

PHEAA TRAINING

Pennsylvania State Grant
**2015-16 CERTIFICATION
PROCEDURES WORKSHOP Q&A**

Table of Contents

INTRODUCTION.....	3
CHAPTER 1 – SCHOOL AND PROGRAM ELIGIBILITY.....	3
CHAPTER 2 – STUDENT ENROLLMENT AND ELIGIBILITY VERIFICATION.....	3
CHAPTER 3 – ATTEMPTED CREDITS REPORTING.....	10
CHAPTER 4 – PENNSYLVANIA STATE GRANT COSTS AND AWARD ADJUSTMENTS.....	11
CHAPTER 5 – DISBURSEMENTS AND CASH MANAGEMENT.....	12
MISCELLANEOUS.....	14
APPENDIX A.....	15
APPENDIX B.....	19

INTRODUCTION

The purpose of this document is to provide the financial aid community with responses to questions that were addressed during the 2015-16 and 2016 Summer Term State Grant Program Certification Procedures workshops. Information is being shared for clarification purposes only. This document supplements the *2015-16 and Summer 2016 State Grant Certification Procedures*.

The organization of questions presented in this document follows the order of the Procedures. Sections are noted for cross-referencing purposes.

CHAPTER 1 – SCHOOL AND PROGRAM ELIGIBILITY

TERM LENGTH *(Section D)*

If the main campus of a school offers an eight-week summer program and the same program at a branch for six-weeks, would students enrolled at the branch campus be approved for State Grants?

Because the term length at the branch campus does not meet the required 8-week Summer term minimum, students enrolled at the branch campus would not be eligible for the Pennsylvania State Grant.

The academic year term length definitions are provided in the State Grant Certification Procedures in Chapter 1. What if my term length varies by a day or two from what is published?

PHEAA permits a small tolerance to the academic term length definitions for institutions that have slight variations. A school may be either one to three days short OR one to three days over the weeks for a particular term as outlined in *Chapter 1, D Term Length, 1. Academic Year Term Length Definitions*. Always consult with State Grant staff should you have a questions about term length outside of the standard definitions.

My term lengths are 20 weeks long and thus do not meet the standard academic year term length definitions. This also does not meet the one to three day tolerance that is permitted. Are my students eligible for a State Grant and, if so, at what level?

For eligible programs of study with academic terms longer than 18 weeks, the student must be enrolled for .706 credits per week to achieve full-time status. For a 20 week term, this would mean that the student must enroll for 14 credits (20 weeks x .706 = 14.12, rounded down to 14) in order to be full-time for State Grant purposes.

CHAPTER 2 – STUDENT ENROLLMENT AND ELIGIBILITY VERIFICATION

ENROLLMENT *(Section A.1)*

If a Pennsylvania school has a campus or additional location out-of-state and the student takes courses at that out-of-state campus, can they count toward meeting the minimum enrollment requirement?

If a Pennsylvania institution is a public, non-profit institution and has an out-of-state branch or additional location and those credits count toward the student's degree, the credits taken at the out-of-state location may be used to meet the minimum enrollment requirements.

ENROLLMENT (Section A.3)

If the student is scheduled to graduate with a bachelor's degree at the end of the Summer and has awards for the subsequent terms, can those terms be cancelled as "Graduated"?

If you anticipate that the student will not be enrolled due to graduation for upcoming terms, you may cancel the awards for the subsequent terms. These may be reinstated if the situation changes.

ENROLLMENT (Section A.5)

My school was told to report remedial exceptions for statistical purposes even though the student does not need a remedial exception for enrollment purposes, is this accurate?

It is not accurate to report enrollment codes with a remedial exception for a term that does not require such to meet the minimum State Grant enrollment requirements.

It appears that the source of this issue was a misinterpretation of the Credit Reporting requirement outlined in *Chapter 3, paragraph A.5* of the *2015-16 and Summer 2016 State Grant Certification Procedures*.

- 5. TREATMENT OF CREDITS THAT DO NOT COUNT TOWARD STATE GRANT ENROLLMENT** – Schools are required to report the student's entire enrollment record for purposes of online vs. classroom reporting.
- a. **EXAMPLE 1 – REMEDIAL** - Credit reporting means all credits in which the student is enrolled even if not all those credits are used to meet the State Grant enrollment requirements. The student may not need a remedial exception indicator for State Grant purposes; however, credit reporting must reflect that the student was enrolled in remedial credits in order to provide the true picture of total enrollment.

Credit Reporting and Enrollment Reporting are separate requirements and:

- FOR ENROLLMENT:** Only report a remedial exception for a term where the remedial exception is REQUIRED and where the student has not already exceeded the 1.0 exception limitation. Schools may do this by selecting the appropriate remedial option for the term's enrollment status.

The screenshot shows a web form with the following fields and options:

- Enrollment Status:** Two dropdown menus, both currently set to "1 - Full-Time". The first dropdown is open, showing a list of options: "- Select -", "1 - Full-Time", "2 - Full-Time Evening", "3 - At Least Half-Time", "4 - Less Than Half-Time", "5 - Full Time Remedial 1-3 credits" (highlighted), "6 - Full Time Remedial Eve 1-3 credits", "7 - Full Time Remedial 4+ credits", "8 - Full Time Remedial Eve 4+ credits", "9 - Half-Time Evening", "A - Half Time Remedial 1-3 credits", "B - Half Time Remedial Eve 1-3 credits", "C - Half Time Remedial 4+ credits", "D - Half Time Remedial Eve 4+ credits".
- 50% Classroom Attendance:** A dropdown menu currently set to "1 - Full-Time".
- Credit Information:** A section with a blue header and a blue underline.
- Classroom Credits:** A field with a blue question mark icon.
- Online Credits:** A field with a blue question mark icon.

