

**NEW MEXICO MILITARY  
INSTITUTE**

**FINANCIAL AID**

**POLICIES AND PROCEDURES  
MANUAL**



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## **Introduction**

Federal regulations mandate that institutions have written policies and procedures. In addition to the federal requirement, there are many benefits to having a written document outlining Federal Student Financial Aid policies and procedures.

These benefits include:

- ◆ Distribution of information to appropriate offices outside the Financial Aid Office for the purpose of informing and fostering an understanding of the complexity and operation of Financial Aid.
- ◆ As a referral guide to assist in maintaining consistency in the problem-solving process.
- ◆ As an important component of a comprehensive training program.

## **Statement of Purpose**

The purpose of this Document is to record policies and procedures surrounding the delivery of financial aid for the cadets of New Mexico Military Institute. If no policy or procedure addresses a given issue, the Financial Aid Director is expected to use professional judgment based upon the intent of all financial aid programs and office practices.

For purposes of this Manual, definitions of policy and procedures are as follows:

Policy - A statement that guides present and future decisions and actions.

Procedure - A series of steps followed in a specific order to properly administer a financial aid program.

This Manual is intended to

- ◆ Provide the financial aid staff and interested parties with current policies and procedures that pertain to eligibility assessment for federal, state, and college programs.
- ◆ Provide all staff members with general and specific responsibilities of the office, their individual responsibilities, and the financial aid office relationship to other departments within the New Mexico Military Institute.
- ◆ Provide each staff member with general office procedures in order that a systematic and consistent approach may be taken in the operation of all

programs, ensuring that similar operations will be handled in a uniform manner.

- ◆ Provide quick reference to various practices.
- ◆ Facilitate the orientation and training of personnel when changes occur.

## **Financial Aid Purpose**

The purpose of financial aid within the New Mexico Military Institute is to assist all students at the junior college level an opportunity to obtain a college education. Most financial aid is awarded to students based on financial need to meet college cost. Therefore, the financial aid application process is set up to uniformly measure how much financial aid each individual student needs for college based on the individual circumstances of the student and the student's family.

- ◆ NMMI has an obligation to assist eligible college students in realizing their goals.
- ◆ NMMI will publish an annual Cost of Attendance (COA) budget detailing total student expenses realistically by including: tuition, fees, room and board, laptop fee rental, uniforms and an estimated average cost of books, transportation, personal expenses, and miscellaneous expenses.
- ◆ Parents are expected to contribute (if required) according to their means, taking into account their income, assets, number of dependents, and other relevant information. Students themselves are expected to contribute from their own assets and earnings, including appropriate borrowing against future earnings.
- ◆ Financial aid will be offered only after a determination that the resources of the family are insufficient to meet the student's educational expenses. The amount of need-based aid offered will not exceed the amount needed to meet the difference between the student's total educational expenses and the family's resources. Non-need based aid can be awarded not to exceed the total cost of attendance.
- ◆ The amount and type of self-help expected from students will be related to the circumstances of each individual.
- ◆ The Financial Aid Office will review its financial aid Cost of Attendance budget annually and adjust, if necessary, to reflect changes in the financial needs of students and the expenses of attending NMMI.
- ◆ NMMI has an obligation to inform students of the federal financial aid offer (via an Award Letter) once eligibility has been determined and verification completed, based on the Financial Aid Office's receipt of a Student Aid Report (SAR) and/or Institutional Student Information Report (ISIR).
- ◆ Because the amount of financial aid awarded reflects the economic circumstances of students and their families, NMMI will refrain from any public announcement of the amount of aid offered and encourage students and others to respect the confidentiality of this information.
- ◆ All documents, correspondence, and conversations between and among aid

applicants, their families, and the Financial Aid Office are confidential and entitled to the protection ordinarily arising from a counseling relationship.

The objectives of the Financial Aid Office revolve around the major functions of the office. Those functions include:

- 1) the awarding and disbursement of funds;
- 2) reporting at the institutional, state and federal levels;
- 3) and providing a satisfying, open door policy to assist students.

## **New Mexico Military Institute Mission Statement**

The mission of NMMI is to educate, train, and prepare young men and women to be leaders capable of critical thinking and sound analysis, leaders who possess uncompromising character, and leaders able to meet challenging physical demands.

## **Financial Aid Office Mission Statement**

Central to the purpose of financial aid is the belief that each student and that student's family, to the extent possible, has the primary responsibility to pay for the student's education. Financial aid is made available as funds allow to assist students when family resources are not sufficient to meet cost. The Financial Aid Staff is committed to delivering high quality service that is responsive to the needs of the students.

## **Philosophy**

NMMI believes that a consistent and equitable approach to the awarding of financial aid will enable students to attend NMMI who would not otherwise have the financial resources to enroll. It thereby encourages a student population that is culturally, economically, socially and geographically diverse.

## **Goals**

NMMI's goal is to provide financial assistance to those in need, thereby allowing eligible students to continue their education. The financial aid programs at NMMI are administered according to the following principals:

The primary responsibility for financing education lies with the students and their families. When the total resources they can provide do not meet expenses, NMMI will do as much as possible to assist so that the student will not be denied an education.

Interested individuals will be made aware throughout the year of financial aid opportunities. **C o l l e g e s t u d e n t s** must submit a FAFSA application (needs analysis) each year for which they expect to be considered for federal financial aid.

A confidential financial aid package will be developed and offered to a student based on individual need and circumstances, but without regard to age, sex, race, color, religion, national origin or disability.

Planning/counseling sessions are important. They can help students plan for the most efficient use of their resources for education, including their own and any financial aid they may have received. They are held on an as-needed basis with any student.

The Financial Aid Offices at NMMI operate within federal and state guidelines and adhere to all other standards of individual programs.

## **Operating Policies**

The following operating policies are designed to assure that the Financial Aid Office is effective in carrying out its responsibilities:

- ◆ All college students must apply for federal financial assistance by submitting a Free Application for Federal Financial Aid (FAFSA) on-line to the US Department of Education and appropriate forms to the Financial Aid Office.
- ◆ All funds awarded to NMMI students shall be administered through the Financial Aid Office. When funds or awards for students are received from outside sources, i.e., private and individual scholarships, that information must be submitted by the awarding department or organization to the Financial Aid Office for processing.
- ◆ The Financial Aid Office shall maintain adequate records and follow the NMMI cash management procedures to ensure that proper administration of aid funds are followed. This includes ensuring that aid given is not in excess of need and/or the cost of attendance, and that aggregate awards do not exceed total expenditures of funds under each program.
- ◆ Selection of students to receive financial aid will be made without regard to age, sex, race, color, religion, sexual orientation, national origin, disability or marital status.
- ◆ Files are processed on a rolling basis.
- ◆ The NMMI senior administration will ensure the college has an adequate number of qualified persons to administer the financial aid programs.
- ◆ NMMI senior administration will ensure that there are adequate checks and balances in place.
  
- ◆ NMMI Financial Aid Office will follow the established Satisfactory

- Academic Progress policy.
- ◆ NMMI Financial Aid Office will follow the established policy on how to resolve conflicting data.
  - ◆ NMMI Financial Aid Office will follow the established policy on fiscal and financial statements reporting procedures.
  - ◆ NMMI Financial Aid Office will provide financial aid counseling to every NMMI student who is in need of this service.
- Many of these policies will be discussed in further detail later in this document.

## **Policies & Procedures Development Responsibilities**

The New Mexico Military Institute Director of Financial Aid will ensure interested parties have adequate representation when policies and procedures are being developed, changed or discussed.

The Policy and Procedure Committee will consist of a group of campus-wide representatives (or their designee): Chief of Staff, Dean of Students, Commandant of Cadets, a Financial Aid Supervisor, along with a representative from the following departments;

- ◆ Admissions
- ◆ Registrar
- ◆ Counseling Department
- ◆ Business Office

## **Responsible Personnel**

The Director of Financial Aid will be the person responsible for ensuring the NMMI higher administration is aware of any changes to existing policies and procedures or the development of new policies. If new degree or non-degree programs are being added, it will be the responsibility of the Academic Dean to notify the Director of Financial Aid so that information can be added to the Program Participation Agreement (PPA) and submitted to the Department of Education for funding approval.

## **Financial Aid Database**

The NMMI Financial Aid Office operates with the database system provided by Ellucian – PowerFAIDS. PowerFAIDS is a part of the campus database PowerCampus and integrates information from PowerCampus to PowerFAIDS.

EdConnect is NMMI's means of data transmission to and from the Department of Education.

## **Financial Aid Reference Documents**

Financial aid reference documents and publications are kept in the NMMI Financial Aid Office.

The Financial Aid Office will use the following reference documents published by the U.S. Department of Education and professional organizations:

- ◆ Federal Student Financial Aid Handbook
- ◆ Audit Guides
- ◆ Dear Colleague Letters
- ◆ Weekly IFAP releases
- ◆ Blue Book
- ◆ National Association of Financial Aid Administrators Newsletters
- ◆ NM Higher Education Correspondence and Website

Student Financial Aid Offices will maintain memberships in the following professional associations:

- ◆ National Association of Student Financial Aid Administrators (NASFAA),
- ◆ New Mexico Association of Student Financial Aid Administrators (NMAASFAA), and
- ◆ Southwest Association of Student Financial Aid Administrators (SWASFAA).

The Director of Financial Aid and each Financial Aid supervisor will subscribe to receive regulatory notifications from at a minimum:

- ◆ Department of Education Information for Financial Aid Professionals (IFAP)
- ◆ The National Association of Student Financial Aid Administrators website
- ◆ NMAASFAA ListServ
- ◆ PowerFAIDS ListServ

In order to ensure that they have the most current regulations and statutory information, along with receiving daily announcements that might have an impact on Federal Financial Aid.

## **Default Prevention Program**

New Mexico Student Loans located in Albuquerque, NM has been contracted as of May 2014 to perform default prevention tactics to maintain and improve cohort default rate.

# **Administrative Organization of the Financial Aid Office**

The NMMI Administration recognizes that there must be separation of duties to correctly oversee the administration of financial aid and has outlined what each office's primary responsibility should be.

## **President's Office**

The ultimate responsibility for Financial Aid Office programs resides with the College President. NMMI Financial Aid policy, administrative authority and audit responsibility will be delegated to the Director of Financial Aid. The leadership and support of the President is crucial to the successful administration of Federal Student Aid programs. By recognizing the importance of federal aid programs, each College President must hold key managers accountable; the President's leadership can foster an environment that promotes an effective and responsive financial aid program that will meet college goals, students' needs, and federal requirements.

