

National Hispanic University
Office of Financial Aid Terms & Conditions
2011-2012 Programs

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Office of Financial Aid Terms & Conditions

Introduction

National Hispanic University is certified by the U.S. Department of Education as being eligible to participate in the Pell Grant program, the Federal Supplemental Educational Opportunity Grant program, Federal Work Study and the Federal Direct Loan Programs.

The following section details the policies related to financial aid programs. Federal regulations that govern the administration of federal programs are subject to change. Notification of any change will be provided to all students prior to the effective date of the new or revised policy.

Federal Pell Grants

Federal Pell Grants are generally awarded to **undergraduate** students who have not yet earned a bachelor's or professional degree. The Department of Education, using a standard need-based formula established by Congress, determines eligibility. The maximum Pell Grant for the 2011-12 award year is \$5,550. How much students receive depends on their expected family contribution, cost of attendance, whether they are enrolled full time or part time, and whether they are attending for a full academic year or less. Students may not receive Pell Grant funds from more than one school at a time.

Federal Supplemental Educational Opportunity Grant (FSEOG)

The Federal Supplemental Educational Opportunity Grant (FSEOG) program is for **undergraduates** with exceptional financial need. Pell Grant recipients with the lowest expected family contributions (EFC) will be considered first for a FSEOG. Just like Pell Grants, this grant does not have to be repaid.

Federal Work Study Program (FWS)

FWS is a campus-based program that provides job opportunities, both on and off campus, to financial aid eligible students as an aid to meeting the costs of post-secondary education. Students qualify by submitting a complete FAFSA and by being hired by a FWS eligible employer. Award amount is based on need and determined according to NHU's packaging policy and available funds. FWS is a self-help aid, and does not need to be repaid.

Federal Direct Loans

Federal Direct Loans are available to **graduate and undergraduate** students as either subsidized or unsubsidized loans. Students must be enrolled at least half-time to receive a Direct Loan. Students may be eligible for one or the other, or a combination of both loan types. Federal Direct Loans borrowed at a prior institution may impact a student's loan eligibility at National Hispanic University.

Federal Direct Subsidized Loans are need-based. The federal government pays the interest on the subsidized portion of the loan while the student is enrolled at least half-time in school. For subsidized loans first disbursed on or after July 1, 2011, the interest rates are 3.4% for undergraduates and 6.80% for graduate students.

Federal Direct Unsubsidized Loans require that the student pay the interest while enrolled, unless the student arranges to postpone the interest payment by checking the appropriate box indicated on the promissory note. Students should be careful when choosing this option: It means that the interest will be capitalized (the accrued interest will be added to the principal amount), and that will increase the amount of the debt. For unsubsidized loans, the interest rates are 6.80% for undergraduates and graduate students.

Both the subsidized and unsubsidized loans have default fees deducted from each disbursement of the loan. For loans first disbursed after July 1, 2011 a 1% federal default fee will be deducted from a student's loan disbursement.

Students will have a 6 month repayment grace period after graduating, leaving school, or dropping below half-time status. After this time, payments must be made. During the grace period, interest will not be charged on subsidized loans but will be charged on unsubsidized loans. Payments are usually due on a monthly basis.

Creditworthiness is not a requirement to obtain a Direct Loan. Under this program, students may borrow up to their maximum loan limit every award year (i.e. 12 months for semester-based programs). Loan funds can be used to cover direct education costs such as tuition and fees, room and board, as well as indirect costs such as travel to and from school, books, and other education-related expenses.

Entrance Counseling

First-time borrowers are required to complete Direct Loan Entrance Counseling prior to receiving the first disbursement of a Direct Loan. Counseling is completed online at [Entrance Counseling](#) and will help you understand your rights and obligations as a student loan borrower. Loan counseling must be completed before you can receive loan funds.

Exit Counseling

To help you manage your student loans after graduation, federal regulations also require that you complete exit loan counseling. Exit loan counseling is available online here at [Exit Counseling](#) or here http://www.nslds.ed.gov/nslds_SA/ and should be completed:

- before you graduate
- before transferring to another institution
- before withdrawal and leaves of absence
- if you are enrolled less than half time

Undergraduate Students: Direct Loan Maximums

<i>Grade Level</i>	<i>Dependent Undergraduate Student†</i>	<i>Independent Undergraduate Student</i>
Year 1 (0-29 units)	\$5,500—Only \$3,500 of this amount may be in subsidized loans.	\$9,500—Only \$3,500 of this amount may be in subsidized loans.
Year 2 (30-59 units)	\$6,500—Only \$4,500 of this amount may be in subsidized loans.	\$10,500—Only \$4,500 of this amount may be in subsidized loans.
Years 3–4 (60 units to program completion)	\$7,500—Only \$5,500 of this amount may be in subsidized loans.	\$12,500—Only \$5,500 of this amount may be in subsidized loans.
Lifetime Maximum Total Debt from Stafford and Direct Loans (in each status)	\$31,000—Only \$23,000 of this amount may be in subsidized loans.	\$57,500—Only \$23,000 of this amount may be subsidized loans.