2. **FOR CREDIT REPORTING:** Include any remedial credits in which the student was enrolled as of the school's "freeze" or census date in the overall credits reported. PHEAA does not make the distinction between regular and remedial credits for credit reporting purposes.

Credit Information		
	Fall	Spring
Classroom Credits:	<input type="text"/>	<input type="text"/>
Online Credits:	<input type="text"/>	<input type="text"/>

ENROLLMENT (SECTION A.13)

If the school has no students attending for a Summer term, will PHEAA assume they no longer want to participate?

PHEAA will not make this assumption. Your school must submit the request not to participate in writing as per the instructions provided in *Chapter 2, Section A, paragraph 13*.

UNDERGRADUATE STATUS (Section B)

Is a student still eligible for a State Grant if the student is enrolled in undergraduate and graduate courses simultaneously and the graduate courses count toward the undergraduate degree?

The State Grant Program allows for joint graduate and undergraduate courses as long as the student has not met the requirements for a first bachelor's degree. Graduate courses can count toward meeting the minimum enrollment requirement if those graduate credits are being counted toward the undergraduate degree. The undergraduate minimum enrollment requirements still apply, that is, a minimum of twelve semester credits (or the equivalent) for a full-time State Grant award and a minimum of six semester credits (or the equivalent) for a half-time State Grant award.

Are students admitted to our institution under a conditional or provisional status State Grant-eligible?

If a student is admitted to the institution under a conditional or provisional status toward a degree program, the student is not eligible for the Pennsylvania State Grant. If the student is a regularly (unconditionally) admitted student to the institution as an associate or bachelor's degree candidate, the student is eligible for the Pennsylvania State Grant. For example, a State Grant-eligible student would include one who is a regularly admitted student to the institution as a bachelor's degree candidate with an undeclared major. Students admitted through the Higher Education of the Disadvantaged (Act 101) Program or other formally recognized developmental education programs are considered regularly admitted students.

If a student is taking Summer classes but will not be fully accepted to the Fall term unless the student passes the Summer classes with a C-grade or better, is the student eligible for Summer?

For the Summer term, the student would not be eligible since the student is a conditional admit to the institution. Eligibility would begin with the Fall term if the student is successful with the Summer term classes and is fully admitted to the institution for that term.

APPROVED PROGRAM OF STUDY (Section C)

If a school changes the Program of Study, does the student get a new Eligibility Notice?

At a Business, Trade, or Technical school, if the program of study change impacted the student's eligibility or the change has resulted in the student's ineligibility due to reaching the maximum number of awards permitted for that program, a new notice generates. Otherwise, if the eligibility is not impacted, the student will not receive a new notice.

At institutions where program of study is reported for purposes of distinguishing associate versus a bachelor's degree, the change will only result in a new Eligibility Notice if eligibility was impacted (i.e. the student has reached the maximum number of payments for the type of degree).

ACADEMIC PROGRESS (Section D)

If a school checks academic progress after the Spring term and the student has a deficit, can credits be "made up" over the summer?

Yes! Many schools encourage students to make up credits over the Summer term so that they may have eligibility reinstated for the subsequent academic year.

Is it correct that PHEAA uses the Summer term as a trailer? Is it a conflict if a school uses the Summer term as a header for checking progress?

PHEAA uses the Summer term as a trailer for eligibility and award processing. This has no impact on the academic progress cycle chosen by the school. As noted in the *2015-16 and Summer 2016 State Grant Certification Procedures* (page 2-16), schools have the option of selecting Summer as a header or trailer.

Can you please clarify policy regarding when the progress review begins?

We've created Appendix A to aid schools in determining what term begins the progress review cycle.

How should a school document when academic progress is checked?

Your school must document when progress is checked within your school's policies and/or procedures manual. PHEAA's Program Review staff will request this information upon an entrance interview.

Once we mark a student as ineligible for academic progress (Reject P), do we need to re-evaluate?

Yes, re-evaluate a student's eligibility term-by-term to determine if State Grant progress has been re-established. If so, then you may reinstate the State Grant award for the next academic term. The first option is for your school to cancel for the entire award year and reinstate progress, if applicable, after the Fall term evaluation as illustrated in *Example 1*. The second option is for your school to cancel the Fall term only and then cancel Spring after the Fall term evaluation, should the deficit still exist as illustrated in *Example 2*.

Example 1 – Assumptions: School cancelled for progress for all subsequent terms upon initial progress review; no summer term attendance; and school operates on a semester schedule.

Timing	Student's Deficit	Status	
		Fall	Spring
After initial progress review	Short 3-credits	P (Academic Progress Reject)	P (Academic Progress Reject)
After Fall term	3-credit deficit made up – School must reinstate Spring	P (Academic Progress Reject)	Award

Example 2 – Assumptions: School cancelled for progress for only Fall upon initial progress review; no summer term attendance; and school operates on a semester schedule.

Timing	Student's Deficit	Status	
		Fall	Spring
After initial progress review	Short 3-credits	P (Academic Progress Reject)	Award
After Fall term	Remains short 3-credits – School must reject Spring	P (Academic Progress Reject)	P (Academic Progress Reject)

Does my school need to be concerned with remedial courses taken at a prior school if my school does not offer remedial courses?

