

CATTARAUGUS-ALLEGANY-ERIE-WYOMING BOCES
PRACTICAL NURSING PROGRAM
FINANCIAL AID INFORMATION

Students attending the Practical Nursing Program at Cattaraugus-Allegany BOCES may be eligible to receive the following prorated Title IV Federal Student Financial Aid once a valid FAFSA (Free Application for Federal Student Aid) is received at the school no later than September 30, 2010.

The **Federal PELL Grant** is usually considered the first source of student assistance and is based on the student's Expected Family Contribution (EFC) and cost of attendance. PELL awards are free federal grant monies that you do not have to pay back. An award letter will be issued once a valid FAFSA is filed.

PELL Awards are determined by a financial analysis of the family by the information obtained on the FAFSA. It is necessary that this application be accurate. With this in mind, we would suggest that you have our Financial Aid Office review your application before you submit it.

The only requirements for eligibility for this program are 1) you are a U.S. citizen, or eligible non-citizen, 2) have a high school diploma or its recognized equivalency, 3) you continue to make satisfactory progress, 4) you have not received a Bachelor's Degree, 5) you are not in default on a Perkins, Stafford, SLS or PLUS Loan and do not owe a refund on a PELL Grant or SEOG Grant, and 6) have demonstrated compliance to applicable selective service requirements.

Subsidized Federal Stafford Loans (FFELP) are based on the student's financial need. "Need" equals cost of attendance less estimated financial assistance and expected family contribution. A Stafford Loan is "subsidized"; when the federal government pays the accruing interest on the loan while the student is in school and during certain deferment periods. Repayment of loan principal does not begin until the student has left school and/or the six-month grace period has expired.

A FAFSA must be filed before a Stafford Loan Application can be certified. Students will receive a Master Promissory Note to sign and return to their guaranty agency. To be eligible, you must be a U.S. citizen or resident alien. You must also be in good academic standing and not in default of a previously received student loan. You must also demonstrate compliance to selective service requirements.

Unsubsidized Federal Stafford Loans (FFELP). A borrower unable to qualify for a need-based Federal Stafford Loan may always apply for an unsubsidized Stafford Loan, a loan that does not qualify for a federal interest subsidy. A borrower must have his or her eligibility for a subsidized Stafford Loan determined before he or she may borrow an unsubsidized Stafford Loan. For unsubsidized loans, the interest accrues from the date of loan origination and is the responsibility of the borrower. Repayment of loan principal does not begin until the student has left school and/or the six-month grace period has expired. The interest rate is fixed at 6.8%.

Federal Parent Loans for Students (PLUS) are loans that are borrowed by the parent for a dependent student. Your parent must begin repaying the loan after it is fully disbursed. A credit check, not income or financial need, is used to determine eligibility. Unlike a home equity, no collateral is required. The interest rate is fixed at 7.9%.

Fees:

- You may have to pay an origination fee of up to 3 percent and a federal default fee of up to 1 percent. A .5% origination fee will be deducted automatically from each loan disbursement by the DOE.

Repayment:

- You can begin repayment within 60 days of your loan's last disbursement, or
- You can defer payment until your child ceases to be enrolled at least half time and during the six-month post-enrollment period. Interest will accrue during the time you defer payment.

Disbursement:

PLUS loan funds are sent to your child's college and disbursed in one or more installments.

Veterans Education/Tuition Benefits

Veteran benefits available under several public laws provide financial aid for veterans and survivors of veterans as well as dependents of veterans with 100% service connected disabilities. A certificate of eligibility for training in a chosen program of study must be obtained by the veteran from the Department of Veterans Affairs before the student starts classes. Others who may be eligible for benefits include Reservists and members of the National Guard.

Vocational Rehabilitation

Applicants with certain types of physical disabilities incurred from birth, disease or accident may qualify for financial assistance through the Division of Vocational Rehabilitation of the State Education Department in New York and Pennsylvania. For information contact the Office of Vocational Rehabilitation in your state.

Aid for Native American Students

A substantial amount of financial assistance for continuing education is available for those students eligible under this program. Information may be obtained at BOCES or the Seneca Nation Educational Foundation, Salamanca, New York.

Government Assistance Training

Unemployed residents of New York and Pennsylvania may be eligible for vocational training at BOCES under the Workforce Investment Act, and other programs for dislocated workers. Information may be secured through the New York State and Pennsylvania Employment and Training Centers.

