 \times 36\% = \$9,322 / 9 = \$1,036.00$
<u>AT HOME</u>
Room/Board = $\$1525 \times 38.64\% = \589.00
Transportation = \$316.00 (same as at home)
Miscellaneous = $\$1036 \times 53.25\% = \552.00

Cost of Attendance

2023-2024 COA is updated for each program every year. A COA is provided for both dependent and independent students. For awarding Title IV need-based assistance, PWA estimates reasonable expenses for students enrolling in welding programs. The estimated cost of attendance is below.

1040 Hour Program (26 weeks)			1200 Hour Program (30 weeks)		
	Student at Home with Parents	All Other Students		Student at Home with Parents	All Other Students
Tuition	\$21,840.00	\$21,840.00	Tuition	\$25,200.00	\$25,200.00
Fees, Books & Supplies	\$1,300.00	\$1,300.00	Fees, Books & Supplies	\$1,300.00	\$1,300.00
Transportation	\$1,896.00	\$1,896.00	Transportation	\$2,188.00	\$2,188.00
Room & Board (Living Expenses)	\$3,534.00	\$9,152.00	Room & Board (Living Expenses)	\$4,078.00	\$10,560.00
Personal Allowance	\$3,312.00	\$6,216.00	Personal Allowance	\$3,821.00	\$7,172.00
Totals	\$31,882.00	\$40,404.00	Totals	\$36,587.00	\$46,420.00

As shown above, COA for purposes of the Pell grant is the cost of tuition and fees for a full-time student for a full academic year plus an allowance for room and board, books, supplies, transportation, and personal expenses incurred by the student for a full academic year. PWA's tuition for its Title IV eligible programs are as follows:

1040-hour Advanced Welding Program is \$21,840.00

1200-hour Advanced Structural and Pipe Welding Program is \$25,200

Tuition and fees are published in the Student Catalog.

Determining Scheduled Award

Determination of the Pell Award is automated using our FAME software. COA information is uploaded to the FAME software prior to the start of each academic/award year. The Pell award that is determined from the FAME software system is based on this COA information loaded in the system, the payment schedule provided by the federal government for determining Pell, and using formula COA minus EFC equals need.

Crossover Payment Periods

If a student's payment period begins in one academic year and ends in another, it is considered a crossover payment period. PWA will always look at the student's best interest when deciding what payment period to pay out. There are several factors to be considered when making this decision. If the student has already exhausted all his/her Pell funding for the previous academic year, PWA must pay out of the new academic

year. If the student has not exhausted all his/her Pell funding for the previous academic year, PWA may want to pay out of that year. This would still leave 2 payment periods in the new academic year.

FEDERAL DIRECT STUDENT LOAN AWARDS

Federal Direct Loans are Federal Student Loans available to students enrolled in post-secondary schools and are used to supplement personal and family resources, scholarships, and grants. There are two types of Federal Direct Student Loans, the Subsidized Loan, and the Unsubsidized Loan. A Federal Direct Subsidized Loan is subsidized by the U.S. Government and is need-based. A Federal Direct Unsubsidized Loan is unsubsidized.

Federal Direct Subsidized Loans

Direct Subsidized Loans are for students with financial need. Students are awarded these loans based on financial need and other specific eligibility requirements. PWA's Financial Aid Office/VFAO will review the results of your FAFSA and determine the amount you can borrow. The federal government does not charge interest on these loans while borrowers are enrolled at least half-time, during a six-month grace period, or during authorized periods of deferment. Repayment of subsidized loans begins six months after enrollment has ceased or dropped below half-time status.

Interest Rate on Direct Subsidized Loans

The interest rate for Federal Direct Subsidized Loans first disbursed on or after July 1, 2023, and before July 1, 2024, will be fixed at 5.50%. ED paused loan payments due to the COVID-19 emergency, causing a 0% interest rate for eligible loans during 2022-2023. Upon the end of the pause period, the interest rate will resume as stated above. For more information, visit <https://studentaid.gov>.

Eligibility

To be eligible for a subsidized loan a student:

- must have financial need (based on your FAFSA results);
- must be enrolled at least half-time;
- must meet Satisfactory Academic Progress requirements;
- may not exceed the annual or aggregate loan limits; and
- must not be in default on a previously taken federal direct student loan.

Federal Direct Unsubsidized Stafford Loans

Students are not required to demonstrate financial need to receive a Direct Unsubsidized Loan, but they must meet specific eligibility requirements. Like subsidized loans, PWA's Financial Aid Office/VFAO will determine the amount students can borrow. Interest accrues (accumulates) on an unsubsidized loan from the time it's first paid out. Interest is charged throughout the life of the loan. Students can pay the interest while they are in school and during grace periods and deferment or forbearance periods, or they can allow it to

accrue and be capitalized (that is, added to the principal amount of your loan). If students choose not to pay the interest as it accrues, this will increase the total amount students have to repay because they will be charged interest on a higher principal amount. Repayment of unsubsidized loans begins six months after enrollment has ceased or dropped below half-time status.

Interest Rate on Direct Unsubsidized Loans

The interest rate for Federal Direct Unsubsidized Loans first disbursed on or after July 1, 2023, and before July 1, 2024, will be fixed at 7.05%. ED paused loan payments due to the COVID-19 emergency, causing a 0% interest rate for eligible loans during 2022-2023. Upon the end of the pause period, the interest rate will resume as stated above. For more information, visit <https://studentaid.gov>.

Eligibility

To be eligible for an unsubsidized loan a student

- must complete a FAFSA;
- must be enrolled at least half-time;
- must meet Satisfactory Academic Progress requirements;
- may not exceed the annual or aggregate loan limits; and
- must not be in default on a previously taken federal direct student loan.

Borrower Requirements

In order to receive federal student loans, students must meet certain requirements. The Department of Education has created a website www.studentloans.gov to manage borrower requirements and provide valuable information regarding federal student loans. The three items listed below are required from all student loan borrowers.

Entrance Counseling

To ensure that students understand their rights and responsibilities as a student loan borrower, the Federal Government requires students to participate in loan counseling prior to receiving a Direct Loan, if they have not previously received a Direct Loan, Federal Family Education Loan or Supplemental Loans to Students (SLS) Loan. Students must complete entrance counseling before receiving their first Direct Loan disbursement at PWA. Entrance Counseling may be completed at <http://studentaid.gov/entrance-counseling/>. Students Federal FSA ID is required in order to complete the Entrance Counseling.

Sign Master Promissory Note (MPN)

The Master Promissory Note, commonly referred to as MPN, is a document that must be signed in order to receive a federal student loan. The signed MPN binds students to the federal government as a promise to repay the student loan they intend to take out to help cover students' educational expenses. The MPN provides valuable information about the rights and responsibilities students have as borrowers. Students must sign an MPN before receiving the first Direct Loan disbursement at PWA. An MPN may be signed at <http://studentaid.gov/mpn/>.

