Slide 1 - Instructions

This presentation contains audio and closed caption features. Each slide is paused on entry. Use the navigation bar to: advance through the presentation, manage the audio and mute options, and launch or hide closed captions. The navigation bar can be accessed using a mouse or a combination of the space bar and the enter key.

Slide 2 - Title

Hello and thank you for joining us for an overview of the Act 101 Program.

Slide 3 - Purpose

The purpose of this training is to provide a high level overview of the Act 101 Program. We will begin our review with some background information about the program. Then, we will touch upon some of the institutional eligibility and student participation components. Following that, we will provide a review of the Act 101 program administration, such as staffing requirements and the use of funds. Before we conclude, we will outline the disbursement process for the Act 101 program. Finally, we will end this training by explaining some of the additional resources that can be used in managing the program.

You should note that this presentation will serve as an overview of the printed material and should be used in conjunction with the written guidelines to ensure your full understanding of and compliance with all Act 101 policies. A copy of the program guidelines can be found on our training and resources webpage. We will provide the web address at the end of the presentation.

Let’s begin our overview with some background information on the program.

Slide 4 - Background

Along with support from the Pennsylvania Black Conference on Higher Education, the Pennsylvania Higher Education Equal Opportunity Act of 1971, generally referred to as “Act 101,” was created by the Honorable K. Leroy Irvis, the then majority leader of the Pennsylvania House of Representatives. From its inception to the 2010 eleven program year, the Pennsylvania Department of Education assumed responsibility for administering the program. However, in June 2011, with the passage of Act 26, program administration was transferred to PHEAA.
Act 101 was created to address an issue facing thousands of Pennsylvania residents, who were being denied the opportunity to pursue higher education, due to prevailing social conditions. The solution adopted by this legislation, was to allocate funds directly to postsecondary institutions, in order to assist them with offering programs that support the matriculation and advancement of those students who are, by definition, economically and educationally disadvantaged.

Institutions receiving program funds must have applied and been approved for Act 101 for meeting program criteria. Let’s take a look at the institutional application process on the next slide.

**Slide 5 - Institution Eligibility**

Only institutions which are located within the state of Pennsylvania; authorized to grant degrees; and also approved for participation in the PA State Grant Program would be considered for Act 101. After meeting the program criteria, an institution must then apply and be approved for participation by PHEAA. Approval also requires that institutions already be operating a support program that serves at least 40 students, who would qualify under Act 101 guidelines for a minimum of one year.

On the application, PHEAA gathers information about how Act 101 will be implemented on campus, including the program length, which must either be nine or twelve months; the name of the Act 101 director; and the total number of students anticipated to be served by PHEAA program funds.

A program summary must be included with the application. PHEAA does not require a specific format for submission of the summary; however, it must include a list of the primary service elements for the program with a description of each. These descriptions should detail the specific nature and methods, which the institution will employ in order to enhance the opportunities for eligible students, to achieve their educational goals. To assist first-time school applicants, an example of a Program Summary is included with the Act 101 New School Application.

For renewal schools, a budget for the program year should be submitted with the application. However, for new schools, the program budget, along with a participation agreement, will be due upon approval of the application form and program summary.
The participation agreement is a general requirement for PHEAA-administered programs and certifies that the institution will adhere to all requirements governing the Act 101 Program, as set forth by the Act 101 regulations, the participation agreement and the Program Guidelines.

The Act 101 program budget provides a breakdown of how the institution intends to use Act 101 program funds for the year. Examples of how funds may be utilized include allocation towards staff salaries, program materials, and office equipment. So that schools can format their budgets appropriately, we have provided an Excel spreadsheet template on PHEAA.org.

As with many of the other PHEAA-administered programs, funds for Act 101 are disbursed via Electronic Funds Transfer or EFT, and therefore require that a participating institution have an approved PHEAA Automated Clearing House or ACH Authorization Agreement on file. New schools may submit their ACH forms upon application approval.

Now let’s take a look at the criteria for students who take part in Act 101.

