

## **Financial Aid Award Terms & Conditions**

### **General**

All financial aid award offers are based on enrollment pattern, and are dependent upon a determination of eligibility based on grade level, whether or not priority application deadlines have been met (if applicable), and other program specific criteria at the time of the award offer. Awards are contingent upon continued funding from federal, state, and institutional sources. Action by federal or state governments, including but not limited to: insufficient funds or discontinuation of funds may result in rescinding or reduction of award amounts.

A financial aid award is based on information that the student and the student's family (if applicable) submitted in the Free Application for Federal Student Aid (FAFSA) as well as any other supporting documentation. THSU is required by federal law to resolve any conflicts of information that become evident as part of the application review process. It is the student's responsibility to complete and submit application materials to the appropriate agencies within the required or recommended timeframes. It is also the student's responsibility to notify the Financial Aid Office of any circumstantial changes to the information reported in the FAFSA and supporting documentation.

False or incomplete information submitted by a student or on behalf of a student may result in the cancellation of an award and may require repayment of all or part of the funds disbursed to the student. In the event a student has received aid he/she is not entitled to, it will be the responsibility of the student to repay those funds. A student may not receive federal or state aid at multiple institutions during the same enrollment period.

Students should carefully review and ensure that they understand all financial aid related materials sent from THSU and/or the U.S. Department of Education. Students are advised to keep copies of these items for their own records.

During a student's application for aid or at any subsequent time thereafter, he/she will have the right to receive a thorough explanation of the financial aid award process, including the conditions of any student loan that may be awarded. Conditions may include but are not limited to: interest rate(s) for student loans, deferment options, repayment periods and programs, etc. The student will also be responsible for complying with the provisions of any promissory note or other agreement which he/she may sign, including repayment of any student loans. Students accepting an employment offer as part of the Federal Work Study (FWS) program will be entitled to disclosure of the terms and conditions (including pay rate) for any position that is offered.

### **Rights and Responsibilities**

Students are obligated to know their rights and responsibilities associated with being a financial aid applicant and recipient as well as a student loan borrower and a federal work study employee.

You have the right to know:

- All the federal, state, institutional and private student aid programs available, including both need-based and non-need based programs.
- Procedures, forms, deadlines, and eligibility requirements to apply for assistance; the criteria for selecting aid recipients and determining the amount of aid awarded.
- The authorized educational expenses involved in your cost of attendance and how they are determined.

- How the expected family contribution is calculated, how financial need is determined, and how outside resources may affect your aid eligibility.
- The institutional refund schedules and the return of federal aid as a result of withdrawing from all your coursework.
- The standards required for maintaining Satisfactory Academic Progress for financial aid eligibility and the appeal process if you have lost aid eligibility.
- Terms and conditions of any loans, employment, scholarships or grant aid you receive.
- How and when disbursements of financial aid is made.
- Confidential protection of your financial aid record in accordance to the Federal Family Educational Right and Privacy Act (FERPA).

You have the responsibility to:

- Accurately and honestly complete your Free Application for Federal Student Aid (FAFSA). Errors can result in delays. False or misleading information is a criminal offense and is subject to fine, imprisonment, or both.
- Respond promptly and return all required additional documentation, corrections, and/or new information.
- Report all outside resources that may be received throughout the aid year.
- Read, understand, and accept responsibility for all forms or agreements you sign. THSU recommends maintaining copies of all forms and agreements you sign.
- Use any federal, state, institutional or private financial aid received during the award year solely for expenses related to attendance at THSU.
- Know and comply with the timelines and deadlines for verification or additional information requests from Student Financial Services.
- Complete Entrance and Exit Counseling if you borrow a Federal Direct student loan.
- Notify your student loan servicers of changes in your name, address, and school status.
- Perform and complete satisfactory work assignments accepted through the Federal Work Study program.
- Know and comply with THSU's procedures related to financial aid: enrollment status for disbursement, satisfactory academic progress, withdrawal, refunds and repayment and debt management.
- Review and understand specific rights and responsibilities associated with being a **Direct Loan borrower**.
- Review and understand specific rights and responsibilities associated with being a **Federal Work Study employee**.

