

Applying for Financial Aid and Determining Aid Eligibility

Applying for Federal Student Financial Aid

To apply for federal financial aid, student and parents (if applicable) are required to complete the Free Application for Federal Student Aid (FAFSA) or provide a copy of the Student Aid Report (SAR) if the student previously completed a FAFSA with the award year. FAFSA on the Web is available online at <http://www.studentaid.gov/h/apply-for-aid/fafsa>. Students can also use the FAFSA on the Web worksheet to assist them in collecting information needed to complete the application. The FAFSA4caster is also available at <https://fafsa.ed.gov/spa/fafsa4c/#/landing> and can be used to get an early start on the financial aid process by providing an early estimate for federal student aid, providing the user with an experience similar to FAFSA on the Web, allowing for transfer of information to the FAFSA on the Web once a student is ready to apply for aid, providing the option to apply for a Federal Student Aid User ID and increasing knowledge of the financial aid process and providing information about other sources of aid. Student and parents may obtain a FSA user ID https://fafsa.ed.gov/spa/fafsa/#/LOGIN?locale=en_US

The financial aid office will utilize the results of the FAFSA to estimate and determine the student's financial aid eligibility.

A student may be selected to participate in a *verification* process; this requires verification of the information submitted on the FAFSA by the U.S. Department of Education. A student may be selected by the U.S. Department of Education's Central Processor (CPS) or by the school, following procedures established by federal regulation. If, during the application process, the file is selected for "verification", the student and their family must submit all documents required to validate the information listed on the FAFSA application. Such documents may include, but are not limited to, IRS tax return transcripts, verification of household size and number in college, documentation of high school completion, government issued photo identification, and statement of educational purpose. Students who fail to provide all required documentation to the financial aid office will not be eligible to receive federal student aid. Students should refer to www.studentaid.ed.gov website which is sponsored by the U.S. Department of Education for more detailed information.

Student selected for verification process will be provided a notice with additional information.

Student Aid Eligibility

The U.S. Department of Education's general eligibility requirements for a student to obtain federal financial assistance are as follows:

- demonstrate *financial need* (for most programs);
- be a U.S. citizen or an *eligible noncitizen*;
- have a valid Social Security number (with the exception of students from the Republic of the Marshall Islands, Federated States of Micronesia, or the Republic of Palau);
- be registered with [Selective Service](#), if you're a male (you must register between the ages

- of 18 and 25);
- be enrolled or accepted for enrollment as a *regular student* in an eligible degree or certificate program;
- be enrolled at least half-time to be eligible for *Direct Loan* Program funds;
- maintain *satisfactory academic progress* in college or career school;
- sign the certification statement on the *Free Application for Federal Student Aid (FAFSA®)* stating that
 - you are not in *default* on a *federal student loan* and do not owe money on a federal student *grant* and
 - you will use federal student aid only for educational purposes; and
- show you're qualified to obtain a college or career school education by
 - having a high school diploma or a recognized equivalent such as a *General Educational Development (GED) certificate*;
 - completing a high school education in a *homeschool* setting approved under state law (or—if state law does not require a homeschooled student to obtain a completion credential—completing a high school education in a homeschool setting that qualifies as an exemption from compulsory attendance requirements under state law); or

To remain eligible for financial aid, students must (1) continue to meet the basic eligibility criteria, (2) make satisfactory academic progress, and (3) complete a FAFSA each year.

The Higher Education Act of 1965 as amended (HEA) suspends aid eligibility for students who have been convicted under federal or state law of the sale or possession of drugs, if the offense occurred during a period of enrollment for which the student was receiving federal student aid (grants, loans, and/or work-study). If you have lost federal student aid eligibility due to a drug conviction, you can regain eligibility if you pass two unannounced drug tests conducted by a drug rehabilitation program that complies with criteria established by the U.S. Department of Education.

Civil Commitment for Sexual Offenses - A student subject to an involuntary civil commitment after completing a period of incarceration for a forcible or non-forcible sexual offense is ineligible to receive a Federal Pell grant.

Students who receive a Pell Grant are subject to a life-time aggregate that they cannot exceed. As of 7/1/12, the aggregate limit is 600% of the student's total Pell Grant eligibility; students can monitor their aggregate balance on the NSLDS website at <https://nsls.ed.gov/npas/index.htm>.

