Financial Aid and Scholarships

University Policy on Financial Aid

The goal of the Office of Financial Aid at NHU is to deliver student aid efficiently and to ensure availability of aid for students who, without such assistance, would be unable to pursue their educational goals.

Eligibility for financial aid is based on financial need. Financial need is the difference between the cost of attending NHU and the Expected Family Contribution (EFC), the amount the student and student’s family are expected to contribute toward the student’s education for the current academic year.

All students are encouraged to apply for every available form of aid.

Applying for Financial Aid

Applying for federal financial assistance is a two-part process consisting of (1) application and notification of eligibility and (2) acceptance of the aid offer and completion of the Master Promissory Note and Entrance Counseling. This process takes approximately two to four weeks from the initial application through the receipt of funds. Students are strongly encouraged to begin the application process at least eight weeks prior to the beginning of the semester to ensure that the pertinent deadlines are met.

To apply for financial aid, the student must:

- Obtain a U.S. Department of Education personal identification number (PIN) at www.pin.ed.gov. This serves as the student’s electronic signature when completing the online Free Application for Federal Student Aid or FAFSA. Federal Student Aid (FSA) will send an email with the student’s PIN information and steps for using the PIN.
- Go to www.fafsa.gov to learn about the process and complete the application on-line. NHU’s school code is 016968.
- NHU strongly suggests that all students who are eligible and who filed a federal tax return use the IRS Data Retrieval tool when filling out their FAFSA on the Web. This process may expedite the verification and awarding process.
- Students who need to apply using a paper application should contact the Department of Education at 1-800-433-3243.

A new FAFSA with supporting documents must be filed for every academic year that a student wishes to receive financial aid. The following criteria apply to all federal student aid programs. A student must:

- Be a U.S. citizen or eligible non-citizen.
- Have a high school diploma or GED.
- Enroll in an eligible program as a degree-seeking student or enroll in an eligible certificate program.
- Be registered for the selective service, if required to do so.
- Not be in default on a federal student loan, owe an overpayment on any federal grant, or have borrowed in excess of the loan limits under the Title IV programs at any institution.
- Maintain good academic standing in the program and make satisfactory progress toward the degree.
**Note:** During a period of enrollment for which the student is receiving federal student aid, conviction for any offense under any federal or state law involving the possession or sale of illegal drugs will result in the loss of eligibility for any federal student aid.

**Financial Aid Deadlines**

The Office of Financial Aid processes awards on a rolling basis. NHU recommends that students have a complete Financial Aid Application at least four 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.

**New students:** Award notifications will be made to students with completed financial aid files. However, NHU cannot process a student’s financial aid until the Office of Admissions receives all official transcripts.

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

**Verification Policy**

In accordance with U.S. Department of Education regulations, NHU is required to verify the accuracy of financial aid application information for selected students. NHU strongly suggests that all students who are eligible and who filed a federal tax return use the IRS Data Retrieval tool when filling out their FAFSA on the Web. This process may expedite the verification and awarding process. Students who do not use the IRS Data Retrieval Tool or who change the data imported from the IRS may be selected for verification by the U.S. Department of Education. Students may randomly be selected for verification or may be selected on the basis of predetermined criteria. NHU may also select applications for verification. Students selected for verification may be required to submit additional information.

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.

**Enrollment Policy**

**Undergraduate Students**

Financial aid is offered based on the assumption that undergraduate students will be enrolled for at least 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. Audited courses do not count toward enrollment for financial aid eligibility.
Graduate Students

Financial aid is offered for most programs based on the assumption that students will be enrolled in at least six 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. Audited courses do not count toward enrollment for financial aid eligibility.