Exit Counseling

Prior to graduating, leaving school, or dropping below half time status, Direct Loan borrowers must complete exit counseling. The Direct Loan Exit Counseling will explain students' rights and responsibilities as Direct Loan Borrowers. A Federal FSA ID is required in order to complete the Exit Counseling because personal loan information will be provided. Exit Counseling may be completed <https://studentaid.gov/exit-counseling/?counselingType=exit>. Exceptions occur when a student withdraws without notification or is unable to be reached prior to leaving school. In these cases, an exit counseling packet will be sent to the address on file.

Loan Origination Fee

Students who accept and are disbursed Direct Loans will be charged an origination fee by the Department. These origination fees will be deducted before each disbursement. All Direct Subsidized and Unsubsidized loans disbursed between October 1, 2020, and September 30, 2024, will include an origination fee of 1.057%.

Federal Student Loan Deferment

A deferment is a period of time during which students' loan holder suspends regular loan payments. Borrowers should contact their loan servicer for the appropriate deferment form and submit the form to the Financial Aid Office for certification. It is the student's responsibility to ensure that the deferment request is processed by their loan servicer.

Refusing to Originate/Certify a Loan

PWA reserves the right to refuse to originate and/or certify a Direct Loan or may reduce the loan amount. Such decisions are made on a case-by-case basis. The borrower will be notified in writing of the reason for the decision and documentation will be kept by the Financial Aid Office/VFAO.

Federal Direct PLUS Loans for Parents

Parents of dependent students may apply for a Direct PLUS Loan to help pay for their child's education expenses as long as certain eligibility requirements are met. To be eligible for a Direct PLUS Loan for Parents:

- The parent borrower must be the student's biological or adoptive parent. In some cases, the student's stepparent may be eligible.
- The student must be a dependent student who is enrolled at least half-time. Generally, a student is considered dependent if he or she is under 24 years of age, has no dependents and is not married, a veteran, a graduate or professional degree student, or a ward of the court.

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- The parent borrower must not have an adverse credit history (a credit check will be performed). If the parent's credit is not approved, the parent may still receive a loan if someone (such as a friend or relative) whose credit is approved agrees to endorse the loan. The endorser promises to pay the loan if the parent fails to do so. The student and parent must be U.S. citizens or eligible noncitizens, must not be in default on any federal education loans or owe an overpayment on a federal education grant, and must meet other general eligibility requirements for the federal student aid programs.
 - The parent or student must not be in default on a previously taken federal direct student loan.

Interest Rate on Direct PLUS Loans

The interest rate is fixed at 8.05%. Interest is charged from the date of the first disbursement until the loan is paid in full. ED paused loan payments due to the COVID-19 emergency, causing a 0% interest rate for eligible loans received after July 1, 2022, and before July 1, 2023. When the pause period ends, the interest rate will resume as stated above. For more information, visit <https://studentaid.gov>.

Interest rate cap for military members - If a parent qualifies under the Service Members Civil Relief Act, the interest rate on loans obtained before entering military service may be capped at 6% during the parent's military service. Parents must contact their loan servicer to request this benefit.

Borrower Requirements

Parents of dependent students who wish to seek a Direct PLUS Loan must complete a Direct PLUS Loan Request and Master Promissory Note (MPN) on www.studentloans.gov. The MPN is a legal document in which the borrower promises to repay the loan and any accrued interest and fees to the Department. It also explains the terms and conditions of the loan.

Annual Loan Limits

The annual loan limit on a Direct PLUS loan is equal to the student's cost of attendance minus any other financial aid the student receives.

Loan Origination Fee

Parents who are approved and accept a Direct PLUS loan will pay a fee of 4.228% of the loan amount, deducted proportionately each time a loan disbursement is made.

Direct PLUS Loan Repayment

The repayment period for a Direct PLUS loan begins at the time the PLUS loan is fully disbursed, and the first payment is due within 60 days after the final disbursement. The parent may opt into a deferral when applying for the loan:

- While the student on whose behalf the parent borrowed the loan is enrolled on at least a half-time basis,
- For an additional six months after the student ceases to be enrolled at least half-time.

Loan Entrance/Exit Counseling (Required)

Before receiving a student loan, borrowers must complete an entrance counseling session. Loan entrance counseling provides information to students concerning how to manage student loans, both during and after attending PWA. Exit Counseling is generally required once a direct loan borrower drops below half-time enrollment status, withdraws, or graduates. The student must notify the PWA Financial Aid Office prior to withdrawal or graduation for loan counseling. The purpose of loan exit counseling is to inform the student of his/her tentative total loans received while in attendance at PWA and to provide the student with an estimated payment schedule. Every loan counseling session will be documented in the student's record by the Financial Aid Office.

Successful completion of entrance and exit counseling will consist of the following two parts:

- Students must complete entrance counseling on the <https://studentaid.gov/entrance-counseling/> website before receiving their first Direct Loan disbursement at PWA.
- Students should complete exit counseling on the <https://studentaid.gov/exit-counseling/> website prior to graduating, withdrawing, or dropping below half time enrollment status. The Financial Aid Office will e-mail and/or mail via US Postal Service to the student the Exit Counseling for Federal Student Loan Borrowers booklet no later than 30 days from the last date of attendance if the student does not electronically complete the online exit counseling.

The Financial Aid Office is responsible for verifying a student's completion of counseling. Receipt of this information will be documented in the student's record.

Borrower Rights & Responsibilities

When a student takes on a student loan, s/he has certain rights and responsibilities. The borrower has the right to receive the following information before the first loan disbursement:

- The full amount of the loan
- The interest rate
- When the borrower must start repaying the loan
- The effect borrowing will have on the student's eligibility for other types of financial aid
- A complete list of any charges the student must pay (loan fees) and information on how those charges are collected
- The yearly and total amounts the student can borrow
- The maximum repayment periods and the minimum repayment amount
- An explanation of default and its consequences
- An explanation of available options for consolidating or refinancing the student loan
- A statement that the student can prepay the loan at any time without penalty

The borrower has the right to receive the following information before leaving school:

- The amount of the student's total debt (principal and estimated interest), what the student's interest rate is, and the total interest charges on the loan(s)
- A loan repayment schedule that lets the student know when his/her first payment is due, the number and frequency of payments, and the amount of each payment
- The fees the student should expect during the repayment period, such as late charges and collection or litigation costs if delinquent or in default
- An explanation of available options for consolidating or refinancing the student's loan
- A statement that the student can repay his/her loan without penalty at any time

The borrower has a responsibility to do the following:

- Understand that by signing the promissory note, the student is agreeing to repay the loan according to the terms of the note
- Make payments on the student loan even if the student does not receive a bill or repayment notice
- If the student applies for a deferment or forbearance, s/he must still continue to make payments until notification that the request has been granted
- Notify the appropriate representative (institution, agency, or servicer) that manages the student's loan when the student graduates, withdraws from school, or drops below half-time status; changes his/her name, address, or Social Security Number, or transfers to another institution
- Receive entrance counseling before being given the first loan disbursement, and to receive exit counseling before leaving school

Sample Loan Repayment Schedule

All loans borrowed must be repaid. Several repayment plans are available. Below is a sample loan repayment schedule:

3.76% Fixed Interest Rate

Balance of Repayment	Number of Payments	Estimated Payment Amount
\$1,000	21	\$50
\$5,500	120	\$55
\$10,000	120	\$100
\$15,000	120	\$150
\$20,000	120	\$201
\$25,000	120	\$251
\$30,000	120	\$301

The minimum monthly payment amount is \$50 under the 10-year Standard Repayment Plan but may be more depending on how much the student borrows.