† Dependent students whose parents have been denied a federal Parent Loan for Undergraduate Student are eligible to borrow at the independent undergraduate level.

**Students in some certificate programs are not eligible or in undergraduate certificate programs may be eligible for reduced amounts due to required pro-rating.*

Graduate Students: Direct Loan Maximums

Per Academic Year	\$20,500—Only \$8,500 of this amount may be in subsidized loans.
Lifetime Maximum Total Debt from Direct Loans	\$138,500—Only \$65,500 of this amount may be subsidized loans. Note: <i>The graduate debt limit includes Stafford Loans and Direct Loans received for undergraduate study.</i>

Loan Deferments

Under certain circumstances, an enrolled borrower is entitled to have the repayment of a loan deferred. During deferment, the borrower is not required to pay loan principal and interest on subsidized loans does not accrue. After the in-school deferment, the borrower is entitled to one grace period of 6 consecutive months.

Students who have a valid social security number on file at National Hispanic University will have their enrollment here reported and updated monthly with the National Student Clearinghouse (NSC). The NSC communicates electronically with the federal and non-federal loan servicers to insure that students who remain enrolled maintain the in-school deferments for which they are eligible.

National Hispanic University's Policy: Students who seek to defer repayment of their prior student loans and do not want to rely on the electronic exchange with the NSC must fill out forms to have their enrollment status verified. Students must get the forms from their lender(s) and send them directly to National Hispanic University, Office of the Registrar, Attn: Loan Deferment, 650 S. Exeter Street, Baltimore, MD 21202; fax: 1-410-843-6416. At the top of the form, students should include their enrollment start date and the semester for which they are requesting an in-school deferment.

Note: Any deferment paperwork sent to National Hispanic's registrar's office for enrollment verification is forwarded to the National Student Clearinghouse on a weekly basis.

Annual Loan Limits vs. Lifetime Aggregate Loan Limits

Annual Loan Limits The federal government limits the annual amount of Federal Direct Loan that you can borrow. National Hispanic University defines its annual award year as Fall and Spring semesters. Students cannot exceed the annual Direct Loan maximums in the award year. Loans borrowed at a prior institution can impact your eligibility at National Hispanic University. Our office may ask you to provide additional information about prior loans in order to process new loans at National Hispanic University.

Direct Subsidized Loans

Undergraduate annual borrowing ranges from \$3,500-\$5,500 depending on year in school

Graduate student annual borrowing maximum: \$8,500

Direct L Unsubsidized Loans

Undergraduate annual borrowing ranges from \$5,500-\$12,500 (less subsidized Direct Loan eligibility) depending on year in school and dependency status

Graduate student annual borrowing maximum: \$20,500 (less Direct Subsidized Loan eligibility)

Graduate PLUS Loans and Parent PLUS Loans are also processed based on Fall and Spring semesters per award year. They are limited annually by the cost of attendance minus any financial aid received.

Lifetime Aggregate Loan Limits

The federal government limits the aggregate amount of Federal Direct Loan that you can borrow in your lifetime. The lifetime aggregate limits for Direct Loans (FFELP and Direct) are as follows:

Graduate students: \$138,500 combined (only \$65,500 may be subsidized; includes amounts borrowed as an undergraduate student).

Dependent undergraduate students: \$31,000 combined (only \$23,000 may be subsidized).

Independent undergraduate students: \$57,500 combined (only \$23,000 may be subsidized).

Parent PLUS Loans and Graduate PLUS Loans do not have a lifetime maximum.

As a student loan borrower, you are responsible for knowing the total amount of federal loans you have borrowed. A summary of your federal loan debt is available via the National Student Loan Data System at www.nslds.ed.gov.

Exceeding Annual or Aggregate Loan Limits

Your Student Aid Report (SAR) may indicate that you have inadvertently borrowed in excess of the Federal Direct Loan limits. For example, it is possible that a student was inadvertently allowed to borrow federal undergraduate loans in excess of undergraduate limits at a prior institution while not exceeding the graduate loan limits. Before National Hispanic University can award graduate level Direct Loans to the student, the student must reaffirm the debt by either consolidating the prior loans that exceed the limits or obtaining a reaffirmation letter from the holder of the loan(s). Another example would be if a student was inadvertently allowed to exceed graduate loan limits at a prior institution. Before National Hispanic University can award Federal Graduate PLUS Loans, the student must reaffirm the debt by either consolidating the prior loans that exceed the limits or obtaining a reaffirmation letter from the holder of the loan(s).

Federal Direct Graduate PLUS Loans

Federal Graduate PLUS loans are available to **graduate students** enrolled at least half-time who do not have an adverse credit history. Students may borrow up to the cost of attendance minus any other aid. The total education cost may include tuition, living allowance, books and supplies, and transportation. The interest rate is 7.90% for Direct Graduate PLUS Loans. Loans carry a fee of up to 4% that may be deducted from the loan disbursement. Students can defer payments while in school, and there is no prepayment penalty. Interest accrues during in-school periods, and may be paid or added to the principal at repayment.