Yes! When reviewing academic progress, you must consider any remedial exceptions used for the academic period that you are evaluating. Your school must evaluate if the credits earned were commensurate with the half-time or full-time State Grant received. If the student earned remedial credits but did not have a remedial exception granted at the previous school during the period being evaluated and did not earn enough regular credits to fulfill the State Grant minimum enrollment requirements, your school must report the lack of progress. For additional information, please refer to *Chapter 2, Section A, paragraph 5*.

Can you please provide more information on reviewing academic progress with remedial credits?

We've created Appendix B to aid schools in reviewing progress when remedial credits are included.

If a student repeats a class but is under a different major, does the academic progress policy regarding repeat courses apply?

The policy applies if the student initially earned the credits within the past ten years regardless of the student's change of major. In this instance, that course cannot be applied toward progress.

How does a school know if the school a student is transferring from is a State Grant approved or Title IV eligible school?

PHEAA annually publishes a list of State Grant-approved Pennsylvania institutions and the most frequently attended out-of-state schools in the *State Grant Program Manual*. This document is made available to the public on PHEAA.org/forms under the "General Documents and Forms" heading. If the school is not listed, you may check to see if the school is Title IV-approved by checking the Federal School Code list on the IFAP website under the iLibrary. You may also contact PHEAA if you are unsure.

The current links are:

School Code list	http://ifap.ed.gov/ifap/fedSchoolCodeList.jsp
iLibrary	http://ifap.ed.gov/ifap/iLibrary.jsp

For mid-year transfer students, must we rely on the other school to have checked progress or could we check on our end?

When a student has a State Grant award for the Fall term and transfers to your school for the Spring term, your school has two options:

1. Assume that the previous school reviewed progress for the **previous** cycle based upon the existence of the Fall award. In this case, PHEAA recommends that your school keep a copy of the status of the State Grant record as of the date academic progress was reviewed as noted in *Chapter 2, Section D, paragraph 4.b*.
2. Complete the progress review for the **previous** cycle. Your school is not required to assume that the previous school had verified as noted in #1.

We check progress for all incoming mid-year transfer students, should we document this process?

Documenting that your school checks progress for all incoming mid-year transfer students is not a PHEAA requirement. However, it is helpful to document this information in your school's procedures.

Must you document when you decide not to check progress for a mid-year transfer student who has received an award in the Fall term or can we refer back to Partner Interface?

Since the information in Partner Interface could change as updates are made from other sources, you should keep "point-in-time documentation" that you have followed the procedures correctly. This could be a print out or screen capture of the display showing the award and the date.

If a student who was approved for a medical exception requires an additional exception for another term, does the student need to submit another exception form?

Yes. Students must submit an academic progress exception form and supporting documentation for each term for which an exception is being requested. If a student has extraordinary circumstances that require an additional exception for another term, an additional form with supporting documentation must be submitted. Exceptions are granted on a case-by-case basis.

If a student was approved for a medical exception for the Fall term and does not complete all the credits registered for the Fall term, is the student eligible for Spring?

No, the student must complete the minimum number of credits commensurate with the State Grant award received in the Fall term (full-time or half-time) in order to continue eligibility for subsequent terms (Spring, in this instance).

CITIZENSHIP (Section E) AND PENNSYLVANIA DOMICILE (Section F)

Can you please provide clarity on the DREAM Act with regard to Pennsylvania State Grant eligibility?

As of this date, there is no type of DREAM Act legislation that has been passed that impacts the Pennsylvania State Grant Program.

When a student moves to PA from another country due to a conflict/seeking asylum in the United States, why do they have to meet the domicile one-year residency requirement?

The Pennsylvania State Grant statute requires that a student is either a citizen of the United States or taking steps to become a citizen and, at the time of the application, must have been a bona-fide Pennsylvania domiciliary for at least twelve consecutive months immediately preceding the date of the application.

Why does a veteran moving to PA have to meet the domicile one-year residency requirement?

All students must meet the twelve-month residency requirement, as indicated in the statute. PHEAA does not consider an active-duty Pennsylvania resident whose military documentation states a home-of-record as Pennsylvania to have abandoned his/her residency for the sole-reason of being assigned elsewhere. If that student is no longer active-duty and does not return to Pennsylvania, while being a veteran, he/she is no longer a Pennsylvania resident. Conversely, a veteran (or an active-duty military member whose home-of-record is not Pennsylvania that moves to Pennsylvania) must meet the same statutory residency requirement as all other students.

SOCIAL SECURITY NUMBER CORRECTIONS (Section I)

When a student files the FAFSA® with the wrong SSN and the school requires that the student files again and the student files after the deadline, will the student be able to have consideration for eligibility?

PHEAA only creates State Grant records when the U.S. Department of Education verifies an SSN match with the Social Security Administration. The date of filing associated with that FAFSA is the date used by PHEAA to determine an “on-time” filing status. A student who is in this situation and is considered “late” for State Grant purposes should submit the following information to PHEAA: 1) the original Student Aid Report (SAR); and 2) other supporting documentation verifying that the date of the original application was prior to the filing deadline.

SATISFACTORY CHARACTER (Section K)

If a student is asked to leave the campus (ex: due to inappropriate behavior), does the school have to report the issue to PHEAA as a Satisfactory Character issue?

For State Grant purposes, satisfactory character means not having a felony conviction. Therefore, inappropriate behavior which results in expulsion, etc. does not require reporting to PHEAA. Please see *Schedule A (Pennsylvania State Grant Program), Section 2 (b), Institution Obligations*, of your school's *Master Program Participation Agreement*.

