

Pennsylvania State Grant Program Handbook

2020-21 Academic Year & 2021 Summer Term



Acronyms

ACRONYM	MEANING
ACEN	Accreditation Commission for Education in Nursing
ACH	Automated Clearing House
ADA	Americans with Disabilities Act
ASB	Associate in Specialized Business
AST	Associate in Specialized Technology
BPAMS	Business Partner Access Management System
BTT	Business, Trade, and Technical (BTT) Institutions
CCNE	Commission on Collegiate Nursing Education
CHEA	Council for Higher Education Accreditation
CLEP	College Level Examination Program
CMS	Course Management Software
COA	Cost of Attendance
ED	United States Department of Education
EEA	Educational Expense Allowance
EFT	Electronic Funds Transfer
FAA	Financial Aid Administrator
FAFSA	Free Application for Federal Student Aid
FSA	Federal Student Aid
FSEOG	Federal Supplemental Educational Opportunity Grant
GED	General Education Diploma
HEA	Higher Education Act
HQD	Headquartered and Domiciled
HSON	Hospital Schools of Nursing
IAC	Institutional Approval Committee
ISIR	Institutional Student Information Report
MPPA	Master Program Participation Agreement
NACES	National Association of Credential Evaluation Services
NLNAC	National League for Nursing Accrediting Commission
Non-HQD	Non-Headquartered and Domiciled
NPPI	Non-Public Personal Information
PA-TIP	Pennsylvania Targeted Industry Program
PDE	Pennsylvania Department of Education
PHEAA	Pennsylvania Higher Education Assistance Agency
PIP	Program Improvement Plan
RAA	Remote Access Agreement
RTSS	Ready to Succeed Scholarship
SGF	<i>Pennsylvania State Grant Form</i>
SGSP	State Grant & Special Programs
SSN	Social Security number

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Introduction

The purpose of this publication is to provide participating schools with guidance on how to certify Pennsylvania State Grant (PA State Grant) eligibility and how to request, disburse, manage, and report on the use of PA State Grant funds.

The *PA State Grant Program Handbook* describes the eligibility and review procedures that postsecondary schools must perform for each PA State Grant recipient before the crediting of a 2020-21 Academic Year or a 2021 Summer term payment. Using the procedures set forth in this handbook, institutions are required to certify the eligibility of PA State Grant recipients prior to crediting the students' accounts and must refund to the Pennsylvania Higher Education Assistance Agency (PHEAA) any PA State Grant funds resulting from student or institutional failure to adhere to these procedures. Please note that PA State Grant policies may differ from institutional or federal financial aid policies.

This handbook is effective for the 2020-21 Academic Year and 2021 Summer term and does not reference any prior year publications. If you have questions about previous guidance that is not provided in this Handbook or other PA State Grant Program supporting publications, please email sghelp@pheaa.org.

You are encouraged to advise any other administrative offices at your institution (e.g., Business, Bursar, Admissions, Veterans Affairs, etc.) that provide information or handle rosters and funds of these required procedures.

We appreciate any comments that you have on the *PA State Grant Handbook* as we revise the text annually based on questions and feedback from the financial aid community. Please share your suggestions or enhancements for the *PA State Grant Handbook* with us via an email to sghelp@pheaa.org.

Navigation

With the online version of the *PA State Grant Program Handbook*, you can use the "find" (Ctrl + F) function to locate specific words or phrases related to the topic in which you are interested. The Summary of Changes and Summary of Post-Workshop Corrections are useful sections when you need to compare policies from one year to the next. In addition, there are various hyperlinks within the text that allow you to toggle to related sections for a specific topic. Throughout this document, we use the following symbols to highlight important information:



Change: This symbol is used to represent a change. Refer to the Summary of Changes for a complete list of changes.



Note: This symbol is used when we want to stress important information, or information that historically needed extra clarification.



Tip: This symbol is used when we want to point out a bit of helpful information.

Summary of Changes

This summary is intended to highlight points of change or clarification. You must review the document in its entirety to ensure your understanding of and compliance with the PA State Grant Program requirements.

General – The following are not noted in the Summary of Changes:

- Instances where academic years have been incremented.
- Grammatical changes or other minor language edits that have no impact on policy.

Introduction

LOCATION	SECTION/PARAGRAPH TITLE	CHANGE	TYPE OF CHANGE
Introduction	Not applicable	Added language regarding the academic periods for which the Handbook is applicable and guidance on how to submit feedback.	Clarification
Introduction	Not applicable	Added information on navigation within the online version.	Clarification

Chapter 1 – School & Program Eligibility

LOCATION	SECTION/PARAGRAPH TITLE	CHANGE	TYPE OF CHANGE
Section A, Paragraph 6	School Eligibility Requirements	Provided guidance on how to report a new president.	Clarification
Section C, Paragraph 4	Approved Program of Study	Moved content related to the eligibility of the bona fide 5-year program from Chapter 2. Content related to students' enrollment in approved bona fide 5-year programs remains in Chapter 2 but has moved to the Undergraduate Status section.	Content move
Section E	Term Length	Reorganized paragraphs.	Clarification
Section E, Paragraph 1	Term Length	Removed the "Standard Range Tolerances" from the chart and clarified exceptions below the chart.	Clarification
Section E, Paragraph 1.b	Term Length	Clarified the definition of a term as it relates to modules.	Clarification
Section E, Paragraph 1.d	Term Length	Removed the example terminology from the definition of module in order to clarify the difference between an intersession and a module.	Clarification
Section E, Paragraph 1.e	Term Length	Added the definition for an intersession.	Clarification
Section E, Paragraph 2	Term Length	Clarified language regarding combined and overlapping modules.	Clarification

Chapter 2 – Student Certification of Eligibility

LOCATION	SECTION/PARAGRAPH TITLE	CHANGE	TYPE OF CHANGE
General	Not applicable	Added a note to explain how students are notified of the PA State Grant Program primary eligibility requirements.	Clarification
Section A, Paragraph 2.b	Approved Program of Study, Requirements, Program Structure	Removed language regarding "DE" Program of Study and aligned content with the current practice of using both enrollment mode and HQD status to determine eligibility.	Clarification
Section A, Paragraph 3	Approved Program of Study, Requirements, Academic Credential Status (Admission Status)	Added notation to refer to Section C, Undergraduate Status, for information on a student's enrollment in an approved bona fide 5-year program.	Content move
Section B, Paragraph 1	Enrollment, Enrollment Definitions	Added a note to explain what "Program of Study" means with regard to enrollment for PA State Grant purposes.	Clarification
Section B, Paragraph 2	Enrollment, Instruction Delivery and Enrollment Mode Reporting	Removed language regarding credit reporting since it is no longer applicable.	Deletion

LOCATION	SECTION/PARAGRAPH TITLE	CHANGE	TYPE OF CHANGE
Section B, Paragraph 2	Enrollment, Instruction Delivery and Enrollment Mode Reporting	Removed language regarding “DE” Program of Study and aligned content with the current practice of using both enrollment mode and HQD status to determine eligibility.	Clarification
Section B, Paragraph 2	Enrollment, Instruction Delivery and Enrollment Mode Reporting	Added the mode number for enrollment mode next to the English description of the code (e.g., mode 2, etc.).	Clarification
Section B, Paragraph 3	Enrollment, Enrollment Reporting	Incorporated language regarding primary school changes. Helpful information regarding this function was previously noted in Appendix J.	Clarification
Section B, Paragraph 5	Enrollment, Remedial/ Developmental Course Exceptions	Added a tip regarding using the Partner Interface filtering function to help identify students requiring an update.	Clarification
Section B, Paragraph 5.d.i	Enrollment, Remedial/ Developmental Course Exceptions, Reporting	Expanded language to clarify the policies regarding the reporting deadline for remedial exceptions.	Clarification
Section B, Paragraph 9	Enrollment, Repeat Work	Corrected example to say “only be counted once” instead of “not be counted.”	Clarification
Section B, Paragraph 11	Enrollment, Intersession Enrollment	Revised this section to illustrate that an intersession is not the same as a module for PA State Grant purposes.	Clarification
Section B, Paragraph 12	Enrollment, Enrollments Not Eligible for the PA State Grant Program	Modified content slightly and moved near the end of Section B since the information is applicable to the entire section.	Clarification, Content Move
Section C, Paragraph 2	Undergraduate Status, Undergraduate Enrollment in Graduate/Professional Courses	Revised content to further clarify the guidance when students enroll in graduate/professional courses.	Clarification
Section C, Paragraph 4	Undergraduate Status, Bona Fide 5-Year Enrollment	Moved content related to students’ enrollment in approved bona fide 5-year programs from Section A, Paragraph 8 to this section. Content related to approved bona fide 5-year programs has been moved to Chapter 1, Section C, Paragraph 4.	Content Move
Section D, Paragraph 1	Academic Progress, Regulation and Definition	Added language to reinforce that PA State Grant Program Academic Progress is a quantitative measure and not a qualitative measure.	Clarification
Section D, Paragraph 1	Academic Progress, Regulation and Definition	Clarified Academic Progress policies with regard to extended term length and added an example.	Clarification
Section D, Paragraph 2.c	Academic Progress, Regulation and Definition, 10-Year Look Back	Added clarification on how to handle transfer students with regard to the 10-year look back.	Clarification
Section D, Paragraph 2.e	Academic Progress, Regulation and Definition, Initial Evaluation	Added a note regarding the treatment of credits that are simultaneously earned but do not count toward the student’s degree.	Clarification
Section D, Paragraph 4.c	Academic Progress, Students Returning to Your School, Mid-Year Transfers	Clarified the assumption rule noted in the “DETERMINING IF AN IMMEDIATE ACADEMIC PROGRESS CHECK IS REQUIRED FOR MID-YEAR TRANSFERS” chart.	Clarification
Section D, Paragraph 5	Academic Progress, Consideration of Repeat Courses	Revised language in this section for clarity.	Clarification
Section D, Paragraph 6	Academic Progress, Consideration of Remedial Credits	Added a reminder that remedial exceptions may not be retroactively reported.	Clarification

LOCATION	SECTION/PARAGRAPH TITLE	CHANGE	TYPE OF CHANGE
Section E	Citizenship	Added a new note regarding eligible non-citizens.	Clarification
Section H	Changes in Expected Family Contribution (EFC) & Federal Pell Eligibility	Clarified that Professional Judgment ISIRs are received by the PA State Grant Program but not used for processing eligibility.	Clarification
Section O, Paragraph 2	Different Educational Costs, Reporting Steps	Modified language to include enrollment mode changes as part of the steps required prior to submitting an educational cost override.	Clarification

Chapter 3 – Costs & Award Adjustments

LOCATION	SECTION/PARAGRAPH TITLE	CHANGE	TYPE OF CHANGE
Section A	Educational Costs Used in Calculating a PA State Grant	Added language to explain the annual cost collection requirements.	Clarification
Section B, Paragraph 1	Award Status & Crediting Definitions, Estimated Awards	Expanded upon that language in the existing note regarding the labeling of a PA State Grant award.	Clarification
Section B, Paragraph 2	Award Status & Crediting Definitions, Conditional Awards	Added a note to explain how students are informed of conditional awards.	Clarification
Section C	Award Adjustments For Adds, Drops, & Withdrawals	The title of this section was renamed and the section was reordered in an effort to enhance understanding of the requirements.	Reorganized Section
Section C, Paragraph 1	Award Adjustments For Adds, Drops, & Withdrawals, Definitions	Definitions were added to this section. The definition for “Add” is new whereas the definitions for “Drops” and “Withdrawals” were slightly modified for clarity.	Clarification
Section C, Paragraph 2	Award Adjustments For Adds, Drops, & Withdrawals, Total Withdrawal From School	This existing language was promoted from its original section to its own paragraph.	Clarification
Section C, Paragraph 3	Award Adjustments For Adds, Drops, & Withdrawals, Evaluating Adds/Drops	The language “For Adjustment” was removed from the paragraph title to reinforce that an adjustment action is not permitted for a “drop” and not applicable to an “add.”	Clarification
Section C, Paragraph 4	Award Adjustments For Adds, Drops, & Withdrawals, Evaluating Withdrawals	The language “For Adjustment” was removed from the paragraph title since not all situations in this section require or allow for an adjustment action.	Clarification
Section C, Paragraph 4	Award Adjustments For Adds, Drops, & Withdrawals, Evaluating Withdrawals	The examples were modified to replace “dropped out” with “stopped attending” in order to avoid confusion between the PA State Grant definitions of drops versus withdrawals.	Clarification
Section C, Paragraph 4	Award Adjustments For Adds, Drops, & Withdrawals, Evaluating Withdrawals	Example 3 for an intersession was moved to this section.	Clarification
Section C, Paragraph 5	Award Adjustments For Adds, Drops, & Withdrawals, Evaluating Withdrawals in a Modular Term	<ul style="list-style-type: none"> Removed the language “to make a PA State Grant ‘term.’” Changed the word “adjust” to “update.” Added a reference to the “Evaluating Adds/ Drops” section. 	Clarification

Chapter 4 – Disbursements & Cash Management

LOCATION	SECTION/PARAGRAPH TITLE	CHANGE	TYPE OF CHANGE
Section B, Paragraph 2	Defining Terms/Payment Periods, Term Length & Start Dates, Term Length Definitions	<ul style="list-style-type: none"> Removed “Standard Range Tolerances” column from chart to align with changes made in Chapter 1. Modified language regarding modules under section i. 	Clarification
Section C, Paragraph 3	Defining Disbursement Rosters, Disbursement Roster Availability & Funds Availability, Reconciliation Roster (Annual and Summer)	Added a tip box regarding resources that can be used for reconciliation.	Clarification
Section C, Paragraph 3	Defining Disbursement Rosters, Disbursement Roster Availability & Funds Availability, Reconciliation Roster (Annual and Summer)	Added a footnote regarding the frequency of updates to information displayed on the FG3S College Disbursement Display.	Clarification
Section D, Paragraph 1.b	Crediting	Modified the language to reinforce crediting policies with regard to modular enrollment.	Clarification
Section E, Paragraph 6.a	Excess Cash, Netting Process, & Refunds, Refunds to PHEAA, Payment Guidance	Added a note box to call attention to payment guidance while incorporating language that was previously in this section into the note box.	Clarification
Section E, Paragraph 6.c	Excess Cash, Netting Process, & Refunds, Refunds to PHEAA, Remittance of Refunds that are not a result of Program Review & Audit Findings	Added a note box to call attention to guidance regarding wire transfers and the proper posting of refunds.	Clarification
Section G, Paragraph 2.d	Financial Responsibility & Program Integrity, Preventing the Delay of Funds, Outstanding Refunds	Added a fourth example to the table regarding 2020 Summer refunds.	Clarification

Chapter 5 – Program Reviews & Audits

LOCATION	SECTION/PARAGRAPH TITLE	CHANGE	TYPE OF CHANGE
Section A	Overview	Added two new PHEAA-administered programs to the list of programs that will be subject to a Program Review or Audit.	Clarification
Section A	Overview	Added a note to clarify how the Handbook and Special Crediting Instructions are used with regard to a Program Review and the year being reviewed.	Clarification
Section F, Paragraph 2.f	Program Review & Audit Findings, Administrative Findings	Modified to clarify the difference between PA State Grant and Special Programs roster return requirements.	Clarification

Appendices

LOCATION	SECTION/PARAGRAPH TITLE	CHANGE	TYPE OF CHANGE
Appendix C, Paragraph 4	Viewing Data & Reports, Other Miscellaneous Reports	Expanded the explanation of the “PHEAA Validation/Other Review” report to include the new “Students With Cost Overrides” sub-report and list the existing “Ready to Succeed Income Verification” report.	Clarification
Appendix C, Paragraph 4	Viewing Data & Reports, Other Miscellaneous Reports	Listed descriptions for the new “State Grant Certification Transmission Reports” suite.	Clarification
Appendix I	PA State Grant Certification Checklist	Revised the existing checklist question regarding modular enrollment which resulted in two separate questions.	Clarification
Appendix J, Section D, Paragraph 1.b	Determining Students’ Status and Providing Assistance, Students “Under Review”	Expanded the explanation of the “PHEAA Validation/Other Review” report to include the new “Students With Cost Overrides” sub-report.	Clarification
Appendix J, Section G	Determining Students’ Status and Providing Assistance, Student Ability to Update Enrollment with PHEAA	Removed content regarding the Primary School Change function since this information is now provided in Chapter 2, Section B of the Handbook.	Deletion

Chapter 1 – School & Program Eligibility

A. School Eligibility Requirements

Institutions must meet the following requirements for approval in the PA State Grant Program. Schools that do not comply or cease to comply with these requirements should immediately cease crediting of PA State Grant funds and notify PHEAA.

As specified in 22 Pa. Code § 121.32

1. Approved Institutions in Higher Education Grant Program, if the institution is a college or university located within this Commonwealth, the institution shall be approved by the Pennsylvania Department of Education (PDE) and shall be accredited or a recognized candidate for accreditation with an accrediting body recognized by the United States Department of Education (ED) or the Council for Higher Education Accreditation (CHEA) and its successors; if the college or university is located outside this Commonwealth, the institution shall be degree-granting, shall be operated not-for-profit, shall be legally authorized to do business by the appropriate state licensing or approval authority in the state in which it is doing business, and shall be fully accredited by an accrediting body recognized by ED or the regional institutional accrediting body recognized by CHEA and its successors responsible for accreditation in the state where the college or university is conducting its educational program.
2. If the institution is a hospital school of nursing located within this Commonwealth, the institution shall be initially, provisionally, or fully approved by the Pennsylvania State Board of Nursing and shall be accredited by the National League for Nursing Accrediting Commission (NLNAC), the Commission on Collegiate Nursing Education (CCNE), or any other accrediting body recognized by ED for the accreditation of nursing schools; if located outside this Commonwealth, the institution shall be legally authorized to do business by the appropriate state licensing or approval authority in the state in which it is doing business and shall be accredited by NLNAC, CCNE, or any other accrediting body recognized by ED for the accreditation of nursing schools.
3. If the institution is a trade, technical or business school located within this Commonwealth, the institution shall be approved by PDE or shall currently be, and shall have been throughout the preceding 24 months, licensed by the Pennsylvania State Board of Private Licensed Schools and shall be accredited by an accrediting body recognized by ED or CHEA and its successors, except that this requirement for licensure and accreditation may be waived by the President and Chief Executive Officer for branch campuses of an institution that have been operating satisfactorily in this Commonwealth for 2 years or more; if the institution is located outside this Commonwealth, it shall be degree-granting, shall be operated not-for-profit, and shall be fully accredited by ED or the regional institutional accrediting body recognized by CHEA and its successors responsible for accreditation in the state where the institution is conducting its educational program.
4. All schools must comply with the following:
 - Have on file the current, required participation agreement with PHEAA.
 - 22 Pa. Code § 121.3. Discrimination prohibited.
 - Assertion of their headquartered and domiciled status and any updates to this information that may occur.
 - Notify PHEAA of name or location changes within 30 days of the change by emailing sghelp@pheaa.org. PHEAA may provide a revised Master Program Participation Agreement (MPPA) if required.
 - Agree to provide PHEAA notification of any student at the institution, who is a resident of the Commonwealth, and who is known to the institution to have been convicted of a criminal offense which, under the laws of the United States or the Commonwealth, would constitute a felony, if that

student is otherwise eligible to receive financial aid from the PA State Grant Program. Please refer to **Chapter 2, Section K** for student reporting on this requirement.

5. New owners or new holding/controlling groups of an approved institution are required to notify PHEAA in writing within 30 days of the date of the ownership change. An agreement to assume liability for repayment of PA State Grant funds to PHEAA or to eligible students made necessary by the failure of the previous owner to follow PHEAA regulations must be executed by the new owners. Institutions that fail to execute this agreement will be required to wait 24 months from the date of the ownership change before being considered for approved status within the PA State Grant Program.

Please be aware that a notice of change in ownership is required even in cases where the immediate owner remains unchanged. PHEAA's Institutional Eligibility staff requires that this information be reported to PHEAA and PDE. As a general guideline, if ED considers it to be a change of ownership, then it should be reported to PHEAA for evaluation.

6. INSTITUTIONAL CHANGES – You must report all approved institutional changes to PHEAA prior to May 1 for the Summer Term (e.g., prior to May 1, 2021 for the 2021 Summer term) and prior to August 1 for the academic year (e.g., prior to August 1, 2020 for the 2020-21 Academic Year). PHEAA may need to assign your institution a new PHEAA code and may need to assign a PHEAA “suffix” to accompany your school's Federal OE Code in order to begin processing your students under the institutional change.
 - a. STATUS CHANGES – Schools are required to notify PHEAA in writing if there is a change regarding status as a non-profit/for-profit institution or status as a public/private institution.
 - b. 2-YEAR DEGREE-GRANTING INSTITUTIONS – 2-year institutions that seek to offer 4-year degrees must be granted approvals through their accreditors and state licensing authority prior to seeking approval from ED. Your institution must keep PHEAA up-to-date on this transition by calling 800-443-0646, option 3 or emailing sghelp@pheaa.org.
 - c. BUSINESS, TRADE, AND TECHNICAL (BTT) INSTITUTIONS – BTT institutions that seek a change in status to a 2-year private or 4-year degree-granting institution must seek approval through their accreditors and state licensing authority prior to seeking approval from ED. Your institution must keep PHEAA up-to-date on this transition by calling 800-443-0646, option 3 or emailing sghelp@pheaa.org.



Note: If your institution has a new president, please contact us by emailing updated information to PHEAA's Institution Eligibility staff at sginstitutioneligibility@pheaa.org.

7. In order for a school to have a branch campus processed separately for PA State Grant purposes, PHEAA generally uses the definition of “branch campus” as outlined in the *Federal Student Aid (FSA) Handbook*. A branch campus is geographically apart and independent of the school's main campus. It is considered to be independent of the main campus if it:
 - Is permanent in nature;
 - Offers educational programs leading to a degree, certificate, or other recognized credential;
 - Has its own faculty and administrative or supervisory organization; and
 - Has its own budgetary and hiring authority.

Additional locations and branch campuses at for-profit institutions located outside of Pennsylvania are ineligible for State Grant aid even when the main campus is headquartered and domiciled in Pennsylvania.

Additional locations are not considered branch campuses and do not have to be reported to PHEAA for State Grant processing purposes. However, if an institution processes aid separately for an additional location, it can be considered a branch campus for PA State Grant processing purposes.

8. All schools must comply with all other administrative requirements promulgated by PHEAA.



Note: PA State Grants can only be awarded to students attending schools in states that permit reciprocity of awards with Pennsylvania. The current list of these reciprocal states includes Delaware, District of Columbia, Massachusetts, Ohio, Vermont, and West Virginia. Exceptions for unique programs of study are no longer available for schools in non-reciprocal states.

B. Headquartered & Domiciled Status



Tip: Schools can find their headquartered and domiciled (HQD) status information on FG3Y in OC/WebConnect. In the “HQ” field on this display, a code “Y” indicates “yes” meaning the school is HQD while a code “N” means the school has a Non-HQD status. If the field is blank, as is the case with most out-of-state schools, PHEAA will treat the school as having a Non-HQD status. If the status is incorrect or if your school changes ownership, documentation to evaluate the institutional classification must be submitted by your school. Schools who have not submitted any documentation to PHEAA are treated as Non-HQD.

An institution that is considered HQD is an institution:

- With its principal physical location in the Commonwealth of Pennsylvania; and
- That is either incorporated and headquartered or chartered and headquartered within Pennsylvania.

An institution that meets the above criteria but is owned by a parent company must meet additional requirements to be considered HQD in Pennsylvania:

- The parent company of the school must also be HQD within Pennsylvania.

All institutions that do not meet the above requirements are considered non-headquartered and domiciled (Non-HQD) institutions. A school is required to notify PHEAA’s Institution Eligibility staff at 717-720-2740 if there are any changes in status (e.g., ownership, etc.) as noted in [Section A, Paragraphs 5 & 6](#) of this chapter.

C. Approved Program of Study

Please refer to [Chapter 2](#) for student reporting on this requirement.

1. REPORTING NEW OR CHANGED PROGRAMS – Please follow the guidelines below based upon your current institution type:
 - a. 2-YEAR PRIVATE NON-PROFIT, 2-YEAR PUBLIC, OR 4-YEAR DEGREE-GRANTING INSTITUTIONS – Your school does not need to report new programs of study.
 - b. BTT INSTITUTIONS – Your institution must request approval for a new program of study for the PA State Grant Program by contacting PHEAA’s Institution Eligibility staff at 717-720-2740. Programs must be approved by PDE or by the Pennsylvania State Board of Private Licensed Schools. Please note that programs cannot be eligible for both the PA State Grant Program and PA Targeted Industry Program (PA-TIP).
 - i. If a program was initially approved by PHEAA as a certificate program and is now approved to award an Associate in Specialized Technology (AST) degree or the Associate in Specialized Business (ASB) degree, this information must be reported to PHEAA. Additionally, it must be confirmed on the annual *PA State Grant Educational Cost Form*.

- ii. DEADLINES – As specified in Regulation 22 Pa. Code §121.33, requests for new program approvals must be fully completed prior to May 1 for the Summer term (e.g., prior to May 1, 2021 for the 2021 Summer term) and prior to August 1 for the academic year (e.g., prior to August 1, 2020 for the 2020-21 Academic Year).
 - c. HOSPITAL SCHOOLS OF NURSING – Nursing institutions with approved programs of study must keep PHEAA up-to-date on program structure changes.
- 2. MINIMUM LENGTH – The program must be at least 2 academic years in duration and offered over a period of at least 15 months (no less than 60 weeks of instruction). Two academic years is defined as the equivalent of a minimum of 60 semester credits (90 quarter credits) for a degree program. Required clock hours of instruction are 1,500 clock hours for programs leading to the AST or the ASB degrees. For non-degree programs, a minimum of at least 1,800 clock hours is required (900 minimum per academic year and 450 minimum per Summer term). Requests for approvals of specialized degree programs must indicate whether clock hours OR credit hours will be used to evaluate student eligibility.
 - a. CREDIT VS. CLOCK HOUR PROGRAMS – If the program is approved as a credit hour program, all aspects of the program must be measured in credit hours. If the program is approved as a clock hour program, all aspects of the program must be measured in clock hours. Schools may not use both measures within the same program of study. However, not all programs at the same institution have to be measured in the same manner.
 - b. CHANGES TO PREVIOUSLY APPROVED PROGRAMS – PHEAA requires BTT schools to report any changes to the number of terms, or credit/clock hours in a PA State Grant approved program of study. If applicable, the school must provide documentation from its licensing authority and accrediting agency approving the changes.
- 3. PROGRAM STRUCTURE
 - a. HQD INSTITUTIONS – Effective with Act 5 of 2018, programs at institutions that are headquartered and domiciled in Pennsylvania are eligible no matter the percentage of distance education instruction. These programs must still meet the minimum program length and approval requirements as stated above.
 - b. NON-HQD INSTITUTIONS – Programs at institutions that are not headquartered and domiciled in Pennsylvania must continue to be structured such that at least 50 percent of the minimum program length (as stated above) and in no case fewer than 30 semester credits (45 quarter credits or 900 clock hours), must be earned through classroom instruction. Americans with Disabilities Act (ADA) accommodations do not apply to students enrolled in non-approved programs of study at Non-HQD institutions.
 - i. ONLINE PROGRAMS – The program is structured so that all coursework is primarily taken online even though the individual student may have the opportunity to enroll in some classroom courses. These programs are ineligible for a PA State Grant due to the inherent inability to comply with the program structure minimum defined above.
 - ii. HYBRID PROGRAMS – The program is structured to be a composite of online and classroom instruction. Eligible hybrid programs are limited to no more than 50 percent of the coursework being offered online. If greater than 50 percent of the program is offered online, then PHEAA categorizes this as an online program.
- 4. BONA FIDE 5-YEAR PROGRAMS – For PA State Grant purposes, a bona fide 5-year program must be:
 - 1) structured and approved to be 5 years in length for all students by the Provost/Academic Dean and listed in the institutional catalog as such (documentation from your school catalog must be provided via email to sghelp@pheaa.org); and 2) reported to PHEAA via the annual PA State Grant Educational Cost Form. During the annual cost submission, report to PHEAA, by name, all baccalaureate degree programs which require more than 4 academic years of full-time study for all students.

Dual degree programs or programs where there are 3/2 articulation agreements are not eligible for a fifth year of aid if the program is structured in a manner that the requirements for a bachelor's degree are met after 4 years of enrollment. Please check with your Registrar or Provost if you have questions regarding programs that are bona fide 5-year programs. Once the bona fide 5-year program is approved, you may update students' records as explained in [Chapter 2, Section C, paragraph 4](#).

D. Term Start Dates

Programs must comply with term start date ranges. More information on term start dates as they relate to disbursements and applying payment for a PA State Grant is available in [Chapter 4](#). Since no student may receive more than three semesters or four terms of aid in a consecutive 12-month period, school term and program structures must be categorized within the following term start dates.

In order to coordinate the disbursement of PA State Grant funds with your school's academic calendar, your school must annually verify the academic schedule by which the school operates: two semesters (or trimesters) or three quarters when submitting costs to PHEAA in the March-April time frame.

Generally, schools must follow the official academic calendar on which the student transcript is generated for purposes of PA State Grant aid. The academic transcript is the auditable record of student performance and necessary for consistency of enrollment verification and Academic Progress. Schools may not create a separate calendar for purposes of awarding and disbursing PA State Grants.

If your institution plans on changing your academic schedule, you must contact PA State Grant staff at sghelp@pheaa.org as soon as possible. Changes of schedule between terms during the same academic year are strongly discouraged and must be communicated to PHEAA as soon as possible and no later than August 1 preceding the academic year.

TERM DISBURSEMENT	TERM START DATES	DATE TOLERANCE	DISBURSEMENT PERIOD
Fall Semester	July 16 - November 15	A maximum of 1 to 3 days is permitted at the beginning of the term (July 13 through November 15)	12-month period for a school on the semester schedule
Spring Semester	November 16 - March 15	A maximum of 1 to 3 days is permitted at the beginning of the term (November 13 through March 15)	
Summer Semester	March 16 - July 15	A maximum of 1 to 3 days is permitted at the beginning of the term (March 13 through July 15)	
Fall Quarter	August 2 - November 1	A maximum of 1 to 3 days is permitted at the beginning of the term (July 30 through November 1)	12-month period for a school on the quarter schedule
Winter Quarter	November 2 - February 1	A maximum of 1 to 3 days is permitted at the beginning of the term (October 30 through February 1)	
Spring Quarter	February 2 - May 1	A maximum of 1 to 3 days is permitted at the beginning of the term (January 30 through May 1)	
Summer Quarter	May 2 - August 1	A maximum of 1 to 3 days is permitted at the beginning of the term (April 29 through August 1)	

Note: Term dates indicate the dates during which a student must begin study in order to be eligible for the PA State Grant payment disbursed for the corresponding term disbursement.

E. Term Length

Programs must comply with term length definitions. More information on term length, as it relates to disbursements and applying payment for a PA State Grant, is available in [Chapter 4](#).

1. **ACADEMIC YEAR TERM LENGTH DEFINITIONS** – All references in these procedures to a semester schedule also apply to a trimester schedule. These definitions apply to all schools regardless of whether the school has set terms or continuous enrollment and to half-time recipients, as well as full-time recipients.

TERM	22 PA. CODE § 121.1 DEFINITION	STANDARD RANGE
Semester	A period of approximately 17 weeks normally comprising one-half of the academic year	Minimum of 15 weeks Maximum of 18 weeks
Quarter	A period of approximately 11 weeks normally comprising one-third of the academic year	Minimum of 10 weeks Maximum of 12 weeks
Trimester	A period of approximately 15 weeks normally comprising one-half of the academic year	Treated as a semester

Note: Always consult with PA State Grant staff should you have questions about term length outside of the standard definitions.



Note: For information on foreign academic calendars and study abroad, please refer to [Chapter 2, Section B, Paragraph 10](#).

When the number of weeks exceeds the standard maximum (18 weeks for a semester or 12 weeks for a quarter) by 1 to 3 days, the term may be considered as falling within the standard acceptable range. Otherwise, the calculation for the required number of credits, as outlined in [Paragraph 5](#) of this section, must be applied.

- CONSECUTIVE** – The term consecutive is used to describe periods of enrollment for PA State Grant purposes. When used in reference to an academic year, consecutive describes a 12-month calendar period but does not mean that the calendar period must begin in January. When used to reference a week of instructional time, it means 7 days in a row but does not mean that the week must begin on a Sunday. When used to reference combining modules to meet term length definitions, consecutive means “back-to-back” or overlapping periods of instruction.
- TERM** – A term is a period of instructional time that begins on the first day of classes and ends on the last day of final examinations. If there are no final examinations, the term ends on the last day of scheduled classes. A term may contain modules, in which case, modular crediting instructions apply, please refer to [Chapter 4, Section D, paragraph 1.b](#).
- WEEK** – A week of instructional time is any period of 7 consecutive days in which at least 1 day of regularly scheduled instruction, examination, or (after the last day of classes) at least 1 scheduled day of study for examinations occurs. Instructional time does not include periods of orientation, counseling, homework, vacation, or other activity not related to class preparation or examination. Therefore, the weeks of instructional time may be less than the number of calendar weeks that elapse between the first day of classes and the last day of classes or examinations.
- MODULE** – A period that does not span the entire length of the term.



Note: In order to clarify the difference between an intersession and a module, this definition has been modified from previous years’ guidance.

- e. INTERSESSION – A winter session for schools operating on a semester schedule which offers students an opportunity to take a limited number of credits between the traditional Fall and Spring terms. With regard to the PA State Grant term length requirement, an intersession is not part of and cannot be used to meet the school’s traditional Fall or Spring term length. Intersession enrollment only allows credits to be used for meeting the minimum enrollment requirements for eligibility determination in the term without impacting term length. For more information on intersessions, please refer to [Chapter 2, Section B, paragraph 11](#).
2. COMBINING OF MODULES – In order to meet the term length definitions, PHEAA permits the combining of modules for an academic year term as long as the combination results in a total number of weeks that meets term length requirements and the modules: 1) are consecutive or overlapping¹; and 2) have start dates that comply with term start date ranges. As noted in [Chapter 4, Section D](#), when combining modules, schools may not credit funds to the student’s account until after enrollment certification occurs in the final module that comprises that “term.”
- a. OVERLAPPING OF MODULES – When combining modules, overlap is permitted as long as the number of weeks from the start of the first module to the end of the last module meets the minimum and maximum term length definitions.
3. TERM & MODULE EXAMPLES – Listed below is an example of a term and modules for a semester-based school that is not structured to follow a year-round curriculum. The students can construct their semester schedule from a variety of combinations of courses offered during each of these segments.

TERM & MODULE EXAMPLES							
Term A (Semester) – 15 Weeks							
Module B – 7 ½ Weeks				Module C – 7 ½ Weeks			
Module D – 5 Weeks			Module E – 5 Weeks			Module F – 5 Weeks	
Module G – 3 Weeks		Module H – 3 Weeks		Module I – 3 Weeks		Module J – 3 Weeks	Module K – 3 Weeks
Module L – 2 Wks	Module M – 2 Wks	Module N – 2 Wks	Module O – 2 Wks	Module P – 2 Wks	Module Q – 2 Wks	Module R – 2 Wks	Module S – 1 Wk

Example 1: Fall Term

The student enrolls for six credits in Module D, six credits in Term E, and two credits in Module R. Even though the student has 14 credits, the student is not PA State Grant eligible due to only being enrolled for 12 weeks. The student’s Program of Study should be reported as 00-Other which will result in a Reject “G” due to the program’s inadequate term length.

Example 2: Summer Term - Curriculum is Not Year-Round

The student enrolls for six credits in Module D or six credits in Module E. The student is eligible for a half-time award for Module D or E. If the student enrolls in both Modules D and E for six credits each, the student is eligible for a full-time award. Please refer to [Paragraph 5](#) of this section.

4. TERMS EXCEEDING PHEAA MAXIMUMS – For eligible programs of study with academic terms longer than the standard range provided in [Paragraph 1](#) of this section, the student must be enrolled in additional credits to be considered full- or half-time. This may also impact the minimum credits needed to meet Academic Progress as noted in [Chapter 2, Section D](#). Always consult with PA State Grant staff should you have a question about term length outside of the standard definitions.

¹ Modules must be consecutive or overlapping for the academic year. However, withdrawal from one or more modules does not necessarily preclude a student from being eligible for a PA State Grant award. Please refer to [Chapter 3, Section C](#) for more information.

Examples:

SCHEDULE	CALCULATION	TERM LENGTH	REQUIRED NUMBER OF CREDITS FOR FULL-TIME STATUS
Semester	12 credits minimum/17 weeks = .706 credit factor	20 weeks	.706 X 20 weeks = 14.12 or 14 credits
Quarter (using quarter credits)	12 credits minimum/11 weeks = 1.091 factor	13 weeks	1.091 X 13 weeks = 14.183 or 14 credits
Quarter (using semester credits)	8 credits minimum/11 weeks = .727 factor	13 weeks	.727 X 13 weeks = 9.451 or 9 credits

Note: Credits for full-time students are rounded down to the nearest whole number. For half-time students, divide the full-time result by two to arrive at the number of credits and round up to the nearest whole number.

5. SUMMER TERM LENGTH DEFINITIONS – Term length definition for the Summer term is dependent upon curriculum. Refer to **Chapter 4** for more information on applying PA State Grant payments for the Summer term.
 - a. PROGRAM STRUCTURE IS NOT A YEAR-ROUND CURRICULUM – A Summer term is a period of no less than 5 weeks in length regardless of the academic year term type (semester or quarter). PHEAA permits the combining of various length modules since schools offer a wide variety of class configurations during the Summer term. The major difference from the academic year is that the various courses do not have to be in consecutive weeks.
 - b. PROGRAM STRUCTURE IS A YEAR-ROUND CURRICULUM – The 5-week Summer term does not apply to students enrolled in year-round curricula. This includes the programs at many BTT schools, as well as many of the modular and nontraditional program schedules approved for accelerated degree programs, etc. For students in these programs, all terms must adhere to the program tolerances set forth in **Paragraph 1** of this section.

F. Summer Term Participation



Note: Schools must adhere to the Term Start Date and Term Length definitions described in this chapter. The academic year period cannot include any Summer term enrollment.

1. ELECTING NOT TO PARTICIPATE FOR 2020 SUMMER – Schools may choose not to participate in the Summer PA State Grant Program. Even if your school does not have any Summer PA State Grant applicants, PHEAA will not make any participation assumptions. If a school does not want to participate for the 2021 Summer term, that request must be:
 - Made in writing on school letterhead;
 - Signed by the Financial Aid Administrator; and
 - Emailed to PHEAA via sghelp@pheaa.org no earlier than September 1, 2020 and no later than January 31, 2021².



Note: Please select “no” to the question “Does your school offer Summer term enrollment on at least a half-time basis?” on the annual *PA State Grant Educational Cost Form*.

² PHEAA has no way to record requests earlier than September 1 and cannot accept requests after January 31 in order to ensure enough time for processing of the request and preparation for the release of the Summer application to students in mid-March.



Note: If a request for non-participation is made and the school wishes to retract that request, the retraction **MUST** be made in the same manner noted above and must be received by January 31, 2021. Otherwise, schools will not be able to request participation until the next cycle.

2. If a school declines participation:

- No exceptions can be made. This means all students in all programs at your school would not be eligible to receive Summer awards.
- Your school must also indicate “no” to the question “Does your school offer Summer term enrollment on at least a half-time basis?” on the annual *PA State Grant Educational Cost Form* (from mid-March to mid-April 2021 for 2021 Summer).
- PHEAA will assume that the school is ceasing participation in all subsequent Summer terms unless a request is made in writing for reconsideration of participation.

Chapter 2 – Student Certification of Eligibility



Note: Students are notified of the primary eligibility requirements, including Academic Progress, for the PA State Grant Program in Section II of the *Rights and Responsibilities Certification Document*. Students are advised not to sign the *PA State Grant Form* until they have read and agree to the *Rights and Responsibilities Certification Document*.

A. Approved Program of Study

1. **DEFINING A STUDENT'S PROGRAM** – The program of study is either the initial program of study under which the student was admitted to the institution or the program of study under which the student is currently enrolled. Information on the program of study is specified in the school's academic catalogue. This is an overarching institutional designation of how the program of study is structured and offered. Refer to **Section B, Paragraph 2** of this chapter for categories of delivery.
2. **REQUIREMENTS** – Enrollment in a PHEAA-approved program of study is required. As noted in **Chapter 1, Section C**, the student's program must meet the following definitions:
 - a. **MINIMUM LENGTH** – The program must be at least 2 academic years in duration and offered over a period of at least 15 months (no less than 60 weeks of instruction). Two academic years is defined as the equivalent of a minimum of 60 semester credits (90 quarter credits) for a degree program. Required hours of instruction are 1,500 clock hours for programs leading to the AST or the ASB degrees and at least 1,800 clock hours for non-degree programs. For specialized degree programs, schools must certify students based upon the choice of credit hours OR clock hours that were submitted at the time of program approval.
 - i. **CHANGES TO PREVIOUSLY APPROVED PROGRAMS** – PHEAA requires BTT schools to report any changes to the number of terms, or credit/clock hours in a PA State Grant-approved program of study. If applicable, the school must provide documentation from its licensing authority and accrediting agency, approving the changes.
 - b. **PROGRAM STRUCTURE**
 - i. **HQD INSTITUTIONS** – Effective with Act 5 of 2018, programs at institutions headquartered and domiciled (HQD) in Pennsylvania are eligible no matter the percentage of distance education instruction. These programs must still meet the minimum program length and approval requirements as stated above.

Students who attend institutions which are HQD within Pennsylvania are eligible to receive PA State Grant awards corresponding to their reported enrollment mode, regardless of program structure. As noted in **Section B, Paragraph 2** of this chapter, reporting of enrollment mode is required, both for tracking purposes and so that the final PA State Grant Need formula may be applied based upon the percentage of distance education enrollment.
 - ii. **NON-HQD INSTITUTIONS** – Programs at institutions that are not headquartered and domiciled (Non-HQD) in Pennsylvania must be structured such that at least 50 percent of the minimum program length and in no case fewer than 30 semester credits (45 quarter credits or 900 clock hours) must be earned through classroom instruction. Americans with Disabilities Act (ADA) accommodations do not apply to students enrolled in non-approved programs of study at Non-HQD institutions. A Program of Study of "DE" must be reported which will appropriately place the student in a reject status.

- **ONLINE PROGRAMS** – The program is structured so that all coursework is primarily taken online. These programs are ineligible for PA State Grant due to the inherent inability to comply with program structure minimum defined above. Students enrolled in online programs are ineligible due to the structure of the program of study even though the individual student may have the opportunity to enroll in some classroom courses.
 - **HYBRID PROGRAMS** – The program is structured to be a composite of online and classroom instruction. Hybrid programs are limited to no more than 50 percent of coursework being offered online. If greater than 50 percent of the program is offered online, then the PA State Grant Program categorizes this as an online program. Students enrolled in hybrid programs that do not meet this definition are ineligible due to the structure of the program of study.
3. **ACADEMIC CREDENTIAL STATUS (ADMISSION STATUS)** – PA State Grant recipients are required to be matriculated, degree-seeking and unconditionally admitted³ by the postsecondary institution. Enrollment in an ASB, AST, certificate or diploma program approved by PHEAA is required for students enrolled at BTT institutions.

Program length and the program in which the student is currently enrolled are determining factors in whether or not the student is eligible for a PA State Grant with regard to academic credential status. As defined in **Paragraph 1** of this section, the student's program of study is "...either the initial program of study under which the student was admitted to the institution or under which the student is currently enrolled." Therefore, if the student is enrolled in an associate degree program at a degree-granting institution, the student would meet the academic credential criteria. If the student is enrolled at a degree-granting institution in a certificate program, that program would have to meet the PA State Grant minimum requirements (e.g., at least 2 academic years in length) in order for the student to be eligible for a PA State Grant.