A student may use the “Repayment Estimator” at <https://studentaid.gov/app/repaymentestimator.action> to estimate payment amounts based on actual loan debt.

Repayment of Federal Student Loans-Avoiding Default

If you are a student borrower, you don’t have to begin repaying your Stafford loans until you leave school or are enrolled less than half-time. Failure to repay your loans will result in them defaulting. This default will have a negative impact on your financial status and creditworthiness.

Please visit <https://studentaid.gov/sa/repay-loans/understand/plans> for additional information regarding repayment options.

Direct Loan Quality Assurance Process

The U.S. Department of Education (ED) requires schools which participate in the Federal William D. Ford Direct Loan Program, or more commonly referred to as the Direct Loan (DL) Program, to have a quality assurance process in place. [See 34 CFR 685.300(b)(9).] The Direct Loan Program includes loans made as Direct Subsidized, Direct Unsubsidized, or Direct PLUS Loans. In compliance with this requirement, PWA sets forth the following as a description of its Direct Loan Quality Assurance Process (DLQAP).

PARTICIPANTS

The DLQAP process involves the CFO, Financial Aid Administrator and School President. Additionally, the school has engaged the services of Financial Aid Management for Education, Inc. (FAME) for its loan origination and disbursement services. FAME's Freedom FinAid software enables the school to create and maintain loan origination records and track Direct Loan disbursements. The CFO has the overall responsibility to ensure the school's compliance with this Direct Loan Quality Assurance process. This is done through ongoing communication and teamwork with school staff and the staff at FAME. (NOTE: The DLQAP described herein only highlights key functions of FAME's involvement provided as part of its contracted services. For a more detailed discussion of the components and operation of FAME's services, please refer to FAME's *Financial Aid Services Procedures Manual*, hereby incorporated in to this DLQAP by reference.)

COMPONENTS

The components of our DLQAP include:

- Regulatory compliance in reporting loan records, disbursements, and adjustments to disbursements to the COD System, to include that such transactions are done within applicable timeframes, etc.
- Accuracy in disbursements made for the correct amount to the correct student
- Monthly reconciliation and award year close-outs that are performed timely
- Compliance with general regulatory provisions pertaining to the DL program, e.g., separation of duties, etc.

VFAO staff, working with school staff members, are involved in determining the appropriate Direct Loan awards for students by completing the awarding module within the Freedom FinAid software. All loan records are determined by the software for the loan amount(s), loan period, and the applicable award year for the loan. This also includes assuring appropriate proration of loan amounts is done when applicable. The software calculates the loan's cost of attendance (COA) based upon the student's program information and tuition and fee charges indicated in the program version record of the software provided by the school. The date of loan origination is recorded as the date the electronic origination record is created.

Notwithstanding the general loan eligibility determinations that are calculated, PWA *may* refuse to originate a Direct Loan or may reduce the borrower's determination of need for the loan if the reason for that action is documented and provided to the borrower in writing, and if:

- The determination is made on a case-by-case basis
- The documentation supporting the determination is retained in the student's file; and
- The school does not engage in any pattern or practice that results in a denial of a borrower's access to Direct Loans because of the borrower's, race, gender, color, religion, national origin, age, disability status, or income.

The FFA software reviews students' individual loan records and attendance records input into the software by the school to determine when disbursements are eligible to be made. A "cash need" record shows disbursements that have been requested or allocated. In addition to the disbursement monitoring and review process incorporated within the software, the school has established and maintains its own proper administrative and fiscal procedures, as well as the related necessary records, as stipulated in regulation (34 CFR 668) to ensure compliant operation of the Direct Loan Program.

In order to maintain accounts that are reconciled and in balance, a monthly reconciliation of accounts is performed. The school uses FAME's expertise to drive this process. In such a relationship, FAME completes the Direct Loan School Account Statement Report monthly for PWA. The form is used by FAME to reconcile monthly activity between FAME (on behalf of PWA) and COD. If any discrepancies between the school's data and that of the COD System are identified, FAME assists the school in resolution with COD immediately. Should there be a need for Direct Loan refunds, the school makes the appropriate deposit into its "Federal Funds Account - Direct Loan" and updates the software. FAME in turn initiates a return of excess funds to ED. Necessary adjustments to previously approved loans are likewise submitted to COD. This ensures the accounts remain in balance and compliance in reporting of adjustments in a timely manner.

Some of the reports generated by FAME to assist the school with its quality assurance and compliance in operating the Direct Loan Program include:

Direct Loan Reconciliation—This report is a monthly reconciliation of Direct Loan records maintained by FAME with the data on file with COD. The outcome of these monthly reconciliations is to have the award year resolved to a \$0 balance at year's end.

Federal Funds Account - Bank Statement Reconciliation Report—This report is used to summarize the reconciliation of the school's Federal funds bank account. FAME reconciles the school's bank activity against FAME's general ledger which gives an accounting of what the school has received, refunded, and disbursed.

Federal Funds Account - Unidentified Items Report—This report lists entries on the school's bank statement that could not be identified when FAME reconciled the school's Federal funds bank account(s). Completion of this report enables FAME to properly identify and make the appropriate entries in the reconciliation of the school's Federal funds bank account(s).

Federal Funds Account - Bank Charges Report—This report shows the amount of bank charges that are due to the school's Federal funds bank account(s). As Federal funds cannot be used to pay bank charges, it is essential that bank charge information be reviewed and amounts identified deposited. Additionally, if the school maintains a balance of institutional funds to cover bank charges, this report advises the school of the balance that is currently available for this purpose.

Federal Funds Account - Potential Excess Cash Report—This report provides information regarding checks/disbursements that have been outstanding for more than six business days and, therefore, represent potential violations of the excess cash regulations. As excess cash is considered a serious finding during Federal Program Reviews or an audit, it is essential that the school reviews the information on this report to determine if its policies and procedures are properly addressing the expeditious delivery of Federal financial aid to students.

G5 Reconciliation Report. This report is used by FAME to reconcile the school's award balances to the award balances posted in G5.

Summary Trial Balance Report. The Summary Trial Balance reflects the ledger balances of our Federal Funds account(s) as of a specific month and date.

General Ledger Detail Report. This report reflects the details of the account shown on the Summary Trial Balance.

