

2011 - 2012
FINANCIAL AID HANDBOOK

**FINANCIAL AID HANDBOOK
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The **2011-2012 Arkansas Northeastern College (ANC) Financial Aid Handbook** has been prepared to provide students and their families with information concerning ANC financial aid. After reviewing this information, you may have further questions. Please feel free to contact our office for assistance.

**Arkansas Northeastern College
Financial Aid Office**
Location: Statehouse Hall
Address: PO Box 1109
 2501 South Division
 Blytheville, AR 72316-1109

Phone: (870) 762-1020 Extension 1160
Fax: (870) 763-1654

Title IV School Code: 012860

General Information

Educational Goals - The Arkansas Northeastern College Financial Aid Office assists eligible students in obtaining the necessary financial resources needed to pursue a college education. A variety of both need-based and merit-based financial aid programs are available to meet student financial need. Enrollment status (number of credit hours enrolled), residency classification, program of study, and expected family contribution may affect the amount and type of financial aid a student will receive to meet his/her need.

Please note that financial assistance should be viewed as supplementary to the efforts of the family. Students are encouraged to make a conscientious effort to establish long term educational goals. It is important to recognize that money may be more limited while attending college due to reduced work schedules and/or increased expenses. Money received from financial aid sources or work usually provides only the necessities of attending college. By setting goals and establishing priorities prior to beginning college, a student may avoid various academic and financial problems.

Therefore, it is essential that students estimate the approximate cost (both direct and indirect) of attending college - keeping in mind that there will be periods when expenses will be higher. For instance, at the beginning of each semester, some of the initial expenses will be: tuition, books, fees, transportation, child care, etc. Overlooking these expenses may pose problems later in the academic year. Items that have proven to be problematic to student budgets are clothing, child care, recreation, travel and charge accounts. Advance planning will alleviate stressful financial situations later. Once a student has identified the level of funds available and has estimated both direct and indirect costs, the budget should be tested to accommodate unforeseen expenses. A student needs to identify areas that could be adjusted to allow for unplanned occurrences. This budget management process will assist a student in withstanding unforeseen difficulties.

My Responsibilities as a Student - Students receiving financial aid must inform the Financial Aid Office when:

- ✓ withdrawing from school
- ✓ changing names
- ✓ changing mailing address
- ✓ receiving additional financial aid from any source

How to Apply for Financial Aid

FILING APPLICATIONS EARLY AND ACCURATELY REDUCES THE STRESS OF REGISTERING FOR CLASSES!

All students planning to attend ANC and seeking most types of financial assistance must complete the Free Application For Federal Student Aid (FAFSA) to determine financial need and eligibility for various financial aid programs. The FAFSA application may be completed on-line at www.fafsa.ed.gov. Electronic processing requires up to 14 days. The application should be completed as **EARLY** as possible since many campus-based federal aid programs are based on eligibility requirements and application receipt date. If a student needs a duplicate copy of his/her Student Aid Report (SAR) or it has been more than 3 (three) weeks since the submission of the electronic information and the student has not received his/her SAR call: 1-800-4FED-AID (1-800-433-3243) regarding the application status.

Note: Students *must reapply* for all federal and many state aid programs *every academic year*. Also, if you change schools, your aid does not automatically transfer. Check with your new school to identify what steps must be taken to continue to receive financial aid.

Academic Year Classification for Financial Aid Purposes - ANC has defined its financial aid academic year to be the Fall and Spring semesters with the Summer semester being considered a "trailer" for Title IV Federal financial aid purposes. Note: A student who received Pell Grants for the preceding Fall and Spring semesters as a full-time student will not be eligible for Summer Pell at ANC.

Verification Requirements - The Central Processing System randomly selects FAFSA applications for a process called Verification. If selected, you will be required to provide documentation to support the information you reported on your FAFSA application. You may be asked to verify information such as:

- * Income (wages, tips, etc.)
- * Household size
- * Family members enrolled in college at least half-time
- * Filing Status eligibility
- * Federal income tax paid
- * Certain untaxed income and benefits

Verification documentation that must be provided to Arkansas Northeastern College Financial Aid Office include, but are not limited to:

- * A completed ANC Institutional Aid Application and ANC Verification Form
- * A **signed** copy of your Federal Income Tax return
- * A **signed** copy of your spouse's Federal Income Tax return (if applicable)
- * A **signed** copy of your parents' Federal Income Tax return (if a dependent student)
- * Signed documentation of untaxed income and benefits received

Professional Judgement - Occasionally the application process does not reflect a family's current financial situation due to special circumstances such as death, separation, divorce, disability, loss of employment, natural disaster, etc. Professional Judgement may be considered by the Director of Financial Aid in the event of **extenuating** circumstances affecting the student's ability to contribute to the cost of his/her education. Professional Judgement must be used only on a case-by-case basis when circumstances, out of the ordinary, distinguish one student from a group of students.