Types of Enrollment Status for Financial Aid

<table>
<thead>
<tr>
<th>Enrollment Status</th>
<th>Undergraduate Students and Teacher Credential and Certificate Translation and Interpretation (TNI)</th>
<th>Graduate Programs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full time</td>
<td>12 or more units per semester</td>
<td>6 units per semester</td>
</tr>
<tr>
<td>Three-quarter time</td>
<td>9–11 units per semester</td>
<td>n/a</td>
</tr>
<tr>
<td>Half time</td>
<td>6–8 units per semester</td>
<td>3–5 units per semester</td>
</tr>
<tr>
<td>Less than half time</td>
<td>1–5 units per semester</td>
<td>1–2 units per semester</td>
</tr>
</tbody>
</table>

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. Examples of changes that would require adjustments to aid include:

- Student does not begin attendance in any courses.
- Pell Grant 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.

In some instances, a federal Return of Title IV (R2T4) calculation may be required.

Financial Aid Disbursement Process and Requests for Excess Funds

Most financial aid is disbursed in two equal payments over 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 Office of the Bursar 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 NHU 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 by the 26th day of the semester (14 days after funds have disbursed to the
Students must participate in their 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 the semester and the student does not register for the first half of the semester, federal aid cannot disburse until the 10th day of the second half of the semester. Disbursements may be delayed if the student is subject to academic progress review for a prior semester. If a Pell Grant award results in a credit balance, the student may request a book advance online: [http://www.nhu.edu/pdf/Bursar_Forms/Book_Loan_Request_Form.pdf](http://www.nhu.edu/pdf/Bursar_Forms/Book_Loan_Request_Form.pdf).

**Over-Award 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 over-award of federal funds (the term "over-award" 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: tuition reductions, tuition waivers, scholarships, third-party payments, and/or other resources. In such instances, the Office of Financial Aid will correct the over-award 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. Highest cost loans will be reduced before any reduction is made to scholarship or grant awards.

**Overlapping Financial Aid when Attending Another School**

Federal aid received at another institution can impact the amount of federal aid that a student may receive at NHU. According to federal regulations, NHU participates in the federal transfer monitoring process, and the U.S. Department of Education may take up to 90 days into the start of the first semester to notify NHU that a student has had federal aid awarded by another institution that overlaps with enrollment dates at NHU. The Office of Financial Aid may not be able to make an initial award offer or may have to cancel aid that has already been awarded if it receives information that the student has applied for and/or received federal aid at another institution for an overlapping period. For example, an overlapping period occurs if the loan period at the prior institution ends even one day after the student starts at NHU, and the university must deduct aid received at the other institution from the student’s annual NHU eligibility.

The Office of Financial Aid may ask the student to have the prior institution complete an Overlapping Financial Aid form to confirm the last date of attendance and disbursed loan amounts at the prior institution. To prevent duplication of living allowance between schools, NHU must remove the living allowance from the student’s cost of attendance during periods of overlap. Students must make alternative arrangements for payment if they become ineligible for federal aid based on aid received at another institution.

**Study Abroad or at Another Institution**

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

A consortium agreement between schools whereby the home school disburses federal aid for courses taken at a host school is required before the student can access federal Title IV aid. 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 NHU (home school) and a host school if the student has
been approved by NHU to take coursework at the host institution that will fully transfer toward the NHU degree program.

NHU degree-seeking students must submit a copy of the NHU Permission to Take a Course at Another Institution form, which is signed by NHU’s Office of Admissions, and a Consortium Agreement form, which is signed by the host school’s financial aid office and provided to NHU’s Office of Financial Aid.

Students must also meet all other federal eligibility requirements. If the student is approved for a consortium agreement at NHU, the university will disburse federal aid to the NHU student account, and the Office of the Bursar will issue the refund to the student. The student is responsible for meeting payment deadlines set by the host school. NHU does not pay the host school on behalf of the student and does not alter the financial aid disbursement schedule to meet deadlines set by the host school.

Borrower-Based Award Year for Online Programs

NHU uses a Borrower-Based Award Year (BBAY) to allow aid to be individualized for each student borrower enrolled in online programs. A BBAY award may begin any time within the scheduled academic year and generally follows with the student borrower’s attendance and progress. The academic terms included in the BBAY award are those in which the student is enrolled on at least a half-time basis.

