

4.00 FINANCIAL AID POLICIES

POLICY 4.01: RETURN OF TITLE IV FUNDS

Policy

The Higher Education Act, as amended (HEA), specifies how VFMC must determine the amount of Title IV program funds that a student earns when the student withdraws from the institution. The Title IV programs that are covered by the law are Federal Pell Grants, Iraq and Afghanistan Service Grants, TEACH Grants, Federal Supplemental Educational Opportunity Grants (FSEOGs), Direct Subsidized and Unsubsidized Loans, and Direct PLUS Loans.

A Return of Title IV (R2T4) calculation is performed when a Title IV recipient withdraws from VFMC. This calculation is performed prior to performing a refund calculation, and before other adjustments are made to the tuition and fees. The Office of Financial Aid uses software provided by the US Department of Education to complete the R2T4 calculation. Copies of the student's unofficial transcript, student ledger account statement, and financial aid award letter are used to perform the calculation.

Though Title IV aid is disbursed on the student ledger account statement at the start of each semester, the student earns Title IV assistance as the student progresses through the semester. If a student withdraws during a semester, the amount of Title IV assistance that a student receives up to the date of withdrawal is determined by a formula included in the HEA. If a student received (or VFMC or a parent received on the student's behalf) less assistance than the amount earned, the student may be eligible to receive those additional funds in the form of a post-withdrawal disbursement. If a student received more assistance than the amount earned, the excess funds must be returned by VFMC and/or the student.

Procedure

The amount of assistance earned is determined on a pro-rata basis. For example, if a student completes 30 % of a semester, the student will have earned 30 percent of the assistance the student was originally scheduled to receive. Once a student completes 60 percent of the semester, the student earns 100 percent of the assistance that was scheduled to be received during the semester. If a student earns 100 percent of the assistance, VFMC will still perform an R2T4 calculation to determine if the student was eligible for a post-withdrawal disbursement.

If a student is due a post-withdrawal disbursement, VFMC must seek the student's (or parent's, in the case of PLUS Loans) permission before it can disburse Direct Loan or Direct PLUS Loan funds post-withdrawal. A student/parent may choose to decline some or all of the loan funds so that there is no additional debt incurred. VFMC may automatically use all or a portion of the student's post-withdrawal disbursement of grant funds for tuition, fees, and room and board charges (as contracted with VFMC). VFMC will obtain the authorization of the student to use post-withdrawal grant or loan disbursements for other educationally-related charges. If the student does not choose to

use the post-withdrawal grant funds for other educationally-related charges, VFMC will offer the funds to the student.

There may be some Title IV funds that a student was scheduled to receive that cannot be disbursed to the student when the student withdraws because of eligibility requirements. For example, a first-time, first-year undergraduate student that has not completed the first 30 days of the student's program before withdrawing would not be eligible to receive any Direct Loan funds he or she would have received had the student remained enrolled past the 30 days.

If the student received (or VFMC or a parent received on the student's behalf) excess Title IV funds that must be returned, VFMC must return a portion of the excess funds equal to the lesser of:

1. The student's institutional charges multiplied by the unearned percentage of the Title IV funds; or
2. The entire amount of excess Title IV funds.

VFMC will return any unearned Title IV funds in the following order:

- Federal Direct Unsubsidized Stafford Loans;
- Federal Direct Subsidized Stafford Loans;
- Federal Direct PLUS Loans;
- Federal Pell Grants; and
- Federal Supplemental Educational Opportunity Grant (FSEOG)

If VFMC is not required to return all of the unearned Title IV funds, the student may be required to return the remaining amount. For any Direct Loan funds that a student must return, (or parent in the case of Direct PLUS Loans), the student must repay the loan funds in accordance with the terms and conditions of the Master Promissory Note (MPN).

Any amount of unearned grant funds that a student must return is called an overpayment. The maximum amount of grant overpayment a student must repay is the amount of the overpayment that is in excess of 50 % of the grant funds received. For example, a student owes an overpayment of \$400 but received a \$1,000 Pell Grant. Since the \$400 is not in excess of 50 percent of \$1,000, or \$500, the student is not required to repay the overpayment. A student does not have to repay a grant overpayment if the original amount of the overpayment is \$50 or less. A student must arrange with VFMC or the US Department of Education to return the unearned grant funds.

The requirement for the calculation of R2T4 when a Title IV recipient withdraws is separate from any refund policy VFMC maintains. A student may owe funds to VFMC to cover unpaid institutional charges once funds are returned to the Department of

Education based on a Return of Title IV funds calculation. Students should review the Catalog for refund requirements and procedures.

Withdrawals

A student who wishes to officially withdraw must contact the Registrar. If a student contacts the Registrar orally, the Registrar will prepare a Withdrawal Form (see Attachment 1) and note this. Whether orally or in writing, students who provide an official notice of withdrawal will be asked to complete the Withdrawal Form as part of the withdrawal process. If the student chooses not to complete the form, the student will still be withdrawn. If a student does not officially withdraw, he or she will be determined to have withdrawn no later than 14 days from the last date of attendance. The withdrawal date is always the last date of attendance.

The date of determination for an official withdrawal is the date the student contacts the Registrar and the date of determination for an unofficial withdrawal is no later than the 14th day from the last date of attendance.

Every two weeks, the Registrar will meet with the Dean of College Services, the Financial Aid Manager, faculty members, the Enrollment Manager, the Provost, and the Bursar or another representative from the Business Office to determine who is no longer attending VFMC. When a student withdraws, the Registrar records the date of withdrawal and the date of determination on the Withdrawal Form and forward copies of the Withdrawal Form within one day of the meeting to the Financial Aid Manager, the Bursar, and the student to ensure the R2T4 calculation and return of unearned funds are performed on a timely basis. The Registrar will also notify all of the student's faculty members and advisor. The Registrar will report the student's withdrawal status to NSLDS within 30 days of the date of determination, unless VFMC expects to submit its next updated enrollment report to NSLDS within the next 60 days.

The Financial Aid Manager will perform a Return of Title IV (R2T4) funds calculation for any student who withdraws and has received Title IV aid. All R2T4 calculations will be documented and maintained in the student's file. Once an R2T4 calculation is performed, the Financial Aid Manager will advise the Bursar with a copy of the Return of Title IV (R2T4) worksheet, which will advise the Bursar of any unearned Title IV funds that need to be returned. The return of unearned funds must be made no later than 45 days after the date of determination. Adjustments made to the student's Title IV award because of unearned funds will be reported to COD by the Financial Aid Manager no later than 15 days from withdrawal. An exit counseling email will be sent by the Financial Aid Manager within 30 days of the date of determination. The Bursar will perform an institutional refund calculation, if required.