Fund Disbursement Report. This report provides year-to-date Direct Loan disbursements by student. Furthermore, beyond the detailed reports listed above, additional reports may be generated on an ad hoc basis to assist with operating a Direct Loan Program of the highest quality. Some of these reports include opportunities to detail entrance and exit counseling results for individual students, as well as a report to indicate the Master Promissory Note status for students, etc.

RECONCILIATION AFTER-ACTION

The VFAO staff and the school reviews the steps in the monthly reconciliation at the school-level to identify any discrepancies that surfaced in the process that were due to timing, misreporting, or miscommunication and takes necessary corrective actions to ensure they will not occur again in the following month. The school documents its reconciliation efforts for use in subsequent months' reconciliation, as well as at year-end reconciliation. Year-end reconciliation occurs when all school information shows an Ending Cash Balance of \$0 and Total Unbooked Disbursements of \$0 and such balances agree with that shown in the COD System for the award year. When the school and the COD System are in balance (reconciled) for the year, the award year is able to be closed out. The reconciliation and award year closeout are finalized by reviewing and confirming the \$0 balance on the COD System Web site on the Balance Confirmation form. Policies and procedures are updated to incorporate any necessary changes to ensure more efficient reconciliation in future months and at year-end.

DIRECT LOAN FISCAL AND ADMINISTRATIVE PROCESSES

The Direct Loan program is one of the several Federal Title IV programs which the school operates under its Program Participation Agreement (PPA) with ED. This being the case, many of the below areas are ones which are otherwise discussed in sections of PWA policies and procedures related to the Title IV programs in general. Only those items specific to the Direct Loan program are referenced here.

DISBURSEMENTS - 1040-Hour Program (Advanced Welding)

Direct Loans are generally scheduled to be disbursed in two substantially equal payments per loan period unless the loan period is equal to only one payment period, in which case the loan will be disbursed in two payments during that one payment period. Additionally, no one payment may exceed one-half of the loan amount unless one or more payment periods have elapsed before a first disbursement is made, in which case a disbursement may include loan proceeds for the completed payment period(s). Also, in accordance with regulatory requirements, the first disbursement for a first year, first-time borrower may not be made until after the 30th day of the student's program of study. These regulatory disbursement processes work in concert with the processing described under the "Components" section of this DLQAP that is performed by FAME.

[NOTE: When our school attains a cohort default rate of less than 15 percent for each of the three most recent fiscal years for which data are available, we may elect to disburse, in a single installment, loans that are made for one term (or a four-month period). At such time we also are not required to delay the disbursement of a first disbursement of a loan for 30 days for first-time, first-year undergraduate borrowers.]

DISBURSEMENTS - 1200-Hour Program (Advanced Structural and Pipe Welding)

Direct Loans under this program are disbursed over 2 Academic Years. In Academic Year 1, Direct Loans are disbursed in two payment periods in substantially equal payments in each payment period. In Academic Year 2, Direct Loans are disbursed in one payment period. Direct Loans will be paid in two substantially equal payments during the one payment period.

ENROLLMENT REPORTING

As part of the services provided by FAME, enrollment reporting to the National Student Loan Data System (NSLDS) is completed at least once every 60 days. FAME uses the data within the FFA software to report the required data to NSLDS. FAME will forward any rejected records to the school within the software if unable to resolve. The VFAO staff and the school are responsible for correcting the data in the software or directly on the NSLDS website.

RECORD RETENTION

All records related to a student or parent borrower's application, eligibility determination and participation in the Direct Loan programs are retained for a minimum of three (3) years after the end of the award year in which the student last attended school here. All other records related to our participation in the Direct Loan Program, including records of any other reports or forms, are retained for three years after the end of the award year in which the records are submitted. All records involved in any loan, claim, or expenditure questioned by an audit, or Federal program review, investigation, or other review are retained until the later of either the resolution of that questioned loan, claim, or expenditure or the end of the retention period applicable to the record. FAME's record retention policies meet or exceed those of the school defined here. FAME cooperates in any audits or program reviews to provide the necessary documentation to substantiate all loan awards, etc.

ACCOUNTING REQUIREMENTS

The school maintains, in concert with FAME as its third-party servicer, the financial records pertinent to the Federal Direct Loan Program. The school maintains its records documenting the receipt and expenditure of DL funds in accordance with generally accepted accounting principles. This includes general ledger control accounts and related subsidiary accounts that identify each DL program transaction and separate those transactions from all other institutional financial activity. The school engages in having an independent Generally Accepted Government Auditing Standards (GAGAS) audit conducted annually.

DIRECT LOAN PROGRAM BANK ACCOUNT

PWA maintains Direct Loan Program funds in a bank that is federally insured or secured by collateral of value reasonably equivalent to the amount of those funds. The school takes seriously its fiduciary responsibility. The bank account is clearly identified as one that contains Federal Title IV funds.

DIVISION OF FUNCTIONS AND SEPARATION OF DUTIES

To ensure integrity in the management of the Direct Loan Program at PWA, the school has implemented procedures that ensure a separation and distinction of duties and authority in the associated functions. Specifically, no one office has responsibility for both the authorizing of payments and the disbursing or delivering of funds to any one particular student.

LIMIT ON USE OF FUNDS

All funds received through the Direct Loan program are used strictly for making payments to eligible borrowers. The funds are not hypothecated, used as collateral, or authorized or made available for any other purpose.

DLQAP CALENDAR

Monthly: Once per month FAME performs a reconciliation of Direct Loan data with the COD System.

Annually:

- The year-end closeout of the award year activity is performed in concert with FAME and ED's published time schedule each year. Year-end reconciliation occurs when all school information shows an Ending Cash Balance of \$0 and Total Unbooked Disbursements of \$0 and such balances agree with that shown in the COD System for the award year.
- A minimum of 90 days before the end of each award year the school will review, assess, and update all Direct Loan policies and procedures based upon experiences encountered in the current award year and updates in policies and procedures communicated from FAME, as well as changes in regulations or laws to be effective in the coming award year.

Effective Date: March 31, 2023

Next Review Due: March 31, 2024

CASH MANAGEMENT AND FISCAL OBLIGATIONS

PWA has the fiduciary responsibility to properly and accurately request, maintain, disburse, and when necessary, return Title IV funds according to established rules and procedures. Our policies and procedures for meeting our fiduciary responsibility are below.

Separation of Duties

The function of awarding and packaging aid for a student (authorizing payments) is separate from the function of drawing down funds from G5 and posting to student's accounts (disbursing funds). Authorizing payments is performed by the VFAO staff/FAA while the function of disbursing funds is performed by the VFAO staff/CFO.

Bank Accounts

PWA has a separate account to receive and return Pell funds (Account Name: Federal Funds Pell Account) and a separate account to receive and return Direct Loan funds (Account Name: Federal Funds Direct Loan Account).

