

## **FINANCIAL AID PROCEDURES, ELIGIBILITY, AND RETENTION**

Financial Aid is awarded to students on the basis of need. Financial need is the difference between the expense of attending the College and the financial resources of the student to meet those expenses. To the extent students and their parents can afford, they are expected to make maximum efforts in meeting college expenses.

The primary source of parental contribution is usually from the family's current income. Also a contribution from family savings and assets is expected if these are above certain minimum figures. To assure the most equitable distribution of financial aid (Congressional Need Analysis), a uniform method of computing the family's contribution is used.

Because the parental contribution is an important factor in arriving at the student's need, the amount that each family can reasonably afford must be carefully evaluated. The Free Application for Federal Student Aid (FAFSA) is used by Zane State College in order to make this decision. This application may be filed online at [www.fafsa.gov](http://www.fafsa.gov). Whether or not a student is offered aid, the extent of his/her need and the amount of aid will be determined by Zane State College. All applications are strictly confidential.

### **Financial Aid Procedures**

Students applying for financial aid at Zane State College must complete the Free Application for Federal Student Aid (FAFSA). By completing this form, the student is applying for all sources of federal aid. For the deadline, contact the Financial Aid Office at Zane State College.

1. Students and/or parents may be required to supply Student Services with a signed copy of their Federal Income Tax return transcript, as well as documentation of any other income, for validation of the information submitted on the Free Application for Federal Student Aid.
2. The results of this submission process are compiled and a financial aid package is developed to help meet the student's financial need.

### **Eligibility for Financial Aid**

To be eligible to receive financial aid to attend Zane State College, students must have a high school diploma or a GED. Students must also be enrolled in a program leading to an approved one-year certificate or two-year associate degree at Zane State College. Further, students can remain as "undecided" for only 24 credit hours and receive financial aid. This stipulation applies if the student is "degree seeking."

### **Verification of Eligibility for Financial Aid**

Verification policy:

1. Students who are required to verify the information on their Free Application for Federal Student Aid will not be packaged for financial aid until all verification materials are submitted and processed. Once all documents are submitted to the Financial Aid Office, allow up to four weeks for processing.
2. Required verification information that is incorrect will be corrected electronically by the Financial Aid Office.

Students may be required to submit proof of the following:

1. The adjusted gross income of the student, the student's spouse, and/or the student's parents.
2. The amount of Federal taxes paid by the student, the student's spouse, and/or the student's parents. Copies of appropriately signed Federal income tax return transcript will be satisfactory documentation for this requirement.

3. Child support and/or human services assistance received by the student, the student's spouse, and/or the student's parents. A statement of support from human services or the Child Support Enforcement Agency will be satisfactory documentation of this requirement.
4. The amount of untaxed income the student, the student's spouse, and/or the student's parents. Statements from the appropriate agencies will be satisfactory documentation for this requirement.
5. The number in the student's household and/or number in student's parents' household.
6. The number in the student's household enrolled at least half-time in college and/or the number in the student's parents' household who are enrolled in college at least half-time. If a member of either household is enrolled in another college the name and location of that college must be provided.
7. Copy of social security card, birth certificate, or high school diploma/GED.
8. All documentation must be signed by the student, the student's spouse, and/or the student's parents.

### **Retention of Aid**

Financial aid awards are usually made during the spring for the upcoming academic year, which begins in the fall, based on the assumption that the student will continue full-time for the academic year. The College reserves the right to withdraw or adjust a student's awards based on the satisfactory academic progress policy, verification requirements, enrollment status, attendance, or conduct record. Regular class attendance is required for continued receipt of financial aid. Financial aid awards are renewed each year, upon proper re-application, on the basis of continued financial need and satisfactory academic performance and conduct. Deadline dates for reapplication should be observed.

### **Federal Pell Grant**

A federal grant is based on need to assist students with any college costs. Eligibility for a grant is based upon an individual's or family's total financial picture. This grant does not need to be repaid. If there are remaining Pell funds once tuition is paid, students may charge books and academic supplies at the bookstore against the Pell Grant approximately two weeks before the first day of the semester.

The Federal Pell Grant is always available for two full-time semesters. If enrolled less than full-time, the unused portion of aid can be applied to a third semester (summer session) of enrollment. The government decides annually whether year-round Pell will be available to full time students. Please check with the Financial Aid Office each year for this decision.

### **Federal Work Study Program**

The Federal Work Study Program offers qualifying students the opportunity to work part-time and earn money to help meet the expense of a college education. It also offers the student the opportunity to gain valuable work experience. Students are paid directly for the hours worked and may use this money to help offset educational expenses. Students must file a FAFSA by the deadline of September 1 and indicate interest on FAFSA to be eligible. The Federal Work Study Program runs July 1 – June 30.

