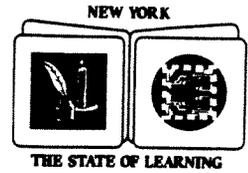

ADM'S

ADMINISTRATIVE MEMORANDA

HIGHER EDUCATION OPPORTUNITY PROGRAMS

STATE EDUCATION DEPARTMENT
THE UNIVERSITY OF THE STATE OF NEW YORK
Albany, New York 12230



THE STATE EDUCATION DEPARTMENT / THE UNIVERSITY OF THE STATE OF NEW YORK / ALBANY, N.Y. 12230

ASSISTANT COMMISSIONER FOR HIGHER EDUCATION SERVICES
HIGHER EDUCATION OPPORTUNITY PROGRAM

July 15, 1991

Dear Colleague:

As you are aware, the ADM (Administrative Memorandum), which has been one of the primary vehicles we have used for communicating with field personnel since 1976, provides general information; announcements and upcoming dates and events; supplemental guidelines; and interpretations of HEOP policies and practices. Recently, we reviewed all of these ADM's, deleted outdated information, and compiled the remaining information in this, the beginnings of an ADM notebook. The ADM's retained here represent policies, practices, definitions, etc., communicated as early as 1976, which are still in effect.

For easy and ready reference, the ADM's are :

*Divided into 4 sections:

- I. General Program
- II. Program Funding
- III. Student Eligibility
- IV. Student Financial Assistance

*Numbered and dated in chronological order.

The important information contained in all ADM's affect your program and we urge you to:

1. Read them carefully and contact your liaison immediately if you have questions.
2. Share them with your entire HEOP staff, institutional officials, and students (when appropriate) in a timely fashion.

-
3. Maintain them in a notebook/folder along with your Program guidelines for future reference.

Thank you.

Sincerely,

Douglas P. Mercado

Douglas P. Mercado, Chief
Bureau of Higher Education
Opportunity Programs

I. GENERAL PROGRAM

ADM 8302 (9/27/83)

Program Enrollment and Your Funding. Directors at several institutions have recently indicated a need for an explanation of the impact of over- or under-enrollment in a program. Here are the points to keep in mind:

Overenrollment. Because the total number of students HEOP may serve Statewide is limited by annual legislation, a fairly tight control system is in place with regard to enrollment levels. If you find yourself overenrolled, or project, in average annual FTE, enrollment beyond your approved budget, you should request funding in writing at once, through your liaison. Keep in mind that there is no obligation on the part of the State to provide support for any students over your budgeted number; however, often requests made early enough in the academic year can be balanced off against underenrollment in other programs. If you are requesting such funding, you may request it for both the academic services and financial aid portion of your budget, as expressed in per-student dollars. However, most often financial aid is provided when overenrollment requests are honored...in such cases you must be prepared to provide services to these students with the resources already available.

Underenrollment. As you know your HEOP contract funds are linked to student numbers. This "contract rate" is the maximum dollar amount per FTE that can be paid. In order to recognize that some "Supportive Service" costs (i.e. payroll) are fixed even when student numbers decline, the "contract rate" is usually a fixed percentage higher than the "student rate" indicated in your approved budget. This allows us to pay fixed costs while retrieving the unspent student financial aid generated by under-enrollment. However, when underenrollment is severe the "contract rate" times your approved FTE may be less than your actual expenditures and we are then unable to cover all fixed costs (you will hear us refer to this as "contract rate problems").

For these reasons, you need to project future enrollments as accurately and as early as you can. The better you do this, the better your chance of recruiting transfers or new students to make up shortfalls, to negotiate budgetary matters with this Bureau, and--when all else fails--to prepare institutional officials for bad fiscal news.