The College President's responsibility with regard to Federal Student Aid (FSA) is to ensure that the College:

- ◆ Meets the financial standards for administering the FSA program,
- ◆ Has an individual capable of administering the FSA programs and coordinating federal and nonfederal financial aid,
- ◆ Has an adequate number of qualified staff to administer FSA programs,
- ◆ Has a procedure to ensure that FSA funds for new programs are not disbursed until a program is approved,
- ◆ Has established clear lines of responsibility among pertinent offices,
- ◆ Has an adequate system of checks and balances to ensure separation of award functions from disbursement functions are followed,
- ◆ Refers any suspected cases of FSA fraud, abuse, or misrepresentation to Department of Education, Office of Inspector General (OIG),
- ◆ Follows the established financial aid satisfactory academic progress (SAP) for students,
- ◆ Provides a drug-free workplace, as required by the Drug-Free Workplace Act,
- ◆ Makes available all published information required by the Student Right-to-Know Act and the Campus Security Act and any other applicable laws and regulations.
- ◆ Has signed and is in compliance with the Federal and State Student Financial Assistance Program Participation Agreements.

## Financial Aid Office

NMMI's Financial Aid Office is given most of the responsibility for administrating FSA programs, but their role in the Colleges' fiscal operation is limited. There must be some shared functions and responsibilities with other departments. All roles should be clearly defined.

NMMI Financial Aid Director's responsibility with FSA and the Student Aid Commission is to ensure that the College:

- ◆ Advises and counsels students and parents about financial aid
- ◆ Provides students with consumer information, as required by federal regulations
- ◆ Assists in the development and/or revisal of the written Policies and Procedures Manual
- ◆ Determines students' eligibility for financial aid
- ◆ Makes financial aid awards to students
- ◆ Monitors students' satisfactory academic progress (SAP)
- ◆ Maintains school and student records, documents, the administration of financial aid, and provides data for reports
- ◆ Keeps current on changes in laws and regulations to ensure the college remains in compliance
- ◆ Reconciles student originations and disbursements through COD
- ◆ Maintains Federal and State Electronic Security Agreements
- ◆ Provides entrance and exit counseling information to borrowers of Federal Direct Student and Parent Loans as part of the award and delivery process
- ◆ Prepares required reports and reconciliation payment documents
- ◆ Maintains financial aid disbursement records
- ◆ Monitors financial aid awarding system processes
- ◆ Monitors financial aid operations
- ◆ Manages campus Cohort Default Rate
- ◆ Oversees federal student loans applications
- ◆ Maintains accurate records in the financial aid systems
- ◆ Coordinates state grants programs
- ◆ Processes Pell Grants, FSEOG, ACG (no longer available), College Work Study eligibility, NM Lottery Success Grants, Student Loans, Private Scholarships, etc.
- ◆ Calculate Return to Title IV funds, and authorize post-withdrawal disbursements to students
- ◆ Reconcile Title IV and State funds
- ◆ Prepares documents and files to present to External Auditors as well as Federal and State auditors, and
- ◆ Respond to audit findings
- ◆ Notify cadets by email/mailers concerning Satisfactory Academic

- Program(SAP) each semester
- ◆ Supervise staff and implementing the daily operation of the office
- ◆ Direct support staff to ensure all aspects of the financial aid office's responsibilities are performed in a timely, professional and courteous manner
- ◆ Work closely with Admissions, Registrar, Counseling, Information Technology and the Business Offices so as to ensure the dissemination of accurate financial aid information to prospective and current cadets

## **Business Office**

The Business Office and Accounting Department provide a critical service to NMMI in managing both federal and nonfederal financial aid programs. Overseeing the accounting, recordkeeping, and reporting functions related to use of federal and state funds requires detailed and complex accounting procedures.

The Business/Accounting Services responsibility with regard to Federal Student Aid (FSA) and the Student Aid Commission is to ensure that it:

- ◆ Coordinates activities and cooperates with the financial aid office in disbursement of funds to students
- ◆ Projects cash needed to cover disbursements
- ◆ Reconciles records to ensure that financial aid adjustments are properly recorded
- ◆ Submits accurate and timely audit reports
- ◆ Collects payments from students who are in overpayment status
- ◆ Maintains a system of internal controls that includes adequate checks and balances
- ◆ Maintains records consistent with Generally Accepted Accounting Principles (GAAP), and government auditing standards
- ◆ Draws down and returns FSA and State funds to program accounts
- ◆ Disburses funds to eligible students from FSA program accounts
- ◆ Maintains a cash management system to meet disbursement requirement requirements and federal laws and regulation
- ◆ Reconciles cash between school records and bank statements and reports
- ◆ Reconciles federal funds between bank statements and federally reported balances,
- ◆ Reconciles funds between bank statements and State reported balances
- ◆ Prepares for and participates in FSA program reviews and audits
- ◆ Reports FSA expenditures to the Department of Education in a timely manner

## Registrar's Office

The Registrar's Office provides critical services by determining a student's residency status, posting current units and withdrawals during the semester, and final grades and communicating that information to the Financial Aid Office.

## Counseling Department

The Counseling Department provides current information to a NMMI student concerning majors, objectives, academic and graduation requirements. Some counselors may even participate with the Financial Aid appeal process. Counseling Department will meet with students to complete Educational Plans as necessary for student petitions.

## Campus Organizational Chart

The following diagram illustrates the organizational structure for the NMMI's Financial Aid Offices.

Superintendent/President

Chief of Staff

Director of Financial Aid

Assistant Director of Financial Aid

Office Manager – General Overview

Federal/State Aid Administrative Assistant / Verification Processing

NMMI Fund Aid Administrative Assistant / NMMI Scholarship Processing

## Financial Aid Department Organizational Chart

Director of Financial Aid

Assistant Director of Financial Aid

Office Manager – General Overview

Federal/State Aid Administrative Assistant / Verification Processing

NMMI Fund Aid Administrative Assistant / NMMI Scholarship Processing

## **Position Descriptions: Financial Aid Office**

### **Director of Financial Aid**

Responsibilities of the Director include but are not limited to:

- ◆ Provide policy and regulatory analysis
- ◆ Provide guidance on training and cross training
- ◆ Provide technical infrastructure support and lead College collaboration during implementation of Financial Aid system conversion
- ◆ Work directly with IT Staff to ensure proper system integrity and integration
- ◆ Develop a policy and procedure manual giving guidance consistency and a standard method of processing student files
- ◆ Respond to audit findings, file federal, state and/or local reports in cooperation with the college
- ◆ Eliminate mundane bureaucratic tasks that impede a college's ability to provide service to a student in a timely manner
- ◆ Reviewing student files for completeness and accuracy
- ◆ Packaging student files, counseling students/parents regarding financial aid rules and regulations
- ◆ Prepare the submission of federal and state reports (such as DEAR, IPEDS, FISAP, EZ Audit) with review of College data transmission for accuracy
- ◆ Assist with the preparation and filing of responses to audit exceptions reports
- ◆ Evaluate Financial Aid Staff performance to ensure the Financial Aid Office is in compliance with Federal and State regulations and following consistent guidelines
- ◆ Serve as hiring manager for Financial Aid positions
- ◆ Serve as DSO of SEVIS reporting and processing

### **Assistant Director of Financial Aid**

The Assistant Director of Financial Aid reports to the Director of Financial Aid. The duties of the Assistant Director include but may not be limited to:

- ◆ Reviewing student files for completeness and accuracy
- ◆ Packaging student files, counseling students/parents regarding financial aid rules and regulations
- ◆ Processing loan origination and disbursements
- ◆ Answering student questions regarding mailers
- ◆ Preparing mailers, letters, and annual forms in collaboration with the Director

- ◆ Tabulating and preparing statistical reports, such as FISAP, IPEDS, eDEAR, E-Z Audit, etc, periodically and upon request
- ◆ The Assistant Director of Financial Aid will be responsible for maintaining Program Integrity in accordance with Federal and State Program Participation Agreements
- ◆ Preparation of student files and materials for Internal and External Audits and Program Reviews
- ◆ The Assistant Director will serve as liaison to college administration and faculty and staff for questions about financial aid, student eligibility and application of Federal and State guidelines in the absence of the Director
- ◆ Additionally, the Assistant Director may be responsible for processing private scholarships, etc as required.
- ◆ The Assistant Director will work with the Financial Aid Director and IT Programmer to coordinate training and cross-training, as well as collaboration on Financial Aid System implementation
- ◆ Manage the overall operations of the Financial Aid Officer in the absence of the Director
- ◆ Assist in preparing policies and procedures for the Institution's review
- ◆ Review and approve all external requests regarding financial aid from federal and state officials
- ◆ Monitor department activities for purposes of improvement in service, delivery, compliance with federal, state and district regulations
- ◆ Work with the IT Department in generating reports and statistical information to facilitate accounting reports for financial aid
- ◆ Conduct Financial Aid informational and FAFSA workshops for students
- ◆ Assist with COD reconciliation
- ◆ Manage the Richard T. Knowles Legislative Scholarship Program
- ◆ Review all NM applicants for scholarship eligibility of NMMI controlled funds
- ◆ Serve as DSO for SEVIS reporting and processing

### **Financial Aid Administrative Assistant – Federal/State Aid**

The Financial Aid Administrative Assistant reports directly to the Director of Financial Aid. The duties of the Financial Aid Administrative Assistant include but may not be limited to:

- ◆ Perform verification according to Department of Education guidelines and regulations
- ◆ Resolve all conflicting information; rejects; Federal data base

- match conflicts; and “C” comments
- ◆ Determine financial aid eligibility
- ◆ Communicate with students via regular or email to resolve processing problems conflicting information
- ◆ Maintain accurate listing of students failing to meet Satisfactory Academic Progress
- ◆ Coordinate activities necessary for the Appeals Committee meeting
- ◆ Review financial aid application forms and student documents for accuracy and completeness
- ◆ Secure additional information from students and parents as necessary
- ◆ Process financial aid applications and transcripts
- ◆ Reference and track students through NSLDS (National Student Loan Data System)
- ◆ Prepare and maintain student files
- ◆ Assist with report and audit preparation as necessary
- ◆ Process Federal Work Study (FWS) awards; student employment packets; student timesheets; and reconcile monthly FWS to PowerCampus payroll data
- ◆ Manage NM Lottery Success Transfer Requests
- ◆ Phones, filing, copying
- ◆ Provide support for Financial Aid purchase order requests

## **Financial Aid Scholarship Coordinator**

- ◆ Manage NMMI Scholarship Committee Controlled Funding Program
- ◆ College funding information from fund managers
- ◆ Maintain accurate list of all NMMI scholarship committee members
- ◆ Manage, track and award NMMI academy prep scholarships from service academies
- ◆ Process NMMI Scholarship applications
- ◆ Prepare and maintain student files receiving scholarships only
- ◆ Plan and execute Scholarship Committee Meetings
- ◆ Maintain notes of all committee decisions
- ◆ Review Scholarship Special Circumstance Requests
- ◆ Review all current cadets for scholarship eligibility of NMMI controlled awards
- ◆ Evaluate all scholarship recommendation to ensure eligibility
- ◆ Process all recommendations for applicant awards
- ◆ Process all recommendations for current cadet awards
- ◆ Process awards for NM lottery Success awards
- ◆ Phones, filing copying

## **Financial Aid Office Manager**

The Office Manager reports directly to the Director of Financial Aid. The duties of the Office Manager include but are not limited to:

- ◆ Perform a variety of general office clerical duties in the Financial Aid Office.
- ◆ Act as the Office receptionist, answering the telephone, retrieving emails and assisting students, faculty, and the general public with Financial Aid information as required.
- ◆ Provide support for Financial Aid Purchase Order requests
- ◆ Assist students in completing a variety of forms including the FAFSA.
- ◆ Direct applicants to the Financial Aid Administrative Assistant or other support staff for further review when necessary.
- ◆ Provide general clerical support including copying, filing and creating forms.
- ◆ Review all foreign and out-of-state applicants for scholarship eligibility of NMMI controlled funds
- ◆ Performs basic Data Entry to PowerFAIDS
- ◆ Set up and maintain individual student records for SEVIS
- ◆ Maintain all international student SEVIS records
- ◆ Keep current on changes in laws and regulations to ensure NMMI remains in compliance as related to Student Immigration regulations

## **Personnel Policies**

The personnel policies for staff members are outlined in the following document:

- ◆ The New Mexico Military Institute Personnel Policies Manual that is maintained in the Human Resources Department of NMMI.