**Slide 6 - Student Participation**

Approved institutions will utilize Act 101 funds to provide educational intervention for a specific population of students and assist them in achieving academic success. This population will be comprised of students who are enrolled at approved institutions. Students must also be residents of Pennsylvania and meet the definitions of educationally and economically disadvantaged.

PHEAA permits schools to determine their own definitions of what educationally disadvantaged means. However, institutions generally include those students who are deemed unlikely to achieve a 2.0 GPA without receiving services provided through Act 101. A few other examples of criteria that a school may use are the English as a Second Language or ESL designation; or having earned high school GPA, SAT, or ACT scores within the lowest quartile, when considering the total population of students accepted into the institution.

While schools have flexibility in determining the criteria for the educational component, the term “economically disadvantaged” only refers to students whose household income is less than or equal to 200 percent of the poverty guidelines, as taken from the base year used in the Free Application for Federal Student Aid or FAFSA filing. For example, for the 2019 20 program year, a student’s 2017 family income, as reported on the 2019 20 FAFSA, will be used to determine eligibility.
Lastly, students who meet all other criteria must be undergraduates, enrolled either full-time or part-time in a program that leads to a degree. Full-time enrollment means that the student is enrolled in at least 12 semester credits or the equivalent, whereas part-time students must take at least 6 semester credits or the equivalent.

Since eligible students may not independently elect to participate in the Act 101 Program, there is an expectation for institutions to be proactive in seeking out and encouraging eligible students to participate in the Act 101 Program. To help schools identify eligible students, the Act 101 Family/Salary report is available in PageCenter, PHEAA’s secure report repository. This report identifies all students who listed the institution on their FAFSA and meet the economically disadvantaged definition. PHEAA recommends that Chafee Educational Training Grant recipients be considered for Act 101 participation, if they qualify. To gain access to the PageCenter report or to a listing of Chafee eligible students, contact your institutional financial aid office.

Approved institutions will then make financial and academic commitments to each Act 101 student participant as delineated and executed in a written Student/Institutional Agreement. Let’s review the institutional commitment on the next slide.

**Slide 7 - Institution Commitment**

As mentioned on the previous slide, institutions must commit both financially and educationally to Act 101-participating students. This commitment is laid out in the Student Agreement which is updated annually and retained within the students file for at least two years, if the student is enrolled at a 4-year institution and one year if the student attends a two-year institution.

With this commitment, institutions promise to deliver quality academic services which are needed by students to achieve the desired outcomes.

The financial component of the commitment includes applying institutional funds toward a program match. New Act 101-participating institutions are required to contribute 15% of the total budget during the first year, while renewal institutions are required to match at least 25%. For example, if an Act 101 renewal institution has a Program budget of $1,000,000, then at least $250,000 of that must stem from institutional funds. In addition, institutions must assist students in finding funding opportunities for their education, including grants and scholarships.

Now, let’s look at some program administration details on the next few slides.
Slide 8 - Program Administration

An Act 101 Program should be designed to provide an array of services that will increase students’ ability to succeed in college. To maximize the benefits to the student participants, institutions are given the latitude to develop programs that will best serve their unique student populations.

For instance, in addition to providing formal counseling and tutoring services, one institution may also conduct a series of professional development workshops aimed to improve oral and written communication skills; whereas another institution could include financial literacy workshops for their Act 101 students. Services may either be unique to the participating student, or simply offered in addition to those provided to the general student population.

However, all participating institutions are required to conduct orientation for new students who are admitted into the program. This orientation must be specific to Act 101 and should provide information regarding the program services and the sources of financial aid that are available to them. While institutions may choose the delivery method of the orientation, in compliance with the program guidelines, schools must maintain records of each orientation including a list of attendees.

A service which is not required, but frequently incorporated into Act101 is an Academic Bridge Program. Whether it is paid as part of the Act 101 budget or through institutional funds, this optional program is offered during the summer prior to freshman year, with the intention of aiding the transition for those incoming first-year students, as they prepare for the rigor and demands of college life.

An Academic Bridge program typically provides support in subjects including writing, math, and reading, through services like counseling and tutoring. Students may also enjoy special social activities, as well as professional and academic development workshops during the summer bridge program.