Institutional Aid: The adjustment to Institutional Aid is based on the R2T4 calculation, which means that Institutional Aid will be prorated. For example, if the student has earned 50% of Title IV aid, then the student is eligible to retain 50% of Institutional aid.

The student should note that PHEAA may require a reduction of the Pennsylvania Grant if a student's charges are reduced as a result of a withdrawal from one or more classes or in the case of a complete withdrawal from VFMC. The same could be true of other state grant programs.

Policy Owner(s)

- Dean of College Services
- Chief Financial Officer

Policy Access and Publication

- Policy Manual

Policy Adoption and Revision History

- Adopted: 2021
- Revised: 2022

POLICY 4.02: UNUSUAL ENROLLMENT HISTORY PROCEDURE

Policy

In compliance with US Department of Education (Department) guidance, Valley Forge Military College (VFMC) reviews student enrollment and financial aid records to resolve Unusual Enrollment History Flags (UEH Flags).

The UEH Flag is intended to address possible abuse in the Title IV student aid programs whereby a student attends an institution long enough to receive a Title IV credit balance, leaves without completing the enrollment period, and then enrolls at another institution, repeating the pattern of remaining long enough to collect a Title IV credit balance without earning any academic credit.

If the Department has assigned a UEH Flag to a student's Institutional Student Information Record (ISIR), the student may be required to provide information and documentation to VFMC to resolve the UEH Flag. VFMC will terminate the student's eligibility for Title IV financial aid if the UEH Flag cannot be resolved.

Procedure

1. UEH Flag Identification Procedure

When awarding aid, VFMC downloads FAFSA information (in the form of an ISIR) to the institution's individual student data system. The Financial Aid Manager identifies each ISIR that displays a UEH Flag 2 (SAR Comment Code 359) or a UEH Flag 3 (SAR Comment Code 360). For UEH Flag 2, VFMC follows the procedure noted in Section 2; for UEH Flag 3, VFMC follows the procedure noted in Section 3.

VFMC employees will refer to the Federal Student Aid Handbook for the relevant award year when performing the reviews noted in this policy document. The Financial Aid Manager is responsible for updating this policy document and the VFMC Form – Unusual Enrollment History annually based on Department guidance.

2. UEH Flag 2 Procedure

VFMC reviews the student's enrollment and financial aid records to determine if, during any of the four award years prior to the current award year, the student received a Pell Grant or Direct Loan at VFMC. After the Financial Aid Manager collects such enrollment and financial aid records, the Dean of College Services will review this information and determine whether there is any indication the student remained enrolled just long enough to collect student aid funds before withdrawing. If no such indication exists, no further action is required by the student. The Dean of College Services documents the resolution of the UEH Flag 2 with a short memorandum to file explaining the basis for

the conclusion. The Financial Aid Manager will place the memorandum and relevant enrollment and financial aid records in the student's file.

If there is reason to believe the student remained enrolled just long enough to collect student aid funds before withdrawing, then the Dean of College Services will request documentation from the student explaining why the student failed to earn academic credit during the student's prior enrollment period (see Section 3.a) and, after reviewing such documentation, decides whether to issue an intent to terminate (see Section 4).

3. UEH Flag 3 Procedure

The Financial Aid Manager reviews NSLDS to determine whether the student received Pell Grant or Direct Loan funds at any institutions in any of the four award years prior to the current award year. For any such award years, the Financial Aid Manager confirms whether the student earned academic credit at each of the institutions attended for the relevant award year. To do so, the Financial Aid Manager requires the student to complete "VFMC Form – Unusual Enrollment History."

If the Financial Aid Manager confirms the student earned academic credit at each of the institutions attended for the relevant award year, no further action is required by the student. The Financial Aid Manager memorializes the resolution of UEH Flag 3 with a short memorandum to file explaining the basis for the conclusion and placing the relevant enrollment and financial aid records in the student's file.

If during the review the Financial Aid Manager concludes there is reason to believe the student remained enrolled just long enough to collect student aid funds before withdrawing at any institution, then the Financial Aid Manager will notify the Dean of College Services. The Dean of College Services then will request documentation from the student explaining why the student failed to earn academic credit during the relevant periods (see Section 3.a).

a. Documentation Request

If the student did not earn academic credit at an institution during any one of the four prior award years or if there is reason to believe the student remained enrolled just long enough to collect student aid funds before withdrawing, the student must explain why the student failed to earn academic credit during that award year(s). The student provides this explanation via the "VFMC Form – Unusual Enrollment History." Acceptable reasons include: personal illness; a family emergency; a change in where the student lived; military obligations; or an academic complication, such as unexpected academic challenges, or the student having determined that the academic program in question did not meet their needs. This explanation should be corroborated by third-party documentation, unless third-party documentation is not available or appropriate.

The Dean of College Services confirms whether the student's reasons are acceptable and whether the documentation supports the reasons described by the student. If so confirmed, no further action is required by the student. The Dean of College Services memorializes the resolution of UEH Flag 3 by composing a memorandum to file and attaching the documentation submitted by the student. The Financial Aid Manager will place the memorandum and relevant enrollment and financial aid records in the student's file. However, if the student's reasons are not acceptable or the documentation does not support the reasons described by the student, then the Dean of College Services issues an intent to terminate (Section 4).

4. Notification of Intent to Terminate; Termination

VFMC determines the student's financial aid eligibility should be terminated if the student fails to provide compelling reasons/documentation for a failure to receive academic credit for a period when Title IV funds were received.

In this scenario, the Dean of College Services notifies the student that (a) the institution intends to terminate the student's financial aid eligibility in five calendar days, (b) the student has an opportunity to appeal, and (c) the student may regain financial aid eligibility by completing specified steps.

The student has an opportunity to appeal VFMC's intent to terminate. Within five calendar days of the notification, the student must provide the information required by this policy document and/or demonstrate the student did not remain enrolled just long enough to collect student aid funds before withdrawing. The Dean of College Services reviews the student's appeal and determines whether termination is appropriate. The Dean of College Services memorializes the termination decision by composing a memorandum to file.