If a student feels he/she has a special circumstance affecting his/her application for financial aid, the student must request in writing, a review of circumstances. This can be accomplished by completing/submitting a "Request for Professional Judgement" form and providing required supporting documentation to the ANC Financial Aid Office. The request will be promptly reviewed--normally within two weeks. The student will be notified by letter if additional information is needed. Once all information has been received and Professional Judgement eligibility determination has been made, the student will be notified by letter of adjusted eligibility as a result of submission to the processor for reprocessing or denial of the request.

Financial Aid Available at ANC

There are three primary types of financial assistance available to eligible ANC students. A student may receive funds from more than one program - depending on eligibility. Those programs include:

Grants and Scholarships

Grants and scholarships provide aid that usually **does not have to be repaid**. However, each may require recipients to maintain a minimum grade point average, enroll and complete designated courses, or enroll and complete a minimum number of credit hours. Federal/State Grants are awarded to students who demonstrate financial need and who, without such funds, may be unable to attend college. **The money received from a federal grant must be used solely for educationally-related expenses.** Application is made by completing the Free Application for Federal Student Aid (FAFSA).

Scholarships may be awarded to students based on merit, need, or both. The FAFSA may be required to apply for scholarships. Please consult the scholarship source for requirements.

Federal Financial Aid Programs at ANC Include:

- Federal Pell Grants (PELL)
- Federal Work Study (FWS)
- Federal Supplemental Educational Opportunity Grant (FSEOG)

Funding Education Beyond High School - The Guide to Federal Student Aid 2011-12 provides an extensive and updated discussion of all Federal Student Aid Programs. A copy may be obtained from the ANC Financial Aid Office, calling 1-800-433-3243, or www.federalstudentaid.ed.gov/pubs.

State and Other Financial Aid Programs at ANC Include:

- Arkansas Workforce Improvement Grant - (Arkansas resident, 3 or more hours, age 24 or older, and meet application deadline)
- Arkansas GO! Opportunities Grant
- Arkansas Academic Challenge Scholarship
- Arkansas Governor's Scholarship
- Arkansas Military Dependents Scholarship Program (formerly MIA/KIA Act 188)
- Arkansas Law Enforcement Officer's Dependent Scholarship
- Arkansas State Teacher Assistance Resource Program (STAR)
- Robert C. Byrd Honors Scholarship (Arkansas and Missouri)
- National Science Scholars Program (Arkansas and Missouri)
- Vocational Rehabilitation (Arkansas and Missouri)
- Workforce OneStop (Arkansas and Missouri)
- Veterans Administration Benefits (Federal)
- Veterans Administration Vocational Rehabilitation Benefits (federal/State)
- Sponsored Scholarships

ANC Scholarship/Waiver Programs Include:

- Full Time ANC Employee/Family Fee Waiver
- Mississippi County Public School Teacher's Fee Waiver
- ACT 678 Scholarship - tuition scholarship for persons age 60 and over
- Board of Trustees Academic Scholarship - awarded to the top 10% of accredited public high school graduates or a minimum composite score of 24 on the ACT prior to high school graduation in Arkansas and Dunklin, Pemiscot, or New Madrid counties in Missouri
- Board of Trustees Technical Scholarship - awarded to students in recognition of performance in a technical or vocational field while in high school. Students must be graduates of an accredited public high school in Arkansas or in Dunklin, Pemiscot, or New Madrid Counties in Missouri.
- Performing Arts Scholarship
- ANC Foundation Scholarships - ANC has several scholarships available through the ANC Foundation - a private non-profit corporation. Awards of various amounts are made to students who have demonstrated high academic performance and/or financial need.

A standard application for ANC Foundation Scholarships is available in the Financial Aid and Student Services Offices. Detailed descriptions of each scholarship is available in the ANC Catalog.

