

A black and white photograph of a student from behind, wearing a backpack and walking through a brightly lit, modern building with large glass windows and curved architectural elements.

# Pennsylvania State Grant Program Virtual Workshops

*2020-21 Academic Year & 2021 Summer Term*

**Disbursement Administration & Cash Management**

June – August 2020



# Disbursement Administration & Cash Management



This content has been abridged and does not supersede current program policy. For complete guidance on program administration, please refer to the *2020-21 PA State Grant Program Handbook*.

# Maintaining Funds

- Establish an adequate cash management system to ensure adherence to procedures and established deadlines
- PHEAA procedures in place to:
  - Require sound cash management of funds by schools;
  - Provide PHEAA ample disbursement information which supports budgeting and improves forecasting accuracy; and
  - Minimize costs to the Commonwealth for program administration needs
- Program funds may not be used for any other purpose

# Maintaining Funds

- Institutions should develop and practice sound cash management and accounting procedures
  - Institution accounts with PA State Grant funds must include the phrase “PA State Grant Funds” in the name of the account
  - Separate bank accounts are recommended for PA State Grant funds
  - Required to maintain financial records that show PA State Grant financial transactions
- Communicate banking updates to PHEAA in a timely manner
  - Route banking questions and updates to PHEAA’s Financial Management Department at [fmeftadmin@pheaa.org](mailto:fmeftadmin@pheaa.org)



Maintain proper accounting in order to adhere to netting rules which prohibit the netting of excess funds from one period or year to another.

# Pre-Disbursement Rosters

- **Purpose:** Used to verify enrollment and eligibility prior to term disbursement rosters
- **Timeline:** Generated prior to the term start date on file
- **Issued:**
  - Academic Year: All non-PA schools, BTTs, and select institutions
  - Summer Term: All schools
- **Certification:** After term begins
- **Deadline:** Accepted any time after the term begins
- **Outstanding:** Prevents term and reconciliation rosters
  - Future pre-disbursement rosters will generate

# Term Disbursement Rosters

- **Purpose:** Point-in-time snapshot of student enrollment and eligibility that accompanies an EFT
- **Timeline:** Generated prior to the term start date on file or after pre-disbursement is returned, if required
- **Issued:** All schools when a disbursement is generated
- **Certification:** Once the term begins
- **Deadline:** Certify within 45 days of the roster print date
  - If school has modules, certify within 45 days after start of final module
- **Outstanding:** Prevents future term disbursement and reconciliation rosters



# Reconciliation Rosters

- **Purpose:** Provide a final opportunity to ensure school and PHEAA records match with regard to eligibility, disbursement, and crediting
  - EFT may accompany roster
- **Timeline:** Generated during the reconciliation periods
- **Issued:** All schools during reconciliation periods
- **Certification:** Any time after performing the final eligibility review
- **Deadline:**
  - Academic Year: Within 30 days or by June 1, whichever is later
  - Summer Term: Within 30 days or by October 31, whichever is later
- **Outstanding:** Prevents term disbursement and reconciliation rosters

# Reconciliation Notes

## *Goals*

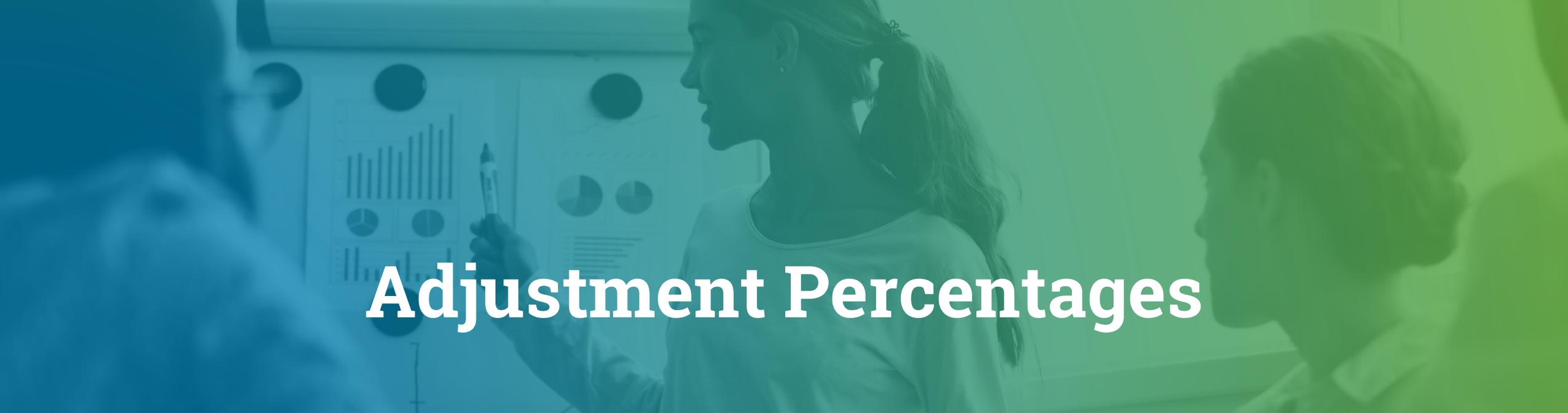
- Each student's final PA State Grant status, as shown on the reconciliation roster, matches the school's records
- All students who were credited funds were on the school's final reconciliation roster
- Amount of funding the school received matches the funding disbursed by PHEAA
- Balance Due PHEAA and Balance Due School both zero

