Determining Student Educational Costs

PA State Grant Program
February 2022

This presentation is being recorded and may be made available online.
Agenda

Housekeeping
PA State Grant & Special Programs (SGSP) staff introduce themselves, explain how to acquire program materials, and review agenda items

Background
Presenters provide high-level information on the history of the PA State Grant Program, as well as begin discussing how student educational costs are used and collected via postsecondary institutions

Different Educational Costs
Panelists discuss examples of when a cost override may be required and also review the steps that should be taken when reporting different educational costs

Wrap-Up
PHEAA staff will issue reminders, provide additional resources, and share responses to questions posed during the session by attendees

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

• Created in 1965 by the PA General Assembly
  – One of PHEAA’s oldest programs
  – Historically funded via Commonwealth appropriations and PHEAA supplements

• Provides need-based grants to postsecondary students who:
  1. Attend an approved institution
  2. Meet certain enrollment and eligibility criteria (e.g., PA residency, a high school graduate, enrolled at least half time, making PA State Grant satisfactory academic progress, etc.)

• Undergone numerous changes to adjust to higher education trends

Since the program’s inception through the end of the 2020-21 Award Year, PHEAA has disbursed more than $12.0B for 7.4M awards!
PA State Grant Awards

- PHEAA's Board of Directors annually reviews and approves the formula for determining PA State Grant need
  - Award calculation details publicized annually via Need Computation Procedures and the [PA State Grant Program Manual](#)

- Individual student awards largely based upon the student’s:
  1. **Federal Expected Family Contribution (EFC)** – Calculated by a formula based on the income and asset information provided by the student
  2. **Federal Pell Grant amount** – Issued to undergraduate students who demonstrate financial need
  3. **Dependency status** – Determines if a student’s parental data is needed
  4. **Special considerations, if applicable** – PHEAA consideration extended to students based upon their personal situation
  5. **Tuition and fees** – Costs for the institution, program of study, or academic level, as reported by the school and approved by PHEAA
Educational Costs

• Institutional costs collected annually during March-April
  – Reporting submitted for upcoming summer term and academic year
  – Communication sent annually advising schools of timeline for submission
  – Conditional award notification begins in May
  – All schools are required to report by the deadline
    • Late reporting may result in a processing hold and/or administrative program review findings
      – If unreported, schools will be inactivated and student awards will not be processed
    • Costs submitted after the deadline may be accepted at the discretion of PHEAA

• Reporting completed via school portal, Alec
  – No alternate submission methods accepted
  – Institution must have specific access to submit
Educational Costs

- Costs on the Web (COTW) collects:
  - Institution demographics and enrollment statistics
  - Academic calendar
  - Term start dates
  - School contact information
  - Standard tuition and fee amounts based upon full-year, full-time enrollment (PHEAA annualizes reported amounts)
    - Business Trade and Technical – Standard tuition and fees attributable to complete each program of study
    - Hospital Schools of Nursing – Standard tuition and fees attributable to a specific academic year and academic level
    - All Other Types – Standard tuition and fees generally charged to students enrolled in 12 to 18 credits per term
  - Evening costs that differ from day costs by at least 25 percent (if applicable)
- Additional information collected may be based on school sector type

PHEAA is in the process of revising the cost collection process. A different reporting process is expected to be available next year!
Educational Costs

Fees = Charges for services that do not result in the receipt of a tangible product, and are assessed at the beginning of the term as part of the institutional bill

- Approved fees are those charged to all full-time, full-year students
  - Examples: facility fee, lab fee, student activity fee, tech fee, etc.
  - PHEAA will make the final determination whether a fee can be accepted or excluded

- One-time or “as needed” fees are excluded
  - Cannot be included when submitting cost overrides
  - Inclusion may result in administrative program review findings
  - Examples: uniforms, licensure fees, testing/exam fees, vaccinations, late fees, etc.

