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INTRODUCTION

The Student Aid Manual (SAM) is designed to assist The City University of New York (CUNY) financial aid personnel in understanding how student financial assistance is awarded and disbursed at CUNY colleges. This manual aggregates the regulatory and procedural environment through which student financial assistance must be administered so that CUNY financial aid personnel can perform their administrative roles responsibly and effectively.

The SAM is not designed to replace regulatory documents and communications from Federal, State, and City agencies, but instead serves as a supplement to these documents. In addition, the SAM is not intended to provide detailed guidance for aid program management using CUNYfirst.

The Federal Student Aid Handbook and the U.S. Department of Education's Information for Financial Aid Professionals (IFAP) website (<http://www.ifap.ed.gov/ifap/>) serve as the primary resources for administering Title IV aid programs.

HESC Programs, Policies and Procedures and the HESC website (<https://www.hesc.ny.gov/partner-access/financial-aid-professionals/programs-policies-and-procedures-guide-to-grants-and-scholarship-programs.html>) serve as the primary resources for administering NYS programs. The material in the SAM attempts to integrate CUNY practices with federal, state and city policies and procedures.

CUNY's financial aid policy is based upon the premise that financial aid resources are to be awarded to students in an equitable and consistent fashion throughout the University. All available funds must be awarded and disbursed in accordance with federal, state, and city regulatory and program guidelines.

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3 Components of the Financial Aid Process

- Establishing Student Cost of Attendance Budgets
- Determining Expected Family Contribution
- Packaging with Student Financial Assistance

Student Cost of Attendance Budgets (COA)

The student's cost of attendance budget (COA) is the first fundamental component required to determine a student's need for financial assistance. The COA is defined as a calculated dollar amount needed for a student to attend CUNY for a defined academic or award period.

The COA has two components: educational expenses (that is, expenses directly related to attending college, such as tuition, fees, books, supplies and carfare) and living expenses (housing, food & personal expenses). CUNY has established two standard student budgets: (1) students living with parents and (2) students living away from parents. The student's living arrangements will determine which budget category (living with or living away) is used for packaging.

CUNY makes certain assumptions in determining the COA. For example, it is assumed that students will use the New York City transit system to travel to and from school and that those not living with parents are sharing housing costs with someone else.

Chapter 7 (Budgets) of this manual provides the individual components of the COA and explains the rationale used to derive them. These budgets represent the maximum expenses for the awarding of need-based aid to a student studying at City University of New York.

Determining Expected Family Contribution (EFC)

A calculation is performed to determine aid eligibility for Free Application for Federal Student Aid (FAFSA) applicants through an approved federal methodology. The result of this calculation is referred to as the Expected Family Contribution (EFC). The EFC calculation is an objective formula used to measure the ability of students and/or their families to meet their educational costs. Further, the EFC formula is used for meeting the requirements of most federal and some state aid programs.

There are several assumptions underlying the calculation of an EFC:

- Parents of dependent students are assumed to have an obligation to provide their children with as much financial assistance as family circumstances permit.
- The family's size and any extraordinary expenses are considered in evaluating the family contribution.
- The formula recognizes the need to preserve some of the family assets for the parents' retirement and the educational expenses of other children in the family.

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Step Three of the FAFSA is used to determine which analysis (independent/dependent) is used to obtain the appropriate family contribution. Unlike the cost of attendance budget which is determined by the student's living arrangements (living with parents or living away from parents), the EFC calculation is based on the student's dependency status (dependent or independent).

Chapter 8 (Determining EFC) of this manual provides information on the components of the EFC formula for each category and furnishes worksheets to allow the administrator to manually calculate EFCs.

Packaging

Packaging is the process by which individual students are awarded available financial aid funds based on each student's financial need. To learn the financial need of a student, the expected family contribution (EFC) is subtracted from his or her cost of attendance budget. Unmet need establishes the maximum need based aid that can be awarded from all sources.

Awards packaging occurs either centrally through packaging plans or repackaging plans built into CUNYfirst or manually by a Financial Aid Administrator (FAA). Packaging plans are designed to allow a FAA the flexibility in the consistent and equitable allocation of aid. Monies from all of the programs for which the student is eligible are used to finance a student's need. The most common sources of financial aid for CUNY students include:

Federal Award Programs

- Federal Pell Grant
- Federal Direct Loans
 - Subsidized Loan
 - Unsubsidized Loan
 - Graduate/Parent PLUS Loan

Campus-based Federal Aid Programs

- Federal Work-Study (FWS)
- Federal Supplemental Educational Opportunity Grant (FSEOG)
- Federal Perkins Loan – Beginning 2016-2017, Perkins Loans were no longer packaged, and as of September 30, 2017 the Perkins Loan program was discontinued

New York State Award Programs

- Tuition Assistance Program (TAP)
- Aid for Part-Time Study (APTS)
- NYS Excelsior Scholarship
- NYS Part-Time Scholarship Award Program (PTS)
- New York State Scholarship for Excellence

Special Program Awards

- Search for Education, Elevation and Knowledge (SEEK)
- College Discovery (CD)

CUNY Program Awards

- Accelerated Study in Associate Programs (ASAP)
- Accelerate Complete Engage (ACE) – Offered at John Jay College and Lehman College
- Macaulay Honors College Offered at Baruch, Brooklyn College, City College, Hunter, John Jay, Lehman, Queens College, and College of Staten Island

Chapter 9 (Packaging) of this manual sets forth the awards packaging parameters at CUNY for the current award year.