## *Multiple Rosters*

- Initial roster generated automatically
- Request additional roster if:
  - Balances are zero but student and award amounts do not match the last roster
  - Funds due the school
  - School-calculated refund differs from PHEAA-determined refund amount
- Email [sghelp@pheaa.org](mailto:sghelp@pheaa.org) to request

# Roster & Fund Availability

- Rosters are available via Disbursement Transmissions and PageCenter
- All funds are disbursed via EFT
  - Funds available in the school account approximately 14 business days after disbursement generated
  - One disbursement per academic year term and two disbursements for the summer term
  - Award crediting permissible once disbursement is initiated
- Rosters must be certified using Online Certification Page in the Document Library



# Adjustment Percentages

- Adjustment percentage procedure applied to all schools during the academic year and summer term (excluding reconciliation)
  - Percentage based upon last 3-years' of disbursement and refund information for your school
  - Percentage available in OC/WebConnect and also sent via email before the disbursement period begins
- Required to credit 100 percent of funds to the student's account

# Roster & Fund Availability

FG3S I 2020;A;G;00999900;01;000000		STATE GRANT COLLEGE DISBURSEMENT DISPLAY	
OE CODE	00999900 01	APP YEAR	2020-21 SCROLLING 1 OF 3 PAGE 1 OF 3
PHEAA CODE	000000	ACAD YEAR	LAST USER FGXMT
THE PHEAA UNIVERSITY OF PENNSYLVANIA		LAST UPDATE 02/11/2021	
ACADEMIC SCHEDULE S SEMESTER			
TERM BEGIN DATES - FALL	08/18/2020	SPRING	01/19/2021
POSS DISB DATES - FALL	08/18/2020	SPRING	01/19/2021
TYPE A "FALL" DISBURSEMENT		TYPE E "SPRING" DISBURSEMENT	
DISB AMT	\$ 4,276,768 (096%)	DISB AMT	\$ 3,880,276 (096%)
DATE PAID	09/01/2020	DATE PAID	02/01/2021
DISB ROSTER DATE	08/12/2020	DISB ROSTER DATE	01/12/2021
STATUS	C COMPLETED - 09 09 2020	STATUS	C COMPLETED - 02 05 2021
DISB ROSTER RETURNED	09 08 2020	DISB ROSTER RETURNED	02 03 2021
F1=HELP		F2=SET2	F3=EXIT
F4=FG3Y		F5=RFR	F6=FG3M
F7=PRVDISB		F8=NXTDISB	F9=PRT
F10=SUMMARY		F11=REFUND	F12=CAN

Use FG3S to verify **roster statuses**, anticipated **EFT dates**, or **disbursement amounts**

# Roster & Fund Availability

FG3S I 2020;S;G;00999900;;000000 STATE GRANT COLLEGE DISBURSEMENT DISPLAY  
OE CODE 00999900 APP YEAR 2021-22 SCROLLING 1 OF 1 PAGE 1 OF 3  
PHEAA CODE 000000 SUMMER LAST USER FGXMR  
THE PHEAA COMMUNITY COLLEGE OF PA LAST UPDATE 06/29/2020  
ACADEMIC SCHEDULE S SEMESTER  
TERM BEGIN DATES - FALL 05/17/2021 SPRING  
POSS DISB DATES - FALL 05/17/2021 SPRING

