

OCE UNDERGRADUATE POST-BACCALAUREATE ACCOUNTING CERTIFICATE STUDENTS

FEDERAL DIRECT STAFFORD LOANS

Eligible students may borrow Federal Direct Stafford Loans to help pay for their cost of higher education at Linfield. Linfield participates in the William D. Ford Federal Direct Loan Program. Loans from this program are referred to as Federal Stafford Loans, Federal Direct Loans, or Direct Stafford Loans. Regardless of what name is used, they are the same federal loan program. Within the Federal Direct Stafford Loan Program there are Subsidized and Unsubsidized types of loans.

Both types of loans are low-interest loans for eligible students originated by Linfield with funds from the federal government to help cover the cost of higher education.

A loan is money that requires repayment with interest. The loan is in the student's name only. The student must repay the federal government through their assigned federal servicer.

A FAFSA is required annually to determine student's eligibility. The student must file a Free Application for Federal Student Aid (FAFSA) at studentaid.gov (<http://studentaid.gov/>), and must be an U.S. citizen or eligible noncitizen, must not be in default on any federal education loans or owe an overpayment on a federal education grant, and must meet other general eligibility requirements for the Federal Student Aid programs.

Students must be attending at least half time (6 credits) in order to be eligible. After the student accepts the loans on their award offer, new borrowers are required to complete Entrance Counseling (subsidized/unsubsidized) and the Master Promissory Note at studentaid.gov (<http://studentaid.gov/>) prior to disbursement. Linfield will notify the federal government that the student intends to borrow the loan, called origination, and the student will receive a loan disclosure statement and will be assigned a federal servicer for managing the loan and repayment. Linfield disburses the loan funds at the beginning of each semester for eligible loans.

Upon the student graduating, withdrawing, taking a leave of absence or dropping below 6 credits, the student is required to complete Exit Counseling at studentaid.gov (<http://studentaid.gov/>). Repayment normally begins after the six month grace period has expired, which begins after graduation, falling below half time status or leaving school. There are several repayment plans students may choose from when preparing to enter into repayment. Repayment is typically calculated based on a 10-year standard repayment plan.

Students may apply for deferments or forbearance if their Federal Direct Stafford Loan is in good standing and they qualify through the federal servicer. Their loan may be cancelled only if the borrower is totally and permanently disabled or dies. Other loan forgiveness and cancellation options may be available by contacting the federal servicer.

Federal Direct Stafford Loan Annual and Aggregate Limits

Dependent students may borrow the annual maximum Federal Direct Stafford Loans as an undergraduate per academic year: which is \$3,500

for first-year students, \$4,500 for second-year students and \$5,500 for third and fourth-year students. The "base" amount could be Subsidized or Unsubsidized or a combination of both, depending on the students need and eligibility.

The "base" aggregate total a dependent student may borrow for undergraduate study is \$23,000. In addition to the "base", dependent undergraduate students are eligible for Additional Unsubsidized Stafford Loans of \$2,000 a year. Thus, the total aggregate maximum is \$31,000 (no more than \$23,000 can be in Subsidized) for a dependent undergraduate student.

Independent students may borrow the annual maximum "base" Federal Direct Stafford Loan as an undergraduate per academic year, which is \$3,500 for first-year students, \$4,500 for second-year students and \$5,500 for third and fourth-year students. The "base" amount could be Subsidized or Unsubsidized or a combination of both, depending on the students need and eligibility.

The "base" aggregate total an independent student may borrow for undergraduate study is \$23,000. In addition to the "base", independent undergraduate students are eligible for Additional Unsubsidized Stafford Loans of \$6,000 a year for freshman/sophomore and \$7,000 for junior/senior. Thus, the total aggregate maximum is \$57,500 (no more than \$23,000 can be in Subsidized) for an independent undergraduate student.

Federal Direct Stafford Loan Interest Rate and Fees

Interest rates on federal student loans are determined prior to June 30th of each year, the rate is set by federal law and not the US Department of Education or Linfield University. The interest rate announced in the Federal Register applies to federal loans that are disbursed between July 1 of the current year and June 30 of the following year.

Federal loans are also assessed with a loan fee when the loan is originated by the school. Loan fees are determined annually with the federal student loan interest rate. Current year federal interest rates and loan fee percentages can be found online at [studentaid.gov](https://studentaid.gov/understand-aid/types/loans/interest-rates/#rates) (<https://studentaid.gov/understand-aid/types/loans/interest-rates/#rates>).

Subsidized Federal Direct Stafford Loan

Subsidized Federal Direct Stafford Loans are for students with financial need. Linfield's Office of Financial Aid will review the student's Cost of Attendance (COA) to determine the student's need and the amount the student is eligible to borrow.

The federal government subsidizes the interest on Subsidized Federal Direct Stafford Loans on behalf of students while they are enrolled at least half time in an eligible program at an eligible school, through their 6-month grace period and during other deferment periods based on need.

A law passed in December 2011 eliminates the interest subsidy during the 6-month grace period on any loans that had a first disbursement made on or after July 1, 2012, and before July 1, 2014.