CHAPTER 3 – ATTEMPTED CREDITS REPORTING

REQUIREMENT (Section A)

If the student withdraws, must schools re-report the reduced number of attempted credits?

The answer depends upon the withdrawal date of the student and if the withdrawal occurred prior to or after the institutional census date. As a reminder, effective with the 2014-15 Academic Year, the reporting requirement is a snapshot of the number of classroom and online credits for which the student is registered at the time of the institutional census date or enrollment freeze date for each term. Reporting requirements are separate requirements from the award adjustment policies for withdrawals, drops, and adds outlined in *Chapter 4, Section C* of the *Certification Procedures*.

What attempted credit information is available in PageCenter?

As noted in *Appendix C* of the *Certification Procedures*, PHEAA is generating two reports for each term regarding the attempted credit reporting. One report identifies all students with outstanding data; the other summarizes all completed students and the data entered.

How long does the *Completed Attempted Credits* report stay in PageCenter?

The *Completed Attempted Credits* report remains active in PageCenter for informational purposes.

Under which category should hybrid /blended courses be reported?

Hybrid courses should be reported based on their classification. As indicated in *Chapter 2, Section A.2 (Instruction Delivery and Enrollment)*, blended/hybrid classes that meet at least 50% of the total instructional time through in-classroom instruction should be reported as “in-classroom.” Those that meet for less than 50% of the total instructional time through in-classroom instruction should be reported as “online.” If you cannot clearly define the percentage, it should be considered and reported as “online.”

Must schools report attempted credit information for students who are not enrolled for one term but awarded for another?

Attempted credit information is only being collected for terms where the student received a State Grant award. The State Grant *Attempted Credits* report provides a snapshot of the student record for the entire academic year. Student records that show dashes in one of the term award columns do not require reporting for that term since the student does not have an award for that term (not enrolled, etc.).

Should ‘winterim’ credits be reported if not used for enrollment purposes?

Only the credits used toward Fall or Spring term enrollment should be reported as attempted credits if:

1. those credits are used for enrollment purposes; and
2. the census date has not passed.

CHAPTER 4 – PENNSYLVANIA STATE GRANT COSTS AND AWARD ADJUSTMENTS

AWARD ADJUSTMENTS FOR WITHDRAWALS, DROPS AND ADDS *(Section C)*

For partial withdraws, must the student and school come to a decision as to whether the student retains the full-time award/counter?

In instances where the student partially withdraws to an enrollment status of half-time, it is ultimately the school's choice to either update the student's record to the half-time award, thereby using a half-time counter; or follow PHEAA's withdrawal policy, adjusting the award while retaining the full-time counter.

PHEAA recommends if the school elects to adjust the award amount, that the student be counseled. Students should be advised that they may repay the school the State Grant within the time frames indicated in the student refusal guidelines set forth in *Chapter 2, Section M* of the *2015-16 and Summer 2016 State Grant Certification Procedures*. In those instances, the school must advise the student to refuse the State Grant award and return the funds. Once PHEAA processes the cancellation, the student's award counter will then be "freed up" for a possible future award. The student also has the benefit of fewer issues with academic progress.

DIFFERENT EDUCATIONAL COSTS *(Section E)*

Must schools maintain documentation of the cost overrides performed or will the system data suffice?

Schools must maintain documentation showing the student's actual tuition and fees. PHEAA does log a student activity noting the cost override information submitted so the school is not required to maintain replica information.

I understand the tuition and fees exceeding the charges used by PHEAA for processing by at least 25% are not required to be reported. However, if I elect to report them, how do I go about the submission?

Only reduced student tuition and fees, those which schools are required to report, may be submitted via the "Cost Override" feature. Increased student tuition and fees, those that exceed those on record with PHEAA by at least 25%, may only be reported using the "Special Request" feature in Partner Interface. This must be done on a term-by-term basis. As a reminder, if the student is already receiving the maximum State Grant award, or if the student's total educational costs exceed the State Grant Need Analysis formula's cost cap (\$32,000 for 2015-16), increased cost reporting will have no impact on the State Grant award. Please refer to *Chapter 4, Section E, and paragraph 1.d*.

CHAPTER 5 – DISBURSEMENTS AND CASH MANAGEMENT

MAINTAINING AND ACCOUNTING FOR FUNDS *(Section A)*

If my school owes funds because of a Program Review, may we pay by paper check?

Yes. If a payment is due because of a Program Review finding(s) and your school elects to pay via paper check, the payment and correspondence must be mailed to:

PHEAA
Program Review
1200 North 7th Street
Harrisburg, PA 17102

PHEAA's Compliance department will receive and take responsibility for payment processing.

FINANCIAL RESPONSIBILITY AND PROGRAM INTEGRITY *(Section B)*

If my disbursements are held, will I still maintain access to the PHEAA systems so that I can continue to process changes and submit data?

Access to PHEAA systems will not be interrupted even if State Grant disbursements are on hold.

DEFINING TERMS/PAYMENT PERIODS, TERM LENGTH AND START DATES *(Section C, paragraph 2.b.i)*

My school offers 2, 8-week long sessions. The second session begins in July but the student was awarded on my June roster. How should I proceed?

Your school may hold the funds awarded with the June roster. However, since this student's second summer session has not yet started, your school may not credit the student's account with the State Grant payment until:

- After the start of the second session
- After enrollment and eligibility are confirmed.