In addition, in the Department of Education's attempt to prevent fraud and abuse in the Federal Pell Grant program, students with unusual enrollment (UEH) histories may be flagged during the application for Federal Student Aid process.

Some students may have legitimate reasons for their unusual enrollment history (UEH), so institutions are required to request documentation from students, to determine if there are valid reasons for the unusual enrollment history. This UEH flag needs to be resolved before students can receive additional Federal Student Aid.

The information you report on your FAFSA is used to determine your Expected Family Contribution (EFC), which is calculated by a formula established by law. The EFC is

not the amount of money that your family must provide. Rather, you should think of the EFC as an index that schools use to determine how much financial aid (grants, loans) you would receive if you were to attend their school. If your EFC is below a certain number, you will be eligible for a Federal Pell Grant assuming you meet all other eligibility requirements

The amount of your Pell Grant depends on your EFC, your cost of attendance and your enrollment status (full-time, three quarter time, half-time, or less than half-time).

For most other aid programs, the financial aid administrator at your school takes your cost of attendance and then subtracts your EFC, the amount of a Federal Pell Grant you are eligible for, and any other sources of financial assistance you may have. The result is your remaining financial need:

- Cost of Attendance**
- **EFC**
- **Federal Pell Grant Eligibility**
- **Aid from Other Sources**
- = **Remaining Financial Need**

The financial aid office can consider special or unusual circumstances such as unusual medical expenses, tuition expenses, or unemployment and can adjust your cost of attendance or some of the information used to calculate your EFC. The financial aid administrator at your school also can change your status from dependent to independent, but only under specific circumstances the aid administrator will explain. You'll have to provide your school with documentation to justify any change. The decision to change or not to change your dependency status is based on the aid administrator's judgment, and it's final. It cannot be appealed to the U.S. Department of Education.

Different Types of Financial Aid Programs

Students may apply for various need and non-need based programs to assist in paying for the expenses related to attending school. Financial Aid generally consists of a combination of grants and loans which supplement the student's (and possibly parent's) contribution toward the Cost of Attendance. Student should visit the Federal Student Aid website at <http://studentaid.ed.gov/> for additional information.

Federal Student Aid

Federal Pell Grant – The Pell grant is gift assistance which generally does not have to be repaid. Pell is awarded to students who have a financial need as determined by the U.S. Department of Education standards. Annually, the U.S. Department of Education determines student eligibility for this grant. For the 2020-21 award year, the maximum grant is \$ 6,345. The maximum Federal Pell Grant award is \$6,495 for the 2021–22 award year. To apply students must complete the Free Application for Federal Student Aid at the following site: https://fafsa.ed.gov/spa/fafsa/#/LOGIN?locale=en_US.

In certain situations, an eligible student can receive up to 150 percent of his or her scheduled Pell Grant award for an award year.

Students who receive a Pell Grant are subject to a life-time aggregate that they cannot exceed. As of 7/1/12, the aggregate limit is 600% of the student's total Pell Grant eligibility; students can monitor their aggregate balance on the NSLDS website at <https://nsls.ed.gov/npas/index.htm>

In addition, in the Department of Education's attempt to prevent fraud and abuse in the Federal Pell Grant program, students with unusual enrollment (UEH) histories may be flagged during the application for Federal Student Aid process. Some students may have legitimate reasons for their unusual enrollment history, so institutions are required to request documentation from students, to determine if there are valid reasons for the unusual enrollment history. This UEH flag needs to be resolved before students can receive additional Federal Student Aid.

Federal Supplementary Education Opportunity Grant (FSEOG) -The FSEOG is gift assistance which generally does not have to be repaid. FSEOG is awarded to students who have an exceptional financial need as determined by the U.S. Department of Education standards. Students with the lowest "Expected Family Contribution" (EFC) are awarded FSEOG before students with higher EFCs. The average award amount varies from school to school. FSEOG is based on the annual allocation of funds provided to the school by the U.S. Department of Education. FSEOG is awarded to all students until the funds are depleted. The school cannot guarantee every eligible student will receive an FSEOG award.