## **Performance Evaluations**

Performance evaluations are conducted on an annual basis or as needed. The evaluation form provided by the Human Resources Department is used for all employees.

## **Frequent Contact Information**

### **NMMI:**

- ◆ Financial Aid: 1-800-421-5376 or (575) 624-8066
- ◆ Admissions: 1-800-421-5376 or (575) 624-8653
- ◆ Registrar: (575) 624-8071
- ◆ Business Services (Cashier): (575) 624-8081
- ◆ Counseling Department: (575) 624-8365
- ◆ Veterans Affairs: (575) 624-8071

## Office Hours

The Financial Aid Office is open and available to serve students from 7:30 a.m. to 4:30 p.m. Monday - Friday.

## Calendar of Financial Aid Activities

### JANUARY

- ◆ Free Application for Federal Student Aid (FAFSA) is available for the following award year
- ◆ Prepare database for next school year with calendar dates, fees, etc.
- ◆ E-Z Audit for Department of Education Due 3-30-xxxx
- ◆ New Award Year ISIRs load as soon as PF Database Update Installed
- ◆ Prepare and print documents for new ISIR intake for following financial aid processing year

### FEBRUARY

- ◆ Financial Aid Seminar for 3<sup>rd</sup> Class Cadets
- ◆ Begin document intake for following Financial Aid processing year
- ◆ Tentative Title IV Campus-Based Allocations are available on Campus Based web site
- ◆ Initial Institutional Scholarship Award Meeting

### MARCH

- ◆ Official Notice of Funding for Campus-Based Allocations
- ◆ E-Z Audit for Department of Education Due 3-30-xxxx

### APRIL

- ◆ Continue file review and preparation for next school year

### MAY

- ◆ Continue file review and preparation for next school year

### JUNE

- ◆ June 30<sup>th</sup> – Fiscal Closing

### JULY

- ◆ Continue file review and preparation for next school year
- ◆ External Auditors

## AUGUST

- ◆ Fall Registration

## SEPTEMBER

- ◆ FISAP Report due – October 1<sup>st</sup> deadline
- ◆ Deadline for Pell reconciliation – September 30
- ◆ State report due – eDEAR – 9-15-xxxx
- ◆ Funding credit – 3<sup>rd</sup> Friday after classes

## OCTOBER

- ◆ Continue file review
- ◆ FISAP Due – 10-01-xxxx
- ◆ Perkins Cash on Hand update for FISAP as of 10-30-xxxx

## NOVEMBER

- ◆ FISAP Report edits can be submitted

## DECEMBER

- ◆ Prepare notification for new year FAFSA applications
- ◆ Fall Reconciliation
- ◆ Final FISAP submission due December 15th

## **Staff Meetings**

Staff meetings are held on a regular basis to evaluate the effectiveness of the current processes and discuss any other office issues.

The Director of Financial Aid and the Assistant Director will meet as needed to discuss Financial Aid regulatory and/or technology issues.

## **Appointments with Staff**

Most questions can be addressed by any Financial Aid Staff member. However, students and parents may request an appointment depending upon the circumstances and length of time needed to address an issue.

## **Correspondence**

General correspondence is answered within one week. Financial Aid files created from submitted documents will be handled in the order received. Depending upon caseload, it may take up to two weeks to review a student file. However, files are generally reviewed with 24-48 hours of completion. The Supervisor responds to all complaints either verbally or in writing.

## **Distribution of Forms**

General financial aid forms are distributed from the Administrative Assistant for Federal/State Aid Office located in the Financial Aid Office. All financial aid office staff members have access to forms.

The packets may be either:

1. Mailed or emailed to students and parents
2. Distributed by the Financial Aid Office
3. Distributed during financial aid seminars

## **Telephone**

Telephone calls are answered in a friendly and professional manner.

## **Confidentiality of Records**

All records and conversations between an aid applicant, his/her family and the staff of the Financial Aid Office are confidential and entitled to the protection ordinarily given a counseling relationship. NMMI assures the confidentiality of student educational records in accordance with campus rules, State, and federal laws including the Family Educational Rights and Privacy Act (FERPA) of 1974. (The Buckley Amendment whose primary intent is to provide students access to their educational records and to limit dissemination of personally identifiable information without a student's written consent, as amended.) As a rule, all currently enrolled and former students have the right to review their records to determine their content and accuracy. Parents of dependent students, as defined by the Internal Revenue Code, who give evidence of this status, with written permission from the student to review the student financial aid file, have the same rights as the student. A student who wishes to obtain access to his/her financial aid record is able to do so in the presence of a Financial Aid Office employee.

## **Authorization to Release Information**

A student must submit a written release for information to be given to any person or agency.

## **Records**

The Financial Aid Office maintains a paper file folder or document imaged file of

records for each student receiving financial aid. Student Aid file records are held in the Financial Aid Office for a minimum of five years. All financial aid files are retained for a minimum of five years after submission of the FISAP report. Student Loan files are retained for a minimum of five years past the last date of student attendance. Any records involved in any claim or expenditure, which have been questioned by federal audit, are retained until the issue is resolved.

## **Public Information**

Any NMMI employee may disclose the following information, considered “directory information” to the public, unless the student has specifically requested in writing that this information be withheld.

1. Name
2. Local address
3. Local telephone number
4. Birth date and place of birth
5. Major
6. Year in school
7. Enrollment status
8. Dates of enrollment
9. Degrees and awards received
10. Most recent attendance of previous educational institution
11. Anticipated graduation date

## **Non-Public Information**

A student’s consent is required for the disclosure or publication of any non-directory information with the following exceptions:

1. Another New Mexico Military Institute employee
2. Representatives of Federal and State agencies
3. Accrediting organizations

A student must submit a written release of information for any additional information to be released to any other person or agency.

The student’s release must contain:

1. Date of request
2. Student's Social Security Number
3. Student's signature
4. Specific contact name or agency
5. Summary of information which may be released.

## **Records Retention**

### ***Active Records***

The Financial Aid Office maintains a master record for each student receiving financial aid. All financial aid folders are retained for five years after submission of the FISAP report. Any records involved in any claim or expenditure, which has been questioned by federal audit, are retained until the question is resolved.

### ***Inactive Records***

Inactive records are kept in the Financial Aid Office for five years following the close of the fiscal year in which they were active. After the appropriate time period records are destroyed.

-

## **Automated Program Files**

The Financial Aid Office maintains all of its Financial Aid information on the PowerFAIDS System. Federal eligibility information is received electronically from the Department of Education. This information is maintained by the Information Technology Department.

## **Student Consumer Information**

In order for consumers to understand the complexities of Financial Aid accurate and timely dissemination of information to them is vitally important. Several policies have been implemented to ensure appropriate dissemination is achieved.

Information regarding NMMI Financial Aid programs and policies is distributed through the following venues:

- ◆ The NMMI Course Catalog (includes eligibility requirements, application process, academic progress requirements, and aid programs available)
- ◆ NMMI Website (Financial Aid section)

Additional resources are published outside of, but are distributed through the Financial Aid Office. These resources include as available:

- ◆ The Student Guide published by the U. S. Department of Education
- ◆ Funding Your Education published by the U. S. Department of Education
- ◆ Pamphlets regarding electronic filing published by the U. S. Department of

## Education

Other disclosure and reporting requirements are met as follows:

- ◆ The annual campus security report is distributed from NMMI Security Division and a pamphlet is distributed with a summary of all required statistics.
- ◆ Completion or graduation rates are published by Institutional Research
- ◆ New Mexico Military Institute's complies with the Drug-free Schools and Campuses regulations. All students are given information on NMMI's Drug and Alcohol Prevention Program.
- ◆ Constitution Day is held once a year in September. Managed by the academic area.

## Institutional Eligibility Requirements

NMMI is accredited by the Higher Learning Commission and have submitted the required documentation to the U.S. Department of Education. NMMI has been approved to participate in the programs listed below. Descriptions and eligibility requirements for each program are found in the Federal Publication for Federally Funded Programs.

- ◆ Federal Pell Grant Program
- ◆ Federal Supplemental Educational Opportunity Grant Program
- ◆ Federal Work-Study Program
- ◆ Academic Competitive Grant (no longer active)
- ◆ Federal Direct Loan Program
- ◆ Federal Stafford Loan Program
- ◆ Perkins Loan Program

New Mexico Military Institute accepts for admission persons who have a high school diploma or the recognized equivalent.

According to Title IV regulations, a student must be qualified to study at the postsecondary level to receive financial aid. A student may qualify by meeting any of the following criteria:

- ◆ Receive a high school diploma
- ◆ Receive a GED certificate
- ◆ Complete a secondary level home schooling program
- ◆ Pass the Department of Education-approved ability-to-benefit test
- ◆ Complete 6 units of degree applicable coursework in an eligible program of study (as of 07/01/2009)

## General Title IV Student Eligibility Requirements

To be considered eligible for and receive Title IV aid in the New Mexico Military Institute, a student must meet the following specific requirements:

- ◆ Be a U.S. citizen or eligible non-citizen
- ◆ Be a “regular student”, enrolled in an eligible program that leads to a degree, certificate, or a degree with transfer program
- ◆ Not be enrolled simultaneously in elementary or secondary school,
- ◆ Have a valid Social Security Number
- ◆ Be registered with Selective Service, if so required
- ◆ Sign a Statement of Educational Purpose certifying that federal student financial aid will only be used to pay educational costs
- ◆ Not be in default on a Title IV loan; or if in default, have made satisfactory repayment arrangements with the loan holder
- ◆ Have not obtained loan amounts that exceed annual or aggregate loan limits made under any Title IV loan program
- ◆ Not be liable for an overpayment of a Title IV grant or Federal Perkins Loan; or if liable, have made satisfactory repayment arrangements with the holder of the debt
- ◆ Be making satisfactory academic progress (SAP, see SAP below)
- ◆ Not have property which is subject to a judgment lien for a debt owed to the U.S.; or if subject to a judgment lien, have made satisfactory repayment arrangements with the debt holder
- ◆ Not have been convicted of an offense involving the possession or sale of illegal drugs that occurred while the student was enrolled and receiving Title IV aid
- ◆ Have completed repayment of funds to either Department of Education or the holder of a loan, if applicable
- ◆ Not have been convicted of, or pled nolo contendere or guilty to, a crime involving fraud in obtaining Title IV aid, and

Meet one of the following academic criteria:

- ◆ Have a high school diploma or its recognized equivalent (e.g., a GED)
- ◆ Have a passing score on an approved ability-to-benefit test
- ◆ Be home schooled, and obtain a secondary school completion credential for home schooling provided by the state of residency.