Federal Direct PLUS Loans

Federal PLUS Loans are available to all parents of dependent **undergraduate** students regardless of income. Qualification is based solely on good credit. There are no debt-to-income ratio guidelines or employment verification requirements. Parents may borrow up to the total education cost for the year, minus any other financial aid that the student is receiving. The total education cost may include tuition and fees, room and board, books and supplies, transportation, and living allowance. The interest rate for Direct PLUS Loans is 7.90%. Loans carry a fee of up to 4% that may be deducted from the loan disbursement. PLUS loan repayment normally begins within 60 calendar days after the loan has been fully disbursed. In certain circumstances, parents may elect to repay the loan on a graduated repayment schedule, making interest-only payments (with the amount based on the term of the loan, at least \$50 per month) for a portion of the repayment term.

Department of Education Student Loan Ombudsman

This office is always ready to assist with any questions or concerns regarding your loans. If your

loan issues cannot be resolved, the Department of Education’s Office of the Ombudsman for student loan issues is available. An Ombudsman resolves disputes from a neutral, independent viewpoint. The Federal Student Aid Ombudsman will informally research a borrower problem and suggest solutions to resolve the problem. Student borrowers can contact the department’s Office of the Ombudsman via the following:

Online assistance: www.ombudsman.ed.gov

Toll-free telephone: 1-877-557-2575

Fax: 1-202-275-0549,

Mail: U.S. Department of Education FSA Ombudsman

830 First Street, NE, Fourth Floor, Washington, DC 20202-5144.

Private Education Loans

Comparing Private Loans and Federal Loans

Private education loans may have significant disadvantages when compared with federal education loans. We strongly encourage you to first borrow any federal loans for which you are eligible. The chart below will help you in understanding the differences between Federal and Private Loan funds.

Comparison Chart of Federal and Private Education Loans

	Federal Loans	Private Loans
Credit Check Required?	Direct Loan: No PLUS/GradPLUS: Yes (limited)	Yes
Credit Score or Debt-to-Income considered?	Direct Loan: No PLUS/GradPLUS: No	Yes
Co-Signer Required?	Direct Loan: No PLUS/GradPLUS: Usually no	Usually yes
Deferment Options	Several options	Depends on lender
Grace Period	Direct Loan: 6 months	Depends on lender
Interest Rate	Fixed	Usually variable
Loan Fees	Direct Loan: up to 1% PLUS/GradPLUS: up to 4%	Depends on lender

Flexible Repayment options	Many options available	Generally none
Loan Forgiveness Options	Several options available	Generally none
Penalties for Early Repayment	None	Depends on lender

Choosing a Private Loan

When choosing a private education loan, you should compare the loan terms offered by several lenders in order to choose the best fit for your situation. A resource for finding active private education loan programs is <http://www.finaid.org/loans/privateloan.phtml>. When you choose your lender make sure that National Hispanic University is eligible for their loan programs.

Here are several points you should research when considering a private loan:

- What is the interest rate; is it fixed or variable; is the rate capped?
- What fees must be paid for this loan and when are they paid?
- How will I receive my loan funds?
- When does repayment begin and is there a grace period?
- What will my monthly payment be?
- What will be the total cost if I use the full repayment period?
- Are there penalties for early repayment?
- Are there deferment, forbearance or cancellation options?

Most private loan programs require our office to certify your eligibility before approving your loan. If you receive financial aid, you must notify our office of any private loans you borrow as it may affect your aid eligibility.

Truth in Lending Act

Under the Federal Truth in Lending Act (TILA), your lender must provide you with the following documents:

- **Self-Certification Form**
You must complete this form and return it to the lender before receiving your first disbursement of loan funds.
- **Final Disclosure and Right-to-Cancel Period**
After you sign your promissory note, the Final Disclosure Statement confirms the terms and conditions of your loan. At the time that this final disclosure is delivered, your "right-to-cancel" period begins. During this period of three to six days, you may cancel the loan by contacting the lender. The lender cannot release the first disbursement of your loan funds until the end of the right-to-cancel period.

State Grant Aid

Some states have grant programs that they permit their state residents to use to use to attend National Hispanic University. Students who are from states other than California can check here for information: http://wdcrobcolp01.ed.gov/Programs/EROD/org_list.cfm?category_ID=SHE

California residents may be eligible for the following:

Cal Grants

The Cal Grant Program is a state funded educational opportunity grant program which assists students in paying for the costs of postsecondary education. To be eligible students must submit a completed FAFSA and a Grade Point Average Verification form by March 2 of the year before the award year. Students must be US Citizens or eligible non-citizens and California residents. Students must not be in default of a student loan and must be meeting satisfactory academic progress as defined by the University.

Cal Grant A (Entitlement and Competitive Awards)

Cal Grant A Entitlement Awards provide grant funds to help pay for tuition and fees to California residents attending qualifying institutions. Entitlement awards are guaranteed for students with at least a 3.0 grade point average who meet need qualifications. Those who do not qualify for entitlement awards will be considered for competitive awards. Competitive awards are issued to students from middle-low income families. Cal Grant A is gift aid and does not have to be repaid.