5. Regaining Eligibility

A student whose financial aid eligibility has been terminated (Section 4) may regain such eligibility by completing academic credit at VFMC or another institution during the current semester or a subsequent semester.

A student who intends to regain eligibility must submit an academic transcript to the Dean of College Services. The Dean of College Services will then determine whether the transcript demonstrates the completion of academic credit. The Dean of College Services memorializes the reinstatement of eligibility by placing the academic transcript in the student's financial aid file. The Dean of College Services will notify the student, the Financial Aid Manager, and the Registrar regarding the reinstatement. The Registrar will contact the student to develop a new academic schedule.

For Direct Loans, the student's eligibility is retroactive to the beginning of the current period of enrollment. For all other types of Title IV aid, the student's eligibility is retroactive to the beginning of the current payment period.

Policy Owner(s)

- Dean of College Services
- Chief Financial Officer

Policy Access and Publication

- Policy Manual

Policy Adoption and Revision History

- Adopted: 2021
- Revised: 2022

POLICY 4.03: CONFLICTING INFORMATION

Policy

The US Department of Education (Department) requires Valley Forge Military College (VFMC) to have an adequate system to ensure the consistency of data related to a student's application and eligibility for federal student aid. If VFMC identifies conflicting information for a student or has any reason to believe the application is incorrect, VFMC must resolve the discrepancies before disbursing Title IV funds. If a discrepancy is discovered after VFMC disburses Title IV funds, VFMC must reconcile the conflicting information and require repayment of any aid for which he/she was not eligible, unless the student is no longer enrolled for the award year and will not re-enroll during the award year.

Any office at VFMC may hold information or documentation that could create a conflict and therefore, VFMC has created this internal system to identify and resolve any discrepancies found that may impact a student's eligibility for Title IV, HEA funding according to 34 C.F.R. § 668.16(f). Common sources of conflicting information include but are not limited to information normally available to the institution regarding a student's citizenship, prior educational experience (NSLDS), documentation of the student's social security number, or other factors relating to the student's eligibility for Title IV Aid. See Section 3 of this policy for further examples of potential sources of conflicting information.

Procedure

1. VFMC Responsibilities:

To ensure the integrity of financial aid applicant data received by VFMC, the Financial Aid Manager reviews and resolves conflicting information or discrepancies received by VFMC from different sources with respect to a student's application for Title IV, HEA program funding. In carrying out this policy, VFMC staff will review ED's regulations and the current *Federal Student Aid Handbook*.

Institution-Wide Review

To ensure that conflicting information affecting a student's eligibility can be identified and resolved, the Financial Aid Manager will consider sources of documentation provided to VFMC and consult with the Registrar, Office of Admissions, Business Office, and academic program offices ("VFMC Offices") to identify and resolve discrepancies.

The VFMC Offices have three responsibilities within this policy document. First, the VFMC Offices will familiarize themselves with this policy document. The Financial Aid Manager will update this policy document on an annual basis, and distribute it to the VFMC Offices. Second, the VFMC Offices will provide the Financial Aid Manager with access to relevant student files. Third, the VFMC Offices will inform the Financial Aid

Manager if there is reason to believe there is conflicting data that may impact a student's eligibility for federal student aid.

Monthly Review

The Financial Aid Manager will review files for five randomly selected students per month and confirm the consistency of relevant information on student aid applications, need analysis documents, Statements of Registration Status, eligibility notification documents, and the Common Origination & Disbursement system (COD). As part of this process, the Financial Aid Manager will review information in student files maintained by the other VFMC Offices. Based on this monthly review, if the Financial Aid Manager discovers trends in conflicting information, VFMC will review additional student files to determine if conflicting information is present.

ISIR Review

The Financial Aid Manager will review the Institutional Student Information Report (ISIR) for each student to confirm the student's eligibility for Title IV aid and identify apparent conflicting information.

Conflicting information may be identified by the federal Central Processing System ("CPS"). When a potential conflict in parent or student data is detected, CPS will display a 400 or 401 code on the ISIR. When a 400 or 401 code is issued, the Financial Aid Manager must review the student's ISIR for conflicting information and, if appropriate, resolve the conflict and repackage any affected Title IV aid.

Resolving Conflicting Information

If conflicting information or discrepancies are identified, the Financial Aid Manager must contact the student and require the student to provide adequate documentation to resolve the conflict before disbursing Title IV funds. If the conflicting information cannot be resolved, the student may not be awarded Title IV aid. If conflicting information or discrepancies are identified after the disbursement of Title IV funds and the Financial Aid Manager cannot resolve the conflict, VFMC will consider the student to be in an over-award status. The student will be required to repay federal funds received during the student's period of ineligibility. If VFMC repays the over-award to the Department, a balance will be due on the student's account.

2. Examples of Issues Considered Conflicting Information:

- Admissions information received impacts student eligibility (i.e., student accepted into a non-degree program which is not Title IV eligible; student presented ATB test results to admissions office but listed GED on FAFSA; student received scholarships that were not considered when determining eligibility for Title IV non-need based aid; etc.)

- The student's academic progress or enrollment status on file with the Financial Aid Manager does not agree with the information from the Registrar.
- A student is not selected for verification, but a tax return or IRS transcript is on file and information provided in the tax return or IRS transcript conflicts with information provided in the FAFSA.
- An IRS 1040 transcript shows a single head of household and the FAFSA/ISIR shows the same person as married.
- A parent or student reports on the FAFSA and signs a verification worksheet stating they will not file an IRS tax return. However, VFMC has reason to believe they would have been required to file a US Income Tax Return, as the amount of reported income on the FAFSA is greater than or equal to the minimum amount required to file as indicated in the instructions provided by the IRS.
- VFMC received statements or information that suggest the copy of the IRS Income Tax Return received is not the IRS Income Tax Return actually filed with the IRS.
- VFMC receives a "Profile" from College Scholarship Service ("CSS") where the student reports a specific amount of untaxed income and the FAFSA reports a different amount (If VFMC receives the CSS Profile, it must ensure that information contained there does not conflict with other documents received. The information on the FAFSA must be correct and must not conflict with the CSS Profile if a school collects it).
- Veterans Affairs (VA) benefits verified by the certifying official in the Registrar do not match the FAFSA.