## Evaluation of New Programs

The Academic Dean will inform the Financial Aid Director of new courses that have been approved by the campuses' curriculum committee. Once this information is received, the Director of Financial Aid will complete an updated Participation Agreement and submit it to the US Department of Education for approval. No financial aid will be given to students enrolled in these courses until approval has been granted by the US Department of Education.

## Awarding Process

Financial aid applications are processed by federal central Processing Services (CPS). The processor does not award or deny funds. They assist in calculating financial need. Awards are based on the following:

### **STEP 1: Completing Verification**

If a student's financial aid application is selected for review by the Financial Aid Office or by CPS, the Financial Aid Office must receive all supporting documentation from applicant (or spouse if married or parent if required). This involves cross-checking information from all documentation (including the application) related to earned income, untaxed income, expenses, assets, liabilities and households size. This process is called "verification".

### **STEP 2: Assigning Budgets**

Financial aid students are assigned a Standard Nine-Month Student Budget which includes tuition, basic cost of fees, books and supplies, room and board, transportation and personal expenses. Additional expenses may be reviewed and factored into a student's basic nine-month budget on a case-by-case basis with supporting documentation.

### **STEP 3: Calculating Family Contribution**

The Financial Aid Office verifies parent and student contribution as calculated by the Federal need analysis formula. This family contribution is the amount which the family may reasonably be expected to contribute toward meeting the student's college expenses. The formula process is called "need analysis". The theory of need analysis is based on the following assumptions:

- ◆ Students have primary responsibility to pay for their education
- ◆ Parents, and or spouse to the extent that they are able, fund for their child or spouse's education
- ◆ Families should be evaluated in a consistent and equitable manner while recognizing that special circumstances can alter a family's ability to contribute.

- ◆ All students (dependent and independent) are expected to contribute towards their education. The expected contribution (EFC) is determined by a Federal formula calculation which adds together all resources which include:
- ◆ Earnings from employment;
- ◆ All other assistance such as Temporary Aid to Families with Dependent Children (TANF),
- ◆ Social Security and Veteran's Benefits;
- ◆ A percentage of assets such as savings and investments.
- ◆ A formulated percentage of basic living and medical expenses.

#### **STEP 4: Establishing Financial Need**

- ◆ From the need analysis, NMMI Financial Aid Office will be able to determine the relative financial strength or ability to pay for postsecondary educational expenses. Financial need is determined by subtracting the amount of the expected contribution from the standard budget. The remainder equals financial eligibility or "financial need". The NMMI Administration requires a minimum \$700 contribution from each student unless covered with scholarship aid.

## **Receive Notification of Eligibility**

The federal Central Processing Service will notify the student and each college identified on the student ISIR about the student Expected Family Contribution (EFC). Then the Financial Aid Office, after collection and verification of required documentation, will be able to inform the student how much and what type of aid a student will be able to receive. Federal student aid generally will not cover all of the student college expenses.

Financial aid is awarded in the form of a "package" or combination of different types of assistance. Preferential treatment is given to students who have the greatest financial aid eligibility (calculated EFC) and who have a completed their FAFSA application by the first priority date.

NMMI defines an academic year beginning with the fall semester, the second in spring and the third in the summer (beginning Summer 2016). \* Summer session not initiated. Academic year remains beginning with Fall Semester and second semester Spring.

**All financial aid awards are subjected to change based on new financial information or changes in federal or state funding.**

## **Awarding Policies**

NMMI Financial Aid Office reserves the right to adjust or cancel financial aid awards at any time due to changes in availability of funding or in a student's

financial need, state residency, marital or academic status or failure to comply with federal, state and district regulations.

Policy 1: New Mexico Military Institute reserves the right to review, adjust or cancel financial aid awards at any time because of changes in federal, state, or NMMI availability of funds.

Policy 2: Aid is awarded based on need and on a first come, first served basis to cover parts of a student's education cost to attend NMMI.

Policy 3: To be eligible for financial aid, a student must be enrolled as a "regular student", seeking a degree, certificate or degree with transfer, in an eligible NMMI program. Non-degree (certificate) programs must be approved for aid on the USDE Institutional Program Participation Agreement.

Policy 4: Pell Grant is based on academic year eligibility and will be adjusted each semester according to the number of units in which a student is enrolled. NMMI is currently operating with Pell Formula 1 for Pell awarding.

Policy 5: A student is responsible for all fees associated with attendance at NMMI.

Policy 6: If a student stops attending a class or classes they are responsible for following the withdrawal procedures and deadlines published in the campus catalog, blue book and/or class schedule.

Policy 7: Financial Aid Census date (usually concurring with term census date) will be set each semester, whereby an adjustment to the student award will be calculated if the student adds or drops credits prior to the census date. After Financial Aid census, no adjustments will be calculated for classes added or dropped. Students who complete file verification after FA census will be awarded and disbursed funds according to the credits showing at the time of disbursement.

Policy 8: If a student withdraws from all of their courses within the NMMI campus and a refund is due, the funds will be returned to the appropriate financial aid account.

Policy 9: Student eligibility will be based on enrollment status and educational expenses at the time of disbursement. A student must be enrolled at least half-time to be eligible for a Federal loan (6 units) or Federal Work Study.

Policy 10: Student eligibility for financial aid programs is contingent upon a student meeting Satisfactory Academic Progress (SAP) policies. A student must complete the required number of units and not exceed the maximum time frame as described in the SAP Policy.

Policy 11: A student's financial aid offer will be void and/or one or more financial aid programs (as appropriate) will be cancelled if it is based on any error in determining eligibility for aid whether it is caused by the student or the financial aid office.

Policy 12: Submission of false or incomplete information may result in immediate cancellation of a student's award and repayment of all funds that have been received. It may also result in consequences with NMMI and the Federal government.

Policy 13: When the student received an award notification (Federal Student Aid Report), this is not a guarantee that a student will receive financial aid. The Financial Aid Office (FAO) may be required to clarify or confirm such things as Selective Services status, dependency, citizenship, residency, and satisfactory academic progress.

Policy 14: If there is conflicting information on verification items, funds will not be disbursed until all items have been resolved.

## **Processing Student Aid Reports (ISIR Records)**

The Financial Aid Office participates in an Electronic Data Exchange (EDE) with the Department of Education. Information from the Free Application for Federal Student Aid (FAFSA) is processed, and the results are uploaded on a regular basis. An Institutional Student Information Record (ISIR) containing the official EFC is created which allows the Institution to make payment to eligible students.

## **Student Budgets**

Student Budgets are an integral component in the financial aid equation. Standard student budgets reflecting the average student population cost of attendance at a modest, but adequate standard of living are used to award financial aid.

The Financial Aid Director in collaboration with the College Supervisors collects information to prepare standard costs on an annual basis. All costs are based on limitations to the amounts and other criteria set forth in the Federal Regulations.

## **Direct Costs**

NMMI costs must be approved by the NMMI Board of Regents yearly.

- ◆ Tuition and fees - rates are based on NMMI Regent approved fee rates by category. NM True; In-State Waiver; Out-of-State/ North American;

- International.
- ◆ Waivers to standard tuition rates may be assessed based on demographics, veteran status of parent and/or student, full AGA, Sponsored Academy Preps, NMNG, etc).
- ◆ Room and board – all cadets reside on-campus
- ◆ Uniforms – generally one time allowance

## **Indirect Costs**

Indirect costs consist of the following types of expenses incurred by students:

- ◆ Books and supplies
- ◆ Transportation
- ◆ Miscellaneous items
  
- ◆ Miscellaneous items include personal expenses for toiletries, school supplies, medical/dental, recreational, etc.

Upon request, the Financial Aid Director or Assistant may review; and, if appropriate, adjust a student's budget. Students must submit appropriate supporting documentation.

## **Verification**

Verification is the process of confirming the accuracy of student reported data on financial aid applications. The USDE selection criteria requires that at least thirty percent of the financial aid population be verified. The school has the authority, and may be required, to verify additional students. Students may be selected for verification if there is a discrepancy or a condition, which is unusual and warrants investigation.

The Application and Verification Guide published by the USDE serves as a reference for verification requirements.

In view of the fluctuating population of students eligible for aid, rather than determine a 30% mark, New Mexico Military Institute will verify those students who have been selected by the Department of Education for verification. However, students may be asked to provide additional information if further investigation is needed to resolve a discrepancy.

Upon receipt of the electronic ISIR, a Document Tracking Letter is automatically generated for any student who is selected for verification according to the federal selection criteria. This letter informs the student of additional information, which is required to complete the financial aid application (verification form, student and parent tax returns, verification of citizenship, selective service status, etc.). Students are also notified that they have been selected for verification upon

receipt of their electronic Student Aid Report (SAR.)

Students are notified that some financial aid funds, such as SEOG and FWS are awarded on a first-come, first-serve basis and that until the missing items are submitted to the Financial Aid Office, additional processing of their file is not possible.

Required documentation items are identified and receipt date is maintained in a file tracking system. All required documents are identified upon receipt in the Financial Aid Office. When all of the requested items have been received, verification will be initiated. Files are processed in chronological order. As reviewed, additional corrections may be queued for transmission via EdConnect.

When the corrected ISIR is received, final review of the file takes place and an award is made if the student is eligible.

Documentation submitted to the Financial Aid Office must be legible, appropriate, and have the student's ID number for identification purposes. If the student submits a document that is not legible, the document will be returned and appropriate documentation will be requested.

Students who fail to submit verification documents will not be awarded Financial Aid.

Because the Financial Aid Office is liable for disbursements made prior to verification, it is the policy of the Office not to award nor disburse funds until verification is complete. NMMI's policy does not allow interim disbursements. Students must complete the verification process before aid is awarded or disbursed.

Financial Aid Office policies and procedures are designed to eliminate the possibility of an overpayment from any fund. If, however, an overpayment does occur, a stop order is placed on the student's records by the financial aid office and a letter is sent to the student. Students are not allowed to register for subsequent terms and academic transcripts are withheld until the account has been cleared.