Cal Grant B (Entitlement and Competitive Awards)

Grant B Entitlement Awards provide grant funds to assist students with the costs of postsecondary education. Grants are awarded to California residents attending qualified institutions. Entitlement awards are guaranteed for students with at least a 2.0 grade point average who meet need qualifications.

Those who do not qualify for entitlement awards will be considered for competitive awards. Competitive awards are awarded to students from low-income, disadvantaged backgrounds, and are used for the cost to access college (room & board, transportation, etc). Cal Grant B is gift aid and does not have to be repaid.

Assumption Program of Loans for Education (APLE)

Assumes up to \$11,000 in loan debt for students pursuing a K-12 teaching career, in exchange for 4 years of teaching service. APLE is also available for undergraduate students who intend to pursue an initial teaching credential.

Financial Aid Application Process

Applying for federal financial assistance is a two-part process consisting of (1) application and

notification of eligibility, and (2) signed award notice and completion of the Master Promissory Note and Entrance Counseling. This process takes approximately 2–4 weeks from the initial application through the receipt of funds. Students are strongly encouraged to begin the application process at least 8 weeks prior to the beginning of the start/renewal date to ensure the following deadlines are met.

The **Free Application for Federal Student Aid (FAFSA)** should be submitted at least 4 weeks prior to the student's effective start date, as well as each subsequent loan renewal date.

A signed award notice, fully executed master promissory note and entrance counseling must be on file in the financial aid office no later than 14 calendar days after the student is notified of the award.

- The 2011-12 FAFSA is for award periods that begin on or after July 1, 2011.
- *Note: National Hispanic University's Title IV code is 016968.*

Financial Aid Deadlines

The Office of Financial Aid processes awards on a rolling basis. It is recommended that students have a complete financial aid application at least 4 weeks prior to the start of a semester, but students must have a complete Financial Aid Application 30 days prior to the end of the semester in order for funds to be processed for that semester. A complete Financial Aid Application includes all documents required for the awarding and disbursing of funds. Students must also maintain all federal aid eligibility requirements for the entire semester.

The Office of Financial Aid (OFA) will continue to accept applications, offer awards and process disbursements in the last 30 days of the semester, but the OFA cannot be held responsible if funds are not able to disburse for the semester. Delays can occur that are outside of the control of the OFA. For example, a student may not be able to obtain timely third-party documentation, such as selective service letters, or overlapping financial aid forms.

Financial Aid Notifications

The my Finaid web portal is the 24/7 source for financial aid information for students who complete the FAFSA. The Office of Financial Aid will notify the student when updates including award notification and changes are made to financial aid information on my Finaid: however, financial aid recipients are responsible for checking their Finaid page periodically.

Student Eligibility Requirements

To receive aid from any of the federal student aid programs administered by National Hispanic University's Office of Financial Aid, a student must meet all of the following criteria:

- Be a U.S. citizen or eligible non-citizen
- Have a high-school diploma or a GED certificate, or pass an approved ability-to-benefit (ATB)

test

- Enroll in an eligible program as a regular student seeking a degree or eligible certificate. Students who are taking courses as non-degree students or who are enrolled in non-eligible certificate programs are not eligible for any federal or state grants or loans, or for private educational loan programs.
- Register (or have registered) with the Selective Service if required
- Have a valid Social Security number
- Meet satisfactory academic progress standards
- Not be in default on any federal student loan nor owe an overpayment on a federal student grant
- Not exceed the lifetime aggregate or annual loan limits without documentation that the debt has been reaffirmed.
- Please be advised that a conviction for any offense, during a period of enrollment for which a student is receiving Title IV financial aid, under any federal or state law involving the possession or sale of illegal drugs will result in the loss of eligibility for any Title IV grant, loan or work assistance.

Attended another School? Overlapping Financial Aid

Federal aid received at another institution can impact the amount of federal aid that you may receive at National Hispanic University. According to federal regulations, National Hispanic University participates in the federal transfer monitoring process whereby the U.S. Department of Education may take up to 90 days into the start of your first semester to notify National Hispanic University that you have federal aid awarded at another institution that overlaps into your enrollment dates at National Hispanic University. The Office of Financial Aid may not be able to make an initial award offer to you or may have to cancel aid that has already been awarded if we receive information that you have applied for and/or received federal aid at another institution for an overlapping period. For example, if the loan period at your prior institution ends even one day after your starting semester here, you have an overlapping period and we must deduct aid received at the other institution from your annual eligibility here. You may be asked by this office to have your prior institution complete an Overlapping Financial Aid Form to confirm your last date of attendance and disbursed loan amounts at the prior institution. To prevent duplication of living allowance between schools we must remove the living allowance from your cost of attendance here during periods of overlap. You must make alternative arrangements for payment if you become ineligible for federal aid based on aid received at another institution.

Verification Policy

In accordance with U.S. Department of Education regulations, National Hispanic University is required to

verify the accuracy of financial aid application information on selected students. Students may be selected randomly for verification or may be selected on the basis of predetermined criteria. This selection process occurs at the Federal Central Processing Center. The University may also select applications for verification.