Financial Aid Programs:

Federal Pell Grant

Federal Pell Grants are generally awarded to undergraduate students who have not yet earned a bachelor’s degree. All recipients are limited to a lifetime eligibility of six years of full-time Pell Grants. The U.S. Department of Education determines eligibility using a standard needs-based formula established by Congress. The Pell Grant maximum is $5,645 for the 2013-2014 award year. The amount 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

The Federal Supplemental Educational Opportunity Grant (FSEOG) is a campus-based program that awards grants to undergraduate and teacher credential students to help pay for the costs of post-secondary education. To qualify, students must submit a completed FAFSA and demonstrate exceptional financial need. Award amounts are to be determined by the Office of Financial Aid according to NHU’s packaging policy and available funds. FSEOG is a gift aid award and does not have to be repaid.

Federal Work Study

Federal Work Study (FWS) is a campus-based program that provides job opportunities, both on and off campus, to federal-aid eligible students to help meet the costs of postsecondary education. Students qualify by submitting a complete FAFSA and by being hired by a FWS 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 Loan

Federal Direct Loans are available to both graduate and undergraduate students. Undergraduates may be eligible for one or the other, or a combination of both loan types. Graduate students, as of July 1, 2012, are eligible only for unsubsidized loans. Students must be enrolled at least half time to receive a
Direct Loan. Federal Direct Loans borrowed at a prior institution may impact a student’s loan eligibility at NHU. Loan amounts are determined by need and the student’s year in school. Repayment may be deferred until six months after the student either graduates or drops below half-time (six units per semester) enrollment.

- **Federal Direct Subsidized Loans** are available to undergraduate students with financial need. The federal government pays the interest on this loan while the student is enrolled at least half time in school.

- **Federal Direct Unsubsidized Loans** are available to undergraduate and graduate students. These 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.

Both the subsidized and unsubsidized loans have 1% fees deducted from each disbursement. Students typically have a six-month repayment grace period after graduating, leaving school, or dropping below half-time status, after which payments must be made. Payments are usually due on a monthly basis.

Creditworthiness is not a requirement to obtain subsidized or unsubsidized loans. 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.

*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 7.9%. 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 Parent Loans for Undergraduate Students*

Federal Parent Loans for Undergraduate Students (PLUS) are available to all parents and legal guardians 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 is 7.9%. 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.

*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 [Subsidized and Unsubsidized](#).
**Stafford Loan Entrance Counseling** and will help students understand their rights and obligations as a student loan borrower.

**Exit Counseling**

To help students manage their student loans after graduation, federal regulations also require that students complete exit loan counseling, which is available online at [Direct Loan Exit Counseling](#). Counseling should be completed:

- Before graduation.
- Before transferring to another institution.
- Before withdrawal and leaves of absence.
- If enrollment falls below half time.

**Undergraduate Students: Direct Loan Maximums**

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

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

*Students in some certificate programs are not eligible or, if in undergraduate certificate programs, may only be eligible for reduced amounts due to required prorating.

**Graduate Students: Direct Loan Maximums**

<table>
<thead>
<tr>
<th>Per Academic Year</th>
<th>$20,500</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lifetime Maximum Total Debt from Direct Loans</td>
<td>$138,500—Only $65,500 of this amount may be subsidized loans.</td>
</tr>
</tbody>
</table>

Note: The graduate debt limit includes Stafford Loans and Direct Loans received for undergraduate study.

**Annual Loan Limits vs. Lifetime Aggregate Loan Limits**

**Annual Loan Limits**: NHU defines its annual award year as fall and spring semesters. Students cannot exceed the annual Direct Loan maximums in the award year. Loans from a prior institution can impact the student’s eligibility at NHU. Students may be asked to provide additional information about prior loans in order to process new loans at NHU.

**Lifetime Aggregate Loan Limits**: The federal government limits the aggregate amount of Federal Direct Loans that students may borrow in their lifetime as follows:
- **Graduate students:** $138,500 combined (only $65,500 may be subsidized; includes amounts borrowed as an undergraduate)

- **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.