Federal Work Study - The Federal Work Study program is an award made by the school (Campus-Based Aid) from limited funds provided by the federal government. The award is given to eligible students that are employed under the Federal Work Study program by the school in which the student is enrolled (on campus). Federal Work Study recipients may also be employed off campus by federal, state, or local public agencies, or certain private nonprofit or for-profit organizations. Not all The College of Health Care Professionals campus locations may offer the Federal Work Study program. See your campus financial aid office for more information.

Federal Direct Loan Program

Effective July 1, 2013, interest rates will be established each year for Direct Subsidized, Direct Unsubsidized, and Direct PLUS loans for which the first disbursement is on or after July 1 through the following June 30. The rate will be the sum of a uniform “index rate” plus an “add-on” that varies depending on the type of loan (Subsidized/Unsubsidized or PLUS) and the borrower’s grade level (undergraduate or graduate/professional). Thus, interest rates will be the same for Direct Subsidized Loans and Direct Unsubsidized Loans taken out by an undergraduate student. The interest rate for a loan, once established, will apply for the life of the loan – that is, the loan will be a fixed-rate loan. Current interest rates can be found at:

<https://studentaid.gov/understand-aid/types/loans/interest-rates>

Direct Subsidized Stafford Loan - The Subsidized Stafford Loan program provides loans through the U.S. Department of Education’s Direct Loan Program. The federal government pays the interest while the borrower is in school. Borrowers of subsidized Stafford Loans first disbursed on or after July 1, 2014 are eligible for an interest subsidy during a 6-month grace period. Interest does not begin to accrue until the student leaves school or drops below a halftime enrollment status, and after the grace period has ended. Subsidized Federal Stafford loans provide many flexible repayment plans as outlined in the loan counseling materials. Payments are based on the repayment plan selected by the student.

For first time borrowers after July 1, 2013, there is a limit on the maximum period of time (measured in academic years) that a student can receive Direct Subsidized Loans. In general, students may not receive Direct Subsidized Loans for more than 150% of the published length of their program. This is called the “maximum eligibility period”. Students can find the published length of their program of study in the school’s catalog. After a student has received Direct Subsidized Loans for the maximum eligibility period, they are no longer eligible to receive additional Direct Subsidized Loans. However, the student may continue to receive Direct Unsubsidized Loans. Student may also lose interest subsidy on previously received loans.

Direct Unsubsidized Stafford Loan – If you do not qualify for a full or partial Subsidized Stafford Loan based on your financial need, or need additional loan funding, you may qualify for an Unsubsidized Stafford Loan through the U.S. Department of Education’s Direct Loan Program. The federal government does not pay the interest on unsubsidized loans while you are in school. Student loan borrowers are responsible for all interest that accrues on the loan while enrolled, during your grace period, and any deferment periods. Students may elect to make interest payments while in school to avoid the capitalization of interest and lower the overall repayment debt. Loan repayment begins six months after leaving school or six months after you elect to attend less than half time. Dependent students can borrow up to \$5,500 (Subsidized and Unsubsidized combined) for the first academic year. Unsubsidized Federal Stafford loans provide many flexible repayment plans as outlined in the loan counseling materials. Payments are based on the repayment plan selected by the student.

Direct PLUS Loan (For Parents) - The Federal PLUS loan is available to parents who wish to apply for additional assistance for their dependent child’s education. A parent’s decision not to apply for a PLUS loan does not guarantee the dependent student may receive additional financial aid assistance. The amount of the PLUS loan cannot exceed the student’s cost of attendance less other student aid awarded. PLUS loans through the Federal Direct Loan Program disbursed on or after July 1, 2015 will have a fixed rate of 6.84%. Loan repayment begins 60 days after the final

loan disbursement; however parents may apply for a deferment. Payments will include both principal and the interest that accumulates.