### **Direct Loan Program**

For those who qualify, the Direct Loan Program offers low interest loans to help defray the cost of attending college. A student must be enrolled in college at least half-time (six credit hours) in order to be eligible for a loan. There are three types of loans in this program:

1. Federal Direct Subsidized Stafford Loan – Eligible students may borrow up to \$3,500 as a freshman and \$4,500 as a sophomore per academic year. Students will make no payments on this loan as long as they are enrolled at least half-time (six credit hours). There is no interest charged to the student during enrollment. Students are not required to begin repayment of this loan until six months after graduation or ceasing to be enrolled at least half-time.

2. Federal Direct Unsubsidized Stafford Loan - Eligible dependent students who were not eligible for the maximum on the Subsidized Stafford may borrow the difference or total amount on this loan, as well as an additional \$2,000 if needed. Independent students may also borrow the difference from the Subsidized Stafford up to the maximum as well as an additional \$6,000 if their cost of attendance deems it necessary. Dependent students whose parents are unable to borrow the PLUS may also qualify for an additional \$4,000. Students will make no payments on the principle of this loan as long as they continue to be enrolled at least half-time (six credit hours); however, interest will begin accruing upon receipt of the loan by Zane State College. Students may either pay interest, which is capitalized quarterly, or they may defer their interest payments until after graduation. Students are not required to begin repayment of this loan until six months after graduation or ceasing to be enrolled at least half-time. Students must request this additional loan money on My ZSC by filling out the Online Loan Adjustment form.
3. Federal Direct Parent Loan for Undergraduate Students (PLUS) – This loan enables parents with good credit histories to borrow funds to pay educational expenses of a dependent undergraduate child who is enrolled at least half-time (six credit hours). Parents may borrow an amount which is equal to the student's cost of attendance minus any other financial aid. Parents will begin repayment of this loan within 60 days after the final loan disbursement. Interest will begin as soon as the first disbursement is made. Parents will begin repaying both interest and principle while the student is enrolled in school. Parents may request loan payment deferral while the student is enrolled at least six (6) credit hours if they wish.

Policies for awarding the Direct Loan Program are as follows:

- Students wishing to borrow a loan will be required to complete an online entrance counseling session through Direct Loans at <http://www.studentloans.gov> before receiving any loan funds.
- Students are required to complete an online master promissory note through <http://www.studentloans.gov>
- Students must meet Zane State College's Satisfactory Academic Progress Policy available on My ZSC under the finances tab
- Student loan disbursement dates are the end of the sixth week of each semester and term within the semester. Disbursements are issued via check or direct deposit through a third-party servicer. More information can be found on My ZSC under the finances tab, or by visiting the Business Office in College Hall.

### **Satisfactory Academic Progress Policy**

Satisfactory Academic Progress (SAP) is defined as a set of standards of academic success which includes qualitative and quantitative measures that a student must maintain in order to retain eligibility for financial aid. Financial aid for the purpose of this SAP is defined as all federal grants and loans. The Satisfactory Academic Progress policy for financial aid recipients at Zane State College can be obtained in Student Services or on My ZSC under the finances tab.

### **Student Rights and Responsibilities**

Regarding financial aid, students have the right to ask a school:

- the names of its accrediting organizations
- about its programs; its instructional, laboratory, and other physical facilities; and its faculty
- what the cost of attending is, and what its policies are on refunds to students who drop out
- what financial assistance is available, including information about all federal, state, local, private, and institutional financial aid programs
- what the procedures and deadlines are for submitting applications for each available financial aid program
- what criteria it uses to select financial aid recipients
- how it determines financial need. This process includes how costs for tuition and fees, room and board, travel, books and supplies, personal and miscellaneous expenses, etc. are considered in the budget. It also

includes what resources (such as parental contribution, other financial aid, student assets, etc.) are considered in the calculation of need

- how much student financial need, as determined by the institution, has been met
- how and when students will be paid
- to explain each type and amount of assistance in a student financial aid package
- if the student has a loan, the student has the right to know what the interest rate is, the total amount that must be repaid, the length of time the student has to repay the loan, when the student must start paying it back, and any cancellation and deferment provisions that apply

It is the student's responsibility to:

- review and consider all information about a school's program before they enroll
- pay special attention to their application for student financial aid, complete it accurately, and submit it on time to the right place. Errors can delay receipt of financial aid
- provide all additional documentation, verification, corrections, and/or new information requested by either Student Services or the agency to which the student submitted their application
- read and understand all forms that they are asked to sign and keep copies of them
- accept responsibility for any promissory note or other agreements that they sign
- if the student has a loan, notify the loan servicer of changes in their name, address, or school status
- perform in a satisfactory manner the work that is agreed upon if accepting a Federal Work Study job
- know and comply with the deadlines for application or re-application for aid
- attend all classes regularly and earn satisfactory grades to qualify for future financial aid
- know and comply with their school's refund procedures
- notify their school of any address, phone number, or name change