ADM 8615 (6/2/87)

1. Documentation of the Delivery of Supportive Academic Services

The recent report of the Legislative Commission on Expenditure Review (LCER) on HEOP, while generally favorable, found that a number of institutions were unable to document the hours of tutoring and counseling individual students had received in a given year. This was true for both the academic year and prefreshman summer periods, although the latter was more problematic. There were several cases in which a director knew a service had taken place, but could not produce proper documentation to that affect.

Such records are important for several reasons: they help to form a trail for State support of the program all the way to the individual student; they allow the program manager to build a case record for each student; and they provide a valuable resource for research on program improvement.

As you know, the HEOP reporting system does include formats for recording aggregate hours of various services delivered. It had been our assumption that these figures were compiled from individual unit records maintained at the campuses. This may not always be the case, or such records may not be maintained after information has been transferred to aggregate forms.

Staff here have met with the Policy Board Committee of HEOP/PO to discuss next steps. We agreed it would not be in the best interests of the programs to mandate any particular set of forms for campus-level record-keeping. Instead you should proceed as follows:

- (a) Scrutinize your record-keeping procedures to make sure **you can reconstruct, for each student, the number of hours of HEOP tutoring, counseling and remedial work the student received in the summer and academic year throughout the student's history.** Of course, additional information about the nature of these contacts can be helpful to you for program management purposes as well (e.g., type of tutoring, name of counselor). **Both individual and group sessions should be recorded.**
- (b) If your system is not now able to do this, we expect such a capacity by this July 1. Enclosed are forms now used by some HEOP institutions which may or may not be appropriate for your situation but which may be helpful as guides.

Most remedial work is recorded on students' academic transcripts. If some remedial/developmental work at your institution is not so recorded, you will need to make sure you have another way of documenting it. It is our recommendation that

each student's file have a complete record of all services delivered to that student, although you can meet our requirements through maintaining central records only. The latter approach makes it more time-consuming to look over a student's program history, however. Of course, counseling information of a personal nature should continue to be kept in a confidential manner; such information is not the issue here.

We believe most programs do in fact have in place record-keeping systems which meet these requirements. The LCER review reminded us of the necessity of making sure such records are kept thoroughly and systematically.

If you do adopt new or additional forms in your program, please pass on copies to your liaison to be filed as an amendment to your proposal.

The list of "data elements" in HEOP guidelines has been amended to include tutoring, counseling and remedial course hours. New pages are attached to this memorandum.

II. PROGRAM FUNDING

ADM 8511 (3/13/86)

Institutional Funds and HEOP contract. Institution Funds Committed to HEOP for 1986-87 and Thereafter. The HEOP contract for 1986-87 will contain language which more clearly specifies the obligations of an institution with respect to monies it commits to the program. Attached is an explanation of the change and how it will be implemented in practice. This does not depart from the understanding most institutions have had regarding HEOP funds, but does make very clear how important it is for institutions only to commit themselves to funds they intend to spend. You will want to be familiar with this material as you work with us on final budgets for 1986-87 and to share it with other appropriate officials on campus.

NEW HEOP CONTRACT LANGUAGE 1986-89

In 1983 the Office of the State Comptroller conducted an audit of the Bureau of Higher Education Opportunity. As a result of this audit the Bureau was requested to revise and strengthen the language in the standard HEOP contract regarding the institutions' financial commitment. The revised HEOP contract to be implemented for the contract period beginning July 1, 1986 will contain language similar to the following:

The Institution is by the terms of this contract obligated to provide the fiscal support to which it has committed itself in accordance with each annual approved program budget; adjustments to any line item in a program budget, from any discretionary source, may be made only by written agreement between the Department (i.e. the Bureau of Higher Education Opportunity Programs) and the Institution. When in the course of a contract year the amount expended for any item of expenditure which is supported both by HEOP grant and Institutional funds is reduced, the prorated proportion of support in the original approved program budget for that year shall be maintained, unless otherwise agreed to by both parties.