Disbursing Funds

Payment Periods - 1040-Hour Program

The Advanced Welding Program (1040 clock hours/26 weeks day schedule) is the same as our academic year. Students eligible to receive federal financial aid to attend our 1040-hour Advanced Welding Program will receive their disbursements in two installments - one in each payment period. The first payment will

occur during the first payment period. The first payment period is the period during which the student logs his/her first clock hour of attendance until clock hour 520. The second payment period runs from clock hour 521 to clock hour 1040. Once a student logs over 520 clock hours of attendance and attends at least 13 weeks of instruction (26 weeks of instruction in the evening), s/he becomes eligible for a second installment of Federal Financial Aid.

Payment Periods - 1200-Hour Program

The Advanced Structural and Pipe Welding Program (1200 clock hours/30 weeks day schedule) spans two academic years. Students eligible to receive federal financial aid to attend our 1200-hour Advanced Structural and Pipe Welding Program will receive their disbursements in four installments - one installment in payment period one, one installment in payment period two, and two installments in payment period three. The first payment period runs from clock hour 1 to clock hour 520, the second payment period from clock hour 521 to clock hour 1040, and the third payment period from clock hour 1041 to clock hour 1200. The first payment occurs during the first payment period. The second payment occurs in the second payment period once the student logs 520 actual hours of attendance and attends at least 13 weeks of instruction (26 weeks of instruction in the evening). The third payment occurs in the third payment period once the student logs 1040 hours of actual attendance and attends at least 26 weeks of instruction (52 weeks of instruction in the evening). The fourth payment occurs in the third payment period once the student logs 1120 hours of actual attendance.

Notes:

For payment period purposes, after the first payment, a student is not eligible for subsequent payments until the student has completed ½ the hours and ½ the weeks in that academic year.

In addition, it is important to define a “week of instruction.” It is any seven-day period in which at least one day is used for instruction, testing, or other academic activity. For example, assume a program begins on Wednesday, continues Thursday, Friday, the full following week, then Monday, Tuesday, and Wednesday of the third week. The student technically has three weeks of instruction. Wednesday through Tuesday (7 days) is the first week, Wednesday through Tuesday (7 days) is the second week, then Wednesday (final day) is the third week (because there is at least one day in a 7-day period).

Requirements for Disbursement

Before disbursing funds, the student should be fully packaged. PWA should have the following documents completed prior to the first disbursement:

- A signed ISIR.
- A signed Official Financial Aid Award Letter - This letter notifies the student of the federal financial aid s/he is receiving.
- A signed Master Promissory Note (if Direct Loans or Plus Loans are being used to fund the cost of attendance)
- Evidence that Entrance Counseling has been completed.

After the student is fully packaged and the above documents are in place, then our third-party processor, FAME, will order cash from G5, ED's Grant Management System as described below.

Initial Disbursements in First Payment Period – Pell Grant Funds

The first disbursement of Pell funds is ordered by FAME when a student is fully packaged and starts school. Normally, when a Pell cash request is placed by FAME to G5 before 3:00 pm EST, the funds will be deposited into PWA Pell bank account the next business day. VFAO staff/PWA will acknowledge receipt of these funds in FINAID. Receipt of the funds in FINAID automatically applies the payment to the appropriate student account in our FAME Student Information System (SIS). Once the disbursement has been received in FINAID, the CFO will transfer the funds into the PWA operating account. This is done within 3 business days of receipt of the funds.

Initial Disbursements in First Payment Period – Direct Loan and Plus Loan Funds

For a fully packaged student who is not a first time, first year Direct Loan borrower, PWA will request through FINAID that FAME place an order for loan funds. PWA will also request that FAME place an order for Plus Loans once a student is fully packaged. For first time, first year Direct Loan borrowers, a request for funds is required to be delayed for 30 days. Following the 30-day period, PWA will request that FAME place an order for loan funds. Once the funds are deposited into the PWA Direct Loan account, PWA will acknowledge receipt of these funds in FINAID. Receipt of the funds in FINAID automatically applies the payment to the appropriate student account in our FAME SIS. Once the disbursement has been received in FINAID, the CFO will transfer the funds into the PWA operating account. This is done within 3 business days of receipt of the funds.

Second Disbursement in Second Payment Period – Pell Grant Funds

When a student has attended for 520 hours, s/he is checked for Financial Aid Satisfactory Academic Progress (FASAP). Refer to the School Catalog for our policy on Satisfactory Academic Progress and FASAP. Failure to meet FASAP at the 520-hour mark will result in an FA Warning for the next payment period. Students remain eligible for Title IV funds while on FA Warning. After PWA has checked the student for FASAP, if s/he is eligible for the second disbursement of Pell Grant funds, then FAME will place an order for the second disbursement. Also, no disbursement will be made to a student who is on a Leave of Absence (LOA). See PWA School Catalog for our Leave of Absence policy.

Second Disbursement in Second Payment Period – Direct Loan and Plus Loan Funds

Like the second disbursements of Pell, when a student has attended 520 hours, s/he is checked for Financial Aid Satisfactory Academic Progress (FASAP). After PWA has checked the student for FASAP, if s/he is eligible for the second disbursement of Loan Funds, then FAME will place an order for the second disbursement. No disbursement will be made to a student who is on LOA.

Third Disbursement in Third Payment Period - Pell Grant Funds

When a student has attended for 1040 hours, s/he is checked once again for FASAP. A student who was on FA Warning in the second payment period that subsequently fails FASAP again in the third payment period

will lose eligibility of Title IV student aid funds. A student who was in good FASAP standing during the second payment period that fails FASAP in the third payment period will be placed on FA Warning. Students remain eligible for Title IV funds while on FA Warning. A student who achieves minimum SAP at 1040 hours is eligible for the third disbursement of Pell Grant funds. After PWA has checked the student for FASAP, if s/he is eligible for the third disbursement of Pell Grant funds, then FAME will place an order for the third disbursement. No disbursement will be made to a student who is on LOA.

Third/Fourth Disbursement in Third Payment Period - Direct Loan and Plus Loan Funds

When a student has attended for 1040 hours, s/he is checked once again for FASAP. A student who was on FA Warning in the second payment period that subsequently fails FASAP again in the third payment period will lose eligibility of Title IV student aid funds. A student who was in good FASAP standing during the second payment period that fails FASAP in the third payment period will be placed on FA Warning. Students remain eligible for Title IV funds while on FA Warning. A student who achieves minimum SAP at 1040 hours is eligible for the third disbursement of Loan funds. After PWA has checked the student for FASAP, if s/he is eligible for the third disbursement of Loan funds, then FAME will place an order for the third disbursement. No disbursement will be made to a student who is on LOA.

Notifications/Authorizations

The official financial aid award letter describes the total financial assistance (Pell and Loans) that the student will receive as well as the anticipated disbursement dates.

If the student's financial aid includes loans, PWA will notify the student no later than seven days after crediting his/her ledger of the date and amount of the loan disbursement, his/her right to cancel all or a portion of the loans and the procedures to be followed for cancelling a loan.