3. Reporting of Fraud or Criminal Conduct Relating to Title IV aid:

Upon the discovery of any credible information indicating an applicant for Title IV aid may have engaged in fraud or other criminal conduct, the Financial Aid Manager shall provide the information to the Office of the Inspector General of the US Department of Education ("OIG") for investigation. Additionally, the Financial Aid Manager shall refer to the OIG any credible information indicating that any employee, third-party servicer, or other agent of the school, who acts in a capacity involving the administration of Title IV, HEA programs, or the receipt of funds under those programs, may have engaged in fraud, misrepresentation, conversion or breach of fiduciary responsibility, or other illegal conduct involving the Title IV, HEA programs.

Policy Owner(s)

- Dean of College Services
- Chief Financial Officer

Policy Access and Publication

- Policy Manual

Policy Adoption and Revision History

- Adopted: 2021
- Revised: 2022

POLICY 4.04: NSLDS ENROLLMENT REPORTING

Policy

1. Overview

Valley Forge Military College (VFMC) is authorized to participate in federal student financial aid programs authorized by Title IV of the Higher Education Act of 1965, as amended (Title IV). The US Department of Education (“Department”) requires participating institutions to process and report changes in student enrollment status to the National Student Loan Data System (NSLDS) in a manner consistent with the requirements of Title IV.

Accurate and timely enrollment reporting to NSLDS is essential to the successful delivery of Title IV aid. For example, a borrower’s eligibility for Direct Subsidized Loans is limited to 150 percent of the published program length. Once the student exceeds the 150 percent limit, the student loses his/her interest subsidy. NSLDS performs this analysis based on school-certified enrollment data.

This Policy & Procedure explains how VFMC confirms and reports timely, accurate, and complete data on the enrollment status of Title IV students and previous Title IV students who transfer to VFMC. The National Student Clearinghouse (NSC) uses data provided by VFMC to complete and submit the appropriate reports to NSLDS.

2. Roster File

The Roster file is the output document from the NSLDS enrollment reporting process that lists all Direct Loan Program borrowers at a school who were last reported as enrolled. NSLDS ¹ issues an updated Roster file to VFMC’s contractor, NSC, at least every two months.

The Roster file includes, but is not limited to, information relating to:

- The Student: Name, Social Security number, address, email address, and phone number.
- The Campus-Level Enrollment for the student data related to the student’s overall enrollment, including Enrollment Status and Effective Date, Anticipated Completion Date, and Certification Date.
- The Program(s) of Attendance for the student: Classification of Instructional Programs (CIP) code, CIP Year, Program Credential Level, Program Length, Program Enrollment Status, and other data about the program.

¹ The Roster file was formerly known as the Student Status Confirmation Report (“SSCR”). The Roster file may include data for students enrolled at VFMC who have

received Title IV aid at a school other than at VFMC while also being enrolled at VFMC.

The enrollment data for students who are included on the Roster file is confirmed by NSC based on enrollment data provided and certified by VFMC. For any students who received Title IV aid at VFMC but do not appear on the Roster file, NSC and VFMC must coordinate to add enrollment data for such students.

3. Timing of Enrollment Reporting – US Department of Education Requirements

VFMC, through reports made by NSC, certified enrollment data at least every 60 days.

When NSC receives a Roster file, NSC will confirm the enrollment data within 15 days of the date that NSLDS sends the Roster file. To do so, NSC uses enrollment data provided and ² certified by VFMC. The Registrar will routinely confirm NSC's enrollment reporting is timely and accurate.

Errors identified by NSLDS in an Error/Acknowledgement file must be corrected and resubmitted within 10 days.

While reporting according to the timelines noted above will meet the Department's requirements, VFMC understands that it must provide data regarding changes to student enrollment statuses to NSC in accordance with NSC's procedures. See Section 4 for a description of the NSC/VFMC reporting schedule.

Procedure

4. VFMC Responsibilities for Enrollment Reporting

VFMC is responsible for submitting timely, accurate, and complete responses to NSLDS and for maintaining appropriate documentation. To assist in the completion of enrollment reporting requirements, VFMC contracts with NSC. VFMC assembles and confirms the necessary student data and provides the information to NSC for submission to NSLDS.

VFMC must certify enrollment data every 60 days. Using data certified by VFMC, NSC will report data to NSLDS, including the enrollment status, the Status Start Date, and the Anticipated Completion Date (ACD) of all student borrowers. The appropriate enrollment status codes will be reported on the Roster file for the student's Campus-Level Enrollment and in the Program-Level Record for each of the academic programs the student attended. VFMC ³ employees will refer to the most recent NSLDS Enrollment Reporting Guide when performing these tasks.

²If there are unusual or unforeseen circumstances, such as a natural disaster, that prevent the submission of a Roster response within the required 15-day period, VFMC will request a waiver for the Enrollment Reporting process by going to:

https://nslsdfap.ed.gov/nsls_FAP/.

³ The enrollment status codes are provided and explained in Section 5 of this policy.

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To meet the Department's requirement that enrollment data be certified every 60 days, NSC and VFMC established the following regular reporting schedule so that VFMC can provide necessary enrollment information to NSC (via .txt files) for packaging and submission to NSLDS:

Fall and Spring Semesters ⁴
First of Term Report 18 days after start date
Subsequent of Term Report 45 days after term start date
Subsequent of Term Report 80 days after term start date
End of Term Report 2 weeks after term end date
Graduates Only Report 4-6 weeks after degree conferral

The Registrar is responsible for VFMC meeting the timelines noted in this reporting schedule.

The Department requires VFMC to address Roster file errors within 10 days and to certify Roster files within 15 days. If errors in the reported data are identified by NSLDS, the Registrar and NSC will review the Error/Acknowledgement file, correct any identified errors, and resubmit the information to the NSLDS within 10 days. Otherwise, the Registrar and NSC will respond with enrollment data certification within 15 days of the date that the Roster file is sent.

In the event of unusual or unforeseen circumstances, such as a natural disaster, that prevent the submission of a Roster response within the required 15-day period, the Registrar, in consultation with NSC, will request a waiver for the Enrollment Reporting process.

To further ensure compliance with the Department's reporting standards, the Registrar will regularly review and confirm student enrollment data and perform the tasks noted in Section 5 of this document. The Registrar is responsible for gathering all necessary information and interfacing with the academic program offices to confirm the accuracy of VFMC's enrollment reporting on the NSLDS Roster file. In addition, the Financial Aid Director will confer weekly with the Registrar to review students' enrollment statuses. If updates are necessary based on these reviews, the Registrar will convey the updated information to NSC according to NSC's procedures.