A preliminary credit may be applied based on the Summer roster but must be removed if the student does not enroll as planned.

DEFINING DISBURSEMENT ROSTERS, DISBURSEMENT ROSTER AVAILABILITY AND FUNDS AVAILABILITY *(Section F, paragraph 6)*

How can schools with high adjustment percentages, which make timely enrollment changes, receive the remainder of the funds so that all eligible students on the roster and those with acceptable notification can be credited in a timely fashion?

Schools can request a supplemental roster once the first one has been returned to receive any balances owed by PHEAA to the school. This roster may include additional students that were not awarded in time for the first roster. Only one supplemental roster can be requested each term.

Where is the school activity page?

The school activity page is viewable by logging into the school portal (*Alec*) and selecting "Access State Grant & Special Programs" from the State Grants menu or dropdown. This transaction type-in is FC5S. FC5S requires your school's 8-digit OE Code and 2-position PHEAA OE suffix (usually "01"). PHEAA staff uses this transaction to document substantive, institutional inquiries and responses. You may also find items such as entries that record the submission of a web certification page (logs overnight). A document named "State Grant Transactions" listing all remaining school "green screen" (OC/Webconnect) transactions is located in the Document Library under *State Grant Program/Technical and Processing Information*.

What can be done about eligibility changes that cause my school to go "out-of-balance" while I am reconciling or after I have reconciled?

PHEAA recommends that you adhere to deadlines and follow the best practices listed in *Section F, paragraph 2.d*. Timely reporting of eligibility and enrollment changes by all schools is key to making sure you can reconcile by the deadlines and prevent future academic period disbursement holds. PHEAA recommends that you also monitor your school's balance on the FG3S College Disbursement Display on a regular basis (at least weekly) so that you can request additional rosters as needed. The following scenarios and recommendations illustrate why this is so critical!

Scenario	Recommendations
The student is still in the "30 day" window and has not yet been cancelled for "less than 50% classroom attendance."	<ul style="list-style-type: none">• Report all "less than 50% classroom attendance" as soon as possible and no later than February 28 so that the cancellations occur prior to first reconciliation rosters being generated (approximately March 28, 2016).• If your reporting cannot be completed at least 30 days prior to the first reconciliation roster, monitor and request an additional reconciliation roster.
The student is ineligible for 2015-16 due to the maximum number of payments and suddenly becomes eligible due to a previous school's cancellation for "not enrolled" of the 2014-15 Academic Year award.	<ul style="list-style-type: none">• Be mindful of how your late submission of eligibility and enrollment changes impacts other schools, PHEAA, and ultimately the general population of students!• Be aware that your late submission of eligibility and enrollment changes:<ul style="list-style-type: none">» Shows lack of administrative capability» Inhibits PHEAA from having finalized data from which to make more accurate future awarding estimates and spending projections» May cause the student to be missed for a timely award in a subsequent term» May cause another school to go out-of-balance or require additional rosters in a subsequent term
PHEAA completes an eligibility review and awards the student.	<ul style="list-style-type: none">• Review the weekly <i>2015-16 Validation/Other Rvw</i> report in PageCenter and encourage students to respond to requests for information from PHEAA as soon as possible. Refer to <i>Appendix C</i> regarding this report.• Keep in mind that the student reconsideration deadline is April 1st.• Remember that although the student reconsideration deadline for the academic year is April 1st, if the student continues to submit incomplete information to PHEAA within 30 days of being notified, the review may not be resolved until well past that date.

MISCELLANEOUS

When a school grants a student a dependency override for financial independence, does PHEAA let the student know?

PHEAA does not notify a student based upon a school-granted dependency override. A student will remain dependent and have an incomplete record until he or she submits parental information or requests independent status from PHEAA. As needed, PHEAA provides the appropriate State Grant Financial Independence or Guardian form, depending upon the student's situation. PHEAA will consider the school's professional judgment when reviewing the student's request and the student's ability to satisfy PHEAA's financial independence requirements.

For current users of Certification Transmissions, what is required for annual preparation for a new academic year's file?

It is the school's responsibility to contact PHEAA regarding testing (or opting out) and arranging for the first production run. All current school users must email PHEAA a plan for testing or confirm a choice to opt out of testing. Contingent upon test results, additional testing may need to occur. Currently, PHEAA does not have an automatic notification process so there needs to be diligent communication to PHEAA regarding your school's test plans.

APPENDIX A

POLICY CLARIFICATION REGARDING WHEN PROGRESS REVIEWS BEGIN

The following clarification was added to the procedures this year. As a reminder, this is **NOT NEW**. We realized last year during the workshops that it was not clear. The *Certification Procedures* focus on a summer term example.

Note: The term “State Grant” here also applies to SGDEPP awards since State Grant eligibility criteria is a prerequisite for being nominated in the SGDEPP program and SGDEPP recipients are held to the same academic progress standards.

D. ACADEMIC PROGRESS

Academic Progress is a regulatory (Regulation § 121.58) requirement whereby each grant recipient must make normal academic progress from year to year in order to retain State Grant eligibility.