Title IV financial aid funds are federal funds used to pay tuition, fees, room and board as well as other educational expenses such as books and welding tools. With a student's authorization, PWA can hold any credit created by the funds to apply to other existing charges on the student's account. This Student Authorization Form authorizes PWA to hold or release credits from all sources on the student account to pay for future and/or miscellaneous charges. The authorization remains in effect for the entirety of enrollment. However, if a credit exists on the student's account due to receipt of Title IV funds at the end of the academic year, the credit balance will be refunded to the student. The authorization is voluntary and may be rescinded by submitting a written request to the Student Financial Aid Office.

Overpayments

Common Types of Overpayments

An overpayment occurs anytime a student receives a payment that is greater than the amount for which the student is eligible. Examples of the two types of overpayments are as follows:

- Student error, such as failing to report the spouse's income on the FAFSA
- School error, for instance, when a student goes on LOA between the time financial aid funds are ordered and when the funds are deposited into PWA bank account. Disbursements should not be applied to a student's account when s/he is on LOA.

Overpayment Due to Incorrect Data

If the overpayment is due to incorrect data on the SAR/ISIR, the Financial Aid Administrator will assist the student in correcting the SAR/ISIR. PWA will then return funds to ED as excess funds.

Overpayment Due to Institutional Error

If the Financial Aid Administrator or CFO discovers an overpayment due to the Institutional error, PWA will return funds to the Department of Education (ED) as excess funds immediately upon determining the error.

Title IV Credit Balances

PWA/VFAO staff will review a report each week from the FAME SIS to aid in the determination of Title IV credit balances. If, based on review of this report, it is determined that a Title IV credit balance has been created, PWA/VFAO staff will refund the credit to the student within 14 calendar days unless the student has given PWA written authorization to hold his/her credit balance. All credit balances that exist at the end of an academic year due to Title IV funds received will be refunded to the student.

Withdrawal/Return of Title IV Funds/Institutional Refunds

See the PWA School Catalog for the Withdrawal and Return of Title IV Funds policy and the Institutional Refund policy.

Leave of Absence

A leave of absence (LOA) is a temporary interruption in a student's attendance in the institution's program of study. An LOA is not considered a withdrawal if the student complies with the PWA policy for requesting an LOA. See the PWA LOA policy in the School Catalog.

Accounting and Reconciliations

All accounting transactions, including those involving Title IV funds, are accounted for in accordance with US GAAP and federal regulatory requirements. The CFO prepares internal financial statements on a monthly basis and reviews the statements with PWA's partners. The CFO or designated representative reconciles general ledger accounts on a monthly basis. Each year, PWA prepares annual financial statements and footnotes that are audited by Wilke CPAs & Advisors, LLP. The objective of the audit is to express an opinion about whether PWA financial statements are fairly presented in accordance with US GAAP.

Disbursements of Title IV funds flow directly into PWA Pell bank account or Direct Loan bank account. These funds will be received in FINAID by the CFO and automatically posted to the student account ledger in the FAME SIS. The funds are then transferred into PWA's operating account. The supporting documentation for the receipt and transfer of funds is given to the business office and/or FAME. The business office posts the receipt of cash, reduction of student receivables and transfer to the operating account in the QuickBooks general ledger. At month end, FAME and/or the CFO, performs a cash reconciliation of the Cash account per FAME SIS to the bank statement. Likewise, the business office performs a cash reconciliation of the QuickBooks cash balance to the bank statement. The two independently done reconciliations are compared and discrepancies resolved.

At month end, the business office downloads current month charges, earned revenue, student accounts receivable and deferred revenue from the FAME SIS. From these reports, the business office will make a journal entry into the QuickBooks general ledger to record revenue, accounts receivable and deferred revenue. A reconciliation of student accounts receivable is then performed between FAME SIS and QuickBooks. Discrepancies are resolved.

The above two reconciliations assure that the transactions reported in the FAME SIS are accurately and completely reflected in QuickBooks.

PWA/VFAO staff receive business office reports on a monthly basis from FAME that document reconciliations between FAME SIS and FINAID to ED. The Pell Reconciliation is a periodic reconciliation of our Pell Grant records with the cash receipts and cash returns on file at ED for G5 and with COD for student disbursements and adjustments. Likewise, the Direct Loan Reconciliation is a periodic reconciliation of our Direct Loan records with the cash receipts and cash returns on file at ED for G5 and with COD for student disbursements and adjustments. The complete list of business office reports received from FAME is in the FAME Financial Aid Services Procedures Manual.

DEFAULT MANAGEMENT

Since PWA is new into the Title IV funding, there is no current need for default management. When a need arises, PWA plans on using a third-party servicer, like Pantheon Student Solutions (PSS), to help in managing potential defaults of students who took Direct Loans to finance tuition and fees. If/when used, PSS services are intended to enhance PWA's existing education services which include entrance and exit counseling, student retention activities and job placement.

Following the graduation, the withdrawal or dropping below half-time status of an PWA student with a Direct Loan, the business office will use FAME SIS to print out a grace period notification for that student on a periodic basis. The grace period is the six-month period after leaving school where no Direct Loan payments are required. This grace period gives a student time to get financially settled. The grace period notification from the FAME SIS explains that the student's first loan payment is upcoming. It also explains what the student should do if s/he thinks that there will be problems making the first payment on time. Once the grace period notification is printed, PWA mails or emails the notification to the student during the grace period. PSS or a similar vendor will also provide students with grace period notifications.

PSS, or a similar vendor, will use information provided by PWA, and in conjunction with NSLDS and loan servicer reports will construct a record for each borrower. PSS, or a similar vendor, will use this record to update loan status, manage contact attempts and attach supporting documentation.

If a student becomes delinquent on his/her Direct Loan, PSS, or a similar vendor, will attempt to contact the student through various methods including US mail, phone calls, email, texts or live chats. Once the student is contacted, PSS, or a similar vendor, will encourage immediate payment as the best option. However, for students who are unable to make a payment, PSS or a similar vendor will assist the student with deferment/forbearance form completion and submittal.

PSS, or a similar vendor, will skip trace borrowers whose contact information is no longer current.

DEPARTMENTAL REQUIRED REPORTING

Enrollment Status Reporting Procedures

PWA/VFAO staff must report and confirm the enrollment status of students receiving Title IV aid. A student's enrollment status determines deferment eligibility, grace periods and repayment schedules related to Direct Loans. The enrollment status of each student is maintained in the Freedom SIS. Based on the data in Freedom SIS, FAME provides Enrollment Reporting to NSLDS. As disclosed in the FAME procedures manual, FAME sends Enrollment Reporting to NSLDS on a frequency in compliance with ED's requirements. If there is an error in the enrollment report, the Freedom SIS will send notice to PWA/VFAO staff personnel to correct the error and the error will be corrected on a timely basis. Additionally, periodic checks are performed by the accounting office on the NSLDS website to ensure all students are accounted for, not duplicated and are timely.