Financial aid awards cannot be determined until verification is complete. Failure to complete the verification process by the end of the period of enrollment will result in a student’s inability to utilize federal financial assistance for that award year. Students intentionally misreporting information and/or altering documentation for the purpose of increasing aid eligibility or fraudulently obtaining federal funds will be reported to the U. S. Department of Education Office of the Inspector General or to local law enforcement officials.

Financial Aid Annual Award Year Definition

National Hispanic University defines the annual award year as Fall and Spring semesters.

Enrollment Policy

Undergraduate Students

Financial aid is offered based on the assumption that undergraduate students will be enrolled for 12 units per semester for the entire period of the award. When students enroll for fewer units in a semester, their aid may be adjusted at the end of the ‘add/drop’ period to reflect their current enrollment status. Students must be enrolled at least half-time to remain eligible for federal student aid.

Graduate Students

Financial aid is offered for most programs based on the assumption that students will be enrolled in at least 6 units per semester for the entire period of the award. When students enroll for fewer units in a semester, their aid may be adjusted at the end of the ‘add/drop’ period to reflect their current enrollment status. Students must be enrolled at least half-time to remain eligible for federal student aid.

Enrollment Statuses for Financial Aid

<i>Enrollment Status</i>	<i>Graduate MAED</i>	<i>Teacher Credential and Certificate Translation and Interpretation (TNI)</i>	<i>Undergraduate Students</i>
Full time	6 units per semester	12 units per semester	12 or more units per semester
Three-quarter time	n/a	9–11 units per semester	9–11 units per semester
Half-time	3–5 units per semester	6–8 units per semester	6–8 units per semester

Less than half-time	1–2 units per semester	1–5 units per semester	1–5 units per semester
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Study Abroad or at another institution

Enrollment in certain programs at another school or study abroad approved for credit by National Hispanic may be considered enrollment at the university for the purpose of applying for assistance under the Federal Title IV financial aid programs.

Required to access federal Title IV aid is a consortium agreement between schools whereby the home school disburses federal aid for courses taken at a host school. The host school agrees not to disburse federal aid and to monitor the student's enrollment for the home school. Consortium agreements may be made between National Hispanic University (home school) and a host school if the student has been approved by National Hispanic University to take coursework at the host institution that will fully transfer toward the National Hispanic degree program. National Hispanic degree seeking students must submit a copy of the National Hispanic University "Permission to Take a Course at Another Institution" form that is signed by National Hispanic's Admissions Office and a "Consortium Agreement" form signed by the host school's financial aid office to the Office of Financial Aid. Students must also meet all other federal eligibility requirements. If the student is approved for a consortium agreement here, National Hispanic University will disburse federal aid to the National Hispanic student account and the Bursar's Office will issue the refund to the student. The student is responsible for meeting payment deadlines set by the host school. National Hispanic University does not pay the host school on behalf of the student and National Hispanic University does not alter the financial aid disbursement schedule to meet deadlines set by the host school.

Adjustments to Financial Aid

Federal financial aid is awarded based on an estimate of the student's eligibility. The Office of Financial Aid may have to cancel or reduce financial aid before or after disbursement, based on new information that becomes available after the time of awarding or disbursement. Examples of changes that would require adjustments to aid:

- Student does not begin attendance in any courses
- Pell recipient does not begin attendance in all courses of the semester
- Student withdraws from all courses in the semester (officially or unofficially)
- Receipt of other resources not reported at the time of awarding or disbursement
- Student becomes federally ineligible based on the receipt of updated information from the U.S. Department of Education.
- Student does not meet course participation requirements.

Students who enroll in only one course may require an adjustment of federal aid.

Confirmation of Return Enrollment after Withdrawal from part of a semester

Students who withdraw from a course in the first part of a semester, and remain registered for a course in the second part of a semester will be asked to confirm that they plan to return. Federal rules do not allow National Hispanic University to rely on your previous registration if you withdraw from the first course. If you indicate that you will return, and you do not return, a Return of Title IV funds calculation will be processed using the earlier withdrawal date.

Withdrawal from a semester

Students withdrawing from all courses in the semester prior to the completion of 60 percent of the quarter/semester may find that funds are owed to the university as a result of the R2T4.

Students who stop engaging in academically related activities during the semester, without officially withdrawing from the courses, are subject to the R2T4 calculation. In such cases the last date of academically related activity, as determined by the university, is used as the withdrawal date for the semester.

Prior to withdrawing from all courses in the semester, it is suggested that students contact the Office of Financial Aid to determine the amount of federal aid that must be returned. Federal student aid may not cover all unpaid charges due to the University upon the student's withdrawal.

Leave of Absence

A student who takes an approved leave of absence is considered, for financial aid purposes, to have withdrawn from the school. A leave of absence is approved if the following criteria are met:

- The student has made a written request for the leave of absence.
- The leave of absence does not exceed 180 calendar days.
- The student has had only one leave of absence in a 12-month period.

The federal Return of Title IV refund calculation applies to leaves of absence and withdrawals for recipients of Title IV aid.