1. DEFINITION

For the State Grant Program, normal or satisfactory academic progress means that for each academic year (Fall, Winter, Spring, and/or Summer term) during which State Grant aid is received, a student must successfully complete the minimum number of credits (clock hours) appropriate to the student’s enrollment status starting with the terms for which State Grant aid was received. Satisfactory academic progress is a quantitative measure. Qualitative measures such as grade point average (GPA) are not evaluated for State Grant purposes. **Before crediting a State Grant to a recipient’s account, certify that, FOR THE LAST ACADEMIC YEAR DURING WHICH THE STUDENT RECEIVED STATE GRANT AID, the student completed the required minimum number of credits or clock hours for the terms” award. Credits earned in terms prior to the receipt of the State Grant award(s) being reviewed do not count towards academic progress. The State Grant Academic Progress review must begin with the first term where State Grant aid is received.**

ADDITIONAL EXAMPLES

Example 1

School checks progress after Spring and operates on a semester schedule

Term	Summer 2014	Fall 2014	Spring 2015
Credits Attempted	None – Not enrolled	None – Not enrolled	12
State Grant Awarded	N/A	N/A	Full-time
Credits Earned	N/A	N/A	12
SUMMARY:	The progress check BEGINS with the Spring term. The student needs 12 credits to pass progress and earned 12.		
ACTION:	No action – Approved for State Grant Academic Progress		

Example 2

School checks progress after Spring and operates on a semester schedule

Term	Summer 2014	Fall 2014	Spring 2015
Credits Attempted	6	None – Not enrolled	12
State Grant Awarded	No Summer application	N/A	Full-time
Credits Earned	6	N/A	12
SUMMARY:	The progress check BEGINS with the Spring term. The student needs 12 credits to pass progress and earned 12 in the Spring term. The Summer credits are not part of the evaluation since they were earned before a State Grant was received.		
ACTION:	No action – Approved for State Grant Academic Progress		

Example 3

School checks progress after Spring and operates on a semester schedule

Term	Summer 2014	Fall 2014	Spring 2015
Credits Attempted	None – Not enrolled	3	12
State Grant Awarded	N/A	No State Grant – Ineligible for Less Than Half-Time	Full-time
Credits Earned	N/A	3	9
SUMMARY:	The progress check BEGINS with the Spring term. The student needs 12 credits to pass progress and earned only 9. The 3 credits from the Fall term may not be counted since they were earned prior to State Grant eligibility.		
ACTION:	Reject for progress.		

Example 4

School checks progress after Spring and operates on a semester schedule

Term	Summer 2014	Fall 2014	Spring 2015
Credits Attempted	6	3	12
State Grant Awarded	Half-time	No State Grant – Ineligible for Less Than Half-Time	Full-time
Credits Earned	3	3	12
SUMMARY:	The progress check BEGINS with the Summer term. The student needs 18 credits to pass progress and earned 18. The 3 credits from the Fall term may be counted since they were earned after the term where the progress check had begun.		
ACTION:	No action – Approved for State Grant Academic Progress		

Example 5

School checks progress after Spring and operates on a semester schedule

Term	Summer 2014	Fall 2014	Spring 2015
Credits Attempted	6	12	12
State Grant Awarded	Half-time	No State Grant – 100% online	Full-time
Credits Earned	3	12	9
SUMMARY:	The progress check BEGINS with the Summer term. The student needs 18 credits to pass progress and earned 24. The 12 credits from the Fall term may be counted since they were after the term where the progress check had begun. Although this student did not receive a State Grant or a SGDEPP award, the credits earned can be applied for academic progress purposes.		
ACTION:	No action – Approved for State Grant Academic Progress		

Example 6

School checks progress after Spring and operates on a semester schedule; has SGDEPP award

Term	Summer 2014	Fall 2014	Spring 2015
Credits Attempted	6	12	12
State Grant Awarded	Half-time	SGDEPP grant – 100% online	Full-time
Credits Earned	3	12	9
SUMMARY:	The progress check BEGINS with the Summer term. The student needs 30 credits to pass progress and earned 24. The 12 credits from the Fall term must be considered in the progress review since the student was awarded by the SGDEPP.		
ACTION:	Reject for progress.		

Example 7

School checks progress after Spring and operates on a semester schedule; has SGDEPP award

Term	Summer 2014	Fall 2014	Spring 2015
Credits Attempted	6	12	12
State Grant Awarded	No Summer application	SGDEPP grant – 100% online	Full-time
Credits Earned	6	9	12
SUMMARY:	The progress check BEGINS with the Fall term. The student needs 24 credits to pass progress and earned 21.		
ACTION:	Reject for progress.		

Example 8

School checks progress after Spring and operates on a semester schedule

This example set illustrates year to year reviews

YEAR 1			
Term	Summer 2014	Fall 2014	Spring 2015
Credits Attempted	Not enrolled	Not enrolled	12
State Grant Awarded	No Summer application	N/A	Full-time
Credits Earned	N/A	N/A	9
SUMMARY:	The progress check BEGINS with the Spring term. The student needs 12 credits to achieve progress but only earned 9. Reject for progress until the deficit of 3 credits is made up.		

YEAR 2			
Term	Summer 2015	Fall 2015	Spring 2016
Credits Attempted	6	12	12
State Grant Awarded	No Summer application or Summer application and marked as Reject P due to Year 1 deficit	Full-time	Full-time
Credits Earned	6	9	12
SUMMARY:	For Year 1, the student needed 12 credits to achieve progress but only earned 9. Three of the 6 credits earned during the Summer 2015 were used for the Year 1 deficit and progress was re-established beginning with the Fall of 2015. The other 3 credits earned in Summer 2015 may NOT be used for the Year 2 progress review (Fall 2015 deficit) since the review for this period begins with the Fall 2015 term.		