Other Financial Aid Resources to Consult:

- ⇒ Many companies, as well as labor unions, have programs to help pay the cost of postsecondary education for employees, members, or their children.
- ⇒ Consult foundations, religious organizations, fraternities/sororities, town/city organizations and civic groups. (American Legion, 4-H Club, ELKS, Kiwanis, Jaycees, Chamber of Commerce, Girl Scouts or Boy Scouts, etc).
- ⇒ National Honor Society and National Merit Scholarships are available for students who have high grade point averages and meet other qualifications.
- ⇒ Aid from organizations connected with the student's field of interest (example, the American Medical Association or the American Bar Association). These organizations are listed in the U.S. Department of Labor's Occupational Outlook Handbook and can also be found in various directories of associations available at the public library.
- ⇒ If the student (or spouse) is a veteran or a dependent of a veteran, Veterans Education Benefits may be available. Contact the local Veterans Affairs Office.
- ⇒ The World Wide Web (www) provides many FREE scholarship searches.

Who is Eligible? Financial Aid Eligibility and Guidelines

In addition to completing the FAFSA, there are other criteria a student must meet to be eligible to receive federal/state/or institutional Financial aid which may include:

- * **Admission Status** - be admitted to Arkansas Northeastern College as a regular student (see ANC catalog).
- **Citizenship** - be a United States citizen or eligible non-citizen.
- **Default on Student Loans** - not be in default on a Federal Perkins Loan, Federal Family Education Loan, Federal Direct Loans, or Federal Teach Grant/Loan.
- **Educational Purpose** - must sign a statement of educational purpose and selective service status verification.
- **Degree Seeking** - be enrolled as a degree or certificate seeking student in an eligible program.
- **Financial Need** - as determined by the Free Application for Federal Student Aid (FAFSA).
- **High School Diploma** - have a public high school diploma or its recognized equivalent (General Education Development Certificate-GED) or show Ability to Benefit through a test approved by the U.S. Department of Education. ANC utilizes the COMPASS and the ASSET tests for this purpose. Students must achieve a minimum score on each of the three sections to satisfy this requirement. Further information is available in the Financial Aid Office regarding minimum scores and the Student Services Office regarding current ASSET test dates or Compass computer testing times. Students completing a secondary education in a home school setting maybe eligible for Title IV aid. Please contact our office for further information.
- **Repayment** - not owe a repayment of a Federal Grant or State Grant.
- **Satisfactory Academic Progress** - must be making progress towards an approved degree or certificate program.

What is Satisfactory Academic Progress (SAP)?

To receive Federal Financial Aid a student must be making Satisfactory Academic Progress (SAP) towards a degree or certificate. Federal guidelines require the Financial Aid Office measure progress both qualitatively and quantitatively. Only a student enrolled in credit courses, seeking an approved degree/certificate, and in good standing can receive financial aid. Satisfactory academic progress is reviewed each time Title IV aid is awarded, before disbursement of funds, and at the conclusion of each payment period. Financial aid continuation, probation, or suspension is determined by both qualitative and quantitative standards as follows:

Grade Point Average - Qualitative Measurement - When the cumulative grade point average (GPA) of the student falls below the level specified in the following table, the student will be placed on financial aid probation.

<u>Semester Hours Attempted</u>	<u>Cumulative GPA</u>
6 - 12 semester hours	1.50
21 - 40 semester hours	1.75
41 + semester hours	2.00

Students on academic probation who achieve a GPA of 2.00 or higher each semester but have a cumulative GPA below the scale above will be allowed to receive financial aid the next semester while remaining on financial aid probation.

If a student is on academic suspension, no Federal Title IV Financial Aid can be disbursed for the semester or semesters in which the suspension status is in effect. A student may reapply for financial aid the semester in which the suspension status is removed. This may include submitting to the Petition Committee a request to be re-instated into the financial aid program at ANC for extenuating circumstances.

Quantitative Measurement - All students applying for Title IV financial aid must complete at least 75% of all courses in which they have officially enrolled while in attendance at ANC. This percentage will be expressed as a "cumulative completion rate" (CCR) for financial aid purposes.

If during a probationary period the student obtains a semester completion rate (SCR) of at least 75%, but their cumulative completion rate (CCR) remains below 75%, the student will be allowed to receive financial aid for the next semester but will remain on financial aid probation. However, if a student on financial aid probation fails to achieve a SCR of 75% in any probationary period, his/her financial aid will be suspended. Financial aid would then be reinstated once the student's CCR reaches at least 75%.

A student who does not maintain a CCR of at least 75% of all courses enrolled while attending ANC and who does not meet the criteria for a "First-Time Student" probationary period as specified above, will not be eligible to receive Financial Aid. However, he/she may submit, to the Petition Committee, a request to be reinstated into the financial aid program if extenuating circumstances caused the low completion rate. If granted, the student will be placed on probation and must complete at least 75% of hours attempted each semester thereafter.