These leave of absence requirements also affect students' in-school status for the purposes of deferring payment of Federal Direct Loans. Students on an approved leave of absence are considered to be enrolled less than half-time and are not eligible for an in-school deferment for their Federal Direct Loans. Students who take an unapproved leave of absence or fail to return to the school at the end of an approved leave of absence are no longer enrolled at the school and are not eligible for an in-school deferment of their loans.

Overaward of Federal Aid

The receipt of additional estimated financial assistance and/or a reduction in the cost of attendance that was not accounted for at the time of initial awarding may cause an overaward of federal funds (the term "overaward" refers to any estimated aid that exceeds a student's financial need and/or cost of attendance). Estimated financial assistance includes but is not limited to the following: tuition reductions, tuition waivers, scholarships, third party payments, and/or other resources. In such instances, the Office of Financial Aid will correct the overaward by adjusting the federal financial aid. Federal aid may be adjusted by reducing or reallocating funds prior to disbursement or returning funds to federal programs if disbursement has already occurred. Loans will be reduced before any reduction is made to scholarship or grant awards.

Financial Aid Disbursement Process and Requests for Excess Funds

Most financial aid is disbursed in two equal payments over the award period. Students may, in writing, authorize National Hispanic University to retain no more than \$200 of their credit balance until the end of the award period.

Students in good standing may have any excess balance in their account returned to them to pay for indirect education expenses. Any time financial aid proceeds credited to a student's account exceed direct charges the bursar's office will automatically forward the credit balance directly to the student, no later than 14 calendar days after the credit balance occurs.

Students are responsible for payment of tuition and fees incurred after a full credit balance refund has been released (e.g., added courses and fees). Credit balance refund distributions are made in accordance with applicable federal guidelines. Any outstanding debt to the University as a result of a required credit balance refund is the responsibility of the student.

Generally financial aid begins disbursing on the 10th day of start of the student's enrollment and refunds are released to eligible students by day 26 of the semester (14 days after funds have disbursed to the student's account). You must participate in your coursework to establish eligibility and remain eligible for federal aid. Failure to participate in academically related activity will result in loss of eligibility for all or part of the semester. If two sequential courses make up your semester and you do not register for the first half of the semester, federal aid cannot disburse until day 10 of the second half of the semester. Disbursements may be delayed if you are subject to academic progress review for a prior semester. A student who has established eligibility for their Pell Grant and has a credit balance will have funds available for books and supplies by the 7th day after classes begin.

Federal Return of Title IV Funds

Federal regulations require the Office of Financial Aid to apply a formula established by the U.S. Department of Education, entitled "Return of Title IV Aid," (R2T4) to determine the amount of federal financial aid a student has earned as of the student's withdrawal date. The amount of the federal

financial aid returned to federal aid programs is determined by the amount of time a student spends in academically related activity. After 60 percent of the semester has passed, students have earned 100 percent of the federal financial aid disbursed to them.

Examples of Title IV Calculations

Sam Silent is an undergraduate degree student in liberal studies. His semester begins on January 3 and ends on April 24. On February 14 (42 days into the semester), he drops his classes.

Sam's cost of attendance is as follows:

	Cost
Tuition	\$3396
Fees	\$150
Total	\$3546

Sam's financial aid package consists of:

	Cost
Direct Subsidized Loan	\$2750
Direct Unsubsidized Loan	\$1000
Total	\$3750

Amount refunded to Sam: \$204

As Sam has completed only 42 days of his semester, he earned 50 percent of the \$3750. According to the federally mandated calculation, 50 percent of the unearned portion of his aid, equaling \$1875 must be returned.

National Hispanic University is required to return the following:

	Cost
Direct Subsidized Loan	\$875
Direct Unsubsidized Loan	\$1000
Total Sam owes to National Hispanic University	\$1671

Sam is not eligible to receive a tuition refund because he dropped his classes after the refund period. A collections hold is placed on Sam's account at the time the funds are returned to the government, which prevents Sam from registering for any additional classes, and receiving transcripts until he repays National Hispanic what he owes.

[Example 2](#)

Dan Smith is a graduate student in the master's in education program. His semester begins Jan 3 and ends May 8. On March 12 (68 days into the semester), Dan accepts a full-time job and drops his classes.

Dan's cost of attendance is as follows:

	Cost
Tuition	\$3396
Fees	150
Total	\$3,546

His financial aid package consists of:

	Cost
Direct Subsidized Loan	\$2750
Direct Unsubsidized Loan	\$1000
Total	\$3750

Based on Dan's attendance (61 percent of the term), he has "earned" all of his financial aid for the term and will not have to return any funds.

Satisfactory Academic Progress Standards (for periods of enrollment through Aug, 2011)

National Hispanic University's satisfactory academic progress requirements for receipt of Title IV student financial assistance comply with U.S. Department of Education regulations. These standards are intended to establish minimum, reasonable levels of advancement toward degree completion and to guard against abuse of aid programs. Satisfactory progress requirements for receipt of federal financial aid are separate and distinct from the university's academic progress requirements for academic continuance.

Financial aid academic progress requirements are reviewed each semester, and adjustments are made accordingly. Students will receive e-mail notification in their National Hispanic University e-mail accounts if they are placed on financial aid probation or become ineligible for federal aid. However, it is the student's responsibility to know these requirements, and failure to receive notification will not nullify the financial aid status.