- Fees labeled as “general” are excluded

- Books and supplies are excluded from institutional fees
PHEAA automatically includes standard amounts for books and supplies and an Educational Expense Allowance in the total cost calculation

- Room and board costs are collected for statistical purposes
- Allowances determined annually by PHEAA Board of Directors

Total costs are subject to approval and a cost cap

**Tuition & Fees + Books & Supplies Allowance + Educational Expense Allowance must be less than or equal to the Cost Cap**

- 2021-22 Total Award Year Cost Cap = $32,000
- 2021-22 Books and Supplies Allowance = $1,000
- 2021-22 Educational Expense Allowance = $4,000
Preparing for 2022-23 COTW

• Collection period will begin in early March and end by mid-April
  – Review the Institutional Cost Policies and Instructions document when released
• If not finalized, provide tuition and fee amounts that you anticipate your school will adopt
  – Proactively reach out to PHEAA if your school’s tuition will increase by 3.5 percent or higher
• Avoid using acronyms or non-specific labels to identify fees
  – Contact PHEAA for help determining if a fee is acceptable
• Report 2022-23 costs by the deadline to avoid administrative findings
  – Promptly submit follow-up information if requested
• Print a copy of the completed and submitted cost information for institutional records
**Different Educational Costs**

- Student award calculations should be based on actual costs, as listed in their institutional account.

- Compare annual costs approved by PHEAA to actual student tuition and fee charges:
  - Students may incur charges that differ due to specialized enrollment.
  - Must be done on a term-by-term basis as a condition of certifying eligibility.
  - Annual costs used by PHEAA capped at $32,000.

- **Required** to withhold crediting and report reduced tuition and fees if student’s actual tuition and fees are at least 25 percent less than PHEAA-approved costs:
  - Reporting completed via Cost Override feature in Partner Interface.
  - If actual costs charged to the student are still above the college cap, then do not report.
Different Educational Costs

To calculate the cost override threshold:

<table>
<thead>
<tr>
<th>Reported Tuition &amp; Fees for Full-time, Full-Year Equivalent</th>
<th>Institution's Schedule</th>
<th>Term Cost</th>
<th>Full-time Threshold*</th>
<th>Part-time Threshold*</th>
</tr>
</thead>
<tbody>
<tr>
<td>X</td>
<td>Semester</td>
<td>X/2 = Y</td>
<td>Y*.75 = Z</td>
<td>Z/2</td>
</tr>
<tr>
<td>X</td>
<td>Quarter</td>
<td>X/3 = Y</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Term costs that are less than the threshold must be reported. Input into Partner Interface is a term amount. The PHEAA system annualizes the entered amount.

Examples:

<table>
<thead>
<tr>
<th>Reported Tuition &amp; Fees for Full-time, Full-Year Equivalent</th>
<th>Institution's Schedule</th>
<th>Term Cost</th>
<th>Full-time Threshold</th>
<th>Part-time Threshold</th>
</tr>
</thead>
<tbody>
<tr>
<td>$5,870</td>
<td>Semester</td>
<td>$2,935</td>
<td>$2,201</td>
<td>$1,100</td>
</tr>
<tr>
<td>$15,192</td>
<td>Quarter</td>
<td>$5,064</td>
<td>$3,798</td>
<td>$1,899</td>
</tr>
<tr>
<td>$24,890</td>
<td>Semester</td>
<td>$12,445</td>
<td>$9,333</td>
<td>$4,666</td>
</tr>
<tr>
<td>$36,596</td>
<td>Quarter</td>
<td>$12,198</td>
<td>$9,149</td>
<td>$4,574</td>
</tr>
<tr>
<td>$46,920</td>
<td>Semester</td>
<td>$23,460</td>
<td>$17,595</td>
<td>$8,797</td>
</tr>
<tr>
<td>$57,136</td>
<td>Quarter</td>
<td>$19,045</td>
<td>$14,283</td>
<td>$7,142</td>
</tr>
</tbody>
</table>
Different Educational Costs