All F's - A student failing all courses in an enrollment period will be considered as not maintaining satisfactory progress. The student's financial aid will be suspended for at least one semester. If the student's cumulative course completion rate (CCR) is above 75%, his/her financial aid will be reinstated following the suspended period of enrollment. If the student's CCR is below 75%, the student's financial aid will be suspended until the CCR is 75% or above. ****Note: See Return to Title IV regarding possible aid repayment requirements.**

All W's - A student withdrawing from all courses during an enrollment period will not be maintaining satisfactory academic progress. Financial aid will be suspended until the student's cumulative completion rate reaches at least 75%. ****Note: See Return to Title IV regarding possible aid repayment requirements.**

Maximum Hours - Federal guidelines require a school to set a maximum time frame in which a student is expected to finish a degree/certificate. This time frame cannot exceed 150% of the published length of the program. Upon review of SAP, if it is clear that a student cannot finish the program within this period, he/she becomes ineligible for aid. Hours included in Maximum Pell Hours include:

Hours Attempted - Hours attempted is determined by the number of hours the student is enrolled on the census date. This number is OFTEN different from the number appearing on the student's academic transcript as "Hours Attempted." Repeated courses are included in the number of hours attempted for financial aid purposes.

Grades Considered in Course Hours Attempted - The following grades, not considered as course hours attempted in GPA computation, are **considered** as course hours attempted for the purpose of determining financial aid satisfactory academic progress:

* (L) Learning	* (S) Satisfactory	* (W) Withdrawal
* (P) Passing	* (AU) Audit	

College Preparatory Course Hours Attempted - College Preparatory courses (up to 30 hours) will be included in the total hour requirement for enrollment status (full time, 3/4 time, half time, less than half time) to determine financial aid awards. However, College Preparatory courses (up to 30 hours) will not be considered as cumulative credit hours for the purpose of determining total hours attempted.

Transfer Credit Hours - Transfer students' academic transcripts are evaluated by the Registrar's Office. All hours accepted to meet the student's ANC degree requirements will be considered hours attempted/completed in satisfactory academic progress. Students must meet the Registrar's Office deadline, (published in the most current edition of the ANC Catalog), for submitting official transcripts from previously attended institutions for transfer credit evaluation.

Financial Aid Appeal Process - Petition

Students experiencing unusual, extenuating, or special circumstances leading to unsatisfactory progress should contact the Financial Aid Office for a "Petition of Mitigating Circumstances" form. The student should write a statement explaining the circumstance(s) during the term that resulted in financial aid suspension, provide supporting documentation, and submit both to the Financial Aid Office. Extenuating or special circumstances may include (but is not limited to): extended illness of the student and/or immediate member of the student's family, death of an immediate family member, divorce or separation of the student or

parent/guardian, or change in residential basis. Therefore, each petition will be considered on its individual merit and based on the specific circumstances presented.

Once a complete petition has been submitted, the Financial Aid Office will confer with the ANC Petition Committee as necessary to render a decision. The student will be notified of the decision in writing within 30 days of receiving a complete petition. If approved, the student is placed on financial aid probation and is permitted to receive aid. The student must complete at least 75% of his/her course load during the probationary period to continue to receive financial aid in following semesters. If a student on probation does not maintain a 75% semester completion rate, his/her financial aid will be suspended and Financial aid will not be reinstated until the student's cumulative completion rate (CCR) reaches at least 75%.

What is Financial Need?

Most financial aid is awarded on the basis of financial need. Financial need is determined by a Congressionally-mandated formula and is defined as the difference between the amount of money the student and his/her family is expected to contribute toward the student's education and the cost of attendance (COA) at ANC. The process of determining a student's eligibility for financial aid is called Needs Analysis. In this analysis, income and asset information from the student and spouse/parent(s) (if applicable) is examined to determine the family's ability to contribute toward the cost of attendance.

Financial need is defined as:

Cost of Attendance minus Expected Family Contribution equals Financial Need

C.O.A. - E.F.C. = Need

<p>COA - Educational expenses such as tuition, fees, room, board, books, supplies, and other related expenses.</p>	<p>EFC - Calculated from the income and asset information the student provides the Central Processing Center.</p>	
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ANC utilizes the processed results of the Free Application for Federal Student Aid (FAFSA) to determine a student's expected family contribution (EFC). The EFC is the amount the student and/or family is expected to contribute toward the student's education. An eligible student will be offered a financial aid "package" which may include several types of assistance in need-based order, to meet all or part of the student's demonstrated need.