## **Exclusions**

Certain circumstances excuse students from completing verification. Financial Aid staff must identify and document in the aid folder why the student is not required to complete verification. These circumstances may follow:

1. Incarceration
2. Recent immigrant
3. Spouse unavailable

4. Parents unavailable
5. Death of the student
6. Applicant verified by another school
7. Not an aid recipient

## **Awarding Financial Aid**

The Financial Aid Office has developed an institutional packaging philosophy to ensure consistent, equitable, and fair distribution of financial aid funds.

NMMI's policy is to provide the financial aid needed to each applicant to ensure that a degree or program will be completed; to minimize the adverse effects of financial concerns on academic performance; to provide the most advantageous combination of aid funds for which the student qualifies (subject to the availability of funds); and to make maximum use of all financial aid funds available to the institution.

General packaging guidelines are as follows:

- ◆ Determine if there are any outside resources (i.e. scholarship, or State aid)
- ◆ Determine Pell Grant eligibility
- ◆ Determine eligibility for other aid in this order SEOG grant, work-study, loans
- ◆ As outside aid is received it will be included in the student award package

Once a student file is marked complete, the Financial Aid Director or Assistant will award aid in the PowerFAIDS database.

Not all funds awarded to students will be expended because students may not enroll, may withdraw, or may decline a portion of their award.

### ***Determination of Total Funds to be Awarded***

The Financial Aid Supervisor determines the total aid funds to be awarded during an award year. The Department of Education sends the Financial Aid Office information detailing annual fund allocations through the Federal Authorization Letter with the Official Notice of Funding. Scholarship balances are determined from information from the awarding Foundation or Agency Office.

### ***Outside Resources***

Students are encouraged to seek assistance from outside resources. It is required that all outside assistance be reported to the Financial Aid Office. Student aid including outside resources, may not exceed the student's cost of

attendance. Therefore, if a student has been awarded funds by the aid office and receives an outside award, an adjustment to the original award letter may be necessary. If an adjustment is necessary, the outside aid will replace self-help aid if possible.

## **Award Letter and Acceptance of Awards**

Students receive notice of financial aid via an award letter. Students may accept or decline each award. Failure to respond is considered an acceptance of the award with the exception of loans. Loans will remain pending with email request sent to the cadet for action. After reasonable efforts have gone unanswered the loan offers will be canceled. If the cadet subsequently responds the loans can be reactivated for processing.

## **Summer Aid – NOT IMPLEMENTED as of June 2017**

### Summer 2016 NMMI SUMMER PELL GRANT AWARDING POLICY

NMMI is poised to begin summer awarding in Summer 2016

#### POLICY

NMMI has determined that Summer 2016 Pell will be a trailer to SY. NMMI will award using Formula One, with full time enrollment for summer being 6 or more units.

Students can receive a Pell Grant from remaining eligibility only from a First Scheduled Pell Award. All other eligibility requirements including SAP must be met before disbursing summer Pell Grants.

## **Consortium Agreements**

Students may receive Title IV aid if they are taking coursework at two or more schools if the participating institutions enter into a consortium agreement. A consortium agreement specifies that courses from the host institution will transfer to the home institution and that the home institution will process and disburse student aid. The institution disbursing financial aid funds is responsible for keeping records and returning Title IV funds in the case of an over award.

#### **Process:**

When the Consortium Agreement is approved by NMMI, the credit hours will be included as hours attempted for the term. The hours will be used, along with the hours from NMMI for that term. Consortium agreements are handled on a case-by-case basis, and may be granted only if the student cannot find required

coursework at NMMI. It will be the responsibility of the student to provide a grade transcript from the hosting college. If the transcript is not received from the host school, the course hours will be counted as not completed. The student will be sent a letter stating that the transcript has not been received, and that if it is not received those hours will still be counted, and future Consortium Agreements may not be approved.

NMMI does not participate in consortium agreements since no summer sessions are in place at NMMI and the nature of the regular session does not lend itself to study at an additional institution.

## **Federal Aid Programs in Which NMMI Participates**

The New Mexico Military Institute participates in the following Title IV Programs:

- ◆ Federal Pell Grant Program
- ◆ Federal Supplemental Educational Opportunity Grant (FSEOG)
- ◆ Federal Work Study
- ◆ Academic Competitive Grant (no longer active)
- ◆ Federal Stafford and Direct Loans
- ◆ Perkins Loan Program
- ◆ Bureau of Indian Affairs (BIA) (Native American Students Only)
- ◆ Veteran's benefits

The New Mexico Military Institute also participates in other scholarships that are made available through local and business organizations, community service organizations, employers, foundations, and any number of other sources.

## **PELL Grant**

The Department of Education is responsible for determining eligibility for Pell Grants based on the information students provide on their FAFSA application. The Financial Aid Office will award the proper amount of aid based on the Department of Education Pell Payment schedule that is received annually. Designated staff in the Financial Aid Office will be responsible for awarding and monitoring the Pell Grant program. The awards will be based on full-time status and disbursement will be based on the number of units a student is enrolled in. The total award reflects the full academic year and disbursement split will reflect an equal amount per semester.

Pell Grant is gift aid that is awarded to the highest need students. Students are automatically considered for Pell Grant when they file the FAFSA form and they receive an eligible EFC. Students who receive an Expected Family Contribution (EFC) as determined Pell eligible on the annual Department of Ed Pell Payment schedule may receive a Pell Grant for enrollment in one or more units, however, awards for students enrolled in less than full-time (12) units are prorated based on enrollment

status.

## **Federal Supplemental Opportunity Grant (FSEOG)**

FSEOG is a grant award made by the College to students with exceptional financial need. Because funds are limited, students who apply early and are eligible for Pell Grants, and who demonstrate the highest need with priority awarding going to those with a ZERO EFC, will receive first priority consideration for FSEOG. Students are considered for FSEOG when they submit documents to the Financial Aid Office with a valid ISIR. FSEOG is awarded on a first-come, first-served basis awarded as listed below:

### **FSEOG ALLOCATIONS BY EFC**

| <b>EFC</b>      | <b>MAXIMUM ALLOCATION</b> |
|-----------------|---------------------------|
| \$0000 - \$0700 | \$ 4,000.00               |
| \$0701 - \$1700 | \$ 3,000.00               |
| \$1701 - \$2600 | \$ 2,000.00               |
| \$2601 - \$3500 | \$ 1,000.00               |
| \$3501 - \$4400 | \$ 500.00                 |
| \$4401 - \$5198 | \$ 250.00                 |

(This scale is a guideline only. Actual awards will depend on fund availability)

## **Federal Work Study**

The Federal Work study Program (FWS) is employment financed primarily with federal funds. Students who apply for financial aid, demonstrate financial need, and indicate they will accept work will be considered for Federal Work Study. Students receive a monthly paycheck for hours worked. The total a student may earn depends on the amount of the student's award as determined by the Financial Aid Office, based on the funds available to the College, and the student's unmet need. Students must be enrolled at least ½ time to be eligible for Work Study funds. There may be off-campus jobs available with non-profit organizations. All work-study student will be paid at a rate of \$8 per hour. Due to a minimum wage increase mandate effective January 2020 the rate will be increased to \$10 per hour beginning SY 19-20. Future mandated federal or state mandated increases will result in a \$1 above minimum wage standard for work-study employees.

Depending on funding and individual awards, students may work up to 20 hours per week when school is in session. Students may be allowed to work more than 20 hours per week when between semesters or when school is not in session if funding is available.

## **Federal Stafford Loan**

Stafford Loans are made through lending institutions such as a bank or credit union. Students who are enrolled at least half time and who demonstrate financial need may apply for a Stafford Loan.

Students who are at least half time but who do not demonstrate a financial need for a Stafford loan may still obtain a loan, however, interest will be unsubsidized, and interest will start to accrue while the student is in school.

Federal Stafford Student Loans will cease to process thru lending institutions as of June 30, 2010.

## **Federal Direct Loan**

Direct Loans are made through the Department of Education. Students who are enrolled at least half time and who demonstrate financial need through the financial aid application process can have the interest paid (subsidized) on their direct loans by the federal government while they are in school.

Students who are at least half time but who do not demonstrate a financial need for a Stafford loan may still obtain a loan, however, interest will be unsubsidized, and interest will start to accrue while the student is in school.

## **Perkins Loan Program**

This program allows students who demonstrate financial need to borrow up to \$5,500 per year. The interest rate is fixed at 5.00%. Interest does not accrue to the borrower, nor does repayment begin on Perkins Loans until nine months after termination of college enrollment on at least a half-time basis. Interest accrued during in-school and the grace period is paid by the federal government. The repayment period is up to ten years depending on the total amount borrowed. Perkins Loans do not carry an origination fee. First-time borrowers must complete a Perkins Loan master promissory note to borrow funds through this program. Loan counseling must also be completed.

## **Bureau of Indian Affairs**

Native American Indian students may receive educational grants from the Federal Bureau of Indian Affairs (BIA). A student must be able to prove that he or she is a member of a federally recognized tribe. BIA requires applicants first to apply for a Federal Pell Grant.

## **Veteran Benefits**

Students who qualify for Veteran's Benefits for college attendance should contact the NMMI Registrar's Office.

## **State Aid Programs in Which NMMI Participates**

The New Mexico Military Institute participates in programs sponsored by the State of New Mexico:

- ◆ NMSIG (New Mexico Student Incentive Grant)
- ◆ NM College Affordability Grant
- ◆ NM Lottery Success Scholarship
- ◆ NM Work Study Program

## **Scholarships**

The New Mexico Military Institute also participates in scholarships that are made available through local and business organizations, community service organizations, employers, State foundations, and any number of other sources.

Scholarships are usually based on academic achievement, demonstrated leadership, community involvement, need, athletic prowess or a combination of those factors. NMMI posts information about scholarships when application materials or information is made available to the College.

Students should consult the Financial Aid Office and/or the Student Assistance Center for information about scholarships. Information on New Mexico Military Institute scholarships is posted on the NMMI website. Administration of NMMI scholarship controlled funds including timeline and process are addressed under the **NMMI Controlled Scholarships** section of this publication.

## **Revision of Financial Aid Awards**

Once an award letter is sent to the student there may be instances that require a change to the original notification. An Aid Administrator may review a student's circumstances, make an adjustment to an award, and generate a revised award letter. This revised award invalidates the original award notice.

### **Revision Initiated by the Financial Aid Office**

The Financial Aid Office will automatically consider a revision in a student's aid package when the following occurs:

- ◆ There is presence of conflicting information within the file.
- ◆ There is a change in availability of funds.
- ◆ There is a Financial Aid Office error.
- ◆ The Financial Aid Office receives a revised ISIR record from USDE that changes EFC or other eligibility components.
- ◆ There is a change in student SAP.
- ◆ Student goes into default or requires a repayment of funds to the USDE.