Annual Loan Limits for Subsidized/Unsubsidized Loans

Grade Level	Dependent Student	Independent Student or Dependent Student whose Parent is ineligible for a PLUS loan
First Year	\$5,500 (max \$3,500 subsidized)	\$9,500 (max \$3,500 subsidized)
Second Year	\$6,500 (max \$4,500 subsidized)	\$10,500 (max \$4,500 subsidized)
Third Year	\$7,500 (max \$5,500 subsidized)	\$12,500 (max \$5,500 subsidized)
Fourth Year	\$7,500 (max \$5,500 subsidized)	\$12,500 (max \$5,500 subsidized)
Graduate	N/A	\$20,500

Aggregate Limits for Subsidized/Unsubsidized Loans

Type of Loan	Subsidized Limit	Aggregate Limits (Subsidized and Unsubsidized)
Dependent Undergraduate <i>(Excludes students whose parents cannot borrow PLUS)</i>	\$23,000	\$31,000
Independent Undergraduate <i>(Includes dependent students whose parents cannot borrow PLUS)</i>	\$23,000	\$57,500
Direct Plus Loan – Eligibility based on approved credit check, cost of attendance and other financial aid awarded.	Cost of Attendance less other financial aid awarded.	

Private Educational Loans

Private Educational Loans – Students have a variety of options if they choose to apply for private loans. The College of Health Care Professions does not use a preferred lender list, we believe Students should select a private lender of their choice.

Workforce Innovation Opportunity Act (WIOA) - If you are "unemployed" or "underemployed," you may be eligible to receive a training fund voucher (ITA) to reduce your educational costs. For information, contact Financial Aid Office for directions to your local Workforce office.

Veteran’s Benefits (VA) – The College of Health Care Professions locations with programs that have been approved to accept Veteran Education Benefits will work with the Department of Veteran’s Affairs to process benefits for students. Eligibility is determined by the Department of Veteran’s Affairs.

Federal Student Aid Loans Terms & Conditions

All Federal loans described above have associated terms. These terms and conditions explain the rules of the loan, including interest rates, repayment requirements, and eligible amounts based on the grade level in school, and at what point the student has earned the right to keep the full amount of the loan based on enrollment, etc. The borrowers' right and responsibilities regarding the loan are also included. The student receives information on the types of available loans, rights and responsibilities, and the terms and conditions of their loan during entrance and exit counseling.

Federal Direct Loan (FDL)

- Student must be enrolled at least half-time during the period of enrollment to retain their eligibility for FDL program funds. Students whose enrollment status is below half-time are not eligible for FDL program funds. If eligibility is lost due to being enrolled less than half-time, a student can regain eligibility if enrolled at least half-time during a subsequent period of enrollment.
- A student who is borrowing a loan for the first time is required to participate in loan entrance counseling prior to the first disbursement of the loan. The first disbursement of a loan cannot be made earlier than thirty (30) days after the start of the term or period of enrollment.
- Upon graduation/withdrawal, Exit Counseling is also required which will reiterate your rights and responsibilities as a student loan borrower and explain useful information to help manage your student loans.
- A student borrower who is in default on a Federal Student Aid loan is not eligible for additional FDL loan funds unless eligibility is regained.
- All required information can be found at <https://studentaid.gov/>.

Federal Student Loan Payment Obligations and Options

Students who receive Federal Student Loans sign a Master Promissory Agreement (MPN) which states the student is obligated to repay the student loan funds regardless of the student's graduation, withdrawal from school, or the student's inability to obtain employment. The Federal Student Loan program offers students may different repayment options. Students are responsible for selecting the appropriate payment plan to suit their needs. The school's financial aid office and lender (Federal Direct Loan) are available to review the different repayment options. This information is also available at <https://studentaid.ed.gov/repayloans/understand/plans>. If at any time a student becomes delinquent on a loan, it is the student's responsibility to contact the school or lender to determine what options are available to the student.

The specific terms for federal loans as well a sample repayment loan schedule will be provided during entrance counseling discussed below.

The Financial Aid Loan Entrance Counseling

The important information is included in the Federal Direct Loan Entrance Counseling, which is required for all first-time student borrower prior to the first disbursement of loan funds, and is available online at <https://studentaid.gov/myDirectLoan>

The Financial Aid Loan Exit Counseling

Students are required to complete Financial Aid Loan Exit Counseling. Students who seek to withdraw from the school should see the financial aid office to obtain exit counseling. Exit counseling is required for all graduated, withdrawn, or dismissed students prior to exiting the institution as well when a student ceases to attend at least half-time. If a student leaves school or chooses to postpone their education, the student should meet with a Financial Aid Administrator to understand the financial impact of this decision and complete loan exit counseling. Exit counseling is available on <https://studentaid.gov/myDirectLoan>

Loan Deferments for Borrowers

Students should visit the financial aid office for the terms and conditions under which students receiving federal education loans may obtain a deferment for repaying student loan debt.