Changes in a student's enrollment status will be documented by VFMC as the changes occur, and then reported to NSC according to NSC's procedures. NSC uses the data

provided by VFMC to complete and submit the appropriate reports to NSLDS, including reports noting the appropriate enrollment status code and Status Start Date.

⁴ Summer Terms: For students not enrolled during the summer, or for students enrolled less than half-time during the summer, the student’s enrollment status from the spring term continues through the summer. If the student alerts the school that they will not return for the fall term after completing the spring term, the last date of attendance is the final day of the term in which the student was last enrolled. For students enrolled at least half-time in summer terms, the student’s actual summer enrollment status is reported. If such a student subsequently withdraws from the summer term, the student’s most recent enrollment status of half time or greater should be reported throughout the remainder of the summer. If the student does not return in the fall as expected, the status must be changed to “Withdrawn” with the date the student withdrew from the summer term as the Enrollment Status Effective Date.

With regard to the NSLDSFAP website, VFMC has designated the Registrar as the Enrollment Reporting Contact. VFMC has designated the Dean of Student Services as the Primary Contact. If either contact is no longer employed with VFMC, the Chief Financial Officer is responsible for identifying and designating employees to fulfill these responsibilities and for updating the “Org” tab on the NSLDSFAP website.⁵

5. Definitions

A. Enrollment Status Codes:

Code	Status	NSLDS Enrollment Guide Definition[1]	ED Guidance for Determining Status and Date	VFMC Responsibilities
A	Approved Leave of Absence	Student is currently enrolled at this school but has a leave of absence approved in accordance with [34 CFR 668.22(d)(2)].	Date the student began an approved leave of absence.	Not applicable – VFMC does not approve leaves of absence.
D	Deceased	Student is deceased.	Date of death, if known; otherwise, the date the school was notified of the death by reliable source.	The Registrar is responsible for confirming receipt of a death certificate. Once received, the status will be noted and reported in the next scheduled report to NSC.
F	Full-time	Student is enrolled full-time, according to the school’s definition, in accordance with [34 CFR 668.2] or [34 CFR 682.200].	Date on which the student most recently began uninterrupted* enrollment on a full-time basis.	The Registrar is responsible for maintaining a list of all full-time students. The list is updated on the first day of the term and then

				updated every two weeks.
G	Graduated	Student has completed the course of study.	Date the student completed the course requirements (not presentation date of the diploma or certificate).	The Registrar is responsible for maintaining a list of all graduated students. The list is updated at the midpoint of the term and at the end of each term.
H	Half-time or more, but less than full-time	Student is enrolled at least halftime but less than three-quarter time, according to this school's definition, in accordance with [34 CFR 682.200].	Date student dropped below full time, or if half time is the original status, the date on which the student most recently began uninterrupted* enrollment on a half time or more, but less than full-time basis.	The Registrar is responsible for maintaining a list of all students in at least half-time status (this list will delineate students in at least three-quarter time status, which are reported separately – see code Q below). The list is updated on the first day of the term and then updated every two weeks.
L	Less than half-time	Student is enrolled less than half-time, according to this school's definition, in accordance with [34 CFR 682.200].	Date student dropped below half time, or if less than half time is the original status, or the date on which the student most recently began uninterrupted enrollment on a less than half-time basis.	The Registrar is responsible for maintaining a list of all students in less than half-time status. The list is updated on the first day of the term and then updated every two weeks.
Q	Three-quarter time	Student is enrolled at least three-quarter time, but less than full time, according to the school's definition, in accordance with [34 CFR 668.2].	Date student dropped below full time, or if three-quarter time is the original status, the date on which the student most recently began uninterrupted* enrollment on a three-quarter time or more, but less than full-time basis.	The Registrar is responsible for maintaining a list of all students in at least three-quarter time status. The list is updated on the first day of the term and then updated every two weeks.

W	Withdrawn	Student has officially withdrawn from all courses at this school, stopped attending all classes at this school but did not officially withdraw, or for any reason did not re-enroll at this school for the next regular (non-summer) term without completing the course of study.	When a student withdraws during a term (or, in a non-term program, during a payment period), the effective date for the withdrawn ('W') status is the withdrawal date used by the institution in accordance with 34 CFR 668.22(b) or (c). In the case of the student who completes a term and does not return for the next term, leaving the course of study uncompleted, the effective date for the 'W' status is the final day of the term in which the student was last enrolled.	The Registrar is responsible for maintaining a list of all withdrawn students. The list is updated on the first day of the term and then updated every two weeks.
X	Never Attended	Individual on whose behalf a loan was certified or awarded, who was admitted, may have enrolled (registered), but never attended classes at this school. (School does have a record of the individual.)	Report the first certification date of this status. Do not change the effective date on the second reporting of this status.	The Registrar is responsible for maintaining a list of all students who qualify for never attended status. The list is updated every two weeks.
Z	No Record Found	Individuals for whom a thorough search of the school's records reveals no information. (School does not have a record of the individual.)	Report the first certification date of this status. Do not change the effective date on the second reporting of this status.	The Registrar is responsible for reviewing VFMC's records to confirm that a student qualifies for this enrollment status.

*Students are considered to be in-school and continuously enrolled during academic year holiday and vacation periods, as well as during the summer between academic years (even if not enrolled in a summer session), as long as there is reason to believe the student intends to enroll for the next regularly scheduled term. For example, students should not be reported as "Withdrawn" at the end of the spring term if they are expected to re-enroll for the fall term. If a student does not return as expected, the student's status must be changed to "Withdrawn" with an effective date of the last date of attendance.

[1] NSLDS Enrollment Reporting Guide, Appendix C, <https://ifap.ed.gov/nslds-reference-materials/NSLDSEnrollmentReportingGuide111220>

B. Anticipated Completion Date: The Anticipated Completion Date (ACD) is the date when the student has completed, or is expected to complete, his or her studies. The following special rules apply:

- ACD is not required for Enrollment Status 'X' (Never Attended), 'Z' (No Record Found), 'W' (Withdrawn), and 'L' (Less Than Half Time).
- NSLDS sets the ACD to 12/31/9999 for Enrollment Status 'D' (Deceased).
- NSLDS sets the ACD equal to the Effective Date for Enrollment Status 'G' (Graduated).