### **Awarding of Aid**

There are two types of calculations used to determine a student's financial aid award. The following definitions are required to understand these calculations:

- **Cost of attendance (COA)** is an estimate of your educational expenses that you may incur while you attend THSU. The COA involves estimates for tuition and fees, books and supplies, room and board, transportation, miscellaneous expenses and loan fees (Direct Loan borrowers only).
- The **Expected Family Contribution (EFC)** is calculated according to a formula established by law from the information reported on the FAFSA. This information may include your family's taxed and untaxed income, assets, and benefits (such as unemployment or Social Security) as well as family size and the number of family members who will attend college that year.

**Financial Need Calculation:**  $COA \text{ minus } EFC \text{ equals } \text{Financial Need}$ .

Financial need is the student's eligibility for the following need based programs available at THSU: Federal Work Study.

**Non-Need based Aid Calculation:** COA *minus* Financial Aid Awarded *equals* Eligibility for Non-Need-based Aid. Non-need-based aid is financial aid that is not based on your EFC. The student's COA and how much assistance that is currently awarded is what matters in this calculation. Non-need-based programs at THSU include: Direct Unsubsidized Loan, Direct PLUS Loan, and other THSU scholarship programs.

Financial aid funds are awarded for an academic year or remaining period of study and distributed equally between the terms or payment periods that define that academic year or remaining period of study.

Direct Loan proration is required when a student is enrolled in a remaining period of study that is shorter than a full academic year.

Direct Loans are awarded to maximum eligibility based on the academic year. The academic year consists of two tri-semesters.

### **Reporting Additional Financial Awards**

In the event that a student receives additional funds not listed on his/her financial aid award letter (including but not limited to: employer reimbursement or assistance, tuition waivers, private scholarships, veterans' benefits, vocational rehabilitation benefits, etc.), he/she is required to report these awards to the Financial Aid Office.

Should the additional funds result in a change to a student's financial aid status, he/she will receive notification of the change of status as well as the reasons for the change. It should be noted that whenever a student receives additional assistance, his/her aid awards may be adjusted or reduced, even if their financial aid has already been disbursed.

### **Over-awards of Aid**

Over-awards can occur when THSU receives additional information not accounted for when the student was awarded originally. THSU is required to resolve any over-award on a student's account. Common examples of changes that cause over-awards include, but are not limited to:

- Receipt of internal or external scholarships
- Notification of tuition and fee waivers
- Enrollment changes
- FAFSA corrections

Over-awards can result in a balance due to the University which is the responsibility of the student.

### **Verification**

#### **Direct Loan Borrower Requirements**

First-time Direct Loan borrowers must complete the following requirements before a loan disbursement will be applied to his/her student account:

- Complete Entrance Counseling online which helps you learn about a Federal Direct Loan, how the process works, how to manage your education expenses, and understand your rights and responsibilities as a borrower.
- Complete the Master Promissory Note (MPN) which is a legal document in which you promise to repay the amount borrowed and any accrued interest to the U.S. Department of Education. It also explains the terms and conditions of your loan(s). THSU uses the multi-year MPN which means students can borrow additional Direct Loans on a single MPN for up to ten years.

Award amounts are based on cumulative credits earned toward a specific degree program. Annual borrowing limits for graduate students is \$20,500.00 in Unsubsidized Stafford Loans.

THSU promotes responsible borrowing and encourages students to borrow what they need to assist with cost as opposed to the amount that they are eligible for. Repayment for Federal Direct Loans begins six months after you graduate, withdraw, stop attending, or your enrollment status is less than half-time. The standard repayment term is ten years and the interest rate may vary depending on the type of Direct Loan and the disbursement date.

### **Disbursement of Aid**

Financial aid is paid (disbursed) through an academic year or remaining period of study during each payment period or academic term based on academic program. At the time of disbursement, eligibility checks confirm attendance, program, enrollment, and the completion of loan requirements. Financial aid is disbursed:

Direct Loan recipients will receive a disbursement notification to their ORBUND email within 7 days of funds being applied to their student account. Students should review their accounts for the dollar amount, and date of disbursement. Students have the right to request cancellation of all or part of the Direct Loan amounts disbursed within 30 days of the notification.

### **Use of Aid**

Funds listed on financial aid award letters may only be used for educationally related expenses for the respective academic year.

THSU applies all financial aid awards directly to institutional charges on a student's student account (charges may include but are not limited to: tuition, fees, and book voucher, etc.). Following deduction of these charges, any remaining financial aid funds will be released to the student in the form of a refund. If subsequent charges occur on the student's account after a refund is processed in a given term, the student will be responsible for these new charges.