TYPE \_\_\_\_\_  
DISB AMT \$ \_\_\_\_\_  
DATE PAID \_\_\_\_\_  
DISB ROSTER DATE \_\_\_\_\_  
STATUS - \_\_\_\_\_  
DISB ROSTER RETURNED \_\_\_\_\_

TYPE S "SUMMER" DISBURSEMENT  
DISB AMT \$ 41,552 (074%)  
DATE PAID 07/20/2021  
DISB ROSTER DATE 06/29/2021  
STATUS P PRINTED - \_\_\_\_\_  
DISB ROSTER RETURNED \_\_\_\_\_

## PREDISBURSEMENT ROSTER INFO

PREDIS ROSTER DATE 06/10/2021  
STATUS C COMPLETED - 06 25 2021

## PREDISBURSEMENT ROSTER INFO

PREDIS ROSTER DATE / /  
STATUS - \_\_\_\_\_

F1=HELP F2=SET2 F3=EXIT F4=FG3Y F5=RFR F6=FG3M  
F7=PRVDISB F8=NXTDISB F9=PRT F10=SUMMARY F11=REFUND F12=CAN

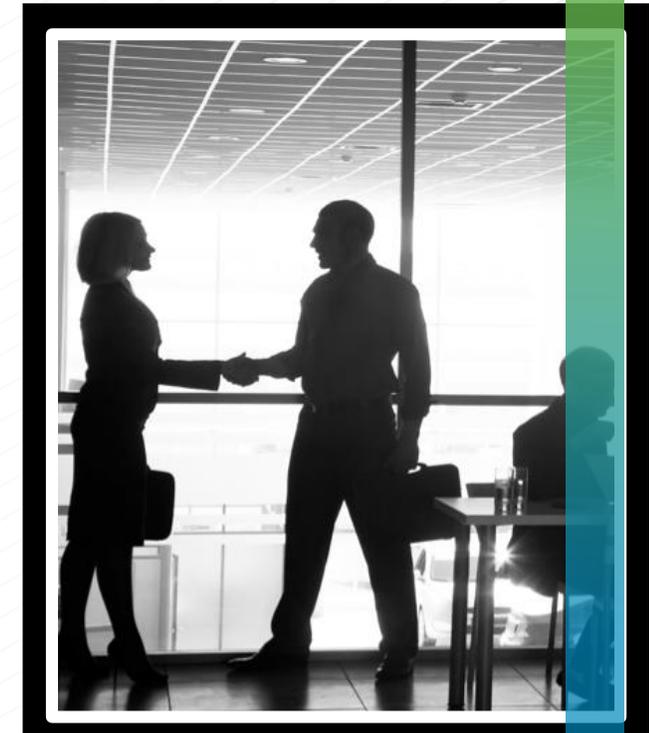
Use FG3S to  
verify **roster**  
**statuses** or  
your  
**disbursement**  
**adjustment**  
**percentage**

# Rosters

- PHEAA Nursing Institute is issued their 2020-21 AY Reconciliation Roster on March 24, 2021.
- During the reconciliation period, the school identifies 2 students that are not eligible for a PA State Grant award and cancels the students' awards.
- A new student gains eligibility on March 28, 2021.
- On March 29, 2021 FG3S shows the school to be "in-balance."