What Are Costs of Attending ANC?

Financial Need utilizes Cost of Attendance (COA) budgets established each year by the Financial Aid Office for determining financial aid eligibility and awarding financial aid funds. These budgets include the various components, specified in Federal Regulation, that must be considered when establishing the estimated cost of attendance for a student attending ANC including average tuition, fees, books, supplies, room and board, miscellaneous/personal expenses, and transportation. These budgets are also set by dependent/independent status and residency. ANC Cost of Attendance tables are available in the Financial Aid Office and the total budget is reflected on the ANC Award Notification.

Two additional allowable components not automatically included are un-reimbursed child/dependent care and disability expenses associated with school attendance. Additional forms, documenting actual expenses not covered by another agency (receipts required), are provided to applicable students.

Childcare/Dependent Care/Disability-Related Expenses - Childcare expenses are limited to the "established area norm" which is identified in the information collected from the Arkansas Department of Health and Human Services. The limits used are the same as those used by the Arkansas Department of Health to reimburse its clients for childcare expenses incurred enabling the client to attend a post-secondary institution. Dependent care expenses (expenses incurred by the student for services provided to a handicapped and/or physically-incapacitated dependent) are not limited--actual expenses as certified by the provider will be allowed less any reimbursements from other resources. Un-reimbursed disability-related expenses, not provided by Vocational Rehabilitation or another agency, that can be documented will be allowed.

How Will I Be Notified of My Award?

Complete File - Financial aid will not be awarded until a student's financial aid file is complete. To be complete, a file must contain a(n):

1. **Federal Output Document** (Student Aid Report-ISR)
2. ANC Institutional Aid Application for the current academic year
3. NSLDS verification for mid-year transfer students (if applicable)
4. Verification Worksheet and required documentation (if applicable)
5. Information requested

After all required documents have been received, the Financial Aid Office will review the student's file for an award or non-award eligibility decision. If eligible, the financial aid package offered may consist of one or more types of grants, scholarships, and/or work study. An Award Notification is generated communicating to the student the cost of attendance, expected family contribution, known resources, and the type(s) and amount(s) of financial assistance being offered for a specified period of time (semester and/or year). The student should carefully review each award including the conditions/obligations accompanying each type of assistance,

before making a decision to accept/decline each award. Awards are made based on full-time attendance. An enrollment status of less than full-time may result in a reduction in the amount(s) of aid received or cancellation of aid in accordance with program guidelines.

If the student is unable to attend ANC during the first semester but intends to enroll the second semester, the Financial Aid Office should be notified in writing or the entire award may be canceled and reassigned.

How Will My Aid Be Disbursed?

Accepted Financial Aid Awards - are disbursed to students the week following the certification date each term (the third/fourth week of each regular semester - Fall and Spring) as follows:

- Federal Grants - Pell & FSEOG
- State Grants - as received
- Third Party Scholarships/funding - as received
- Federal Work-Study - check based on hours worked on the 15th and last working day of each month

The amount of financial aid the student is eligible to receive will be credited to the student's ANC student account. Tuition, fees, book charges, and course required supplies will be cleared on a first-in/first-out basis. If the student receives Financial aid funds in excess of charges, a refund check will be disbursed to the student in the ANC Business Office. Disbursement dates are posted on the Portal in myANC under the Campus Connect Account Status Link. Students may be provided written notification of certain award's anticipated disbursement dates when they receive their award notification. A student cannot receive financial aid (such as the Federal Pell Grant) simultaneously at two colleges.

If a student does not intend to apply his/her financial aid award for tuition and fees, these charges must be paid before any aid will be disbursed. ANC will only credit a student's account for tuition, fees, books, and course required supplies if the student has provided written authorization.

How Much Aid Will Be Disbursed?

Although most awards are based on a full-time enrollment status or maximum award, the amount of aid a student actually receives will be adjusted to reflect the number of hours enrolled on the certification date (reflecting the student's "Enrollment Status") and program specific guidelines. It is important for a student to note that many aid programs require a specific or minimum number of hours to receive aid. In addition, the hours enrolled on the certification date does not change for Federal Grant purposes if ANC has a "valid" EFC prior to a change in enrollment. However, if required, hours of enrollment are reviewed at the point of disbursement for continued eligibility.