Again, we stress the importance for each institution to design their Act 101 program in such a way that it will meet their students’ unique academic needs. Now let’s take a closer look at the Act 101 program director.

Slide 9 - Program Staffing

Act 101 programs must have a director in place to directly oversee, and supervise all aspects of the program and is ultimately responsible for leading the program. While the director may be
employed at the institution in other capacities, like in advising, library services or academic affairs, a minimum of 25% of his or her total work time must be dedicated to the Act 101 program duties, which would include making sure the program complies with the statute, regulations, standards, guidelines and policies, submitting on-time program reporting, and collaborating with PHEAA by attending workshops or sharing best practices.

Please note, for branch campuses of a participating institution, program operation and fund disbursement will be separate from the main campus program. The exception to the separate program rule is that the program director may be the same individual for both campuses, so long as he or she carries out the program duties to the same extent as if each campus had its own program director.

Each participating institution should also have an advisory board in place to provide guidance on program development, recruitment, retention, funding and support. Members of the institution’s administration, faculty, and student body, as well as members of the surrounding community may all sit on the Act 101 board and share ideas during meetings which are held annually, at minimum. Records of these meetings in the form of meeting minutes are subject to review.

Slide 10 - Awarding and Use of Funds

As mentioned previously, Act 101 schools must renew their participation annually, contingent upon program compliance and continued funding.

Act 101 funding is required to cover services for at least 40 students. However, while an institution may enroll as many students as they can serve in their Act 101 program, the maximum number of students for whom PHEAA will disburse funds is 300.

Renewal institutions will be funded based on the number of students served and the per capita amount. The per capita or per student amount is derived using the General Assembly appropriation and the total number of students served by the program at all participating schools.

For new schools, first-year funding will be based on up to 10 percent of their current program budget or service to 40 eligible students. In anticipation of new school applicants, PHEAA may opt to set aside funds for up to five new institutions approved to participate.

Providing that the institution has no outstanding program items, 70 percent of the estimated share of funds due to the institution will be disbursed at the beginning of the fall semester. The initial share of available funds will be based on the proportion of the number of participating...
students reported on the application, to the total served at all participating institutions for the program year. Once all schools have submitted their Annual Reports, PHEAA will calculate the final per capita and disburse the final amounts to schools. If the final number of participating students at a school is less than initially reported, then a refund may be due.

Use of Act 101 Program funds is limited to covering the program expenses for the program year. Eligible expenses include, but are not limited to Act 101 staff salaries, Act 101 student events, and educational materials. It is important to note that use of program funds should offer a benefit to all of the institutions Act 101 participants. As such, items that only benefit a portion of Act 101 participants will not be considered an eligible use of funds. Ineligible expenses include financial aid to Act 101 students that covers normal educational expenses, including tuition, fees, room, and board. Additionally, program funds cannot be used to operate facilities that are used primarily for worship or other sectarian or denominational activity. If you have any questions on whether the application of program funds will be considered eligible, please contact PHEAA at act101@pheaa.org.

**Slide 11 - Annual Report**

The final program administration item we will present is the Annual Report. All institutions must submit an Annual Report by June 1 of the program year. The Annual Report is comprised of three components: the program summary, excel template and certification.

The Program Summary portion of the report provides information about the institutions Act 101 program, including the number of full-time and part-time students served, program length, a list of the primary service elements for the program, and a summary of the Advisory Board activities and accomplishments.

The Excel Reporting template will contain program data including general program Information, budget and finances information, as well as a student roster and details on students’ Academic Performance, Retention, Credential Completion, and Financial Aid. Lastly, the institution must provide a statement attesting that all program requirements were met. For additional guidance on what should be included in the Annual Report, please review the Act 101 Annual Report guidelines document in the Document Library.

Once all schools have returned their Annual Report, PHEAA reviews the information and compiles a report, which is then posted on our website. Additionally, the information is used by PHEAA to complete required reporting to the Pennsylvania Department of Education.
It is important to note that the annual report must be submitted by the due date. If an institution does not submit the annual report by the due date, the Final disbursement as well as any future program funds will be held.