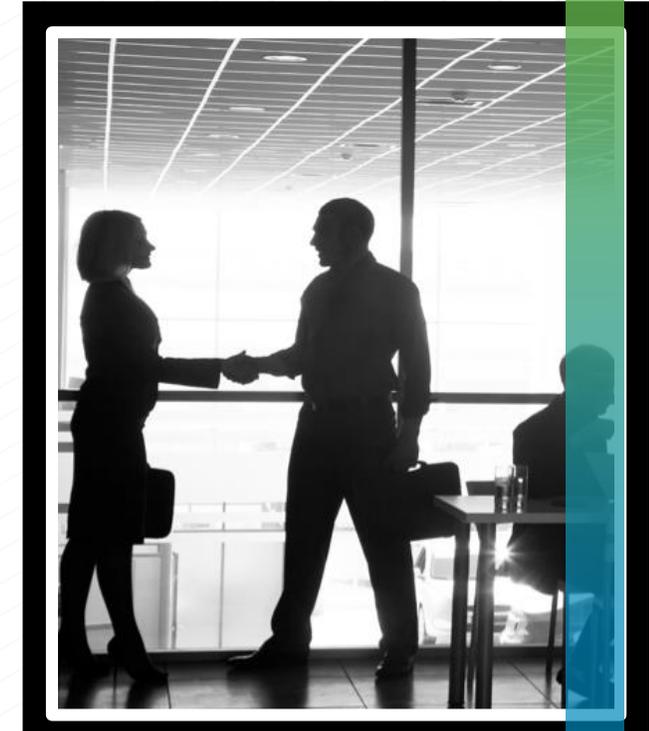
## Questions

- What is the deadline for certifying the reconciliation roster?
- What is one reason why FG3S would display the school as "in-balance?"
- Does the school need a new reconciliation roster? If so, when will it be generated?



## Answers

- The deadline for certifying the reconciliation roster is June 1, 2021.
  - If the roster was generated after June 1, the due date would be within 30 days of the generation date.
- One possible reason FG3S displays as “in-balance” is due to the value of the cancelled awards being equivalent to the new award.
- Yes! Since there were eligibility changes made after the roster was generated, the institution must request a new reconciliation roster.
  - To request the new roster, PHEAA Nursing Institute would need to certify the initial roster and then send an email to [sghelp@pheaa.org](mailto:sghelp@pheaa.org) to request a new roster.



# Preliminary Crediting

- Definition = Deferment of payment for a portion of a student's term bill based on acceptable notification of eligibility
  - Typically done at the beginning of the term before full certification occurs
  - Issuance is at the school's discretion
- Must be adjusted or removed if student's eligibility changes
- Do not issue for a student who does not meet requirements or does not appear to meet requirements

## Example:

*Student "Jamie Reagan" appears on the Fall roster with a fall and spring award and is later selected for Income Validation. PHEAA assumes that only the Fall award has been credited and no further preliminary credits can be applied until Income Validation is completed.*

# Final Crediting



- Definition = School commits funds to student or pays the account after certification of eligibility
  - Before crediting, confirm the student is not undergoing a review
- May credit if:
  - Name appears on term or reconciliation roster; or
  - If term roster is generated and school has excess cash, acceptable notification, and roster is not a Summer reconciliation roster
- Final credits subject to adjustment as a result of further enrollment or eligibility changes

# Final Crediting

- Must occur on a term-by-term basis and after the certification of all eligibility requirements
  - Date of award crediting, term, year, and amount must be documented in student's account
  - If student not enrolled when term disbursement or reconciliation roster received, cancel award
- Cannot occur before a student's final enrolled module begins if student is enrolled in a module
- May result in a credit balance that can be carried forward or made payable to the student
  - Obtain documented permission from the student if carrying forward
  - Do not label as "PHEAA Refund," "State Grant," etc.
    - Consult school counsel or Commonwealth's Bureau of Unclaimed Property if student check remains uncashed

# Excess Cash & Netting

- Excess cash created when student cancellations or adjustments are performed
- Netting allows schools to use excess cash to certify and credit students awarded after the term roster
  - Only acceptable between students and terms of the same period
  - If insufficient excess cash, institutional funds may be used for crediting

<b>Student</b>	<b>Roster</b>	<b>Student Status</b>	<b>Certification</b>	<b>Payment</b>
<b>"Erin Reagan"</b>	1 <sup>st</sup> Summer	\$1,000 on roster	Cancelled "Not Enrolled"	Not applicable
<b>"Danny Reagan"</b>	2 <sup>nd</sup> Summer	\$1,000 on roster	Cancelled "Not Enrolled"	Not applicable
<b>"Edit Janko"</b>	Not on either	Awarded \$2,000 on 8/5/2021	\$2,000 based upon acceptable notification	Pay student with excess cash from Students A and B



# Crediting

- The Fall 2020 term of PHEAA College of Business begins on August 30 and the school receives their Fall term disbursement roster on October 2.
- The school has a 50-percent disbursement adjustment.
- The school issues preliminary credits.

## Questions

- On what date would the school be able to begin issuing final credits?
- What amount should be credited for Frank? For Abigail? For Sid?