Loan Deferments for Certain Individuals

Loan deferment terms and conditions are further defined for those serving in the Peace Corps; under the Domestic Volunteer Service Act; and as a volunteer for a tax-exempt organization of demonstrated effectiveness in the field of community service. These individuals should visit the financial aid office for additional information.

Additional information is also available on the Direct Loan web page at <https://studentaid.gov/myDirectLoan>

Student Loan Borrower Rights and Responsibilities

Student Loan Borrower Rights and Responsibilities for education loans can lead to a brighter future, but they need to be used carefully. Never borrow more than you need, and be aware of your rights and responsibilities. Additional information and questions will be addressed during your financial aid appointment at your school, during the enrollment process.

As a borrower, you have the right to know:

- School policy on enrollment, attendance and good academic standing.
- School policy on when you must pay tuition, fees and other costs.
- Students' average indebtedness, default rate, and graduation rate at your school.
- The consequences of defaulting on your loan.
- How financial aid is determined.
- The financial aid programs available at the school and how to qualify for them.
- The type and amount of fees deducted from the loan amount.
- When loan proceeds will be available and the number and timing of the disbursements.
- When repayment will begin and your average monthly payment.
- Information on deferment (postponement of repayment), cancellations and forbearances.
- If and when your loan is sold or otherwise transferred.
- That your loan(s) will not automatically be discharged if you file for bankruptcy.

Students also have responsibilities. It's up to you to:

- Complete all applications and forms accurately and on time.
- Provide additional information or documentation, such as income tax forms, if requested.
- Inform the financial aid office of any change in your family's financial circumstances.
- Attend pre-loan counseling sessions before you receive your first loan disbursement.
- Keep track of all your loans and know the terms and conditions regarding repayment and deferment.

- Notify your lender of any changes in your address, name, telephone number or Social Security number.
- Inform the lender if your expected graduation date changes, if you drop out of school, or if you drop below half-time attendance.
- Inform the lender if you transfer to another school or if your employer's address changes.
- Attend an exit interview before graduating or leaving school.
- Repay the loan regardless of whether you have completed your education, are satisfied with it, or are able to find a job.

Repaying Your Loan

Students are required to begin repaying their Federal Student Loan six months after they graduate, leave school or drop below half-time attendance. Borrowers generally have 10 years to repay these loans.

Disbursing Aid and Student Notifications

Federal Aid is distributed to eligible students who complete the Free Application for Federal Student Aid (FAFSA) and meet all required eligibility criteria as further described within the application instructions. Students should go to <http://www.studentaid.ed.gov/h/apply-for-aid/fafsa> to complete the application or visit the financial aid office for any questions regarding the FAFSA.

Disbursing Federal Student Aid

Funds received as financial assistance for a student are electronically credited to the student's account. The student (and parent in the case of PLUS loans) is sent a notification when loan funds have been disbursed or credited on his/her account. Paper copies of these notifications are available upon request from the financial aid office. Students should visit the financial aid office to determine which of the two (2) methods described below is used at their school, for the program enrolled in.

Programs Using Credit Hours in Standard or Non-Standard Academic Terms (Quarter = Term) - Financial aid is awarded based on an academic year as defined on a program by program basis at the institution. Disbursement of aid varies by the type of assistance. For programs using standard or non-standard academic terms, a portion of the Federal Pell Grant, for those who qualify, will be paid to the student's account during each payment period or term.

In order to receive Federal Student Loan proceeds, the student (parent in the case of PLUS loans) must complete and sign a valid promissory note. The loan proceeds are used to satisfy the student's tuition and fees for the academic year and are disbursed once per term, for the standard term programs. For non-standard programs, loan funds are disbursed when the student has successfully completed half the weeks of instructional time AND half the credits in each academic year. Once tuition and fees charged by the institution have been met, the student may receive the excess amount of federal student aid that creates a credit on the account. First timer borrower's account will not be credited with Federal Direct loans until 30 days after their first day of class and once they have completed a loan entrance counseling.