Enrollment Status - Enrollment status is determined by the Registrar's Office on the "Certification Date" each term. At ANC, a student is considered:

<u>Full-time:</u>	if enrolled <u>at least 12 credit hours</u> during a regular semester or 12 credit hours (in any combination) during the two summer mini-sessions
<u>Three-quarter time:</u>	if enrolled 9-11 credit hours
<u>Half-time:</u>	if enrolled 6 - 8 credit hours
<u>Less than half-time:</u>	if enrolled 1 - 5 credit hours

"Certification Date" For Financial Aid Purposes - Effective Fall 1995, ANC determined that the eleventh day enrollment status (the official enrollment information used for state reporting purposes) would be the official enrollment status considered for payment of Federal awards and thus is designated as the "Certification Date." The eleventh day enrollment status will be "captured" and used in the payment process when awards are transmitted.

No-Show Policy - Students who enroll for classes and do not attend will be reported as a "No Show" by the instructor. Students who do not begin attending a course or courses are not eligible to receive Financial Aid and will be administratively dropped from their courses during the first 10 days of a regular semester (Fall or Spring) or during the first 5 days of a summer mini-session.

Transfer Student - ANC follows Federal Regulatory procedures regarding transfer students. Effective in the 1998-1999 academic year, ANC began utilizing the National Student Loan Data System's history regarding aid received previously as documented on the current ISIR. Students transferring to ANC, who did not include ANC's Title IV school code on the initial application, must request ANC be added by using their PIN number or by submitting a signed SAR to the Financial Aid Office. Financial aid will only be paid for the portion of the award year in which the student is enrolled at ANC and not to exceed 100% of the scheduled award for any academic year.

The method used to calculate a transfer student's remaining Pell eligibility is as follows:

1. The amount of Pell received at the first institution is compared to the scheduled Pell award to determine the percentage of Pell the student received.
2. The percentage received is then subtracted from 100 to determine the remaining percentage of eligibility.
3. The remaining eligibility percentage is then applied to the student's scheduled ANC Pell.

Over-award/Overpayment

If ANC discovers that an overpayment has occurred due to student error verification, the student will be required to return the overpayment. This overpayment may be resolved in one of two ways:

6. Subsequent financial aid payments in the award year will be adjusted or
7. A repayment schedule will be arranged for the student

If a payment was made to the student while conflicting information existed in the student’s file and the overpayment cannot be recovered from the student, ANC will reimburse the appropriate program account from its own funds within 60 days following the discovery of the overpayment. However, **the student is still liable to ANC for the overpayment he/she received.**

What If I Withdraw?

Return To Title IV Refund Policy - Title IV funds are awarded to a student under the assumption that the student will attend school for the entire period for which assistance is awarded. If a student withdraws from all courses (official withdrawal) after beginning attendance or stops attending classes (unofficial withdrawal) during an enrollment period, the student may no longer be eligible for the full amount of Title IV funds originally scheduled to receive. The Higher Education Amendments of 1998 required this refund policy to be implemented for all institutions participating in Title IV programs. Accordingly, ANC implemented the Return to Title IV Refund Policy effective Fall 2000. The Return to Title IV Refund Policy affects all students who withdraw from all classes in a given semester and who are:

- eligible to receive Title IV funds during the enrollment period and
- completely withdrew (official withdrawal) on or before the 60% time frame, or
- stop attending classes (unofficial withdrawal)

The amount of Title IV aid that a student must return (or receive in a post-disbursement) is determined by this Federal Formula which also specifies the order the Title IV funds will be returned to the programs from which they were awarded.

Example: If a student withdraws on the 30th day of a semester which is 120 days in length, the student has completed 25% of the term or earned 25% of federal financial aid awarded for the term. Once a student has completed more than 60% of the payment period, the student has earned all the assistance that they were scheduled to received for the payment period.

If less aid was disbursed than was earned, the student may receive a post-withdrawal disbursement for the difference. If the post-withdrawal disbursement includes eligible loan funds, ANC must get the student’s permission before funds are disbursed. ANC encourages students to decline some or all of the loan funds so that the student does not incur additional debt.

If more aid was disbursed than earned, the amount of Title IV aid that must be returned is determined by subtracting the earned amount from the amount actually disbursed. ANC will return unearned aid back to the Title IV program(s) as specified by law. The student will be billed for the amount of institutional charges Federal Student Aid does not cover due to the student’s withdrawal.