Student	On Roster	Student Award	Enrollment Status
"Frank Reagan"	Yes	\$1,000 on roster	Enrolled Full-time
"Abigail Baker"	Yes	\$1,243 on roster	Dropped to Less than Half-time on 9/1/20
"Sid Gormley"	Yes	\$1,700 on roster	Fully withdrew on 9/30/20 during 30-percent refund period
"Garrett Moore"	No	Awarded \$2,143 on 10/15/20	Enrolled in a module that begins on 11/2/20

## Bonus

- Since "Garrett Moore" was awarded after the disbursement was sent, when can the award be credited?

# Crediting



## Answers

- Although the school deferred all or a portion of the students' bill based upon an estimated PA State Grant amount prior to the roster, the school would not be able to begin issuing final credits until the term disbursement roster is received on October 2.
  - The institutional hold prevented the disbursement roster from generating when the term began on August 30. This also impacted the school's ability to issue final credits.
- Student enrollment and eligibility would be:

Student	On Roster	Student Award	Enrollment Status	Payment
<b>"Frank Reagan"</b>	Yes	\$1,000 on roster	Enrolled Full-time	\$1,000 on 10/2/20
<b>"Abigail Baker"</b>	Yes	\$1,243 on roster	Dropped to Less than Half-time on 9/1/20	N/A – Report at Less than Half-time
<b>"Sid Gormley"</b>	Yes	\$1,700 on roster	Withdrew on 9/30/20 during 30-percent refund period	N/A – Report as Not Enrolled
<b>"Garrett Moore"</b>	No	Awarded \$2,143 on 10/15/20	Enrolled in a module that begins on 11/2/20	\$2,143 on 11/2/20 based on excess cash and acceptable notification

# Refunds

Created as a result of over awards/overpayments  
or a Program Review or Audit finding



- Refunds should be remitted:
  - After each term or during reconciliation
  - With identification to denote it as PA State Grant refund
  - With the details needed to efficiently post (e.g., name, SSN, term, etc.)
  - As whole dollars
  - Via check or wire transfer

- Deadline:
  - Academic Year: Within 60 days of the print date of the academic year reconciliation roster or by June 1, whichever is later
  - Summer Term: Within 60 days of the print date of the Summer term reconciliation roster or by October 31, whichever is later

# Financial Responsibility

- Funds are term-specific and intended to assist students with costs during that term
- Outstanding items prohibit students from receiving the PA State Grant award in a timely manner
- Cooperation and communication is essential for successful program administration
- PHEAA may review institutions where administrative capabilities are in question



# Financial Responsibility & Program Integrity

## Additional Reasons

Ex: USDE restriction/oversight, missing ACH information, etc.

## Outstanding Refunds

Refunds from prior periods delay future payments

## Institutional Changes

Ex: Missing ACH information, Changes of Ownership, etc.

## Outstanding Rosters

Includes pre-disbursement, term, and reconciliation rosters

- Delay of Funds:
  - Hold placed on the school's account when school is not timely or compliant with PHEAA policy
  - Use FC5S in OC/WebConnect to determine hold reason
  - Access to PHEAA systems will not be impacted

# Disbursement & Cash Management Tips

- Familiarize yourself with the PHEAA reports
  - Reports will aid in tracking changes and identifying incomplete students
    - Appendix C lists all reports available in PageCenter
    - Custom reports available via Partner Interface
  - Send report suggestions to [sghelp@pheaa.org](mailto:sghelp@pheaa.org)
- Timely submit enrollment and eligibility changes
  - Late submissions of changes will impact other schools, PHEAA, and the overall general population of students
- Establish regular communication between related institution offices (e.g., Bursar, Financial Aid, Information Technology, etc.)
  - Internally compare student records to resolve and report discrepancies





# Disbursement & Cash Management Tips

- Use OC/WebConnect resources to monitor disbursements, refunds, and overall institution information
  - [State Grant Transactions](#) on [PHEAA.org/training](#) highlights available displays
  - Monitor displays even after enrollment period ends
  - Request funds due your school by the prescribed deadlines
- Before crediting, escalate unique student enrollment and eligibility questions to PHEAA staff
- Document and retain all auditable student eligibility and crediting documentation for five (5) years from the date of the last reconciliation roster
  - Records may be requested during a Program Review or Audit