Tip: Report students (such as those completing admission requirements for transfer to another school or those enrolled for personal enrichment) with a Program of Study Code 00-Other (Certification Transmission use code 1 – Yes-Non-Approved or Non-Degree Program in the term Non-Approved or Non-Degree Indicator).

Student payments are limited to the number of terms it requires to complete the credential. By law, no student may receive more than four academic year grants. The only exceptions are bona fide 5-year undergraduate programs (refer to **Chapter 1, Section C, Paragraph 4** and **Section C** of this chapter).

³ The definition of official acceptance or admission versus conditional/provisional admittance is an institutional matter. Students admitted as conditional are regular students only if the school officially accepts them into the eligible degree or certificate program. As with the federal guidelines, if the student is merely allowed to take some courses before being officially admitted to the program, then the student is not considered a regular student and is not eligible for PA State Grant aid until the student is officially admitted. If a student continues beyond the trial period and enrolls as a regular student, the student may be paid for a PA State Grant for the entire payment period as long as all other eligibility requirements are satisfied.

Some indicators that the student has been provisionally admitted to your institution may include:

- Lack of eligibility for Pell (due to conditional admittance)
- Not being admitted into a degree program
- Failure to provide all credentials for regular admittance (e.g., high school diploma, transfer credits, etc.)
- Limit on the number of courses/credits/number of terms of enrollment
- 100% remedial coursework
- If your school only admits transfer students on a provisional basis, this means that the student is ineligible for the PA State Grant until the admission status is no longer provisional.



Note: Students who are enrolled in a 2-year transferrable program at a 4-year institution are limited to 2 years of eligibility unless the student continues enrollment toward the baccalaureate program or enrolls in a different associate degree program. If the student is not pursuing a bachelor's degree or a different associate degree, you must submit a Special Request to cancel the student's eligibility for reaching the maximum number of payments permitted (refer to **Paragraph 6** of this section). Students who are enrolled in two-year terminal programs are automatically limited by PHEAA to 2 years of PA State Grant aid. Please make sure that the Program of Study field in the PA State Grant record accurately reflects the credential being pursued.

PHEAA requires approval of each new program and changes to each existing approved programs at BTT schools. PHEAA also requires separate approvals for separately licensed branch campuses of approved schools (refer to **Chapter 1**). Advise PHEAA immediately if a program or the institution ceases to meet PA State Grant eligibility requirements. For example, the school loses its accreditation or the number of clock hours is decreased below the minimum levels.



Note: Send program eligibility questions regarding this procedure to sghelp@pheaa.org.

All requirements for an approved program of study apply to half-time students, including those related to minimum length. Allowing for compliance with minimum enrollment requirements is a prerequisite for all approved programs.

- a. REPORTING – Confirm enrollment in a PHEAA-approved program before crediting PA State Grant funds to the student's account. When there is no confirmation of such, report and refund the grant to PHEAA.
4. ADJUNCT PROGRAMS (CONTINUING EDUCATION, EVENING, ETC.) – Enrollment in programs of study or courses classified by the school as adjunct, are eligible only under the following circumstances:
 - a. The student is classified by the school as credential-seeking (certificate, diploma or degree).
 - b. The student is receiving at least half-time credit toward the degree (or program objective) for courses taken in such a program.
 - c. The program meets all other requirements in **Chapter 1, Section C**.
5. CHANGES IN A STUDENT'S PROGRAM (ALL SCHOOL TYPES) – When a student changes enrollment from a non-approved to an approved program during the term, eligibility is dependent upon the timing of the program of study change and the date of the term's disbursement roster (not the pre-disbursement roster). If the program of study change is made prior to the term roster, the student is eligible for PA State Grant aid. If the change is made after the roster, the student is not eligible for PA State Grant aid until the next academic term.

The reverse can also be applied if the student was in an approved program of study and then transfers to an ineligible program of study. Eligibility is dependent upon the timing of the program of study change and the date of the term's disbursement roster (not the pre-disbursement roster).

For BTT schools, the student's change in program of study must be reported to PHEAA and the student's record must be reprocessed. Changes should be reported via Partner Interface.

Example:

Student A enrolls in a certificate program that is 1 year in length at PHEAA Community College, a semester school, and transfers to an associate degree program after the Fall term disbursement roster

is produced for the school. The student is not eligible until enrollment begins in the associate degree program during the next full academic term, which is Spring.

- a. PROGRAM ENROLLMENT VERIFICATION – Verify enrollment in the PHEAA-approved program of study as indicated on the disbursement roster to ensure:
 - i. That the calculation of eligibility used the costs associated with the enrolled program. This applies mainly to BTT schools.
 - ii. That the student’s maximum number of award payments (award counters) for the program has been correctly assessed.
- b. REPORTING (ALL SCHOOL TYPES) – The following table provides guidelines for submission of program corrections.

IF...	THEN...
The student changes his program at a BTT school	Submit a correction to the program and withhold grant funds until PHEAA has reprocessed the student using the corrected program.
The date of the student’s enrollment change from an approved to a non-approved program is before the term’s disbursement roster	The student is not eligible for PA State Grant aid.
The date of the student’s enrollment change from an approved to a non- approved program is after the term’s disbursement roster	The student is eligible for PA State Grant aid; however, the award must be evaluated for an adjustment based upon the school’s refund policy and the date of the program change (refer to withdrawals), regardless of the type of institution.
The date of the student’s enrollment change from a non-approved to an approved program is after the term’s disbursement roster	The student is not eligible for PA State Grant aid until the next (term) disbursement of PA State Grant funds and only after the change in status has been reported to PHEAA and the student’s record has been reprocessed.
The date of the student’s enrollment change from a non-approved to an approved program is before the date of the term’s disbursement roster	The student is eligible for PA State Grant aid.

6. MAXIMUM NUMBER OF PA STATE GRANT PAYMENTS – Students are limited to a maximum number of PA State Grants even though some students may require additional terms to complete their program of study. Students enrolled in an associate degree program are typically limited to two academic year PA State Grant payments (2.0 award counter); students enrolled in BTT schools are limited to the number of approved terms.

“Terminal” programs are those that typically do not lead to a bachelor degree and are not transferrable to another institution. Schools that offer terminal programs must verify that students enrolled in such programs have the appropriate “2 year terminal” program code in their PA State Grant records. This will ensure that these students are awarded a maximum 2.0 award counter.



Note: Students can view the number of prior year grants used on the Eligibility Notice which is found in their Paperless Inbox in Account Access.



Note: Some students may reach the maximum number of payments before earning a credential of any kind.

- a. ADDITIONAL TERMS OF AID EXCEPTIONS – By law, no student may receive more than four academic year awards (4.0 counter) except for students enrolled in bona fide 5-year programs. Exceptions for students who have not reached a 4.0 counter may be approved by PHEAA on an individual basis when the student meets one of the following situations:
 - i. Has received one associate degree and is pursuing a second associate degree;
 - ii. Is enrolled in a program of study which requires classroom instruction beyond the number of terms generally scheduled for a 2-year program at a 2- or 4-year college;
 - iii. Has transferred from one approved program to another (different) approved program;
 - iv. Was unable to complete the requirements of the program within the normal period of time because the student withdrew due to medical reasons or was called to active military duty;
 - v. Is unable to complete the program within the normal period due to enrollment in at least 6 semester remedial credits.



Tip: The *Consideration for Additional Terms of State Grant Aid Form* is located in the Document Library in the school portal, Alec. You may scan the form and email it to sghelp@pheaa.org or fax it to 717-720-3786.

7. COOPERATIVE WORK-STUDY STUDENTS – Students who are participating in cooperative educational experiences for which there is no academic credit granted cannot count cooperative experiences toward PA State Grant enrollment. If the student is participating in a cooperative experience, then the student must also be enrolled in the minimum number of credits for a full- or half-time PA State Grant in order to receive an award. Schools should cancel any term for “not enrolled” when the student is not enrolled in this manner.

B. Enrollment



Tip: Partner Interface or PA State Grant Certification Transmissions ([Appendix B](#)) are the required methods for submitting enrollment corrections necessary to certify student eligibility (refer to [Chapter 4, Section D](#)).

1. ENROLLMENT DEFINITIONS – Regulation 22 Pa. Code § 121.1 establishes enrollment definitions for the PA State Grant Program. Regulation 22 Pa. Code § 121.5 establishes the minimum enrollment requirement. Students must be enrolled in courses applicable to the degree or program objective to which funds are disbursed on the student’s behalf.

Credits (or the equivalent clock hours) required for minimum enrollment must count toward the degree or program objective unless a remedial/developmental course exception is applicable (refer to [Paragraph 5](#) of this section). Credits may only be evaluated using whole numbers and may not be rounded up. For example, a student who is enrolled in 11.5 credits at a semester school is considered half-time for PA State Grant enrollment since the minimum number of semester credits for full-time enrollment is 12.



Note: For PA State Grant purposes, the Program of Study or “degree or program objective,” refers to the overarching 2- or 4-year and is not specific to the student’s declared major or minor unless the student is attending a business, trade, or technical school. This may mean that the student has a different enrollment status from what was used to determine Federal Aid.

CREDIT ENROLLMENT MINIMUMS

ACADEMIC PERIOD	SEMESTER SCHEDULE	QUARTER SCHEDULE USING SEMESTER CREDITS	QUARTER SCHEDULE USING QUARTER CREDITS
Full-time Term	12 credits	8 credits	12 credits
Full-time Year	24 credits	24 credits	36 credits
Half-time Term	6 credits	4 credits	6 credits
Half-time Year	12 credits	12 credits	18 credits

CLOCK HOUR ENROLLMENT MINIMUMS

ACADEMIC PERIOD	TWO PAYMENT PERIODS	THREE PAYMENT PERIODS
Full-time	Minimum of 450 clock hours of instruction per payment period	Minimum of 300 clock hours of instruction per payment period
Half-time	Minimum of 225 clock hours of instruction per payment period	Minimum of 150 clock hours of instruction per payment period

Note: For clock hour programs that meet the minimum payment periods, at least 24 clock hours of instruction per week are required in a PHEAA-approved program of study for full-time enrollment and at least 12 clock hours of instruction per week are required for half-time enrollment. Even though the program may have 24 clock hours per week in order to be considered full-time, the payment period must have a minimum of at least 450 clock hours when two payment periods are used or at least 300 clock hours when three payment periods are used.



Note: PHEAA only recognizes four enrollment statuses, not including evening variations: full-time, half-time, less than half-time (Reject "I"), and not enrolled (Cancel "G"). Certain other documents and screen displays use the label "part-time" for "half-time."



Note: Please cancel future terms after a student withdraws from school as "not enrolled." Do not mark them as adjusted for zero dollars.

2. INSTRUCTION DELIVERY & ENROLLMENT MODE REPORTING – All institutions are required to report enrollment mode for all awarded students on a term-by-term basis. This allows PHEAA to continue tracking the impact of online education and the purchasing power of the PA State Grant Program.

Please note that for each term, PHEAA will initially assume an enrollment mode of 100% classroom. Therefore, reporting is only required for students who: 1) are awarded; and 2) are enrolled other than 100% classroom. Due to this requirement, the definitions of "In-Classroom Enrollment" and "Online or Distance Education" continue to apply as outlined of this section.

Enrollment mode must match the student's final enrollment used for eligibility determination, including ALL credits or clock hours which count toward establishing a student's enrollment status. This includes all modules or intersessions used to determine eligibility. Please refer to the table below for examples. For examples of how to consider enrollment mode reporting for withdrawals refer to [Chapter 3, Section C](#).

Examples: Credits or Clock Hours to Include in Enrollment Mode Determination

ENROLLMENT SCENARIO	EXAMPLE
Regular Enrollment	A student enrolled for 18 semester credits (full-time) must have an enrollment mode based upon 18 semester credits.
Remedial Credits - Exception Used	A student who is enrolled in 9 regular semester credits and 6 remedial semester credits who has a remedial exception to be considered for a full-time PA State Grant should have an enrollment mode based upon 12 credits. For more information on remedial credits refer to Paragraph 5 of this section. Extra remedial credits during an exception term should not be considered in enrollment mode reporting.
Remedial Credits - No Exception	A student who is enrolled in 9 regular semester credits and 6 remedial semester credits who does not have a remedial exception (and, therefore, is half-time) should have an enrollment mode based upon 9 regular semester credits. For more information on remedial credits refer to Paragraph 5 of this section.
Mix of Undergraduate and Graduate Enrollment	A student who is enrolled in 12 regular semester credits and a 3-credit graduate course that does not count toward his or her undergraduate degree (and, therefore could not be used to meet PA State Grant enrollment requirements) should have an enrollment mode based upon 12 credits. For more information on undergraduate enrollment refer to Section C, Paragraph 2 of this chapter.

This reporting should be considered as part of the normal PA State Grant student eligibility certification process similar to other requirements such as enrollment status (e.g., full-time, part-time, etc.), cost adjustments, etc.

When an awarded student is not enrolled in 100 percent classroom credits (mode 1) for a term, students must be categorized and reported as one of the following in the term Enrollment Mode fields on Partner Interface or Certification Transmission. The appropriate enrollment modes are based upon credits and are as follows:

- “Up to 50% distance education” (mode 2); or
- “Greater than 50%, but less than 100% distance education” (mode 3); or
- “100% distance education” (mode 4)



Tip: For students who are ineligible (Reject E or M) for the PA State Grant but are eligible for a Ready to Succeed Scholarship (RTSS) award, enrollment mode must be reported.

Important requirement and reporting distinctions for Headquartered and Domiciled schools versus Non-Headquartered and Domiciled schools:

- HQD SCHOOLS – Students who attend institutions which are HQD within Pennsylvania are eligible to receive PA State Grant awards, corresponding to their reported enrollment mode, even when enrolled in programs that are structured to be more than 50 percent distance education (refer to [Section A](#) of this chapter). HQD schools are required to report enrollment mode for these students so that the final PA State Grant award may be applied based upon the percentage of distance education enrollment.
- NON-HQD SCHOOLS – For non-Pennsylvania Headquartered and Domiciled (Non-HQD) institutions as defined in [Chapter 1, Section B](#), enrollment in an approved program of study that meets the minimum 50 percent classroom instruction requirement is required. If the student is enrolled in an approved program, enrollment mode reporting may impact the student’s eligibility and is critical to the certification of student eligibility.

Examples:

Assumes enrollment in an approved program (for a program that is structured more than 50 percent online refer to [Section A](#) of this chapter).

Reporting should only be done for students who have an award for the term in question.

ELIGIBILITY & ENROLLMENT MODE REPORTING

STUDENT'S ENROLLMENT	TERM ENROLLMENT	PENNSYLVANIA HQD INSTITUTION	NON-HQD INSTITUTION
12 credits (Full-time semester)	6 credits classroom; 6 credits online	Meets the eligibility requirement; Report "Up to 50% distance education" (mode 2)	Meets the eligibility requirement; Report "Up to 50% distance education" (mode 2)
12 credits (Full-time semester)	0 credits classroom; 12 credits online	Meets the eligibility requirement; Report "100% distance education" (mode 4)	Ineligible – Report "100% distance education" (mode 4)
15 credits (Full-time semester)	6 credits classroom; 9 credits online	Meets the eligibility requirement; Report "Greater than 50%, but less than 100% distance education" (mode 3)	Ineligible – Report "Greater than 50%, but less than 100% distance education" (mode 3)
15 credits (Full-time semester)	9 credits classroom; 6 credits online	Meets the eligibility requirement; Report "Up to 50% distance education" (mode 2)	Meets the eligibility requirement; Report "Up to 50% distance education" (mode 2)
6 credits (Half-time semester)	3 credits classroom; 3 credits online	Meets the eligibility requirement (half-time); Report "Up to 50% distance education" (mode 2)	Meets the eligibility requirement (half-time); Report "Up to 50% distance education" (mode 2)
7 credits (Half-time semester)	3 credits classroom; 4 credits online	Meets the eligibility requirement (half-time); "Greater than 50%, but less than 100% distance education" (mode 3)	Ineligible – Report "Greater than 50%, but less than 100% distance education" (mode 3)
7 credits (Half-time semester)	4 credits classroom; 3 credits online	Meets the eligibility requirement (half-time); Report "Up to 50% distance education" (mode 2)	Meets the eligibility requirement (half-time); Report "Up to 50% distance education" (mode 2)

Note: When the student's status is reported as "Greater than 50%, but less than 100% distance education" (mode 3) or "100% distance education" (mode 4), the student is not meeting the 50 percent in-classroom enrollment requirement if enrolled at a Non-HQD institution. Any student in this status, who is enrolled at a Non-HQD institution, is ineligible unless the student: 1) is enrolled in an approved program of study; and 2) has been reviewed and approved for an ADA exception. Refer to [Paragraph 2.b](#) of this section for more information on the ADA exception review process.

- a. IN-CLASSROOM ENROLLMENT – The following definitions provide guidance for classifying students into one of the four enrollment mode categories.
 - i. IN-CLASSROOM INSTRUCTION – The teaching faculty and the student are together in the same physical location for time congruent with the number of credit hours for the course (e.g., 3 hours of instruction per week for a three-credit course). Course Management Software (CMS) may supplement in-classroom instruction.
 - ii. HYBRID OR BLENDED CLASSES – The in-classroom instruction definition may also apply to selected hybrid or blended courses which combine in-classroom and online instruction. Online

instruction may not exceed 50 percent of the combined online and in-classroom contact hours per enrollment period. As an example, for a four-credit course, this would mean that in-classroom instructional time with the faculty member must be at least 2 hours per week, with 2 hours per week maximum online or the class meets in-person for 8 weeks out of a 15-week semester and for 7 weeks online during the term. So that student expectations are clear, the course description for hybrid or blended courses must: 1) be published at the course registration or section level; and 2) must contain the percentage of in-classroom hours and the percentage of online hours.

When a course is offered in a manner that allows for student flexibility to choose the mode of delivery on a day-to-day basis, such as in-classroom or online attendance, report the course as online. Since there is no documentation at the beginning of the term when eligibility is established, the course must be considered as an online course.



Note: When the hybrid course satisfies the in-classroom definition, it does not need to be published.



Note: When there is no clear way to verify that a hybrid course is in compliance with the 50 percent classroom instruction requirement, then the course is considered online.



Note: Online student registration comments satisfy the requirement as long as: 1) there is an auditable record that can be produced for compliance; and 2) the record clearly shows the hybrid percentage presented to the student.

- iii. **SYNCHRONOUS LEARNING** – The teaching faculty member and the students achieve face-to-face instruction in real-time delivered through two-way audio-visual technology to one or more classrooms. The physical space of the classrooms separates the faculty and the students. Additionally, individual student connections from home using webcam equipment may meet this definition if the participation with the instructor by the student also takes place in real time. The amount of time that the faculty and student are together over the duration of the term must be congruent with the number of credit hours for the course (e.g., 3 hours of instruction per week for a three-credit course).
 - iv. **OTHER EDUCATIONAL EXPERIENCES** – Educational activity, currently defined as in-classroom, includes any experience that normally occurs in person within an educational institution under the supervision of a faculty member, in laboratories, shops, hospital/clinical settings, etc. Student teaching, independent study, internships, externships, and practicums, for which a student receives degree credit, count as in-classroom instruction. These courses involve direct supervision by on-site faculty or designated mentors. Additionally, CMS supplementation is acceptable.
- b. **ONLINE OR DISTANCE EDUCATION** – Courses offered online or through distance education may adopt a variety of technologies including, but not limited to, live interactive audio or video conferencing, webcasts, podcasts, or computer-based technologies delivered over the internet (see exceptions for synchronous delivery outlined above). For PA State Grant purposes, a hybrid or blended class that consists of more than 50 percent of the instruction through any of the media above is an online class. All asynchronous online courses are distance education courses. This is where the interaction between the faculty member and the student does not occur in real time.

SUMMARY OF CLASSIFICATION OF CREDIT HOURS BY TERM

IN-CLASSROOM INSTRUCTION	ONLINE/DISTANCE EDUCATION INSTRUCTION
Face-to-face in-classroom instruction for entire term	
Synchronous online instruction delivered to groups or individually	Asynchronous online instruction delivered to groups or individually; podcasts
Blended/Hybrid classes that meet for at least 50 percent of the total instructional time through in-classroom instruction	Blended/Hybrid classes that meet for less than 50 percent of the total instructional time through in-classroom instruction
In-person experiences such as student teaching, study abroad, independent study, laboratories, externships, internships, practicums, etc.	
Total must be at least 50 percent of the total term credits in order to receive a PA State Grant at a Non-HQD institution	Total cannot be more than 50 percent of the total term credits in order to receive a PA State Grant at a Non-HQD institution

- i. TRANSFER CREDITS – The current institution is not responsible for evaluating transfer credits to ascertain if they were online credits. Past academic history does not play a role in this evaluation since monitoring occurs within the current term of enrollment. Schools must evaluate transfer credits for Academic Progress purposes and remedial credit limitations.
- ii. ADA REVIEW PROCESS FOR NON-HQD INSTITUTIONS – Once the student is enrolled in an eligible program but is reported as enrollment mode “Greater than 50%, but less than 100% distance education” (mode 3) or “100% distance education” (mode 4), the following will occur:
 - 1) An ADA Accommodation Notice will automatically be sent to the student and the student will be given 30 days to reply. Do not cancel awards for students in this situation and do not credit funds to the student’s account. Although PHEAA sends out letters on an annual basis which pertain to the Academic Year and trailing Summer term, if your school is aware that a student has a permanent disability and was approved in a prior term, your school may preempt an additional review by contacting PHEAA. This should be done via email to sghelp@pheaa.org.

The *ADA Accommodation Request Form*, which is logged on the student activity, is sent once per academic year and includes the trailing Summer term.

When a student is initially determined to be compliant with the 50 percent rule at the point of crediting but then changes enrollment by adding online credits or dropping classroom credits, the student must be re-evaluated. If online enrollment now exceeds 50 percent, the revised enrollment mode must be reported. Please refer to [Chapter 3, Section C, Paragraph 5](#).



Tip: Check the student activity for letters and approvals.

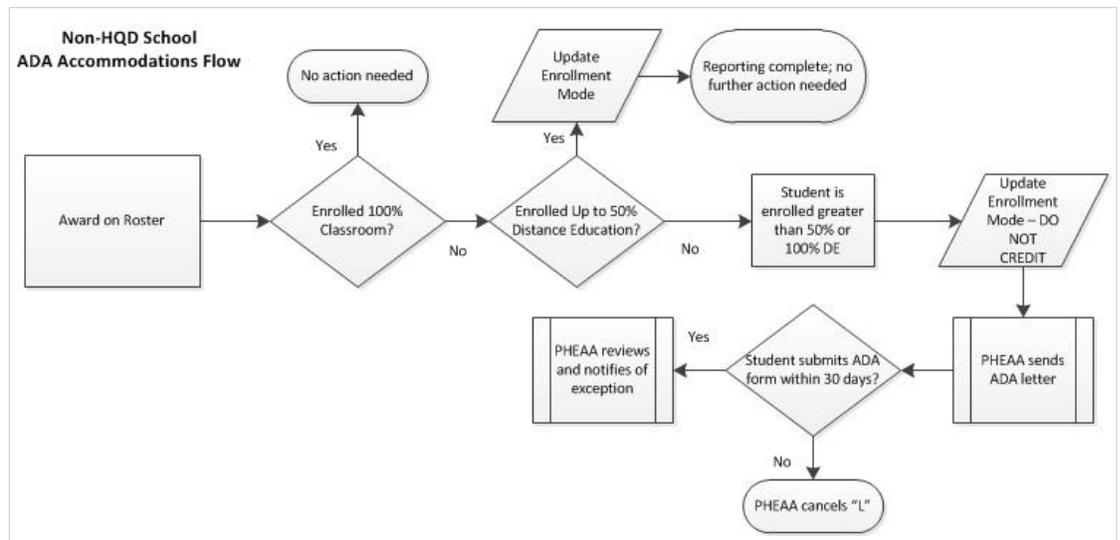


Tip: Review the weekly <50% Attending Status Report in PageCenter.

- 2) For students who do not qualify for an exception or fail to respond within 30 days from the date that the school reports their status, cancellation of the award by PHEAA occurs. School notification is in the form of a weekly report.
 - In cases where PHEAA receives a signed statement from a student who indicates that they do not have a disability and is not seeking an exception, PHEAA will manually cancel the award prior to the 30-day automated cancellation for no response.

- A student may submit documentation for reconsideration of eligibility as long as that information is received prior to the student reconsideration deadline of April 1 for the academic year and October 31 for the Summer term (refer to **Section N** of this chapter).

3) When a student replies and receives an ADA accommodation, PHEAA sends notification to both the student and the school.



3. ENROLLMENT REPORTING

- PRIMARY SCHOOL CHANGES** – When a student does not have your school listed as the first choice in the PA State Grant record, you may submit a request to update the enrollment to your institution for any applicable terms. It should be noted that if disbursements have begun for a term for which you have requested a change, PHEAA may not be able to process your request if any funds were credited by the previous school.

Your school may request an enrollment change by using the Primary School Change function in Partner Interface. When submitting this request prior to the start of the term or the student’s actual enrollment with your school, you are verifying that a statement from the student authorizing the enrollment change is in your institution’s records.

The Primary School Change request is available as follows:

- April 2020 through September 30, 2020 – all 2020-21 Academic Year terms.
- October 1, 2020 through approximately April 30, 2021 – Winter or Spring 2021 terms only.



Tip: Since Primary School Change requests are not automatic, please allow time for processing to avoid duplication of requests. If you are uncertain if you submitted a request already, please refer to the daily Pending Primary School Change report in PageCenter.

- b. CANCELLATIONS – Schools are required to cancel awards where the student does not enroll for that term.

Please note that if you anticipate that the student will not be enrolled for upcoming terms due to graduation with a bachelor’s degree, you may cancel the awards for the subsequent terms. These may be reinstated if the situation changes.

Examples:

FALL	WINTER/SPRING	THEN
Not Enrolled	Unknown	Cancel Every Term
Not Enrolled	Will Enroll	Cancel Fall Only



Note: When a student receives an associate degree or 2-year certificate, use the cancellation reason of “Not Enrolled.” The “Student Graduated” reason is reserved for students who have received a bachelor’s degree and are considered ineligible for PA State Grant aid from that point forward.

- c. UNOFFICIAL WITHDRAWAL – For PA State Grant purposes, an unofficial withdrawal is when a registered student fails to notify the school that they ceased or plan to cease attending the school. If a student is identified as a “no show,” this means not enrolled for PA State Grant purposes and is treated the same as a student who fails to register for the term. For a student who receives all “F” grades for a term, the school should investigate to see if the student actually attended for the whole enrollment period and failed all of the courses or received “F” due to an unofficial withdrawal. If attendance is not taken and the appropriate institutional authority (e.g., Registrar’s Office) cannot provide a last date of activity (e.g., examinations, returned assignments, etc.), the student should be marked as “not enrolled.” If at least one “F” grade was earned, then this is not a PA State Grant withdrawal. If dates can be provided, then the withdrawal policy may be applied using the last date of activity as the last date of attendance (refer to **Chapter 3, Section C, Paragraph 1.d**).

Earned “F” grades are those where the student completed the course but failed due to substandard academic performance, whereas the unearned “F” grades may indicate that the student stopped attending and was just assigned a failing grade by a faculty member. Your school will need to investigate to see if the “F” grade is actually earned or was received due to an unofficial withdrawal.

Example 1:

School A investigates “F” grades. However, an actual date can only be determined for two of five courses (not earned “F”). If in both cases the “F” grades were determined to be unearned, you may use the latest date of activity or attendance in those courses to determine the “unofficial” withdrawal date. You must be able to confirm attendance for the whole term for at least one course, as a lack of response cannot be an assumption of attendance for the whole term. Additionally, if the student completed at least one course, the student completed the term and is not an “unofficial withdrawal.”

Example 2:

At the end of the term, you identify a student that has all “F” grades and after researching you determine that the student does have a last date of attendance recorded. Determining if this is an “unofficial withdrawal” depends upon the last date of attendance. If the last date of attendance was the last day of the term for at least one course, the student completed the term and is not an “unofficial withdrawal.” If the last day of attendance is not the last day of the term, then the student is considered an “unofficial withdrawal” for PA State Grant purposes.

Example 3:

School B uses “F” to designate failure and “Z” to designate unofficial withdrawal. Remember that a student must be eligible for payment on the date of the term disbursement roster (not a pre-disbursement roster). If the date of earning the “Z” grade falls after the term roster, you will have to consider the PA State Grant withdrawal procedure. In order to receive a “Z” grade, your institution has already established that the student falls into the “unofficial withdrawal” category.

- d. Using the enrollment definitions (refer to [Section B, Paragraph 1](#) of this chapter), review the enrollment used in the award calculation versus the actual enrollment. Schools must correct any discrepancies before crediting an award. The notation “P/T” for a half-time student appears on the roster in the award/reject status column for the appropriate term(s). Please remember that enrollment status (e.g., full-time, half-time, etc.) supersedes any enrollment mode reporting, since a student who is not enrolled or enrolled less than half-time is ineligible, and, therefore, does not require a review of in-classroom attendance.

Examples:

AWARDED ENROLLMENT	ACTUAL ENROLLMENT	REPORTING
Full-time	Not Full-time but at least Half-time	Report terms as Half-time
Full or Half-time	Less Than Half-time	Report terms as Less Than Half-time
Half-time	Full-time	Report terms as Full-time

4. USE OF CREDIT/CLOCK HOURS

Business, Trade, or Technical (BTT) schools with Associate in Specialized Business (ASB) or Associate in Specialized Technology (AST) degree programs of study that operate on both credit hour and clock hour standards must select one standard and then consistently apply that standard in making all eligibility tests. Use clock hours to certify the eligibility of students in non-degree programs at these schools. All institutions using credit hours to certify the PA State Grant eligibility of students in ASB or AST degree programs must comply with their accrediting body's standards for the conversion of clock hours to credits or the assignment of credit hours to clock hour courses and programs. Schools with continuous enrollment or irregular terms should refer to [Chapter 4, Section B](#).

In situations where institutional full-time or half-time definitions differ from PHEAA definitions, confirm enrollment using PHEAA definitions ONLY.

5. REMEDIAL/DEVELOPMENTAL COURSE EXCEPTIONS



Tip: PHEAA recommends reviewing the “Prior Remedial” counter on the weekly Status Listing or Status Transmission to initially determine if student is eligible for additional remedial exceptions. If the “Prior Remedial” counter is less than 1.0, you should then review FG0B to ensure that exceptions were not already granted for a future term (refer to [Appendix C, Paragraph 2](#)).

- a. CLASSIFICATION – Classification of degree credits versus remedial credits is an institutional and accreditation matter.

PHEAA does not provide its own definition of remedial or developmental coursework since schools must establish these guidelines. Schools that are eligible for Title IV, Higher Education Act (HEA) program assistance have specific limitations on remedial coursework as set forth by the United States Department of Education (ED). In general, a remedial or developmental course is one that

is designed to increase the student’s ability to pursue a course of study leading to a degree, a “prerequisite to the college-level course.” Remedial courses may be classified as courses where:

- Credits are earned but where the credits do not apply toward the degree; or
- Reduced credits are earned toward the degree.

- b. **REMEDIAL EXCEPTION** – Using a semester schedule example, term enrollment where at least six credits of degree courses in combination with six or more credits of developmental work qualifies for full-time remedial exception status for PHEAA purposes. Half-time term enrollment of at least three credits of degree courses in combination with three or more credits of developmental work qualifies for half-time remedial exception status for PHEAA purposes. This exception to PHEAA’s normal enrollment requirements may be applied for a maximum of 1.00 grants (2 semesters or 3 quarter terms for full-time students and up to 4 semesters or 6 quarters of half-time enrollment); including all terms during which any remedial exception is or was previously applied at the current or any previous institution.



Note: Remedial exceptions should **not** be reported for students who: 1) Are ineligible for PA State Grant; or 2) Meet the minimum enrollment requirements with regular credits. Use the filtering function in Partner Interface to identify students previously reported as requiring a remedial exception who no longer have an award.

MAXIMUM ALLOWABLE ENROLLMENT DISTRIBUTION

ENROLLMENT PERIOD	OVERALL CREDIT ENROLLMENT MINIMUM	EQUAL DISTRIBUTION OF CREDITS	
		MAXIMUM REMEDIAL CREDITS ALLOWED	DEGREE CREDITS
Full-time Semester	12	6	6
Half-time Semester	6	3	3
Full-time Quarter using Semester Credits	8	4	4
Half-time Quarter using Semester Credits	4	2	2
Full-time Quarter using Quarter Credits	12	6	6
Half-time Quarter using Quarter Credits	6	3	3

c. **RELATED PROCEDURES**

- i. **ACADEMIC PROGRESS** – Refer to **Section D, Paragraph 6** of this chapter for procedures on enrollment in remedial credits and the impact on Academic Progress.
- ii. **MAXIMUM NUMBER OF PAYMENTS** - This exception may extend the maximum number of PA State Grant payments for enrollment in the program of study (e.g., 4 semester or 6 quarter disbursements for full-time students in 2-year programs of study) under certain circumstances (refer to **Section A, Paragraph 6** of this chapter).

- d. **REPORTING** – Sometimes remedial courses do not award credits or are “pass or fail.” In these instances, consider the number of credits normally carried by such a course (or that would be assigned if it were a “for credit” course) as the remedial portion of the minimum enrollment requirement in applying the remedial exception.

- i. **DEADLINE** – A school must report remedial course exceptions by the last date of attendance for the academic year or summer period. This deadline is intended to allow schools sufficient time

to reconcile eligibility. Schools are not permitted to retroactively report a remedial exception for a completed term where the student has failed to earn regular credits that were initially considered in the student's half- or full-time enrollment status. Remedial credits not reported by this deadline cannot be used to meet minimum enrollment requirements for full- or half-time status nor be used toward the satisfactory Academic Progress requirement. Please note that if the student is awarded late and certification of eligibility occurs for the first time after the term has ended, a remedial exception may be reported at the time of award certification.

- ii. ENROLLMENT MODE – When determining the ratio of in-classroom and distance education for enrollment mode purposes, a school should only include the remedial course credits which were used for a remedial exception. (This differs from the prior treatment under Attempted Credits Reporting.)

Examples: Using Semester Schedule

TERM REMEDIAL CREDITS	TERM REGULAR CREDITS	REQUIRED REPORTING	REMEDIAL EXCEPTION TERM COUNTER USED
9	3	Half-time Remedial (1-3)	.25
3	3	Half-time Remedial (1-3)	.25
7	11	Full-time Remedial (1-3)	.50
12	0	Less Than Half-time	Not eligible
10	2	Less Than Half-time	Not eligible
3	12	No reporting required – student meets minimum full-time without remedial	0

Examples assume that the student has not reached the overall maximum 1.0 exception counter.

- 6. FINAL YEAR EXCEPTION FOR FULL-TIME ENROLLMENT – The final term exception applies to a student who normally enrolls full-time but, due to prior enrollment history, only needs to complete at least 9 semester credits (or the equivalent) during one of the terms of the final year of study. The exception is not applicable to half-time students.
 - a. REQUIREMENTS – During one, and only one, of the final terms of the student's program (final 2 semesters or 3 quarters), the exception may be applied if the student:
 - i. Is required to enroll for the equivalent of three-quarter time enrollment:

SEMESTER SCHEDULE	QUARTER SCHEDULE USING SEMESTER CREDITS	QUARTER SCHEDULE USING QUARTER CREDITS
9 credits	6 credits	9 credits
337.5 clock hours	225 clock hours	225 clock hours

Note: A minimum of eight semester credits is sufficient during the exception term at schools that operate on a system of four-credit courses.

- ii. Was enrolled full-time during the previous term even if not a PA State Grant recipient that term.
- iii. If applicable, is expected to enroll full-time during any terms subsequent to the exception term and prior to graduation (not including the Summer term).
- iv. Have any cost differentials applied since the student may be incurring less than full-time costs (refer to **Section O** of this chapter).

- b. SUMMER – Although Summer term enrollment is not normally a factor in conducting this test, in cases where the Summer term is one of the terms of the student’s final year, the Summer term may be considered when determining whether the student is eligible for the final term exception.
 - i. YEAR-ROUND PROGRAMS – If the student is attending a BTT institution, a Hospital School of Nursing (HSON) or is enrolled in a program of study where the enrollment structure is typically year-round, the Summer term must be considered as part of the historical review of evaluating if the student normally enrolls full-time.
 - ii. OTHER INSTITUTION TYPES – If a student is not typically enrolled in the Summer, the Summer term may be taken into consideration for the final-term exception consideration.

7. EVENING AND WEEKEND SCHEDULES

- a. EVENING STUDENTS – Evening students are subject to the same requirements as other PA State Grant recipients, including enrollment in a PHEAA-approved program. Students enrolled in evening programs not offered on a full-time basis may be eligible for PA State Grants as long as the program meets the PA State Grant criteria for approval (refer to **Chapter 1**). Questions concerning such programs should be addressed to PHEAA’s Institution Eligibility staff at 717-720-2740.
 - i. REPORTING – For reporting purposes, please use the following table:

IF...	THEN...
Different educational costs for evening programs had been reported during the annual cost collection process	Report enrollment as “Full-time Evening” or “Half-time Evening,” as appropriate
Evening costs are the same as day	Do not identify enrollment as evening

Note: Previously identified evening students appear on the roster as Full-time Night or Half-time Night

- b. WEEKEND STUDENTS – Students who enroll in weekend-only courses are eligible for the PA State Grant as long as the period of instructional time meets the term and week definitions outlined in **Chapter 1, Section E**. There is no separate reporting requirement to designate students as weekend. However, if weekend costs differ by more than 25 percent, refer to **Section O** of this chapter.
8. ADVANCED STANDING – Credits for which the student receives advanced standing do not count toward the minimum credits or clock hours necessary for full-time or half-time enrollment. These credits do not count toward Academic Progress (refer to **Section D, Paragraph 2.d.i** of this chapter).
- a. EXAMPLES – Transfer credits, military credits, prior training, or credits earned by examination are examples of credits considered “advanced standing” by PHEAA.
 - b. REPORTING – If the advanced standing credits result in the student being enrolled during the current term for less than the minimum credits or clock hours required by PHEAA’s full time test, the student must be treated as half-time or less than half-time, as appropriate. Since the school may consider the student full- time for purposes other than a PA State Grant, schools are encouraged to explain the PHEAA enrollment requirement to students.
9. REPEAT WORK – In determining the student’s current enrollment status, all credits for which he or she is registered must be counted even if some of those credits are repeated courses from a previous term. The only exception to this relates to remedial credits where enrollment limitations are applicable (refer to **Section B, Paragraph 5** of this chapter).

Example: Modular

School A combines two, 8-week modules to form a 16-week semester. Student A enrolls in the first 8-week module for 6 semester credits and fails both courses. Subsequently, Student A enrolls in the second 8-week module for the exact same courses. The student must be processed for a full-time PA

State Grant after enrollment is verified in the second module since the total number of credits taken over the 16-week period was 12. Keep in mind that the student will likely have Academic Progress issues, unless the 6-credit deficit is made up, since repeat courses may only be counted once toward Academic Progress.



Note: Schools may not deny a PA State Grant to a student who meets PHEAA's enrollment and Academic Progress requirements even if school policy differs.

10. ENROLLMENT AT ANOTHER INSTITUTION

- a. VISITING STUDENTS – A student may not receive financial aid at two different institutions for the same academic period. Often students attend another institution during the Summer term. Students who cannot be verified as enrolled in an approved program or lack any of the documentation to meet acceptance of the grant of this section must be reported as ineligible.
 - i. When the student is degree-seeking at another institution but enrolls at your school, your school may only accept the grant on the student's behalf if:
 - Your school can obtain documentation from the "home" school verifying compliance with all PA State Grant eligibility requirements including, but not limited to, enrollment in an approved program at a PA State Grant-approved school and completion of Academic Progress.
 - The credits taken will be accepted toward the degree or credential at the "home" school.
 - ii. When the student is degree-seeking at your institution or "home" school but enrolls at another school, your school may only accept the grant on the student's behalf if:
 - All auditable documentation, including costs and enrollment status, is obtained from the other school.
 - Your school can verify compliance with all PA State Grant eligibility requirements.
 - Your school can obtain any changes to enrollment status from the other school which may impact eligibility.
 - The credits taken will be accepted toward the degree or credential at the "home" school.



Tip: To report a visiting student as ineligible, the school must choose Program of Study code 00-Other (Certification Transmission – Use code 1 –Yes – Non-Approved or Non-Degree Program in the term Non-Approved or Non-Degree Indicator).



Note: Visiting Students & Academic Progress – If your school is listed in the PA State Grant record meaning that you are processing the aid for the Summer term, you will have to be in contact with the "home" school to confirm when that school verifies progress. You must obtain all documentation necessary to verify compliance with eligibility requirements for the PA State Grant Program. If the "home" school provides information indicating that they verify progress after the Spring term, then you must verify progress prior to crediting the PA State Grant for the Summer term. If the "home" school indicates that progress is verified after the Summer term, then the "home" school will likely ask you to provide your transcripts to them at the completion of the Summer term.

- b. TWO-SCHOOL ENROLLMENT – A student may not be paid a PA State Grant by two different institutions for the same academic period. The student's PA State Grant record should reflect enrollment at the "home" school. The "home" school may combine degree credits taken at the other institution during

the same academic period to determine enrollment status. The “home” school must also review costs paid at the other institution in determining cost of attendance (refer to [Section O](#) of this chapter).

- c. STUDY ABROAD – A recipient enrolled in a study abroad program which is sponsored by the “home” school and who is required to pay college costs to the “home” institution is processed by PHEAA in the same manner as if the student were enrolled on-campus. This also applies to students who study abroad through a third-party organization that facilitates travel but with degree credits transferred back to the “home” school from the foreign institution. If a school has a consortium or contractual agreement in place and will be accepting the credits towards the student’s degree, then the student is eligible for the PA State Grant, regardless of the entity billing the student.

“Home” institutions are required to use their official academic calendar for the purposes of awarding and crediting PA State Grant aid. Given the various orientation sessions that often accompany a study abroad program and foreign academic calendars that often do not coincide with American standards, the “home” school should use the same academic period that it normally uses (non-study abroad), and that will be reflected on the home transcript, in determining enrollment status for their study abroad students. If the student will receive at least 12 credits for his or her study abroad experience, then we would consider them full-time for PA State Grant purposes.

For students who are studying abroad through their own institution’s program, through a consortium agreement with another postsecondary school, or through a third-party study abroad organization, the school may report a different cost of attendance for these students if the following can be ascertained:

- The study abroad fee expenses can be only differentiated with specific tuition and fee costs for the standard study abroad program. Fees for optional excursions or side travel may not be included; and
- The tuition and fees for the study abroad program are at least 25 percent greater than the current costs being reported for PA State Grant eligibility.

Schools can report these costs for a student through the Partner Interface and PA State Grant eligibility will be recalculated. Be sure to indicate whether the costs are for one term or for a whole academic year.

If the study abroad costs are less than the “home” school reported costs by more than 25 percent, these must be updated for the student (refer to [Section O](#) of this chapter).

A grant recipient who is “visiting” your school in order to study abroad may be eligible for the grant payment if your school can certify that:

- Educational costs are paid to your school and, therefore, a school account has been established where both the grant payment and funds paid by the student are credited;
- The tuition and fee costs reported by your school to PHEAA do not exceed the student’s actual tuition and fees by 25 percent or more (refer to [Section O](#) of this chapter);
- The student is classified as degree-seeking by the student’s “home” school and the appropriate minimum number of credits earned during each term abroad will fulfill degree requirements at the student’s “home” school; and
- The student is enrolled at least half-time and complies with the other requirements set forth in this Handbook.

