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WEBER & ASSOCIATES

THE WEBER REPORT

Weber & Associates, Inc. Newsletter

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Hello,

Welcome to The Weber Report. We are pleased to share with you important news and information to help you with your financial aid management. Thanks for the opportunity to share our expertise with you!

Campus Based Aid - Closing Out 16/17 And Waiting On 17/18

As we near the end of the 16/17 award year, be sure to expend all of your 16/17 Federal Work Study (FWS) and SEOG funds. If your institution fails to expend at least ninety percent of its federal allocation, it will be penalized in the 18/19 award year for underuse of funds. As you expend your funds, keep in mind that you can move up to ten percent of your initial allocation to the next award year, and you can also move up to twenty-five percent of your SEOG to Federal Work Study, and vice versa.

In expending your FWS, also be sure that your institution has met the FWS community service requirements, unless you have been granted a waiver of those requirements. All schools that participate in FWS must spend at least seven percent of their federal allocation on community service positions. You must also employ at least one FWS worker as a reading tutor of young children or as a worker in a family literacy program. Failure to meet both of these requirements can result in penalties as well, up to and including loss of program eligibility.

Many institutions have been asking about their Campus Based allocations for the 17/18 award year. Historically, the final funding levels are announced by March 31 of each year. However, since no appropriations have been set for 17/18 yet, the final amounts have yet to be determined. Prior to March 31, the Department acknowledged that the amounts would probably be late this year, but they have yet to provide an anticipated date. Once they are released, Weber & Associates will forward those amounts to you as soon as they are made available. If your institution has already begun scheduling Campus Based awards for the upcoming award year, please keep in mind that the tentative funding levels that were released could change.

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Washington Post Reports On Congressional Hearing On IRS Hacking

Of IRS Sensitive Data

Internal Revenue Commissioner John Koskinen reported to the Senate Finance Committee that information of up to 100,000 taxpayers may have been stolen in a security breach of the online tool used to apply for federal student aid. In his testimony Koskinen said that the IRS identified suspicious activity in the files of people who were using the data retrieval tool (DRT) to gather data for their FAFSA submission.



For more information about how our financial aid processing and management services can help your institution, please contact us today.

Give us a call:
888-857-8690

The events caused by this breach allowed the intruders to use the data captured to file fraudulent tax returns and to receive the victim's tax refund. In the hearing, it was reported that "about 8,000 fraudulent returns were issued, totaling \$30 million" In addition it was reported that "the IRS prevented 14,000 illegal refunds from going out the door and halted action on 52,000 other returns". Mr. Koskinen told the Finance Committee that up to 100,000 financial aid applicants had been notified of the breach

Data Originally Reported 4-6-2017 by *The Washington Post*

Annual Notice of Fee Increases for 2017-2018

This message is to provide formal notice that Weber & Associates, Inc.'s services will have a small fee increase of approximately 5% beginning July 1, 2017. In addition, we will begin charging a Pell Grant processing fee for each student processed over the first ten students. The U.S. Department of Education has continually increased the breadth and depth of what we are required to review and report, and has consequently increased our workload substantially. Since our last increase in 2013 the Federal Pell Grant has increased by just under \$300 and we have implemented numerous process improvements and technological enhancements to avoid a fee increase but this change has now become necessary. The new rate schedule is provided in the Weber Report sixty days before year's end as required by our service agreement. If you are the financial aid officer reviewing the Weber Report please share it with your institution's senior management.

Weber Good News Club!

Do you have exciting news happening at your school that you would like to share? Tell us your news and we will share your good news in our newsletter and will also share it on our social media accounts so others can read about your school! To get your good news shared please contact Harry Weber at: [click here](#) or Amanda Ellis-Johnson at: [click here](#). We look forward to sharing your news!

Year-Round Pell Grant Seems Likely But Who Knows In Washington?