CUNY Model Code of Conduct (revised March 10, 2010)

The Chancellor has requested that CUNY and its colleges, in order to comply with the HEOA, display the following model code of conduct prominently on their websites.

CUNY's Model Code of Conduct

- The provisions of this Model Code of Conduct apply to all employees of CUNY or any of its constituent colleges or units.
- Conflicts of interest between the responsibilities of employees involved in student financial aid and such employees' relationships with lenders are strictly prohibited.
- For purposes of this Model Code, a lender is defined as (i) any entity that itself or through an affiliate engages in the business of making loans to students, parents, or others in order to finance higher education expenses or to securitize such loans; (ii) any entity, or association, that guarantees such loans; or (iii) any industry, trade, or professional association that receives money from any such entity.
- No employee may accept a gift from a lender. A gift is defined as any gratuity, favor, discount, entertainment, hospitality, loan or other item having a monetary value of more than a nominal amount. It includes a gift of services, transportation, lodging, or meals, whether provided in kind, by purchase of a ticket, payment in advance, or reimbursement after the expense has been incurred.
- No employee may accept any compensation of any kind or reimbursement of expenses for serving as a member of a lender's advisory board.
- Neither CUNY nor any of its colleges may accept anything of value from a lender in exchange for any advantage or consideration provided to the lender related to its educational loan activity. This prohibition includes, but is not limited to, a ban on (i) revenue sharing by a lender with CUNY or a college; (ii) acceptance of computer hardware for which below market value is paid; and (iii) acceptance of printing costs or services. Revenue sharing means an arrangement whereby a lender pays a higher education institution a percentage of the principal of each loan directed toward the lender from a borrower at the institution.

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- Neither CUNY nor any of its colleges may use preferred lenders. Preferred lenders include either lenders with which CUNY or a CUNY college enters into a formal agreement or lenders that CUNY or a CUNY college informally recommends to students. Therefore, CUNY employees may neither adopt preferred lender lists nor, more informally, recommend particular lenders to students seeking advice on alternative loan providers.
- Neither CUNY nor any of its colleges shall link or otherwise direct potential borrowers to any electronic Master Promissory Note or other loan agreement in an electronic format that incorporates any preferred lender list or similar device into the electronic medium, including any drop-down menus of possible lenders for the student to select. Instead, students must be presented with the opportunity to enter the lender code or name for any lender offering the relevant loan.
- If CUNY ever enters the “School as Lender” program as permitted under federal law, it may not treat School as Lender loans any differently than if the loans originated directly from another lender. The School as Lender program allows higher education institutions to function directly as a lender to its students.
- Neither CUNY nor any of its colleges shall enter into agreements with lenders to provide “opportunity loans.” Opportunity loans are loans provided up to a specified amount to students with poor or no credit history, or international students, whom the lender claims would otherwise not be eligible for the lender’s alternative loan program. Opportunity loans may not be in the borrower's best interest because of the high interest rate on the loans.
- No employee or agent of a lender may staff a CUNY or college financial aid office. Neither CUNY nor any of its colleges may identify an employee or agent of a lender as an employee or agent of CUNY or one of its colleges.

New York State’s SLATE Act of 2007

Passed unanimously by the NYS Legislature in May 2007, The Student Lending Accountability, Transparency and Enforcement (SLATE) Act of 2007 includes the following provisions:

- Prohibits lenders from making gifts – including the practice of revenue sharing to colleges and universities or their employees in exchange for any advantage in loan activities;
- Bans colleges and universities from soliciting, accepting or receiving any gifts whatsoever – including those construed as part of a revenue sharing practice – from lenders in exchange for advantageous loan consideration;
- Bars college and university employees from receiving any advantage, reimbursement or benefit from serving as a member of a lender’s advisory board;
- Prohibits lender employees and agents from posing as college or university employees, including staffing the school’s financial aid offices with lender employees;
- Bans lenders and schools from agreeing to certain quid-pro-quo high-risk loans that prejudice other borrowers or potential borrowers; and,
- Dictates strict criteria that schools must abide by if they continue to use “preferred lender” practices.

CUNY Conflict of Interest Policy

The CUNY Board of Trustees approved a new CUNY Conflict of Interest Policy on June 23, 2008. Under the Policy, which is effective as of July 1, 2008, all University activities are to be conducted in accordance with the highest standards of integrity and ethics and in a manner that will not reflect or appear to reflect adversely on the University's credibility, objectivity, or fairness.

The Policy sets forth the general standards of conduct and the rules regarding hiring, employment, and contracting decisions and supervisory responsibility involving certain family members that apply to any individual who is, or at any time becomes, an officer, full-time or part-time employee, or post-doctoral associate at the University, or a student engaged in faculty directed research at the University other than as part of his or her coursework, whether or not the student is paid for the engagement. The Policy also sets forth specific obligations of covered individuals who are involved in research or similar educational activities at the University and the University's procedures for managing Conflicts of Interest that may arise in connection with those activities.

The complete policy is available on the CUNY website at:

<https://www2.cuny.edu/research/research-compliance/conflict-of-interest/>