The student loan borrower is responsible for knowing the total amount of federal loans borrowed. A summary of an individual’s federal loan debt is available via the National Student Loan Data System at [www.nslds.ed.gov/nslds_SA/](http://www.nslds.ed.gov/nslds_SA/).
Exceeding Annual or Aggregate Loan Limits

The Department of Education may indicate that a student has 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 NHU can award a graduate-level Direct Loan, 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 NHU 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).

Loan Deferments

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

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

**NHU’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 NHU’s Office of the Registrar, Attn: Loan Deferment, 14271 Story Road; fax: 1-408-254-1256. At the top of the form, students must include their enrollment start date and the semester for which they are requesting an in-school deferment.

**Note:** Any deferment paperwork sent to the Office of the Registrar for enrollment verification is forwarded to the NSC on a weekly basis.
Federal Student Loan Repayment Plans

Federal Direct and Stafford Loans offer six major repayment plan options. Some of the options carry a lower monthly payment than standard repayment, but choosing these extends the term of the loan and increases the total amount of interest paid during the life of the loan. Learn about the various options and your ability to move between plans by visiting http://studentaid.ed.gov/repay-loans.

Repayment Estimator is a tool that William D. Ford Federal Direct Loan (Direct Loan) and Federal Family Education Loan (FFEL) program borrowers can use to obtain preliminary repayment plan eligibility information and estimated repayment amounts. This easy-to-use tool offers borrowers the opportunity to obtain preliminary repayment information across all of the repayment plans. Its advantage over repayment plan-specific calculators is that it provides side-by-side results for all plans and information about the total cost of a loan over time. The new Repayment Estimator is available for borrower use on the www.studentloans.gov.

1. Standard Repayment. On standard repayment a borrower pays a fixed monthly amount for a loan term of up to 10 years, with a $50 minimum monthly payment.

2. Extended Repayment. Extended repayment is like standard repayment, but allows a loan term of 12 to 30 years, depending on the amount borrowed. Stretching out the payments over a longer term reduces the size of the monthly payment, but increases the total amount repaid during the life of the loan.

3. Graduated Repayment. Graduated repayment starts off with lower monthly payments, which gradually increase every two years. The loan term is 12–30 years, depending on the amount borrowed. The monthly payment must be at least $25 and will amount to at least the interest accruing.

4. Income-Based Repayment. This is a new plan started in 2009 for all federal loan borrowers. Income-based repayment extends the term for up to 25 years and bases the monthly repayment amount on the borrower’s income, resets annually, and caps the monthly payments at a lower percentage of income than income-contingent repayment. If income is low enough, the interest that accrues is waived for a fixed period of time. At the end of 25 years, any remaining balance on the loan will be cancelled, and the amount cancelled is taxable.

5. Income-Contingent Repayment. This applies only to Direct Loans. Monthly payments are based on the borrower’s income and total amount of debt. Payments are adjusted each year as the borrower’s income changes. The loan term is up to 25 years. At the end of 25 years, the remaining balance on the loan will be cancelled, and the amount cancelled is taxable. A $5 minimum monthly payment is required.

6. Income-Sensitive Repayment. With an income-sensitive plan, the borrower’s monthly loan payment is based on annual income. As income increases or decreases, so do the payments. The maximum repayment period is 10 years. Borrowers should ask their lender for more information on FFEL Program Income-Sensitive Repayment Plans. Direct Loans are not eligible for this repayment plan.

7. Pay As You Earn. Borrowers with eligible student loans may qualify for this program, that includes a repayment based on income, interest payment benefits, limitation on capitalization of interest and loan forgiveness, if the borrower qualifies. Borrowers should speak with their loan servicer for more information on this program Department of Education Student Loan Ombudsman.

NHU’s Office of Financial Aid is always ready to assist with any questions or concerns regarding loans. If 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. Student borrowers can contact the Office of the Ombudsman via the following:

- Online assistance: [www.ombudsman.ed.gov](http://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 and Federal Loans*

Private education loans may have significant disadvantages when compared with federal education loans. NHU strongly encourages students to first borrow any federal loans for which they are eligible. The chart below delineates the differences between federal and private loan funds.