Several reports from the Higher Education Chronicle, Inside Higher Education and NASFAA seem to indicate that the buzz inside Washington seems to favor the year-round Federal Pell Grant. As we all know the gossip and "buzz" sometimes just doesn't come true.

For those who may be new to financial aid since the year-round Pell was with us several years ago, what it basically means for many students is a larger amount of Pell funding if the student accelerates attendance to year-round attendance. As most financial aid officers know a student beginning a program in the summer and continuing attendance for the full year often attends classes in the spring with no Federal Pell funds because the available Federal Pell funding was only for one academic year within one fiscal year. If a student completed one academic year in the spring and began the second academic year that same year, there is no Federal Pell funding available for the spring unless that student's first payment period were to lapse over into the new fiscal year. The result is, that most students borrow more money because of receiving less Federal Pell Grant or just do not attend the spring term.

All levels of higher education have been lobbying Congress to reconsider the year-round Federal Pell funding with the most important



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element being the benefit to students accelerating their attendance. In the long run the year-round funding could benefit the government in that students will complete their education in less calendar time and then be in position to enter the labor market much sooner.

The year-round Pell, was in many ways, successful in the past but in some ways, was misused causing expenditures to be greater than was expected. As an example, some institutions found ways to manipulate their scheduling so that students received two full Pell Grants within one fiscal year, which was not the intent of the program. What the institutions did was schedule their programs so that there were two payment periods in the last quarter of the year with one payment period being taught for a full term, then the next term was started a few days before the end of the year thus, the crossover rules allowed them to receive another Pell payment within that fiscal year. With the manipulated scheduling the Federal Pell program expenditures were above what was originally intended and the program was suspended.

Whether the Congressional committee will consider such ideas I will propose in this article or not, we have no way of knowing but it is certainly worth consideration. My thought is:

If the Congress could include in the budget consideration a provision limiting the year-round Federal Pell Grant to no more than fifty percent of the student's calculated eligibility for the academic year, then the needs of the institutions, the students and the federal budget would be met. Yes, there may be situations where a student attends a spring term and ends that term and receives a year-round one term payment then begins a summer term would, by regulation be eligible for another payment from the year-round Pell and would in effect receive two full Pell Grants from the previous fiscal year. The case could be made that to limit the student is hurting the student by limiting the year-round Pell payment to fifty percent. But the case could also be made that the accelerating student could receive a full Federal Pell Grant from the summer, fall, winter terms and then be eligible to receive an additional fifty-percent from the next year-round Pell grant.

Weber & Associates Emails...Are You Reading Them?



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When assessing these thoughts, we must also take into consideration the student's lifetime limit for receiving Federal Pell funds. If a student were to enroll in additional non-essential classes they could use part of their lifetime limit for classes which may not apply to their degree program. Because money is available does not necessarily mean that it should be immediately used. Financial aid counselors and students must look at the full lifetime of their educational endeavors and make wise financial decisions.

All of this is hypothetical but when the Congress is struggling to assist its constituents and with limited funds compromises must be made and the proposal I have presented could, in the end, satisfy the needs of all parties. There will be those who disagree with this proposal because it does not give students the maximum possible Federal Pell money for accelerated attendance, but these people must accept the reality that federal funds are limited and that the nation faces massive debt. There are ways to solve the needs of students and stay within the constraints of the budget.

2017 Weber Spring Workshops - Only A Few Events Left...Get Your Tickets Today!

With only a few events remaining we want to remind you to register/purchase your tickets to our upcoming workshops before time

5/8/2017

**"The pessimist sees
difficulty in every
opportunity. The
optimist sees the
opportunity in every
difficulty"**

- *Winston Churchill*

The Weber Report May

runs out! The following events remain:

Lexington, KY - May 7th - May 8th

Riverside, CA - May 11th - May 12th

FA Annual Update Webinar - May 15th - May 16th

FA Fundamentals Webinar - May 17th

Don't miss out on this educational opportunity, get your tickets today!

For more information about the Weber Spring Workshop or to purchase tickets: [click here](#)

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