ANC Refund Policy

Title IV program fund requirements for withdrawal are separate from any ANC Tuition and Fee Refund Policy. When a student officially withdraws during any semester, an ANC Institutional refund will be calculated as follows:

ANC Institutional Tuition and Fees Refund Policy	
<i>Refund Amount</i>	<i>Date of Official Withdrawal</i>
100%	On or before the end of the first 10 days of a Fall or Spring semester.
100%	On or before the end of the first 5 days of a Summer mini-session.
Follett Bookstore Refund Policy - With Receipt	
<i>Refund Amount</i>	<i>Date of Official Withdrawal</i>
100%	On or before the end of the first 10 days of a Fall or Spring semester.
100%	On or before the end of the first 5 days of a Summer mini-session.

If books or course required supplies were charged to the ANC student account and not returned, the student will owe ANC for the amount not returned.

What If I Want Transfer to ANC with Prior Student Loans?

Although Arkansas Northeastern College does not participate in any Federal Loan Program, students may consider Private Education Loans or Alternative Education Loans. As a general rule, a Private Education Loan should only be considered after all other resources have been exhausted. Students should first file the Free Application for Federal Student Aid (FAFSA), which may qualify them for grants, work-study and other forms of student aid that do not have to be repaid.

If considering an Alternative Student Loan, it is important to remember that any type of educational loan should be used only to pay education expenses — not replace income. It is also important that students compare different private student loans. For example:

*Private Education Loans may be available based on the student's level of study. Review interest rates, program eligibility requirements, minimum/maximum amount that can be borrowed, etc.

*Loan funds may be limited to pay the EFC, or family's portion of college costs (remember private student loans exceeding the difference between cost of attendance and financial aid is considered a resource. Like a scholarship, this could reduce need-based aid with no repayment requirement.)

If the college is aware of the loan, federal regulations require the college to reduce need-based aid. In the future, all lenders may be required to inform colleges about all private student loans. This cost-of-attendance limitation applies to education loans which make enrollment in college a condition of the loan. It does not matter if the loan funds are sent directly to the student or to the college. Please visit with the Financial Aid Office to be sure you will not be giving up funds that do not have to be repaid.

*Compare like loan terms - same repayment length of time, fees, interest rates, etc. Lenders rarely provide all the loan terms until after the student submits an application making it more difficult to compare costs.

*Before applying for any loan, the borrower should be knowledgeable of the following:

- ⇒ What are the exact provisions of the loan?
- ⇒ What is the interest rate?
- ⇒ Exactly how much interest will be paid?
- ⇒ How much will the monthly payment be?
- ⇒ When will the monthly payment begin?
- ⇒ How many months will the payments last?
- ⇒ What happens if I miss a monthly payment?
- ⇒ Is there a grace period for paying back the loan?

*Finally, make a budget. Outline your current expenses and income. Then factor in the minimum loan repayment you will have following graduation. Can you still make your payments?

If you are a transfer student to ANC and you have Federal or Alternative Student loans prior to coming to ANC, be sure to notify your lender of your change of school. In addition, read the following information regarding the Federal Student Loans you may already owe. In all cases, loans **must be repaid**, even if a student does not finish school or get a job after graduating. Failure to repay a loan will affect a person's credit rating and may cause future financing to be more difficult and costly. If you have any questions, the Financial Aid office will be glad to assist you.

What are the Penalties For Defaulting on Student Loans?

Failure to repay a Federal Family Student Loan may lead to serious consequences including, (but not limited to):

- The defaulted borrower may be reported to a credit bureau possibly damaging his/her credit
- Appropriate legal action may be taken to recover the unpaid loan balance
- The Internal Revenue Service may withhold a defaulted borrower's Federal Income tax refund to apply towards repayment of the defaulted loan
- Loss of all types of Federal Financial Aid (Pell, FSEOG, Work-Study)

Borrower Responsibilities/Borrower Rights Responsibilities - When a student applies for a student loan, he/she has certain responsibilities including (but not limited to):

- ⇒ When a Master Promissory Note (MPN) is signed, the student is agreeing to repay the loan according to the terms of the MPN. The MPN is a binding legal document. Therefore, except in cases of cancellation, the student must repay this loan even if he/she does not complete his/her educational program, is unable to acquire a job upon program completion, or is dissatisfied with or does not receive the education he/she paid for. If he/she does not repay the loan according to the terms of the MPN, he/she may be in default.
- ⇒ The student must make loan payments even if he/she does not receive a bill or loan coupon book. Billing statements or coupon books are sent as a convenience and do not relieve the student of his/her obligation to pay.
- ⇒ Even though the student may have applied for a deferment, he/she still must **CONTINUE TO MAKE PAYMENTS** until the deferment is processed. Stopping payments before process completion may result in loan delinquency or default. The student should retain a copy of the deferment request form and should document all contact with the loan holder.
- ⇒ The student **must** notify the school and the organization holding the loan if he/she graduates, withdraws, drops below half-time status, transfers to another school or changes name, address, or social security number.