**Comparison Chart of Federal and Private Education Loans**

<table>
<thead>
<tr>
<th></th>
<th>Federal Loans</th>
<th>Private Loans</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Credit Check Required?</strong></td>
<td>Direct Loan: No</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td>PLUS/GradPLUS: Yes (limited)</td>
<td></td>
</tr>
<tr>
<td><strong>Credit Score or Debt-to-Income Considered?</strong></td>
<td>Direct Loan: No</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td>PLUS/GradPLUS: No</td>
<td></td>
</tr>
<tr>
<td><strong>Co-Signer Required?</strong></td>
<td>Direct Loan: No</td>
<td>Usually yes</td>
</tr>
<tr>
<td></td>
<td>PLUS/GradPLUS: Usually no</td>
<td></td>
</tr>
<tr>
<td><strong>Deferment Options</strong></td>
<td>Several options</td>
<td>Depends on lender</td>
</tr>
<tr>
<td><strong>Grace Period</strong></td>
<td>Direct Loan: 6 months</td>
<td>Depends on lender</td>
</tr>
<tr>
<td><strong>Interest Rate</strong></td>
<td>Fixed</td>
<td>Usually variable</td>
</tr>
<tr>
<td><strong>Loan Fees</strong></td>
<td>Direct Loan: up to 1%</td>
<td>Depends on lender</td>
</tr>
<tr>
<td></td>
<td>PLUS/GradPLUS: up to 4%</td>
<td></td>
</tr>
<tr>
<td><strong>Flexible Repayment Options</strong></td>
<td>Many options available</td>
<td>Generally none</td>
</tr>
<tr>
<td><strong>Loan Forgiveness Options</strong></td>
<td>Several options available</td>
<td>Generally none</td>
</tr>
<tr>
<td><strong>Penalties for Early Repayment</strong></td>
<td>None</td>
<td>Depends on lender</td>
</tr>
</tbody>
</table>

**Choosing a Private Loan**

When choosing a private education loan, students should compare the terms offered by several lenders to choose the best fit for their situation. A resource for finding active private education loan programs is [http://www.finaid.org/loans privateloan.phtml](http://www.finaid.org/loans privateloan.phtml). When choosing a lender, students should make sure that NHU is eligible for their loan programs.

The following are several points that students 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 NHU to certify a student’s eligibility before approving the loan. Students who receive financial aid must notify NHU of any private loans because this may affect financial aid eligibility.

Truth in Lending Act

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

- **Self-Certification Form:** Student must complete this form and return it to the lender before receiving the first disbursement of loan funds.

- **Final Disclosure and Right-to-Cancel Period:** After the student signs the promissory note, the Final Disclosure Statement confirms the terms and conditions of the loan. The "right-to-cancel" period begins when the final disclosure is delivered to the student. During this period of three to six days, the loan may be cancelled by contacting the lender. The lender cannot release the first disbursement of 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 attend NHU. Students from states other than California can check the following website for information:

[http://wdrboccolp01.ed.gov/Programs/EROD/org_list.cfm?category_ID=SHE](http://wdrboccolp01.ed.gov/Programs/EROD/org_list.cfm?category_ID=SHE)

California residents may be eligible for the Cal Grant Program. This state-funded educational opportunity grant program assists students in paying for the costs of post-secondary 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 U.S. citizens or eligible non-citizens. Students must not be in default of a student loan and must meet satisfactory academic progress as defined by NHU.

*Cal Grant A (Entitlement and Competitive Awards)*

Cal Grant A Entitlement Awards help California residents attending qualifying institutions pay for tuition and fees. Entitlement awards are guaranteed for students with at least a 3.0 GPA who meet the need qualifications. Those who do not qualify will be considered for competitive awards, which are issued to students from middle- and low-income families. Cal Grant A awards do not have to be repaid.

