



Presidencia

UNIVERSIDAD CENTRAL DE BAYAMÓN

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Executive Order ADM.16-08

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Deans
Administrative and Academic Directors
Faculty
Students

Reporting Changes in Student Payment Data Policy and Procedures

I. Introduction

Universidad Central de Bayamón, committed to serving the community, firmly believes that human beings with the capacity to learn should receive an education, regardless of their economic status. To this end, the University manages several financial aid funds for students who are in need and are eligible. These funds come from federal sources, the Commonwealth of Puerto Rico, the University and the private sector. A combination of grant, loan and / or work study is for students that qualify.

This is the policy for all students who are eligible to receive Financial Aid under Title IV funds, such as Federal Pell Grants, Direct Loans – Subsidized or Unsubsidized, PLUS loans. These funds changes required to be managed as described on 34 CFR 668.164(a) and must be reported to the Common Origination and Disbursement System (COD) at the US Department of Education (ED) web site as stated on COD Technical Reference Manual, Volume II, Section 1, and in 34 CFR 690.83(b)(1).

II. Citation

The US Department of Education as stated on 34 CFR 668.164(a) states that an institution must make a disbursement of Title IV, HEA program funds on the date that the institution credits a student's account at the institution or pays a student or parent directly with funds received from the Department.

The institution or school must report any change in enrollment status, cost of attendance, or other event or condition that causes a change in the amount of the Federal Pell Grant for which a student qualifies by submitting to the Secretary the

student's Payment Data that discloses the basis and result of the change in the award for each student. (34 CFR 690.83(b)(1), and COD Technical Reference, Vol. II, Section 1).

The *Federal Register* published on *February 28, 2013* and the *Electronic Announcement* published on *March 15, 2013* specify for disbursements or adjustments to previously made disbursements made on or after *April 1, 2013*, an institution must submit the disbursement record to COD no later than 15 days after making the disbursement or becoming aware of the need to adjust a student's previously reported disbursement.

III. Purpose

These regulations aim to comply with the process of updating the Department of Education COD system by providing the correct information and reporting the disbursement of Title IV funds such as: PELL and Direct Loans to the COD system within the required timeframe. This policy applies for students enrolled in a program eligible for receiving financial aid funds as approved by the US Department of Education.

IV. Definitions:

1. **Institutional funds:** funds given by Universidad Central de Bayamon. These are earned and recalculated the same as federal aid funds. However, each institution has its own awarding policies and procedures for each award, grant, or program.
2. **Payment period:** for most students, it is the entire semester. However, for students enrolled in modules, "part of terms" or "weekend-periods", the payment period must include the quantity of days for the specific enrolled term. For graduate students, it is the quarter. For summer session, it is the number of days of each summer session.
3. **State funds:** funds given by the state agencies, Puerto Rico Council of Education, among others. These are earned and recalculated the same as federal aid funds. However, each institution has its own awarding policies and procedures for each award, grant, or program.
4. **Title IV funds:** funds granted by the US Department of Education to help eligible students with the payment of their education.
5. **COD system:** COD is the acronym of Common Origination and Disbursement. This is the site of the Department of Education, where all the files are originated for the proper adjudication of money. Schools send the origination file, COD process it and send the information to G5 system to proceed with the proper deposit of money to be withdraw by the school and consequently disbursed to the student.

6. **Origination:** a file containing the information about academic load, program, cost-of-attendance, award, quantity of award per year/term, and other demographic information of students.
 7. **Disbursement:** a file containing the information of each payment per award that student must receive during the academic year. It could be divided per term: semester, quarter, and trimesters, or as configured on school IRP system.
 8. **NSLDS:** acronym for National Student Loan Data System. This is the ED website containing all the student recipients of Student Loans. It is also used to provide the information of academic load or enrollment, and using of funds. The FA Offices access this website to keep alert about the usage of some of Title IV funds such as: PELL (LEU) and the used of Subsidized Direct Loans (SULA, and to know the student's eligibility for the continuance of using federal funds.
 9. **LEU:** acronym for Lifetime Eligibility Usage, for PELL grant. This is the time that PELL is available for a student. It is 6 years, 12 semesters or 600% of usage. Each semester has an equivalency of 50% of usage per year.
 10. **SULA:** acronym for Subsidized Usage Limit Applies, for Subsidized Direct Loans. This is the time a subsidized loan is available for a student. As in PELL, it is 6 years, 12 semesters or 600% of usage. Each semester has an equivalency of 50% of usage per year. But there is a restriction if the student changes from a Baccalaureate Degree Program to an Associate Degree Program, when the SULA will be reduced to three years.
- V. Origination/Disbursement Processing files:**