Transfer Monitoring Procedures

The Transfer Monitoring Process of the National Student Loan Data System (NSLDS) monitors all mid-year transfer students (students who transfer from one school to another during the same award year) for factors that could affect eligibility for Title IV federal student aid. Schools are required to inform NSLDS, through the transfer monitoring process, of all the students transferring into the institution. NSLDS monitors changes in the financial aid history of those students and alerts the school of any relevant changes.

From the date that the latest ISIR for the student was generated and sent to the school, NSLDS monitors changes to the student's financial aid history. NSLDS checks to see if there have been any changes in the student's financial aid history that may be relevant to the student's eligibility for aid at the new school. NSLDS continues to monitor changes since the last alert is sent to the school.

If there are relevant changes to the student's financial aid history, NSLDS will alert the school/VFAO staff. The school/VFAO staff must then review the change to determine if it affects the student's eligibility for FSA. NSLDS will not alert a school if there are no relevant changes to the student's financial aid history.

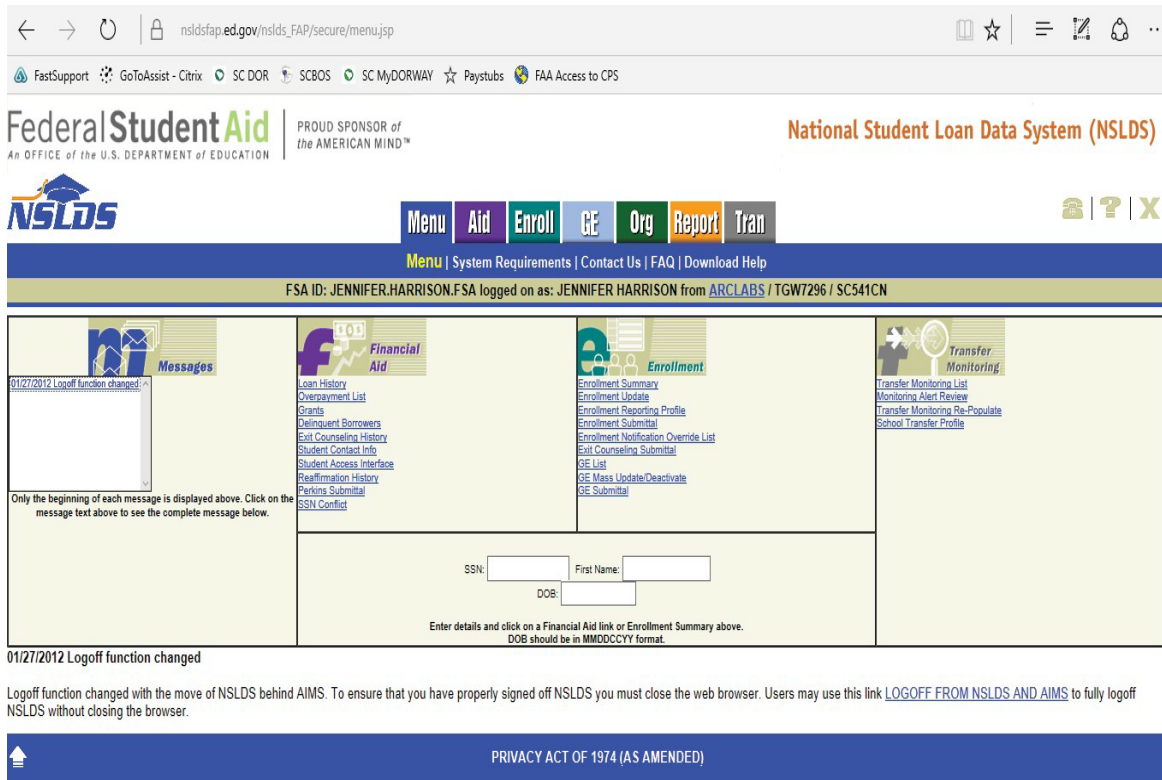
NSLDS is expected to run the transfer monitoring process once a week. After PWA/VFAO staff informs NSLDS of a new transfer student, we must wait seven days before we can make a disbursement of FSA to an otherwise eligible student. PWA/VFAO staff does not have to wait if it receives an alert from the NSLDS during the seven-day period or it obtains the student's financial aid history information directly by accessing the NSLDS website at: https://www.nsls.ed.gov/nsls_FAP/secure/logon.jsp.

If a school makes a disbursement to an eligible student but later receives an alert from NSLDS, the school must access and review the student's financial aid history to determine whether an action needs to be taken with regard to that disbursement or any subsequent disbursements.

PWA/VFAO staff adds students to the Transfer Monitoring list when the FAA reviews the Loan History in NSLDS for new financial aid students. The FAA/VFAO staff logs in to NSLDS, inputs the student data on the home page, then clicks Loan History in the Financial Aid box. At that time, a box appears with the option "Add Student to Monitoring List". The FAA/VFAO staff clicks that box and the submit button and a message appears announcing the success of adding the student to the Transfer Monitoring List.

Alternatively, to add a student in accordance with PWA/VFAO staff Transfer Monitoring Procedure log onto https://www.nslsfap.ed.gov/nsls_FAP/secure/menu.jsp.

Select Transfer Monitoring List in the right-hand column.



Begin by selecting the SSN option on the drop down, enter the student's SSN, last name, enrollment date and click the retrieve tab. That will bring you to a screen that indicates no student currently selected.

No student currently selected.

Student Monitoring Add

SSN:

First Name:

Last Name:

Date of Birth: (MMDDCCYY)

Enrollment Begin Date: (MMDDCCYY)

Monitor Begin Date: (MMDDCCYY)

Next, enter all applicable information and click “Add Student to Monitoring List.”

Transfer Monitoring List



There are no student's matching the selection criteria.

Add Student to Monitoring List

Sort By:	<input type="text" value="SSN"/>	
Display Only:	SSN: <input type="text"/>	
	Last Name: <input type="text"/>	
Enrollment Begin Date:	<input type="text"/> (MMDDCCYY)	Retrieve
Monitor Begin Date:	<input type="text"/> (MMDDCCYY)	
Last Changed By:	<input type="text"/>	

You should receive a message that the student was successfully added.

FRAUD AND MISREPRESENTATION

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

Policy for Fraud

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

Procedures for Fraud

If, in the Financial Aid Administrator's judgment, there has been intentional misrepresentation, false statements or alteration of documents which have resulted in the awarding or disbursement of funds for which the student is not eligible, the Financial Aid Administrator will notify the student and schedule an appointment to discuss the situation. If the student does not make an appointment, the Financial Aid Administrator/VFAO staff may:

- Not process a financial aid application until the situation is resolved satisfactorily.
- Not award financial aid.
- Cancel financial aid.

Fraudulent situations may be forwarded to the Office of the Inspector General of the Department of Education, at **1-800-647-8733** or **1-800-MIS-USED**.