Deferred Payment Plan

A deferred payment plan is available for students who are ineligible for financial aid or who do not receive sufficient financial aid funds to cover their entire educational costs. Students in these circumstances can arrange a monthly payment schedule to eliminate their outstanding balances. Each participant must sign a financial contract to confirm the payment arrangements.

Financial Aid Package

After all the financial avenues mentioned above are explored, it is the responsibility of the Financial Aid Director and the student to coordinate these resources to meet the total educational expenses. A prepared form identifying these resources is known as the "Financial Aid Award Letter" and will be prepared for each student applying for aid.

Hope Scholarship

The Taxpayer Relief Act of 1997 created several new tax benefits for families paying higher education costs. The Hope Scholarship Credit may be claimed for the "qualified tuition related expenses" of each student in the taxpayer's family (i.e. the taxpayer, taxpayer's spouse, or an eligible dependent.) The student must be enrolled at least half-time in one of the first two years of postsecondary education. The student must also be enrolled in a program leading to a degree, certificate, or other recognized educational credential. The credit is available on a per student, rather than a per family, basis. Further benefits exist under Life-Long Learning Credits. The Hope Scholarship Credit may be claimed for payment of "qualified tuition and related expenses" made on or after January 1st of the qualifying year. All students will receive a Form 1098T each January 31 for the previous year. Please consult your tax advisor if you have questions regarding your eligibility for this tax credit.

Estimated Loan Maximums for Independent Students if Eligible

Pro-rated formula/hours in program:

Ex: \$3,500 x 684 hrs. divided by 900 hrs. = \$2,660.00

Ex: \$6,000 x 684 hrs. divided by 900 hrs. = 4,560.00

* \$ 7,220.00 per year

* Loan limits are based on financial need and student status. (Dependent or Independent)

Both subsidized and unsubsidized loans could be subject to an origination fee which will be deducted proportionately from each disbursement of the loan, if required.

To be awarded Title IV Financial Aid through Cattaraugus/Allegany BOCES, you must: *

- be at least enrolled half-time.
- be a U.S. citizen or permanent resident alien.
- be in good academic standing and make satisfactory academic progress.
- not be in default on a previous Federal Stafford Loan.
- not owe a refund on a PELL Grant.
- file a Federal tax return, including spouse, if otherwise eligible
- have a GED/High School Diploma
- demonstrate financial need using a *Free Application for Federal Student Aid (FAFSA)*
- provide all required documents to the BOCES financial aid advisor by specified deadlines

*If a dependent student, the parents must file a Federal tax return if otherwise eligible.

HOW TO APPLY:

To apply for a Federal PELL Grant and be awarded a Federal Subsidized Stafford Loan and/or Federal Unsubsidized Stafford Loan and most private scholarships, you must complete and submit the Free Application for Federal Student Aid (FAFSA).

HOW THE APPLICATION IS PROCESSED

Once the FAFSA has been received at the Financial Aid Office, the Financial Aid Administrator will review the form for completeness and electronically submit the data to the Central Processing System (CPS). The CPS analyzes the information from the FAFSA and calculates an estimated family contribution (EFC) to determine how much a student and (if the student is dependent) his or her parents can be expected to pay toward the student's education. If the EFC is less than the cost of attendance, the student is considered to have financial need. A student with a zero EFC may receive the maximum part-time Federal PELL Grant award, depending on the student's cost of attendance and enrollment status. The higher the EFC, the less the student's need.

VERIFICATION PROCESS

The effectiveness of the federal student financial aid programs depends on the accuracy of the data reported by the student. Because of this, BOCES will verify each application selected by the CPS. BOCES will also verify all applications with conflicting or irregular information. All conflicting information must be resolved before federal student aid can be disbursed.

If your application has been selected for verification or conflicting information on your FAFSA, you will receive an Information Request form from the Financial Aid Office indicating that you were randomly selected by the processing center for verification. The request form advises the documents you will need to submit to the BOCES Financial Aid Office before the process of awarding aid can continue. You will have 10 days from the date of the letter to submit the required forms to the Financial Aid Office. If you fail to submit the required documents for verification you will not be eligible for Title IV financial aid and you will be responsible for full payment of your student bill.