In order to monitor Institution expenditures against Institution commitment as set forth in the agreed upon program budget, the Bureau will now require the following:

1. Any proposed reduction or transfer of the Institution's committed funds will be treated as an amendment to the program budget and may only be made with written approval from the Bureau;

2. For any underexpenditure of a line item in the program budget that is funded by both HEOP grant and Institution funds, both sources will be reduced in proportion to the proportion in the original approved program budget, unless otherwise agreed to by both parties.
3. If the Institution does not fulfill its financial commitment a reduction in HEOP grant funds may result.

ADM 8611-A (3/4/87)

Institution Contributions. In ADM 8511 (attached) issued March 13, 1986, you were notified of changes to the 1986-89 HEOP contract. Since most programs are now in the final term of the 1986-87 program year, I would like to remind you that the HEOP Bureau is now contractually obligated to monitor institution expenditures against the institution approved commitment in the program budget.

In order to protect your program from any disallowance of HEOP/State funds for an underexpenditure of institution contribution, you and your Institution should review your institution expenditures to date, and estimate possible underexpenditures for the remainder of the academic year.

The Bureau realizes that accurate estimates of expenditures for all line items of the approved budget may not be possible at this time. However, in the areas of professional personnel, equipment purchases (especially computers and software), and student financial aid, you should be able to estimate areas of underexpenditure.

When areas of institution underexpenditure are identified, you should request a budget amendment of the institution contribution line item(s) affected. This may require that unspent institution funds be transferred to other line items within the budget.

ADM 8910 (3/6/90)

Fringe Benefits-The Bureau has been advised by the State Comptroller's Office of Audits of the following:

HEOP funds can be used to cover the costs of tuition remission benefits if they are part of the fringe benefits package for HEOP staff. The limitation is that the tuition remission benefits must actually be used by staff in order for HEOP funds to be justified.

ADM 8914 (5/29/90)

Staff Departure. When a HEOP staff person leaves and receives payment for unused time (vacation, personal, etc.), you may use the remaining funds for a new staff person's salary only after the total payments due the previous staff person have been covered.

EXAMPLE: Janet Jones has two weeks of vacation time and her last day of work is October 12. She will get paid for her two weeks vacation (10 working days), so her last day on the personnel roster will be October 26. The person who will be replacing her cannot be paid out of HEOP funds until October 27.

IV. STUDENT FINANCIAL ASSISTANCE

ADM 8082 (9/23/80)

Fifth Year BEOG (PELL) Eligibility. We have just received word of a major change in the policies of the United States Department of Education. Thomas Butts, Deputy Assistant Secretary for Student Financial Assistance, has informed us that participation of students in baccalaureate programs "designed by the institution to last for five years" by virtue of required participation in developmental coursework render such students eligible for "a one year extension" of Basic Grant eligibility. Also, the former requirement of enrollment in a solely non-credit remedial course of study to justify up to a one year extension of eligibility has been amended to allow for developmental coursework, in which credit is awarded for only part of the work in the course. This ruling will allow your financial aid officer to certify many more of your current ninth-semester students as BEOG-eligible. This has been a long and difficult policy battle, which we won with the cooperation of the financial aid community and the public and independent sectors of higher education in New York. Complete information will be published in a forthcoming federal Office of Student Financial Aid Bulletin article. Now we move on to tackle the Social Services problem...

ADM 8091 (5/14/81)

Social Services. On May 5, 1981, the United States Court of Appeals for the Second Circuit affirmed an appeal of the previous ruling of Judge Sofaer of the U.S. District Court in the Hayes vs. CUNY case. This means that student financial aid from federal and State sources, including HEOP aid, may not be counted as income in determining levels of welfare benefits. Put another way, the ruling means that financial aid officers, not the Department of Social Services, have the right to determine adequate expense budgets for welfare students attending college.

The Department of Social Services has a limited time in which to decide whether to seek a hearing before the U.S. Supreme Court. We will keep you informed. Meanwhile, any student whose benefits are still being reduced unfairly has a clear and binding judicial decision on her/his side and should not hesitate to seek redress.