Schools often enter into a consortium agreement with each other to detail the financial aid responsibilities of each institution.

11. INTERSESSION ENROLLMENT



Note: This section does not apply to schools that operate on a quarter schedule and does not apply to BTT schools.

Please refer to [Chapter 1, Section E, Paragraph 1.e](#) for the definition of intersession. PHEAA does not make separate disbursements for intersessions since they do not meet the minimum term length requirements. However, a maximum of six credits taken during the intersession may be combined with the student's preceding or subsequent term of enrollment, with no more than five credits attached to either the Fall or the Spring term.

When using an intersession to enable the student to meet PHEAA's full- or half-time requirement during either or both terms, keep in mind:

- All credits from one course taken in the intersession must be applied and applied to the same term.
- When an intersession course is used to determine eligibility, all of the credits from that course must be considered in enrollment mode reporting.
- A student who enrolls for six credits during the intersession may not receive a half-time award for the intersession itself, since this period does not meet the minimum term length requirements.
- A student's PA State Grant record must reflect true term enrollment without including any intersession credits until the intersession begins and the student's enrollment in the intersession is verified.

For example, if the student is enrolled in three credits during the Fall 2020 term and plans to enroll in three credits during the Winter intersession, the PA State Grant record status should remain ineligible for "less than half-time" until enrollment in the intersession is verified, at which time, the PA State Grant record may be updated to "half- time." In this case, it would likely mean that funds for the Fall term (which includes the Winter intersession) for this student would be disbursed with the Spring term roster.

- Intersession credits not needed to meet the minimum enrollment requirement for the Fall or Spring term may be considered toward meeting the PA State Grant Academic Progress requirement. Please refer to Example 3 in [Section D, paragraph 6.d](#) of this chapter.

12. ENROLLMENTS NOT ELIGIBLE FOR THE PA STATE GRANT PROGRAM – Any instruction, course, academic credit, or other educational experience that does not fall under the exceptions contained with [Section B](#) of this chapter must be excluded from any PA State Grant enrollment determinations. Examples of ineligible enrollment include, but are not limited to: any credit granted through portfolio review; co-ops for which at least half-time credit is not granted; Advanced Placement examinations; credit for life experiences; College Level Examination Program (CLEP) examinations; correspondence study; and other non-participatory events or activities.

13. CLASS LEVEL (HSON ONLY) – Nursing schools are required to verify the correct class level for each recipient due to varying costs between class levels. Where the class level on the roster is incorrect, withhold crediting and report the correct academic level.



Tip: Academic level is listed under the Eligibility Information column on the nursing school roster. This can be reported via the Partner Interface: 1) For a single student by selecting the corrected code in the Academic Level drop-down which is located in the School Information portion of the Student Record; or 2) For multiple students with the same academic level, by creating a mass update queue with the update type Update Records. Select the corrected code in the Academic Level drop-down which is located in the School Information portion under Step 3 of 4 – Choose the Updates for Your Queue.

C. Undergraduate Status

1. DEFINITION – Enrollment in an undergraduate program is required and:
 - a. The student does not have nor has the student completed the requirements for a first baccalaureate or professional degree from any institution.
 - b. The student will not receive or complete the requirements for a first baccalaureate or professional degree prior to the end of the term being credited from any institution.



Note: If a student is admitted to the institution under a conditional or provisional status toward a degree program, the student is not eligible for a PA 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 a PA State Grant. For example, a PA 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.

2. UNDERGRADUATE ENROLLMENT IN GRADUATE/PROFESSIONAL COURSES – Undergraduate students enrolled in graduate or professional level courses who have not received a first baccalaureate or professional degree are eligible for PA State Grant aid if the student enters professional school early, meaning the requirements for a baccalaureate degree have not been completed and either of the following are true:
 - a. Enrollment is in a 5- or 6-year program at a professional school where completion of the program results in simultaneous completion of both the baccalaureate degree and the professional degree; or
 - b. Enrollment is in a joint undergraduate/graduate program and the number of enrolled undergraduate credits meets the minimum enrollment criteria for the term. 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 12 semester credits (or the equivalent) for a full-time PA State Grant award and a minimum of six semester credits (or the equivalent) for a half-time PA State Grant award.

As is true with ED rules, the transition from undergraduate to graduate status is clearly achieved. A PA State Grant applicant would cease to be considered as an undergraduate when:

- The student is no longer eligible for a federal Pell Grant or Federal Supplemental Educational Opportunity Grant (FSEOG) due to graduate student status; or
- The student's federal loan limits have been calculated based on graduate student status.

3. SCHOOL VERIFICATION – The school must confirm that the student meets the undergraduate definition. When applicable, report as ineligible and return funds.



Tip: To report the student as ineligible, the school must cancel the term eligibility for reason graduated (Certification Transmission use code A – Graduated with Bachelor Degree in the full-year or term Cancellation Indicator).

4. BONA FIDE 5-YEAR ENROLLMENT – Prior to reporting students, your school must: 1) Have reported the 5-year program to PHEAA as noted in [Chapter 1, Section C, paragraph 4](#); and 2) Verified that the student is an undergraduate student as defined in this section.

Students who enroll in these programs do not become ineligible for the PA State Grant until the 4.0 award counter is reached. At that point, in the final year, the school is responsible for verifying the enrollment in the bona fide program and can report the last (fifth) year by using the Program of Study field in the PA State Grant record. Be sure to identify and certify the student as enrolled in an eligible program of study with each roster.



Tip: Report students with a Program of Study F – 5 Year Bona Fide (Certification Transmission use code 3 in the Bona Fide 5-year Undergraduate Program Indicator).



Note: Students awarded a bona fide fifth year of PA State Grant aid, or portion thereof, are identified by: 1) The notation 5-year in the term's award/reject column on the roster; and 1 – Yes in the term "Five Year Program Indicator" on a disbursement transmission.

D. Academic Progress

1. REGULATION & DEFINITION – Academic Progress is a regulatory (22 Pa. Code § 121.58) requirement whereby each grant recipient must make normal Academic Progress from year to year in order to retain PA State Grant eligibility. Academic Progress is a quantitative measure and qualitative measures such as grade point average (GPA) are not evaluated for PA State Grant purposes.

For the PA State Grant Program, normal or satisfactory Academic Progress means that for each academic year (Fall, Winter, Spring, or Summer term) during which PA 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 PA State Grant aid was received.

When the minimum number of credits required to meet the enrollment status is increased due to extended term length, that increased minimum number of credits must be earned to meet Academic Progress. Please refer to [Chapter 1, Section E](#) and the example below for more information.

Example:

A student is enrolled in a school that is structured to have two, 20-week long semesters during the 2019-20 Academic Year and does not enroll in any preceding or subsequent Summer terms. The student enrolls in 14 semester credits for each semester and receives a full-time PA State Grant award. However, the student only earns 25 of the 28 credits needed, which means that the student has a deficit of 3 credits and must be rejected for Academic Progress.



Note: Before crediting a PA State Grant to a recipient's account, clarify that, **for the last academic year during which the student received PA State Grant aid**, the student completed the required minimum number of credits or clock hours for the term's award. Credits earned in terms prior to the receipt of the PA State Grant awards being reviewed do not count towards Academic Progress. The PA State Grant Academic Progress review must begin with the first term where PA State Grant aid is received.



Note: When a student meets the definition of full-time for PA State Grant enrollment purposes, a school may not reduce eligibility to part-time in order to satisfy the Academic Progress Requirement.

- a. DIFFERING FEDERAL & SCHOOL STANDARDS – Neither institutional Academic Progress standards nor federal Academic Progress standards have a bearing on PA State Grant eligibility.

For example, if your school has minimum grade standards for progression in a major which can require students to retake entire terms of courses that have previously been passed, you should not cancel awards for those students who currently meet the Academic Progress requirements. However, you may advise these students to refuse the PA State Grant in order to avoid future Academic Progress issues (refer to **Section M** of this chapter).

2. EVALUATION BASICS

- a. SELECTING A YEARLY CYCLE – Progress may be checked at the end of each Spring term for the preceding 12-month period (Summer, Fall, Winter, and Spring terms); OR it may be tested at the end of each Summer term for the preceding 12-month period (Fall, Winter, Spring, and Summer terms) regardless of the number of PA State Grant awards received during that period. Although the school may choose when to apply this test (after Spring or after Summer), the school must apply the test at that same point in time annually to all PA State Grant recipients and document in your school’s policy or procedural manual. Once your school has selected one of the two yearly cycles for evaluation, your school must continue to use that option for all future reviews. In the event your school needs to change the yearly cycle option, you must contact PHEAA for instructions.



Tip: For schools that elect to review progress after the Summer term, the Summer term is often an opportunity for a student to make up deficient credits from the preceding academic year in order to be eligible for the subsequent Fall term. 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. Your school has the option of selecting Summer as a header or trailer.

YEARLY CYCLE OPTIONS					SCHOOL CHECKS
Option 1 - Summer “header”	Summer	Fall	Winter (if applicable)	Spring	All students after Spring
Option 2 - Summer “trailer”	Fall	Winter (if applicable)	Spring	Summer	All students after Summer

During the yearly cycle, the student must complete the minimum number of credits commensurate with PA State Grant enrollment and award received during each term. Lack of enrollment during a specific term does not negate the student’s responsibility to make up deficient credits before receiving any additional PA State Grant awards.

- b. FIRST AWARDED TERM DURING THE CYCLE – As indicated in the definition (**Paragraph 1** of this section) the PA State Grant Academic Progress review must begin with the first term in which PA State Grant aid is received. Credits earned in a term prior to the receipt of the PA State Grant award may not be used for satisfying Academic Progress.

Example 1: Yearly Cycle (Summer, Fall, Spring)

TERM	SUMMER 2019	FALL 2019	SPRING 2020
Credits Attempted	6	12	12
PA State Grant Awarded	Not applicable – No application	Full-time	Full-time
Credits Earned	3	9	12

Summary: The Progress check BEGINS with the Fall term. Although the Summer term is in the cycle of “Summer, Fall, Spring”, if the student did not receive PA State Grant eligibility until the Fall term, then Summer credits are not permitted to be used in the evaluation of progress.

Action: Reject the student for progress effective with the next term, Summer 2019 or Fall 2019. The student will remain ineligible for subsequent terms until the three regular credits are earned.

Assumptions: Progress is reviewed after the Spring term and the school operates on a semester schedule.

Example 2: Yearly Cycle (Summer, Fall, Spring)

TERM	SUMMER 2019	FALL 2019	SPRING 2020
Credits Attempted	6	12	12
PA State Grant Awarded	Half-time	No PA State Grant – Ineligible	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 PA State Grant award, the credits earned can be applied for Academic Progress purposes.

Action: No action – Approved for PA State Grant Academic Progress.

Assumptions: Progress is reviewed after the Spring term and the school operates on a semester schedule.

- c. 10-YEAR LOOK BACK – PHEAA requires a progress evaluation if the student was a PA State Grant recipient within the last 10 years. Your school must determine the last award cycle where a PA State Grant award was received within that 10-year period. For more information on transfer students, please refer to **Paragraph 4** of this section.

The 10-year period includes the 2020-21 Academic Year; therefore, if the last PA State Grant was received prior to the 2011-12 Academic Year, Academic Progress does not need to be evaluated. Since the 10-year review period begins with the Fall of 2011-12, the history period noted by “HST” on State Grant reporting ends with Summer 2011.

- i. PRIOR GRANT INFORMATION RESOURCES – PHEAA provides the most recent 6 terms, semesters or quarters, of PA State Grant aid prior to the 2020 Fall term on the roster. Term information (or the word “none”, if no prior terms exist) prints next to the label “Prior Terms(s)” for each student on the roster.

ROSTER CODES

CODE	TERM
S20	2019-20 Spring term
W16	2016-17 Winter term
R18	2018 Summer term
HST	Indicates that the student’s most recent PA State Grant was for a term prior to the 2011-12 Academic Year

Note: The term is represented by a letter code: “F” for Fall, “W” for Winter, “S” for Spring, and “R” for Summer. A two-position number indicates the calendar year.



Tip: If your institution is listed as the student’s first choice with the PA State Grant Program, you will be able to view the current and prior-year statuses. Refer to the Eligibility Record to view the student’s history of enrollment and PA State Grant awards; or to the Prior Award Terms and Prior Award Counters on the Applicant Status Transmission or Listing; or to the Prior Grant Terms- Number One through Number Six on the Disbursement Transmission.

Example: Last Enrollment Prior to 2011-12

TERM	FALL 2010	SPRING 2011	FALL 2020
Credits Attempted	12	15	12
PA State Grant Awarded	Full-time	Full-time	Full-time
Credits Earned	6	9	12

Summary: The last term of PA State Grant aid was over 10 years ago, therefore, a progress review is not necessary for 2020-21.

Action: No action required.

Assumptions: This example assumes a semester schedule, no remedial or repeat courses and that Academic Progress verified after the Summer term.

- d. GATHER TRANSCRIPT INFORMATION – Check the last time the student received PA State Grant aid and the number of credits successfully completed during that progress review cycle. Credits may only be evaluated using whole numbers and may not be rounded up. For example, a student who requires 24 semester credits to meet progress and only earns 23.5 credits does not meet PA State Grant satisfactory Academic Progress requirement. Transcripts by which PA State Grant Academic Progress was verified must be in a format that can be produced for a program review or compliance audit. Another document may be used in place of an official transcript as long the following are included:
- Credits attempted
 - Period of enrollment (term and year)
 - Number of credits for each course
 - Grade earned for each course
- i. Advanced Standing – Credits earned through examination or those considered “advanced standing” do not count toward meeting the Academic Progress test. This includes military credits, prior training, and transfer credits. Refer to **Section B, Paragraph 8** of this chapter for more information on advanced standing or advanced placement credits.
- ii. INABILITY TO VERIFY – Do not credit the student’s account when there is a determination of lack of progress in accordance with these guidelines. The student will not be eligible again until the school reports that the student has met the progress requirements or the student provides a transcript showing successful completion.
- e. INITIAL EVALUATION – When a student has received AT LEAST one term of PA State Grant aid within the past 10 years, evaluate Academic Progress. Check that DURING OR SUBSEQUENT to those terms, the student completed the minimum number of semester credits (or the equivalent, as defined below) commensurate with the number of terms and enrollment status of PA State Grant aid received. Recipients who fail the Academic Progress test remain ineligible until the requisite credits have been completed. Your school must give consideration to repeat work and remedial credits as specified in **Paragraphs 5 and 6** of this section.



Note: Credits earned simultaneously at another institution, that do not count toward the degree or credential for which the student is enrolled, may not be counted toward Academic Progress.

MINIMUM NUMBER OF CREDITS/CLOCK HOURS THAT MUST BE SUCCESSFULLY COMPLETED

FOR EACH:	AWARD COUNTER	STUDENT MUST COMPLETE A MINIMUM OF:
Full-time semester award	.50	12 semester credits/450 clock hours
Full-time quarter award	.33/.34	12 quarter or 8 semester credits/300 clock hours
Half-time semester award	.25	6 semester credits/225 clock hours
Half-time quarter award	.16/.17	6 quarter credits or 4 semester credits/150 clock hours

Example 1: Monitoring Progress at the Completion of Summer

TERM	FALL 2019	SPRING 2020	SUMMER 2020
Credits Attempted	12	12	6
PA State Grant Awarded	Full-time	Full-time	Half-time
Credits Earned	12	9	6

Summary: Student did not make progress at the end of Summer since only 27 credits were earned and 30 were needed to satisfy the minimum enrollment for all awarded terms.

Action: Reject the student for progress effective with the Fall 2020 term. The student will remain ineligible for subsequent terms until the three regular credits are earned.

Assumptions: This example assumes a semester schedule, no remedial courses or repeat courses, and that Academic Progress is verified after the Summer term.

Example 2: Monitoring Progress at the Completion of Summer

TERM	FALL 2019	SPRING 2020	SUMMER 2020
Credits Attempted	3	12	6
PA State Grant Awarded	Reject I	Full-time	Half-time
Credits Earned	3	9	6

Summary: Student did not make progress at the end of Summer since only 15 credits were earned since the term in which a PA State Grant award was first received and 18 were needed to satisfy the minimum enrollment for all awarded terms.

Action: Reject the student for progress effective with the Fall 2020 term. The student will remain ineligible for subsequent terms until the three regular credits are earned.

Assumptions: This example assumes a semester schedule, no remedial courses or repeat courses, and that Academic Progress is verified after the Summer term.

Example 3: Monitoring Progress at the Completion of Spring

TERM	SUMMER 2019	FALL 2020	SPRING 2020
Credits Attempted	12	15	15
PA State Grant Awarded	Full-time	Full-time	Full-time
Credits Earned	9	12	15

Summary: Student made progress at the end of the Spring term since 36 credits were earned and 36 credits were needed to satisfy the minimum enrollment for all awarded terms.

Action: No action required.

Assumptions: This example assumes a semester schedule, no remedial courses or repeat courses, and that Academic Progress is verified after the Spring term.

Example 4: Monitoring Progress at the Completion of Spring

TERM	SUMMER 2019	FALL 2019	SPRING 2020
Credits Attempted	6	12	12
PA State Grant Awarded	Half-time	Full-time	Full-time
Credits Earned	6	9	12

Summary: Student did not make progress at the end of Spring since only 27 credits were earned and 30 were needed to satisfy the minimum enrollment for all awarded terms.

Action: Reject the student for progress effective with the Summer 2020 term. The student will remain ineligible for subsequent terms until the three regular credits are earned.

Assumptions: This example assumes a semester schedule, no remedial courses or repeat courses, and that Academic Progress is verified after the Spring term.

- f. REPORT LACK OF ACADEMIC PROGRESS – If the student passes the progress test, no additional action is required. However, if the student did not pass the PA State Grant Academic Progress test, the school must report this to PHEAA. This notification must be completed by using Partner Interface or the PA State Grant Certification Transmission process. For each reported term, the PA State Grant award is removed and replaced with a Reject “P” (lack of progress). There are two options for reporting and it is a school choice to decide which option best fits their institutional needs. The first option is for your school to cancel for the entire award year and reinstate progress, if applicable, after the Fall term evaluation. 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.
- g. RE-EVALUATE LACK OF PA STATE GRANT ACADEMIC PROGRESS – Only for those students who are rejected for lack of progress (Reject “P”) must your school re-evaluate a student’s eligibility term-by-term. If your school determines progress has been re-established, then your school must reinstate the PA State Grant award beginning with the next academic term.

Example 1: School Cancelled All Terms Upon the Initial Progress Review

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	Remains short 3 credits – no action required as Spring is already rejected	P (Academic Progress Reject)	P (Academic Progress Reject)
	3 credit deficit made up – School must reinstate Spring	P (Academic Progress Reject)	Award

Assumptions: The school operates on a semester schedule.

Example 2: School Cancelled Fall Only Upon the Initial Progress Review

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)
	3 credit deficit made up – no action required as Spring is already awarded or has no progress reject	P (Academic Progress Reject)	Award

Assumptions: The school operates on a semester schedule.

- h. REPORT CHANGES AFTER RE-EVALUATION (CANCEL OR REINSTATE) – This reporting must be completed via either Partner Interface or the PA State Grant Certification Transmission process.
 - i. KEEP RECORDS – Your school must maintain a record of when Academic Progress is checked and provide this information to PHEAA upon request. This information is required by PHEAA's Program Review and Audit staff in order to verify that the evaluation of Academic Progress has been properly applied.
3. STUDENTS RETURNING TO YOUR SCHOOL – The following are the basic steps to be followed when reviewing students for Academic Progress who are returning to your school.
- STEP 1: Identify your school's yearly cycle.
- STEP 2: Determine if an Academic Progress review is needed (10-year look-back).
- STEP 3: Gather transcript information.
- STEP 4: Verify the awarded student satisfied the PA State Grant Academic Progress requirement.
- STEP 5: Report lack of progress, where applicable.
- STEP 6: Re-evaluate lack of progress on a term-by-term basis to determine if subsequent term awards need to be cancelled or reinstated.
- STEP 7: Report any additional corrections (cancel or reinstate) after re-evaluation is completed.
4. STUDENTS TRANSFERRING TO YOUR SCHOOL (NOT VISITING⁴) – Schools must reject the student for lack of progress until the student either provides the final academic transcript or completes the requisite number of credits or clock hours in accordance with the PA State Grant Academic Progress policy. Credits successfully completed at the previous school: 1) do not need to be transferable to your school; and 2) must be earned at a PA State Grant approved or Federal Title IV eligible postsecondary institution. Your school must also consider any remedial courses and any remedial exceptions applied by the prior school to determine if the student has made Academic Progress (refer to [Paragraph 6](#) of this section).



Note: The phrase “Last Award, Diff. School” prints on the Summer and Fall term rosters next to the student's name, if applicable. When using the Applicant Status Transmission or Disbursement Transmission, this transmits as a code 1 (Yes) in the Last Award, Different School indicator.

⁴ For information on visiting students refer to [Paragraph 7](#) of this section.

To understand if the student is transferring from a PA State Grant-approved or Federal Title IV-eligible school, please use these tips.

- PHEAA annually publishes a list of PA State Grant-approved Pennsylvania institutions and the most frequently attended out-of-state schools in the *PA State Grant Program Manual*. This document is made available to the public on [PHEAA.org/forms](https://www.pheaa.org/forms) under the “General Documents and Forms” heading.
 - If the school is not listed in the *PA State Grant Program Manual*, your school may check to see if the school is Title IV-approved by checking the Federal School Code list on the Information for Financial Aid Professionals (IFAP) website under the [iLibrary](#). Please contact PHEAA if you are unsure.
- a. CONVERSION TABLE – For transfer students who attended a school using a different type of course measure, the school must convert clock hours into credit hours or vice versa. For this purpose, the following formulas should be used:

ACADEMIC PROGRESS CONVERSIONS

BASE CREDITS	CONVERSION
1 semester credit	1.5 quarter credits
1 semester credit	37.5 clock hours
1 quarter credit	.66 semester credit
1 quarter credit	25 clock hours



Note: In most cases, your school is evaluating the student based upon credits earned on the transcript. If the student transferred from a quarter institution, you will need to know if quarter or semester credits were awarded and used to credit the PA State Grant. If the student transferred from a BTT school, you will need to know if credits or clock hours were used to credit the PA State Grant. If the information is not clear on the transcript, contact the Financial Aid Office at that institution.

Examples: Credit Conversion for Academic Progress

STUDENT	LAST PA STATE GRANT AWARDS	TYPE & NUMBER OF CREDITS ATTEMPTED	TYPE & NUMBER OF CREDITS EARNED	DEFICIT AT QUARTER SCHOOL USING QUARTER CREDITS	DEFICIT AT QUARTER SCHOOL USING SEMESTER CREDITS OR SEMESTER SCHOOL
Student A	Fall 2019 and Spring 2020 – full-time awards (no Summer)	24 semester credits	21 semester credits	4.5 quarter credits (3 semester credits multiplied by 1.5)	3 semester credits
Student B	Fall 2019, Winter 2020, and Spring 2020 - full-time awards; Summer 2020 part-time award	42 quarter credits	38 quarter credits	4 quarter credits	2.64 semester credits (4 quarter credits multiplied by .66). This would be rounded up to 3.0 semester credits needed.

- b. TRANSFERS AFTER THE SUMMER TERM (STUDENTS STARTING IN FALL) – When a student transfers to a different school after the Summer term, the new school must check Academic Progress immediately. In sum, schools must verify that the student completed the required number of credits in accordance with PA State Grant Academic Progress policy. For schools that normally check progress after the Summer term, this does not impact their review cycle and the steps outlined in **Paragraph 3** of this section may be followed. However, for schools that normally check progress after the Spring term, the school must perform checks to all transfer students after the Summer term immediately preceding the student’s enrollment at the new school.

Examples: Transfer Student - Starting in the Fall

2020 SUMMER TERM	2020 FALL TERM	2021 SPRING TERM	ACTION
School A - Awarded	School B (transfer)	School B	School B must check progress immediately in the Fall

Assumptions: This example assumes no remedial or repeat courses and that Academic Progress cycle for School B is after the Spring term.

- c. MID-YEAR TRANSFERS (STUDENTS STARTING IN WINTER OR SPRING) – When certifying eligibility, your school must review all mid-year transfer students to determine if an Academic Progress review is immediately required.

If the student transfers after being enrolled at another school during the Fall term where a PA State Grant award was received, the new school can assume that the previous school applied the PA State Grant Academic Progress test. If there is no Fall term award, the school must check progress immediately. These scenarios are illustrated in the following matrix.

DETERMINING IF AN IMMEDIATE ACADEMIC PROGRESS CHECK IS REQUIRED FOR MID-YEAR TRANSFERS

PA STATE GRANT AWARD EXISTS IN A PREVIOUS TERM OF THE CURRENT YEAR	SCHOOL ACTION	NOTES
No	Your school must review Academic Progress immediately.	N/A
Yes	PHEAA permits your school to assume the school previously attended applied the PA State Grant Academic Progress test after each academic year (12-month) period of aid received before crediting additional (subsequent) PA State Grant payments when there is an award at that school (e.g., Fall or Winter term). You may check progress immediately if you chose.	PHEAA recommends that your school keep a dated copy of the status of the PA State Grant record as of the date Academic Progress was reviewed. This may be a screen shot or report noting the Fall school, award amount, and award date. As with all institutional procedures, the practice your school follows should be documented in your school’s policies and procedures manual.

Note: If your institution makes the assumption that the Fall school accurately evaluated the student’s progress, then you must make that assumption for all mid-year transfer students.

Examples: Academic Progress Check

2020 SUMMER TERM	2020 FALL TERM	2021 WINTER TERM	2021 SPRING TERM	ACTION
Not enrolled	School A - Awarded	Not applicable (Semester Schedule)	School B (transfer – first term)	School B can assume that School A applied the PA State Grant Academic Progress test; or check immediately
Not enrolled	School A - Awarded	School B (transfer – first term)	School B (second term)	
Not enrolled	School A – No Award	Not applicable (Semester Schedule)	School B (transfer – first term)	School B must check Academic Progress immediately
Not enrolled	School A – No Award	School B (transfer – first term)	School B (second term)	

Assumptions: These examples assume no remedial or repeat courses.

Reminders: The credits earned from School A must be included in School B’s review during the annual Academic Progress review.

- d. TRANSFERS AFTER THE SPRING TERM (STUDENTS STARTING IN SUMMER) – For schools that normally check progress after the Spring term, this does not impact their review cycle and the steps outlined in [Paragraph 3](#) of this section may be followed. If your school checks progress after the Summer term and Summer is the first term of attendance for the student at your school, check progress:

Examples: Transfer Students Starting in Summer - Progress Review at End of Summer

EXAMPLE #	SUMMER 2019	FALL 2019	SPRING 2020	SUMMER 2020	ACTION
1	No Award at School A	Award at School A	Award at School A	Award at School B	Check Progress after Summer 2020 (normal cycle)
2	No Award at School A	No Award at School A	No Award at School A	Award at School B	Check Progress immediately if the student had a PA State Grant prior to Summer 2019 (and within past 10 years)

Note: These examples assume a semester schedule and no remedial or repeat courses.

5. CONSIDERATION OF REPEAT COURSES – Only count successfully completed credits or clock hours once when applying the Academic Progress test. Unsatisfactory Academic Progress means a lack of earned credits; therefore, your school may count a second attempt if it is successful at earning new credits. Additionally, if a student in the current award year is taking a repeat course from a prior academic year for which there was no PA State Grant eligibility, it may be counted now, since that course was not counted toward satisfactory Academic Progress during the prior period. For example, if a student earns an “F” (failing grade) or withdraws from a course and retakes those courses, the credits attempted count toward the student’s enrollment (full- or half-time status) and the student may not meet Academic Progress in the future.

Since this evaluation looks at total credits earned, the student does not need to repeat the specific course where credit was not earned (failure or withdrawal) in order to regain eligibility. For example, it

does not matter for a failed course (e.g., Math 106) that the subsequent credits earned to make up a credit deficit are for a different course (e.g., it could be Math 105).

Credits can only be counted toward Academic Progress the first time the student earns credit for the course in a term where a PA State Grant was awarded. If a student repeats a course where credits had been earned, the repeat credits cannot be counted toward Academic Progress unless those credits were not used in a previous Academic Progress review. For example, the student earns a “C” grade in Chemistry 101 but a “B” grade is required for the student’s major. The student subsequently repeats the course for a better grade during the Spring term and achieves a “B” grade. However, additional credits are not earned for the repeat course. As noted in the *Rights and Responsibilities Certification Document*, students are informed that credits earned for repeat courses which were previously counted when PA State Grant progress was verified cannot be counted again. Therefore, in this example, the three credits are only earned once and only counted once for Academic Progress.

The examples below illustrate two scenarios where a student received three credits for a course during the Fall term, but earned a grade that was not acceptable for the credential being pursued.

Examples: Academic Progress and Repeat Course

EXAMPLE #	CREDITS & AWARD	SUMMER 2019	FALL 2019	SPRING 2020	TOTAL CREDITS	ACTION
1	Credits Attempted	Not Enrolled	12	15 includes failed course from Fall term	27 total credits attempted and 24 total credits earned	No action required.
	Award Status	No Grant	Full-time	Full-time		
	Credits Earned	Not Enrolled	9	15 including repeated Fall course		
2	Credits Attempted	Not Enrolled	12	12 includes a course repeated from the Fall to get a better grade	24 total credits attempted and 24 total credits earned, only 21 count for progress	Reject the student for progress effective with the Summer 2020 term.
	Award Status	No Grant	Full-time	Full-time		
	Credits Earned	Not Enrolled	12	12 including repeated Fall course		

Note: These examples assume a semester schedule, no remedial courses and that Academic Progress cycle is after the Spring term.

6. CONSIDERATION OF REMEDIAL CREDITS – When reviewing Academic Progress, your school must consider any remedial credits earned and remedial exceptions used for the progress review cycle that your school is evaluating. Your school must pay particular attention to this if the student has transferred to your school. Upon reviewing the student’s transcript, if the student earned remedial credits during the review cycle, your school will need to determine if Academic Progress was made without including those remedial credits. It is possible that a student who is taking remedial credits does earn sufficient regular credits to achieve Academic Progress. If Academic Progress was made, then no further consideration of remedial credits is required. If the student will not satisfy the Academic Progress requirement without inclusion of past remedial credits earned, then your school must consider the key questions and the “Total Allowable Remedial Credits” chart outlined in **Paragraph 6.b** of this section. Keep in mind that schools may not retroactively report a remedial exception.



Tip: In general, course numbers less than 100 are often considered remedial. In order to determine the type of course that is listed on a transcript, your school may reach out to the prior school and ask for assistance. If possible, you may also review the Institutional Catalog that will normally be available on a school's website.

- a. Please review Key Question #1 to determine if your school must reject progress or proceed to Key Question #2.

KEY QUESTION #1: DID THE STUDENT HAVE A REMEDIAL EXCEPTION REPORTED DURING THE REVIEW CYCLE?

ANSWER	EXPLANATION	ACTION
No	Remedial credits earned during the progress review cycle may not be used in determining Academic Progress. Keep in mind that the student may have not needed a remedial exception during the progress review cycle for which Academic Progress is being reviewed. This means that the student was enrolled in the minimum number of regular credits commensurate with his or her half-time or full-time enrollment status.	If the student earned remedial credits but did not have a remedial exception reported during the progress review cycle being evaluated and did not earn enough regular credits to fulfill the PA State Grant minimum enrollment requirements, your school must report the lack of progress.
Yes	Remedial indicator exists on student's record for the progress review cycle.	If the student had a remedial exception reported during the progress review cycle, then review the "Total Allowable Remedial Credits" charts and proceed to Key Question #2.

- b. TOTAL ALLOWABLE REMEDIAL CREDITS FOR PROGRESS CHARTS – Please review the following charts prior to proceeding to Key Question #2.



Tip: Please refer to the Eligibility Summary display FG0B or Partner Interface to review award counters and associated terms where remedial exceptions were previously reported.

TOTAL ALLOWABLE REMEDIAL CREDITS FOR PROGRESS REVIEW CYCLE SEMESTER SCHOOLS

AWARD COUNTERS FOR 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

Note: The total number of credits needed for academic progress is dependent upon the number of PA State Grant award counters for the year.

**TOTAL ALLOWABLE REMEDIAL CREDITS FOR PROGRESS REVIEW
CYCLE QUARTER SCHOOLS – SEMESTER CREDITS**

AWARD COUNTERS FOR 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
0.66/0.67	8	8
0.33/0.34	4	4
0.16/0.17	2	2

Note: The total number of credits needed for academic progress is dependent upon the number of PA State Grant award counters for the year.

**TOTAL ALLOWABLE REMEDIAL CREDITS FOR PROGRESS REVIEW
CYCLE QUARTER SCHOOLS – QUARTER CREDITS**

AWARD COUNTERS FOR TOTAL REMEDIAL EXCEPTION INDICATORS REPORTED	MAXIMUM NUMBER OF REMEDIAL CREDITS PERMITTED TOWARDS PROGRESS	MINIMUM NUMBER OF REGULAR CREDITS NEEDED FOR PROGRESS
1.00	18	18
0.66/0.67	12	12
0.33/0.34	6	6
0.16/0.17	3	3

Note: The total number of credits needed for academic progress is dependent upon the number of PA State Grant award counters for the year.

- c. Please review Key Question #2 for a final Academic Progress determination.

KEY QUESTION #2: IS THE TOTAL NUMBER OF REMEDIAL CREDITS PERMITTED MORE THAN HALF OF THE TOTAL NUMBER OF CREDITS NEEDED FOR ACADEMIC PROGRESS?

ANSWER	EXPLANATION	ACTION
Yes	Additional remedial credits earned over and above one-half of the total needed to meet the minimum enrollment requirement during the progress review cycle may not be used in determining Academic Progress. Refer to Examples 4 and 5 for illustrations of unsatisfactory Academic Progress. Refer to Example Sets 6 and 7 for a multi-year illustration.	Your school must report the lack of progress.
No	The total number of remedial credits that can be applied towards achieving Academic Progress is dependent upon the remedial exception indicators that are applied to the student's award record. Please refer to the charts above for the maximum and minimum number of remedial and regular credits that may be counted toward Academic Progress within a progress review cycle. Refer to Examples 1, 2 and 3 for illustrations of satisfactory Academic Progress. Refer to Example Sets 6 and 7 for a multi-year illustration.	No action is required as the student satisfies the PA State Grant Academic Progress requirement.

- d. EXAMPLES – Please refer to the following examples when considering remedial credits in an Academic Progress evaluation.

Example 1: Satisfies Progress

TERM	FALL 2019	SPRING 2020	SUMMER 2020
Credits Attempted	9 regular, 6 remedial	6 regular, 6 remedial	3 remedial
Award Status	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: OK for progress.

Assumptions: School reviews progress after the Summer term.

Example 2: Satisfies Progress

TERM	FALL 2019	SPRING 2020	SUMMER 2020
Credits Attempted	9 regular, 3 remedial	12 regular, 3 remedial	Not Enrolled
Award Status	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: OK for progress.

Assumptions: School reviews progress after the Summer term.

Example 3: Satisfies Progress

TERM	FALL 2019	WINTERIM 2020	SPRING 2020
Credits Attempted	9 regular, 3 remedial	3 remedial	12 regular, 3 remedial
Award Status	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. Even though the “Winterim” credits were not needed to meet the minimum enrollment requirement for the Fall or Spring term, those credits may be considered toward meeting the Academic Progress requirement.

Action: OK for progress.

Assumptions: School reviews progress after the Summer term.

Example 4: Doesn't Satisfy Progress

TERM	FALL 2019	SPRING 2020	SUMMER 2020
Credits Attempted	9 regular, 6 remedial	6 regular, 9 remedial	Not Enrolled
Award Status	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. The student needs to make up a deficit of 3 regular credits in a future term.

Action: Reject for progress.

Assumptions: School reviews progress after the Summer term.

Example 5: Doesn't Satisfy Progress

TERM	SUMMER 2019	FALL 2019	SPRING 2020
Credits Attempted	3 regular, 3 remedial	12 regular, 3 remedial	12 regular, 3 remedial
Award Status	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 a total of 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. The student needs to make up a deficit of 3 regular credits in a future term.

Action: Reject for progress.

Assumptions: School reviews progress after the Spring term.

Example 6: Multi-year Illustration

YEAR 1			
TERM	SUMMER 2019	FALL 2019	SPRING 2020
Credits Attempted	None – not enrolled	12 regular	9 regular, 3 remedial
Award Status	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 2020	FALL 2020	SPRING 2021
Credits Attempted	3 remedial	12 regular	12 regular
Award Status	N/A	Full-time	Full-time
Rem. Exp. Reported	No	No	No
Credits Earned	3 remedial	12 regular	12 regular

Summary: The student's progress review cycle (Summer 2019 through Spring 2020) is extended until the three credit deficit is made up. This student made up the three credit deficit with remedial credits earned during the Summer 2020 term since: 1) A remedial exception was granted during the original progress review cycle (Summer 2019 through Spring 2020); and 2) The counter during the deficit review cycle 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 2020.

Assumptions: School reviews progress after the Spring term.

Example 7: Multi-year Illustration

YEAR 1			
TERM	SUMMER 2019	FALL 2019	SPRING 2020
Credits Attempted	None – not enrolled	12 regular	9 regular, 3 remedial
Award Status	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 2020	FALL 2020	SPRING 2021
Credits Attempted	3 remedial	12 regular	12 regular
Award Status	N/A	Full-time	Full-time
Rem. Exp. Reported	No	No	No
Credits Earned	3 remedial	12 regular	12 regular

Summary: The student's progress review cycle (Summer 2019 through Spring 2020) is extended until the three credit deficit is made up. This student made up the three credit deficit during the Summer 2020 term with remedial credits earned. Since a full-time remedial exception was granted during the original progress review cycle (Summer 2019 through Spring 2020), the maximum number of remedial credits permitted to be used for progress is 6.

Action: Reinstate the student for progress with Fall 2020.

Assumptions: School reviews progress after the Spring term.

7. VISITING/TWO-SCHOOL ENROLLMENT

- a. VISITING – If a student is visiting your institution during the Summer term, your school must verify when the “home” school verifies Academic Progress. For example, if the “home” school verifies after the Spring term, your school must obtain all necessary information to evaluate Academic Progress prior to crediting the PA State Grant for the Summer term. If the “home” school verifies Academic Progress after the Summer term, your school must supply documentation to the “home” school

upon completion of the Summer term. Refer to [Section B, Paragraph 10](#) in this chapter for more information on visiting students.

- b. TWO-SCHOOL ENROLLMENT – Since the “home” school is always responsible for paying PA State Grant aid, the “home” school is also responsible for monitoring progress.

8. EXCEPTIONS

- a. EXTENUATING CIRCUMSTANCES – Students may request an exception when there is failure to complete the required number of credits to satisfy the Academic Progress test. The student must report the medical condition, family illness or other extenuating circumstance that contributed to the failure but there is no guarantee of eligibility reconsideration. The *Academic Progress Exception Form* and instructions are available on [PHEAA.org/forms](https://pheaa.org/forms).

Exception approvals are term-based (e.g., only one term). The student must successfully complete the minimum number of credits appropriate to their enrollment and award status during that term in order to retain PA State Grant eligibility for future terms. 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, the student must complete the minimum number of credits commensurate with the PA 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).



Note: Exceptions will not be granted for repeated failure due to ongoing medical conditions. Students should be advised to consider this when making enrollment decisions.

When PHEAA grants exceptions to students for Academic Progress, students get a “pass” as if no deficit credits exist for that previous term. However, Academic Progress must be met for the excepted term for the student to maintain grant eligibility. Starting with the next term, the student must continue to earn the appropriate number of credits commensurate with his or her award counter. For example, if a student was short three credits for the Spring term of the 2019-20 Academic Year and was granted an exception by PHEAA for the Fall 2020 term, the student is not obligated to make up that deficit but must earn the minimum number of credits commensurate with the Fall 2020 term enrollment in order to continue to be eligible.

To confirm if the Academic Progress exception was approved, please review the student’s “Activity” tab in Partner Interface.

- b. FINAL TERM EXCEPTION – In cases where additional PA State Grant eligibility remains after the final term exception policy has been applied, the minimum number of credits required for Academic Progress would be the minimum required for the full-time term(s) (e.g., 12 at a semester school) and the successful completion of all credits taken during the exception term.

E. Citizenship

With regards to United States citizenship, the PA State Grant Program statute specifies that any student is eligible as long as the student is a citizen of the United States or taking steps to become a citizen. “Taking steps to become a citizen” translates to satisfying the definition of an eligible non-citizen as defined by ED as described on the Free Application for Federal Student Aid (FAFSA®). A student who does not meet the Federal Student Aid definition of eligibility due to citizenship is also not eligible under the PA State Grant

Program. Refer to Section F of this chapter for information on how citizenship relates to the PA State Grant Pennsylvania Domicile requirement.



Note: If a student is marked as an eligible non-citizen in the PA State Grant record but your school finds that ED was unable to verify citizenship, do not credit the award. Please submit a Special Request through Partner Interface noting the conflicting information.

F. Pennsylvania Domicile

1. DEFINITION – Pennsylvania domicile is a statutory and regulatory (22 Pa. Code § 121.57) requirement. Domicile is a person’s true, fixed and permanent home, the place to which the person intends to return whenever absent.

A student who is 18 years of age or older at the time of completion of the grant application, e.g., the FAFSA, must have been a domiciliary of Pennsylvania for at least 12 months immediately preceding the appropriate filing deadline of the application, exclusive of any period of time the student spent while enrolled in any postsecondary educational institution if the student came into or remained in Pennsylvania for the purpose of attending school. A student who is under 18 years of age at the time the application is completed must have a parent or guardian who complies with the domicile requirement.

If a recipient, or the recipient’s parents/guardian when the student is under 18 years of age, ceases to be a domiciliary prior to the first day of classes for the academic year, the student becomes ineligible for PA State Grant aid for the full academic year. When a student ceases to be a Pennsylvania domiciliary after the opening day of classes, the student retains PA State Grant eligibility for the current academic year (except in cases where the student registers to vote in another state or is charged in-state fees at an out-of-state institution); however, eligibility terminates at the conclusion of that academic year.

A PA State Grant recipient who is attending an out-of-state institution and who is registered to vote in a state other than Pennsylvania is considered to have abandoned Pennsylvania domicile and is not eligible for PA State Grant aid for any subsequent terms until the student’s out-of-state voter’s registration is cancelled and the student registers to vote in Pennsylvania.

Students who are not United States citizens may not count any time of residence in Pennsylvania toward meeting the 12-month residency requirement until they meet the eligible non-citizen definition.

2. SCHOOL VERIFICATION – Although an institution may not be in a position to verify a recipient’s compliance with all aspects of the domicile requirement, certain checks are required of the institution. These checks are:
 - a. Confirm that the student’s (permanent) home address, according to institution records, is in Pennsylvania. If it is not Pennsylvania, provide the out-of-state address to PHEAA.



Note: Students who are not Pennsylvania residents and are attending a Pennsylvania institution online do not meet the PA domicile requirements and are not eligible. If you discover any discrepancies between your school and PHEAA regarding the student’s state of residency, you must report them to PHEAA.

- b. Confirm, where institution records identify such, that the recipient is not registered to vote in a state other than Pennsylvania.
- c. Confirm that the student is not receiving, on the grounds of residency, a scholarship or grant from a state other than Pennsylvania.

- d. Confirm the student's in-state/out-of-state classification if attending a public college or university:
- i. A public institution located outside of Pennsylvania must confirm the recipient's out-of-state fees. Students receiving the benefit of in-state fees due to their residency status are ineligible Pennsylvania domiciliaries and, therefore, are not eligible for a PA State Grant award for that term (or terms). Students who otherwise comply with the domicile test but receive the benefit of in-state fees for reasons other than residency are domiciliaries of Pennsylvania. However, report to PHEAA for possible reprocessing based on revised costs (refer to **Section O** of this chapter).