# Wrap Up

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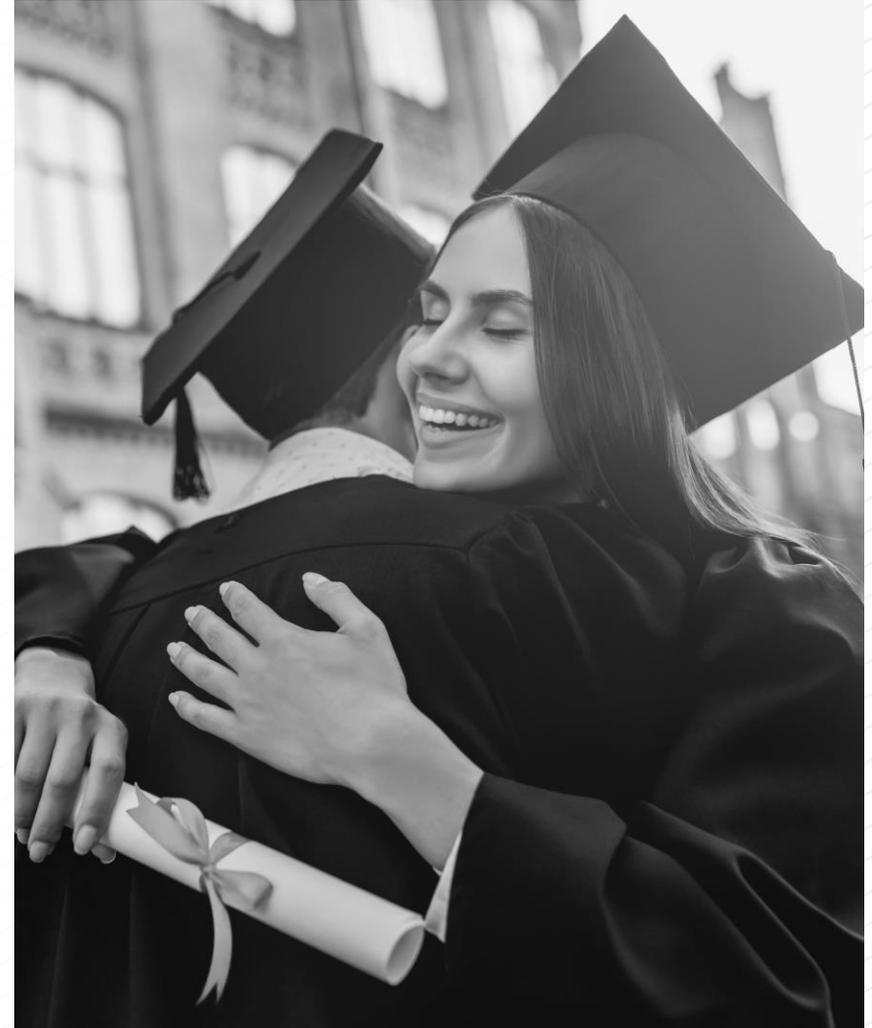
# Reminders



- 2020-21 PA State Grants finalized in May 2020
  - Maximum award increased to \$4,525
    - Award increase made possible by Coronavirus Aid Relief and Economic Security (CARES) Act funding
    - No award adjustment factor applied for online enrollment (HQD schools only)
  - Student award notifications began in June 2020
  - Award information accessible via Partner Interface and weekly PageCenter reports

# Reminders

- 2019-20 Academic Year and 2020 Summer awarding, disbursement and reconciliation underway
  - Review [PHEAA.org/COVID19](https://www.pheaa.org/COVID19) for policy adjustments, FAQs, etc.
- Institutional contacts and information
  - Email PHEAA staff when contacts change or need updated
  - Confirm and update access to PHEAA systems annually or as needed



# Reminders



- Post-workshop Q&A released this Fall
- Order the 2020-21 Handbook and other print materials from [PHEAA.org](https://PHEAA.org)
- Please complete the survey
  - Feedback is used to plan for future workshops and to create new training materials

# Resources



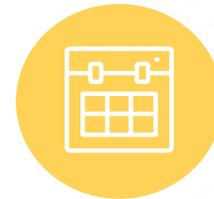
## Web

- [PHEAA.org](http://PHEAA.org)
- [Alec](#)



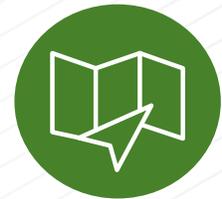
## SGSP Staff

- Email: [SGHelp@pheaa.org](mailto:SGHelp@pheaa.org)
- Phone: 800-443-0646



## Events

- Webinar Series
- Conferences
- Workshops



## Print

- Brochures
- Calendars
- FAQs

**Thank You!**