PWA Commitment to Integrity

PWA holds itself to the highest levels of integrity and will not provide any knowingly false, erroneous or misleading statements to a student, prospective student, family member of student or prospective student or ED. PWA is committed to operating in an environment of integrity. Each employee of PWA is responsible for assuring that the actions and activities conducted at the school promote such an environment. Through the hiring, training, and performance review processes, employees learn the culture and official policies of PWA and are educated to represent PWA with integrity.

AUDIT REQUIREMENTS

Financial aid records and student files are audited every year. Auditors review a sample of student aid files to ensure that the Financial Aid is being administered in compliance with federal, State and Institutional policies.

Preparation for Audit

The only preparation for an audit is to cooperate with the auditor's requests. Typically, the auditor will randomly select a specific number of students to inspect. The files are pulled and given to the auditor. Any additional assistance requested is responded to promptly. The results of the audit are then submitted through eZ-Audit, <https://ezaudit.ed.gov>. If any revisions need to be made they are resubmitted within 15 calendar days.

NON-DISCRIMINATION STATEMENT

PWA is committed to equal access to facilities, programs, admission, and employment for all persons. It is the policy of the school to maintain an environment free of discrimination and free of harassment against any person because of race, age, ancestry, color, national origin, religion, creed, service in the uniformed services (as defined in state and federal law), veteran status, sex, sexual orientation, marital or family status, pregnancy, pregnancy-related conditions, mental or physical disability, gender, perceived gender, gender identity, genetic information or political ideas and affiliations. Discriminatory conduct and harassment, as well as relationship violence and sexual misconduct, violates the dignity of individuals, impedes the realization of the school's educational mission, and will not be tolerated. To file a report of discrimination and sexual misconduct please contact the Title IX Coordinator, Scott Raabe, School President at shraabe@yahoo.com. This email is monitored 24 hours a day, 7 days a week.

TITLE IV STUDENT LOAN CODE OF CONDUCT (HEOA)

The Higher Education Opportunity Act (HEOA) added to PWA's Program Participation Agreement with the Department of Education a requirement that an institution participating in a Title IV loan program must develop, publish, administer, and enforce a code of conduct concerning any type of loan given to a student.

The code of conduct applies to the officers, employees, and agents of PWA and is as follows:

PWA has, and always has had, a ban on revenue-sharing arrangements with any lender. The HEOA defines “revenue-sharing arrangement” as any arrangement between an institution and a lender under which the lender makes Title IV loans to students attending the institution (or to the families of those students), the institution recommends the lender or the loan products of the lender and, in exchange, the lender pays a fee or provides other material benefits, including revenue or profit-sharing, to the institution or to its officers, employees, or agents;

PWA has, and always has had, a ban on employees of the financial aid office receiving gifts from a lender, guaranty agency or loan servicer. No officer or employee of an institution’s financial aid office (or an employee or agent who otherwise has responsibilities with respect to educational loans) may solicit or accept any gift from a lender, guarantor, or servicer of education loans. A “gift” is defined as any gratuity, favor, discount, entertainment, hospitality, loan, or other item having monetary value of more than a de minimus amount. However, a gift does not include (1) a brochure, workshop, or training using standard materials relating to a loan, default aversion, or financial literacy, such as a brochure, workshop or training; (2) food, training, or informational material provided as part of a training session designed to improve the service of a lender, guarantor, or servicer if the training contributes to the professional development of the institution’s officer, employee or agent; (3) favorable terms and benefits on an education loan provided to a student employed by the institution if those terms and benefits are comparable to those provided to all students at the institution; (4) entrance and exit counseling as long as the institution’s staff are in control of the counseling and the counseling does not promote the services of a specific lender; (5) philanthropic contributions from a lender, guarantor, or servicer that are unrelated to education loans or any contribution that is not made in exchange for advantage related to education loans, and; (6) State education grants, scholarships, or financial aid funds administered by or on behalf of a State.

PWA has, and always has had, a ban on contracting arrangements. No officer or employee of an institution’s financial aid office (or employee or agent who otherwise has responsibilities with respect to education loans) may accept from a lender, or an affiliate of any lender, any fee, payment, or other financial benefit as compensation for any type of consulting arrangement or contract to provide services to or on behalf of a lender relating to education loans.

PWA has, and always has had, a prohibition against directing borrowers to particular lenders or delaying loan certifications. For any first-time borrower, an institution may not assign, through the award packaging or other methods, the borrower’s loan to a particular lender. In addition, the institution may not refuse to certify, or delay the certification, of any loan based on the borrower’s selection of a particular lender or guaranty agency.

PWA has, and always has had, a prohibition on offers of funds for private loans. An institution may not request or accept from any lender any offer of funds for private loans, including funds for an opportunity pool loan, to students in exchange for providing concessions or promises to the lender for a specific number of Title IV loans made, insured, or guaranteed, a specified loan volume, or a preferred lender arrangement. An “opportunity pool loan” is defined as a private education loan made by a lender to a student (or the student’s family) that involves a payment by the institution to the lender for extending credit to the student.

PWA has, and always has had, a ban on staffing assistance. An institution may not request or accept from any lender any assistance with call center staffing or financial aid office staffing, except that a lender may provide professional development training, educational counseling materials (as long as the materials identify the lender that assisted in preparing the materials), or staffing services on a short-term, nonrecurring basis during emergencies or disasters.

PWA has, and always has had, a ban on advisory board compensation. An employee of an institution's financial aid office (or employee who otherwise has responsibilities with respect to education loans or financial aid) who serves on an advisory board, commission, or group established by a lender or guarantor (or a group of lenders or guarantors) is prohibited from receiving anything of value from the lender, guarantor, or group, except for reimbursement for reasonable expenses incurred by the employee for serving on the board.

PWA has, and always has had, a ban for dealing with borrowers, which prohibit the school from assigning a first-time borrower's loan to a particular lender; or refusing to certify, or delaying certification of, any loan based on the borrowers choice of a lender and/ or guarantor.

ADDENDUM A

Verification tracking groups

Students who are selected for verification will be placed in one of the following groups to determine which FAFSA information must be verified.

V1—Standard Verification Group. Students in this group must verify the following if they are *tax filers*:

- Adjusted gross income
- U.S. income tax paid
- Untaxed portions of IRA distributions
- Untaxed portions of pensions
- IRA deductions and payments
- Tax-exempt interest income
- Education credits
- Household size
- Number in college
- Students who are *not tax filers* must verify the following:
 - Income earned from work
 - Household size
 - Number in college

V4—Custom Verification Group. Students must verify identity/statement of educational purpose (SEP).

V5—Aggregate Verification Group. Students must verify identity/SEP in addition to the items in the Standard Verification Group (V1).

Groups V2, V3, and V6 are reserved for future use by the Department.

For more information related to the removal of the high school completion status starting in 2023–2024, please see [GEN-22-09](#).