<i>Program Type</i>	<i>Minimum Financial Aid Course Completion Rate</i>	<i>Minimum Cumulative Financial Aid GPA</i>	<i>Maximum Time Frame to Receive Federal Aid</i>
Bachelor's degree and Certificate in Translation and Interpretation	70%	2.0	192 financial aid attempted units
Master's degree and Teacher Credential	70%	3.0	15 semesters

The following policies will apply:

Minimum financial aid GPA is cumulative for the current program of study.

Minimum financial aid course completion rate is calculated by dividing financial aid completed units by financial aid attempted units (e.g., if 40 units are attempted, the student must have successfully completed 27 units).

Financial aid attempted and completed units are cumulative for all courses in all programs attempted at National Hispanic University.

Financial aid attempted and completed credit requirements include transfer units.

Financial aid attempted units include all registered courses with the exception of courses dropped before the start of the semester or during the drop period.

For course repetitions, only the most recent grade is counted in the cumulative GPA, but the units from all attempts must be counted in the course completion rate and maximum time frame.

The maximum time frame will be reset for students completing a second or further degree at National Hispanic University.

The maximum time frame for students who change programs without earning a National Hispanic University degree is cumulative for all programs attempted and is measured against the maximum time frame for the current program.

The maximum time frame excludes semesters of non-enrollment and semesters in which all courses are dropped before the start of the semester or during the drop period.

Financial aid progress requirements include all semesters of enrollment, including periods in which the student did not receive federal aid.

Financial Aid Probation

The financial aid office reviews progress every semester. Students who do not meet the course completion rate and/or GPA standards as defined above are placed on financial aid probation for two semesters. During this probation period, students remain eligible for financial assistance. Students who fail to meet the minimum progress requirements after completing the two-semester probation period become ineligible to receive Title IV aid until such time as the progress requirements are met. A change in the academic program does not supersede the above statement.

Maximum Time Frame

Federal financial aid eligibility expires without probation when the student reaches the maximum time frame or if the financial aid progress review makes it clear that the student cannot mathematically finish his/her program within the maximum time frame.

Right to Appeal

Occasionally, a student's academic progress may be delayed by circumstances that are beyond the student's control. A student may appeal for an extension of federal aid if he/she can document that unexpected, unusual, and temporary circumstances affected his/her ability to progress at the required rate (i.e. death in the immediate family, illness, or other significant life

change). In instances such as this, the student may appeal to the Office of Financial Aid no later than 15 calendar days following the end of the second probationary semester.

Students who wish to appeal must complete the Financial Aid Academic Progress Appeals form and provide supporting documentation to the Office of Financial Aid for review. Failure to provide supporting documentation will result in an automatic denial. If the appeal is accepted, the student must meet the requirements set forth by the written approval of the appeal. A pre-existing condition (a condition or illness that you have had before beginning any National Hispanic University program) is not cause for appeal. Students may not appeal the decision a second time.

Loss of Federal Financial Aid Eligibility

Students who become ineligible to receive financial aid but remain in compliance with the academic progress standards for continuance in their program are not withdrawn from the program but must arrange for alternative payment with the Bursar by the appropriate tuition due date. Students may be eligible for private educational loans if federal aid eligibility is lost.

Satisfactory Academic Progress Standards (for periods of enrollment on or after 08.22.2011)

National Hispanic University’s satisfactory academic progress requirements to receive Title IV student financial aid comply with U.S. Department of Education regulations. These standards are intended to establish minimum, reasonable levels of advancement toward degree completion and to guard against abuse of federal financial aid programs. Satisfactory progress requirements for receipt of federal financial aid are separate and distinct from the university’s academic progress requirements for academic continuance.

Satisfactory academic progress for all students is reviewed after each period of enrollment. Students receive written notification via e-mail to their National Hispanic University email account if they are placed on **financial aid warning**. Upon receiving this warning, a student has one period of enrollment to return to the requirements listed below. If the student does not meet the requirements, they may appeal for a period of financial aid **probation**. If the appeal is not granted students become ineligible for federal financial aid.

It is the student’s responsibility to know the requirements for meeting satisfactory academic progress. Failure to receive notification will not nullify a student’s financial aid status with National Hispanic University.

Minimum Standard for Federal Financial Aid

<i>Program Type</i>	<i>Minimum Financial Aid</i>	<i>Minimum Cumulative</i>	<i>Maximum Time Frame to Receive Federal Aid</i>
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	<i>Course Completion Rate</i>	<i>Financial Aid GPA</i>	
Bachelor's degree and Certificate in Translation and Interpretation	70%	2.0	192 financial aid attempted units
Master's degree and Teacher Credential	70%	3.0	15 semesters

Treatment of Courses and Units for Satisfactory Academic Progress for Financial Aid Eligibility

- **Course Repetitions:** Only the most recent grade is counted in the cumulative GPA, but the units from all attempts must be counted in the course completion rate and maximum time frame.
- **Drops:** Courses dropped before the end of the “add/drop” period are not included in the Financial Aid Satisfactory Progress calculations.
- **Incompletes:** Incomplete grades count as units attempted and not completed, but do not impact GPA.
- **Periods with No Financial Aid:** Financial aid progress requirements include all periods of enrollment including periods in which the student did not receive federal aid.
- **Second Program:** The maximum time frame will be reset for students who complete one program or degree at National Hispanic University and begin a subsequent program or degree.
- **Transfer Units:** All units accepted toward the National Hispanic University degree or programs are considered as both attempted and completed when calculating the Minimum Course Completion Rate and Maximum Time Frame.
- **Withdrawals:** Courses dropped after the “add/drop” period are considered to be attempted but not completed.