YEAR 3			
Term	Summer 2016	Fall 2016	Spring 2017
Credits Attempted	6	12	12
State Grant Awarded	Reject P	Full-time	Full-time
Credits Earned	6	12	12
SUMMARY:	The student was rejected for progress for Year 3 due to a 3 credit deficit from Year 2 (Fall 2015). The student made up the 3 credit deficit during the Summer 2016 and progress was re-established for Fall 2016. The progress review for Year 3 that will be effective for Year 4 eligibility (Summer 2017 and 2017-18) begins with the Fall 2016 term. For Year 4, the student will continue to meet progress based upon the credits earned for Year 3 (Fall 2016 and Spring 2017).		

APPENDIX B

REVIEWING ACADEMIC PROGRESS WITH REMEDIAL CREDITS

The total number of remedial credits that can be applied towards achieving academic progress is dependent up on the remedial exception indicators that are applied to the student's award record. The chart below indicates the maximum and minimum number of remedial and regular credits that may be counted toward academic progress within a review period. It is possible that a student who is taking remedial credits does earn sufficient regular credits to achieve academic progress. If this is not the case and remedial credits need to be considered, then the instructions below can provide guidance as to when and how many remedial credits may be used for academic progress determinations. As this evaluation looks at total credits earned, both regular and remedial, it does not matter for a failed course (ex: Math 098) that the subsequent credits earned is for the same course (ex: it could be Math 097).

TOTAL ALLOWABLE REMEDIAL CREDITS FOR PROGRESS SEMESTER SCHOOLS		
Total Remedial Exception Indicators Reported	Maximum Number of Remedial Credits Permitted Towards Progress	Minimum Number of Regular Credits Needed for Progress
1.00	12	12
0.75	9	9
0.50	6	6
0.25	3	3
The total number of credits needed for academic progress is dependent upon the number of State Grant award counters for the year.		

A review period means the "cycle" by which the school reviews progress:

- A Summer "trailer" (Fall, Winter, Spring, Summer); or
- A Summer "header" (Summer, Fall, Winter, Spring)

This cycle must be the same for every student at the institution.

Note: The calculation of earned credits begins with the first term of the review period in which a State Grant is awarded. Credits earned in any term prior to the first awarded term may not be counted toward academic progress.

Key questions to ask to determine if remedial credits may be used to achieve academic progress include:

Question 1: Did the student have a remedial exception reported during the review period?

Answer 1: The answer to this question must be "yes" in order to continue. Otherwise, remedial credits may not be used in determining academic progress.

Question 2: Based upon the number of total credits required to make progress for the review period, is the total number of remedial credits permitted more than half of the total number of regular credits needed for progress?

Answer 2: The answer to this question must be "no" in order to consider the remedial credits that the student earned during the review period towards the total needed for academic progress.

Refer to examples 1 through 7 below:

EXAMPLE 1 – SCHOOL REVIEWS PROGRESS AFTER THE SUMMER TERM			
Term	Fall 2014	Spring 2015	Summer 2015
Credits Attempted	9 regular, 6 remedial	6 regular, 6 remedial	3 remedial
State Grant Awarded	Full-time	Full-time	None
Rem. Exp. Reported	Yes	Yes	No
Credits Earned	6 regular, 6 remedial	6 regular, 3 remedial	3 remedial
SUMMARY:	Student needs 24 credits of which no more than 12 can be remedial. The student earned 12 regular credits and 12 remedial credits.		
ACTION:	No Action - Approved for State Grant Academic Progress		

EXAMPLE 2 – SCHOOL REVIEWS PROGRESS AFTER THE SUMMER TERM			
Term	Fall 2014	Spring 2015	Summer 2015
Credits Attempted	9 regular, 6 remedial	6 regular, 9 remedial	None - Not enrolled
State Grant Awarded	Full-time	Full-time	N/A
Rem. Exp. Reported	Yes	Yes	N/A
Credits Earned	9 regular, 6 remedial	0 regular, 9 remedial	N/A
SUMMARY:	Student needs 24 credits of which no more than 12 credits can be remedial. The student earned 9 regular credits and 15 remedial credits.		
ACTION:	Reject for progress.		

EXAMPLE 3 – SCHOOL REVIEWS PROGRESS AFTER THE SUMMER TERM			
Term	Fall 2014	Spring 2015	Summer 2015
Credits Attempted	9 regular, 3 remedial	12 regular, 3 remedial	None - Not enrolled
State Grant Awarded	Full-time	Full-time	N/A
Rem. Exp. Reported	Yes	No	N/A
Credits Earned	6 regular, 3 remedial	12 regular, 3 remedial	N/A
SUMMARY:	Student needs 24 credits of which no more than 6 credits may be remedial.		
ACTION:	No Action - Approved for State Grant Academic Progress		

EXAMPLE 4 – SCHOOL REVIEWS PROGRESS AFTER THE SUMMER TERM			
Term	Fall 2014	Winterim 2015	Spring 2015
Credits Attempted	9 regular, 3 remedial	3 remedial	12 regular, 3 remedial
State Grant Awarded	Full-time	No	Full-time
Rem. Exp. Reported	Yes	No	No
Credits Earned	6 regular, 0 remedial	3 remedial	12 regular, 3 remedial
SUMMARY:	Student needs 24 credits of which no more than 6 credits may be remedial.		
ACTION:	No Action - Approved for State Grant Academic Progress		

EXAMPLE 5 – SCHOOL REVIEWS PROGRESS AFTER THE SPRING TERM			
Term	Summer 2014	Fall 2014	Spring 2015
Credits Attempted	3 regular, 3 remedial	12 regular, 3 remedial	12 regular, 3 remedial
State Grant Awarded	Half-time	Full-time	Full-time
Rem. Exp. Reported	Yes	No	No
Credits Earned	3 regular, 3 remedial	9 regular, 3 remedial	12 regular, 3 remedial
SUMMARY:	Student needs 30 credits of which no more than 3 credits may be remedial. The student earned a total of 24 regular credits and 9 remedial credits for 33 credits. However, since only one remedial exception for half-time enrollment was reported, only 3 credits of remedial credits can be counted towards progress.		
ACTION:	Reject for progress.		