Unsubsidized Federal Direct Stafford Loan

Students who do not show financial need, and therefore may not borrow under the Subsidized Federal Direct Stafford Loan Program, may borrow funds through the Unsubsidized Federal Direct Stafford Loan Program. Students who borrow under this loan program are responsible for all interest accrued during periods of enrollment, their grace period and through repayment.

Students can choose to pay the interest while in school, during grace periods and deferment or forbearance periods, or students can allow

the interest to accrue and be capitalized (that is, added to the principal amount of the loan). If students choose not to pay the interest as it accrues, this will increase the total amount they have to repay because they will be charged interest on a higher principal amount.

FEDERAL DIRECT PARENT PLUS LOAN (PLUS LOAN)

Eligible parents may borrow a Federal Direct Parent PLUS Loan on behalf of their dependent undergraduate student enrolled at least half time at Linfield University. Funds are loaned by the U.S. Department of Education and Linfield originates the loan. Any loan received must be repaid with interest. Interest rates and origination fees are set annually by the Department of Education, rates are valid from July 1 through June 30 of the following year.

Parents and their dependent child must be U.S. citizens or eligible noncitizens, must not be in default on any federal education loans or owe an overpayment on a federal education grant, and must meet other general eligibility requirements for the Federal Student Aid programs. The student must file a Free Application for Federal Student Aid (FAFSA). The parents on the FAFSA, or the legal non-custodial parent (adoptive or biological parent) not on the FAFSA, who meet eligibility for this loan may apply. The parent borrower must apply for the Federal Parent PLUS Loan at studentaid.gov (<http://studentaid.gov>).

Linfield will be notified if the loan is approved or declined. If the loan is approved the parent borrower must complete the Parent PLUS Loan master promissory note at studentaid.gov (<http://studentaid.gov>).

For each dependent undergraduate student, parents may borrow up to the student's estimated cost of attendance, less any other financial aid the student may receive for the period of enrollment. Parents with no adverse credit may borrow Federal Direct Parent PLUS Loan funds to pay the education expenses of their child. Parents whose credit decision is approved will receive a disclosure statement from their assigned federal servicer.

Parents with adverse credit history may be able to qualify for the PLUS Loan by appealing the credit decision or obtaining an endorser. In situations where a PLUS loan borrower's credit decision is declined, and the parent either obtains an endorser or gains approval to overturn the credit decision via documenting their existence of extenuating circumstances, PLUS Loan Counseling is required at studentaid.gov (<http://studentaid.gov>) prior to disbursement.

For parents who are ineligible to borrow a PLUS Loan, another option is the student may qualify for an additional unsubsidized Federal Direct loan, either \$5,000 for freshman or sophomore grade level or \$6,000 for junior or senior grade level. Please contact the Office of Financial Aid to discuss this option.

Linfield disburses the loan funds at the beginning of each semester for eligible loans. Repayment normally begins within 45-60 days of the final disbursement of the PLUS Loan for each loan borrowed. The parent borrower may request deferment of payment while the student is enrolled at least half time in an undergraduate program. It is important to note that interest will continue to accrue while loan payments are deferred.

The parent borrower has several repayment plan options for repaying the loan, options can be reviewed at www.studentaid.gov. Current borrowers may contact their federal loan servicers with specific repayment or deferment questions.

PRIVATE EDUCATION LOANS

Private Education Loans are available to students through banks and credit unions to assist students with paying for their cost of education. These loans are not part of the federal loan program. Students may borrow up to the school's estimated cost of attendance, less any other financial aid the student may receive.

To assist students interested in a private education loan, please visit the Student and Parent Loan (<https://www.linfield.edu/financial-aid/student-and-parent-loans/private-loans.html>) page for more information to consider when researching private education loans.

SHORT-TERM LOAN PROGRAM

The short-term loan program is available to regularly enrolled students to assist with educational expenses during the year they borrow the funds. These loan funds require repayment prior to the start of the next academic year, or, for graduating seniors, prior to graduation. Linfield employees are excluded from borrowing these loans, unless they are enrolled in courses and are eligible. These funds are managed and awarded jointly by the offices of Financial Aid and Accounting.

SATISFACTORY ACADEMIC PROGRESS

Linfield University is mandated to qualitatively and quantitatively evaluate the academic progress of financial aid recipients. The standard is cumulative and includes all periods of enrollment, even those in which the student did not receive financial assistance. All financial aid is awarded with the understanding that the student will maintain Satisfactory Academic Progress (SAP). Linfield monitors satisfactory academic progress annually for programs lasting longer than one year. For programs lasting one year or less, Linfield monitors SAP at the end of each payment period. In order to maintain SAP the student must:

1. have a grade point average (2.000) which meets the minimum requirements for continuation of study at Linfield,
2. earn two thirds (66.67%) of all attempted credits for each academic year, and
3. be on Pace to complete all degree requirements within a specified time frame.