Students are sent a revised award letter as soon as possible with a message explaining the change. In the case of an Office error, it is customary to contact the student personally, or send a personalized letter.

## **Revisions Initiated by Request from Student**

It is the student's responsibility to notify the Financial Aid Office of changes in a student's resources and/or circumstances, including receipt of aid from an outside source. The student may notify the Financial Aid Office of any event that affects the student's family contribution by submitting a written request for review with any documentation to validate the change in circumstance. If a change to the award is allowed, the aid administrator will release a revised award letter.

## **Over awards**

If a potential or actual over award is discovered, USDE guidelines regarding over awards will be followed. Other aid that may need adjusting to prevent an over award will be done in the following order, first to last: loans, work study program, scholarship, FSEOG.

An over award occurs any time a student's financial aid (federal, institutional, state and outside aid) exceed the cost of attendance.

## **Eliminating an Over Award**

Before reducing a student's aid package because of an over award, an attempt will always be made to reduce or eliminate the over award. Two methods are

1. Increase cost of attendance budget using allowable expenses
2. Adjust undistributed funds

## **Causes of an Over Award and/or Overpayment**

There are several causes of an over award:

1. Student earns more than the awarded FWSP funds
2. Change in enrollment status
3. Student has resources greater than those originally used to calculate award
4. Aid administrator inadvertently makes an error
5. Student intentionally deceives or misrepresents information to obtain funds

## **Treatment of an Over Award**

If eliminating the over award is not possible, the Financial Aid Supervisor will reduce the over award using the following sequence:

1. An over award from administrative error must first reduce or eliminate next semester's payment and then bill the student for any remaining amount.
2. If an over award occurs due to fraud, procedures outlined by the United States Department of Education must be followed.

## **Professional Judgment Policy**

The Higher Education Act of 1992 allows financial aid administrators to make professional judgment decisions when there are special or unusual family or student circumstances that may call for adjustments in determining a student's eligibility for financial aid. Circumstances requiring professional judgment must be analyzed on a case-by-case basis. These circumstances must be documented.

Professional judgment adjustments may increase or decrease a student's EFC or cost of attendance. Specified adjustments may be made to data elements, but not to the formula. Adjustments made will apply to all institutional, state and Title IV aid awarded.

Circumstances that may warrant a professional judgment decision include, but are not limited, to the following:

- ◆ A change in income of the student's family that would affect the family's ability to pay for college expenses. Examples would be loss of employment, loss of untaxed benefits, a separation or death. Supporting documentation required.
- ◆ Student requests consideration as an independent student. Supporting

- documentation required.
- ◆ Excessive medical expenses. Supporting documentation required: Verification of medical expenses paid by family from doctors, hospitals, etc. or copy of tax return verifying itemized deductions, showing medical expenses.

The documentation must be submitted before approval will be considered. Documentation of professional judgment decisions will be maintained in the student's folder.

Professional judgment situations are unique, and addressed on a case-by-case basis. Circumstances other than those listed may be considered and will require documentation specific to that situation.

The Financial Aid Supervisor has the final authority to make professional judgment decisions. The decision of the Director is final. No further means for appeal are available.

## **Refund/Repayment Policy**

NMMI specifies the circumstances in which tuition refunds can be made. The full refund policy is found in the College Catalog.

For students receiving financial aid who officially withdraw from the College and are eligible for a tuition refund, the refund must first be applied to the Financial Aid programs in the following order:

Pell, SEOG, ACG – Repayment of a portion of the funds received will be required if a student stops attending classes before the 60% point of the term.

Scholarships, State Grants, Institutional Grants, require no repayment.

Work-study funds are paid for work performed, and no repayment is required.

Students are not allowed to register for further classes if they have an outstanding balance.

## **Return of Title IV Funds Policy**

The Financial Aid Director receives withdrawal reports on a regular basis from the Registrar's Office. Students are to notify the Financial Aid Office of withdrawal either by completing a withdrawal form or verbally. If a student gives verbal notification, the student will be instructed to complete a withdrawal form.

### **Return of Title IV Financial Aid / Official and Unofficial Withdrawals**

Title IV funds are awarded to a cadet under the assumption that the cadet will attend school for the entire period for which the assistance is awarded. When a cadet withdraws (officially or unofficially) the cadet may no longer be eligible for the full amount of Title IV funds that the cadet was originally scheduled to receive.

NMMI is a military boarding school. Class attendance is mandatory and monitored daily. Should a cadet leave the NMMI campus with the intention of not returning the Registrar and/or Commandant's Office would be alerted by monitoring staff.

- **Official withdrawal** – Cadet begins the official withdrawal process or provides official notification to the school of his or her intent to withdraw, the date of the institution's determination that the cadet withdrew would be the date the cadet began the official withdrawal process, or the date of the cadet's notification, whichever is later.

**Unofficial withdrawal** – Cadet ceased attending classes and did not begin the official withdrawal process or provide notification of his or her intent to withdraw or leave the school, the date of the institution's determination that the cadet withdrew would be the date that school becomes aware that the cadet ceased attendance.

The Higher Education Amendments of 1998 changed the formula for calculating the amount of aid a cadet and school can retain when the cadet totally withdraws from all classes. If a cadet withdraws from NMMI, the school, the cadet, or both may be required to return some or all of the federal funds awarded to the cadet for that semester.

If a recipient of Title IV grant or loan funds withdraws from a school after beginning attendance, the amount of Title IV grant or loan assistance earned by the cadet must be determined. If the amount disbursed to the cadet is greater than the amount the cadet earned, unearned funds must be returned. If the amount disbursed to the cadet is less than the amount the cadet earned, and for which the cadet is otherwise eligible, he or she is eligible to receive a Post-withdrawal disbursement of the earned aid that was not received.

Please note that if the cadet never actually began attendance for the payment period or period of enrollment, the cadet is not eligible for Title IV funds, and adjustments to awards must be made.

This policy applies to all Title IV federal aid recipients with disbursed aid from any of the following Federal programs: ***Federal Direct Stafford Loans (unsubsidized and subsidized), Federal Perkins Loan, Federal Direct PLUS Loans (Graduate and Parent), Federal Pell Grant, Federal Academic Competitiveness Grant (ACG), Federal National SMART Grant (SMART), and Federal Supplemental Education Opportunity Grant (SEOG), and TEACH Grant.***

The Financial Aid Office will use the software package released by the Department of Education (DOE), on FFA Access to CPS online using data from the PowerFaid's system to determine the required repayment from the institution and the student.

Refunds are allocated in the following order:

- Unsubsidized Federal Stafford Loan
- Subsidized Federal Stafford Loan

- Perkins
- Federal PLUS (Graduate) – N/A
- Federal Parent (PLUS) Loan
- Federal Pell Grant
- Federal Academic Competitiveness Grant
- SMART – N/A
- Federal Supplemental Educational Opportunity Grant
- TEACH - N/A
- Iraq Afghanistan Grant

A cadet who withdraws from all classes prior to completing 60% of the enrollment term is subject to having his/her aid adjusted based on the percentage of the term completed. Up through the 60% payment period or period of enrollment, a prorata schedule is used to determine the amount of Title IV funds the cadet has earned at the time of withdrawal. After the 60% point the payment period or period of enrollment, a cadet has earned 100% of the Title IV funds he or she was scheduled to receive during the period.

The formula used in the federal Return to Title IV (R2T4) calculation divides the aid disbursed to cadet accounts into “**earned aid**” and “**unearned aid**.” During the first 60% of the period of enrollment (semester), cadets "earn" Title IV funds in direct proportion to the length of time the cadet remains enrolled. "Unearned" aid is the amount of disbursed Title IV aid that exceeds the amount of aid earned under the formula. Cadets contemplating withdrawal from all classes **PRIOR** to completing 60% of the term should contact the Financial Aid Office to discuss how this will affect their financial aid and satisfactory academic progress status.

***(For example, a cadet who withdraws from all classes after completing only 30% of term only earns 30% of aid disbursed or received on his/her account. As a result, the school or cadet must return the 70% of the disbursed/received aid that was not earned.)***

Example of how Return of Title IV is calculated: The percentage of the period a cadet remains enrolled is derived by dividing the number of days attended by the number of calendar days in a term/semester (excluding breaks of 5 consecutive days or more). This is referred to as the percentage completed (% completed).

EARNED aid is calculated as follows: Total aid disbursable *multiplied by* % completed

If EARNED aid equals disbursed aid, no action is required.

If EARNED aid exceeds disbursed aid and the cadet still has aid that has not disbursed, the university must calculate a post-withdrawal disbursement. The cadet

is notified by letter, email, or phone regarding the aid to be disbursed to the cadet account and to verify whether or not the cadet wants funds disbursed for the term. The cadet will be given 14 days from the offer to respond to the inquiry. The Financial Aid Office has up to 180 days to disburse funds after the withdrawal date has been determined. (This is for post withdrawal disbursements)  
If EARNED aid is less than disbursed aid, the school must calculate the difference to be returned by the school and by the cadet. The calculation is as follows:  
[A]UNEARNED aid: Total aid disburseable *minus* EARNED aid

[B]Percentage of UNEARNED aid (% UNEARNED): 100 *minus* % completed

The school's share of the "unearned" aid is the lesser of the total amount of "UNEARNED aid" [A] or the school charges multiplied by the "Percentage of UNEARNED aid" [B]. This amount must be returned by the school.

The cadet's share is the difference between the total unearned amount and the school's share. UNEARNED aid *minus* school's share *equals* cadet's share. This amount must be returned by the cadet.

The Financial Aid Office must complete the R2T4 withdrawal calculation within 45 days from the date the University determines the cadet withdrew. Cadets are responsible for any balance on their cadet accounts due to official or unofficial withdrawal calculations.

### **All "F" Grade Recipients**

A cadet receiving all 'F' grades is required to comply with the federal Title IV Refund Policy (R2T4). When federal financial aid either partially or fully pays educational expenses and the cadet receives all 'F' grades, the Financial Aid Office is required by federal regulations to comply with the Title IV Refund Policy.

The school must determine whether the cadet earned the failing grade by completing the course (after 60%) but failed to achieve the course objectives or earned the failing grade because he or she stopped attending classes. Instructors are required to enter a last date of attendance for any cadet they enter an F grade for and they enter -0- as date of last attendance if cadets never attended classes. If no date is entered attempts are made to contact cadets and instructors to determine a last date of attendance or if the cadet never attended a class(s). In most cases these are resolved and R2T4 is performed on cadets who stopped attending classes prior to completing 60% of the period of enrollment. If no information can be obtained the Mid Point of the semester is used as the last date of attendance.

### **Why do we monitor cadets receiving all 'F' grades?**

The school is obligated by federal regulation to review aid recipients receiving all 'F' grades. The assumption behind the law is that a cadet receiving all 'F' grades walked away from the semester without properly withdrawing from the University. Schools must identify cadets with 'F' grades within 30 days from the date final grades are posted.