C. Status Start Date: Institutions must report the Status Start Date (status effective date) if the student's status changes to Graduated (G), Deceased (D), Withdrawn (W), Less Than Half Time (L), or if the student begins an approved LOA (A) status.

D. Enrollment Status Effective Date: This is the date that the current enrollment status reported for a student was first effective. This date only changes when the student's enrollment status changes. The Effective Date remains the same date as long as the student stays continuously enrolled in the same enrollment status.

E. Certification Date: This is the date VFMC certifies the enrollment information. The Certification Date, which changes with each reporting submission, is the date as of which VFMC is asserting that the data being reported is accurate. It roughly corresponds to the date VFMC processes its NSLDS Roster file.

F. Received Date: This is the date NSLDS accepts and loads updates to the enrollment information on NSLDS. This date is not reported by VFMC.

Policy Owner(s)

- Director of Financial Aid
- Dean of College Services

Policy Access and Publication

- Policy Manual

Policy Adoption and Revision History

- Adopted: 2021
- Revised: 2022

POLICY 4.05: PACKAGING

Policy

Packaging Principles

The general rule in packaging is that the student's need-based aid must not exceed the student's need. Further, total financial aid and other Estimated Financial Assistance (EFA) must not exceed the student's Cost of Attendance (COA). If a student's financial aid and other Estimated Financial Assistance exceeds the student's COA, VFMC must adjust the aid package to eliminate excess. Otherwise, the excess will constitute an over-award.

Students are considered to have financial need if the COA exceeds their Expected Family Contribution (EFC), as determined by the student's and family's information, if applicable, included on the Free Application for Federal Student Aid (FAFSA) and submitted to the US Department of Education's Central Processing System (CPS). The need-based programs include the Federal Pell Grant, Federal Supplemental Educational Opportunity Grant (FSEOG), Federal Work-Study (FWS), and Direct Subsidized Loan programs. The total aid that a student receives from need-based programs may not exceed the student's financial need.

Pell Grants are considered to be the first source of aid for student with financial need. A student's eligibility for aid from other need-based programs is then determined by subtracting the student's EFC and EFA (including the student's Pell Grant) from the COA, which equals remaining need.

A student's eligibility for non-need-based programs, such as Direct Unsubsidized Loans and Direct PLUS Loan programs, is determined by subtracting EFA (including any need-based aid awarded) from the COA. While the non-need-based Direct Unsubsidized Loans cannot exceed the grade level amounts unless the parent's PLUS Loan application is denied, and Direct PLUS Loan programs may not exceed COA minus EFA, both the Direct Unsubsidized Loans and Direct PLUS Loans may be used to replace the EFC.

Cost of Attendance

A student's COA is the sum of the following allowable costs:

1. The tuition and fees are routinely assessed for a student carrying the same academic workload.
2. An allowance for required VFMC uniforms.
3. An allowance for books, supplies, transportation, and miscellaneous personal expenses.

4. An allowance for room and board.
5. For a student with dependents, an allowance for costs expected to be incurred for dependent care.
6. An allowance for the one-time direct costs of obtaining a first professional license or certificate for students who are enrolled in programs requiring professional licensure or certifications.
7. For a student with a disability, an allowance for expenses related to the student's disability.
8. For students receiving Direct Loans, the fees required to receive them (i.e., loan fees for a Direct Loan).
9. For students whose costs are explicitly paid by another source, whether an institutional scholarship or grant (i.e., Endowed Scholarship), or an outside scholarship or grant (i.e., PHEAA Grants), tuition and fees are not waived. Instead, the full direct cost of attendance is always debited on the student's ledger and each inside or outside scholarship or grant will be posted as a credit on the student's ledger.

Additional Packaging Considerations:

- Pell Grant is the first source of aid and packaging begins with Pell eligibility. A correctly determined Pell Grant is never adjusted to account for other forms of aid.
- If the Pell Grant and other aid, including institutional aid or private education loans, exceeds student's need, the other aid must be adjusted to prevent over-awards since an adjustment cannot be made to Pell Grants.
- Before the origination of a Direct Subsidized Loan or Direct Unsubsidized Loan for an undergraduate, Pell Grant eligibility must be determined.
- In packaging a Direct Subsidized Loan or Direct Unsubsidized Loan, the gross amount of the loan is used.
- The parents of dependent students can take out a Direct PLUS Loan to pay for the student's COA if the parents meet program eligibility requirements. There is no annual loan limit for Direct PLUS Loans.
- No Direct Loan PLUS award and disbursement should exceed the parent's requested amount as indicated on the parent's PLUS application when the requested amount is not stated as *maximum*. If the requested amount is unknown, the maximum amount will be awarded.

- Direct Subsidized Loans are available only to undergraduate students who demonstrate need.
- An institution may not limit Direct Loan borrowing by students and parents, except that Direct Subsidized Loans awarded, in addition to other aid, may not exceed need.
- COD must be checked to ensure that students who are close to the 600% lifetime limit under the Pell Grant program are not packaged in such a way as to exceed 600%.
- When packaging FWS, VFMC will use net FWS earnings, which subtracts estimated taxes and job-related costs from the gross FWS earnings.
- When packaging FSEOG, VFMC ensures that students with exceptional need (lowest EFC) and who are Pell Grant eligible receive priority. See FSEOG Policy.
- The Pell Grant annual maximum award is 6,895 for the 2022-2023 award year for those students who are full-time and have an EFC of “0.”
- The annual and aggregate Direct Loan limits for each student’s grade level, according to VFMC’s standards, are as follows:

Dependent Undergraduates

Maximum Loan Amounts Maximum Subsidized Loan
(Subsidized & Unsubsidized) Amount

Undergraduates as Dependents

First Year \$5,500 \$3,500 Second Year \$6,500 \$4,500
Aggregate Limits \$31,000 \$23,000

Independent Undergraduates

First Year \$9,500 \$3,500 Second Year \$10,500 \$4,500
Aggregate Limits \$57,500 \$23,000

Financial Aid Process

Overview

Valley Forge Military College is committed to providing an education to qualified

students regardless of financial means. The financial aid programs at VFMC offers aid to students in need through scholarships, grants, loans, and employment.

Overall, VFMC views financial assistance to students as a cooperative investment in a student's education. It is the responsibility of the student and his/her family to meet all educational expenses. Financial awards, then, are offered by VFMC as a supplement to the expected family contribution.