*Cal Grant B (Entitlement and Competitive Awards)*

Cal Grant B Entitlement Awards help California residents attending qualifying institutions pay for the costs of post-secondary education. Entitlement awards are guaranteed for students with at least a 2.0 GPA who meet the need qualifications. Those who do not qualify for entitlement awards will be considered for competitive awards, which are awarded to students from low-income, disadvantaged
backgrounds, and are used for access costs (room and board, transportation, etc.). Cal Grant B awards do not have to be repaid.

**Assumption Program of Loans for Education**

Assumption Program of Loans for Education (APLE) assume up to $11,000 in loan debt for students pursuing a K–12 teaching career, in exchange for four years of teaching service. APLE is also available for undergraduate students who intend to pursue an initial teaching credential.

**Veteran’s Benefits**

NHU has been approved for the training of veterans and eligible persons under the Title 38 U.S. Code. Students who are eligible to receive Veteran’s Educational Benefits should contact the Office of Financial Aid regarding their funding.

**Satisfactory Academic Progress**

NHU’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.

Academic progress for all students is reviewed after each period of enrollment. Students receive written notification to their NHU email account if they are placed on financial aid warning. When a student receives this warning, he/she has one period of enrollment to return to the requirements listed below. Students who do not meet the requirements may appeal for a period of financial aid probation. If the appeal is not granted, the student becomes ineligible for federal financial aid.

It is the student’s responsibility to know the Satisfactory Academic Progress requirements for receipt of federal financial aid.

**Minimum Academic Progress Standards for Federal Financial Aid**

<table>
<thead>
<tr>
<th>Program Type</th>
<th>Minimum Unit Completion Rate</th>
<th>Minimum Cumulative GPA</th>
<th>Maximum Time Frame to Receive Federal Aid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bachelor’s degree and Certificate in Translation and Interpretation</td>
<td>70%</td>
<td>2.0</td>
<td>192 attempted units</td>
</tr>
<tr>
<td>Graduate programs and Teacher Credential</td>
<td>70%</td>
<td>3.0</td>
<td>15 semesters</td>
</tr>
</tbody>
</table>

**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.

- **Incomplete:** 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 timeframe will be reset for students who complete one program or degree at NHU and begin a subsequent program or degree.

- **Transfer Units:** All units accepted toward the NHU degree or programs are considered as both attempted and completed when calculating the minimum course completion rate and maximum timeframe.

- **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. Students may appeal for an extension of financial aid if they can document that unexpected, unusual, and temporary circumstances affected their ability to progress at the required rate. See the *Right to Appeal for Extension of Financial Aid* section below for details.

- **Maximum Timeframe:** Federal financial aid eligibility expires without warning when the student reaches the maximum timeframe or if the financial aid academic progress review makes it clear that the student cannot mathematically finish the current program within the maximum timeframe.
  - The maximum timeframe will be reset for students completing a second or further degree at NHU.
  - The maximum timeframe for students who change programs without earning an NHU degree is cumulative for all programs attempted and is measured against the maximum timeframe for the current program.
  - The maximum timeframe 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 timeframe 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 NHU out of a total of 40 attempted units has a course completion rate of 67%. This rate includes units transferred into NHU.

- **Minimum GPA, Cumulative:** GPA for all coursework pertaining to the current program of study.

- **Minimum GPA, Period of Enrollment:** GPA 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. The option for extended probation with an Academic Plan is only available 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 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 of 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 meeting the requirements. Simply sitting out a semester, paying cash, or changing academic programs will not return a student to satisfactory academic progress standards.

**Right to Appeal for Extension of Financial Aid**

Occasionally, a student’s academic progress may be impacted by unusual circumstances that are beyond the student’s control. Students may appeal for an extension of financial aid after a period of Financial Aid Warning if they can document that unexpected, unusual, and temporary circumstances affected their 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 a student had before beginning any NHU 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.

**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 Office of the Bursar** by the appropriate tuition due date. Students may still be eligible for private educational loans if federal aid eligibility is lost.
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 (R2T4) 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.