Tip: Some out-of-state institutions allow students to receive retroactive in-state classification, which thereby results in a refund of previously paid "out-of-state" fees. In such instances, prior to giving a refund to the student, the school is required to cancel the student's PA State Grant for the academic year/term in question and refund the grant disbursements to PHEAA.

- ii. A public institution in Pennsylvania must confirm that the recipient is being charged in-state fees.

If the institution's review brings Pennsylvania domicile into question, do not credit funds to the student's account and indicate the specific reason the student's domicile is in question.



Tip: Request a cancellation via Special Request in Partner Interface. Include: 1) Any PA State Grant funds previously credited to the student's account for prior terms of the academic year in question; and 2) provide any relevant dates and address information. For example, if a student at a Pennsylvania school is now residing in another state, provide the date the student (or the student's family) moved to that state and specify any known current address.

G. High School Graduation

In order to become a PA State Grant recipient, the student must comply with PHEAA's secondary school graduation requirement which is provided in regulation under 22 Pa. Code §121.21. An approved high school means any public high school located in the Commonwealth, and any public or private secondary school, whether designated as a high school, academy, preparatory school, or otherwise, located in the Commonwealth or elsewhere, which in the judgment of the Pennsylvania Department of Education (PDE), provides a course of instruction, at the secondary level, and maintains standards of instruction substantially equivalent to those of the public high schools located in the Commonwealth. Therefore, if institution records show that the student does not comply with PHEAA's requirement, the institution must withhold crediting of the PA State Grant.

1. SCHOOL OBLIGATIONS

- a. When school enrollment requires a high school diploma or high school equivalency credential as a requirement for admission (exceptions being allowed for early admission students), the school may assume the student complies with the PHEAA high school graduation requirement and no additional action is needed.
- b. When school enrollment does not require a high school diploma or high school equivalency credential as a requirement for admission, the institution is required to verify that the recipient does meet the high school graduation requirement. Identify the recipient as "Not a High School Graduate" and withhold crediting when unable to verify high school graduation.

- c. Identify the student as “Early Admit” and withhold crediting when institution records reflect recipient admittance under a bona fide early admission program. Early admission review by PHEAA then occurs.
2. REQUIREMENT – With the exception of bona fide early admission students, a PA State Grant recipient must:
 - a. Be the graduate of an approved American high school, overseas Department of Defense high school, or a foreign high school that has obtained U.S. accreditation PRIOR to the term for which PA State Grant aid is being sought.
 - b. Have received a Commonwealth Secondary School Diploma or diploma issued by another state through a high school equivalency testing program or other state-approved secondary school equivalency credential.
 - c. Meet the homeschool requirement (refer to **Paragraph 3** of this section)
 - d. Meet one of these special conditions:
 - i. PENNSYLVANIA DISTANCE-LEARNING PROVIDERS – Only diplomas approved by the PDE are eligible. PDE lists these schools on its website.
 - ii. EVALUATED FOREIGN HIGH SCHOOL DIPLOMAS – A student who has a foreign high school diploma (one that does not have U.S. accreditation) meets the requirement if he or she has an evaluation from a current National Association of Credential Evaluation Services (NACES) member that indicates the diploma is the equivalent of a U.S. high school diploma. To find a list of acceptable evaluation groups, please visit NACES.org.



Note: You may not assume that satisfaction of ED rules to define a high school graduate for financial aid purposes are the same as those for the Commonwealth of Pennsylvania. For more information on the PA State Grant Program high school requirement, such as instructions for students with foreign high school diplomas, please visit or instruct students to visit the “Frequently Asked Questions” section of our website at PHEAA.org/FAQs.

3. HOMESCHOOL REQUIREMENT – Act 196 of 2014 (HB 1013), which took effect on October 31, 2014, modified the home education law to allow parents or “supervisors” to award a state-recognized home education diploma to their children. PDE defines “supervisor” as the parent or guardian or such persons having legal custody of the child or children who shall be responsible for the provision of instruction, provided that such person has a high school diploma or its equivalent. These supervisor-issued, state-recognized diplomas (PDE-6008) are sufficient to document that a student meets the high school graduation requirement for PA State Grant eligibility.

This act modifies policy for students graduating on or after October 31, 2014. Students who graduated prior to October 31, 2014 are not considered to be eligible for PA State Grant aid unless they meet one of the following conditions:

- a. The applicant is in receipt of a Commonwealth Secondary School Diploma or diploma issued by another state through a high school equivalency testing program or other state-approved secondary school equivalency credential.
- b. The applicant is in receipt of a General Education Diploma (GED).
- c. The applicant has a diploma issued by one of the home school organizations recognized by PDE to issue diplomas. A list of PDE-recognized diploma-issuing home education organizations is available on [PDE's website](#).

Please note that students who were issued a diploma prior to October 31, 2014 or do not meet the requirements for Act 196 will continue to need to meet one of the three criteria listed above for PA State Grant eligibility.

4. **INELIGIBLE CATEGORIES** – Diplomas issued by distance learning providers in Pennsylvania are not acceptable unless specifically approved by PDE. Those students must obtain a Commonwealth Secondary School Diploma or other state-approved secondary school equivalency credential.

H. Changes in Expected Family Contribution (EFC) & Federal Pell Eligibility

This section explains changes in EFC and Federal Pell eligibility and how PHEAA reviews subsequent Institutional Student Information Report (ISIR) transactions to identify changes that might reduce a student's PA State Grant eligibility. Please note that, while ISIR updates reflecting Professional Judgment are received by the PA State Grant Program, the Professional Judgment changes are NOT accepted for processing eligibility at any time. Students requiring special consideration must contact PHEAA directly.

Until approximately August 1⁵ and the initial disbursement of funds for the academic year, PHEAA will automatically update a student's PA State Grant record with data received through electronic transmissions from ED. These updates may change the PA State Grant award. PHEAA uses the EFC and the Federal Pell Grant (both, as calculated by PHEAA) to calculate the amount of need for a PA State Grant.

After August 1⁶, PHEAA does not automatically accept data changes to complete records that impact the EFC calculation due to the timing of academic year disbursements. At that time, PHEAA expects students and their families to submit corrections to data directly to PHEAA. This direction is published under the "How to Make Corrections to your PA State Grant Record" section on [PHEAA.org](https://www.pheaa.org). On ISIR transactions, PHEAA does evaluate records where the Federal EFC is significantly higher than the PHEAA-calculated EFC and analyzes the award impact of using the Federal EFC. If the EFC results in a change to PA State Grant eligibility, PHEAA may place the student's record under review. In cases where the federal EFC is significantly lower and the student does not already have the maximum PA State Grant award, you should encourage the student to report this information to PHEAA. Tolerances are not published as they are subject to change.

Some reasons that a Federal EFC and PHEAA-calculated EFC may be different include, but are not limited to:

1. A difference in dependency status between the PA State Grant Program and Federal Programs.
2. The approval of special consideration for the PA State Grant Program such as reduced income due to job loss.
3. The approval of a student as a Veteran. These students receive auto-zero EFC for PA State Grant processing purposes.
4. The 25 percent reduction in PHEAA-calculated EFC due to the student being single and independent with no dependents.



Note: PA State Grants can be credited to students who have not yet completed federal verification. While PHEAA Income Validation would hold up a PA State Grant disbursement, federal verification is a completely separate process. Your school does not have to wait for federal verification to be completed to give students their PA State Grant awards.

⁵ PHEAA updates this date annually. Therefore, August 1 is a guideline depending upon the Fall disbursement schedule.

⁶ PHEAA updates this date annually. Therefore, August 1 is a guideline depending upon the Fall disbursement schedule.



Note: While it is acceptable for your school to submit documentation to PHEAA, please keep in mind that this may not be all the information needed. Therefore, our preference is to have the student contact PHEAA so that we can request and collect all the necessary documentation.

I. Student Identification Corrections

Since the PA State Grant Program uses the student's name and Social Security number (SSN) as the primary means of identification, the accuracy of such is very important. Whenever the institution's records indicate a name or SSN that is different from that appearing on the roster (or award notice), the school should verify the correct SSN and legal name with the student. Changes must be reported to PHEAA via Special Request and a copy of the appropriate documentation must be forwarded.

1. **SSN MATCHES** – PHEAA only creates PA State Grant records when ED verifies an SSN match with the Social Security Administration. However, there are rare instances where an SSN may be incorrect on the PA State Grant record. In these cases, the student or school should forward a copy of the Social Security card along with one other form of legal documentation which documents the student's name (e.g., driver's license, passport, birth certificate, etc.).

The date of filing associated with that FAFSA is the date used by PHEAA to determine an "on-time" filing status. If a student filed with an incorrect SSN prior to the deadline and, to correct the error, was required to file again after the deadline, the student would be considered "late" for PA State Grant purposes. You may advise the student to correct their "on-time" status with the PA State Grant Program by submitting an email or letter (to PHEAA) indicating that an error was made and including either the date of the original application or the incorrect SSN. At that point, we would be able to look up the original FAFSA filing and date. Identifying information must be provided in the communication. This includes the student's name, SSN or PHEAA Account number and signature. Please note that if a student was not required to refile a FAFSA in order to correct the SSN issue, then PHEAA will receive the original application filing date.

2. **NAME CHANGES & DISCREPANCIES** – When a student's name changes, PHEAA requires two of the following three forms of legal documentation that contain the student's name: a Social Security card; court documentation; or another form of legal documentation of a legal name change.

If a student fills out forms inconsistently (a name discrepancy) with regard to his name and suffixes (Jr., Sr., etc.), PHEAA takes into consideration the successful SSN match with the Social Security Administration. Should the student's identity come into question after this, PHEAA would request a copy of the student's Social Security card.

J. Incarcerated Students

It is a regulatory requirement that PHEAA deny PA State Grant assistance to incarcerated students. Verify the student's status prior to crediting the PA State Grant. Identify incarcerated recipients (excluding those in "halfway houses" or community service centers) to PHEAA, and withhold crediting. Make every effort to ensure that students enrolling in distance education courses are not incarcerated.

K. Satisfactory Character

Students are subject to a "satisfactory character" review for the PA State Grant Program as indicated in 24 P.S. §5158.2. As per the school's participation agreement, any student at the institution who is a resident of the Commonwealth and who is known to the institution to have been convicted of a criminal offense which, under the laws of the United States or the Commonwealth would constitute a felony, must be reported to PHEAA if that student is otherwise eligible to receive financial aid from the PA State Grant Program. The reporting requirements only apply to those students who are approved to receive or are receiving PA State

Grant aid. PA State Grant eligibility is not impacted by a felony conviction unless the student is also currently incarcerated (refer to [Section J](#) of this chapter).



Tip: Use the Special Request feature on Partner Interface to report students who have been convicted of a felony and include information if the student is also currently incarcerated. Examples include “Not Currently Incarcerated” (student currently not incarcerated but has felony conviction) and “Currently Incarcerated” (student currently incarcerated and has felony conviction).



Note: For PA 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 (PA State Grant Program), Section 2 (b), Institution Obligations, of your school's Master Program Participation Agreement.

L. Students in Default

Where the school is aware that a PA State Grant recipient has defaulted or has a claim of default pending on any educational loan guaranteed or reinsured by the federal government, the governments of any state, or institution, identify to PHEAA and withhold crediting. This includes, but is not limited to, programs administered by PHEAA where awards have been converted to loans due to failure to meet all eligibility or service requirements and the loan is in default status.

- Students who have a claim of default pending must bring their account current (clear the delinquency) by the student reconsideration deadline of April 1 for the academic year and October 31 for the Summer term (refer to [Section N](#) of this chapter).
- Students who have loans in default must have paid the default in full or have made six, consecutive, non-garnished, monthly payments of at least \$50 per month toward the defaulted loan prior to the start of the term for which aid is requested. The start of the term is the date provided to PHEAA annually by the school.

PHEAA may identify and reject eligibility for default even when the ISIR has no default comments. This includes:

- Students who have failed to discharge their responsibility in borrowing through a Federal or State Educational Loan Program and have a default claim pending on their loan account. These students are ineligible until the account is brought current which may be through an in-school deferment.
- Students who failed to meet obligations of the Pennsylvania National Guard Education Assistance Program (EAP) or New Economy Technology Scholarship (NETS) Program, had their grants converted to loans, and who failed to meet those loan obligations.

If your school sees the reject reason as “default” but cannot identify a defaulted federal loan, the school should contact PHEAA, as it may be one of these converted grants.

CONTACT INFORMATION FOR STUDENTS

AGENCY/DEPARTMENT	NUMBER	INFORMATION
PHEAA Default Prevention	800-328-0355	To find out how to bring their account current
AES-Graduate and Professional Services	800-233-0557	To find out the status of an EAP or NETS converted loan
Pennsylvania National Guard	717-861-8894	To find out the reasons the EAP grant converted to a loan

M. Students Who Refuse PA State Grant Awards

When a student informs the school that he or she does not want to accept the PA State Grant award for a particular term or terms, the school must advise the student to refuse the PA State Grant in writing. Students may only refuse awards within the award year and must submit a refusal prior to the end of the Spring term for the academic year. For the Summer term, students must submit the refusal prior to the end of the Summer term. The written refusal must include the student's name, address, SSN or PHEAA Account Number, term or terms being refused, the corresponding award amounts, and the student's signature. The school may elect one of the following options:

1. Report the refusal via Special Request and retain the refusal in the student's file; or
2. Direct the student to contact PHEAA in writing with the refusal information.

In cases where a student's total grant and scholarship aid from all sources exceeds the cost of attendance (COA), a school may counsel the student to refuse the PA State Grant award to determine if it is beneficial for the student to preserve PA State Grant eligibility for a future term.

N. Student Reconsideration Deadlines

In order to assist with understanding the timeframes in which annual reconciliation of funds is required, PHEAA is providing student reconsideration deadlines in these procedures.

Students may only submit information that may affect their eligibility until the reconsideration deadlines noted below. PHEAA only accepts information after these deadlines if:

1. A documented request for additional information from PHEAA to the student is on file; and
2. A documented student response to that request is received within 30 days of the request.

TERM	RECONSIDERATION DEADLINE	EXAMPLE
Academic Year	April 1	April 1, 2020 for 2020-21
Summer Term	October 31	October 31, 2021 for 2021 Summer

O. Different Educational Costs

In calculating educational cost figures for the academic year, PHEAA uses the standard tuition and fee charges for the typical full-time, undergraduate student that were reported by the school on the annual *PA State Grant Educational Cost Form*. For information on how the PA State Grant is calculated, refer to [Chapter 3](#).

When a student's total financial aid exceeds COA, reducing the PA State Grant to meet the budget is NOT permitted. Taking such action would essentially mean reinstating the gift aid policy which was eliminated effective with the 2013-14 Academic Year. Students are eligible to receive PA State Grants even if they are over the COA, providing that they are not receiving any need-based federal aid (excluding Pell). If the student has federal aid such as FSEOG, Federal Work-Study, Federal Perkins, or subsidized Federal Direct Loans and are over need/costs, an adjustment will need to be made to other student aid programs to eliminate the over-award per federal financial aid regulations while including the PA State Grant as a resource.

2020-21 (and 2020 Summer) costs were collected during the March/April 2020 submission period. PHEAA retains the option of using prior year costs when schools fail to submit costs during that time period. For more information, please refer to March memoranda in the Document Library.



Note: PHEAA cannot give special processing consideration for cohorts of students whose charges are a higher or lower tuition than those reported on the annual *PA State Grant Educational Cost Form*. Schools who are willing to monitor these students throughout the year may submit a special budget to PHEAA during the annual cost collection effort.

1. REQUIREMENTS

- a. **COSTS LESS THAN TUITION & FEE CHARGES USED BY PHEAA** – Where the tuition and fee costs used by PHEAA for the term in question exceed the student’s actual tuition and fees costs for 2020-21 by at least 25 percent, the school is required to report to PHEAA the actual costs incurred by the student if these fall below the cost cap when annualized. Final year students, study abroad, a combination of day and evening courses, distance education courses, etc., are all circumstances whereby a student may incur tuition and fee costs which are substantially different (lower) than those used by PHEAA in calculating the PA State Grant.
- b. **HALF-TIME** – PHEAA uses full-time, full-year tuition and fees when calculating a student’s need. Half-time awards are calculated as one-half the full-time award unless the student’s half-time eligibility is below the minimum award amount; or, the student reaches the maximum number of payments and the remaining award counter is less than a half-time counter (PHEAA Adjusted “X”). Therefore, the school should calculate the half-time threshold as noted in the table below.

c. THRESHOLD CALCULATION & EXAMPLES

REPORTED TUITION & FEES FOR FULL-TIME, FULL-YEAR EQUIVALENT	SCHOOL'S SCHEDULE	TERM COST	FULL-TIME THRESHOLD	HALF-TIME THRESHOLD
X	Semester	$X/2 = Y$	$Y * .75 = Z$	$Z/2$
X	Quarter	$X/3 = Y$	$Y * .75 = Z$	$Z/2$
\$12,568	Semester	\$6,284	\$4,713	\$2,356
\$29,304	Quarter	\$9,768	\$7,326	\$3,663
\$8,000	Semester	\$4,000	\$3,000	\$1,500
\$36,660 (but costs capped at \$32,000)	Semester	\$16,000	\$12,000	\$6,000

Note: Report term costs that are less than the threshold. Please note that input into the Partner Interface is a term amount. The PHEAA system annualizes the entered amount.

- d. **COSTS EXCEEDING TUITION & FEE CHARGES USED BY PHEAA** – Schools may request reconsideration when the costs incurred by the student for either tuition or fees exceed the costs used by PHEAA by at least 25 percent.

Schools may only include tuition and fees that are being assessed to all students and that are noted as allowable in our *Institutional Cost Policies and Instructions document*. For example, since a uniform fee was not allowed at the school-level, it may not be included in an individual student’s Cost Override request.

If the student is receiving the maximum PA State Grant award or if the student’s total educational costs exceed the Need Analysis formula’s cost cap, do not report increased costs since it will not increase the student’s eligibility. Schools that process full-time students for a half-time PA State Grant due to remedial/developmental coursework (refer to **Section B, Paragraph 5** of this chapter) may review these students for different educational cost purposes since they are incurring full-time tuition and fees.



Tip: Increased student tuition and fees, those that exceed those on record with PHEAA by at least 25 percent, may only be reported using the Special Request feature in Partner Interface. This must be done on a term-by-term basis.

- e. TWO-SCHOOL ENROLLMENT – If a student is enrolled in two schools with a consortium agreement, the “home” school must evaluate the actual charges incurred by the student from both schools for each term and add them together. These actual charges must then be compared to the annual costs that were reported and approved by PHEAA for the “home” school to evaluate if they differ by more than 25% and need to be reported.
- f. TUITION WAIVERS – Schools must use the actual costs of students who are receiving a tuition waiver in order to use the tuition charges in the COA for PA State Grant purposes. The student account must show that charges for the full amount were applied and then a credit was applied in the amount of the tuition waiver (all or part). If this is not able to be shown on the student’s account, then the tuition costs cannot be used. This may mean that reporting reduced costs (more than 25 percent lower) is required for recalculation of PA State Grant eligibility.
- g. TUITION REMISSION – Some schools provide a financial aid scholarship to offset charges rather than actually reducing tuition. The institutional accounting records should indicate the full amount of tuition and fees charged to the student. Any amounts awarded to the student through “tuition remission” should likewise be indicated on the account. An institutional scholarship covers this charge so it is not the elimination of the charge.

2. REPORTING STEPS

- a. Conduct all other eligibility tests outlined in the PA State Grant Handbook and submit necessary changes to PHEAA prior to the submission of different educational costs. For example, report a change from full- time to half-time or a change in enrollment mode before reporting different educational costs.
- b. Withhold the PA State Grant until all changes are processed and the student’s eligibility is recalculated.
- c. Report lower costs through the Partner Interface on a student-by-student basis.



Note: Submission of costs (that are lower by more than 25 percent) is only available in Partner Interface in the single student update “Cost Override” feature. Thresholds display for ease of your review. Schools may enter the term costs beginning in May after initial need processing occurs and awards are announced to the public. Costs that are higher by more than 25 percent may be reported via the Special Request function in Partner Interface.

- 3. NON-SPONSORING STATUS (PENNSYLVANIA COMMUNITY COLLEGES ONLY) – Before crediting, financial aid administrators at community colleges must verify that the students incurring non-sponsoring district costs are reported to PHEAA.
 - Report students with a Program of Study P-Non-Spon Clg Transferrable for students enrolled in college transferrable programs or code Q-Non-Spon 2 Yr Terminal Program for students enrolled in 2-year terminal programs.
 - Students already identified to PHEAA as non-sponsoring are identified by: the notation “Non-Sponsoring” in the Student Identification/Address column on the roster.
 - 1 – Yes in the term Non-Sponsoring District Indicator on a disbursement transmission
 - 1 – Yes in the term Non-Sponsoring District Indicator on the applicant status transmission

Chapter 3 – PA State Grant Costs & Award Adjustments

A. Educational Costs Used in Calculating a PA State Grant

Schools report the tuition and fees component to PHEAA annually in March–April through the online *PA State Grant Educational Cost Form*. All Pennsylvania schools are required to submit the *PA State Grant Educational Cost Form* to ensure the school contact information is current and statistical information is correct. Awarding may be delayed if costs are not submitted on time. Non-Pennsylvania schools are highly encouraged to submit the *PA State Grant Educational Cost Form* to afford students the benefit of having increased costs considered in the award calculation. Utilization of prior-year costs may result in lower eligibility, especially if the non-Pennsylvania school has not reported costs for multiple years. Cost updates, whether revisions or new, submitted after the communicated deadline are considered late. This information is stored and used as baseline data for the subsequent academic year. PHEAA reserves the right to accept costs submitted as “on-time” after the published deadline due to extenuating circumstances. However, due to budget limitations, PHEAA cannot guarantee that any cost increases submitted after the published deadline will be recognized. PHEAA reserves the right to place a school on processing hold until costs are submitted, reviewed, and approved. The processing hold action may result in a delay of student eligibility notifications for students enrolled at that school. Please refer to the *2020-21 Institutional Cost Policies and Instructions* which is available in the Document Library. Total costs are subject to PHEAA approval and a cost cap. The cost cap is determined annually when the PHEAA Board of Directors approves the PA State Grant Need Analysis formula.



Note: PHEAA publishes the *PA State Grant Program Manual* after final award announcements (refer to **Section B** of this chapter). This publication, available on [PHEAA.org/forms](https://pheaa.org/forms), details the PA State Grant Need Analysis Formula, and provides other important information to the public. The Program Manual complies with 22 Pa. Code § 121.47.

Total educational costs are comprised of the components listed below:

1. TUITION & FEES – Tuition and fees for the institution or program of study (Business, Trade, and Technical (BTT) schools).
2. BOOKS & SUPPLIES - A book allowance may be included for all students by PHEAA. This is determined annually when the PHEAA Board of Directors approves the PA State Grant Need Analysis formula.
3. EDUCATION EXPENSE ALLOWANCE (EEA) – An educational expense allowance may be included for all students by PHEAA. This is determined annually when the PHEAA Board of Directors approves the PA State Grant Need Analysis formula.
 - a. HOUSING – Housing status does not have to be reported and does not affect PA State Grant eligibility. Room and board costs will continue to be required during the annual educational costs collection for statistical purposes.



Note: Although not required, a school may opt to provide corrected student by student housing data for their own record-keeping. In these cases, corrected housing is recorded on the school’s reconciliation roster.

B. Award Status & Crediting Definitions

1. ESTIMATED AWARDS – Beginning in October, the PA State Grant Program provides a formula for estimated awards prior to announcing conditional awards. Schools are provided with a spreadsheet calculator and later provided estimates through the PHEAA system. PHEAA's estimated PA State Grant awards are to be used for all communications and financial aid packages to students, even those regarded as estimated packages. You are permitted, however, to program the Early Estimator State Grant formula into your institutional financial aid management system if it produces awards that are within +/- \$100 of the values obtained using the PHEAA Early Estimator tool. This ensures that uniform values are provided to students across all institutional sectors. Please note that not using PHEAA estimates may result in an administrative finding for your institution (refer to [Chapter 5, Section F](#)).

If the Early Estimator tool is revised during the year, it is best practice to also revise awards on communications to students. However, if the revised award is within +/- \$100 of the current award, the school will be considered in compliance.



Note: Award letters, school websites, packaging estimates to students, and any other communications must refer to the award as “PA State Grant” or “Pennsylvania State Grant.” Your school is not permitted to communicate the PA State Grant as “PHEAA” or “PHEAA Grant.”



Tip: If a student questions potential award eligibility at another institution, you may refer the student to the “How Much Can I Expect to Receive?” section of PHEAA.org for general awarding guidelines. You may also use the Early Estimator to get a ballpark figure. However, the specific institution in which they plan to eventually transfer would be able to provide a more accurate estimate.

2. CONDITIONAL AWARDS – The PA State Grant Program announces conditional awards typically in May/June to assist students with college financing decisions. Conditional awards mean award amounts prior to the passage of the Commonwealth budget. Schools may not pay a student based upon a conditional award.



Note: Students are informed that their awards are conditional through email notifications and the Eligibility Notice that is placed in each student's paperless inbox. Additionally, messaging is posted in the student portal to explain the status of awards.

3. FINAL AWARDS – Final indicates an award calculated after the Commonwealth budget passage.
4. CREDIT/CREDITING – Whenever this Chapter makes use of the verb “credit,” this means a final credit as defined in [Chapter 4, Section D](#).

C. Award Adjustments for Adds, Drops, & Withdrawals

1. DEFINITION – In order to understand what updates are required for the PA State Grant Program, definitions are provided in this section.

A student's term award may require a change (e.g., adjustment, cancellation, enrollment update or enrollment mode update) when the student initially enrolls for the term but adds, drops or withdraws from one or more courses prior to the end of the term/disbursement period. Schools without set terms must use the student's disbursement period which would comprise a “term” when applying withdrawal procedures. Refer to Term Start Dates in [Chapter 4, Section B, Paragraph 3](#).

- a. ADDS – The PA State Grant Program uses the term “add” to describe a course or courses for which the student registers after the start of the term which will appear on the student’s transcript.

Since added courses may impact a student’s enrollment status, please reference [Paragraph 3](#) of this section, specifically the added course examples.

- b. DROPS – The PA State Grant Program uses the term “drop” to describe a course or courses for which the student was registered but where the course was removed from the student’s schedule and thus no attempted course exists or will exist on the transcript. Usually there are no tuition charges remaining on the student’s account. However, even in cases where an institution charges the student for dropping the course, it is still considered a drop for PA State Grant purposes.

Drops normally occur during a defined period at the beginning of the term but this administrative action may occur later on an exception basis. Dropped courses do not count toward enrollment, therefore, the school 1) may not consider dropped courses when paying the PA State Grant; 2) may not apply withdrawal procedures; and 3) must update enrollment and eligibility accordingly.

Example: Drop

A student enrolls in six credits, is paid for a half-time PA State Grant on September 2 and subsequently drops one three-credit course on September 4 during the institutional “Drop-Add” period. The student must be reported as “less than half-time” and return the funds to PHEAA. Withdrawal procedures are not applicable in this case.

- c. WITHDRAWAL – For PA State Grant purposes, this means that the student withdrew from a course or courses and the student 1) will receive attempted credits that appear on the transcript; and 2) was charged by the school. The transcript will reflect that no credits were earned for such course or courses.

The terms “withdraw” or “withdrawal” in these procedures encompass situations when the student fully or partially withdraws; takes a leave of absence; changes from an approved to a non-approved program of study; or is terminated, expelled, suspended, or dismissed. The withdrawal policy also applies to cases of a student’s death within the term.

A leave of absence prior to the end of the term or disbursement period equals a withdrawal, regardless of the student’s reasons. Since the student has terminated enrollment prior to the end of the term, adjust the PA State Grant regardless of the school’s special provisions for such leaves. Use your school’s regular withdrawal calculation to determine the amount of the PA State Grant that must be returned.

For PA State Grant purposes, a withdrawal can only be applied when the PA State Grant awards are final and the award was previously disbursed by the school and credited to the student’s account after certification of eligibility. Please refer to [Paragraph 4](#) of this section for guidance on evaluating withdrawals.

- d. UNOFFICIAL WITHDRAWAL – As noted in [Chapter 2, Section B, Paragraph 3.c](#), for PA State Grant purposes, an unofficial withdrawal occurs when a registered student fails to notify the school of enrollment cessation or plans of enrollment cessation. If a student is identified as a “no show,” this means not enrolled for PA State Grant purposes and is treated the same as a student who fails to register for the term. For a student who receives all “F” grades for a term, the school must investigate to see if the student actually attended for the whole enrollment period and failed all courses or received “F’s” due to an unofficial withdrawal. If attendance is not taken and the appropriate institutional authority (e.g., Registrar’s Office) cannot provide a last date of activity (e.g., examinations, returned assignments, etc.), the student should be marked as “not enrolled.” If dates can be provided, then the withdrawal policy may be applied using the last date of activity as the last date of attendance.

2. TOTAL WITHDRAWAL FROM SCHOOL – If a student withdraws from school completely, follow the steps for withdrawals outlined in **Paragraph 11** of this section.
3. EVALUATING ADDS/DROPS – Schools are required to monitor and report changes that may impact a student's eligibility from dropping and adding classes. If the ratio of online versus classroom credits changes after initial crediting of the PA State Grant award due to dropped or added courses, the school must re-evaluate the term enrollment mode for accuracy and update if it has changed for that term. The enrollment mode must be updated even if the change will not impact the student's eligibility. At Non-HQD institutions this may also render the student ineligible for the previously paid PA State Grant award and will likely result in cancellation of the award.
 - a. ADDS & DROPS – If a student drops or adds credits this may impact the ability to meet the minimum half-time enrollment status or may alter the ratio of classroom to online credits. In either of these situations, follow the steps outlined in the following table:

ENROLLMENT CHANGE	PA HQD INSTITUTIONS	NON-HQD INSTITUTIONS
Drops to less than half-time	Report the student as enrolled "Less than half-time."	Report the student as enrolled "Less than half-time."
Drops from full-time to half-time	Report the student as "half-time."	Report the student as "half-time."
Is at least half-time but drops or adds classes that cause the enrollment mode to change.	Report the enrollment mode change.	Report the enrollment mode change. If the enrollment mode change is to "Up to 50% distance education," (mode 2) no further action is needed. If the enrollment mode change is to "Greater than 50%, but less than 100% distance education" (mode 3) or to "100% distance education," (mode 4) monitor the student's status.

Note: If the student is attending a Non-HQD school and does not request an ADA exception, PHEAA will cancel the award (Cancel "L"). Refer to **Chapter 2, Section B, Paragraph 2.b** for details on this process.

Once the award is cancelled, the school is responsible for refunding the award amount to PHEAA. This is NOT a PHEAA Collectable (refer to **Chapter 4, Section D, Paragraph 8**) and not a new practice.

b. ADDED COURSE EXAMPLES

Example Set: Added Courses – Students who add courses that change the credit ratio

STUDENT	TERM ENROLLMENT & STATUS			TERM ENROLLMENT MODE	TERM ENROLLMENT & STATUS AFTER CREDITS ADDED			CHANGES TO BE REPORTED
	CLASS-ROOM	ONLINE	STATUS		CLASS-ROOM	ONLINE	STATUS	
Student A	9	0	Half-time	100% classroom (mode 1 – assumed)	9	3	Full-time	Report “Up to 50% distance education” (mode 2) Report enrollment as full-time
Student B	6	6	Full-time	Up to 50% distance education (mode 2)	9	6	Full-time	No enrollment mode change No enrollment status change
Student C	6	6	Full-time	Up to 50% distance education (mode 2)	6	9	Full-time	Report “Greater than 50%, but less than 100% distance education” (mode 3) No enrollment status change

Note: If the student is attending a Non-HQD school and does not request an ADA exception, PHEAA will cancel the award once 30 days expires (Cancel “L”). Refer to [Chapter 2, Section B, Paragraph 2.b](#) for details on this process.

Once the award is cancelled, the school is responsible for refunding the award amount to PHEAA. This is NOT a PHEAA Collectable (refer to [Chapter 4, Section D, Paragraph 8](#)) and not a new practice.

c. DROPPED COURSE EXAMPLES

Example Set: Dropped Courses – Students who drop courses that change the credit ratio

STUDENT	TERM ENROLLMENT & STATUS			TERM ENROLLMENT MODE	TERM ENROLLMENT & STATUS AFTER CREDITS DROPPED			CHANGES TO BE REPORTED
	CLASS-ROOM	ONLINE	STATUS		CLASS-ROOM	ONLINE	STATUS	
Student A	12	0	Full-time	100% classroom (mode 1 – assumed)	9	0	Half-time	No enrollment mode change; Enrollment status must be changed to half-time
Student B	6	6	Full-time	Up to 50% distance education (mode 2)	3	6	Half-time	Report “Greater than 50%, but less than 100% distance education” (mode 3) Report enrollment as half-time
Student C	0	6	Half-time	100% distance education (mode 4)	0	3	Less than half-time	No enrollment mode change Report enrollment as less than half-time

Note: If the student is attending a Non-HQD school and does not request an ADA exception, PHEAA will cancel the award once 30 days expires (Cancel “L”). Refer to [Chapter 2, Section B, Paragraph 2.b](#) for details on this process.

Once the award is cancelled, the school is responsible for refunding the award amount to PHEAA. This is NOT a PHEAA Collectable (refer to [Chapter 4, Section D, Paragraph 8](#)) and not a new practice.

- EVALUATING WITHDRAWALS – This can only be done when 1) PA State Grant awards are FINAL; and 2) the award was previously disbursed by the school and credited to the student’s account after certification of eligibility. Prior to receiving the term disbursement roster, your school may not make a final credit on a student’s account due to the student’s appearance on a pre-disbursement roster, GPAD, or other report. In these instances, your school is required to update the student’s record to “not enrolled,” “less than half-time,” or “half-time,” as appropriate. Adjusted grant payments, for any reason, although reduced, equal an appropriate term award counter (full- or half-time) for PA State Grant purposes.



Note: If a school receives a pre- disbursement roster and identifies a student who is on leave, the school must cancel the term eligibility for reason “not enrolled” (Certification Transmission – Use code G – Not Enrolled in the full- year or term Cancellation).



Note: Do not adjust any future undisbursed terms. If a student has withdrawn from school, please cancel subsequent terms for “not enrolled.”

Example 1: Funds Not Disbursed

School A has a Summer term that begins on May 15 and ends July 18. A student at School A stopped attending on June 1 during the 40 percent refund period for the school. The term's first roster was received on July 2. Since the Summer term roster and funds were not disbursed until after the student stopped attending, the school must return 100 percent of the funds. Although a school may have deferred all or a portion of the student's bill based upon an estimated PA State Grant amount prior to the student's withdrawal, the school cannot apply a final credit of funds prior to the receipt of the term's first disbursement roster.

Example 2: Conditional Awards

The PA State Grant Program announces conditional awards in June 2020. The Commonwealth Budget has not passed at the time classes begin on August 31, 2020. The school defers the PA State Grant portion of the student's bill but the student withdraws completely on September 30, 2020. The budget passes on October 2, 2020 and the PA State Grant Program announces final awards on October 5, 2020. Disbursements occur after October 6. Because the student withdrew prior to the announcement of FINAL award amounts, the school must remove any Fall term bill deduction and cancel the term eligibility for reason "not enrolled" (Certification Transmission use code G – Not Enrolled in the full-year or term Cancellation indicator).

Example 3: Intersession

A student enrolls in a 4-week long Winter intersession for six credits but fails to enroll in the Spring term. Since the student did not enroll in the Spring, the intersession may not be combined with the Spring term and may not be considered a withdrawal. In this case, the student is ineligible and the Spring term must be cancelled for "not enrolled." As a reminder, intersessions are not stand-alone terms and do not meet the minimum term length requirement. For more information on intersessions, please refer to [Chapter 2, Section B, Paragraph 11](#).

5. EVALUATING WITHDRAWALS IN A MODULAR TERM – When combining modules, a payment may be made at the beginning of the last module based on the number of enrolled credits minus any withdrawals for the term.

For example, if a student is enrolled for four credits in each of the three modules but withdraws from four credits in the first module, the student could only be paid for a half-time term award (8 credits) at the beginning of the last module.

Students in traditional terms are ideally paid at the beginning of the term. However, if payment is delayed and they withdraw in the interim, they are only eligible for payment for the credits, if any, that remain after the withdrawn courses are removed from consideration. By permitting PA State Grant payment at the beginning of the last module based upon the number of enrolled credits minus any withdrawals for the term, students enrolled in modular terms are more closely aligned policy-wise with traditional students.

The following examples apply to course withdrawals only. If a student drops courses, the school may not apply withdrawal procedures and must update enrollment and eligibility accordingly (refer to [Paragraph 3](#) of this section).

PA STATE GRANT AWARD PAYMENT FOR WITHDRAWALS IN ACADEMIC YEAR MODULAR TERMS

STUDENT ACTION	AWARD ADJUSTMENT	AWARD PAYMENT
Total withdrawal from all credits in every module	Cancel "not enrolled"	None
Withdrawal from one or more modules which results in the student still maintaining full-time enrollment status	Maintain PA State Grant award at "full-time"	Pay full-time award at the beginning of the last module in the term
Withdrawal from one or more modules which results in the student moving from full-time to half-time	Change enrollment to "half-time"	Pay half-time award at beginning of last module in term
Withdrawal from one or more modules which results in the student moving from either full-time or half-time to less-than-half-time	Change enrollment to "less than half-time"	None



Note: If at the beginning of the last module, the student's PA State Grant award is paid and then the student withdraws from the last module, the school's institutional refund policy should be implemented for any possible adjustments.

Example 1:

We have two modules that are consecutive within the semester. If the student is enrolled in six credits in both modules and withdrew from Module 1, is the student now eligible only for a half-time award?

Yes. Even if the student was charged full-time by your institution, you would only be able to pay them the half-time award in this instance. Because the student initiated enrollment in modules covering the entire term, the student is considered to have met the term length requirement.

Example 2:

A student enrolls in a term comprised of two modules for 6 credits each and receives all "F" grades. The Financial Aid Administrator (FAA) confirms attendance and activity after the end of the term and finds that the student did not initiate the final module for the term. What action needs to be taken?

In this instance, the student does not meet the term length requirement since the student did not enroll in the final module that comprised the term. The student is not eligible, and the school is responsible for marking the student as "not enrolled" and returning the funds to PHEAA.

Example 3:

If a student originally registered for three modules, but has taken twice the credits in the first module and does not enroll in the final module, could the award be credited for a full-time award?

Enrollment in modules from which a student later withdraws can be combined for purposes of meeting the PA State Grant term length requirement. However, since a student in this situation decides not to enroll in the third module even before that module occurs, that module cannot be counted toward satisfying the minimum term length.

EXAMPLE: STUDENT DOES NOT ENROLL IN MODULE 3

MODULES	MODULE 1 • 5 WEEKS	MODULE 2 • 5 WEEKS	MODULE 3 • 5 WEEKS
Original Enrollment	4 Credits	4 Credits	4 Credits
Change to Enrollment Prior to Start of Final Module	8 Credits	4 Credits	0 Credits

Action: Mark the student's enrollment as "00" in the Program of Study field since the enrollment does not meet the PA State Grant minimum term length requirement.

Assumptions: Assumes a semester school with terms comprised of three 5-week modules.

6. EVALUATING IF A REFUND IS DUE TO PHEAA – Once funds have been disbursed to the school, a refund to PHEAA of all or a portion of the PA State Grant may be required depending upon 1) the date of the student's withdrawal; and 2) the standard tuition refund policy of the institution. Indicated below are two examples of handling unofficial withdrawals.



Note: In cases of withdrawal, enrollment mode changes should not be reported unless the student's enrollment status has changed.

Example 1: Unofficial Withdrawal/No Attendance Record

A student receives all "F" grades at a school where attendance is not taken. An institutional review indicates that the student "unofficially withdrew" in November after the "Drop-Add" period. The student is incurring 100 percent of his or her charges because this occurred after the institutional refund period and, therefore, the credit of the PA State Grant may stand. However, the student should be advised that this will cause an issue with Academic Progress for future PA State Grant aid.

Assumptions: PA State Grant award was paid in September at the beginning of the Fall term

Example 2: Unofficial Withdrawal/Last Attendance Date Recorded

School B received a roster and funds on January 16 and credited a student. On February 20, the FAA was notified that the student unofficially withdrew on January 10. Since School B must use the last date of the student's attendance and apply the PA State Grant withdrawal steps outlined in this procedure, the school must return 100 percent of the funds.

7. RETROACTIVE WITHDRAWAL AFTER TERM COMPLETION – When a school grants a student a retroactive withdrawal for a term for which the PA State Grant has already been paid, follow the standard tuition refund policy of the institution and the adjustment steps listed in **Paragraph 11** of this section.
8. AWARD INCREASES AFTER CREDITING & WITHDRAWAL – In certain circumstances, the PA State Grant award amount may increase after initial crediting. In this event, an increase in the award for the term cannot be credited after the student has withdrawn or dropped to "less than half-time" status during the term.

9. PARTIAL WITHDRAWAL TO AT LEAST HALF-TIME DURING THE SCHOOL'S REFUND PERIOD – When a student partially withdraws to an enrollment status of at least half-time after funds have been credited and during the school's refund period, the school has two options:

OPTIONS	ACTION	PROS	CONS
Option 1	Apply the withdrawal policy on the full-time enrollment and award	Award may be higher than the half-time award	Full-time award counter is used
Option 2	Report the student as half-time	Reduces issues with successful Academic Progress (Chapter 2, Section D) since half-time award counter is used	Award may be less than the adjusted full-time award Enrollment mode must be evaluated and updated, if applicable (this could change a student's eligibility at a Non-HQD school)

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 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 allows for the option to be selected on a student-by-student basis.

This choice does not apply to modular schedules unless the student has withdrawn after funds have been credited after the beginning of the last module.

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 PA State Grant within the time frames indicated in the student refusal guidelines set forth in [Chapter 2, Section M](#). In those instances, the school must advise the student to refuse the PA State Grant award and return the funds. Once PHEAA processes the cancellation, the student's award counter is recalculated to allow for future eligibility. This can be beneficial to students in terms of satisfactory Academic Progress.

Example: Partial Withdrawal to At Least Half-time During School's Refund Period

A grant recipient initially enrolls for 15 Fall term credits, receiving \$900 and is charged \$1,500 (\$100 per credit). Subsequently, the student withdraws from six credits. This occurred after crediting and during the school's refund period. The student receives a refund of \$300 from the school. This equates to a 20 percent refund of the total institutional charges. With regard to the award amount, adjustment of the full-time award would be \$720 or 80 percent of \$900 as PHEAA would require a proportional refund of the PA State Grant funds awarded for the term. Even though the student is enrolled at least half-time and eligible for a half-time award of \$450 (.25/.16 award counter), an adjusted full-time award would provide more money to the student but would use a .50/.33 award counter. The school may opt to make the adjustment instead of reporting the student as half-time.

10. SUMMARY – Please use the following table to step through the evaluation process.

TREATMENT OF ENROLLMENT CHANGES

STATUS CHANGE (PRIOR TO THE END OF THE TERM/DISBURSEMENT PERIOD)	HAVE FUNDS BEEN CREDITED?	SHOULD FUNDS BE RETURNED?	DOES WITHDRAWAL DATE MATTER?
Withdraws or Changes to Non-Approved Program	No	Yes	No
	Yes	Depends (refer to Paragraph 11 of this section)	Yes
Drops to Less than Half-time	No	Yes	No
	Yes	Yes	No
Partially Withdraws - Half-time to Less than Half-time	No	Yes	No
	Yes	Depends (refer to Paragraph 11 of this section)	Yes

STATUS CHANGE (PRIOR TO THE END OF THE TERM/DISBURSEMENT PERIOD)	HAVE FUNDS BEEN CREDITED?	REPORT AS HALF-TIME?	REPORT ADJUSTED AMOUNT?
Partially Withdraws - Full-time to Half-time	No	Yes	No
	Yes	The school must choose to 1) report as half-time or 2) adjust Note: In cases when enrollment status is re-reported, enrollment mode must also be re-evaluated and updated, if applicable (this could change a student's eligibility at a Non-HQD school).	