ADM 8914 (5/29/90)

Student Fees. Mandatory fees (e.g., registration, student activities, recreation, etc.) should be included in the student's initial financial aid package. When there are other fees (e.g., lab fees, special course fees) that the student incurs after she/he has been packaged, we expect that you will work with the financial aid office to readjust the student's package.

ADM 9010 (2/6/91)

Reduction in Spring 1991 TAP Awards. The Budget Deficit bill passed by the Legislature and signed by the Governor stated that Spring 1991 TAP awards would be reduced by \$100 except for those awards which are at the maximum. (Example: the freshman maximum award for Spring is \$2,162--no reduction; a freshman whose Spring TAP award is \$2,050 would receive \$1,950, a \$100 reduction.)

The Bureau's policy concerning student financial assistance for program students calls for full need packaging. Because of the lateness of this action by the legislature, which also reduced Bundy Aid for the independent institutions, the Bureau is not requiring that the \$100 reduction be replaced solely by institution waiver or grant. The Bureau hopes that each institution will find the resources (waiver, grant, work, loan or student/family contribution) to meet this reduction.

The Bureau is also amending its loan policy to allow, if necessary, a \$100 increase to meet this situation.

III. STUDENT ELIGIBILITY

ADM 8185 (10/28/81)

Program Pursuit, Academic Progress, and STAP. A State publication with guidelines and information on these issues has just been mailed to a number of campus officials. (Copies are available upon request). Enclosed is explanatory material prepared by Doug Mercado of our staff.

APPENDIX A

Instructions Regarding Summer Accelerated STAP for HEOP students.

1. HEOP Prefreshmen apply for summer STAP on the same form they use for their Tuition Assistance Awards.

On item 9, "Do you also want payment at the above school for the Summer Term?" they simply check yes. If the student has already applied, a change form should be filed.

3. The minimum number of credits and credit equivalents in the summer in order to receive one-half of a STAP award is six. HEOP Prefreshmen must take at least three semester hour equivalents for no credit along with three college credits. The combinations of credit and credit equivalents can also be the following:

four credit equivalents and two college credits
five credit equivalents and one college credit
six or more credit equivalents and no college credits

3. The Regulations of the Commissioner of Education, Section 50-1, Sub-division (0), "Semester Hour," pertain to STAP. For the combination of six credits and credit equivalents there must be a total of 90 hours (of 50 minutes each) of instruction and 180 hours of supplementary assignments.
4. The TAP certification officer at the institution will do the certification for summer STAP.
5. Workshops, group tutoring and labs can count toward the total hours of instruction if they are supervised or conducted by a professional. Here you should be guided by whatever practice is acceptable for TAP awards.
6. Coursework done in the summer used to justify an accelerated STAP

award should appear on a transcript for a record for audit purposes.

7. Institutions must charge tuition for the six credits/equivalents.
8. Institutions may cover that part of tuition not satisfied by STAP through an institutional grant or waiver.
9. Students receiving the awards must be matriculated although the remedial non-credit courses may not appear in the college catalogue.
10. Institutions will receive payment from the Services Corporation for summer STAP in the same way they receive payment for accelerated summer TAP.

CAUTIONS

- If a HEOP Prefreshman drops out in the summer program after STAP certification, or does not return for the fall semester as a full time matriculated student, the student is not eligible for STAP and any funds received are owed to the Service Corporation.
- When half a term of STAP is used in the summer, the student could receive a full term of STAP in the fall, but in the spring semester the student would have to start using TAP.

If you have questions on these items please let us know and we will attempt to secure answers for you.