### **When are cadets notified that he/she may owe money back to the school?**

After all withdrawals (official and unofficial) are processed cadets are sent emails and letters informing them of their status; if they owe money back, consequences of the withdrawal, deadline dates to respond to correspondence and timeframe to repay any money back to school and/or Department of Education.

After any withdrawal is processed the cadets are notified that they are responsible for repaying any portion the school returned and any amounts the cadet is required to return, if any. The school does not make payment arrangements with the cadet for the cadet portion of the recalculation. If the cadet does not repay the total amount due if there is a cadet portion, the cadet portion is referred to the Department of Education for collections. The school processes the official and unofficial withdrawal as soon as notification is received regarding the official withdrawal or soon after end of semester grades are posted.

The Financial Aid Office reports to the Business Office all R2T4 calculations requiring an adjustment.

## **Satisfactory Academic Progress Requirements**

All students receiving Federal and State financial aid must maintain good standing in all their academic work while enrolled in classes at NMMI. Students must adhere to all academic policies and procedures established by the College that define academic “good standing” in order to continue to receive their financial aid. All college students are required to maintain full-time status with course work (at least 12 credit hours). All students in general, including those not receiving financial aid, follow these academic guidelines and procedures:

### **Academic Probation**

If a student has attempted at least 12 semester units and has a term grade point average (GPA) of less than 2.00 (C or better), that student shall be placed on academic probation.

### **Academic Suspension**

A student who has been placed on academic probation and earns a term grade point average of less than 2.00 in all units attempted shall be subject to academic suspension.

Any student whose term grade point average falls below 1.50 at the end of a semester shall be subject to academic suspension.

### **Suspension Procedures**

If the College suspends a student for academic deficiencies that student may petition the Academic Dean for readmission.

The student will be notified within a specified time, whether the petition for readmission was approved or denied.

## **Satisfactory Academic Progress (SAP) Policy - Effective F11**

The NMMI Financial Aid Office is required by Federal regulation to determine whether a cadet is enrolled in a degree-seeking program and is meeting satisfactory academic progress (SAP) requirements. All classes a cadet enrolls in must be required for his/her declared degree. The cadet's entire academic records are considered in determining eligibility for financial aid whether or not they have previously received aid.

The Financial Aid Office reviews academic progress after each semester. For purposes of Title IV consideration, a cadet at NMMI is considered to be making satisfactory progress when (1) the number of credits earned, divided by the number FTE semesters in attendance at any accredited institution of post-secondary education is equal to 12 or more; and (2) maintain a cumulative grade point average (GPA) of 2.00 each semester of attendance at NMMI; and (3) the maximum number of semesters permitted for completion of the course work for an Associate Degree is 6 semester of full-time enrollment. The computation for this phase of satisfactory progress will be accomplished at the end of the academic year. Computation of the credits earned and the cumulative GPA will be accomplished at the end of each semester, but before the beginning of the succeeding semester.

### **Failure to maintain these standards may result in loss of financial aid eligibility**

| <b>STANDARD</b>              | <b>MINIMUM REQUIREMENT</b>  |
|------------------------------|---|
| <b>Qualitative Standard</b>  | Maintain a cumulative grade point average (GPA) of 2.00 each semester of attendance at NMMI   |
| <b>Quantitative Standard</b> | The number of credits earned, divided by the number FTE semesters in attendance at any accredited institution of post-secondary education is equal to 12 or more  |
| <b>Maximum Time Frame</b>    | The maximum number of semesters permitted for completion of the course work for an Associate Degree is 6 semester of full-time enrollment. The computation for this phase of satisfactory progress will be accomplished at the end of the academic year |

## FINANCIAL AID SAP STATUS DEFINITIONS

**ELIG (Eligible)** Cadet meets all the conditions of maintaining satisfactory academic progress.

**WARN (Warning)** A cadet will be placed on Warning Status if he/she failed to achieve a minimum 2.0 GPA or better or if the credits earned calculation is below the required number. Cadets on warning status will be eligible to receive financial aid during that period. At the end of the warning period, a cadet must have a cumulative GPA of 2.0 or better and a satisfactory completion rate to continue receiving financial aid.

**DENY** A cadet is **DENY** when he/she fails to make satisfactory academic progress during a warning term or completes the semester with grades of all F's and, therefore, ineligible to receive financial aid.

A cadet who is **DENY** has two options:

1. Appeal by completing a SAP appeal form or
2. Attend at his/her own expense until the cadet raises his/her cumulative GPA to 2.0 and has a satisfactory completion rate.

**TIME (Maximum timeframe)** A cadet has exceeded the time frame limit for his/her declared degree or certificate. Cadet may not receive Title IV financial aid for courses that do not meet the requirements for completing his/her declared degree program. **The timeframe for degree completion is limited by Federal regulations to 150% of the published length of the degree program.**

Credit hours attempted will include completed credits, incompletes, withdrawals, transfer credits, and repeated or failed classes. If due to withdrawals, failed courses or change in degree program, etc., the cadet exceeds the maximum number of attempted credits for his/her program or a cadet cannot complete the program of study without exceeding the maximum timeframe, then he/she will no longer be eligible for Federal financial aid for any future terms.

## SAP NOTIFICATIONS

A cadet will be notified by mail and/or his/her NMMI email account at the end of each term regarding SAP status for the next semester of attendance. **DENY** notifications are sent via certified, return-receipt mail. Official letters are also mailed and/or emailed to a cadet to notify them of Financial Aid Appeal results.

SAP notifications are based on available information at the time the process is run. This information is subject to change or correction. Therefore, it is the responsibility of the cadet who has been notified of a SAP status to document and report to the NMMI Financial Aid Office any corrections to information (such as grade changes, etc.) used to determine SAP status. Any aid released to a cadet who is

subsequently determined to be ineligible for financial aid under the rules of SAP will be returned and the cadet will be responsible for any balance on his/her account.

### **FINANCIAL AID APPEALS (SAP Appeals)**

A cadet who is **DENY** for failing to meet Satisfactory SAP may regain eligibility by successfully appealing to the Financial Aid Committee if he/she had an extenuating circumstance that prevented him/her from successfully meeting SAP standards.

An extenuating/special circumstance must exist and be supported by additional documentation in order to file an appeal to regain financial aid eligibility. A special circumstance may include injury, illness, the death of a relative, or other special circumstance during the term the aid was received. Circumstances do not include a lack of dedication to his/her studies, not understanding the impact of withdrawals, etc.

*All submitted documentation for a Financial Aid Appeal is confidential and only used to verify and support a cadet's appeal.*

A cadet may be approved for reinstatement on a probationary status of no more than one term to resolve all deficiencies. A cadet who appeals, but for whom it would be mathematically impossible to resolve all deficiencies in one term, will be placed on an academic plan. Appeals must provide documentation of circumstances on which the appeal is based. Appeals must also specify why the cadet failed to satisfy SAP requirements and what has changed in the cadet's situation. An academic plan will be required to insure counseling and direction.

**PROB (Probation)** A cadet who successfully appeals may be placed on financial aid probation. Cadets on probation will be eligible to receive financial aid during that period. Reinstatement of aid during this probationary period may be no longer than one term and SAP will be evaluated at the end of the probation term. During the probation term, a cadet must complete 100% of all attempted credit hours with a term and cumulative GPA of 2.0 and satisfactory completion rate. Failure to do so will result in cadet being placed **DENY** with no appeal.

**PLAN (Academic Plan)** Cadets may be placed on an academic plan upon submission of a successful appeal. If it is mathematically impossible for a cadet to resolve all deficiencies during one term of attendance and the cadet's reason for appeal is appropriate according to Federal regulations, the cadet may be placed on an academic plan with the end goal being to resolve all deficiencies. An academic plan varies in length and will be determined after the appeal is approved and will not be the same for all cadets. It does not have to equate to the exact number of terms it would take a cadet to resolve all deficiencies. Cadets granted aid eligibility through an academic plan may receive aid for the term. If the cadet is meeting the criteria identified in the SAP appeal approval at the end of the term, the cadet's academic plan may be extended. If cadets fail to meet the terms on the plan, the cadets will be **DENY** with no appeal.

**TRANSFER STUDENTS** - The assessment of a cadet's academic progress will be based on the cadet's entire academic record to include all hours from other institutions, whether or not financial aid was received. Transfer students entering NMMI must be enrolled in a program of study which leads to a degree or certificate.

A student's file will not be reviewed until it is complete and all academic transcripts are received.

**WITHDRAWING FROM CLASSES** – Cadets who enroll in classes are responsible for officially withdrawing from classes which they are not attending or planning to attend. Cadets that stop attending classes and do not officially withdraw will receive a failing grade. In these cases, cadets that received Title IV funds may owe all or a portion of the money received back to the school and/or the Federal Government.

**NOT ATTENDING CLASSES** - The law makes clear that Title IV funds are awarded to a cadet under the assumption that the cadet will attend school for the entire period for which the funds are awarded. If a cadet never attends at least one class then the cadet is not eligible for Title IV funds.

Students will be monitored for Satisfactory Academic Progress each term and over the course of the academic year (Fall, Spring, and Summer).

## **Audits and Program Reviews**

Federal regulations require the Financial Aid Office to have its records and student files audited annually. Each audit must cover the time period since the last audit. NMMI is audited annually by an independent auditing firm which reviews a sample of student files to ensure the Financial Aid Office is in compliance with federal, state, and institutional policies. Any exceptions found during the audit will be addressed. The auditing firm then submits findings to the College for review and after that review, the auditing firm then submits the findings to the U.S. Department of Education. Federal reviews are conducted by the U.S. Department of Education on a basis determined by that Department. Institutions are notified ahead of time when the review will take place.

Each Institution must fully cooperate with the auditors' requests. Typically, the auditors will randomly select a specific number of students from each of the Title IV programs. The files are pulled and given to the auditors. Any additional assistance requested must be responded to promptly. Much of the audit process is conducted online.

A complete listing of financial aid audit guidelines can be found in the Audit Guide published by the U.S. Department of Education. See this reference document for additional information.

## **Fraud**

There are on occasion situations where students and/or parents purposefully misrepresent information in the hopes of obtaining aid or obtaining additional assistance. The Financial Aid Office is required to have a policy of referral when confronted with actual or suspected cases of fraud and abuse.

## **Policy for Fraud**

Students and parents who willfully submit fraudulent information will be investigated to the fullest extent possible. All cases of fraud and abuse will be reported to the proper authorities.

## **Procedures for Fraud**

If, in an aid administrator's judgment, there has been intentional misrepresentation, false statements, or alteration of documents which have resulted or could result in the awarding or disbursement of funds for which the student is not eligible, the case shall be referred to the Director and Dean of Students for possible disciplinary action. After investigating the situation, if the Director believes there is a fraudulent situation, all information must be forwarded to the Office of Inspector General of the Department of Education or the local law enforcement agency.