11. ADJUSTMENT STEPS – Before making an adjustment, the school must be able to document that crediting based on the enrollment status took place prior to withdrawal and that the student was otherwise eligible. Adjustment steps are as follows:

- a. Determine the portion (or percentage) of tuition funds due for the term that would be refunded in accordance with the school's tuition refund policy in the case of withdrawal or course load reduction.
- b. Check that the amount of the PA State Grant retained by the school does not exceed that portion permitted under the school's tuition refund policy; whenever possible and where school policy allows, a portion should be refunded to PHEAA.
- c. Advise the student to pay the amount to the school when, in accordance with the above procedure, the amount of PA State Grant funds retained by the school is small. In these instances, the school must advise the student to refuse the PA State Grant award. This enables the school to refund the entire term's disbursement to PHEAA. The result saves a term of PA State Grant eligibility for the student and possibly avoids an Academic Progress issue in the future.
- d. Report award adjustments via Partner Interface.

 **Tip:** Submission of adjusted awards is only available in Partner Interface in the single student update function. Schools may enter the revised term award amount beginning in July after the first possible enrollment for the Fall term begins.

Example 1: Withdrawal from School During School's Refund Period

A recipient awarded a \$600 Fall semester grant withdraws at the end of the second week of classes. According to the school's refund policy, the student receives a 75 percent refund of tuition charges. PHEAA expects a \$450 (75 percent) refund of the Fall term PA State Grant.

Example 2: Change to a Non-Approved Program of Study

A student at a business school changes from an approved to a non-approved program of study after the term has begun and the \$750 PA State Grant has been credited to his or her account. Adjust the PA State Grant as if the student withdrew on the date of the program change even though the student may not be entitled to a refund since not officially withdrawn from school. For example, the school prorates tuition on a weekly basis and the student changes to a non-approved program during the eighth week of a 12-week term; four-twelfths (or one-third, \$250) of the grant for that term must be refunded to PHEAA.

Chapter 4 – Disbursements & Cash Management

A. Maintaining & Accounting for Funds

A school has a fiduciary responsibility to segregate PA State Grant funds from all other funds and to ensure that PA State Grant funds are used only for the benefit of eligible students. Absent a separate bank account, the school must ensure that its accounting records clearly reflect that it segregates PA State Grant funds. Under no circumstances may the school use PA State Grant funds for any other purpose, such as paying operating expenses, collateralizing or otherwise securing a loan, earning interest, or generating revenue.

1. **CASH MANAGEMENT** – To ensure adequate cash management practices, a school must have in place a cash management system that adheres to the PA State Grant Program procedures and deadlines. PHEAA procedures are in place to:
 - Promote sound cash management of PA State Grant funds by schools;
 - Provide PHEAA adequate disbursement information which enables budgeting and improves forecasting accuracy; and
 - Minimize the costs to the Commonwealth of making PA State Grant funds available to students and schools.
2. **ACCOUNTING** – The school must maintain financial records that reflect all PA State Grant Program transactions. General ledger control accounts and related subsidiary accounts must identify all PA State Grant Program transactions and separate those transactions from all other transactions.
 - a. **WHEN A SCHOOL DOES NOT MAINTAIN A SEPARATE ACCOUNT** – If a school does not maintain a separate account for PA State Grant Program funds, its accounting and internal control systems must identify the balance for the PA State Grant Program that is included in the school’s bank account as readily as if those funds were in a separate account.



Note: PHEAA does not require that separate bank accounts be maintained by academic period or year. However, your school must maintain proper accounting in order to adhere to PHEAA’s netting rules which prohibit the netting of excess funds from one period or year to another.

3. **BANK ACCOUNT REQUIREMENTS** – For each account that contains PA State Grant Program funds, a school must identify that PA State Grant funds are maintained in the account by including the phrase PA State Grant Funds or a similar notation in the name of the account.
4. **SETTING UP OR CHANGING BANK INFORMATION** – PHEAA ONLY disburses funds on behalf of PA State Grant recipients by Automated Clearing House (ACH) transfer of funds. ACH forms and questions regarding ACH payments may be directed to PHEAA’s Financial Management Department at fmeftadmin@aessuccess.org. Your school must reenroll in ACH when any of the following occur:
 - You change banks
 - The payee or its bank changes the account number
 - The depositor account is closed
 - The bank closes – either voluntarily or involuntarily

B. Defining Terms/Payment Periods, Term Length, & Start Dates

In order to be eligible for a PA State Grant payment, the student must be enrolled in a term that complies with the requirements set forth in this section. For PA State Grant purposes, the terminology “payment

period” equates to a term as outlined in these procedures. All schools’ terms must comply with the following:

- Minimum and maximum lengths
- Start date ranges

This includes clock hour schools with irregular schedules or continuous enrollment. Therefore, schools without set terms must determine if the student’s enrollment meets the term requirements and for which term the student is eligible.

1. TERMS/PAYMENT PERIODS

- a. **ACADEMIC YEAR** – PHEAA processes PA State Grant applications and disburses funds based on a typical academic year schedule consisting of the 9-month period between September and May. In accordance with regulation 22 Pa. Code §121.50, PA State Grant disbursement of funds to schools occurs on one of two disbursement schedules:

PAYMENT SCHEDULES			
Quarter Schedule	Fall	Winter	Spring
Semester/Trimester Schedule	Fall		Spring

In sum, an Academic Year “period” is comprised of two or three separate terms: Fall and Spring terms for a semester school and Fall, Winter, and Spring for a quarter school.

- i. **CONTINUOUS ENROLLMENT/IRREGULAR SCHEDULES** – At schools with continuous enrollment (students are enrolled year-round) or terms of irregular length, PHEAA disbursements occur on the schedule which coincides as closely as possible to the school’s calendar, or in such a way as to facilitate certification of eligibility. In accordance with the school’s disbursement schedule and the student’s program of study, PHEAA has established the maximum number of (term) payments a grant recipient, who is otherwise eligible, may receive.

Example: School operating with clock hours and irregular schedules

TERM DISBURSEMENT	ENROLLMENT	TERM START	TERM END AFTER THE FOLLOWING ARE COMPLETED		FIRST DISBURSEMENT PERIOD
Semester	Full-time	Date student enrolled	Minimum 450 clock hours	Required term length completed (15-17 weeks)	First Semester for PA State Grant purposes
Semester	Half-time	Date student enrolled	Minimum of 225 clock hours		
Quarter	Full-time	Date student enrolled	Minimum of 300 clock hours	Required term length completed (10-12 weeks)	First Quarter for PA State Grant purposes
Quarter	Half-time	Date student enrolled	Minimum of 150 clock hours		

- ii. **HOSPITAL SCHOOLS OF NURSING (HSON)** – In order to be eligible for PA State Grant aid, HSON must have an updated curriculum according to the Accreditation Commission for Education in Nursing (ACEN) standards. Students attending a HSON are processed consistent with academic year and summer awards at all other institutional types. Students enrolled during the Summer term must complete a Summer application in order to be considered for PA State Grant aid.

- b. **SUMMER TERM** – PHEAA does not consider the Summer term as part of the academic year. In sum, a Summer “period” is comprised of the Summer term only. Summer term PA State Grant awards

and disbursements occur separately from the academic year. Students must file a separate, online, summer application via PHEAA's Account Access.

2. TERM LENGTH DEFINITIONS

- a. **ACADEMIC YEAR TERM LENGTH DEFINITIONS** – All references in these procedures to a “semester” term or school apply to a “trimester” school as well. These definitions apply to all schools regardless of whether the school has set terms or continuous enrollment and to half-time recipients, as well as full-time recipients. Do not credit a PA State Grant payment to a term that does not meet PHEAA tolerances. Any deviations require permission in writing by PHEAA and will likely require “Special Crediting Instructions.”



Tip: Although the program of study may be eligible, PHEAA does not have a separate reject code for program length. Therefore, to report a student as ineligible due to enrollment in a term that does not meet the minimum term length, the school must choose Program of Study code 00-Other (Certification Transmission – Use code 1 –Yes – Non-Approved or Non-Degree Program in the term Non-Approved or Non-Degree Indicator).

TERM	22 PA. CODE § 121.1 DEFINITION	STANDARD RANGE
Semester	A period of approximately 17 weeks normally comprising one-half of the academic year	Minimum of 15 weeks Maximum of 18 weeks
Quarter	A period of approximately 11 weeks normally comprising one-third of the academic year	Minimum of 10 weeks Maximum of 12 weeks
Trimester	A period of approximately 15 weeks normally comprising one-half of the academic year	Treated as a semester

Note: Always consult with PA State Grant staff should you have a questions about term length outside of the standard definitions.

- i. Please refer to **Chapter 1, Section E** for definitions of the following: Term, Week, and Module. It is important to note that a school cannot credit funds to a student's account until after enrollment certification occurs in the final term module in which the student is enrolled as noted in **Chapter 4, Section D**.

Example Set 1: Academic Year (Semester Schedule)

STUDENT	FALL MODULE 1	FALL MODULE 2	TERM LENGTH SATISFIED?	MINIMUM ENROLLMENT SATISFIED?	NOTES
	7 ½ WEEKS	7 ½ WEEKS			
Student A	6 credits	Not Enrolled	No	Yes, but not applicable	Reject – Report “00” (Other) in Program of Study
Student B	6 credits	6 credits	Yes	Yes – Full-time	Certify and credit only after enrollment begins in Module 2
Student C	Not Enrolled	12 credits	No	Yes, but not applicable	Reject – Report “00” (Other) in Program of Study
Student D	6 credits	3 credits	Yes	Yes – Half-time	Certify and credit only after enrollment begins in Module 2
Student E	3 credits	2 credits	Yes	No	Report Less than Half-Time

b. SUMMER TERM LENGTH DEFINITIONS – Term length definition for the Summer term is dependent upon curriculum.

- i. ENROLLMENT IN A PROGRAM THAT DOES NOT HAVE CONTINUOUS ENROLLMENT (YEAR-ROUND CURRICULUM) – A student must be in a degree program and be enrolled in a period of no less than 5 weeks in length regardless of the academic year term type (semester or quarter). PHEAA permits the combining of various length modules since schools offer a wide variety of class configurations during the Summer term. The major difference from the academic year is that enrollment in these courses does not have to be consecutive. To satisfy the 5-week minimum, the Summer sessions may overlap as long as from the beginning of the first session to the conclusion of the last session there is a minimum total of 5 weeks and there is no overlap with the Spring or Fall terms.



Note: If a student’s disbursement is received prior to his or her enrollment in the last session or “module” that comprises the term, your school may not apply a final credit to the student’s account. Rather, hold the funds until the session begins and the eligibility and enrollment of the student in that session is confirmed.

Example Set 1: Summer (Semester Schedule)

EXAMPLE	SESSION I (MAY 18 TO JUNE 19)	SESSION II (JUNE 22 TO JULY 24)	SESSION III (JULY 27 TO AUGUST 28)	SUMMER TERM LENGTH SATISFIED?	MINIMUM ENROLLMENT SATISFIED?	NOTES
	5 WEEKS	5 WEEKS	4 WEEKS			
Student A	3 credits	Not enrolled	3 credits	Yes; 9 weeks	Yes; Half-time – 6 credits	Certify and credit only after enrollment in Session III
Student B	Not enrolled	Not enrolled	6 credits	No; 4 weeks	Not applicable	Reject-Report “00” (Other) in Program of Study
Student C	Not enrolled	6 credits	Not enrolled	Yes; 5 weeks	Yes; Half-time- 6 credits	Certify and credit after enrollment in Session II
Student D	3 credits	Not enrolled	Not enrolled	Yes; 5 weeks	No; Less Than Half-Time – 3 credits	Report Less than Half-Time

Example Set 2: Summer (Semester Schedule)

EXAMPLE	SESSION I (MAY 23 TO JUNE 20)	SESSION II (JULY 4 TO AUGUST 1)	SUMMER TERM LENGTH SATISFIED?	MINIMUM ENROLLMENT SATISFIED?	NOTES
	MEETS SATURDAYS FOR 5 WEEKS	MEETS SATURDAYS FOR 4 WEEKS			
Student A	Not enrolled	6 credits	No; 4 weeks	Not applicable	Reject – Report “00” (Other) in Program of Study
Student B	12 credits	3 credits	Yes; 9 weeks	Yes; Full- time – 15 credits	Certify and credit only after enrollment in Session II
Student C	3 credits	3 credits	Yes; 9 weeks	Yes; Half- time – 6 credits	Certify and credit only after enrollment in Session II

- ii. ENROLLMENT IN A PROGRAM WITH CONTINUOUS ENROLLMENT (YEAR-ROUND CURRICULUM) – The 5-week Summer term requirement does not apply to students enrolled in year-round curricula. This includes the programs at many BTT schools, HSON as well as many of the modular and nontraditional program schedules approved for accelerated degree programs, etc. Combining modules to meet the minimum term length requirements during the academic year also applies to the Summer term.
3. TERM START DATES – PHEAA schedules disbursements as closely as possible to the academic schedule at the institution. Where a school’s schedule consists of modules, irregular terms or continuous enrollment without specified terms (year-round enrollment where students may start every month or week), the student’s eligibility for a particular disbursement will depend upon the actual date study began and the term start dates. Refer to [Chapter 1, Section D](#) for additional information.

Since no student may receive more than 3 semesters or 4 quarter terms of aid in a consecutive 12-month period, school term and program structures must be categorized within the term start dates listed below.

START DATES BY SCHEDULE

TERM DISBURSEMENT	TERM START DATES	DATE TOLERANCE	DISBURSEMENT PERIOD
Fall Semester	July 16 - November 15	A maximum of 1 to 3 days is permitted (July 13 - November 15)	12-month period for a school on the semester schedule
Spring Semester	November 16 - March 15	A maximum of 1 to 3 days is permitted (November 13 - March 15)	
Summer Semester	March 16 - July 15	A maximum of 1 to 3 days is permitted (March 13 - July 15)	
Fall Quarter	August 2 - November 1	A maximum of 1 to 3 days is permitted (July 30 - November 1)	12-month period for a school on the quarter schedule
Winter Quarter	November 2 - February 1	A maximum of 1 to 3 days is permitted (October 30 - February 1)	
Spring Quarter	February 2 - May 1	A maximum of 1 to 3 days is permitted (January 30 - May 1)	
Summer Quarter	May 2 - August 1	A maximum of 1 to 3 days is permitted (April 29 - August 1)	

Note: The Term Start Date column indicates the dates during which a student must begin study in order to be eligible for the PA State Grant payment disbursed for the corresponding term disbursement. A school may not credit prior to the receipt of the term’s roster.

Note: Please note the date tolerances.

Example 1: Biweekly Enrollment at a Semester School

EXAMPLE	ENROLLMENT START	TERM
Student A	November 13, 2020	Fall
Student B	November 20, 2020	Spring

Example 2: Biweekly Enrollment at a Quarter School

EXAMPLE	ENROLLMENT START	TERM
Student A	January 14, 2021	Winter
Student B	February 2, 2021	Spring
Student C	April 22, 2021	Spring
Student D	May 6, 2021	Summer

C. Defining Disbursement Rosters, Disbursement Roster Availability, & Funds Availability



Note: All corrections must be submitted electronically via Partner Interface or via PA State Grant certification transmissions unless otherwise instructed by PHEAA staff. Additionally, PHEAA requires all roster certification pages be completed electronically via the *Online Certification Form* available in the Document Library. Refer to [Section F](#) of this chapter and [Appendix B](#).



Tip: There are two ways that funds are disbursed to institutions: 1) through term disbursement rosters (Fall, Winter, Spring, and Summer terms); and 2) through reconciliation rosters when a balance is due to the institution.

In order to differentiate between rosters and other reporting, PHEAA provides the following definitions:

1. **PRE-DISBURSEMENT ROSTER** – Term reports labeled “pre-disbursement rosters” which do not generate a fund transfer. The purpose of these pre-disbursement rosters is to conduct an enrollment and eligibility clean-up prior to the actual disbursement of funds. While in some instances a pre-disbursement roster is required by PHEAA, in other instances, a school might elect to pre-certify students in order to make the certification process with regular term rosters more efficient. Cleaning up enrollment prior to receiving funds is desirable since it helps prevent over-disbursement and refunds to PHEAA, which can reduce the disbursement adjustment percentage. Refer to [Paragraph 5.a](#) of this section for more information regarding the disbursement adjustment percentage procedure.

The return of pre-disbursement rosters:

- Is not permitted prior to the first day of classes for the term; and
- Is required to release PA State Grant funds with a term disbursement roster.

Schools are required to certify eligibility using the pre-disbursement roster before receiving and certifying a disbursement roster with associated funds as follows:

- a. 2020-21 ACADEMIC YEAR – Non-Pennsylvania schools, BTT schools, and certain other institutions.
- b. SUMMER 2021 – All schools are required to certify a pre-disbursement roster. Additionally, PHEAA expects schools to reduce over-disbursement, as noted in [Section G, Paragraph 4](#) of this chapter. The following reporting is available to assist your school with fulfilling this obligation:

- SUMMER PA STATE GRANT APPLICANTS – Beginning in March, this weekly PageCenter report lists students who have applied at your school. You can use this report to get a jump-start on your enrollment verification.
- PARTNER INTERFACE – Beginning in March, schools can review all “Complete/Active” student records for the Summer 2021 term. After Summer awards are announced in late May, you may begin submitting requests to cancel students for “not enrolled,” etc. You may cycle through individual records and make corrections as needed or export the entire list into an Excel spreadsheet.
- 2021 GPAD SUMMER PROCESSING – Beginning in late May, this weekly PageCenter report lists 4 weeks of eligibility changes to student records since initial Summer awarding. This includes newly added awards and those that have been cancelled or reduced.



Tip: How can I tell if my school is set up for an academic year pre-disbursement roster? Using OC/WebConnect, log into the PHEAA system and review the FG3M “Grant Specific” display. On the lower left section of that display, you will see a label of “Predisbursement Req’d” (pre-disbursement required). If the code next to the label is a “Y,” then your school is set up for pre-disbursement rosters. In some cases, pre-disbursement rosters may be required by PHEAA, or your school may have elected to use these rosters.

2. DISBURSEMENT ROSTER (ACADEMIC YEAR TERMS & SUMMER TERM) – Term reports that generate an EFT which PHEAA labels as a term disbursement roster. These rosters are only available securely through the PageCenter Report Repository or via the PA State Grant disbursement transmission process.

TYPICAL DISBURSEMENT ROSTER SCHEDULE

TERM	GENERATION PERIOD	PERIOD
Fall	Mid-August through late November	Academic Year
Winter	Late November through mid-February	
Spring Semester	Mid-December through mid-February	
Spring Quarter	Mid-February through late March	
Summer	Early July through August	Summer



Tip: For information on how to interpret the data that prints on the PA State Grant disbursement rosters, please refer to [Appendix F](#).

Student awards for the entire academic year are shown on each disbursement roster; however, funds accompanying the roster are only for terms that have already started. Therefore, if the Fall roster generation period is closed and the Spring roster generation period has begun, the total amount disbursed for that student will include both Fall and Spring funds with the Spring disbursement roster. For example, semester School A did not receive a Fall term disbursement roster and is now eligible to receive a disbursement roster in January 2021. PHEAA will generate a Spring term disbursement roster which will include payment for both Fall and Spring awards.

- a. DEADLINES – Term disbursement rosters must be certified within 45 days⁷ of the roster print date. This helps to ensure:
 - Students receive their funds in a timely manner;
 - Future disbursements are not delayed; and
 - School refunds can be properly assessed and remitted in a timely manner.

⁷ If a school has multiple start dates within a term and the latest start date does not permit the return of the certified disbursement roster within the 45-day window, the school must certify within 45 days after the last start date.

3. RECONCILIATION ROSTER (ANNUAL & SUMMER) – Annual reports that may generate an EFT which PHEAA labels as a reconciliation roster. These reports are only available securely through the PageCenter Report Repository or via the PA State Grant disbursement transmission process.

RECONCILIATION ROSTER SCHEDULE

DISBURSEMENT PERIOD	TYPICAL GENERATION PERIOD
Academic Year	March - June
Summer	October 1 - December 31

Note: For the Academic Year, depending upon your school's reconciliation status, reconciliation rosters may generate after June. For Summer disbursements, payment will not be made after December 31 (refer to [Section C, Paragraph 3.d.iv](#) of this chapter).

The annual reconciliation roster represents either the final academic year or summer period closeout. It provides the school with a final opportunity to ensure that PHEAA and school records for the academic year are consistent with regard to 1) student eligibility; 2) disbursement; and, 3) crediting and payment of PA State Grant funds. Even after the expiration of the enrollment period, schools are required to monitor and report changes that may impact a student's eligibility and reconcile those changes.

a. DEFINITION – Reconciliation means:

- The “balance due PHEAA” and “balance due school” are both zero;
- The amount of funding the school received matches the funding disbursed by PHEAA;
- Each student's final PA State Grant status, as shown on the reconciliation roster, matches the school's records; and
- All students who were credited funds were on the school's final reconciliation roster.



Note: Schools must remember to add in PHEAA Collectable amounts when reconciling. Refer to [Section D, Paragraph 9](#) of this chapter.

b. DEADLINES – Academic year reconciliation rosters must be certified within 30 days of the printed roster date or by June 1, whichever is later. For rosters dated after June 1, the school has 30 days to comply. Summer term reconciliation rosters must be certified within 30 days of the printed roster date or by October 31 following the summer term, whichever is later. This helps to ensure that:

- Students receive their funds in a timely manner
- Future disbursements are not delayed
- School refunds can be properly assessed and remitted in a timely manner

c. RESPONSIBILITY – Because each office of the institution has access to and expertise with data needed to facilitate the reconciliation and refund process, cooperation between the Business Office and the Financial Aid Office is essential if reconciliation of PA State Grant funds is to be successful. For example, the Financial Aid Office will likely be the source of information regarding reporting and requesting refunds due to PHEAA, whereas the Business Office or Bursar is generally responsible for remitting the payment to PHEAA. The Financial Aid Office must communicate that late return of refunds to PHEAA will impact the school's ability to receive additional funds.

PA State Grant funds are term-specific and are intended to assist students with educational costs during that term. If funds are not being disbursed to schools due to outstanding items (e.g., rosters, refunds, etc.), this will prohibit the student from receiving the PA State Grant award in a timely fashion. PHEAA's Compliance staff will review institutions where administrative capabilities are in question.

d. MULTIPLE RECONCILIATION ROSTERS



Note: The initial reconciliation roster is sent automatically providing that the school is up-to-date with all prior rosters. If a supplemental reconciliation roster is requested by your school, it will be generated within two weeks from the date of the request. This schedule applies for the current or preceding academic year. It should be a rare request that the year is older than the current or previous academic year. However, when this happens, additional wait time may be required.



Tip: Special Requests are submitted whenever institutions have no other option to report information back to PHEAA. These requests are manually reviewed by our staff and are processed in the order in which they are received. Therefore, if your institution submits a Special Request, depending upon when it is submitted, the changes may not be reflected on the next roster that is generated to your institution. You are encouraged to review the student's activity file in Partner Interface to identify when PHEAA has reviewed the request and made the update.

There are several situations where a school must request another reconciliation roster in order to be compliant with these procedures. Although PHEAA will monitor balances, any additional reconciliation roster must be requested by the school. **Only the initial reconciliation roster is automatically generated** without the school requesting it. Please note that the reason PHEAA will not automatically generate additional reconciliation rosters is that it proves to be problematic when the funds are not needed, particularly when newly awarded students were not enrolled or not eligible. By sending the additional rosters at the school's request, this limits over-disbursements and refunds. PHEAA requires the certification of the reconciliation roster within 30 days of receipt and refund of any over-disbursements determined because of that certification. Additional reconciliation rosters must be requested when:

- i. AWARD/STUDENT MISMATCH – The “Balance Due PHEAA” and “Balance Due School” are both zero after processing the reconciliation roster but the students or amounts applied to those students do not match the last roster printed.
- ii. FUNDS DUE PHEAA – If a school determines a refund amount due to PHEAA that is different than what is shown on the reconciliation roster, the school must request another reconciliation roster and remit payment by the Academic Year and Summer term deadlines outlined in these procedures. Refer to **Section E, Paragraph 6** of this chapter.
- iii. ACADEMIC YEAR FUNDS DUE SCHOOL – If the school determines funds are due from PHEAA, the school must request another reconciliation roster. For the 2020-21 Academic Year, these funds should be requested by June 1, 2021. It is a school's responsibility to pursue additional funds due. In accordance with regulation 22 Pa. Code §121.48, when extenuating circumstances exist, PHEAA may pay after June 1, 2021, but no later than August 1 of the calendar year immediately following the academic year for which payment is sought (e.g., August 1, 2022 for 2020-21).
- iv. SUMMER PERIOD FUNDS DUE SCHOOL – Any changes to student records for the 2021 Summer term that occur after the October 31, 2021 reconciliation deadline must continue to be reconciled. If this reconciliation means that additional funds are due to your school, PHEAA will disburse ONLY if:
 - The reconciliation roster is requested on or before December 31, 2021; and
 - The school does not owe any prior refund or roster that will prevent the disbursement. There are no exceptions to this requirement.

It is possible for 2021 Summer records to continue to change after December 31, 2021 and PHEAA expects the school to reconcile student records. However, after December 31, 2021, if PHEAA records:

- Reflect “Balance Due School,” the school will be expected to reconcile, reporting what students were not paid at all or not paid a balance and PHEAA will cancel or adjust the student’s awards to match the amounts that were disbursed on or before December 31, 2021.
- Reflect “Balance Due PHEAA,” the school will be expected to reconcile and make a refund payment to PHEAA.

For examples, please reference [Appendix E](#).



Tip: PHEAA requires that your records for 100% of the students must match the information listed on the final reconciliation roster. As part of reviewing additional reconciliation rosters, you can also consider these resources:

- Search for changed students who are marked with an asterisk on the roster; and/or
- Review the GPAD reports; and/or
- Filter in Partner Interface using eligibility date ranges.

e. **BEST PRACTICES** – A key factor in facilitating reconciliation is staying on top of the process. 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 Display⁸ on a regular basis (at least weekly) so that you can request additional rosters as needed. PHEAA encourages schools to:

- Define responsibilities of key individuals and offices;
- Document your reconciliation;
- Build in regular communication between your Business Office/Bursar, Financial Aid Office and school’s technical staff;
- Compare internal student accounts and Business Office/Bursar records with Financial Aid Office record and resolve any discrepancies;
- Ensure all refund payments have been sent to and posted by PHEAA to the correct program, year and period;
- Continue to monitor balances on FG3S even after the expiration of the enrollment period;
- Request any funds due to your school for the 2020-21 Academic Year prior to June 1, 2021 and absolutely no later than August 1, 2022; and
- Request any funds due to your school for the 2021 Summer term prior to December 31, 2021.

⁸ FG3S is refreshed nightly (Monday through Friday) to provide updated information daily.

The following scenarios and recommendations illustrate why following best practices is critical!

SCENARIO	RECOMMENDATIONS
<p>The student is ineligible for 2020-21 due to the maximum number of payments and suddenly becomes eligible due to a previous school's cancellation for "not enrolled" of the 2019-20 Academic Year award.</p>	<p>Be mindful of how your late submission of eligibility and enrollment changes impacts other schools, PHEAA, and ultimately the general population of students!</p> <p>Be aware that your late submission of eligibility and enrollment changes:</p> <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
<p>PHEAA completes an eligibility review and awards the student.</p>	<p>Review the weekly "2020-21 Validation/Other Rvw" report in PageCenter and encourage students to respond to requests for information from PHEAA as soon as possible. Refer to Appendix C, Paragraph 4 regarding this report.</p> <p>Keep in mind that the student reconsideration deadline is April 1. Although the student reconsideration deadline for the academic year is April 1, 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.</p>

Note: PHEAA staff will make every effort to contact the school and verify enrollment and the need for any additional rosters or disbursements.

4. ROSTER AVAILABILITY – For security reasons, PA State Grant rosters are only available through electronic means which includes:
 - a. PAGECENTER REPORT REPOSITORY; or
 - b. DISBURSEMENT TRANSMISSIONS – Schools may elect to receive disbursement roster information through an electronic transmission. Transmission users continue to have access to the rosters housed in PageCenter. A layout and sample file is available in the Document Library under State Grant Program/Technical and Processing Information.



Tip: Business Partner Access Management System (BPAMS) – All schools must have a signed and executed Remote Access Agreement (RAA) on file and are required to maintain access requests for their users. PageCenter access is necessary to access rosters for schools not using transmissions or Partner Interface. Refer to [Appendix D](#) for contact information.

5. FUNDS AVAILABILITY – Since PHEAA must request funds from the Commonwealth Treasury, EFTs occur approximately 14 business days after the date the roster is generated.
 - a. ADJUSTMENT PROCEDURE – All Pennsylvania institutions may be subject to an adjustment procedure whereby PHEAA reduces the term disbursement amount. Please note this adjustment procedure does not apply to annual reconciliation disbursements. PHEAA calculates the percent of the reduction by using the historical average percent of funds used by that institution for the past 3

years. Additionally, PHEAA evaluates the number of recipients for the prior period before applying the adjustment procedure. Schools must credit 100 percent of the award for which the student is certified as eligible. For example, if a school's adjustment percentage is 80 percent and the student is certified as eligible for a \$1,000 award for the disbursed term, the school must credit the full award of \$1,000, not \$800 (80 percent). Notifications are sent as follows:

- 2020-21 Academic Year – July 2020.
- 2021 Summer - March 2021.



Tip: The adjustment percentage displays on your school's college display FG3M. The percentage also displays after each term's total disbursement amount on FG3S. 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 by completing the *Additional Funds Request Form*. Please make this request via sghelp@pheaa.org.



Tip: The total of funds received is not a factor in the evaluation. The percentage is calculated using a 3-year average rather than prior year statistics alone.

D. Crediting

1. GENERAL CREDITING REQUIREMENTS – A grant recipient is eligible for an award only for the term(s) during which the student complies with all PA State Grant eligibility requirements. PHEAA makes PA State Grant eligibility determinations and requires school certification of such on a term-by-term basis. Therefore, PHEAA requires the crediting of funds on a term-by-term basis. Do not credit a payment designated by PHEAA for a specific term to the student's account for any other period of the academic or calendar year. The PA State Grant of a student who becomes ineligible after an award has been credited may need to be adjusted (refer to **Chapter 3, Section C** for more information). In sum:
 - a. Crediting must occur term-by-term meaning each term amount must be applied in full and documented separately on the student's account even if PHEAA disbursed multiple terms at the same time. Individual term disbursements that are commensurate with the student's enrollment may not be credited in intervals.
 - b. Crediting must occur after certification of all eligibility requirements. An award may not be credited until enrollment is confirmed in the final module in which the student is enrolled. For example, this applies when enrollment:
 - i. Does not require the combining of modules to meet the minimum term length requirement and includes at least one module; or
 - ii. Requires the combining of modules to satisfy the term length requirement.
 - c. Credited awards must be removed under the circumstances outlined in these procedures. For example, student withdrawals or changes in enrollment which impact the ratio of online and classroom instruction (refer to **Chapter 3, Section C**).



Note: What are “Special Crediting Instructions?” “Special Crediting Instructions” are school-specific instructions provided by PHEAA. Typically, these instructions are required when a program structure falls out of the normal parameters outlined in the *PA State Grant Handbook*. These instructions, in conjunction with the *PA State Grant Handbook*, are used by PHEAA when conducting Program Reviews and evaluating compliance with the PA State Grant Program requirements. Once emailed to your institution, these instructions are filed in PHEAA’s archive and are referenced on your institution’s activity page (FC5S). You may reference this when calling PHEAA staff with questions. Special Crediting Instructions are only valid during the award year for which they are issued, and must be provided by PHEAA on an annual basis for continued use.

2. **PRELIMINARY CREDIT** – Before the school receives a term’s disbursement, the school may choose to post a preliminary credit to the student’s account. This means the school is permitting a deferment of payment (or bill deduction) of a portion of the term’s bill based on notification of PA State Grant eligibility. This action is generally done prior to the beginning of the term and prior to full certification of eligibility. The school may choose to defer the amount of the PA State Grant on a term-by-term basis if BOTH of the following have occurred:
 - a. The school has received notification of PA State Grant eligibility for the term in question at its institution. Acceptable notifications for preliminary crediting include documents that capture the student’s SSN or PHEAA Account Number, name, award amount and date, including:
 - i. A PHEAA student award notice; or
 - ii. A screen capture of the PA State Grant award display; or
 - iii. Status Listings, Status Transmissions or GPAD reports.
 - b. School records indicate the student is or will be enrolled for the minimum credits commensurate with his or her award type (full-time or half-time) in an approved program of study for the term in question. Schools may defer one-half of a full-time award to the account of an eligible half-time student. Please note that students at the minimum award levels may be ineligible for a half-time award. PHEAA requires the school adjust the bill deduction, if necessary, for the reprocessed award.
3. **PRELIMINARY CREDIT REMOVAL** – If PHEAA determines that a student with a previously announced award requires a reduction or cancellation and the term disbursement roster has not been generated, PHEAA will adjust the award. The term disbursement roster then reflects the reduction or cancellation of the student’s award. Schools that have applied a preliminary credit must remove it in whole or in part if:
 - a. The student does not appear or appears with a reduced award on the term’s disbursement roster; or
 - b. Full certification after the term has begun reveals the student ineligible for any reason (e.g., PHEAA Income Validation or the student is a “no show”); or
 - c. The student’s enrollment status has changed prior to the date of the term disbursement roster.

Example 1:

A student receives an award notice after the Fall disbursement roster is generated and the school pays the student based on that notification. It is later determined that the student is ineligible for further disbursements; therefore, the school cannot allow a Winter/Spring term preliminary credit to stand. The Fall credit was permissible but if the student does not appear on the subsequent term’s disbursement roster, other term preliminary credits must be removed.

Example 2:

The student appears on the Fall disbursement roster with awards for both the Fall and Spring terms and is later selected for Income Validation. PHEAA assumes that only the Fall award has been credited. No additional preliminary credits (bill deductions) may be applied to the student's account until Income Validation is completed.

4. PRIOR TO FINAL CREDIT - When signing the application, the student and parents specifically authorize the educational institution at which the student is enrolled to release to PHEAA any records or other information which have a bearing on PA State Grant eligibility. This authorization also extends to cases where PHEAA questions a student's eligibility and requests information from the school. Do not credit the student's account when a student does not meet or does not appear to meet the enrollment or eligibility requirements set forth in these procedures. Rather, follow these steps:
 - a. Report electronically using the Special Request feature in Partner Interface with appropriate comments.
 - b. Inform PHEAA of the potential discrepancy, all pertinent facts, including the PA State Grant crediting status, and the date of the discrepancy.

Example 1:

If it becomes evident that there is a significant difference between the financial information or family data (including family size and number enrolled) used by PHEAA in establishing PA State Grant eligibility and the data provided on other financial aid documents, the institution should not credit the student's account or apply a bill deduction.

Example 2:

PHEAA processes a student as financially independent, but the school is aware of incorrect information provided to PHEAA.



Note: Please keep in mind that PHEAA is authorized to request and receive applicant information from the school that could potentially impact PA State Grant eligibility such as income tax returns of the student or parent. All students agree to the *Rights & Responsibilities Certification Document*. Section IV: Statement of Certification and Authorization, part iii specifies "I, the applicant, authorize and direct the institution at which I am enrolled to release to PHEAA any records or other information in the possession of the institution or any of its officers or agents which relate to my record at their institution or bear upon my eligibility for PA State Grant assistance."

5. FINAL CREDIT – Crediting of PA State Grant funds occur when the school commits PA State Grant funds for a particular student for whom all eligibility requirements have been met. This is done by paying the PA State Grant award to the student's account.⁹ The crediting date on the student's account is crucial in the determination of whether the institution is entitled to retain funds under certain circumstances. A Non-HQD school may be required to return funds, even after they have been credited, when the ratio of in-classroom and distance education credits impacts eligibility. In instances where the PA State Grants are not final or the term disbursement roster was not generated and the student's enrollment had changed since the beginning of the term, a school may be required to update the student's record to "not enrolled," "less than half- time," or "half- time," as appropriate. For more information, refer to **Chapter 3, Section C**. PHEAA provides notifications to the school regarding Income Validation or special

⁹ Funds are designated for a particular student on a term or reconciliation disbursement roster. PHEAA recognizes that the roster is generated approximately 14 business days in advance of the fund transfer and allows the school to credit or pay from institutional resources before actual receipt of those funds for a certified eligible student.

Agency reviews, which affect eligibility. Therefore, do not make a final credit until PHEAA provides notification of review completion.

The school may apply a final credit when the school has performed all the eligibility checks for the student as set forth in these procedures and:

- a. The student appears on the term's disbursement or reconciliation roster (not a pre-disbursement roster); or
 - b. The term's disbursement roster has been generated and:
 - i. The school has excess cash from the academic period to permit redistribution of funds (refer to **Section E** of this chapter); and
 - ii. The school has received an acceptable notification of PA State Grant eligibility for the term in question as noted below; and
 - iii. The roster is not a Summer reconciliation roster.
 - c. Acceptable notifications include documents that capture the student's SSN or PHEAA Account Number, name, award amount and date, including:
 - i. A PHEAA student award notice; or
 - ii. A screen capture of the PA State Grant award display; or
 - iii. Status Listings, Status Transmissions or GPAD reports
6. CHANGES AFTER A ROSTER RECEIPT – In cases of withdrawal, it is the school's responsibility to notify PHEAA immediately if funds have been credited to the student's account. The school may be liable for the amount of the adjusted award if a "double" disbursement (a disbursement for the same term/period) to another institution occurs because PHEAA was not informed that all or a portion of the award had already been credited. Refer to **Chapter 3, Section C** for more information.

7. REIMBURSEMENT TO PA STATE GRANT RECIPIENTS

- a. CREDIT BALANCES – Where full or partial payment (regardless of the source) of the term's institutional charges was made prior to receipt of PA State Grant funds, a credit balance may be created or increased on the student's account by the crediting of the grant award. PHEAA permits the school to refund, within the term, the amount of the credit balance to the student. This enables the student to pay for books and other educational expenses. In these cases, PHEAA assumes eligibility certification and disbursement have occurred. Label the refund check provided to the student as a refund of previously paid funds. Do not label as a payment of PA State Grant funds directly to the student. For example, do not label a refund check to the student as "PA State Grant" or "PHEAA Refund."

When the student has not requested such a refund, the balancing of the student's account in this manner must nevertheless occur no later than the deadlines described in **Section E, Paragraph 6.c** of this chapter. PHEAA requires the school to obtain the student's documented permission to carry a credit balance created by PA State Grant funds forward to cover costs incurred for a subsequent academic year or to apply to the student's loan balance. For more information on crediting, refer to **Section D** of this chapter.

- b. UNCASHED STUDENT REFUND CHECKS – When a school has correctly paid PA State Grant funds and issued a refund check based upon that payment and the refund check remains uncashed, schools must ensure compliance with the Commonwealth's unclaimed property law.

Because the money distributed is considered a refund of previously paid student or other funds and not the PA State Grant funds, (e.g., money is fungible and we don't consider the refund attributable

to the PA State Grant funds but overpayment of other amounts) the funds are the student's. In sum, PHEAA's Compliance staff advises the following steps be taken:

- i. Review the Commonwealth's unclaimed property law (patreasury.gov/unclaimed-property/holder). Monies that are not claimed by an individual but held by a third-party must be turned over to the Bureau of Unclaimed Property after the designated holding period.
 - ii. Report the funds in the name of the student. The amount needs to be paid to the Pennsylvania Treasury attributable to the individual who did not cash the check.
 - iii. Check with your school's lawyers or consult with the Bureau to ensure compliance with the unclaimed property law and turn over the funds to Treasury after the completion of the holding period.
8. ASSUMPTIONS – When the term disbursement roster is issued prior to the student's initial award announcement (and the student, therefore, does not appear on that term's disbursement roster), PHEAA will assume that the award has not been credited to the student's account. When the student's award announcement occurs prior to the term's disbursement roster, the student should appear on the roster and PHEAA assumes the award has been or will be credited. Schools should promptly notify PHEAA if the actual crediting status varies from the above assumptions.

Example Set:

STUDENT	STATUS	PHEAA ASSUMPTION
A	Student was on Fall pre-disbursement roster but not the Fall disbursement roster.	Award was not credited since crediting is not permitted.
B	Student was on both Fall pre-disbursement roster and Fall disbursement roster and the roster was returned.	Funds were credited.
C	Student was on both Fall pre-disbursement roster and Fall disbursement roster and the roster was not returned.	Funds will be credited. PHEAA may contact the school to confirm if the student's eligibility comes into question.
D	Student was not on the Fall term roster but received an award on 9/9/2020.	Funds will be credited based upon netting process (refer to Section E of this chapter) for the Fall term. PHEAA may contact the school to confirm if the student's eligibility comes into question.

Assumptions: School A received Fall roster on 9/8/2020.



Tip: If the student has a completed 2020-21 PA State Grant record, the EFC from that record is normally used to calculate 2021 Summer term eligibility. If the PHEAA EFC for the 2021 Summer term is the same as the PHEAA EFC for the 2020-21 Academic Year, it is acceptable to credit the Summer term award. However, if 2020-21 is the only record on file and it is under review, you must wait for the review to be completed before crediting the 2021 Summer term.

9. PHEAA COLLECTABLES/OFFSETS – PHEAA designates student accounts as “PHEAA Collectable” (may also be labeled PHEAA Collectible) or PHEAA Offset, when PHEAA pursues collection of overawarded funds directly from a student. This occurs when:
- The award reduction or cancellation occurs after the term's disbursement roster; and
 - The school has already credited the previously announced award in good faith after correct certification of eligibility.

PHEAA posts the amount (the total for all such students) to the school's account so that disbursed dollars can continue to be reconciled with awarded dollars. The initial PA State Grant credit should remain on each individual student's account since this was the amount which was disbursed to the school on the student's behalf and credited to the student's account "in good faith" before the refund or offset action was initiated. Schools must not adjust the amount of the subsequent term's award to recoup the overaward received for a prior term. PHEAA will take action to recover the overaward and the award amount shown for subsequent terms will be the amount after offset.

- a. PHEAA COLLECTABLE – PHEAA requests repayment of the overaward from the student.
- b. PHEAA OFFSET – PHEAA has reprocessed the record and recovered all or part of the overaward received for prior terms by adjusting the grant(s) for remaining terms of the same academic year. All terms affected by this reprocessing will reflect an award adjustment for reason C (offset).

Example:

A student's eligibility is \$3,000 (\$1,500 per term) and PHEAA reprocesses based on new financial data causing an award change to \$2,200 (\$1,100 per term). This occurs after the Fall disbursement. PHEAA will recover the \$400 Fall overaward by adjusting the Spring term eligibility from \$1,100 to \$700. The student's record per PHEAA would then reflect the original grant of \$1,500 for Fall, an adjusted grant of \$700 for Spring, and the phrase, "Current Yr Offset \$400." PHEAA identifies the record by the message "PHEAA Offset" on the roster. The school should allow their initial Fall term credit of \$1,500 to stand and should credit \$700 for Spring, thus permitting the student his or her total eligibility of \$2,200 for the year.