If corrections are required due to verification and/or conflicting information, all corrections will be recorded by the Financial Aid Administrator on Part 2 of the SAR and the student will be required to sign the SAR. The corrections will be submitted to CPS by the school electronically. Once the corrected data is processed by the CPS an electronic ISIR will be returned to the school and the student will receive a SAR Information Acknowledgement showing the updated information. The student will also receive an adjusted Financial Aid award letter from BOCES in the mail.

BOCES is required to verify five major data elements confirming that specific FAFSA answers are correct:

- Adjusted Gross Income
- U.S. income tax paid
- Certain untaxed income and benefits
- Number in household
- Number enrolled in college

BOCES POLICY FOR VERIFICATION ISSUES

If the student is selected for verification by the Central Processing System, the following is required:

- The student will have 10 business days to submit the request information to the Financial Aid Specialist. Failure to do so will result in written referral to the Program Director.
- If a change/correction is warranted as the result of the verification process, the Financial Aid Specialist will make the necessary changes to the ISIR. A new Financial Aid award letter will be mailed to the student within 10 days once BOCES receives the corrected ISIR.
- The Verification Worksheet will provide an explanation of the documentation needed to satisfy the verification requirements and the student's responsibilities.
- Required verification items include: household size, number in college, Adjusted Gross Income, US taxes paid, and certain types of untaxed income.

BASIS FOR AWARDING FINANCIAL AID

Each year, Cattaraugus-Allegany BOCES prepares a budget or list of annual expenses which includes an amount for tuition and fees, books and supplies, room and board, personal expenses, and transportation. This budget, which is established according to federal guidelines, is used to determine the individual student's financial "need".

The family contribution, as indicated on the student's Student Aid Report (SAR), is subtracted, along with any other forms of aid the student may receive.

\$\$\$	Cost of Education
- (minus)	Expected Student/Parent (Family) Contribution (EFC)
- (minus)	Anticipated Financial Aid (PELL, grants, scholarships, agency funding)
<hr/>	
= (equals)	Need

The net result is the student's "need" which could be met with other aid, i.e., student or PLUS loans.

GENERAL INFORMATION AND HELPFUL HINTS

- The student must apply for admission to Cattaraugus-Allegany BOCES and be accepted into the Practical Nursing program of study to be eligible to receive financial aid.
- Students are required to submit all verification documentation as requested by the Financial Aid Office.
- The student must reapply for financial aid every year beginning in May for the following academic year. The student is responsible to know and meet all financial aid deadlines.
- The student is responsible to know and meet all satisfactory academic progress standards to remain eligible for financial aid.
- The student should maintain copies of his/her financial aid forms, parents' and student's tax returns (federal and state), W-2 forms, and documentation of any other source of aid such as Social Security benefits or public assistance.

- The student should make an appointment to report unusual family situations such as divorce, separation, death, or dislocated worker status to the financial aid office since it may have an effect on his/her aid status.
- Male students who have reached their 18th birthday are required to register for Selective Service to receive financial aid and may be asked to provide proof of registration. Men can register at any post office, or register now on-line at <http://www.sss.gov/regist.htm>
- Students must list Cattaraugus-Allegany BOCES as a college choice on their FAFSA (federal application) for federal aid to be processed.

DETERMINING AID ELIGIBILITY

Once the school has a valid SAR or ISIR the amount of the Federal PELL Grant and Federal Stafford and/or PLUS Loan eligibility can be determined. The student will be notified with an official award letter from BOCES indicating the amount of financial aid they can expect to receive for the award year. If the amount of the aid should change due to verification, the student will receive a revised award notice.

DISBURSEMENT OF TITLE IV FINANCIAL AID

PELL Grant funds are electronically transmitted to the school and are credited to the student's account as payment on tuition. The first disbursement will be made at the beginning of the award year and the second disbursement will be made once half of the expected total year clock hours have been completed.

Example:

Program hours for first year - 684	
0 - 342	1st Disbursement
343 - 684	2nd Disbursement

These disbursements will appear on your Account Statement from the Business Office.

When a school disburses FSA program funds to a student by crediting a student's account, it may do so only for allowable charges. Allowable charges include:

- current charges for tuition and fees as defined in Section 472 of the HEA and room and board (if the student contracts with the school); and
- other current charges that a student has incurred for educationally-related activities if we obtain the student's *written authorization* or the parent's written authorization (in the case of PLUS loan funds).