EXAMPLE SET 6 – SCHOOL REVIEWS PROGRESS AFTER THE SPRING TERM			
YEAR 1			
Term	Summer 2014	Fall 2014	Spring 2015
Credits Attempted	None – Not enrolled	12 regular	9 regular, 3 remedial
State Grant Awarded	N/A	Full-time	Full-time
Rem. Exp. Reported	No	No	Yes
Credits Earned	N/A	12 regular	9 regular, 0 remedial
SUMMARY:	Student needed 24 and earned 21.		
ACTION:	Reject for progress.		
YEAR 2			
Term	Summer 2015	Fall 2015	Spring 2016
Credits Attempted	3 remedial	12 regular	12 regular
State Grant Awarded	N/A	Full-time	Full-time
Rem. Exp. Reported	No	No	No
Credits Earned	3 remedial	12 regular	12 regular
SUMMARY:	<p>The student’s review period (Summer 2014 through Spring 2015) is extended until the 3-credit deficit is made up. This student made up the 3-credit deficit during the Summer 2015 term since:</p> <ol style="list-style-type: none"> 1. A remedial exception was granted during the original review period (Summer 2014 through Spring 2015); and 2. The counter during the deficit period was .5 (full-time) and the remedial credits earned (3) do not exceed the total remedial credits permitted for this counter (6). 		
ACTION:	Reinstate the student for progress with Fall 2015.		

EXAMPLE SET 7 – SCHOOL REVIEWS PROGRESS AFTER THE SPRING TERM

YEAR 1			
Term	Summer 2014	Fall 2014	Spring 2015
Credits Attempted	None – Not enrolled	12 regular	9 regular, 3 remedial
State Grant Awarded	N/A	Full-time	Full-time
Rem. Exp. Reported	No	No	Yes
Credits Earned	N/A	12 regular	6 regular, 3 remedial
SUMMARY:	Student needed 24 and earned 21.		
ACTION:	Reject for progress.		
YEAR 2			
Term	Summer 2015	Fall 2015	Spring 2016
Credits Attempted	3 remedial	12 regular	12 regular
State Grant Awarded	N/A	Full-time	Full-time
Rem. Exp. Reported	No	No	No
Credits Earned	3 remedial	12 regular	12 regular
SUMMARY:	The student's review period (Summer 2014 through Spring 2015) is extended until the 3-credit deficit is made up. This student made up the 3-credit deficit during the Summer 2015 term since a full-time remedial exception was granted during the original review period (Summer 2014 through Spring 2015) so the maximum number of remedial credits permitted to be used for progress is 6.		
ACTION:	Reinstate the student for progress with Fall 2015.		

Created in 1963 by the Pennsylvania General Assembly, the Pennsylvania Higher Education Assistance Agency (PHEAA) has evolved into one of the nation's leading student aid organizations. Today, PHEAA is a national provider of student financial aid services, serving millions of students and thousands of schools through its loan guaranty, loan servicing, financial aid processing, outreach, and other student aid programs.

PHEAA's earnings are used to support its public service mission and to pay its operating costs, including administration of the Pennsylvania State Grant and other state-funded student aid programs. PHEAA continues to devote its energy, resources and imagination to developing innovative ways to ease the financial burden of higher education for students, families, schools, and taxpayers .

PHEAA conducts its student loan servicing activities nationally as American Education Services (AES) and FedLoan Servicing.

BOARD OF DIRECTORS

Representative William F. Adolph, Jr.
Chairman, Springfield

Senator Wayne D. Fontana
Vice Chairman, Pittsburgh

Senator Ryan Aument
Landisville

Representative Matthew Bradford
Worcester

Representative Mike Carroll
Avoca

Representative Sheryl Delozier
Cumberland

Representative Jaret Gibbons
Ellwood City

Senator Vincent J. Hughes
Philadelphia

Representative Sandra J. Major
Montrose

Representative Michael Peifer
Greentown

Mr. D. Raja
Pittsburgh

Honorable Roy Reinard
Holland

Representative James R. Roebuck, Jr.
Philadelphia

Senator Mario M. Scavello
Monroe/Northampton

Senator Lloyd K. Smucker
Lancaster

Chancellor Timothy R. Thyreen
Waynesburg

Senator Robert M. Tomlinson
Bensalem

Senator Sean Wiley
Erie

Senator John N. Wozniak
Johnstown

PA Secretary of Education

PENNSYLVANIA HIGHER EDUCATION ASSISTANCE AGENCY

1200 North Seventh Street, Harrisburg, PA 17102-1444 · Phone: 800.692.7392

These materials have been developed and paid for by the Pennsylvania Higher Education Assistance Agency (PHEAA) for informational purposes. Although the information contained in this document is believed to be accurate at the time of printing, PHEAA does not guarantee its accuracy. You should independently verify that this information is correct.

GR-CPFAQ
091515