The Financial Aid Supervisor reviews the student's aid file with the appropriate aid administrator, and if the decision is made by the Director and/or the Financial Aid Supervisor to pursue the possibility of denying or canceling financial aid, a written request to make an appointment is sent to the student. If the student does not make an appointment, the Financial Aid Supervisor may:

- ◆ Not process a financial aid application until the situation is resolved satisfactorily.
- ◆ Not award financial aid.
- ◆ Cancel financial aid.
- ◆ Determine that financial aid will not be processed in future years.

All processing of the application or disbursement of funds shall be suspended until the Director or Dean of Students has made a determination as to whether the student shall be required to make an appointment.

Fraudulent situations should be reported to the hotline of the Department of Education Inspector General.

## NMMI Controlled Scholarships

The function of the New Mexico Military Institute Scholarship Committee is to award NMMI controlled scholarship dollars in an equitable fashion with the goals of recruitment and retention as the main focus. These awards – depending on criteria - may be awarded to high school and/or college cadets. The scholarship dollars are comprised of monies allotted for scholarship awards through the Alumni Relations, the NMMI Foundation, and the NMMI trust accounts.

The Scholarship Committee is comprised of:

- ◆ Director of Financial Aid – Chair
- ◆ Academic Dean or designee
- ◆ Commandant of Cadets or designee
- ◆ Professor of Military Science or designee
- ◆ Chief Financial Officer or designee
- ◆ Director of Athletics or designee
- ◆ Executive Director for Alumni Relations
- ◆ Chief Executive Officer of NMMI Foundation, Inc.
- ◆ Director of Admissions
- ◆ Four (4) faculty members to include one representative for SAC appointed by the Faculty Senate

A quorum will consist of a simple majority of the full committee (7 members).

A cap will be established by the presiding scholarship committee membership prior to each awarding cycle to insure equitable distribution of the funds available. The cap currently is at 73-75% of the total NMMI cost and can be adjusted up or down in relation to fund availability only at the beginning of the award cycle. Requests to exceed the cap or review for special circumstance can be submitted to the Scholarship Office by the Superintendent, Commandant of Cadets, Academic Dean or Scholarship Committee Chairman by completing the Special Circumstance Form. Requests to exceed the cap should be submitted in instances of severe need or exceptional talent.

Need-based scholarships must be awarded based on the need of a cadet. This is determined by the information provided through the FAFSA application for college cadets and the SSS (School and Student Services) application <https://sssbynais.force.com/familyportal/familylogin> for high school cadets.

Foreign students are not eligible for need-based aid if they hold an F-1 visa status as they must prove financial ability to pay in order to pass immigration interviews. If the family dynamic has changes substantially from the reporting year to current a special circumstance review may be conducted by the Director of Financial Aid or Associate Director.

To be eligible for scholarship consideration a cadet must:

1. Be in good academic standing (2.0 term gpa) and must maintain a satisfactory (minimum "C") department grade.\*
2. Must be accepted for, or enrolled full time.
3. Must meet need-based assessment for need-based awarding.
4. Must meet the particular eligibility requirements of the scholarship being considered.

\*Committee will consider the last available term (GPA and Department) information.

Scholarships are generally awarded on a year basis (1/2 scholarship worth credited per term). In order to receive the 2<sup>nd</sup> term award the cadet must continue to maintain eligibility as listed above. No scholarship is guaranteed to be renewable for the following school year.

All scholarship recipients must acknowledge their appreciation for the scholarship funds by sending the donor, or the donor's designee, a letter of thanks. Fund managers are required to monitor compliance with this policy. Failure to submit a letter of thanks may result in loss of the scholarship.

## **Timeline:**

### **October**

- ◆ Scholarship update questionnaire mailed to current cadets
- ◆ New cadet information is gathered from the Formal Application as submitted year round
- ◆ Returned and updated in system
- ◆ New scholarship criteria may require new fields and set-up in system as submitted year round
- ◆ Request Fund Managers (Foundation, Alumni, Business Office) provide dollar amounts available for upcoming award year (requested receipt by mid-Nov).
- ◆ Set scholarship access data-base for dual year processing

### **November**

- ◆ Prepare PowerFails system for awarding in upcoming award year (fund dollars entered, letters updated, selection sets reviewed, etc.)
- ◆ Review scholarship listing to insure capability to reaward (funding and criteria)
- ◆ Review scholarship listing in Scholarship Review program to insure all are included

### **December**

- ◆ Move current cadets into upcoming awarding year system
- ◆ Move semester academic and department grades into PowerFails. (Scholarship awards are based on semester grades and department – each semester)

- ◆ Notify current year recipients of withdrawn awards as necessary. *(This creates additional current year dollars that need to be awarded to a current cadet to insure as many dollars as possible are awarded within the school year. (This is where the dual sessions occur)*

### **January**

- ◆ For current year review current cadets for new awards based on dollars released from withdrawn awards or non-returners. *(This will continue through April or until all funding is expended for current school year)*
- ◆ For upcoming school year move over from current year continuing awards and check for eligibility and continued funding
- ◆ Identify eligible awards that will be unfunded for upcoming year
- ◆ Post acceptable continuing awards – this is a tedious one-by-one process – to be completed by Jan. 20.
- ◆ Request scholarship recommendations from departments where criteria are contingent on the department. Recommendations should be received between Jan. 20 – Jan. 31

### **February**

- ◆ Conduct a full scholarship committee meeting (2-3 full days). Unfunded renewable scholarships will also be considered during these sessions.
- ◆ Quality control review of recommendations for eligibility, funding and potential overawards
- ◆ Posting of awards – one-by-one
- ◆ Letter generation – batch process
- ◆ Awards notification mailed (original to cadet mailslot with a copy sent home)

### **March-September**

Continue to award scholarships as funds are made available and/or qualified candidates are identified.

# **General Richard T. Knowles Legislative Scholarship**

## **Application Requirements for New Students:**

1. Academic Requirements
  - A. New 9<sup>th</sup> grade applicants
    - a. 7<sup>th</sup> and 8<sup>th</sup> grade transcript/report card
    - b. 2.0+ cumulative GPA
  - B. New 10-12 grade applicants
    - a. All high school transcripts
    - b. 2.0+ cumulative GPA
  - C. New College Applicants
    - a. All high school transcripts
    - b. 2.0+ cumulative GPA
2. Must be a New Mexico resident
3. Apply for admission to NMMI
4. Submit Legislative Application
5. Autobiographical essay (250 words minimum)
6. Three letters of recommendation

## **Application Requirements for Current Cadets:**

1. Academic Requirements
  - A. Cumulative high school GPA of 2.0+ from the last available term
  - B. Last available department grade must be "C" or better
2. Must be a New Mexico resident
3. Submit Legislative Application
4. Autobiographical essay (250 words minimum)
5. Three letters of recommendation

## **Requirements to Retain Scholarship (evaluated at the end of each award year):**

1. Maintain a NMMI cumulative GPA of a 2.0 or better
2. Maintain a "C" average or better from the last two available department grades

## **Luciano (Lucky) Varela Opportunity Scholarship - HEC/HB 68**

An act

Relating to the New Mexico Military Institute; creating the Luciano "lucky" Varela Opportunity Scholarship; creating the Luciano "lucky" Varela Opportunity Scholarship Fund; allowing The transfer of funds; making an appropriation. Be it enacted by the legislature of the State of New Mexico:

**SECTION 1.** A new section of Chapter 21, Article 12 NMSA 1978 is enacted to read:

"LUCIANO "LUCKY" VARELA OPPORTUNITY SCHOLARSHIP CREATED--  
PURPOSE.--The Luciano "Lucky" Varela Opportunity Scholarship is created at the New Mexico military Institute. The purpose of the scholarship is to increase the number of New Mexico high school students attending the New Mexico Military Institute who meet need-based requirements and who might not otherwise have the opportunity to participate in a military education and environment."

**SECTION 2.** A new section of Chapter 21, Article 12 NMSA 1978 is enacted to read:

"PROGRAM ADMINISTRATION--CRITERIA.--

A. The Luciano "Lucky" Varela Opportunity Scholarship shall be administered by the Board of Regents of the New Mexico Military Institute. The Board of Regents shall annually establish a number of Luciano "Lucky" Varela Opportunity scholarships available to New Mexico high school students who meet need-based requirements.

B. Scholarships shall be awarded to qualifying New Mexico residents for a term not to exceed four years.

C. The Board of Regents of the New Mexico Military Institute shall establish criteria based on need, up to the total cost of attendance, in accordance with New Mexico Military Institute admission requirements for New Mexico high school residents."

**SECTION 3.** A new section of Chapter 21, Article 12 NMSA 1978 is enacted to read:

"LUCIANO "LUCKY" VARELA OPPORTUNITY SCHOLARSHIP FUND.--

A. Subject to available funding, the "Luciano "Lucky" Varela Opportunity Scholarship fund" is created. Money appropriated to the fund or accruing to it through gifts, grants or bequests shall not be transferred to another fund. The fund shall not revert at the end of a fiscal year. Any interest earned from investment of the fund shall be credited to the Luciano "Lucky" Varela Opportunity Scholarship fund for the purpose of implementing the Luciano "Lucky" Varela Opportunity

Scholarship. Money in the fund is appropriated to the board of regents of the New Mexico Military Institute.

B. The Board of Regents of the New Mexico Military Institute may invest and reinvest the Luciano "Lucky" Varela Opportunity Scholarship fund in accordance with state investment council policy."

**SECTION 4.** A new section of Chapter 21, Article 12 NMSA 1978 is enacted to read:

"NEW MEXICO MILITARY INSTITUTE--TRANSFER OF BUDGET BALANCES.--With the approval of the Higher Education Department, the Board of Regents of the New Mexico Military Institute may, each fiscal year, transfer up to five hundred thousand dollars (\$500,000) of the institute's budget balances, including existing scholarship endowments, to the Luciano "Lucky" Varela Opportunity Scholarship fund established to implement the Luciano "Lucky" Varela Opportunity Scholarship."

**SECTION 5.** Section 21-12-13 NMSA 1978 (being Laws 1990, Chapter 109, Section 1, as amended) is amended to read:

"21-12-13. FUND CREATED.--The "Legislative Scholarship fund" is created. No money appropriated to the Legislative Scholarship fund or accruing to it through gifts, grants or bequests shall be transferred to another fund; provided that up to five hundred thousand dollars (\$500,000) may be transferred annually to the Luciano "Lucky" Varela Opportunity Scholarship fund. The Legislative Scholarship fund shall not revert at the end of any fiscal year. Any interest earned from investment of the Legislative Scholarship fund shall be credited to the Legislative Scholarship fund for the purpose of implementing the General Richard T. Knowles legislative scholarship program. Money in the Legislative Scholarship fund is appropriated to the New Mexico Military Institute."

**SECTION 6.** EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2018.