- Additional reporting may be required in addition to Cost Overrides (e.g., remedial exceptions, etc.)
- Refer to PA State Grant Handbook for additional situations (e.g., branch campus enrollment, etc.) of when a Cost Override may be required
  - Escalate unique enrollment situations to PHEAA via sghelp@pheaa.org

Modular Enrollment
Weekend Schedules
Two-School Enrollment
Remedial Coursework
Tuition Waivers
Tuition Remission
Repeat Coursework
Final Year Enrollment Exceptions
Study Abroad
Weekend Schedules
Different Educational Costs

1. Conduct all other eligibility tests (e.g., enrollment status, program of study, etc.)

2. Withhold crediting until all other changes have been processed by PHEAA

3. Report reduced tuition and fees via Cost Override feature in Partner Interface

- Tuition and fee threshold displays in Partner Interface based on institutional, program, and/or year charges
- Report actual term costs, not annual costs
- Do not include excluded fees when submitting cost adjustments
  - Annual list of excluded fees available in the Institutional Cost Policies & Instructions
- Do not include cents or round figures up or down
If actual tuition and fees are more than 25% greater than the PHEAA-approved costs, reporting is optional
- Educational costs must still fall below the Need Analysis cost cap
  - Multiply the PHEAA-approved annual tuition and fees by 1.25 and report if figure is below $27,000
- Only report students with an award amount below the maximum
- Must report as term-level costs via Special Request for award reconsideration
  - Do not include cents or round figures up or down
  - Do not include excluded fees
Different Educational Costs

- PHEAA Technical College is a semester institution
- The annual costs (tuition and fees) submitted by the institution and approved by PHEAA total $28,000
- The below students are listed on the institution’s spring term disbursement roster when the institution realizes different educational costs are being charged

<table>
<thead>
<tr>
<th>Students</th>
<th>Current Enrollment Status</th>
<th>Actual Term Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ted Lasso</td>
<td>Full-time</td>
<td>$9,356.01</td>
</tr>
<tr>
<td>Rebecca Welton</td>
<td>Less than half-time</td>
<td>$4,375.18</td>
</tr>
<tr>
<td>Roy Kent</td>
<td>Half-time</td>
<td>$5,249.97</td>
</tr>
<tr>
<td>Keeley Jones</td>
<td>Full-time</td>
<td>$33,123.00</td>
</tr>
</tbody>
</table>

Questions

- What is the full-time term threshold for reporting reduced costs at the school?
- How can the school determine the part-time threshold for Roy K.?
- Is a Cost Override required for any of the students?
Different Educational Costs

Answers

• The full-time threshold for reporting reduced tuition and fee amounts is $10,500 per semester. ($28,000 ÷ 2) x .75 = $10,500

• To determine the part-time threshold for Roy K., the school would divide the full-time threshold amount in half. ($10,500 ÷ 2 = $5,250)

• A Cost Override is required for Ted L. and Roy K.
  – If Keeley J. is not already receiving the maximum award, a Special Request can be submitted to see if an increased award is possible
  – Rebecca W. should be reported as Less than half-time and will no longer be eligible for a PA State Grant award

<table>
<thead>
<tr>
<th>Students</th>
<th>Current Enrollment Status</th>
<th>Actual Term Cost</th>
<th>Cost Override Required</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ted Lasso</td>
<td>Full-time</td>
<td>$9,356.01</td>
<td>Y</td>
</tr>
<tr>
<td>Rebecca Welton</td>
<td>Less than half-time</td>
<td>$4,375.18</td>
<td>N</td>
</tr>
<tr>
<td>Roy Kent</td>
<td>Half-time</td>
<td>$5,249.97</td>
<td>Y</td>
</tr>
<tr>
<td>Keeley Jones</td>
<td>Full-time</td>
<td>$33,123.00</td>
<td>N</td>
</tr>
</tbody>
</table>
College Grant Program Specific (FG4B)

- Located in OC/WebConnect
- Displays, by year and period, educational costs used for the PA State Grant award calculation
  - Business, Trade, & Technical Schools: Data also displayed by program(s)
  - Nursing Schools: Data also displayed by academic level