Procedures

Functions Performed by Third-Party Servicer:

Financial Aid Management for Education (FAME) is a third-party servicer for VFMC that performs specific Title IV functions. The Financial Aid Director is responsible for Title IV compliance, which is effectuated through ongoing communication and teamwork with the staff at FAME as well as the use of software provided by FAME.

FAME reviews financial aid award packages to assist VFMC in preventing over-awards and otherwise ensuring regulatory compliance. This review process is completed in three steps:

1. Financial Aid Director reviews each student ISIR to determine Title IV eligibility for the student, accounting for the student's Cost of Attendance minus the Expected Family Contribution minus Estimated Financial Assistance, which may include VFMC scholarships and grants. This award calculation will be documented and kept in the student file. The financial aid award package data is input into the packaging module of the FAME software to notify FAME's Quality Control Team that the award package is ready to be reviewed. This packaging software allows VFMC to indicate campus-based and Pell awards, create and maintain loan origination records, and request and track disbursements.
2. FAME's Quality Control team reviews the financial aid award package of each student to ensure compliance with Title IV regulations. All Pell and campus-based awards are reviewed for accuracy. All loan records submitted by VFMC are reviewed by FAME Quality Control for accuracy of the loan amount(s), loan period, and the applicable award year for the loan. This also includes confirming appropriate proration of loan amounts when applicable. If there are inaccuracies, the award(s) is rejected and returned to VFMC for corrections. FAME performs this review each time a student's financial aid data is submitted by the Financial Aid Director. If additional aid becomes available to the student, the Quality Control team reviews the file again.
3. On approval, the student award package is sent to FAME's Quality Control, and it is sent to the Financial Aid Director for a final review.

FAME's consulting team is available to review the financial aid award package for Title

IV compliance prior to it being submitted to the Department of Education as part of VFMC's HCM2 submission.

The Initial Award Letter:

The Financial Aid Director reviews carefully the student's COA, FAFSA, EFC, financial need, verification and C code paperwork (if necessary), correspondence between other departments on campus, and notifications from outside sources (including PHEAA or other state grant programs), to find the most advantageous way to award a combination of scholarships, grants, loans, and/or work programs to enable the student to attend VFMC. This is generally referred to as the *financial aid package* and is communicated to the student by means of a financial aid award letter.

At the beginning of each academic year, VFMC provides cost of attendance budgets to FAME. In addition, VFMC provides institutional award data pertinent to financial aid award packaging to FAME, including information regarding institutional scholarships/grants that are awarded to any Title IV recipient. Using this data, FAME's software computes and generates student award letters.

Once reviewed and input into the FAME software by the Financial Aid Director, a review of the financial aid awards is completed by FAME's Quality Control and Consulting teams to ensure that all of the student resources are considered in determining whether there are any over-awards (this occurs prior to generating an award letter to be distributed by the Financial Aid Director and scheduling disbursements). If selected for verification, FAME confirms the student's ISIR is accurate, including resolving any C codes.

When the award letters are provided to the Financial Aid Director by FAME, the Financial Aid Director once again reviews them for accuracy. Once the award letter has been approved by the FAME Quality Control Team, FAME Consulting Team and VFMC, the Financial Aid Director distributes the award letters to students by email or directly to the student.

The student is presented with the financial aid award letter on-site or is emailed the financial aid award notice for his/her review of the financial aid offered and to determine whether the student will accept all or some of the awards. If there is an award of Federal Direct Loan funds, or a PLUS loan in cases involving a parent, the student and/or parent will be notified by the Business Office by email of their right to decline all or some of their Direct Loans at the time of disbursement of the loan funds. Located on the second page of the award letter is a description of the terms and conditions of the awards, as well as any specific messages related to the awards shown. The second page is also where the student either declines or accepts the award(s). If the student has decided not to accept the award(s), then the student must sign the denial of aid section. VFMC retains a copy of the original documents in the student's file. This represents VFMC's notification of the awards to the student or their denial of the aid awarded.

When a student withdraws and a Return of Title IV calculation is performed that results in unearned Title IV funds needing to be returned, the Financial Aid Director will adjust the FAME software, triggering a review by FAME's Quality Control staff.

How financial aid is applied:

Financial aid is awarded for one academic year at a time. Funds are applied to the student ledger account by the Business Office/Bursar once the following conditions are met and confirmed by the Financial Aid Office:

- The student is determined to be eligible and is awarded.
- The student is determined to be maintaining Satisfactory Academic Progress.
- The student is enrolled in the correct number of credit hours.
- The student has completed entrance counseling for first-time, first year student borrowers.
- Both the FAME Quality Control Team and/or Consulting Team have confirmed the award package for compliance and accuracy.

Funds will be credited by the Business Office/Bursar to the student account shortly after the add/drop period within each semester, except that the disbursement of Direct Loan funds for first-time borrowers is set for the 30th day after the term starts. The Financial Aid Office continues to award funds throughout the semester as students are awarded and as funds arrive from outside agencies or lenders.

Each payment period the Business Office/Bursar will send a Right-to-Cancel Notification to the student (or parent in the case of Direct PLUS Loans) when the loan is disbursed to the student's ledger account. A copy of the Right-To-Cancel Notification is sent to the Financial Aid Office. The Right-to-Cancel Notification allows the student, or the parent in the case of Direct PLUS Loans, to reduce all or some of the amount of their loans at the time of disbursement by completing the Financial Aid Award Adjustment Request Form available at the Financial Aid Office.

Revised Award Notices:

Valley Forge Military College reserves the right to change or cancel any student aid awards due to additional information gathered concerning the student's financial aid eligibility. These changes may be caused by:

- A review of any verification documents needed to confirm the FAFSA data;
- Receipt of any additional financial assistance (see "Additional Sources of Aid" below);

- The VFMC Special Circumstances Review Process;
- A change in enrollment status;*
- A change in student's housing status; and
- A student not maintaining Satisfactory Academic Progress.

**Changes of enrollment can impact a student's financial aid eligibility. The Registrar's Office reports changes of enrollment to the Financial Aid Office. The Registrar's Office also reports enrollment (and subsequent changes to enrollment) in the new Populi system and on a monthly basis to the National Student Clearinghouse (NSC). For loan purposes, these changes may impact a student's grace period.*

Additional Sources of Aid:

Federal regulations require students who are receiving additional sources of financial assistance (scholarships, grants, awards) to notify the Financial Aid Office.