PELL grant:

Financial Aid Officer runs a process to grant all the students with PELL funds into the IRP system. The system already contains rules to give the correct quantity as per ED regulations. These rules evaluate students' academic progress, academic load, and cost of attendance, among others. After complete this process, Officer will process a Common Origination/Disbursement Export (CODE) to the COD system to originate the PELL assignment and post the disbursements dates.

Students/Parents Loans:

Financial Aid Officer performs an evaluation per each loan applicant (student; Parent in case or a PLUS loan). Student's' evaluation includes, but is not limited to, type of loan, academic load, academic progress, academic program, academic level or years in school, and loan experience or loan aggregate (this is the amount of loan a student's received during his/her studying life). For Parent, FA Officer performs the credit-check and verify if all the required documents are completed and properly signed.

After verify student/parent eligibility, FA Officer proceeds to enter the correct amount in the student account at School IRP system. For undergraduate semester students: disbursements will be posted twice per year, if annual loan is created. If student will have a one semester loan, disbursements will be posted twice per semester. For graduate students: disbursements will be posted once per term, because they have a quarter basis enrollment. They will have four disbursement per year.

Officer sends a notification to each student/parent as a loan disclosure letter. This letter contains loan information, such as, loan amount and loan disbursement dates, among other information about payments conditions. After this, Officer will process a Common Origination/Disbursement Export (CODE) to the COD system to originate the student Direct Loan and to post the disbursements dates. PLUS loans are originated directly at COD.

VI. Disbursement/Payment Processing:

PELL grant:

FA Officer makes a list including all the students eligible to receive the PELL disbursement at the date posted on COD. This list is like a payroll. FA Officer makes a reconciliation with Restrict Funds Officer to run a process known as FA Transmittal. If both processes reconciles, Restrict Funds Officer runs the FA Posting Process in the IRP system.

After this, Financial Aid Officer will process a Common Origination/Disbursement Export (CODE) to the COD system to originate the PELL disbursement. Money will be able to withdraw from G5 site on the next day. Student's account is updated with this credit within 3 calendar days of posting date. Student reimbursement, if available, is send to student within the next 14 calendar days of posting date.

Students/Parents Loans:

FA Officer accesses the COD site to select and activate all the students who are eligible to receive the disbursement. Then a list is made including all the activated students by the date posted on COD. This list is like a payroll. FA Officer makes a reconciliation with Restrict Funds Officer by running the FA Transmittal. If both processes reconciles, Restrict Funds Officer runs the FA Posting Process into the IRP system. This process credits the disbursement amount to the student's account.

For the PLUS loan, FA Officer access the COD system and activate the cases. Then she sends a list with the cases to reconcile with the Restrict Funds Officer. FA Officer sends a notification to Bursar Office about the PLUS reconciliation and the quantity processed for the pertinent action.

Loan Funds will be able to withdraw from G5 site on the next day. Student's account is updated with this credit within 3 calendar days of posting date. Student reimbursement, if available, is sent to student within the next 14 calendar days of posting date.

VII. Reporting

In case that the FA Officer or the Restrict Funds Officer cannot perform the process of reconciliation or loan disbursements or PELL disbursement posting, respectively, by the date previously posted on COD, FA Officer must update the dates of disbursement on this site per each award, in order to set them to the same date that Restrict Funds Officer post them at student's account. FA Officer must perform these changes at COD in a timeframe of less than 3 calendar days of the posting. She will keep a list of the corrections.

VIII. Effective

This policy shall take effect immediately and supersedes any other guidelines, rules, policies, or procedures that are in contrast to the provisions herein.

IX. Approved

This policy was signed and approved in Bayamon, Puerto Rico on the above date by:



Lillian Negrón-Colón, Ph. D.

President

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