FSA funds may *not* be used to repay a student's loan. Loan payments are not part of the cost of attendance for the period of enrollment.

The BOCES Practical Nursing attendance policy allows 30 hours each year for excused absences in the classroom. Thus, for Financial Aid purposes, the student's excused classroom hours can be counted toward the number of hours it takes the student to complete the halfway point in the program. An excused absence may only be counted if the student is excused from hours that were actually scheduled, were missed, and are not to be made up.

FEDERAL STAFFORD STUDENT LOAN PROCEDURE AND DISBURSEMENTS

The maximum amount of Federal Stafford Student loan that you will be able to borrow will be listed on your award letter. If you choose to apply for the loan, you will need to complete a separate loan application (master promissory note) which is available at the Financial Aid Office. Once your application is received in the Financial Aid office, the Financial Aid Administrator will process the application, certify it, and forward it to your lending institution. When the loan has been approved by the Lending institution and NYS Higher Education, BOCES will receive your loan money electronically through a system called Electronic Funds Transfer (EFT). You will receive notification from the Financial Aid Office when your loan funds have been received through EFT and you will be given the option to cancel the loan within 14 days of your notification should you decide you will not need the loan funds.

MULTIPLE DISBURSEMENT REQUIREMENT

All loan proceeds require multiple disbursement regardless of the amount of the loan or the length of the loan period. No installment amount may exceed more than half the amount of the loan proceeds. The date of the second scheduled disbursement may be on the earlier of the midpoint of the loan period for which the loan was made, or a date which coincides with the beginning of the next scheduled term.

Loans will follow the same disbursement schedule as the PELL grants. If you owe a balance on your account your loan money will be applied to the balance owed. If your account is paid in full, the school will issue you a refund for any amount not due to the school. All refunds will be issued within five working days once funds arrive and/or hours of attendance have been met. If you prefer to have BOCES withhold excess loan funds for budgeting purposes, you will be required to complete an authorization form that will be available at the Financial Aid Office.

FIRST-TIME BORROWERS

Delayed delivery restriction for first-year, first-time undergraduate Stafford borrowers. For such a borrower, the school may not release funds until 30 days after the first day of the student's classes.

The dates for distribution of your loan funds will appear on the certification by the school section of your loan application. You will receive the borrower copy of the application as soon as the loan has been completed.

NECESSITY TO REPAY LOANS

When you sign the lender's promissory note, you are agreeing to repay your loan. You will have to pay back the loan even if you did not complete your education, are not able to get a job after you complete the program, or you are dissatisfied with, or did not receive the education you paid for.

You will be required to attend an Entrance Interview before you are able to borrow a Federal Stafford Student Loan and you'll also have to attend an Exit Interview before graduation if you did borrow a FSSL. Your rights and responsibilities as a borrower will be explained at these interview sessions.

OTHER FUNDING SOURCES/STUDENT REFUNDS

When a student is awarded funding through one of the local employment and training centers, CareerLinks, NYS One Stop Centers, or an employer, it is the student's understanding that:

- All necessary billing forms must be submitted to the BOCES Business Office.
- The student has satisfied all the agency/employer requirements for funding.
- Refund checks are issued from the BOCES Business Office once a student's Fall or Spring billing has been paid and there is an aid overpayment that can be returned to the student.

CONTACT INFORMATION FOR CATTARAUGUS-ALLEGANY BOCES FINANCIAL AID OFFICE

Lawrence Jonak, Financial Aid Specialist

Telephone: 716-376-8274

E-mail: larry_jonak@caboces.org

Mail: Financial Aid Office
Cattaraugus-Allegany BOCES
1825 Windfall Road
Olean, NY 14760

CONTACT INFORMATION FOR FSA'S STUDENT LOAN OMBUDSMAN'S OFFICE

We are pleased to provide borrowers of student loans authorized under Title IV of the Higher Education Act of 1965, the most current contact information for FSA's Student Loan Ombudsman's Office.

Via e-mail: fsaombudsmanoffice@ed.gov

Via on-line assistance: <http://www.ombudsman.ed.gov>

Via telephone: 877-557-2575 (toll free)
202-377-3800

Via fax: 202-275-0549

Via mail: U.S. Department of Education
FSA Ombudsman
830 First Street, N.E.
Washington, D.C 20202-5144