



# Webinar: Don't Hide from Your Policies and Procedures

*Compiled Questions and Answers*

**Webinar Date**

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*Trusted Advisors to the Financial Aid Community.*

NASFAA  
1801 Pennsylvania Ave., NW, Suite 850  
Washington, DC 20036-3606  
202-785-0453 | [blueicon@nasfaa.org](mailto:blueicon@nasfaa.org)

## **What are P&Ps?**

*Can you elaborate a little more on the difference between a Policy and Procedure versus an Operational Guide?*

A well-written procedure complements its governing policy by describing what is to be performed and who performs the action. The primary purpose of a procedure is to reinforce policy, rather than serve as a detailed set of work instructions.

After a policy is determined, its attendant set of procedures will serve as a reference for all parties involved in carrying out the functions of the policy. The procedure will identify the activities and decisions that occur when enforcing policy. A procedure should be written clearly and concisely, and be easily accessible, at least by those involved in the actual process. Such a format helps ensure uniformity and consistency in the processes, and thereby, ensures policy is implemented through the institution's activities.

Processes are typically not required as part of your P&P manual. These are reference materials that we've heard some schools refer to as playbooks, desk manuals, or system training guides. These are the documents that give you step-by-step instructions on how to do something in your system.

Learn more via NASFAA's AskRegs:

<https://askregs.nasfaa.org/knowledgebase/qa/KA-33491/en-us>

*Do your procedures go through the Banner (or system used) step-by-step, such as change X, update Y, etc.? Are screen shots helpful in the procedure manual? How do you keep up with software updates and screen changes?*

Step-by-step procedures and using screen shots would likely fall into a "process document" or "operational manual." Your P&P manual should be applicable regardless of processing systems.

*Can you give an example of a policy and a procedure?*

See [Blue Icon Sample P&P](#).

*How much detail should be included in the P&P manual, and how do you ensure that everything that should be included is?*

As with many things in financial aid, it depends. The level of detail is often driven by personal preference. In general, you want to have enough detail to not leave questions unanswered, but not so much detail that you lose flexibility when it is permitted by law or regulation.

*Should our P&P include CARES Act funding? If it's not Title IV money, why would we need it? I understand the institution should document what it has done with CARES, but why financial aid?*

We are hearing anecdotally that auditors are asking for CARES Act/HEERF documentation, including school policy around these funds, and expect to see procedure and outcomes fully supporting said policy. We encourage you to document the criteria and processes used to award the CARES Act/HEERF funds to students. Other offices may need to document their involvement and processes for spending the institutional funding.

*When using a third party servicer for back-end processing, how do you determine if we need an internal policy for each thing?*

A third party servicer is jointly and severally liable with the institution for meeting the federal requirements. So your P&P may be to check the work done by the servicer for compliance, like an audit.

## **Organizing P&Ps**

*I'm interested to know what format folks use to maintain their P&Ps. Paper? Builder? Google? Word? Is there a suggestion on the best format? Where does your P&P live so everyone has access? Different schools have different resources, so I wonder what everyone has used and what they feel works best.*

The [NASFAA P&P Builder](#) provides a template, suggestions for what to include, and regulatory resources. We have also worked with schools that use a Word document (or multiple documents on a shared drive). Others have used a shared document. We suggest the NASFAA P&P Builder as a best practice.

*As you are building your P&P manual, do you create separate documents, Disbursement P&P for example, or should everything go into one document?*

The NASFAA P&P Builder is separated into sections, but lives in a single place. Each section or topic is available to designated staff, both for viewing and editing. Other schools have used separate documents or a single document.

*Is there a P&P outline schools can use when creating a standardized P&P, such as a fill-in-the-blank type of document?*

The NASFAA P&P Builder provides an outline and key notes of what to include in the P&P language.

*If I am a NASFAA member, do I automatically have access to the NASFAA P&P Builder?*

The Value Plus membership level includes a one-year subscription to the NASFAA P&P Builder. All other membership levels may add a subscription to the P&P Builder for \$99/year. Learn more: <https://www.nasfaa.org/ppb>

## **Maintaining P&Ps**

*How often should the P&P manual be updated?*

Annually, at minimum.

*With regard to a program review, what kind of historical data must be maintained in the P&P? For example, we ceased to participate in the Direct Loan program back in 2013-14. Do I still need to state that in my P&P?*

We recommend keeping your P&Ps for the same length as record retention regulations. If you still have students with Direct Loan funds with record retention, you should have P&Ps, even if they say "we ceased to participate in 2013-14," but address record retention in your P&Ps.

*Our school will be changing to a new FAM system in the next two years. Any helpful insights?*

Ensure your P&Ps are updated so you can articulate your processes effectively to the system setup team.

*I would appreciate the tips on how to keep the P&P current and consistent as changes happen.*

If you are using NASFAA's P&P Builder, you will receive notifications as things change. You may review a summary of recent changes online: [https://www.nasfaa.org/guidance\\_changes](https://www.nasfaa.org/guidance_changes). Staying updated by subscribing to [NASFAA's Today's News](#) can also serve as a prompt to update your P&Ps.

*I'm at a small, graduate-only private non-profit school. The financial aid office is me — an office of one. Can you speak to the unique approaches in an office of one where I can carve out time for this?*

Schools of all types and sizes need to carve out time to keep the P&Ps updated. We all know how important P&Ps are, that they are required, and your auditor or a federal program reviewer will ask for that document first. But it is often challenging to fit into the day-to-day activities.

However, the discipline to spend time on a regular basis will save you time (and possibly financial consequences) in the long run.

*How far in advance would you recommend updating your P&Ps when you have a policy change, such as the R2T4 guidelines?*

If the change will not occur until a future award year, update your P&Ps for that period. If there is a mid-year change, an errata to the current P&P is an easy option to maintain the change until it can be formally incorporated into the next cycle of review.

*We have staff members who are resisting creating P&Ps, some that want to "own their process" and not share it. Have any of you dealt with employees like this?*

Not having written processes or a backup for all functions can put the office at risk if someone is unavailable to perform the work. Office leadership are ultimately responsible for minimizing risk to the school if (or when) processes are not performed in accordance with law or regulation.