### **Credit Balances and Refunds**

#### **Funds for Title IV Recipients to Obtain Books and Supplies**

THSU allows Title IV eligible and VA Chapter 31 students to charge books and supplies to their accounts prior to the beginning of the term if (1) THSU could disburse the Title IV funds to the eligible student; and (2) the student would have a Title IV credit balance if funds were disbursed.

#### **Refunds**

When the disbursed financial aid and/or payments made on a student account total more than the billed cost, the additional amount will be refunded to eligible students. The university processes refunds to students based on a

refund processing schedule and in a manner that complies with Department of Education requirements for refunding financial aid (Title IV) funds. All refunds are disbursed to students in the form of a check within 14 days after Direct Loans are posted to the student's account and a credit balance exists.

In the event that financial aid funds are disbursed in error, the student agrees to repay the full amount to THSY. If a mistake was made, whether by the student, the Financial Aid Department, or another agency, federal regulations require that the mistake be corrected and funds be billed back as necessary.

THSU may use a current credit balance created by Title IV funds to satisfy a past due balance for allowable unpaid charges within the current year. The current year is defined as the following:

- Current year for a student who only receives Direct Loans is the loan period.

THSU can apply up to \$200 from a current Title IV credit balance to pay prior year charges. Prior year is defined as:

- Any loan period or award year prior to the current loan period or award year.

### **Return of Title IV Funds**

In the event that a student withdraws before completion of a payment period for which financial aid has been received, the U.S. Department of Education regulations govern the procedural guidelines that THSU must follow to return the payment of aid. These regulations require the Financial Aid Office to recalculate federal financial aid eligibility for students who withdraw, are dismissed, or take a leave of absence prior to completing more than 60% of an academic term or payment period.

### **Satisfactory Academic Progress**

To remain eligible for federal financial aid programs, students must maintain Satisfactory Academic Progress (SAP) toward completion of a degree. Federal regulations require the Financial Aid Department to monitor the progress of each student toward their degree completion. Students who fail to achieve defined minimum standards for grade point average and/or fail to maintain the standards for pace of completion of their program, may lose their eligibility for all types of federal and/or institutional aid. THSU's current SAP policy can be found in the student handbook and comprehensive catalog.

### **Financial Aid Penalties for Drug Law Violations**

If a student, receiving Title IV funding, has been convicted of an offense involving the possession or sale of illegal drugs while enrolled, the student becomes ineligible to receive Title IV funds. If the offense occurred outside of an enrollment period, the student is still eligible to receive funding.

When completing the Federal Student Aid (FAFSA) Free Application, students self-certify and respond to questions regarding drug convictions. Should a conviction occur after a student has submitted the FAFSA, the student must immediately notify Student Financial Services. A conviction denotes a conviction that is on a student's record. A conviction that was reversed, set aside, or removed from the student's record is not relevant for these purposes. In addition, it is not a determination or adjudication arising out of a juvenile proceeding.

An illegal drug is a controlled substance as defined by section 102(6) of the Controlled Substance Act (CSA) (Title 21 of the United States Code section 802), and does not include alcohol or tobacco.

Possession of Illegal Drugs	Period of Ineligibility
First Offense	Ineligible for one year after date of conviction
Second Offense	Ineligible for two years after date of conviction
Third Offense	Ineligible indefinitely after date of conviction

Sale of Illegal Drugs	Period of Ineligibility
First Offense	Ineligible for two years after date of conviction
Second Offense	Ineligible indefinitely after date of conviction

Pursuant to federal law, a conviction for the sale of drugs includes convictions for conspiring to sell drugs. Furthermore, those students convicted of both selling and possessing illegal drugs will be subject to ineligibility for the longer period as prescribed under the circumstances.

A student regains eligibility the day after the period of ineligibility ends or when the student successfully completes a qualified drug rehabilitation program. Further drug convictions will make the student ineligible again for federal financial aid programs.

### **Duration & Renewal of Aid**

Financial aid is awarded one academic year at a time. Students intending to use financial aid in future terms will need to file a FAFSA that corresponds with the appropriate award year. FAFSA's become available for the new aid year on October 1st.

### **Student Information and Confidentiality**

The student shall be responsible for notifying THSU of any changes in status including but not limited to: marital, academic, enrollment, legal name, etc. Additionally, the student will be expected to keep his/her local and permanent mailing address current with the Registrar.

Pursuant to the Family Education Rights and Privacy Act (FERPA), all records and data submitted with an application for financial aid, or documentation in support of a student's verification or financial aid appeal will be treated as confidential information.