Federal and State regulations and VFMC policies prohibit over-awards (aid in excess of the COA). All additional awards, whether based on academic merit or financial need, will be counted as a source of aid and will be added to the total financial aid package. This may result in a reduction of other aid, such as loans or work study.

There is an exception to the requirement that all resources must be considered a source of aid. The Ike Skelton Early Commissioning Program Scholarship program, which is specific to students appointed to a military junior college, and governed by chapter 103 of title 37 of the US Code, is excluded from estimated financial assistance in packaging eligibility for Title IV funds. Also excluded from estimated financial assistance are monthly subsistence allowance benefits governed by chapter 3 of title 37 of the US Code.

The Registrar and the Provost use the Institutional Aid Worksheet form to communicate regarding institutional scholarship/grant funding. The Registrar and the Provost determine the institutional aid based on the criteria outlined in VFMC's scholarship/grant information packet.

The Registrar then provides the Financial Aid Director with a copy of the Institutional Aid Worksheet form, which details the amount of each specific institutional aid type awarded to each student. A copy of the Institutional Aid Worksheet form is also filed with each student's admissions paperwork.

After confirming institutional aid with the Registrar and the Provost, the Financial Aid Director inputs the award data in the packaging module on FAME's software. Once data

is entered, a financial aid package/award letter that includes institutional scholarships and grants (along with any Title IV funding) is created. This letter is sent to the individual student via their personal email address or given directly to the student. A copy of the award letter is also filed in the student's individual Financial Aid file.

During a weekly meeting, the Financial Aid Director shares with the Business Office/Bursar staff internal funding allocations and acceptance of the awards by students. The Financial Aid Director then works with the Business Office to clarify any internal funding questions.

The Bursar applies the institutional scholarships and grants to the student's ledger via a batch notification from CAMS system or via a similar process facilitated by the system that replaces CAMS.

NOTE: The list of Academic and Leadership Scholarships at VFMC is attached and also is published in the Catalog and on the website.

FAFSA Filing; Aid for Continuing Students

Students who anticipate the need for financial assistance are required to complete a FAFSA each academic year. The types and amount of aid awarded each academic year will be dependent upon the availability of funding, demonstration of need as defined by filing the FAFSA, and for continuing students, whether or not the student has met the minimum standards for Satisfactory Academic Progress.

Receiving funds during one academic year is NOT a guarantee of the same award in future years.

Policy Owner(s)

— Director of Financial Aid

Policy Access and Publication

— Policy Manual

Policy Adoption and Revision History

— Adopted: 2021

— Revised: 2022

POLICY 4.06: FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANT (FSEOG) PROCEDURES

Policy

Purpose:

The Federal Supplemental Educational Opportunity Grant (FSEOG) is a grant for undergraduate students with exceptional financial need. This document outlines administrative, managerial, and technical aspects of awarding FSEOG to students.

Matching:

VFMC's FSEOG expenditures are composed of both federal and non-federal funds. Per ED regulations, VFMC ensures there is a non-federal match of at least 25% of the total FSEOG award.

The institutional match will be performed based on the individual matching method by the Financial Aid Director and the Chief Financial Officer. The match will be in the form of an institutional scholarship.

The institutional match will be posted to the student's ledger by the Bursar on the same day as the federal portion of the FSEOG is credited to the student's ledger.

Example: If a student is awarded an FSEOG award, the institution will use at its nonfederal match one of the VFMC institutional scholarships up to 25% of the required nonfederal match. For example, a student is awarded a total FSEOG award of \$2,000 for one semester, and the same student was awarded a VFMC ROTC Incentive Scholarship of \$8,500. Of the \$2,000, the student's award would consist of \$1,500 in federal funds and \$500 from the VFMC ROTC Incentive Scholarship.

Minimum and Maximum FSEOG Award:

The minimum FSEOG award is \$100 and the maximum is \$4,000 per award year. FAME monitors the FSEOG amount awarded to each student to ensure compliance with ED requirements and this FSEOG Policy and Procedure.

FSEOG Awarding Priority:

The school's yearly FSEOG authorization from ED is allocated throughout the award year for each class start, including new and continuing students. See "Eligibility Criteria" below. FSEOG is awarded to Pell-eligible students, and awarded first to those students with the lowest EFC. FSEOG can be awarded to non-Pell eligible students, but only after all Pell eligible students have been awarded FSEOG. See "Student Selection"

below.

During the awarding process, VFMC's Financial Aid Director maintains a running tabulation of the awards made to ensure the institution does not overextend the federal fund allocation for the award year.

The amount of FSEOG awarded to students is dependent on enrollment status and VFMC's federal allocation.

Eligibility Criteria – Student must:

- Complete the FAFSA (www.fafsa.gov) by the priority deadline of May 1;
- Be fully accepted and registered for enrollment in an eligible program at VFMC; · Not have earned a baccalaureate degree;
- Complete verification in a timely manner, if selected;
- Meet satisfactory academic progress according to VFMC policies;
- Be enrolled on at least a half-time basis.

Student Selection:

- VFMC first awards FSEOG to Zero EFC students that are Pell eligible.
- VFMC then awards FSEOG to other Pell eligible students.
- If FSEOG funds remain, VFMC awards FSEOG to low EFC students who are not eligible for Pell Grants.

Disbursing:

FSEOG awards are made in two disbursements over an academic year. Based on an enrollment analysis of Title IV eligible students and FSEOG funds allocated for the award year, VFMC will award up to \$4,000 in FSEOG to priority students (see "Student Selection" above) after the add/drop period has ended in the Fall/first Semester of each academic year. After the add/drop period has ended in the spring/second semester, VFMC will re-evaluate FSEOG funds. If funds are still available, they will be distributed to students based on the selection criteria noted above.

FAME monitors total disbursements to ensure the federal share of FSEOG awards made to students does not exceed 75% of the total FSEOG awards made by VFMC.

Documentation of the nonfederal match will be made by the Financial Aid Office and the Business Office and maintained by the Financial Aid Office and the Business Office in

accordance with the record retention rules.

Policy Owner(s)

— Director of Financial Aid

Policy Access and Publication

— Policy Manual

Policy Adoption and Revision History

— Adopted: 2021

— Revised: 2022