- c. SCHOOL ATTEMPTS AT COLLECTION – The school should not attempt to collect the PA State Grant overaward (assuming it has already been credited) since PHEAA is pursuing the refund. PHEAA requires notification by the school in writing of incorrect pursuit in order to discontinue collection efforts. Contact PHEAA immediately by Special Request via Partner Interface if funds were not credited to the student's account and the funds will be returned to PHEAA.
- d. CORRECTIONS TO PHEAA COLLECTABLE/OFFSET RECORDS – Schools should not make an adjustment to or credit an award that has been marked as a PHEAA Collectable or PHEAA Offset. If changes are necessary to records that are designated as such, contact PHEAA immediately by submitting a Special Request and marking the change as "PHEAA Collectable Student."

Examples:

STUDENT	CURRENT STATUS	CHANGE NEEDED	ACTION
A	Student record shows Spring 2021 as "full-time" and the record is marked "PHEAA Offset."	School needs to correct Spring enrollment to "half-time."	Do not make the update; submit a Special Request.
B	Student record shows Fall as "half-time" and the record is marked "PHEAA Offset."	School needs to adjust the Fall award for a withdrawal.	Do not make the update; submit a Special Request.

- e. COMMUNICATIONS
 - i. STUDENT REFUND/OFFSET LETTER – PHEAA provides a copy of the student's refund letter to the school and expects retention in the student's school file. The school is advised to verify the student's eligibility and enrollment status and to advise PHEAA of changes immediately.
 - ii. ROSTER SUMMARY PAGE – The summary page lists the PHEAA Collectable/Offset amount, which represents the total amount of refunds that PHEAA has recovered or requested directly from students. A dollar amount also appears in the Student Identification column of the roster for

these recipients. The funds disbursed on the roster include the dollar amount shown in the PHEAA Current Refund Request column. The amount is not part of the “Refund To Be Sent To PHEAA” on the Summary page. Schools should ADD these amounts to the total awards when balancing the PA State Grant account for the year.

- iii. PHEAA STUDENT RECORDS – PHEAA displays the student’s initial eligibility for any credited terms and the revised eligibility for subsequent terms, including adjustments for offsets.



Tip: The amount PHEAA is collecting from all students for the period is also displayed on FG3S, the Disbursement and Awards Summary page. It is labeled “Total PHEAA Collectable Refund.” The PHEAA Collectable amounts display in the “Special Messages” box on the Student Record in Partner Interface. The student disbursement record (FG7E) also displays the “PHEAA Collectable Refund Amount.”

- 10. PHEAA REVIEWS – PHEAA conducts eligibility reviews or audits on student records throughout the processing cycle. The status of disbursement and payment assumptions noted in the previous sections are important to the action PHEAA takes when a student is determined ineligible.
 - a. TREATMENT OF FUNDS – When any student’s eligibility is suspect, PHEAA will withhold disbursement. Once the case is satisfactorily resolved, PHEAA notifies the student.
 - b. NOTIFICATION – The weekly PageCenter Income Validation/Other Review listing provides the names of students with suspect information. The students remain on this listing until the review is completed. Schools should not post the final credit to the student’s account after receiving notification and should advise State Grant and Special Programs (SGSP) via a Special Request through the Partner Interface (to provide documentation for PHEAA records) that the award has not been credited. Such action may prevent unnecessary collection efforts.

Example:

A student’s record has been identified as suspect after the Fall disbursement roster was generated. PHEAA assumes the Fall funds were credited. If the school has not posted a final credit, the school should submit a Special Request through Partner Interface so that the grant may be cancelled until Validation is completed.

- c. INCOME VALIDATION PROCESS – Although there are many reviews, PHEAA Income Validation is one of the largest and is segregated in separate GPAD reporting in PageCenter and Partner Interface student list filtering for this reason. Income Validation is an automated process by which PHEAA compares the income reported on the 2020-21 Free Application for Federal Student Aid (FAFSA®) to the income reported on the 2018 State Income Tax Return or estimated income. Awarded records included in this process are subject to reduction or cancellation if there is a difference in critical items.



Note: Income Validation is an exchange of data between PHEAA and the Pennsylvania Department of Revenue (PDR). That exchange prompts PHEAA to review the student’s income in cases when a discrepancy is identified.

An income/asset review may be conducted when PHEAA staff identifies conflicting information either in the current or prior award year.

- 11. OTHER REPORTING – Other PHEAA-produced reports, transmissions and listings may be used for clean-up or crediting (refer to “acceptable notifications” listed in [Section D, Paragraph 2.a](#) of this chapter).

These include Status Listings, Status Transmissions, student lists generated through Partner Interface, GPAD reports, etc.

REPORT	AVAILABILITY	WHEN (APPROXIMATE MONTH)	ACCESS THROUGH
Status Listing or Status Transmission	Weekly, PHEAA - generated	Begins November (Estimated Eligibility); May/June (Conditional)	PageCenter Report Repository
Student Lists (Partner Interface)	Real-time, ad hoc school initiated exported lists	Begins November (Estimated Eligibility); May/June (Conditional)	State Grant Dashboard (Partner Interface)
GPAD Reports	Weekly, PHEAA - generated	Begins after "conditional" eligibility is released	PageCenter Report Repository

Note: Refer to [Appendix C](#) for details on this reporting.



Tip: Most of the weekly school reports refresh overnight on Fridays or over the weekend. New data is available on Monday mornings in your school's PageCenter mailbox. For additional information on reports, please reference [Appendix C](#).



Note: The Status Listing is a weekly report that provides the status, complete or incomplete, of all students attending your school. This report is a tool that captures point in time of PA State Grant status and its use is optional. More information on the Status Listing is available in [Appendix C](#). A reconciliation roster is generated after all term disbursements have been made. PHEAA requires your school to review and certify the eligibility of each student on the reconciliation roster. That roster may generate funds if it is determined that a balance is owed to your school.



Note: Please be aware that the Dashboard counts on Partner Interface represent records where updates were made. It is important to note that just because a record was updated does not mean that the student's eligibility has changed. That is why the Dashboard does not entirely replace the weekly GPAD reports.

E. Excess Cash, Netting Process, & Refunds

PHEAA disburses funds once per academic term (Fall, Winter and Spring) and approximately twice for the Summer term. The disbursed amount is based upon the total funds due to the school minus any adjustment percentage (refer to [Section C Paragraph 5.a](#) of this chapter) at the time the disbursement roster is generated. **This section is a clarification and not a change to procedure.**

1. EXCESS CASH – Excess cash is created upon term certification when the school cancels or adjusts students' eligibility based upon the enrollment and eligibility requirements outlined in these procedures. Since many students are awarded for the term being certified after the generation of the roster, PHEAA does not require but permits the school to use the excess cash to certify and pay another eligible student who was not on the term roster but where an acceptable notification of eligibility was received (refer to [Section D, Paragraph 4](#) of this chapter). PHEAA refers to this process as "netting."
 - a. ACADEMIC YEAR PERIOD (FALL, WINTER, SPRING TERMS) – The netting process may continue through reconciliation ONLY if the school requests a final reconciliation which lists all students who

were paid (refer to **Section E, Paragraph 4** of this chapter). However, netting is prohibited between academic periods. To clarify, schools may NOT:

- i. Use excess cash from the academic year to pay a Summer award (prior or subsequent);
 - ii. Use excess cash from the Summer period to pay an academic year award (prior or subsequent);
 - iii. Use excess cash from a Summer period to pay another Summer period award (prior or subsequent); or
 - iv. Use excess cash from an academic year to pay another academic year award (prior or subsequent).
- b. SUMMER PERIOD/TERM – The netting process may NOT continue during Summer term reconciliation. At the time of reconciliation, the school will only be permitted to post a payment to a student who appears on the reconciliation roster.
2. NETTING BETWEEN STUDENTS IN THE SAME ACADEMIC PERIOD – Certifying and crediting students with excess cash is ONLY permitted after the term roster (refer to **Section C, Paragraph 2** of this chapter) is generated. To illustrate, examples are provided below.

Example Set 1:

STUDENT	ROSTER	STUDENT STATUS	CERTIFICATION	PAYMENT
Student A	Fall roster	\$1,000 on roster	Cancelled - Not Enrolled	Not applicable
Student B	Not on Fall roster	Awarded 9/11/2020 \$1,000	\$1,000 based upon acceptable notification	School pays student with excess

Assumptions: Fall term roster generated on September 10, 2020.

Example Set 2:

STUDENT	ROSTER	STUDENT STATUS	CERTIFICATION	PAYMENT
Student A	Fall roster	\$1,000 on roster	Reduced to \$500 (half-time)	\$500
Student B	Fall roster	\$1,000 on roster	Reduced to \$603 (withdrawal)	\$603
Student C	Fall roster	\$1,500 on roster	\$1,500 – no change	\$1,500
Student D	Not on Fall roster	Awarded 9/11/2020 \$1,000	\$1,000 based upon acceptable notification	Use \$897 excess and \$103 school funds to pay; or Mark as expecting payment and wait until next term to pay

Assumptions: Fall term roster generated on September 10, 2020.

3. NETTING BETWEEN TERMS IN THE SAME ACADEMIC PERIOD – Certifying and crediting students with excess cash from a previous term within the same academic year is ONLY permitted after the regular term roster for the term being certified (refer to **Section C** of this chapter) is generated. To illustrate, examples are provided below.

Example Set 1: Same Student

STUDENT	ROSTER	STUDENT STATUS	CERTIFICATION	PAYMENT
Student A	Fall roster	\$1,000 on roster	Cancelled - Not Enrolled	Not applicable
Student A	Not on Spring roster	Awarded 1/4/2021 \$1,000	\$1,000 based upon acceptable notification	School pays student with excess from Fall term

Assumptions: Fall term roster generated on September 10, 2020 and Spring term roster generated on December 28, 2020.

Example Set 2: Different Students

STUDENT	ROSTER	STUDENT STATUS	CERTIFICATION	PAYMENT
Student A	Fall roster	\$1,000 on roster	Cancelled - Not Enrolled	Not applicable
Student B	Not on Spring roster	Awarded 1/4/2021 \$1,000	\$1,000 based upon acceptable notification	School pays student with excess from Student A and Fall term

Assumptions: Fall term roster generated on September 10, 2020 and Spring term roster generated on December 28, 2020.

- NETTING DURING ACADEMIC YEAR RECONCILIATION – Certifying and crediting students with excess cash from a previous term within the same academic year is permitted during the reconciliation process ONLY if the school requests a final reconciliation which lists all students who were paid and the corrected awards. To illustrate, examples are provided below.

Example Set 1: Both Students on Reconciliation Roster

STUDENT	STUDENT STATUS	CERTIFICATION	DIFFERENCE	SCHOOL ACTION
Student A	\$2,000 (\$1,000 Fall; \$1,000 Spring)	Cancelled Spring - Not Enrolled	(\$1,000) overpayment	School pays Student B with excess from Student A; and School remits refund to PHEAA in the amount of \$500; and
Student B	\$1,500 (\$1,000 Fall; \$500 Spring)	Adjusted Spring to full-time and \$1,000	\$500	School requests reconciliation roster to show student changes

- NETTING BETWEEN STUDENTS IN THE SUMMER TERM (SUMMER PERIOD) – Certifying and crediting students with excess cash is ONLY permitted after the first Summer term roster is generated and is not permitted once the Summer reconciliation roster is generated. To illustrate, examples are provided below.

Example Set 1: Different Student

STUDENT	ROSTER	STUDENT STATUS	CERTIFICATION	PAYMENT
Student A	1 st Summer roster	\$1,000 on roster	Cancelled - Not Enrolled	Not applicable
Student B	Not on 1 st Summer roster	Awarded \$1,000 on 7/12/2021	\$1,000 based upon acceptable notification	School pays Student B with excess from Student A

Assumptions: 1st Summer disbursement roster generated on July 9, 2021.

Example Set 2: Different Student

STUDENT	ROSTER	STUDENT STATUS	CERTIFICATION	PAYMENT
Student A	1 st Summer roster	\$1,000 on roster	Cancelled - Not Enrolled	Not applicable
Student B	2 nd Summer roster	\$1,000 on roster	Cancelled - Not Enrolled	Not applicable
Student C	Not on either roster	Awarded \$1,000 on 8/9/2021	\$1,000 based upon acceptable notification	School pays Student C with excess

Assumptions: 1st Summer disbursement roster generated on July 9, 2021 and 2nd Summer disbursement roster on August 6, 2021.

6. REFUNDS TO PHEAA

- a. PAYMENT GUIDANCE – If an electronic funds transfer (EFT) to PHEAA is unsuccessful, please double check that your school submitted the payment using the account number and bank on file with PHEAA's Financial Management Department. If you have questions, you may contact staff at fmftadmin@aessuccess.org. PHEAA Financial Management staff will assist in trouble shooting the issue.



Note: In order to ensure proper posting, please email sghelp@pheaa.org to notify PA State Grant staff that a payment has been transmitted.

When funds have been sent to the wrong PHEAA address, if the payment is labeled correctly, it will eventually be rerouted to SGSP. If the funds are not labeled or are labeled incorrectly, not only will the processing of the refund be delayed, but the funds could be applied to the wrong program. It is best to verify the correct PHEAA address and label all refunds correctly for efficient processing.



Tip: Since PHEAA disburses in whole dollars, refunds must also be in whole dollars. If a refund is due based upon the withdrawal of a student, round up or down based upon your school policy.

- b. There are a number of reasons why a school may have to return funds to PHEAA, including the following:
 - i. OVERWARD/OVERPAYMENT – When a grant has been reduced (including those that are adjusted, refer to **Chapter 3, Section C**) or cancelled for one or more terms as a result of the eligibility checks required of the institution, the school is responsible for refunding these funds to PHEAA. PHEAA provides crediting instructions for this procedure (refer to **Section D** of this chapter).
 - ii. PROGRAM REVIEW & AUDIT FINDINGS – A school may owe PHEAA for expenditures disallowed during a Program Review or audit. For more information, refer to **Section G, Paragraph 6** of this chapter.

Payment may be made electronically or via paper check. PHEAA's Compliance staff will receive and take responsibility for payment processing. If 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



Note: Please do not adjust the student record in the PA State Grant system as this will be completed as part of the process maintained by PA State Grant staff.

- c. REMITTANCE OF REFUNDS THAT ARE NOT A RESULT OF PROGRAM REVIEW & AUDIT FINDINGS – The school may refund PA State Grants for ineligible students with each term’s disbursement roster or at the end of the academic year or summer period. If refunds are not returned within the academic period, refunds must be returned within 60 days of the generation (print date) of the academic year reconciliation roster or by June 1, whichever is later. During the Summer term, any refunds that are not remitted within the period must be returned within 60 days of the generation (print date) of the reconciliation roster or by October 31, whichever is later.

For example, if a school’s academic year reconciliation roster is generated on March 23, 2021, any refunds due to PHEAA must be returned by June 1, 2021.



Note: Prior to remittance of a refund that is not the result of program review or audit findings, changes to records must be submitted through Partner Interface or the PA State Grant Certification Transmission process. Submit changes to student records separately and prior to payment.



Note: When submitting an EFT (wire transfer), in order to ensure proper posting, please email sghelp@pheaa.org to notify PA State Grant staff that a payment has been transmitted.

METHOD	DIRECTIONS	REQUIRED INFORMATION
Check	Mail to: PHEAA, P.O. Box 64849 Baltimore, MD 21264-4849	<ul style="list-style-type: none"> • Payment reason; • Identification of funds as “PA State Grant;”
Wire transfer	Refer to banking information on the disbursement roster	<ul style="list-style-type: none"> • Academic year/period; and • The students’ names, SSNs, and PHEAA Account Numbers (changes to student record must be submitted prior to payment).

Note: Refunds, if properly identified, are typically posted to the school’s account within 5-10 business days.

Note: Using the last four positions of the students’ SSNs and the students’ full names is acceptable as long as the refund is remitted with an identification that it is for the PA State Grant Program and notes the academic year or period. You may also substitute the PHEAA Account Number for the SSN.

F. Roster Certification

Submission of the signed Certification Page of a term disbursement roster indicates to PHEAA that you have made all required changes of student eligibility as of the signature date. PHEAA assumes that upon receipt, electronic updates were already submitted via Partner Interface or State Grant Certification Transmission and that both award eligibility confirmation and fund crediting have occurred. This certification extends to confirmation of all eligibility statuses including a student’s reject or cancellation status.

1. For each term the school must process electronic disbursement transmissions or disbursement rosters. Processing means completion of eligibility verification, submission of corrections, and award certification in accordance with these procedures.
2. If, after complete review of the student’s status according to these procedures, the student is not eligible for all or any portion of the payment for the term being reviewed, or if the school questions

the student's PA State Grant eligibility for any reason, report ineligibility and do not credit the student's account or allow a bill deduction.

3. After eligibility certification and fund crediting for each recipient occurs, the school should sign the electronic roster Certification Page. Refer to [Appendix B](#).

G. Financial Responsibility & Program Integrity

To continue to receive PA State Grant funds, a school must demonstrate that it is financially responsible with the administration of PA State Grant Program funds. PHEAA will prevent further disbursement of funds when a school is not timely or compliant.

1. PREVENTING THE DELAY OF FUNDS – Schools should return a certified copy of the term disbursement roster for the academic year to PHEAA according to the established deadlines outlined in [Section C](#) of this chapter. Adhering to those deadlines should prevent the delay of funds for the subsequent term. In sum, PHEAA generally stops generating term disbursement rosters as follows:
 - Fall – Late November
 - Winter – Mid-February
 - Spring (Semester Schools) – Mid-February
 - Spring (Quarter Schools) – Late March
 - Summer – Late August
2. PHEAA ROSTER & DISBURSEMENT HOLDS – The issuance of a school's funds for a particular term is contingent upon the school's compliance with PHEAA requirements for prior terms. This includes the following:



Note: Access to PHEAA systems and services will not be interrupted even if PA State Grant disbursements are on hold.

- a. OUTSTANDING PRE-DISBURSEMENT ROSTERS – The pre-disbursement roster does not generate a payment but serves the purpose of verifying actual enrollment and eligibility so that when the term disbursement roster is generated, the funds disbursed more closely align with the actual student eligibility. PHEAA will not accept the certification of the pre-disbursement roster before the first day of the term. All BTT schools, non-Pennsylvania schools, and other selected institutions must return pre-disbursement rosters for the academic year. All schools must return pre-disbursement rosters for the Summer term. This was implemented with the 2014 Summer term and will continue. A disbursement will not be sent until the return and certification of any outstanding pre-disbursement rosters.

Examples:

EXAMPLE	"OUTSTANDING"	ILLUSTRATION
1	Current term disbursement	Outstanding Fall pre-disbursement roster prevents Fall disbursement.
2	Future term disbursement within academic year period	Outstanding Fall pre-disbursement roster prevents Winter or Spring disbursement.

EXAMPLE	"OUTSTANDING" DOES NOT HOLD	ILLUSTRATION
1	Future term pre-disbursement rosters within academic year period	Outstanding Fall pre-disbursement roster will not prevent Winter or Spring pre-disbursement rosters.

- b. **OUTSTANDING TERM DISBURSEMENT ROSTERS (FALL, WINTER, SPRING, OR SUMMER TERM)** – In addition to outstanding pre-disbursement rosters noted above, a school's term disbursement roster (Fall, Winter, Spring, or Summer) with payment will not be sent until the return of any outstanding disbursement rosters for the current academic year or prior periods, including Summer.

Examples:

EXAMPLE	"OUTSTANDING"	ILLUSTRATION
1	2019 Summer disbursement roster	The Summer 2020 disbursement and any subsequent disbursements will be held.
2	2020 Summer disbursement roster	The Summer 2020 reconciliation roster is delayed. Also, any subsequent disbursements, including Fall, will be held after October 31, 2020.
3	Prior Academic Year term disbursement roster (2019-20)	The Spring 2020 (2019-20) disbursement roster was not returned so the reconciliation roster for 2019-20 was delayed. Also, any subsequent term disbursements effective with the Summer 2020 term will be held.
4	2020-21 Academic Year term disbursement roster (Fall, Winter, or Spring)	The Spring 2021 (2020-21) term disbursement roster was not returned so the 2020-21 Academic Year reconciliation roster is delayed. The Summer 2021 disbursement and any subsequent disbursements will be held.

- c. **OUTSTANDING RECONCILIATION ROSTERS (ACADEMIC YEAR OR SUMMER)** – A school's reconciliation roster (academic year or Summer period) with payment will not be sent until the return of any outstanding rosters for the current academic year or prior periods, including Summer.

Examples:

EXAMPLE	"OUTSTANDING"	ILLUSTRATION
1	Summer 2019 reconciliation	Any subsequent disbursements.
2	Summer 2020 reconciliation	The following will be held 1) any Fall 2020 term disbursements after October 31, 2020; and 2) any subsequent disbursements.
3	2020-21 Academic Year reconciliation	A third 2020-21 reconciliation roster was sent to the school on May 25, 2021 and was not returned before the first scheduled run of 2021 Summer term disbursement rosters. The Summer 2021 term disbursement and any subsequent disbursements will be held.

- d. **OUTSTANDING REFUNDS** – Over-disbursed funds are defined as a school refund due to PHEAA. This occurs when there have been updates to student records since the disbursement occurred. A school’s term disbursement or reconciliation roster with payment will not be sent until any outstanding refunds for prior periods, including Summer, are returned.

Examples:

EXAMPLE	“OUTSTANDING”	ILLUSTRATION
1	2019 Summer refund	Any subsequent disbursements will be held.
2	Prior Academic Year term refund (2019-20 or before)	The Summer 2020 disbursement and any subsequent disbursements will be held.
3	2020-21 Academic Year term (Fall, Winter or Spring) refund	The Summer 2021 disbursement and any subsequent disbursements will be held.
4	2020 Summer refund	Any subsequent disbursements after the October 31 Summer Reconciliation deadline will be held.

- e. **OTHER** – A school’s term disbursement or reconciliation roster with payment may be held for other reasons. These include:
- i. The school does not have the proper ACH paperwork completed to facilitate an EFT.
 - ii. PHEAA receives notification that there is a change in ownership of the school.
 - iii. PHEAA receives notification that the school has closed.
 - iv. PHEAA determines that the school lacks administrative capability.
3. **SCHOOL CLOSINGS, RESTRICTIONS, & OVERSIGHTS** – PHEAA reserves the right to hold disbursement to an institution that is closing or is on a restriction or oversight by the United States Department of Education (ED) for participation in any Federal Title IV program. Any questions regarding holding disbursement should be directed to PHEAA via email to sghelp@pheaa.org. PHEAA will exercise this right to determine the eligibility of the institution or recipients to receive further funding.
4. **SCHOOL OBLIGATIONS IN PREPARING FOR A DISBURSEMENT** – Over-disbursed funds are defined as a school refund that must be paid to PHEAA. All schools are expected to reduce over-disbursement by practicing the actions listed below. Refer to **Appendix C** for more information on reports.
- Correcting and confirming enrollment and eligibility for as many students as possible on the pre-disbursement roster, when the school receives such;
 - Correcting and confirming enrollment and eligibility by reviewing weekly reports; and
 - Submitting timely electronic corrections through the Partner Interface or the transmission process.
5. **RETENTION OF RECORDS** – Institutions are required to retain records that are necessary for the certification of student eligibility and the crediting of PA State Grant funds. Schools are required by PHEAA to retain records for 5 years from the date the institution completes certification of the final reconciliation roster for Program Review and Audit purposes. Records include:
- Documentation that supports the student’s ability to meet all eligibility requirements
 - The date and amount of each credit of PA State Grant funds
 - The payment of any overpayment or return of PA State Grant funds
6. **PROGRAM REVIEW & AUDITS** – PHEAA performs program reviews to assess the capability of an educational institution to manage financial aid programs administered by PHEAA. PHEAA administers the PA State Grant Program on behalf of the Commonwealth. For more information on this process, refer to **Chapter 5**.

PA State Grant funds are term-specific and are intended to assist students with educational costs during that term. If funds are not being disbursed to schools due to outstanding items (e.g., rosters, refunds, credit reporting, etc.), this will prohibit the student from receiving the PA State Grant award in a timely fashion. PHEAA's Compliance staff will review institutions where administrative capabilities are in question.

- a. AUDIT TRAIL – For Program Review and Audit purposes, it is important that school records reflect an audit trail that includes the date of the final PA State Grant credit.

Identify as a credit on the student's account or ledger card or some other auditable record a PA State Grant payment for any student determined to be eligible in accordance with these procedures. Posting should include the date of crediting, amount and the term to which the payment is applied, as well as an identification of the payment as "PA State Grant." This procedure allows for a comparison (at the time of a program review by PHEAA) of the term for which school records confirm student eligibility for the grant, the educational costs incurred during that term, and the term to which the payment was credited. The date that the institution actually receives the grant payment should not affect this posting procedure. It is based on the date that the student appears on the term's disbursement roster.

Chapter 5 – Program Reviews & Audits

A. Overview

A program review or audit is performed to assess the capability of an educational institution to manage financial aid programs administered by PHEAA on behalf of the United States Department of Education (ED) and the Commonwealth of Pennsylvania. The main scope of the program review will include the school's administration of the PA State Grant Program. Other programs reviewed, if administered by the school, include, but are not limited to the following:

- Higher Education of the Disadvantaged (Act 101) Program
- Blind or Deaf Beneficiary Grant (BDBG) Program
- Educational Training Grant (Chafee) Program
- PA National Guard Education Assistance Program (EAP)
- Institutional Assistance Grant (IAG) Program
- Partnerships for Access to Higher Education (PATH) Program
- PA Targeted Industry Program (PA-TIP)
- Ready to Succeed Scholarship (RTSS) Program
- PA State Work-Study Program (SWSP)
- Federal Work-Study Program - On-Campus (FWS-ON)
- Federal Work-Study Program - Community Service (FWS-CS)
- Military Family Education Program (MFEP)
- Fostering Independence Tuition Waiver (FosterEd) Program

These reviews and audits maintain the integrity of the administration of the programs and the good stewardship of Pennsylvania taxpayer dollars.



Note: Program reviews are conducted in accordance with the policies outlined in the PA State Grant Handbook for the year and/or summer term being reviewed in conjunction with any annual Special Crediting Instructions which may have been issued to your institution.

B. Types of Reviews

PHEAA conducts five main types of program reviews and audits.

1. **ROUTINE PROGRAM REVIEW** – A Routine Program Review includes a review of school policies and practices as well as a sample of student accounts for one designated award year. A routine review takes approximately 1-3 days to complete.
2. **FOLLOW-UP PROGRAM REVIEW** – For institutions that have an error rate greater than 4.0 percent or that have four or more administrative findings during a Routine Program Review, a Follow-up Program Review is scheduled for the year following the Routine Program Review. The Follow-up Program Review takes approximately 1-3 days to complete. Program Review reserves the right to conduct a follow-up review regardless of the error rate or number of findings.
3. **PROBATIONARY PROGRAM REVIEW** – For institutions that, for a second year in a row, have either an error rate greater than 8.9 percent or four or more administrative findings, a Probationary Program Review is scheduled for the next year. The Probationary Program Review takes approximately 1-3 days to complete and reviews records from one designated award year.

4. **SCHOOL CLOSING REVIEW** – A School Closing Review is conducted when an institution closes. The review is conducted within 30 days before the school closure date and takes approximately 1-3 days to complete.
5. **AUDIT** – An audit is conducted when there is reported or suspected fraud at the institution. The duration of the audit is dependent upon the number of student records that must be reviewed. The institution's officials must respond to the findings and make all requested refunds within 30 days or make a formal request for an extension. Audits for suspected or reported fraud are usually unannounced to the school.

In all of the reviews and audits, PHEAA will evaluate the following:

- General institutional eligibility;
- Program administration;
- Student eligibility;
- Student financial aid files;
- Student admission, academic, registration, and attendance records; and
- Fiscal administration records.

C. Review Scheduling

Schools are notified in writing, from PHEAA's Compliance staff, of the dates for a scheduled program review and the award years to be reviewed. The notification comes approximately 2 months before the review is scheduled.

Routine Program Reviews are scheduled for a school approximately every 2-3 years. Follow-up and Probationary Program Reviews are scheduled for the following review cycle. In the case of a program review, a school may request an alternative date if other institutional activities would inhibit the availability of full participation by campus personnel in the program review process. Other institutional offices engaged in the review may include Admissions, Bursar, Business, Registrar, and Act 101 staff, if applicable.

School Closing Reviews are scheduled prior to the closing of the school. Audits are not scheduled in advance.

D. Institutional Readiness

In the program review scheduling letter, the school is provided with a list of materials that must be sent to PHEAA's Compliance staff within 5 days of notification of the visit. These items must be emailed and include the following:

1. Institutional tuition refund policy
2. Academic Progress policy
3. Identification of online or hybrid courses

It is common practice to ensure that these reviews are conducted smoothly and efficiently. Therefore, PHEAA recommends that institutions develop and communicate a set of standard operating procedures for the review. Specifically, institutions are encouraged to:

- Notify appropriate campus personnel and offices of the dates/times of any scheduled visit
- Develop a contact list for Compliance staff
- Establish appropriate office space for the Compliance staff to conduct their work
- Notify campus security of external visitors by providing the name of the PHEAA reviewer along with their affiliation to ensure campus access
- Establish information sharing protocol
 - How information, especially non-public personal information (NPPI), is to be delivered
 - Acceptable turn-around time between data requests and provision to Compliance staff

- Preferred format for information delivery
- Establish access to online systems, if required by Compliance staff

E. Protocol for Reviews & Audits

PHEAA's Compliance staff will arrive on campus on the dates of the scheduled program review or audit. In the case of an audit, Compliance staff will arrive unannounced at the Financial Aid Office and explain the purpose of their visit. The time needed for the on-site review depends upon the type of review being conducted and the number of files to be reviewed. The on-site visit will consist of three segments.

1. **ENTRANCE INTERVIEW** – Each program review/audit will begin with an entrance interview. All school officials who are directly associated with the administration and procedures that are under review should be invited to attend the interview. In the entrance interview, the Compliance Coordinator will:
 - Explain the purpose and scope of the review;
 - Discuss any questions or concerns resulting from his or her evaluation of the pre-review materials sent in advance, including questions or concerns about school policies or procedures;
 - Answer any questions that school officials may have;
 - Ask the financial aid director to identify appropriate contacts from each office involved in the program review; and
 - Provide school officials with a list of the students whose records will be included in the file review.

The review will include a sample of student files from all PHEAA-administered programs.

TYPE OF REVIEW	SAMPLE SIZE
Routine Program Review	PA State Grant: 30-45 PA State Grant files. For schools with less than 30 files, 100 percent of the files will be reviewed Special Programs: 10 records per program or 100 percent of all records if there are less than 10
Follow-up Program Review	PA State Grant: 30-45 PA State Grant files. For schools with less than 30 files, 100 percent of the files will be reviewed Special Programs: 10 records per program or 100 percent of all records if there are less than 10
Probationary Program Review	PA State Grant: 30-45 PA State Grant files. For schools with less than 30 files, 100 percent of the files will be reviewed Special Programs: 10 records per program or 100 percent of all records if there are less than 10
School Closing Program Review	PA State Grant: 100 percent file review Special Programs: 100 percent file review
Audit	PA State Grant: 100 percent file review Special Programs: 100 percent file review

Note: The Compliance Coordinator may increase the size of the Special Programs sample at their discretion.

2. **FILE REVIEW** – Each file is reviewed to determine compliance with program regulations and policies. These files must include the following documentation as applicable:
 - Student contracts, enrollments, agreements, or registration forms
 - Evidence of admissions criteria such as high school diploma or General Education Diploma (GED). The type of admission category must also be provided
 - Completed admissions and financial aid forms
 - Class schedules and attendance records

- Documentation of costs and fees
- Documentation of Academic Progress
- Documentation supporting the student’s withdrawal date
- Refund calculation worksheet
- Student need analysis documentation
- Student account cards or ledgers and any pertinent supporting documentation
- Bank accounts established for PHEAA programs
- Documentation of student refund checks being negotiated

Potential findings are discussed with school officials during the on-site visit. Prior to the exit interview, school officials will receive a “findings sheet” identifying each potential finding (refer to **Appendix G**). School officials are provided with the opportunity to respond to these issues.

3. EXIT INTERVIEW – The on-site review will conclude with an exit interview. It is important for all school officials who were involved in the program review/audit to be invited to attend the exit interview as well. At the exit interview, the Compliance Coordinator will:
 - Reiterate the purpose and scope of the review;
 - Discuss all unresolved findings;
 - Recommend changes to policies, procedures, or financial aid processes;
 - Explain the timeline for the school to provide any outstanding information or documentation; and
 - Answer any questions that school officials may have.

In addition, the school is advised of the requirements to resolve the findings and of all potential liabilities. Please do not adjust the student record in the PA State Grant system as this will be completed as part of the process maintained by PA State Grant staff. If a Program Improvement Plan (PIP) is necessary, this will be discussed. Additional information on the PIP is provided in **Section G** of this chapter.

F. Program Review & Audit Findings

The two types of findings that may result from a program review or audit are financial findings and administrative findings.

1. ERROR RATE POLICY – Financial findings occur when PA State Grant funds have not been paid correctly or not paid at all. These findings will result in an error rate calculation.

An error is defined as any financial variance of +/- \$50 on an individual student’s PA State Grant award. All overpayments are treated as reportable errors if the amount is \$50 or greater. Using the total sample size of the students reviewed as the denominator, the number of students with a reportable error will be placed in the numerator. The resultant calculation will produce the institutional error rate. A student with one or more reportable errors will still only be counted as one error for the institutional error rate calculation. All underpayments or overpayments of less than \$50 would be considered an administrative finding.

Pursuant to the PA State Grant Program regulation (§ 121.59 a), once an error rate is calculated, the institution will be categorized as follows:

ERROR RATE	DESCRIPTION	RESULTS
0 percent to 4.0 percent	Acceptable	No planned follow-up.
4.1 percent to 8.9 percent	Discrepancies Exist	Follow-up review within 12 to 18 months.
9.0 percent or more	Unacceptable Rate	Follow-up review scheduled within 12 to 18 months. PIP completion is required.

2. ADMINISTRATIVE FINDINGS – PHEAA may conduct further examinations of student aid and related records as it deems necessary to protect the financial interests of PHEAA or its student aid recipients (§ 121.59 b). The following list provides a number of common administrative issues that will be cited:
 - a. Late submission of two or more rosters for a particular award year (rosters submitted after their due date)
 - b. Late return of refunds (refunds returned more than 60 days after the final reconciliation roster generation date)
 - c. Large percentage change (50 percent or greater) in total grant disbursements from initial disbursement roster
 - d. Student educational costs misreported or miscalculated
 - e. Institutional educational costs not submitted annually by the due date or including costs that are not allowed by PHEAA (e.g., certain fees such as graduation fees). Please refer to the annual Institutional Cost Policies and Instructions document for details
 - f. Not crediting the PA State Grant award within 30 days of receipt of the disbursement roster (except for students enrolled in modular classes) or the Special Program award within the program’s specified crediting requirements
 - g. PA State Grant/Special Program award credited to an incorrect term
 - h. Transfer credit documentation unavailable
 - i. All overpayments of less than \$50 and all underpayments of PA State Grant funds for an individual student
 - j. Miscalculation of award eligibility for student withdrawals
 - k. In unique terms or modular programs, funds credited before student established eligibility
 - l. Academic Progress not accurately calculated
 - m. Remedial exception indicators not reported when necessary
 - n. Students paid while enrolled in an ineligible program of study
 - o. New programs of study not reported to PHEAA, if required
 - p. Amount credited does not agree with amount disbursed
 - q. Online courses are not clearly distinguished from in-classroom instruction
 - r. Missing institutional documentation in student records (e.g., Admissions, Bursar, Registration, etc.)
 - s. When providing estimated PA State Grant awards to students, not providing values within the parameters established by PHEAA’s Early Estimator
 - t. Failure to submit an institutional name change within 30 days
 - u. Change of ownership not reported within 30 days
 - v. Special Programs findings
 - w. Any other administrative shortcomings identified by PHEAA staff (e.g., absence of enrollment mode reporting in cases where it does not impact the student’s eligibility)

For schools with high error rate findings or four or more administrative findings, the school will be required to complete a PIP developed by PHEAA staff.

G. Program Improvement Plan (PIP)

A PIP is a mechanism to identify institutional administrative weaknesses and to provide support for schools.

The PIP provides a roadmap for school improvement and may encompass the activities of a number of different campus offices. A PIP is required of schools that have an error rate that exceeds 8.9 percent or have four or more administrative findings during a program review. A copy of a PIP is provided in [Appendix H](#).

H. Probation & Termination

Depending upon the number and types of errors committed by a school and the number of years in which these errors occurred, a school may be placed in a category according to the provisions below:

1. **PROBATION: LEVEL I** – Probation status is defined in policy for schools having an error rate exceeding 8.9 percent (Regulation § 121.59. Error rate policy) or more in program reviews for two consecutive reviews. PHEAA’s Compliance staff will generate a report identifying schools that meet this threshold. Impacted schools will be notified in writing by State Grant and Special Programs (SGSP) of their standing. Schools on Probation Level I are subject to the following:
 - The pre-disbursement process for the PA State Grant Program;
 - Completion and submission of a PIP;
 - Scheduled annual program reviews until two consecutive reviews have acceptable final error rates of 4.0 percent or less;
 - Continued monitoring by PHEAA; and
 - Individualized training regarding identified issues conducted by PHEAA staff not to exceed a duration of 2 days within 90 days of probation status determination.
2. **PROBATION: LEVEL II** – Schools that exhibit continuous high error rates or do not show signs of improvement to rectify identified errors are placed on Probation Level II when error rates exceed 8.9 percent for 3 consecutive award years. PHEAA’s Compliance staff will generate a report identifying schools to be placed on Probation Level II. Impacted schools will be notified in writing by SGSP of their standing. Schools placed on Probation II are subject to the following:
 - Disbursements held until the end of the payment period when written verification of student enrollment and eligibility is submitted to PHEAA;
 - Completion and submission of a PIP to PHEAA’s Compliance staff for each finding;
 - Campus training regarding identified issues conducted by PHEAA staff not to exceed a duration of 2 days within 90 days of probation status determination;
 - Scheduled for annual program reviews until such time as two consecutive reviews have acceptable final error rates of 4.0 percent or less; and
 - Continued monitoring by PHEAA.
3. **REMOVAL FROM PROBATIONARY STATUS** – Two consecutive program reviews with a final error rate of 4.0 percent or less qualifies a school for removal from probationary status. PHEAA will notify the institution via letter of the change in status. The school will continue to be monitored by PHEAA for an additional 2 years.
4. **TERMINATION FROM PROGRAM PARTICIPATION** – Ongoing concerns identified during program reviews or failure to comply with Agency regulations for the PA State Grant and Special Programs will result in an institution’s termination from participation. PHEAA’s Institutional Approval Committee (IAC) is responsible for recommending school removal from the list of approved institutions upon referral from PHEAA’s Compliance staff. IAC prepares a recommendation for termination to PHEAA’s President and CEO based on regulatory authority granted in Pa Code § 121.32 (e) and (f). Factors that contribute to termination include:
 - High Error Rate (exceeds 8.9 percent or higher) for schools on Level II Probation lasting a minimum of 5 years from the original Level I Probation status
 - Academic Fraud
 - Financial Fraud
 - Bankruptcy
 - School Closing

- High Cohort Default Rate
- Other Recognized Administrative Issues

If approved for termination, PHEAA's President and CEO sends a letter notifying the school of its removal as an approved school for participation in the PA State Grant or particular Special Programs. The letter includes the reason for the decision, along with a copy of the specific violations as noted above and the appeal process for future reinstatement. Termination begins with the next award year.

5. REINSTATEMENT FROM TERMINATION – Schools may apply for reinstatement from the termination status but will be subject to review by PHEAA's Compliance staff as a new school applicant. The observations and recommendations from PHEAA's Compliance staff are sent to the IAC for review, and a summary report is forwarded to PHEAA's President and CEO. Reinstatement is at the discretion of PHEAA's President and CEO. If a request for reinstatement is denied, the school may reapply for eligibility after a waiting period of no less than 2 years from the date the school was denied reinstatement.

If a school is granted reinstatement, the school is subjected to a full program review for a minimum of 3 years. If a reinstated school exhibits the same or similar errors, lack administrative controls, or concerns with program integrity, the school faces Probation II or immediate termination from the PA State Grant or Special Program in question. This decision is at the discretion of PHEAA's President and CEO.



Note: Effective with the 2016-17 Award Year, reviews and the probationary and termination determinations under this policy commence at that time for all schools without consideration for prior year probationary status.

I. Program Review Refunds

When monetary findings are identified by Compliance staff, a refund must be made to PHEAA.

Monetary findings will be reported in the program review findings letter. If it is determined that the student(s) referenced in the program review findings letter were not eligible for the referenced funds, schools must refund the money to PHEAA.

Schools wanting to pay via paper check must write the check payable to PHEAA and return it with the form that was enclosed in the findings report. The school should write, "Program Review Refund" on the memo section of their check. This information should be mailed to:

PHEAA - Program Review
 1200 North Seventh Street
 Harrisburg, PA 17102-1444

Appendix A – PA State Grant Calendar – June 2020 Through May 2021

For a line item view of all key PA State Grant and Special Programs dates, refer to the 2020-21 PHEAA-Administered Program Calendar for Postsecondary Schools and Employers located in the Document Library under “PA State Grant Program/SGSP Contacts and Resources.”

JUNE 2020						
SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
2020 Summer Pre-Disbursement Rosters start in June and are dependent upon Summer term start date as reported on the 2020-21 PA State Grant Educational Cost Form.	1 Outstanding 2019-20 Reconciliation Rosters or Refunds will prevent 2020 Summer and 2020-21 Academic Year Funds after this date. 1st 2020 Summer Rosters (Tentative) – Runs Weekly	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

JULY 2020

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
			1 Approximate Commonwealth Budget Passage 2020-21 Partner Interface Award Adjustments Available	2	3 Independence Day Observance – PHEAA Offices Closed	4
5	6	7	8	9	10	11
12	13	14	15 Latest 2020 Summer Semester Term Start Date	16 Earliest Fall 2020 Semester Term Start Date	17	18
19	20	21	22	23	24	25
26	27 Last Summer Pre-Disbursement Rosters Generated	28	29	30	31	

No specific date: Adjustment Percentage notifications for the 2020-21 Academic Year sent to Financial Aid Offices.

AUGUST 2020

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
						1 2020-21 First-Time Applicant Deadline – Visit PHEAA.org for additional details. Latest 2020 Summer Quarter Term Start Date Last Date to Request 2018-19 Funds
2 Earliest Fall 2020 Quarter Term Start Date	3 Fall 2020 Pre-Disbursements Start (Tentative)	4 Fall 2020 Disbursements Start (Tentative) Fall 2020 disbursements begin in mid- August and will run through late November.	5	6	7	8
9	10	11	12	13	14	15 Student 2020 Summer Application Deadline
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

No specific date: Last weekly GPAD and FAA status listings/transmissions for 2018-19.