**Slide 12 - Act 101 Process**

The workflow on this slide was created to help schools better understand the processing year for the Act 101 program.

Our first stop is the completion and submission of the Act 101 institutional Application. Completed applications for both New Schools and Renewal Institutions are due to PHEAA by June 30 prior to the program year. This means that 2019 20 applications are due June 30 of 2019. PHEAA staff will thoroughly review the applications to determine if the school is eligible or if there are any changes to the school’s status that may affect eligibility for renewing institutions. PHEAA staff may follow up if there is any further information that needs to be corrected or clarified.

Once the New School Application is approved by PHEAA, the institution will then be required to submit a projected budget for the applicable program year. The program budget lists and describes the uses for all Act 101 funds. Examples of budget items include the amounts the school plans to allocate towards advising, staffing, resources, and workshops.

After the budget is reviewed and approved, PHEAA will determine the estimated amount of funds that the institution will receive for the program year. Typically, at the beginning of the fall semester, 70% of the estimated share of funds will be disbursed to the institution via EFT. Notification of the funds will be sent via email to the Program Director.

Then, by March first, institutions are required to confirm the actual number of current year Act 101 student participants via the Students Served Certification. This total number reported by all participating institutions will be used to determine the final per capita or per student amount, which will then be multiplied by the number of students you report to determine the total dollar amount your institution is eligible to receive for the program year. If the number of students served decreases at any time for the academic year, the final allocation will also be decreased. Additionally, schools must adhere to the reporting deadline, since overdue certifications will delay the recalculation of the final per capita, allocations, and disbursements for all participating institutions.
In April, PHEAA releases the details and documents needed for schools to complete their Annual Reports which are then due June 1st. The Annual Report, which is required prior to PHEAA issuing an institution’s final disbursement, provides an overview of the institution’s Act 101 Program, including information on student retention and academic performance.

After the Annual Report is submitted, PHEAA will release any additional funds the school is owed via EFT. If an institution’s initial disbursement exceeded the final allocation amount, a refund to PHEAA will be required. If an institution is identified as owing PHEAA a refund, a notification will be sent to the institution requesting the return of funds within 30 days. Please keep in mind that, at the end of June, the next program year begins with institutional applications becoming due on the thirtieth of the month.

**Slide 13 - Program Administration**

Before we conclude, we would like to briefly touch upon the record retention and Program Review requirements for Act 101. As a steward of taxpayer funds for the Commonwealth of Pennsylvania, PHEAA has an obligation to ensure that the administration of state and federal financial aid programs is in Compliance with applicable laws, regulations, and policies. Therefore, in an effort to promote and maintain integrity, accuracy and timelines in the delivery of financial assistance, the Program Review staff within PHEAA’s State Grant and Special Programs department will perform routine reviews for all PHEAA-administered programs, including Act 101.

For this reason, participating schools must keep documentation of compliance with program guidelines, including the appropriate application of program funds, files on participating students, advisory board members and meeting minutes. The record-retention requirement for Act 101 is a minimum of five years. The identification of missing records during a program review or audit may result in penalties, such as the return of program funds.

**Slide 14 - Resources**

In conclusion, we would like to refer you to some resources that will assist you in managing the Act 101 Program. On our training webpage, PHEAA.org slash training, you will find the most recent version of the Act 101 Program Guidelines in addition to information about the Pennsylvania State Grant Program.

In Alec, you will find links to the Document Library and PageCenter. PageCenter is our reporting repository and contains reporting for your school. Copies of correspondence that was sent to
schools throughout the year and program related information applicable to previous years may be found in the Document Library.

If you would like to contact us, PHEAA staff is available at 1-800-443-0646. You may also reach out to us via email at act101@pheaa.org to share your questions and concerns, or to express your feedback. Your feedback in writing will help us to share your input with the appropriate staff.

**Slide 15 - Thank You**

Thank you for listening to the overview of Act 101. Again, please be sure to review the current program guidelines and other resources to ensure your understanding of these requirements and others that govern the program.