ADM 8792 (2/18/88)

Impact of New Tax Laws on Eligibility. We have been concerned about what impact certain recent changes in federal tax law will have on determining eligibility for your incoming classes. The (following) Policy Guidelines have been adopted by all the sectors for use beginning with new freshmen in summer 1988:

Policy Guidelines

Opportunity Program Eligibility and New Requirements for Filing Federal Income Tax Returns

Changes in the federal tax law, for returns filed in 1988 and after, will require

certain persons to file income tax forms who formerly were not so required. In some cases, this will complicate the determination of eligibility for the opportunity programs, since determining the makeup of a "household" may require examining the tax forms, not just of the head(s) of the household, but of persons who might in the past have been considered dependent members of the household and listed on the primary wage earners' tax forms.

Specifically, members of a household of any age who earn more than \$1,900 or receive more than \$500 in interest income, are required to file a separate tax return. The filers in a household have a choice about whether such persons may be declared as dependents when they are under 19 years of age or full time students.

For purposes of opportunity program eligibility, the following procedures should be followed for first-time students entering in 1988-89:

1. The student applicant is not the primary wage earner in the household but files a tax return and is not listed on the head of household's return.

Provided there is a clear evidence the student applicant is indeed part of the household (such as sharing the same address), the student applicant should be counted as one of the members of the household, but the student applicant's income should not be added to the base household income for purposes of determining program eligibility.

This conforms to historical opportunity program practice. The amount of a dependent student's income is not used in determining if a household is economically disadvantaged since typically such income has not been available to the household on a long-term basis. Such income may be taken into account in determining financial aid, of course, through the standard need analysis systems.

2. Other members of the student applicant's household have filed separately from the head of the household and are not listed on the household head's return.

If household members (such as siblings) who have filed separately are full-time students or under 19 years of age, they may be counted as household members but their income should not be added to the household income for purposes of determining program eligibility (economic disadvantage).

If such members are not full-time students and are over 19 (such as aunts, uncles, grandparents, and unrelated household members), they may be counted as household members for eligibility purposes, but their income must then be added to the household's income; or they may be not counted as members, in which case their income should not be included. This determination should be based on a judgement about the extent to which the person was clearly part of the household in the applicable year.

Those guidelines would also apply to a student applicant head of household who might have dependent household members not listed on his/her tax form. The above two paragraphs apply in this case as well.

Please call or write if you have any questions. I recommend you share a copy of the material with your financial aid office as well.

ADM 9009 (12/31/90)

Applicants Who Do Not Have a High School Diploma or GED and/or Its Equivalent

As of January 1, 1991, the U.S. Department of Education has stated that a postsecondary institution may admit as a regular student, a student who does not have a high school diploma or its equivalent, but does have the ability to benefit from the education or training offered. In order for a student who is admitted on the basis of ability to benefit, the amended act requires the student, prior to enrollment, to pass an independent administered examination approved by the Secretary in order to receive grants, work or loans under Title IV of the HEA (Pell, SEOG, CWSP, NDSL). Please review the attached document from the Department of Education for further information on this matter.

ADM 9012 (6/10/91)

Documentation of no earned income. Documentation of no earned income for HEOP economic eligibility purposes has historically been the filing of an IRS 4506 form, and the intent has been to secure the returned form with the notation that there is "no record of filing" by the individual(s) listed for the year(s) indicated, or produce a filed 1040 form. Since the filing of this form has a cost attached to it, we have been asked to consider an alternate "no cost" IRS document. We will accept an IRS letter 1722 as proof of no earned income for the year of economic eligibility in question. To obtain this letter, the person whose lack of income you are trying to document should call IRS 1-800-829-1040 and request such a letter. We are told that a response should be

received within 10 to 15 working days. Please note: the IRS Letter 1722 will provide Tax Account Information if a tax return was filed for the year in question. This Tax Account information will not suffice for HEOP economic eligibility documentation. If there is earned income, you must then request a copy of the return by filing a 4506.

The HEOP Guidelines will now read:

II.D.7.b. Documentation of no income: a copy of IRS Form 4506 which has been filed by the student or family with the Internal Revenue Service, or a copy of IRS Letter 1722 from the Internal Revenue Service indicating that the student or parent(s) did not file a return.