SEPTEMBER 2020

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
	1	2	3	4	5	
6	7 Labor Day – PHEAA Offices Closed	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30 Last Date for Fall 2020 "Primary School Change" Request 2019-20 School Updates Via Partner Interface Ends			

OCTOBER 2020

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
				1 2021+22 FAFSA® and SGF Available 2020 Summer Reconciliation Rosters Start	2	3
4	5	6	7	8	9	10
11	12 Columbus Day – PHEAA Offices Closed	13 1st Early Estimator for 2020-21 Released (Tentative)	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31 Outstanding 2020 Summer Reconciliation Rosters or Refunds Will Prevent 2020-21 Academic Year Funds After This Date 2020 Summer Student Reconsideration Deadline

NOVEMBER 2020

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
1 Latest Fall 2021 Quarter Term Start Date	2 Earliest Winter 2021-22 Quarter Term Start Date Approximate release of 2021-22 PA State Grant Estimates, GAPS Reports, and Status Listings	3	4	5	6	7
8	9	10	11 Veterans Day Observance – PHEAA Offices Closed	12	13 Approximate Start of 2021-22 Status Transmissions	14
15 Latest Fall 2020 Semester Term Start Date	16 Earliest Spring 2021 Semester Term Start Date Winter 2020-21 Pre-Disbursements Start (Tentative)	17	18	19	20	21
22	23 Winter 2020-21 Disbursements Start (Tentative) Winter 2020-21 disbursements begin in late November and run through mid-February.	24	25	26 Thanksgiving Day – PHEAA Offices Closed	27 PHEAA Offices Closed	28
29	30					

DECEMBER 2020

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
		1	2	3	4	5
6	7 Spring 2021 Semester Pre-Disbursements Start (Tentative)	8 Spring 2021 Semester Disbursements Start (Tentative) Spring 2021 Semester disbursements begin in mid- December and run through mid-February.	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25 Christmas Day Observance – PHEAA Offices Closed	26
27	28	29	30	31 Last Date to Request Funds for 2020 Summer		

JANUARY 2021

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
					1 New Year's Day Observance - PHEAA Offices Closed	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18 Dr. Martin Luther King, Jr. Day - PHEAA Offices Closed	19	20	21	22	23
24	25	26	27	28	29	30
31						

FEBRUARY 2021

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
	1 Latest Winter 2020-21 Quarter Term Start Date	2 Earliest Spring 2021 Quarter Term Start Date	3	4	5	6
7	8 Start Spring 2021 Quarter Pre-Disbursements (Tentative)	9	10	11	12	13
14	15 President's Day – PHEAA Offices Closed	16 Stop Winter 2020-21 Quarter Disbursement Rosters Start Spring 2021 Quarter and Semester Disbursements (Tentative) Spring 2021 Quarter disbursements begin in mid- February through late March.	17	18	19	20
21	22	23	24	25	26	27
28						

MARCH 2021

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15 Latest Spring 2021 Semester Term Start Date 2021 Summer Student Online Application Available	16 Start of 2021-22 PA State Grant Educational Cost Form Submissions Earliest 2021 Summer Semester Term Start Date	17	18	19	20
21	22 Stop Spring 2021 Quarter Rosters	23	24	25	26	27
28	29 2021 Summer Adjustment Percentage Notifications Sent 2020-21 Academic Year Reconciliation Rosters Start	30	31			

APRIL 2021

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
				1 2020-21 Student Reconsideration Deadline	2	3
4	5	6	7	8	9	10
11	12 Approximate End of 2021-22 PA State Grant Educational Cost Form Submissions	13	14	15	16 2021-22 Status Listings and Transmissions Suspended as PHEAA begins the process of transitioning 2021-22 from Estimated Need to Actual Need (Conditional Awards)	17
18	19	20	21	22	23	24
25	26	27	28	29 Last Date to Use "Primary School Change" Request for Winter/Spring 2021	30 2021-22 Status Listings and Transmissions Resume (Actual Need)	

MAY 2021

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
						1 Latest Spring 2021 Quarter Term Start Date 2021-22 Application Deadline – Visit PHEAA.org for additional details.
2 Earliest 2021 Summer Quarter Term Start Date	3 2021-22 Select Partner Interface Updates Available Approximate release of 2021-22 Partner Interface update functions: Cancel/Reinstate; Cost Override; and Enrollment Mode. Approximate 1st Run of 2021-22 Student Eligibility Notices	4 Approximate Start of 2021-22 GPAD Reports	5	6	7	8
9	10	11	12 Approximate Release of 2021 Summer Student Award Letters	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31 Memorial Day – PHEAA Offices Closed					

Appendix B – How to Submit Corrections to Student Data & Certify

1. PRIOR TO CERTIFYING – Report corrections electronically prior to certifying a roster. Correction options:
 - a. Electronic Certification Transmission allows submission of data corrections on large groups of records through use of preformatted flat files. Technical layouts are available in the Document Library: State Grant Program/Technical and Processing Information. To begin using this format, contact our Program Management staff at Public_Service_Systems@pheaa.org.



Tip: Certification Transmissions were developed long before the inception of Partner Interface. The codes are based on the transfer of binary data (e.g., 1 means 'Yes', 2 means 'No', etc.) and have never directly correlated to the codes and meanings that are found in the PA State Grant record fields. Your school must follow the Certification Transmission layout to understand what codes must be updated in order to successfully submit corrections to your PA State Grant records.

Annually, it is the school's responsibility to contact PHEAA regarding testing (or opting out) and arranging for the first production run. All current school transmission 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.

- b. Partner Interface is a web portal that allows school users to manage PA State Grant student records on the web. School users can search for, view and update individual student records; view eligibility records; submit Special Requests when changes cannot be made on the portal; request primary school changes; access the online *Web Certification Form*; use mass update queues to update multiple student records (up to 100); and access and export student listings through a State Grant dashboard.

Administrators can access the interface through Alec, PHEAA's school portal. Training materials are available at [PHEAA.org/training](https://www.pheaa.org/training) under "State Grant and Special Programs Resources."

The Special Request feature of Partner Interface should only be used when these procedures instruct you to do so or when there are no other reporting options. Requests should be brief. For example, "Student request to refuse Summer grant on file" or "Grant not credited, returning funds."

Since the Special Request feature allows you to free-form type your request, you must provide clear instruction. Please be specific when providing details regarding the desired action, terms, student's enrollment status, whether or not funds were credited to the student's account, etc.

Examples: Special Requests

APPROPRIATE USE:	INAPPROPRIATE USE:
<ul style="list-style-type: none">• For Non-HQD institutions, to retract "Enrollment Mode" reporting of a "3" or "4" (more than 50 percent distance education)• To report when funds have not been credited and will be returned so that PHEAA can discontinue a student refund (PHEAA Collectable)• To request changes that cannot be processed due to a pending review by PHEAA• To submit costs that are more than 25 percent greater than reported• To report questionable eligibility on items such as EFC, Pennsylvania domicile, etc.• To report a non-Pennsylvania address change	<ul style="list-style-type: none">• To report a change to year in school (nursing schools)• Submitting costs that are more than 25 percent lower than reported• Submitting adjustments due to withdrawal• Reporting enrollment or Pennsylvania address changes• Reporting "Enrollment Mode" for additional terms

2. SUBMITTING CERTIFICATION – After making all corrections electronically or if no student corrections are needed, complete, sign, and return the Certification Page. Submission options:
 - a. Online Certification Page (Required Method) – Access the online Certification Page via the home page in Alec by selecting State Grant Disbursement Certification from the dropdown or link under PA State Grants. This will take you directly to the Document Library: State Grant Program/ Handbooks, Certification Procedures, Workshop Materials and Roster Certification Page. Please print the completed page PRIOR to submitting and keep a copy for your files. PHEAA logs activity on your school's activity page (FC5S) upon nightly certification processing. PHEAA staff will update your school's disbursement information on the FG3S transaction.
 - b. Paper Rosters (Last Resort Method) – Paper rosters printed from PageCenter (**Certification Page only**) can be submitted via fax as a last resort method. If you are unable to submit the electronic Certification Page, you may print the final page of the roster which is output to the PageCenter repository. Keep a copy for your records and fax the completed and signed Certification Page to 717-720-3786.



Note: Do NOT fax or mail paper copies of student record update requests. Student updates MUST be submitted through Partner Interface or the PA State Grant Certification Transmission process only.

Appendix C – Viewing Data & Reports

Each school that is participating in the PA State Grant Program must have a fully executed Remote Access Agreement (RAA) and have at least one authorized user at the school to access the systems referenced in this document. PHEAA manages access through the Business Partner Access Management System (BPAMS). This secure web interface ensures that our business partners are meeting the security requirements of PHEAA. If you require assistance with access, please refer to [Appendix D](#) for contact information.

1. VIEWING DATA – All

- a. Partner Interface is a web portal that allows school users to manage PA State Grant student records on the web. School users can search, view, and update individual student records; view eligibility records; submit Special Requests when changes cannot be made on the portal; request primary school changes; access the online Web Certification Form; use mass update queues to update multiple student records; and access and export student listings through a State Grant dashboard. Administrators can access the interface through Alec, PHEAA's school portal. Training materials are available at [PHEAA.org/training](https://pheaa.org/training) under "State Grant and Special Programs Resources."
- b. The Student Listing feature on the State Grant dashboard allows school users to create custom lists of students, filter lists and export to Microsoft Excel or a Comma Separated Value (CSV) file. Filtering Tips are available on [PHEAA.org/training](https://pheaa.org/training) under "State Grant and Special Programs Resources."
- c. PHEAA Remote Network (OC/WebConnect transactions) includes transactions that provide college-level data that is not accessible via the Partner Interface. These include, but are not limited to, FG3I (College Contacts), FG3M (College Grant Specific), FG3Y (College Demographics), FG4B (College Grant Program Specific/Costs), and FG3S (College Disbursements). These transactions are detailed on the *PA State Grant Transactions* card document which is available on [PHEAA.org/training](https://pheaa.org/training) and in the Document Library.
- d. PageCenter is the report repository that retains all PA State Grant reports including disbursement rosters. Users may opt to receive email notifications from PageCenter@aessuccess.org for each specific report when a new version of the report is available. After opting for this service and upon generation of a new report, the user receives an automatic email. PHEAA recommends requests for infrequent reports such as disbursement rosters.

To request participation or discontinuation of service, please send an email to sghelp@pheaa.org. The subject of the email should be "PageCenter Emails," and each individual user must supply the following information:

- User Name
- OE School Code (Federal School Code)
- User ID (CG#)
- Email Address
- Report Name(s) (Pagesets)
- Request Type (Add/Remove)

2. VIEWING REMEDIAL COUNTER DATA

- a. Rosters – Next to the "REMEDI. EXCEP." label is the counter for the most recent period where the student was awarded and had used a remedial exception. Schools must refer to the Eligibility Record in Partner Interface to review the historical use of remedial counters.
- b. Status Listings (Transmissions) – On the FAA Status Listing, the "PRIOR REMEDI X.XX" label and data indicate the counter related to the cumulative remedial exceptions granted in prior years. For 2020-21, this would mean the grand total of remedial counters relating to the 2019-20 year or any prior academic years. Students are permitted to receive an exception to PHEAA's normal enrollment

requirement for a maximum of 1.00 award counters. If the printed counter is less than 1.00, you must manually review to determine if the student is eligible for another remedial exception. To calculate a grand total of remedial counters you must add the printed exception counter total AND all counters for a current or future term where a remedial exception was already granted.

- c. Partner Interface – Remedial usage can be viewed by academic period on a student-by-student basis. On the “Award Tab” portion of the Student Record, the total counter for the period appears in the “Academic Year Total” column. For the Summer period, this appears next to the label “Remedial Exception.” PA State Grant Remedial Exceptions also appear on the “Eligibility Summary” portion of Partner Interface on a year and period basis. There is no grand total.

3. REPORTS

- a. Weekly Electronic Status Transmissions and Corresponding Listings provide FAAs with the status of those PA State Grant applicants who indicated that they plan to attend your institution. Technical layouts and test files are available in the Document Library: State Grant Program/Technical and Processing Information. To begin these transmissions, contact our Program Management staff at Public_Service_Systems@pheaa.org.

WEEKLY STATUS REPORTS & TRANSMISSIONS

REPORT NAME	DESCRIPTION
2020-21 FAA STATUS LISTINGS	Status by term of each student’s PA State Grant record. From November 2019 through late April 2020, award amounts are ESTIMATES ONLY. Beginning in May/ June, award amounts are conditional pending passage of the Commonwealth Budget in July. This listing is available in PageCenter.
2020-21 FAA STATUS TRANSMISSIONS	The electronic equivalent of the FAA Status Listing. The transmission also provides Summer term data and Ready to Succeed Scholarship (RTSS) data, which are not available on the listing.
SPECIAL NOTATIONS	A PA State Grant Status Listing guide is available in the Document Library under State Grant Program/Technical and Processing Information. Status reports are suspended in late April for approximately 1-2 weeks during the transition from estimated to actual awards.

- b. Electronic Disbursement Transmissions allow transmission of student roster data from PHEAA to your school through use of preformatted flat files. Technical layouts and test files are available in the Document Library: State Grant Program/Technical and Processing Information. To begin these transmissions, contact our Program Management staff at Public_Service_Systems@pheaa.org.
- c. Grant Applicant Status (GAPS) Reports

All GAPS reports display the Grant display item number (in parentheses) and corresponding *Status Notice* number.

WEEKLY REPORTS ON INCOMPLETE RECORDS (GAPS) & NON-FILERS

GAPS	DESCRIPTION
2020-21 GAPS Incomplete/Active	Lists student records that are incomplete and not rejected as of the report date
2020-21 GAPS Incomplete Reject	Lists student records that are incomplete and rejected as of the report date
2020-21 GAPS Incomplete/Inactive	Lists student records that are incomplete and inactive as of the report date; If the student responds to the PHEAA inquiry, the record will be reactivated
2020-21 GAPS All Categories	Comprehensive list of all incomplete record status categories
2020-21 GAPS Renewals/No FAFSA	Lists students enrolled at your institution for Spring 2020 who have not yet filed the FAFSA. Produced from November 2019 through late April 2020

WEEKLY REPORTS ON COMPLETE RECORDS (GAPS)

REPORT	DESCRIPTION
2020-21 GAPS Complete	Lists student records that are complete as of the report date; This report stops in late April (April 2020 for the 2020-21 Academic Year)

- d. Grant Applicant Processing Display (GPAD) Reports – Beginning in late May/early June, these weekly PageCenter reports list 4 weeks of eligibility changes to student records since initial awarding. This includes newly added awards and those that have been cancelled or reduced.

REPORT	DESCRIPTION
2020-21 GPAD ALL PROCESSING	Lists student records with an eligibility change since previous add date (ADD DT); Records stay on list for 30 days (includes records with changes due to validation)
2020-21 GPAD NORMAL PROCESSING	Lists student records with an eligibility change since previous add date (ADD DT); Records stay on list for 30 days, most will be complete
2021 GPAD SUMMER PROCESSING	Lists student records with an eligibility change since previous add date (ADD DT); Records stay on list for 30 days, most will be complete
2020-21 GPAD VALIDATION PROCESSING	Lists student records with an eligibility change since previous add date (ADD DT); Records stay on list for 30 days, most will be complete. Record appears when changes due to validation occur

4. OTHER MISCELLANEOUS REPORTS

REPORT	DESCRIPTION
2020-21 PHEAA VALIDATION/OTHER RWW	<p>Weekly sub-report listings include:</p> <ol style="list-style-type: none"> 1. Validation - Students recently included in 2020-21 Income Valication Review. 2. Other Cases Under Review – Sub-report encompasses a wide variety of information audits including, but not limited to, the number enrolled in school, financial independence, domicile; and asset reviews where the award(s) have been cancelled for reasons “O” (other) or “I” (financial information). Please be aware that if a student’s State Grant record is under review and incomplete or is complete but not cancelled, the student will not appear on this report. 3. Students With Cost Overrides – Cumulative listing of all students who were previously processed with a Cost Override, the term(s), the regular tuition/fees and the cost override tuition/fees. 4. Ready to Succeed Income Verification – Lists students included in this RTSS review.
SUMMER 2021 STUDENT GRANT APPLICATIONS	Weekly list of students who have filed the Summer online application indicating attendance at your school. Information is updated weekly until August 15.
< 50% ATTENDING STATUS REPORT	<p>Weekly report that lists the status of each student who was previously reported as an enrollment mode of “Greater than 50%, but less than 100% distance education” (mode 3) or “100% distance education” (mode 4).</p> <p>NOTE: Effective 2019-20, this report applies to Non-HQD schools only.</p>
PENDING PRIMARY SCHOOL CHANGE REPORT	Daily report that allows schools to track the status of Primary School Change submissions. The report refreshes when information has changed.
OUTSTANDING ITEMS REPORT	Daily report that provides institutions with updates regarding outstanding items across the PHEAA-administered programs.
STATE GRANT CERTIFICATION TRANSMISSION REPORTS	<p>Unprocessed Records Report – This report lists student records that were not processed. It is sorted by the reason the processing was unsuccessful. Under each reason, the student’s SSN, name, and term or terms that were requested to be processed are printed.</p> <p>Special Request Required Report – This report provides a listing of student records that did not process because there is a “hold” in the PA State Grant record. If changes are required for these students, your Financial Aid Administrator must make a request through the “Special Request” function in Partner Interface.</p> <p>Processing Summary – This report provides a summary of the total number of students that: your institution submitted for processing on the transmission; were successfully updated; were identified and printed on the “Special Request Required” report; and were identified and printed on the “Unprocessed” report .</p>

5. SCHOOL ACTIVITY – The school activity page is viewable by logging into the school portal (Alec) and selecting “Access PA State Grant & Special Programs” from the PA 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 which records overnight. A document named *PA State Grant Transactions* listing all remaining school “green screen” (OC/WebConnect) transactions is available on [PHEAA.org/training](https://www.pheaa.org/training) and in the Document Library.

Appendix D – Resources & Contacts

RESOURCE	DESCRIPTION & LOCATION
2020-21 PA State Grant Program Handbook	<ul style="list-style-type: none"> • PHEAA.org/training under PA State Grant Training; or • Document Library under Main Menu/State Grant Program/Handbooks, Certification Procedures, Workshop Materials and Roster Certification Page
2020-21 PHEAA-Administered Program Calendar for Postsecondary Schools and Employers	<ul style="list-style-type: none"> • A line item view of all key 2020-21 dates for the PA State Grant Program as well as other special programs administered by PHEAA. • Document Library under State Grant Program/SGSP Contacts and Resources
Application Processing System Specifications for Software Developers	<ul style="list-style-type: none"> • A list of Federal Reject Codes; The most frequently encountered EFC calculation issues with processing PA State Grants are: 12, 3, C, G, 15, 14, 16, and 9. • ifap.ed.gov/ilibrary
Memos and Other Communications	Document Library in the school portal, Alec
PA State Grant Program Codes	<ul style="list-style-type: none"> • A list of all PA State Grant Reject, Cancellation and Adjustment Codes is included in this Appendix. • Document Library under Main Menu/State Grant Program/Technical and Processing Information
PA State Grant Transmission Layouts and Test Files (Status, Disbursement or Certification)	<ul style="list-style-type: none"> • Information needed to help you receive data from or send data to PHEAA • Document Library under State Grant Program/SG Electronic Data Transmission Layouts
PageCenter Report Repository	<p>The following resources are available for PageCenter on PHEAA.org/training under State Grant and Special Programs Resources/General SGSP Resources:</p> <ul style="list-style-type: none"> • Download PageCenter Plug-In Instructions • PageCenter General FAQ • PageCenter Masking Instructions • PageCenter Restore Instructions • PageCenter to Excel Instructions • PageCenter User Guide • PageCenter to Word Instructions • SGSP PageCenter Reports Overview
PHEAA's Banking Information	<ul style="list-style-type: none"> • On the Certification Page at the end of your roster • Secure PageCenter mailbox
Training Materials	PHEAA.org/training under "State Grant and Special Programs Resources"

CONTACT	TYPE OF INFORMATION
Program Management Public_Service_Systems@pheaa.org	For questions regarding PA State Grant transmissions.
PA State Grant Department 800-443-0646 (FAAs ONLY) sghelp@pheaa.org (FAAs ONLY)	Receive answers to questions about the PA State Grant Program. This is a private phone line and email address for FAAs only. As a reminder, PHEAA only releases information to authorized parties. When contacting the State Grant & Special Programs Department, authentication information will be requested.
PA State Grant Department 800-692-7392 (Students ONLY) granthelp@pheaa.org (Students ONLY)	Please refer students to this phone number and email address. As a reminder, PHEAA only releases information to authorized parties. When contacting the State Grant & Special Programs Department, authentication information will be requested.
PA State Grant Fax 717-720-3786	DO NOT FAX ROSTERS – Refer to Appendix B . NOTE: PHEAA receives faxes through an Imaging Work Queue and these are processed in order by the date received.
PA Forward Student Loans 844-723-6793 schools@pa-forward.org	Get specific information about PA Forward loan products.

CONTACT	TYPE OF INFORMATION
FedLoan Servicing Department 800-443-0646 pheaaaccess@pheaa.org	Access questions about BPAMS and RAAs (select options for the FedLoan Servicing Department).
PHEAA Helpdesk 717-720-2649	Password resets and general help.

PA STATE GRANT PROGRAM - REJECT, CANCELLATION & ADJUSTMENT REASON CODES

Reject Code	Description
D	Student does not meet Pennsylvania residency (domicile) requirement.
E	Student's Expected Family Contribution (EFC) results in ineligibility for a PA State Grant.
F	School is not approved to participate in the PA State Grant Program.
G	The student plans to enroll in an ineligible program or the student's enrollment does not meet the PA State Grant Program's term length requirements.
I	Student not enrolled at least half-time.
J	Student enrolled in a graduate program of study.
L	The FAFSA® was submitted after the PA State Grant filing deadline.
M	Student is ineligible since he/she did not demonstrate sufficient financial need to qualify for PA State Grant.
N	RTSS - Funding Limit Met.
P	Student failed to make Academic Progress as required.
Q	Student currently incarcerated.
R	Previous PA State Grants equal the maximum number permitted by law.
S	Student is attending a school located in a state which does not allow its grants to be used at PA schools.
T	Student does not meet the PA State Grant Program's secondary school graduation requirement.
U	Student is in default on an educational loan or a claim of default is pending.
Y	Maximum number of PA State Grants has been received based on the student's program of study.
Cancellation Code	Description
A	Student graduated or completed the program of study.
B	Student does not meet the high school graduation requirement.
D	Student is deceased.
G	Student is not enrolled at the school indicated on the application.
L	Student is not enrolled in at least 50 percent classroom instruction.
R	Student does not wish to be considered for PA State Grant aid.
U	Student has received maximum number of payments for which he or she is eligible.
V	Student is in income validation or "estimated" income review.
X	Student is in default an educational loan or a claim of default is pending.
O,E,M,I	Contact State Grant and Special Programs staff at 800-443-0646, a private number reserved for the use of FAAs.
Adjustment Code	Description
A,Q,Z	Contact State Grant and Special Programs staff at 800-443-0646, a private number reserved for the use of FAAs.
C	Award adjustment due to collection case.
T	Award adjustment.
W	Award adjustment due to student withdrawal.

Appendix E – 2021 Summer Reconciliation Examples



Note: For all examples, a request “in writing” means via email to sghelp@pheaa.org.

Example 1:

Student A never received a disbursement for the 2021 Summer term and the Reconciliation Roster date is January 2, 2022. PHEAA will not pay for this student on the Reconciliation Roster and will cancel Student A’s 2021 Summer term award. In order to have been paid for Student A, the school should have made a written request for another Reconciliation Roster by December 31, 2021.

RECONCILIATION ROSTERS	ELIGIBILITY DATE CHANGE	STUDENT A ELIGIBILITY
October 1, 2021		N/A
	November 1, 2021	\$1,000 (full-time)
Student by Student Amount Due School		\$1,000
Student by Student Amount Due PHEAA		\$0
FG3S Amount Due School		\$1,000
FG3S Amount Due PHEAA		\$0
January 2, 2022		\$0
Can Payment be Applied?		No

Note: \$0 in balance of funds sent with January 2, 2022 roster. Student record must be updated to reflect \$0 eligibility.

Example 2: On or Before December 31, 2021

Student A received a part-time award for Summer 2021 which was disbursed to the school prior to the Summer reconciliation period. The school reconciled funds and achieved a zero balance on October 31, 2021. The school subsequently made a post-reconciliation correction to Student B’s enrollment, increasing the award from part-time to full-time.

On or Before December 31, 2021: A written request for another Reconciliation Roster is made on or prior to December 31, 2021 and the school is eligible for payment of the student’s award balance.

RECONCILIATION ROSTERS	ELIGIBILITY DATE CHANGE	STUDENT A ELIGIBILITY
October 1, 2021		\$500 (part-time)
	November 1, 2021	\$1,000 (full-time)
Student by Student Amount Due School		\$500
Student by Student Amount Due PHEAA		\$0
FG3S Amount Due School		\$500
FG3S Amount Due PHEAA		\$0
November 13, 2021		\$500
Can Payment be Applied?		Yes

Note: \$500 in balance of funds sent with November 13, 2021 roster.

Example 3: After December 31, 2021

Student A received a part-time award for Summer 2021 which was disbursed to the school prior to the Summer reconciliation period. The school reconciled funds and achieved a zero balance on October 31, 2021. The school subsequently made a post-reconciliation correction to Student B’s enrollment, increasing the award from part-time to full-time.

After December 31, 2021: The Reconciliation Roster lists the “balance due school” and lists the payment amount as \$0. The school reconciles and certifies this student matches the “balance due school” and reports this information to PHEAA. PHEAA will then adjust the student’s award to reflect a part-time amount and counter used from the original disbursement. No additional payment to the school of the student’s award balance will be honored past the December 31, 2021 deadline.

RECONCILIATION ROSTERS	ELIGIBILITY DATE CHANGE	STUDENT A ELIGIBILITY
October 1, 2021		\$500 (part-time)
	November 1, 2021	\$1,000 (full-time)
Student by Student Amount Due School		\$500
Student by Student Amount Due PHEAA		\$0
FG3S Amount Due School		\$500
FG3S Amount Due PHEAA		\$0
January 1, 2022		\$0
Can Payment be Applied?		Only the original \$500 part-time award may be paid

Note: \$0 in balance of funds sent with January 1, 2022 roster. Student record must be updated to reflect \$500 eligibility.

Example 4:

Student A and Student B both had \$1,000 awards on the Reconciliation Roster, dated October 1, 2021. The school cancelled each student for “not enrolled” as part of the reconciliation process on October 2, 2021. Student C and Student D were both awarded \$1,000 on October 2, 2021. The school may not apply payment to Student C and Student D until a new Reconciliation Roster, which must be requested in writing on or before December 31, 2021, lists Student C and Student D. If these records were the only records to change during that period, the subsequent Reconciliation Roster that is generated would have a zero balance and no funds would be transmitted.

RECONCILIATION ROSTERS	ELIGIBILITY DATE CHANGE	STUDENT A ELIGIBILITY	STUDENT B ELIGIBILITY	STUDENT C ELIGIBILITY	STUDENT D ELIGIBILITY
October 1, 2021		\$1,000	\$1,000	N/A	N/A
	October 2, 2021	\$0 – Cancelled Not Enrolled	\$0 – Cancelled Not Enrolled	\$1,000	\$1,000
Can Payment be Applied?		No	No	No	No
Student by Student Amount Due School		\$2,000			
Student by Student Amount Due PHEAA		\$2,000			
FG3S Amount Due School		\$0			
FG3S Amount Due PHEAA		\$0			
November 13, 2021		\$0	\$0	\$1,000	\$1,000
Can Payment be Applied?		N/A	N/A	Yes	Yes

Note: Zero funds sent with November 13, 2021 roster.

Example 5:

Student A and Student B both had \$1,000 awards on the Reconciliation Roster, dated October 1, 2021. The school cancelled each student for “not enrolled” as part of the reconciliation process on October 2, 2021. Student C was subsequently awarded \$500 and Student D was awarded \$1,000 on October 2, 2021. The school may not apply any payment to Student C and Student D until a new Reconciliation Roster, which must be requested in writing on or before December 31, 2021, lists Student C and Student D. For example, if these records were the only records to change during that period and the subsequent Reconciliation Roster is generated on November 13, 2021, a “balance due PHEAA” of \$500 would result. The school could then apply payment to Student C and Student D at that time and submit a refund to PHEAA in the amount of \$500.

RECONCILIATION ROSTERS	ELIGIBILITY DATE CHANGE	STUDENT A ELIGIBILITY	STUDENT B ELIGIBILITY	STUDENT C ELIGIBILITY	STUDENT D ELIGIBILITY
October 1, 2021		\$1,000	\$1,000	N/A	N/A
	October 2, 2021	\$0 – Cancelled Not Enrolled	\$0 – Cancelled Not Enrolled	\$500	\$1,000
Can Payment be Applied?		No	No	No	No
Student by Student Amount Due School		\$1,500			
Student by Student Amount Due PHEAA		\$2,000			
FG3S Amount Due School		\$0			
FG3S Amount Due PHEAA		\$500			
November 13, 2021		\$0	\$0	\$500	\$1,000
Can Payment be Applied?		N/A	N/A	Yes	Yes

Note: Zero funds sent with the November 13, 2021 roster-Refund of \$500 is due to PHEAA.

Example 6: Before December 31, 2021

Student A and Student B both had \$1,000 awards on the Reconciliation Roster, dated October 2, 2021. The school cancelled each student for “not enrolled” as part of the reconciliation process on October 3, 2021. Student C was subsequently awarded \$1500 and Student D was awarded \$1,000 on October 3, 2021. The school may not apply any payment to Student C or Student D until a new Reconciliation Roster, which must be requested in writing on or before December 31, 2021, lists Student C and Student D. If these records were the only records to change during that period, the subsequent Reconciliation Roster that is generated would reflect a “balance due school” of \$500. If the roster is generated on or before December 31, 2021, the \$500 balance due to the school would be transmitted and the school could then apply full payment to Student C and Student D at that time. If the roster is generated after December 31, 2021, zero funds would be transmitted and the school would be expected to report to PHEAA that the eligibility for Students C and D should be cancelled.

RECONCILIATION ROSTERS	ELIGIBILITY DATE CHANGE	STUDENT A ELIGIBILITY	STUDENT B ELIGIBILITY	STUDENT C ELIGIBILITY	STUDENT D ELIGIBILITY
October 2, 2021		\$1,000	\$1,000	N/A	N/A
	October 3, 2021	\$0 – Cancelled Not Enrolled	\$0 – Cancelled Not Enrolled	\$1,500	\$1,000
Can Payment be Applied?		No	No	No	No
Student by Student Amount Due School		\$2,500			
Student by Student Amount Due PHEAA		\$2,000			
FG3S Amount Due School		\$500			
FG3S Amount Due PHEAA		\$0			
November 13, 2021		\$0	\$0	\$1,500	\$1,000
Can Payment be Applied?		N/A	N/A	Yes	Yes

Note: \$500 in balance of funds sent with the November 13, 2021 roster.

Example 7: After December 31, 2021

Student A and Student B both had \$1,000 awards on the Reconciliation Roster dated October 2, 2021. The school cancelled each student for “not enrolled” as part of the reconciliation process on October 3, 2021. Student C was subsequently awarded \$1500 and Student D was awarded \$1,000 on October 3, 2021. The school may not apply any payment to Student C or Student D until a new Reconciliation Roster, which must be requested in writing on or before December 31, 2021, lists Student C and Student D. If these records were the only records to change during that period, the subsequent Reconciliation Roster that is generated would reflect a “balance due school” of \$500. If the roster is generated after December 31, 2021, zero funds would be transmitted and the school would be expected to report to PHEAA that the eligibility for Students C and D should be cancelled.

RECONCILIATION ROSTERS	ELIGIBILITY DATE CHANGE	STUDENT A ELIGIBILITY	STUDENT B ELIGIBILITY	STUDENT C ELIGIBILITY	STUDENT D ELIGIBILITY
October 2, 2021		\$1,000	\$1,000	N/A	N/A
	October 3, 2021	\$0 – Cancelled Not Enrolled	\$0 – Cancelled Not Enrolled	\$1,500	\$1,000
Can Payment be Applied?		No	No	No	No
Student by Student Amount Due School		\$2,500			
Student by Student Amount Due PHEAA		\$2,000			
FG3S Amount Due School		\$500			
FG3S Amount Due PHEAA		\$0			
January 1, 2022		\$0	\$0	\$1,500	\$1,000
Can Payment be Applied?		N/A	N/A	No	No
Reconciliation Changes Required		N/A	N/A	Mark Ineligible	Mark Ineligible
FG3S Amount Due School		\$0			
FG3S Amount Due PHEAA		\$0			

Note: Zero funds sent with the January 1, 2022 roster.

Appendix F – PA State Grant Rosters

Introduction

The purpose of this document is to provide information regarding the printed PA State Grant Program rosters.

Did You Know?

PHEAA provides the ability for you to receive your disbursement data in a flat file through a transmission process. Schools can upload data from PHEAA's standard file format into a Financial Aid Management System (FAMS). This allows easier review and certification of eligibility. Transmission data is the electronic equivalent of what appears on the PageCenter roster.

Accessing Roster Output

PageCenter – Rosters will be produced and stored in the school's mailbox.

	Description	Pagesets	Date	Time
<input type="checkbox"/>	COLGSAS COLLEGE REPORTS FOR SAS	1	2018-03-08	16:23
<input type="checkbox"/>	DELTPREV DEFAULT PREVENTION FOR SCHOOLS	8	2018-04-01	00:11
<input type="checkbox"/>	FEDLOAN FEDLOAN SERVING	7	2018-03-31	10:03
<input type="checkbox"/>	GRANTS GRANTS REPORTS	74	2018-04-02	05:57
<input type="checkbox"/>	LOCOLG LOAN ORIG RPT'S FOR COLLEGES	2	2012-08-16	00:15
<input type="checkbox"/>	NADL NEED ANALYSIS AND DATALINK	1	2018-04-02	00:25

1. Choose the GRANTS mailbox. The Pagesets or reports available in your GRANTS Mailbox display.
 - The Regular Disb Rosters Pageset includes all Academic Year term rosters (September – May): Fall, Winter, or Spring terms.
 - The Summer Disb Roster Pageset includes all Summer term rosters.
 - The Pre Disb Rosters Pageset includes all pre-disbursement rosters. These are rosters with no associated funds.
 - The Recon Disbursement Pageset includes all Reconciliation Rosters.

Pageset	Description	Date	Time	Size	Pages	Status	Location	Condition Code
<input type="checkbox"/> Q10DETRJ	2018-19 REGULAR DISB EFT LETTERS	2019-01-07	21:43	UNKNOWN	1	New	VAULT-2	
<input type="checkbox"/> Q180PAL	2018-19 GPAD ALL PROCESSING	2020-02-28	21:49	59	1	New	ARCHIVE	0000
<input type="checkbox"/> Q180PHL	2018-19 GPAD NORMAL PROCESSING	2020-02-28	21:49	59	1	New	ARCHIVE	0000
<input type="checkbox"/> Q180PVY	2018-19 GPAD VALIDATION PROCESSING	2020-01-17	21:48	59	1	New	VAULT-2	0000
<input type="checkbox"/> Q18RTSDSBB	2018-19 RTSS ACAD RECON ROSTERS	2019-08-21	21:38	413	7	New	VAULT-2	0004
<input type="checkbox"/> Q10RTSDGDXJ	2018-19 RTSDG ACAD DISB ROSTERS	2019-05-01	10:25	295	5	New	VAULT-2	0000
<input type="checkbox"/> Q18RTSEFTRJ	2018 RTSS ACAD RECON EFT LETTER	2019-07-18	11:42	59	1	New	VAULT-2	0004
<input type="checkbox"/> Q10RTGFTX	2018 RTSDG ACAD DISB EFT LETTER	2019-04-03	11:09	59	1	New	VAULT-2	0000

- The Description describes the year and name of the report.
- The Date, Time, Size, Pages, and Status describe the details about when the report was generated and other information.
- The Location describes where the report is stored. If the roster is in VAULT1, please follow the procedures to restore the roster. The procedures located in the Document Library in the School Portal (Alec) under Main Menu/PageCenter Guide. Report restoration lasts one day.



Note: If the Location description is VAULT2, contact PHEAA at 800-443-0646 to have the report restored. Report restoration lasts one day.

2. Choose a Pageset that matches the year and type of roster.

General Format Information

1. The school's OE Code and PHEAA-assigned suffix displays in the upper left corner of the roster.
2. The school's 6-position PHEAA Code displays in the upper left corner of the roster directly underneath the OE Code.
3. The School Name displays in the upper left corner directly to the left of the PHEAA Code.
4. The Date of roster generation, in the MM/DD/CCYY format, displays directly under the year label centered at the top of the page.
5. ATTN: Financial Aid Administrator displays at the top directly to the left of the roster year.
6. The label Pennsylvania Higher Education Assistance Agency displays centered at the top of the roster.
7. The Academic Year (CCYY-YY format) or Summer Term Disbursement Roster displays centered at the top directly underneath Pennsylvania Higher Education Assistance Agency.
8. The Page No. displays in the upper right corner of the roster.
9. The Type of Roster displays in the upper right corner of the roster directly under the Page No.
10. The Academic Schedule of the school displays in parentheses directly under the Type of Roster.

General Page/Sorting Information

Each PA State Grant Disbursement Roster is comprised of four unique page formats:

1. The Student Identification Pages are those that provide student detail. Student information prints on all pages with the exception of the last two pages.

PHEAA sorts students in a PHEAA Collectable status at the top of the roster. Otherwise, sorting is alphabetical by last name, then first name.

A PHEAA Collectable is when PHEAA requests repayment of the overaward from the student. A PHEAA Offset means PHEAA reprocessed the record and recovered all or part of the overaward received for prior terms by adjusting the grant(s) for remaining terms of the same academic year. All terms affected by this reprocessing will reflect an award adjustment reason C or Z. Refer to [Chapter 4, Section D, Paragraph 9](#) of the *PA State Grant Handbook* for more information.

2. The bottom of the Final Student Identification Page provides totals of all numeric student columns on the roster.
3. The Summary Page provides a summary of the current and prior disbursements for the academic period.

- The Certification Page provides the statement of certification that must be signed and returned by the school upon completion of enrollment and eligibility verification of the students on the roster.



Note: PHEAA requires an online certification page accompany electronic student corrections. Refer to [Appendix B](#).

Student Identification Pages

Rosters are sorted by the student's last name, then first name, then middle initial.

FIRST COLUMN – STUDENT IDENTIFICATION DATA

- SSN is the Social Security number of the student.
- LAST NAME is the student's last name as it appears in the PA State Grant record. Some students will have a single asterisk to the left of their last name. The asterisk identifies students whose status has changed or students who are new to the roster.
- FIRST NAME is the student's first name as it appears in the PA State Grant record.
- ADDRESS is the street, city, state, and zip code of the student as it is recorded in the PA State Grant record.

FIRST COLUMN – OTHER VARIABLE DATA

- PHEAA ACTION is the date that corresponds to the student's award date in the MM/DD/CCYY format. In instances where the award date differs by term, the most recent date prints.
- The NOT ENROLLED, REFUSED, MAXIMUM GRANTS, GRADUATED, or <50% CLASSROOM message appears if at least one term is cancelled for one of these reasons. In instances where the cancellation reasons differ by term for the reasons listed, the earliest term's reason prints. Effective 2018-19, the "<50% CLASSROOM" only appears for schools that are Non-HQD and have reported students with an enrollment mode of "Greater than 50%, but less than 100% distance education" (mode 3) or "100% distance education" (mode 4).



Note: The term or term(s) cancelled will print "CANCEL" under the corresponding term columns. If there is no message, the term is cancelled for a reason other than those listed above. The roster only prints a message when the reason is directly related to school enrollment.

Example:

```
PHEAA ACTION - 08/22/2019
GRADUATED
FINANCIALLY INDEPENDENT
VALIDATION COMPLETED
PRIOR GRANTS - 3.00
PRIOR TERM(S) - S19 (.50) , F18 (.50) , S18 (.50) , F17 (.50) , S17 (.50) , F16 (.50)
```

- COURSE (Business, Trade and Technical schools only) is the description of the program in which the student is enrolled. This program is entered as a two-position code in the PA State Grant record under the student's Program of Study. In the instance where the Program of Study is different between terms for the same institution, the Spring term code will print.

Example:

```
PHEAA ACTION - 08/06/2019  
COURSE - ALLIED HLTH/MED AST  
FINANCIALLY INDEPENDENT  
VALIDATION COMPLETED  
PRIOR GRANTS - NONE  
PRIOR TERM(S) - NONE
```

- 4. SPRING NOT ENROLLED prints when the student has been cancelled for the reason “not enrolled” for the Spring term.

Example:

```
PHEAA ACTION - 11/13/2019 NONCITIZEN  
SPRING NOT ENROLLED  
DEPENDENT  
VALIDATION COMPLETED  
PRIOR GRANTS - NONE  
PRIOR TERM(S) - NONE
```

- 5. TRANSFER prints when the student record was previously disbursed and the student has since transferred to another institution. As a transfer record, the only revised information that is printed is the award date. The term eligibility data will display the word “NONE.” You will likely see a refund due from your school to PHEAA in one of the PHEAA Refund Request (Current or Previous) columns.
- 6. DEPENDENT prints when the student has been processed by PHEAA as financially dependent. FINANCIALLY INDEPENDENT prints when the student has been processed by PHEAA as financially independent. VETERAN prints when the student has been processed by PHEAA as a veteran.
- 7. The FALL HOUSING - XXXXXXX prints under this column if the housing for the Spring term is different. The WINTER HOUSING - XXXXXXX prints under this column if the housing for the Spring term is different and the school operates on a quarter schedule. The XXXXXXX are replaced with Off-CAMPUS, DORMITORY or COMMUTER.

Example:

```
DEPENDENT  
WINTER HOUSING OFF-CAMPUS  
PRIOR GRANTS - 2.00  
PRIOR TERM(S) - S18 (.50), F17 (.50), S17 (.50), F16 (.50)
```

- 8. The VALIDATION COMPLETED message prints when the student’s income validation review has been completed. The VALIDATION PENDING message prints when the student’s family income is under review.

Example:

```
PHEAA ACTION - 06/12/2019  
DEPENDENT  
VALIDATION COMPLETED  
PRIOR GRANTS - NONE  
PRIOR TERM(S) - NONE
```

- The FULL-TIME NIGHT message prints when the student's enrollment indicates enrollment is full-time evening. The PART-TIME NIGHT message prints when the student's enrollment indicates enrollment is part-time evening. In the instance where the enrollment is different between terms for the same institution, the message that prints correlates to the Spring term.

Example:

```
PHEAA ACTION - 08/22/2019
NOT ENROLLED
FINANCIALLY INDEPENDENT
VALIDATION COMPLETED
FULL-TIME NIGHT
PRIOR GRANTS - 1.50
PRIOR TERM(S) - S11(.50),F10(.50),HST
LAST AWARD, DIFF. SCHOOL
```

- The PYR OFFSET ADJ BY (PRIOR YEAR) label prints when PHEAA is using the current academic year eligibility to offset the student's prior year overaward or CYR OFFSET ADJ BY (CURRENT YEAR) label prints when the current year student's record is a PHEAA Collectable/Offset and has been adjusted. The amount prints under the Eligibility Information column.

Example 1: Prior Year

```
PHEAA ACTION - 07/02/2019
DEPENDENT
PYR OFFSET ADJ BY           $571
PRIOR GRANTS - 1.75
PRIOR TERM(S) - S19(.25),F18(.50),S17(.50),F16(.50)
```

Example 2: Current Year

```
PHEAA ACTION - 01/03/2020
DEPENDENT
VALIDATION COMPLETED
CYR OFFSET ADJ BY           $351
PRIOR GRANTS - 1.00
PRIOR TERM(S) - S19(.50),F18(.50)
```

- The PHEAA-COLLECT-SEE REF LTR label prints when the student's record is a PHEAA Collectable and has been adjusted. The amount of the refund owed by the student for which PHEAA has given the school credit in order to balance their roster prints under the ELIGIBILITY INFORMATION column.
- The CYR COLLECT-STD OWES PHEAA label prints when the student's record is a PHEAA Collectable and has been adjusted. The amount of the current year collectable amount, owed by the student to PHEAA, prints under the ELIGIBILITY INFORMATION column.