Withdrawal from a Semester

Students withdrawing from any or all courses in the semester prior to the completion of 60% of the quarter/semester may find that funds are owed to the university as a result of the R2T4, discussed in more detail below.

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 any or all courses in the semester, students should 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 NHU when the student withdraws.

Confirmation of Return Enrollment after Withdrawal from Part of a Term

Students who withdraw from a course in the first part of a term and remain registered for a course in the second part of a term will be asked to confirm that they plan to return. Federal rules do not allow NHU to rely on a student’s previous registration if he/she withdraws from the first course. An R2T4 calculation will be processed using the earlier withdrawal date when a student indicates that he/she will return and does not.

Federal Return of Title IV Funds

Federal regulations require the Office of Financial Aid to apply the R2T4 formula 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. Students have earned 100% of their federal financial aid after 60% the semester has passed.

Students withdrawing from any courses in the term prior to the completion of 60% of the semester may find that funds are owed the university as a result of the R2T4. Other enrollment changes that may trigger an R2T4:
Withdrawal to zero credits
- For consecutive enrollment within a semester, withdrawal from an earlier course with no confirmation of return in a later course
- For consecutive enrollment within a semester, dropping, not attending, or withdrawing from a later course, even after the completion of an earlier course
- For consecutive enrollment, failure to participate in more than 60% of the semester along with the failure to earn a passing grade in the last course in the semester
- Failure to participate in more than 60% of the semester along with failure to earn a passing grade in all courses attempted in the semester
- Lack of active participation for at least 14 consecutive days in a semester
- Official leave of absence during the semester

*Examples of R2T4 Calculations*

**Example 1**

Sam Silent is an undergraduate degree student in Business. 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:
- Tuition: $3,948
- Fees: $150

**Total**: $4,098

Sam’s financial aid package consists of:
- Direct Subsidized Loan: $1,750
- Direct Unsubsidized Loan: $3,000

**Total**: $4,750

**Amount refunded to Sam: $652**

As Sam has completed only 42 days of his semester, he earned 50% of the $4,750. According to the federally mandated calculation, 50% of the unearned portion of his aid ($2,375) must be returned.

NHU is required to return the following:
- Direct Subsidized Loan: $875
- Direct Unsubsidized Loan: $1,500

**Total Sam owes to National Hispanic University**: $2,375

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 or receiving transcripts until he repays NHU what he owes.

*Financial aid package is based on independent undergraduate student.*

**Example 2**
Dan Smith is a graduate student in the M.A.Ed. 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:

- Tuition: $3,213
- Fees: $150
  
  **Total**: $3,363

His financial aid package consists of:

- Direct Unsubsidized Loan: $4,250
  
  **Total**: $4,250

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

**Refunds**

In accordance with federal regulations, refunds to financial aid recipients are first applied to repayment of aid disbursed as follows:

1. Federal Direct Unsubsidized Loans
2. Federal Direct Subsidized Loans
3. Federal PLUS Loans
4. Federal Pell Grant Program
5. Federal Supplemental Educational Opportunity Grant (FSEOG)
6. State Student Financial Assistance
7. Institutional Financial Assistance
8. Student

**Right to Information**

Students have the right to a full explanation of NHU financial aid programs, policies, and procedures. Complete information is contained in the NHU *Financial Aid Policies and Procedures Manual* and the *Financial Aid Student Handbook*. Other regulations not contained in these manuals are available in the Office of Financial Aid.

**Confidentiality and Access to Financial Aid Files**

All records and conversations between an aid applicant, his/her family, and the staff of the Office of Financial Aid are strictly confidential and are entitled to protection given to a counseling relationship. No information concerning a student’s financial aid record may be released to anyone outside the Office of Financial Aid without written consent from the student and/or parent(s), except as circumstances/requirements may dictate (e.g., reports of and to federal financial aid programs, agencies, and reports to department chairs and other administration staff who would normally have access to privileged information).