Policy and Definitions

Appeal: Occasionally, a student's academic progress may be impacted by unusual circumstances that are beyond the student's control. A student may appeal for an extension of financial aid if the student can document that unexpected, unusual, and temporary circumstances affected the student's ability to progress at the required rate. See the "**Right to Appeal**" for details.

Right to Appeal

Occasionally, a student's academic progress may be impacted by unusual circumstances that are beyond the student's control. A student may appeal for an extension of financial aid after a period of Financial Aid Warning, if the student can document that unexpected, unusual, and temporary circumstances affected the student's ability to progress at the required rate. Examples of such mitigating circumstances are a death in the immediate family, illness, or other significant life change.

- Students may appeal to the Office of Financial Aid no later than **15** calendar days following the end of the Financial Aid Warning period of enrollment.
- Students who wish to appeal must complete the ***Financial Aid Academic Progress Appeal Form*** and provide supporting documentation to the Office of Financial Aid for review.
- Failure to provide supporting documentation will result in an automatic denial.
- If the appeal is accepted, the student must meet the requirements outlined in the written approval of the appeal.
- A preexisting condition (a condition or illness that you had before the beginning any National Hispanic University program) is not cause for appeal unless there was an unexpected change in that condition.
- Students may not use the same circumstances in a subsequent appeal, although a student may submit an appeal for a future period of difficulty for different mitigating circumstances.
- Decisions by the Office of Financial Aid are final.

Maximum Time Frame: Federal financial aid eligibility expires without warning when the student reaches the maximum time frame or if the financial aid academic progress review

makes it clear that the student cannot mathematically finish the current program within the maximum time frame.

- The maximum time frame will be reset for students completing a second or further degree at National Hispanic University.
- The maximum time frame for students who change programs without earning a National Hispanic University degree is cumulative for all programs attempted and is measured against the maximum time frame for the current program.
- The maximum time frame excludes semesters of non-enrollment and semesters in which all courses are dropped before the start of the semester or during the drop period.
- Financial aid eligibility for an academic program ceases as soon as all academic requirements for graduation have been met regardless of maximum time frame standing.

Minimum Course Completion Rate: A percentage calculated by dividing cumulative successfully completed units by total units attempted. For example, a student who has successfully completed 27 units at National Hispanic University out of a total of 40 attempted units at the university has a course completion rate of 67%. This rate includes units transferred in to National Hispanic.

Minimum GPA: Cumulative: The grade point average for all coursework pertaining to the current program of study.

Minimum GPA: Period of Enrollment: The grade point average for all courses attempted during the most recent period of enrollment.

Period of Enrollment: One semester.

Status - Financial Aid Warning: This status is assigned to a student who failed to make satisfactory academic progress during the most recent period of enrollment during which the student was in attendance. The student has one period of enrollment to return to standard during which the student is eligible for financial aid.

Status - Financial Aid Probation: This status is assigned to a student who failed to make satisfactory academic progress during a period of enrollment, failed to return to standards during one semester of Financial Aid Warning, completed a successful appeal for mitigating circumstances, and has eligibility for financial aid reinstated.

Financial Aid Probation will be for one period of enrollment or will be accompanied by an

Academic Plan to bring the student back to standard by a specified date if it is not reasonable to expect the student to return to standard during the next period of enrollment. An Academic Plan may be a course-by-course plan for degree completion, a specification for number of units and/or grade requirements for particular periods of

enrollment, and/or requirements for the student to get academic support or to use other academic resources. A student must comply with an Academic Plan in order to retain eligibility for financial aid.

Status - Financial Aid Ineligibility: This status is assigned to a student who failed to return to the required standards during the period of Financial Aid Warning. Students who do not complete a successful appeal, who do not return to standards during a single semester Financial Aid Probation, or who do not comply with an Academic Plan for an extended period of Financial Aid Probation will lose all federal financial aid eligibility. A student in Financial Aid Ineligibility status is not eligible for federal financial aid until the student returns to meeting the requirements. Simply sitting out a semester, paying cash, or changing academic programs will not return a student to satisfactory academic progress standards.

Loss of Federal Financial Aid Eligibility

Students who become ineligible to receive financial aid but remain in compliance with the academic progress standards for continuance in their program are not withdrawn from the program but must arrange for alternative payment with the Bursar by the appropriate tuition due date. Students may still be eligible for private educational loans if federal aid eligibility is lost.