FG4B I 2021;A;99999999;01;000001
OE CODE 99999999 01
PHEAA CODE 000001
PHEAA UNIVERSITY

NIGHT ELIGIBILITY Y
COST VERIFICATION V VERIFIED
TOTAL COURSE HOURS ___
TOTAL TERMS ___
TERM BEGIN DATE FALL 09 20 2021 WINTER 01 03 2022 SPRING 03 28 2022
CHANGE RELEASE N BLOCK WEB UPDATES Y
COSTS ARE FOR 2021-22

TUITION AMOUNT $ 54766
INSTITUTIONAL FEES $ 2370
OUT OF STATE TOTAL $
ROOM AMOUNT $ 10320 Y EST
BOARD AMOUNT $ 6168 N ACT
NIGHT CLASS TUITION $
NIGHT CLASS FEES $
NONSPONSORING COSTS $

F1=HELP F2=SET2 F3=EXIT F4=FG3I F5=RFR F6=FC5S
F7=PREV F8=NEXT F9=PRT F10=FG3Y F11= F12=CAN
Different Educational Costs

• Students With Cost Override sub-report
  – Housed within the Validation/Other Rvw Report in PageCenter
  – Provides list of all students who were previously processed with a cost override
  – Indicates the terms, the regular tuition and fees, and the cost override tuition and fees

<table>
<thead>
<tr>
<th>SS #</th>
<th>NAME</th>
<th>TERM</th>
<th>APPROVED T &amp; F AMOUNT</th>
<th>COST OVERRIDE T &amp; F AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>111-11-1111</td>
<td>JAMIE TARRANT</td>
<td>F</td>
<td>$5,820</td>
<td>$11,328</td>
</tr>
<tr>
<td>222-22-2222</td>
<td>SAM OBISANYA</td>
<td>F</td>
<td>$5,820</td>
<td>$15,492</td>
</tr>
<tr>
<td>333-33-3333</td>
<td>ISAAC MCADOO</td>
<td>S</td>
<td>$5,820</td>
<td>$18,792</td>
</tr>
<tr>
<td>444-44-4444</td>
<td>COACH BEARD</td>
<td>S</td>
<td>$5,820</td>
<td>$22,340</td>
</tr>
<tr>
<td>555-55-5555</td>
<td>NATE SHELLEY</td>
<td>F</td>
<td>$5,820</td>
<td>$9,148</td>
</tr>
<tr>
<td>666-66-6666</td>
<td>LESLIE HIGGINS</td>
<td>S</td>
<td>$5,820</td>
<td>$11,376</td>
</tr>
</tbody>
</table>

TOTAL RECORDS = 6
Reminders

• Confirm tuition and fee thresholds in Partner Interface
  – Thresholds displayed are commensurate with students’ enrollment, program of study, and the academic year
  – Work with other departments on campus to identify and report student populations that may require cost adjustments
  – Reporting is required for students with costs below the threshold and optional for students with costs 25 percent above

• Cost adjustments may need made after disbursement and award crediting occurs

• Follow Special Crediting Instructions if issued to your institution
  – Instructions may be school, year, and/or program specific

• Retain records used in determining student costs and eligibility for five years
Join Us Next Time!

Session descriptions and registration information are available on PHEAA.org/SGSPtraining

• **PA State Work Study Program**
  – PA State Work Study for Prospective Employers
  – Thursday, March 17, 2022

• **PA Institutional Assistance Grants Program**
  – Program Overview
  – Thursday, April 21, 2022

Have a specific session that you would like to see featured? Send us an email via the program mailbox with the subject line: Training Topic.
Resources

Connect with PHEAA socially!

Web
- PHEAA.org
- Alec

Print Materials
- Brochures
- Calendars
- FAQs

Events
- Webinar Series
- Conferences
- Workshops

SGSP Staff
- Email: sghelp@pheaa.org
- Phone: 800-443-0646

PHEAA – Providing affordable access to higher education. (Public Information)
Thank You!