Example:

```
PHEAA ACTION - 10/31/2019
DEPENDENT
VALIDATION COMPLETED
CYR COLLECT-STD OWES PHEAA   $965
PRIOR GRANTS - 3.00
PRIOR TERM(S) - S19(.50),F18(.50),S18(.50),F17(.50),S17(.50),F16(.50)
```

13. NON-SPONSORING (applies to Community Colleges only) prints when the student has been reported as incurring the “non-sponsoring” tuition rate. This is reported by the school using the codes “Q” or “P” in Program of Study. Refer to [Chapter 2, Section O, Paragraph 3](#) for more information. In the instance where the program of study is different between terms for the same institution, the Spring term code will print.

Example:

```
PHEAA ACTION - 02/14/2020
FINANCIALLY INDEPENDENT
VALIDATION COMPLETED
NON-SPONSORING
PRIOR GRANTS - 1.25
PRIOR TERM(S) - S18 (.50), F17 (.25), S13 (.50)
```

14. PRIOR GRANTS is the total number of award counters the student has previously received. If the student had no prior grants, the word “NONE” prints.
15. PRIOR TERM(S) prints the most recent 6 terms, semesters or quarters, of PA State Grant aid prior to the 2019 Fall term on the roster.

Examples:

TERM	DESCRIPTION
S20	2019-20 Spring term
W17	2017-18 Winter term
R19	2019 Summer term
HST	Indicates the most recent year was prior to 2011-12

16. LAST AWARD, DIFF SCHOOL (meaning “last award at a different school” or “LADS”) designation means the last term prior to the disbursement reflects enrollment at a different school. Branches may be considered a different school.

Example:

	SUMMER	FALL	SPRING
	SCHOOL A	SCHOOL B	SCHOOL B
“LADS” message?	N/A	Yes	No

Example:

```
PHEAA ACTION - 08/22/2019
NOT ENROLLED
FINANCIALLY INDEPENDENT
VALIDATION COMPLETED
FULL-TIME NIGHT
PRIOR GRANTS - 1.50
PRIOR TERM(S) - S11 (.50), F10 (.50), HST
LAST AWARD, DIFF. SCHOOL
```

SECOND COLUMN – ELIGIBILITY INFORMATION

1. The student’s housing status of OFF-CAMPUS, DORMITORY or COMMUTER prints under this column. In the instance where housing for the Spring term is different from that of the Fall or Winter, special messaging prints under the Student Identification column.

- NONCITIZEN prints when the student's record is marked as "eligible non-citizen."

Example:

```

PHEAA ACTION - 02/03/2020 NONCITIZEN
SPRING NOT ENROLLED
FINANCIALLY INDEPENDENT
PRIOR GRANTS - NONE
PRIOR TERM(S) - NONE
  
```

- POW/MIA prints when the student's record is marked as a POW/MIA award.



Note: These cases are extremely rare.

- LEVEL X prints to indicate the year in school for Hospital Schools of Nursing only. Replace the X with the year in school.

Example:

```

ELIGIBILITY
INFORMATION

LEVEL 2

COMMUTER
  
```

- The PYR OFFSET ADJ BY (PRIOR YEAR) label prints when PHEAA is using this academic year eligibility to offset the student's prior year overaward or CRY OFFSET ADJ BY amount prints when the current year student's record is a PHEAA Collectable/Offset and has been adjusted.
- The PHEAA-COLLECT-SEE REF LTR amount prints when the student's record is a PHEAA Collectable and has been adjusted. This is the amount of the refund owed by the student for which PHEAA has given the school credit in order to balance their roster.
- The CYR COLLCT-STD OWES PHEAA amount prints when the student's record is a PHEAA Collectable and has been adjusted. This is the amount of the current year collectable amount, owed by the student to PHEAA.
- REMED. EXCEP. is the counter for the most recent period where the student was awarded and had used a remedial exception. Schools must refer to the Eligibility Record to review the historical use of remedial counters. If these counters total 1.0, the student is not eligible for additional exceptions. Refer to [Chapter 2, Section B, Paragraph 5](#) for more information on the PA State Grant Program's remedial exception policy.

Example:

This example illustrates that the student historically used 1.00 remedial exception counters. The roster prints the counter associated with the last period after for which a remedial exception was granted.

```

MORRISVILLE, PA 19067          MODE 1   MODE 1          REMED. EXCEP. - 1.00
PHEAA ACTION - 02/03/2020
SPRING NOT ENROLLED
VETERAN
PRIOR GRANTS - 1.50
PRIOR TERM(S) - F18 (.25), F17 (.25), S17 (.50), F16 (.50)
  
```

TERM COLUMNS – FALL/WINTER/SPRING/SUMMER

1. AWARD AMOUNT is the term award amount in \$ XXXX format.
2. REJECT REASON is reason that a previously awarded term is not eligible. The 1-position code indicating the reason prints directly under the REJECT label.

REJECT CODE	DESCRIPTION
D	Student does not meet the Pennsylvania domicile requirement.
E	Student's Expected Family Contribution (EFC) results in ineligibility for a PA State Grant.
F	School is not approved to participate in the PA State Grant Program.
G	The student plans to enroll in an ineligible program or the student's enrollment does not meet the PA State Grant Program's term length requirements.
I	Student is not enrolled at least half-time.
J	Student is enrolled in a graduate program of study or has received a baccalaureate degree or the equivalent.
L	The FAFSA was submitted after the PA State Grant filing deadline.
M	Student is ineligible. He or she did not demonstrate sufficient financial need to qualify for a PA State Grant.
P	Student failed to make Academic Progress as required.
Q	Student currently incarcerated.
R	Previous PA State Grants equal the maximum number permitted by law.
S	Student is attending a school located in a state which does not allow its grants to be used at Pennsylvania schools.
T	Student does not meet the PA State Grant Program's secondary school graduation requirement.
U	Student is in default on an educational loan or a claim of default is pending.
Y	Maximum number of PA State Grants has been received based on the student's program of study.

3. CANCEL means the PA State Grant award has been cancelled.



Note: The cancel reason appears under the Student Identification column.

4. NONE means the student is at another school for the term.
5. PEND means the student's term status is pending further processing of eligibility. This most likely means that the student's term is the outcome of a PHEAA Income Validation review.

The following may print below the Award or Reject term column data:

6. P/T prints directly below the award amount if the student is enrolled part-time.

Example:

\$309	\$619
P/T	

- 5 YR prints when the student's enrollment is in a bona fide 5-year program of study. This is reported by the school using the codes "F" in Program of Study.

Example:

\$2,005	\$2,005
5 YR	5 YR

TOTAL GRANT COLUMN

- TOTAL GRANT is the total of all PA State Grant awards on the roster for the student. If this amount equals zero, the word "NONE" prints.

DUE STUDENT COLUMN

- DUE STUDENT is the amount due to the student at the time of roster. This amount may be for a single term or for multiple terms.

Example: Using Spring Term Roster

In this example, Student A is receiving both Fall and Spring awards with the Spring roster. Student B previously received Fall funds.

EXAMPLE	FALL	SPRING	TOTAL GRANT	DUE STUDENT	CALC. DISBURSEMENT
Student A	\$1,707	\$1,707	\$3,414	\$3,414	\$3,414
Student B	\$1,707	\$1,707	\$3,414	\$1,707	\$3,414

CALC. DISBURSEMENT COLUMN

- The CALC. DISBURSEMENT (calculated disbursement) amount is the sum of the student's awards for the term(s) being disbursed and all prior terms. This amount is not an indication of what is being paid on the roster for this student. Please refer to the Due Student column for that information.

EXAMPLE	FALL	SPRING	TOTAL GRANT	DUE STUDENT	CALC. DISBURSEMENT
Student A	\$1,707	\$1,707	\$3,414	\$3,414	\$3,414
Student B	\$1,707	\$1,707	\$3,414	\$1,707	\$3,414

PHEAA REFUND REQUESTS (CURRENT) COLUMN

- The CURRENT column under PHEAA REFUND REQUESTS is the sum of all awards that were disbursed for which the student is no longer eligible and for which the school must remit payment. As a reminder, schools are not required to remit payment for students' amounts marked as PHEAA Collectable.

PHEAA REFUND REQUESTS

CURRENT	PREVIOUS
\$1,835	NONE

- PHEAA REFUND REQUESTS (PREVIOUS) column is the sum of all awards that were disbursed for which the student is no longer eligible and for which PHEAA has logged as payment satisfied.



Note: In the instance where the student is a PHEAA Collectable, this does not necessarily mean that the student has satisfied payment with PHEAA. Rather, the school obligation for the funds is satisfied for accounting purposes.

PHEAA REFUND REQUESTS

CURRENT	PREVIOUS
NONE	\$1,995

COLLEGE COMMENTS COLUMN

1. COLLEGE COMMENTS is a blank area for your institution to take notes ONLY. Student updates must be submitted through Partner Interface or the PA State Grant Certification Transmission process only.

MISCELLANEOUS MESSAGES

1. The <50% CLASSROOM-XXXXXXXXXXXX message prints directly underneath the figures for the Calc. Disbursement and Refund columns when the student has been reported as enrolled for less than 50 percent classroom. The XXXXXXXXXXXX's are replaced with the statuses of UNDER REVIEW, APPROVED, or DENIED as appropriate.



Note: This message only applies to students enrolled at Non-HQD institutions where the school has reported an enrollment mode of "Greater than 50%, but less than 100% distance education" (mode 3) or "100% distance education" (mode 4).

Example:

\$2,446	\$2,446	NONE	NONE
<50% CLASSROOM - APPROVED			

FINAL STUDENT IDENTIFICATION PAGE (TOTALS)

TOTAL FALL TERM	TOTAL WINTER TERM	TOTAL SPRING TERM	TOTAL GRANT AMOUNT	TOTAL DUE STUDENT	CALC. DISBURSEMNT	ACTUAL DISBURSEMNT	TOTAL REFUND REQUESTS CURRENT	TOTAL REFUND REQUESTS PREVIOUS
\$2,282,868	NONE	\$1,915,882	\$4,198,750	\$141,936	\$6,768,680		\$991,997	\$1,577,933

1. TOTAL FALL TERM is the grand total of the Fall term award column.
2. TOTAL WINTER TERM is the grand total of the Winter term award column. For schools operating on a semester schedule, NONE prints.
3. TOTAL SPRING TERM is the grand total of the Spring term award column.
4. TOTAL GRANT AMOUNT is the grand total of the TOTAL GRANT column.
5. TOTAL DUE STUDENT is the grand total of the DUE STUDENT column.
6. CALC. DISBURSEMENT is the grand total of the CALC. DISBURSEMENT column.

7. ACTUAL DISBURSEMENT remains blank (unused) since it is the same as the TOTAL DUE STUDENT amount.
8. TOTAL REFUND REQUESTS (CURRENT) is the grand total of the TOTAL REFUND REQUESTS (CURRENT) column.
9. TOTAL REFUND REQUESTS (PREVIOUS) is the grand total of the TOTAL REFUND REQUESTS (PREVIOUS) column.

SUMMARY PAGE



Note: To view the Summary of disbursement information, enter the next to the last page number of the report in Page in the upper left hand corner of the PageCenter Web Access display and select "Go."

The data varies depending upon the type of roster and the funds due to the school or PHEAA.

Example 1: Recon with No Funds Due to the Institution

		ANNUAL RECONCILIATION (SEMESTER)	
SUMMARY			
TOTAL GRANT FUNDS TO BE CREDITED TO STUDENTS (AS OF THIS ROSTER)		\$	32,730.00
LESS: PRIOR ACTUAL DISBURSEMENTS			
ROSTER DATED	08/26/2019	\$40,817.00	
ROSTER DATED	02/11/2020	\$17,543.00	
TOTAL PRIOR ACTUAL DISBURSEMENTS		\$	58,360.00
PLUS: REFUNDS RETURNED TO PHEAA:			
DATE RECEIVED	12/03/2019	\$24,130.00	
DATE RECEIVED	03/25/2020	\$1,500.00	
TOTAL REFUNDS		\$	25,630.00
PRESENT ACCOUNT BALANCED			
TOTAL NUMBER OF GRANT RECIPIENTS ON ROSTER			66

Example 2: Recon with Funds Due to the Institution

		ANNUAL RECONCILIATION (SEMESTER)	
SUMMARY			
TOTAL GRANT FUNDS TO BE CREDITED TO STUDENTS (AS OF THIS ROSTER)		\$40,606,087.00	
LESS: PRIOR ACTUAL DISBURSEMENTS			
ROSTER DATED	08/12/2019	\$18,665,494.00 (90%)*	
ROSTER DATED	01/07/2020	\$20,192,310.00 (90%)*	
TOTAL PRIOR ACTUAL DISBURSEMENTS		\$	38,857,804.00
PLUS: REFUNDS RETURNED TO PHEAA:			
REFUNDS TO BE COLLECTED BY PHEAA		\$41,348.00	
AMOUNT DUE INSTITUTION		\$	1,789,631.00
ACTUAL DISBURSEMENT		\$	1,789,631.00
TOTAL NUMBER OF GRANT RECIPIENTS ON ROSTER			12,958
FOR INFORMATIONAL PURPOSES ONLY:			
PHEAA OFFSET: NUMBER OF RECIPIENTS & TOTAL		23	\$14,157
PHEAA COLLECTABLES: NUMBER OF RECIPIENTS & TOTAL		31	\$46,479
* PERCENTAGE DISBURSED OF AMOUNT DUE INSTITUTION FOR THAT TERM			

The Summary label displays in the center of the page.

TOTAL GRANT FUNDS TO BE CREDITED TO STUDENTS (AS OF THIS ROSTER) displays the total amount of PA State Grant funds to be credited as of this roster. This is not the disbursed amount.

Less: Outstanding Prior Year Refunds displays the Fall Offset amount¹⁰.

Example: Prior Year Fall Offset

Less: Prior Actual Disbursements is the heading for the prior disbursement breakdown.

Roster Dated MM/DD/CCYY displays on a separate line for each previous roster, including supplemental term rosters, for academic year. The date is the date of roster generation. The total amount of funds disbursed displays to the right of these labels.



Note: If the Adjustment Percentage Procedure was applied to the school, a percentage in parentheses followed by an asterisk (*) displays directly to the right of the figure disbursed.

Total Prior Disbursements displays the grand total of all prior disbursements, if applicable, for the academic year.



Note: The Summer term is separate from the academic year.

Plus: Refunds Returned to PHEAA is the heading for the breakdown of school refunds submitted to PHEAA, if applicable.

Date Received MM/DD/CCYY displays the date and amount of each posted refund.

Example:

PLUS: REFUNDS RETURNED TO PHEAA:			
DATE RECEIVED	10/26/2017	\$6,913.00	
DATE RECEIVED	03/19/2018	\$1,797.00	
TOTAL REFUNDS		\$	8,710.00

Plus: Refunds to be Collected by PHEAA displays the total amount of funds that PHEAA is collecting directly from the student.

REFUND TO BE SENT TO PHEAA displays the total amount of funds due PHEAA at the time the disbursement roster was generated.

TOTAL GRANT RECIPIENTS ON ROSTER displays the total number of grant recipients on the disbursement roster.

The FOR INFORMATIONAL PURPOSES ONLY label displays when there is at least one student in a PHEAA Collectable status listed on the roster.

¹⁰ Fall Offsets were eliminated effective with the 2014-15 Academic Year.

PHEAA OFFSET: NUMBER OF RECIPIENTS AND TOTAL displays the total amount of funds that PHEAA is recovering through the offset of other awards.

ANNUAL RECONCILIATION (SEMESTER)		
SUMMARY		
TOTAL GRANT FUNDS TO BE CREDITED TO STUDENTS (AS OF THIS ROSTER)		\$ 4,722,898.00
LESS: PRIOR ACTUAL DISBURSEMENTS		
ROSTER DATED 08/26/2019	\$2,344,614.00	(84%)*
ROSTER DATED 01/07/2020	\$2,523,960.00	(84%)*
TOTAL PRIOR ACTUAL DISBURSEMENTS	\$ 4,868,574.00	
PLUS: REFUNDS RETURNED TO PHEAA:		
REFUNDS TO BE COLLECTED BY PHEAA	\$4,911.00	
REFUND TO BE SENT TO PHEAA	\$ 140,765.00	
TOTAL NUMBER OF GRANT RECIPIENTS ON ROSTER		1,805
FOR INFORMATIONAL PURPOSES ONLY:		
PHEAA OFFSET: NUMBER OF RECIPIENTS & TOTAL	2	\$1,008
PHEAA COLLECTABLES: NUMBER OF RECIPIENTS & TOTAL	3	\$4,911
* PERCENTAGE DISBURSED OF AMOUNT DUE INSTITUTION FOR THAT TERM		

PHEAA COLLECTABLE: NUMBER OF RECIPIENTS AND TOTAL displays the total amount of funds that PHEAA is recovering through direct repayment from students. Refer to **Example 2 Recon with Funds Due to the Institution**.

Plus: Refunds Collected by PHEAA - \$4,911.00

For Informational Purposes Only:

PHEAA Offset: Number of Recipients & Total	2	\$1,008
PHEAA Collectables: Number of Recipients & Total	3	\$4,911

In this example, the amount PHEAA is pursuing from students is \$5,919. In some instances, the total PHEAA Collectables may be a higher figure since PHEAA considers a combination of recovery from offset and direct collection.

CERTIFICATION PAGE

The Certification Page is the last page of the roster. Please refer to **Chapter 4, Section F** for more information on PA State Grant Certification. Additionally, PHEAA requires an online certification page accompany electronic student corrections. Refer to **Appendix B**.

Appendix G – Findings Sheet

Appendix H – SGSP Program Improvement Plan



SGSP PROGRAM IMPROVEMENT PLAN

School Data

School _____ OE Code _____
 Street Address _____ City, State, Zip _____

Action Item _____

Program _____ Award Year _____
 Finding _____

Program Improvement Plan (PIP) Details

- Provide detailed narrative responses on additional pages to the items listed below:
- 1) Provide a specific description of the institutional plan to address the issue(s) cited above including the starting and ending dates of the activities.
 - 2) How will the indicated actions mitigate the citation listed?
 - 3) What safeguards are being implemented to prevent future reoccurrences of this issue?
 - 4) What institutional offices will be involved in the PIP? Define each of their roles in the process.
 - 5) Provide a copy of the section of your school Policies and Procedures Manual that indicates the changes made as a result of this PIP.

School Contacts

Please list responsible parties for developing and executing the PIP.

Lead Contact _____ Title _____
 Phone _____ Email _____

Secondary Contact _____ Title _____
 Phone _____ Email _____

Submission of Completed PIP

Due date for return of completed PIP _____ Return all documents to: **PHEAA**
Program Review/SGSP
1200 North 7th Street
Harrisburg, PA 17102-1444

The documentation that you provide on the PIP will be reviewed during your next scheduled Program Review by Compliance Services.



Appendix I – PA State Grant Certification Checklist

Purpose

The purpose of this appendix is to provide recommendations for Financial Aid Administrators to step through the enrollment and eligibility checks required by the PA State Grant Program. You may use this high-level checklist to enhance your understanding of the written procedures.

DISCLAIMER: This information does not supplant the *PA State Grant Handbook*, nor should it be used to reference adherence to PA State Grant policy. If you have not reviewed the *PA State Grant Handbook* thoroughly, do not proceed. Any discrepancies not noted in this checklist regarding the student's eligibility should be reported to PHEAA before certifying eligibility.

Before You Begin Certifying Student Eligibility

Materials you should have ready before you begin include, but may not be limited to:

- A copy of the most recent *PA State Grant Handbook* for the applicable year
- The costs reported to PHEAA (these are displayed on FG4B)
- A copy of the term or reconciliation roster
- A copy of "Acceptable Notification" when the student is not on the term roster but is awarded for the term you are reviewing
- The student's previous transcripts
- The student's current and previous enrollment history
- The student's demographic information
- Any Special Crediting Instructions provided by PHEAA
 - With limited exceptions, this applies to many schools classified as Business, Trade and Technical or Hospital Schools of Nursing.
 - If you are unsure if this applies to your institution, please contact PHEAA via sghelp@pheaa.org, subject line: "Special Crediting Instructions."

Recommended Question Checklist

This list is intended for use in the review of students who have been awarded by PHEAA. Use the box on the left to check off questions that have been reviewed and the "If..." column on the right for general guidance. For additional information on a specific question, use the "Reference" column and refer back to the *PA State Grant Handbook*.



Note: When a method of submitting corrections is not specified in the "If..." column, this means that the correction may be submitted through Partner Interface or through the PA State Grant Certification Transmission process. Submitting Special Requests when it is not specified to do so will delay processing.

	QUESTION	REFERENCE	IF...
<input type="checkbox"/>	Does the student's name and Social Security number match the information in the PA State Grant record?	Chapter 2, Section I	No, do not proceed until the student's identity is verified.
<input type="checkbox"/>	Has the student met the requirements for a first bachelor's degree?	Chapter 2, Section C	Yes, then the student is not eligible, cancel the student for "graduated."

QUESTION		REFERENCE	IF...
<input type="checkbox"/>	Has the student met the graduation or completion requirements for an eligible program of at least two academic years and the PA State Grant record is still showing a subsequent term as awarded?	Chapter 2, Section A, Paragraphs 3 & 6	Yes, then the student is not eligible for the subsequent term, notify PHEAA via the Special Request function in Partner Interface.
<input type="checkbox"/>	Is this student unconditionally accepted into an eligible program of study and pursuing a credential as defined by PHEAA?	Chapter 2, Section A, Paragraph 3	No, then the student is not eligible, report the Program of Study correction of "00" (other) to PHEAA.
<input type="checkbox"/>	For Non-HQD institutions only: Is the student's program of study structured to be more than 50 percent distance education?	Chapter 2, Section A, Paragraph 2.b.ii	Yes, then the student is not eligible, report the student as enrolled in a distance education Program of Study ("DE").
<input type="checkbox"/>	Is the student a citizen or eligible non-citizen?	Chapter 2, Section E	No, then the student is not eligible, notify PHEAA via the Special Request function in Partner Interface.
<input type="checkbox"/>	Has the student permanently resided in Pennsylvania for 12-months preceding his or her FAFSA application date?	Chapter 2, Section F	No, then the student is not eligible, notify PHEAA via the Special Request function in Partner Interface.
<input type="checkbox"/>	Does the student permanently reside in Pennsylvania when not in school?	Chapter 2, Section F	No, then the student is not eligible, notify PHEAA via the Special Request function in Partner Interface.
<input type="checkbox"/>	Does the student meet the high school graduation requirement as defined by PHEAA?	Chapter 2, Section G	No, then the student is not eligible, notify PHEAA via the Special Request function in Partner Interface.
<input type="checkbox"/>	Is the student currently in default on an educational loan and there is no evidence of this being identified and resolved in the PA State Grant record?	Chapter 2, Section L	Yes, then the student is not eligible, notify PHEAA via the Special Request function in Partner Interface.
<input type="checkbox"/>	Is the student currently incarcerated?	Chapter 2, Section J	Yes, then the student is not eligible, notify PHEAA via the Special Request function in Partner Interface.
<input type="checkbox"/>	Did the student withdraw for the term prior to the date of the term disbursement roster?	Chapter 3, Section C, Paragraph 4	Yes, then the student is not eligible, report "less than half-time" or "not enrolled," as appropriate, to PHEAA.
<input type="checkbox"/>	Did the student drop or add classes that impact his/her full-time status, part-time enrollment status?	Chapter 3, Section C, Paragraph 3.a	Yes, then you must submit corrections before certifying since the student may not be eligible or may be eligible for a reduced amount.
<input type="checkbox"/>	For Non-HQD institutions only: Did the student drop or add classes that impact his/her ability to meet the 50% percent in-classroom requirement?	Chapter 2, Section B, Paragraph 2	Yes, then the student is not eligible and must receive an Americans with Disabilities Act (ADA) accommodation. Update the enrollment mode, PHEAA will reinstate any cancelled award if the student is approved for an ADA exception.

QUESTION		REFERENCE	IF...
<input type="checkbox"/>	Does the student's actual enrollment match the enrollment status in the PA State Grant record for every eligible term being certified?	Chapter 2, Section B, Paragraph 1	No, then you must submit corrections before certifying since the student may not be eligible or may be eligible for a different award amount.
<input type="checkbox"/>	Is the student enrolled at least half-time?	Chapter 2, Section B, Paragraph 1	No, then the student is not eligible, mark enrollment as "less than half-time."
<input type="checkbox"/>	Is the student's term enrollment mode anything other than 100% classroom?	Chapter 2, Section B, Paragraph 2	Yes, then enrollment mode reporting is required for both HQD and Non-HQD institutions. NOTE: For Non-HQD institutions only - the student is not eligible if the enrollment mode is "Greater than 50%, but less than 100% distance education" (mode 3) or "100% distance education" (mode 4) and must receive an ADA accommodation. Enrollment mode reporting will initiate a review. PHEAA will reinstate any cancelled award if the student is approved for an ADA exception.
<input type="checkbox"/>	If the student is enrolled in a term that only consists of modules, does the student's enrollment in the combined modules meet the term length requirement?	Chapter 4, Section D	If no, then the student is not eligible due to inadequate term length. Report the Program of Study as "00" (other) to PHEAA. If yes, then you may not certify until the student is enrolled in the final module.
<input type="checkbox"/>	Is the student enrolled in a term that contains modules?	Chapter 4, Section D	Yes, then crediting must be withheld until enrollment in the final module is verified.
<input type="checkbox"/>	Does the student's enrollment require any exceptions that must be reported to PHEAA (e.g., remedial, final term, bona fide 5-year exceptions, evening, or non-sponsoring costs)?	Chapter 1, Section C, Paragraph 4; Chapter 2, Section B, Paragraphs 5, 6, & 7; Chapter 2, Section O, Paragraph 3	Yes, then you must submit corrections before certifying since the student may not be eligible or may be eligible for a different amount.
<input type="checkbox"/>	Have all required updates to the student's record been submitted to PHEAA via Partner Interface or Certification Transmission?	Appendix B	No, then you must submit corrections before certifying since the student may not be eligible or may be eligible for a different amount. The "Balances" reflected on the FG3S display will not display correctly until all student records have been processed.

	QUESTION	REFERENCE	IF...
<input type="checkbox"/>	<p>Is the student being charged tuition and fees that are over 25 percent less than the costs reported to and approved by PHEAA?</p> <p>NOTE: Limited exceptions include tuition and fees charged in excess of \$32,000 or if your school submitted weighted-average tuition for all students by location per PHEAA guidance.</p>	<p>Chapter 2, Section O, Paragraph 1.a</p>	<p>Yes, then you must submit corrections before certifying (see limited exceptions). Corrections must be submitted via the single record update function in Partner Interface. (Not available in mass update).</p>
<input type="checkbox"/>	<p>Is the student visiting my school or studying abroad?</p>	<p>Chapter 2, Section B, Paragraph 10</p>	<p>Yes, then you must verify costs and follow the outlined procedures before certifying since there may be cost differentials, for example, that impact the student's eligibility.</p>
<input type="checkbox"/>	<p>Is the student being charged tuition and fees that are over 25 percent more than the costs reported to and approved by PHEAA and the student is not currently awarded the maximum eligibility?</p>	<p>Chapter 2, Section O, Paragraph 1.d</p>	<p>Yes, then you may submit corrections before certifying (see exception). Corrections must be submitted via the Special Request function in Partner Interface. (Increased costs are not accepted via the single record update function, only decreased costs).</p> <p>Exception: A school should not submit individual costs when the school reports weighted-average tuition for all students by location per PHEAA instructions.</p>
<input type="checkbox"/>	<p>Does the student meet the PA State Grant Program's Academic Progress requirement?</p>	<p>Chapter 2, Section D</p>	<p>No, then the student is not eligible, report the lack of progress to PHEAA.</p>
<input type="checkbox"/>	<p>Has the student refused the PA State Grant?</p>	<p>Chapter 2, Section M</p>	<p>Yes, then you must notify PHEAA via the Special Request function in Partner Interface.</p>
<input type="checkbox"/>	<p>Do you have knowledge that the student was convicted of a felony for which the student is not currently incarcerated?</p>	<p>Chapter 2, Section K</p>	<p>Yes, then you must report the data to PHEAA via the Special Request function in Partner Interface but may proceed with certification.</p>
<input type="checkbox"/>	<p>Have all updates that were made through the Special Request feature in Partner Interface been closed by PHEAA (as shown on the student's activity page)?</p> <p>"Closed" means a blank "Close Date" on the student's activity log tab in Partner Interface</p>	<p>Appendix B, Paragraph 1.b</p>	<p>No, then you must wait for corrected eligibility adjustments to be made before certifying.</p>

Appendix J – Determining Students’ Status & Providing Assistance

A. Students With Incomplete Records

Students may have incomplete PA State Grant records for a variety of reasons. Some student records are incomplete due to a PHEAA review. The majority of incomplete PA State Grant records however require the completion of application items that are collected via the online *PA State Grant Form (SGF)*.

When this form is needed, your school should encourage its prompt completion. Timely completion of the *SGF* is important as it is used in determining eligibility for not only the PA State Grant Program but other programs. The best way to submit the missing information is online unless the student is homeless, resides with a guardian, or has extenuating circumstances surrounding his/her living situation. Institutions should only instruct students to complete the paper *Status Notice* when PHEAA has instructed the student to do so. It is important to also remind students of the reconsideration deadlines listed in [Chapter 2, Section N](#).

Resources (listed in alphabetical order)

The following resources are available to help institutions in identifying students with incomplete records:

1. “GAPS” REPORTS – Weekly PageCenter reports that list all incomplete students and specific incomplete application items and reject reason codes, if applicable. For a breakdown of each GAPS report, please refer to [Appendix C, Paragraph 3.c](#).

The GAPS report contains the student’s SSN, name, incomplete Grant Item Number (number in parenthesis), and the corresponding *Status Notice* number. The reference to “Status Notice” in this instance means the items listed on the student’s “Application Info” tab in Partner Interface. For example, the “incomplete items” on the GAPS report may show “student items” as (401), 7, and (438). The numbers that are not in parentheses are the same item numbers highlighted in yellow on Partner Interface as shown below.

An asterisk (*) to the left of student name indicates an updated record. Please note that the listing does not include non-PA State Grant applicants or those undergoing PHEAA staff review.

Student	Parent(s)
1. Date of Birth:	02/11/1997
2. State of Legal Residence:	PA
3. Residency Established:	04/2016
4. Current Marital Status:	Unmarried/Single
5. Bachelor's Degree Before 7/1 of Application Year:	No
6. High School Diploma or GED Date:	
7. High School State or GED:	
8A. Veteran of the U.S. Armed Forces:	No

2. *INCOMPLETE NOTIFICATIONS GUIDE & Q&A* – This annual guide describes the *SGF* process and includes detail on the direct link from the *FAFSA on the Web (FOTW)* to PHEAA. It also provides information on the email process and letters that may be sent to collect information in lieu of the *SGF*. This information is available in the Document Library under State Grant Program/Technical and Processing Information.

- PARTNER INTERFACE FILTERING – Schools can use standard lists of student records that are classified as “Incomplete/Reject,” “Incomplete/Inactive,” or “Incomplete/Active” when searching for students who are incomplete. You may also apply additional filters to these standard lists as needed. Once filtered, you can review students individually or export the data to a spreadsheet. For additional information, please refer to the *Partner Interface Filtering Tips* on [PHEAA.org/training](https://pheaa.org/training) under “State Grant and Special Programs Resources.”
- PARTNER INTERFACE STUDENT RECORD MESSAGING – When scrolling student by student in Partner Interface, you may notice some records with an informational box directly above the tabbed information. In general, a student who is “under review” has likely received a letter from PHEAA requesting additional information. Specifics on communications sent from PHEAA to the student, and vice versa, can be found under the “Activity Log” tab. Types of messages you might see are listed on the *Partner Interface Display Overview* available on [PHEAA.org/training](https://pheaa.org/training) under “State Grant and Special Programs Resources.”

State Grant Information for: PHEAA University

Student Record: Sample Student [VIEW ELIGIBILITY FOR STUDENT](#)

Prior Name(s): Special Request - Select Action -

SSN: 123-45-6789 ACCT#: 11-1111-1111 SG Award Counter (Grand Total): 0 RTSS Award Counter (Grand Total): 0

2018-2019 ACADEMIC Record Status: **Incomplete/Reject** Last Update: 03/14/2018 School Status: **Primary**

Dependency Status: **Dependent** Last User: FGXGK Received Date: 11/27/2017

State Grant Eligibility

Fall: **Does not meet PA residency requirement** Spring: **Does not meet PA residency requirement**

Under Review For

Refer to Activity

Who the Student Lives With

- STATE GRANT STATUS LISTINGS & STATUS TRANSMISSIONS – On the PA State Grant Status Listing, the word “incomplete” in the “PHEAA Status by Term” columns indicates the student’s record status is incomplete. This information is also noted as “INCL” on the State Grant Status Transmission in the Fall, Winter, or Spring Term Status fields. The notation of “Incomplete” may also mean that award(s) were cancelled for a PHEAA Review (please refer to [Section D](#) of this appendix). For a full explanation of all data included on this report and transmission, please refer to the *PA State Grant FAA Status Listing Guide* and the SG Status Data Transmission Layout found in the Document Library under Technical and Processing Information.

B. Students With Inconsistent Dependency Status (PHEAA Status v. Federal Status)

While the PA State Grant Program generally accepts the Federal criteria for processing students without regard to parental financial data, there are some situations, such as emancipated minors, for which PHEAA requires verification. For information on specific policies, please refer to the *PA State Grant Program Policy Manual* on [PHEAA.org/forms](https://pheaa.org/forms).

- STUDENTS WHO CONNECT DIRECTLY TO THE SGF FROM THE FAFSA®

If the federally independent student connects to the SGF directly from the FAFSA, the student is presented with the “independent” version of the form. Since PHEAA does not yet have a PA State Grant record created we are unable to determine that verification of the financial independence status may be required. Once PHEAA receives the FAFSA information, it is merged with the responses to the SGF in order to create the PA State Grant record. At that point the student’s record may be identified as requiring verification and the student may be asked to complete a paper *Status Notice, Guardian Form*, or other supplemental form.

2. STUDENTS WHO CONNECT TO THE SGF FROM PHEAA'S STUDENT PORTAL

If the federally independent student connects to the *SGF* from Account Access in the student portal, the student may be presented with the “dependent” version of the form. This is because PHEAA has already created a PA State Grant record and determined that the student is dependent unless further information is provided. If the student is unable to answer the questions about his/her parents on the *SGF*, the student should visit [PHEAA.org/livingsituation](https://pheaa.org/livingsituation) and follow the direction on this website instead.

C. Students With Ineligibility Reasons

Students attending your institution may be ineligible for a PA State Grant award for varying reasons. The resources listed below will provide your school with insight into your school’s population and student ineligibility reasons. Please refer to the *PA State Grant Program Policy Manual* as it explains when it may be possible for a student to submit a successful appeal for eligibility. A full list of reject codes is available in [Appendix D](#).

You may choose to leverage this information to assist your student body. For example, if you have a large population of “late” rejects, you may want to perform student outreach or reference PA State Grant Program deadlines in your school’s materials.

1. RESOURCES (listed in alphabetical order)

The following resources help in identifying ineligible student records at your school and determining the reasons for ineligibility.

- a. FG50 TRANSACTION – Page 1 of this display provides the grand total statistics of each reject reason for the general population of PA State Grant applicants at your school for the year and period selected. It is accessible via the school portal by selecting “Access State Grant & Special Programs (OC/WebConnect).”
- b. “GAPS” REPORTS – Weekly PageCenter reports that list all incomplete students and specific incomplete application items and reject reason codes, if applicable. Refer to [Section A, Paragraph 1](#) of this appendix.
- c. GPAD REPORTS – Beginning in May/June, these weekly PageCenter reports list four weeks of eligibility changes to student records since initial awarding. Schools may see some students who were initially awarded but not disbursed appear on this report as ineligible due to questionable data being received after awarding.
- d. PARTNER INTERFACE FILTERING – You can use standard lists of student records that are classified as “Incomplete/Reject” or “Complete/Reject” when searching for students who are ineligible for a non-Need reject reason. A non-Need reject reason is any reason other than “E” – High EFC, “M” – No Financial Need or Insufficient Financial Need, or “Y” Maximum Number of Payments for Program. You can also filter for specific reject reasons under any record status category. Once filtered, you may review students individually or export the data to a spreadsheet. Please refer to the *Partner Interface Filtering Tips* on [PHEAA.org/training](https://pheaa.org/training) under “State Grant and Special Programs Resources.”
- e. STATE GRANT STATUS LISTINGS & STATUS TRANSMISSIONS – A letter code in the “PHEAA Status by Term” columns on the PA State Grant Status Listing or an alpha character in the Fall, Winter, or Spring Term Status fields of the Status Transmission are indications of student ineligibility on a term-by-term basis. For a full explanation of all data included on the listing or transmission, please refer to the State Grant FAA Status Listing Guide and the SG Status Data Transmission Layout found in the Document Library under Technical and Processing Information.

D. Students “Under Review”

“Under Review” means that the student’s information is being reviewed by PHEAA for compliance with the PA State Grant Program’s requirements. This could mean the student is under a non-financial review (e.g., fulfillment

of the Pennsylvania domicile or high school graduation requirements) or a financial review (e.g., review of income or assets). Your school should encourage the student to submit all requested information to PHEAA. When submitting documentation to PHEAA, the student should ensure that the correspondence is identified with his or her name, SSN or PHEAA Account Number and that the documents are signed by the student and parent, as appropriate. It is important to remind students of the reconsideration deadlines listed in [Chapter 2, Section N](#).

The method of correspondence with the student (email or paper) is generally determined by the existence of a valid email address on file with PHEAA. If a student does not have a valid email address on file, a paper letter will be mailed. There are exceptions where certain letters are mailed and not emailed; however, most correspondence is first attempted via email.

1. RESOURCES (listed in alphabetical order)

- a. PARTNER INTERFACE STUDENT RECORD MESSAGING – When scrolling in Partner Interface, you may notice some records with an informational box directly above the tabbed information. In general, a student who is “under review” has likely received a letter from PHEAA requesting additional information. Specifics on communications sent from PHEAA to the student, and vice versa, can be found under the “Activity Log” tab. Types of messages you might see are listed on the *Partner Interface Display Overview* found on PHEAA.org/training under “State Grant and Special Programs Resources.”
- b. PHEAA VALIDATION/OTHER RWV REPORT – Weekly student listings that include: 1) Students recently included in a 2020-21 PHEAA Income Validation review; 2) Students included in “other” reviews such as audits including, but not limited to, the number enrolled in school, financial independence, domicile, and asset review where the student was previously awarded but subsequently cancelled for reasons “O” (other) or “I” (financial information); 3) A “Students With Cost Overrides” listing of all students who were previously processed with a Cost Override, the term(s), the regular tuition/fees and the cost override tuition/fees; and, 4) Students included in the Ready to Succeed Scholarship Income Verification Review can be found.
- c. STATE GRANT STATUS LISTINGS & STATUS TRANSMISSIONS – The following table illustrates items that indicate when a student is “under review” by looking at the weekly Status Listing or the electronic Status Transmission. For a full explanation of all data included on the Status Listing and the Status Transmission, please refer to the *PA State Grant FAA Status Listing Guide* and *PA SG Status Data Transmission Layout* found in the Document Library under Technical and Processing Information.

STATUS LISTING (PAGECENTER REPORT)	STATUS TRANSMISSION
“Pending” message in the “PHEAA Status by Term” columns	“PEND” (Under PHEAA Review) in Fall, Winter, or Spring Term Status fields
“Incomplete” displays in the “PHEAA Status by Term” columns when the record has been cancelled due to a PHEAA review	Codes B, O, E, M, I, X in the Fall, Winter, or Spring Term Award Cancellation Code fields
PHEAA Collectable indicator available on the transmission only	Code 1 (Yes) in the PHEAA Collectable Indicator
“Validation Pending” message in the “Special Status” column	Code 1 (Yes, Validation pending) in the PHEAA Validation Indicator

E. Students Who Haven’t Filed a FAFSA® or Summer Application

Completion of the FAFSA is required for PA State Grant consideration. As noted in [Chapter 2, Section I](#), it is important to remember that the PA State Grant Program will not create a student record until the United States Department of Education (ED) verifies a SSN match with the Social Security Administration (SSA). Once a match is made, it may take up to 7 days for PHEAA to receive the State Agency data from ED. Therefore, if the student has already filed a FAFSA and PHEAA does not have a PA State Grant record after 7 days, you should have the student re-review the SSN and/or legal state of residence data provided on the FAFSA.

1. PHEAA FAFSA OUTREACH

Annually in the March-April time frame, PHEAA reaches out by email to students who filed a prior year application and were not in their final year during the prior academic year. It is important for students to understand that there are different deadlines for filing (May 1, 2020 or August 1, 2020) and completion of missing PA State Grant information (April 1, 2021 for 2020-21). Your school's support in communicating deadlines is important to this effort.

2. RESOURCES (listed in alphabetical order)

- a. GAPS RENEWALS/NO FAFSA REPORT – Weekly PageCenter list for the academic year that runs from November through late April. This report identifies students who, according to PA State Grant records, were enrolled at your institution for the prior year Spring term.
- b. SUMMER APPLICATION AVAILABILITY – Email Notifications – Your school may request PHEAA send email notifications to all 2019-20 or 2020-21 applicants at your school with a valid email address when the Summer application is available. If you are interested in this service, please email sghelp@pheaa.org.

F. Student Notification of PHEAA Eligibility Requirements

Students are informed of the primary eligibility requirements, including Academic Progress, etc., for the PA State Grant Program in Section II of the *Rights and Responsibilities Certification Document*. Students are advised not to sign the *PA State Grant Form* until they have read and agree to the *Rights and Responsibilities Certification Document*. In the Grants section of PHEAA.org, a shorter description of all eligibility requirements is listed under the “Prepare” section as well as in the annual *PA State Grant Program Manual* which is published under “Documents & Forms.” PHEAA.org also has FAQs regarding eligibility.

G. Student Ability to Update Enrollment With PHEAA

A student can update his or her enrollment (e.g., institution or enrollment status) for any term of the current academic year by selecting the “Update School Information” link located within the “View my State Grant Status” section of Account Access (an example is depicted below). It should be noted that if funds were already disbursed to the original institution, the change will be routed to PHEAA staff for review. In that case, the student receives a message online which states, “Your school information changes have been submitted and will be reviewed by PHEAA staff. Your request will not be processed until the school on your eligibility notice confirms the status of funds which were sent to them on your behalf.” Otherwise, the update is made immediately.

After a student makes an enrollment update to another school, the student will no longer appear on subsequent reports and listings for your school since your school no longer has a relationship with that student for PA State Grant purposes. If you believe the student made a mistake, you should contact the student.

The image shows two screenshots from the PHEAA Account Access system. The left screenshot shows the 'PA State Programs' menu with three options: 'View my PA State Grant Status', 'Complete the PA State Grant Form', and 'Apply for the PA Summer State Grant'. The right screenshot shows the 'PA State Grant' status page for the 2020-21 Academic Year. It features a table with columns for Term, School, Status, and Amount. The table shows a single row for the 2020-21 term at PHEAA University with a status of 'Complete' and an amount of '--'. Below the table, there is a message: 'The data from your 2020-21 application was received on 01/12/2020 and your record is complete for Pennsylvania State Grant consideration. You will be notified of your eligibility in May of 2020.' There are also links for 'Update School Information' and 'Update Address Information', and a 'VIEW HISTORY' button. The 'Update School Information' link is highlighted with a red box in the original image.

Term	School	Status	Amount
--	PHEAA University	Complete	--

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, grant administration, outreach, and other student aid programs.

PHEAA's earnings are used to support its public service mission and to pay its operating costs, including the administration of the PA State Grant Program 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 operations nationally as FedLoan Servicing and American Education Services (AES). PHEAA operates its digital technology division as Avereo. For more information, visit PHEAA.org.

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