Programs Using Non-Terms Academic Calendar (Clock-Hour) - Financial aid is awarded based on an academic year as defined on a program-by-program basis at the institution. Disbursement of aid varies by the type of assistance. A student can receive the first disbursement of Pell and Federal Supplemental Educational Opportunity Grant (SEOG), when the student begins the program or academic year. A student is eligible to receive the second disbursement upon successful completion of half the weeks of instructional time AND half the clock hours in the academic year or program, or the remaining portion of a program that is more than one-half of an academic year but less than a full academic year. In order to receive Federal Student Loan proceeds the student (parent in the case of PLUS loans) must complete and sign a valid promissory note. The loan proceeds are used to satisfy the student's tuition and fees for the payment period. Once tuition and fees charged by the institution have been met, the student may receive the excess amount of federal student aid that creates a credit on the account. First timer borrower's account will not be credited with Federal Direct loans until 30 days after their first day of class and once they have completed a loan entrance counseling.

STUDENT NOTIFICATIONS AND AUTHORIZATIONS

Subsidized and Unsubsidized Master Promissory Note (MPN)

Students have the ability to obtain loan funds not exceeding the established loan limits through the Subsidized and Unsubsidized Federal Stafford Loan program without having to sign a new Master Promissory Note for each academic year.

The institution utilizes a passive notification (except for parents using a PLUS loan). The borrower requests the requested loan amounts during their packaging appointment in the financial aid office, this is documented on the Financial Plan. If the borrower decides to decline or make adjustment to the type or the amount of the loan, they must contact the financial aid office.

Parent PLUS Master Promissory Note (PLUS MPN)

For Parent PLUS loans made under the multi-year feature of the MPN, the regulations that govern the loan programs require the financial aid office at the school to document an active confirmation of Parent PLUS loan funds via Parent Plus Credit Check. The confirmation process is to provide a means for the parent borrower to accept or decline a PLUS loan made for a student's subsequent academic year. This assists in providing the parent borrower with greater control and understanding of PLUS loan debt.

Notice of Right to Cancel

When loan disbursements for the Federal Stafford loan funds are received at the school, a receipt is generated and mailed/e-mailed to the student and/or parent. The Notice of Right to Cancel the loan is also included on this receipt; it gives the borrower information on how and when the loan can be cancelled.

Authorizations Regarding Credit Balances

Student/or Parent Authorization Regarding Title IV Credit Balance is provided to students by the financial aid office during financial aid appointment. Students and parents (of a dependent student applying for PLUS loans) review the statements, select the appropriate authorization category, and provide the signed form to the financial aid office. For continuing students who previously signed this statement, the initial authorization will continue to be valid for subsequent award years or enrollment periods. The authorization categories available for student/parent selection are as follows:

- I do authorize The College of Health Care Professions to retain any credit balance from federal Title IV financial aid to assist me in budgeting for my expenses and apply to future charges. I also understand that I may make a written request to cancel or modify this authorization at any time and receive a disbursement of any existing credit balance.
- I do **not** authorize The College of Health Care Professions to hold any credit balance to be applied to future charges. Please return any credit balance remaining on my account.

(2) CHARGES AUTHORIZATION:

Students may authorize use of Title IV financial aid funds for educationally related charges beyond tuition and fees. If you are eligible for federal financial aid in excess of tuition and fees, and you wish to use this excess to cover these other charges, you must authorize The College of Health Care Professions to apply your funding to these charges.

- I do authorize The College of Health Care Professions to apply any credit balance resulting from federal Title IV financial aid to educationally related charges other than tuition and fees.
- I do *not* authorize The College of Health Care Professions to apply any credit balance resulting from federal Title IV financial aid to educationally related charges other than tuition and fees, and I understand that the school will bill me for these charges

(3) RETURN OF FUNDS AUTHORIZATION:

If you have a credit balance on your student account and have borrowed federal Title IV loans, you may authorize the school to return those funds directly to your Title IV lender to decrease your outstanding student loan balance. Please indicate your choice below.

- I do authorize The College of Health Care Professions to return any credit balance directly to my lender.
- I do *not* authorize The College of Health Care Professions to return any credit balance directly to my lender. Any credit balance should be provided directly to me, the student.

Students also are informed of their option to rescind either authorizations at any time.

Title IV credit balances, also known as “stipends”, are paid in the form of a check, and mailed to students within 14 days of the date the credit is created on the student account.