Rights - The student has specific rights as a borrower including (but not limited to):

- ⇒ The right to a Grace Period if the loan provides for one. The Grace Period begins upon withdrawing, graduating, or dropping below half-time status. The Master Promissory Note indicates if there is an allowance for a Grace Period and length allowable. (Parent Plus Loans do not have a Grace Period).
- ⇒ The borrower must be provided a loan repayment schedule indicating when the first payment is due and the number, frequency, and amount of each

- payment.
- ⇒ The borrower must be notified if his/her loan is sold. Both the previous and new lender/agency identify the new lender/agency now holding the loan, the address to which the borrower must send payments, and the telephone numbers for both the previous and new lender/agency.
 - ⇒ The borrower must be given a list of deferment, cancellation, and conditions under which the Department of Defense will repay the loan.
 - ⇒ Before ANC transmits the first loan disbursement to the borrower, ANC or the loan holder must provide the borrower the following information:
 - The loan total, interest rate, and when repayment begins
 - The effect borrowing will have regarding eligibility for other types of financial aid
 - A complete list of fees/premiums the borrower must pay and information on how these charges are collected (origination fees and insurance premiums)
 - The yearly and total limit he/she can borrow and the maximum/minimum repayment period/amount
 - A current description of loans the borrower holds and an estimate of total NSLDS monthly payments
 - An explanation of options for prepaying the loan without penalty, refinancing the loan, and advantages of consolidating a loan
 - An explanation of default and its consequences
 - ⇒ Before the borrower leaves school, ANC and/or the lender/agency holding the loan must provide the borrower the following:
 - Lender/agency name holding the loan, address to send payments, and address to write regarding loan questions
 - Expected fees during the repayment period such as late charges, collection or litigation costs if the borrower is delinquent or in default, etc.
 - A description of deferment, forbearance, and cancellation provisions
 - A description of repayment options such as prepayment, refinancing, and loan consolidation
 - Debt management advice that may assist the borrower in making loan payments
 - Notification that the borrower must provide his/her expected permanent address, name and address of expected employer, address of closest relative, drivers license number (if applicable), name changes, references, and social security number corrections
 - A current description of the borrower's loans, including an estimate of the average total debt, interest rate, estimated total interest charges, average expected monthly payment, number/frequency of payments, and payment due date

ANC Institutional and Program Eligibility

Current copies of ANC's Institutional Eligibility Notice and Program Participation Agreement are on file in the ANC Financial Aid Office. The Institutional Eligibility Notice specifies the list of educational and Federal assistance programs in which the school is eligible to participate based on its institutional designation. The Program Participation Agreement includes the specific provisions for each program. Updating and/or revisions to these documents is completed by the institution's President and Director of Financial Aid.

Records Management

Complete student financial aid records are maintained in the Financial Aid Office for the current academic year. Inactive student files are maintained in a secure location for three years as required by Federal Regulations.

Referral of Suspected Fraud

Case Referral - If the Director of Financial Aid has reason to believe that information on a student's application is incorrect and the Director has repeatedly been unsuccessful in resolving the circumstance, the case **must** be referred to the Department of Education. The following information will be provided:

- The status of the case, including:
 - a. an explanation of the verification problem
 - b. a list of successfully verified items
 - c. the award year(s) in question
 - d. amount of aid disbursed by program
- ISIR
- The Verification Worksheet
- Federal Tax Return(s) and W-2 form(s)
- Student's/parent's current address/telephone number
- Name and telephone number of contact person at the institution

Reason to Suspect Fraud - If the Director of Financial Aid has reason to suspect fraud, the case will be reported to the Office of the Inspector General and, if applicable, the proper state and local law enforcement agencies. Fraud may be suspected if any of the following conditions apply to the applicant:

- Forged, falsified, or counterfeit documents
- Irregular signatures and certification
- False or fictitious names, addresses, and social security numbers

- Consistently misreported information
- False claims of dependency and/or citizenship status
- Offered and/or paid "Kickbacks" to school staff
- Unreported or misreported receipt of student aid