In the event a student's performance is found to be unsatisfactory, the student is placed on financial aid suspension and Linfield University's Office of Financial Aid notifies the student of their status to their Linfield University email account and by mailing a letter to the student's home address.

Qualitative Standard

Students are expected to maintain at least a 2.000 cumulative grade point average (GPA). Students with less than a 2.000 cumulative grade point average will be placed on academic probation and have one semester to improve their academic record before being suspended from Linfield University. GPA requirements are monitored by the Office of the Registrar and is fully described in this catalog under Academic Policies and Procedures. Students on academic probation are eligible to receive financial aid.

Quantitative Standard

Full-time students must complete at least two thirds (66.67%) of all attempted credit hours each academic year. Students attempting 24 credits within an academic year would need to complete a minimum of 16 credits to meet the two-thirds requirement. All credit hours must

be completed at Linfield University, through an approved consortium agreement, or through a foreign study program approved by the University.

"No credit" designations such as "W" (Withdrawal) and "IP" (In Progress) are considered attempted but not considered satisfactory completion of a course for the purposes of financial aid. Course grades of "I" (Incomplete) are treated as both attempted and completed credits if the contingency grade of D or better. If the contingency grade is an "F", the "I" will be treated as attempted but not completed successfully. Students are required to complete the course requirements within the time prescribed by the university.

Maximum Time Frame

Matriculated students are eligible to receive federal financial aid for a maximum of 150% of the time required to complete a degree or certificate program. For example: A minimum of 40 credits are required to earn a Master of Science in Business degree. The maximum number of credits for which a student may be eligible to receive *federal financial aid* is 60 (40x 150%). All credits attempted are included in credits toward completion and are considered in the calculation for maximum time frame eligibility. Repeated courses (along with the original attempt) must be counted towards the maximum time frame. Students may receive federal financial aid one time for retaking previously passed coursework. Students who have attempted more than 150% of the credits required for their program of study are not considered to be making SAP and therefore, are ineligible for financial aid. Also, a student is ineligible when it becomes mathematically impossible for a student to complete their program within 150% of the length of their program. All transfer credits accepted by Linfield will be included when determining maximum time frame eligibility as both attempted and completed.

Pace of Progression

Pace is required to ensure students complete their program of study within the maximum time frame. Pace is calculated by dividing cumulative credits successfully completed by cumulative credits attempted. For example:

Cumulative Credits Successfully Completed _____ ÷ Cumulative Credits Attempted _____ = _____%.

(Example: $56 \div 70 = 80\%$.)

Students must have an overall completion rate of 66.67% or more or financial aid will be suspended. Remedial coursework can be excluded.

Unsatisfactory Academic Progress /Financial Aid Suspension

Students that do not meet SAP standards are placed on financial aid suspension and are no longer eligible for institutional or federal financial aid.

Appealing Financial Aid Suspension

Students failing to achieve SAP requirements are given the opportunity to appeal the suspension of their financial aid. The appeal letter must be in writing to the attention of the Office of Financial Aid with documentation of the extenuating circumstances. Appeal letters and supporting documents may be faxed, scanned and emailed to finaid@linfield.edu, mailed, or submitted in person to the Office of Financial Aid. Extenuating circumstances that may be considered include: personal illness or accident, serious illness or death within immediate family, or other

circumstances beyond the immediate control of the student. The appeal letter must include

1. the reason why the student failed to make SAP, and
2. what has changed since that time that will allow the student to make SAP at the next evaluation if appeal is approved.

The student is notified of the appeal decision to their Linfield University email account and to their home address; all decisions are final. An appeal that is approved allows the student to receive one semester of financial aid on financial aid probation status.

Please note: students academically suspended from Linfield must appeal the Student Policies Committee to return. Upon approval, the Office of Financial Aid will be notified and will use that appeal and decision for consideration as an appeal of financial aid suspension.

Financial Aid Probation

A student who has successfully appealed their financial aid suspension will be placed on Financial Aid Probation. The student may receive financial aid for **one** payment period while on financial aid probation status. Students must complete two thirds of all attempted credits for their probation semester with a 2.0 GPA. After financial aid probation, students must be making SAP or successfully following an academic plan as part of a continued probation for the following semester. If a student is not meeting SAP, and is not following an academic plan as part of a continued probation, the student will be suspended from financial aid and need to either appeal again or reestablish their eligibility.

Continued Financial Aid Probation with an Academic Plan

A student who has successfully appealed their financial aid suspension, but who mathematically cannot meet SAP standards within one semester due to GPA, but are continuing to meet other SAP standards, or students with an exceptional circumstance that led to them not being able to meet all SAP standards within one probationary term, may be considered for a Continued Financial Probation with an Academic Plan. This will allow the student additional time to meet SAP standards. The same enrollment requirements of Financial Aid Probation will apply for the Continued Probation semester.

Reestablishing Financial Aid Eligibility

Students who are placed on financial aid suspension can reestablish financial aid eligibility. A student who does not submit an appeal or is denied an appeal must, without the benefit of financial aid, successfully complete at least 6 credits in one semester with a semester GPA of 2.000 for reinstatement. The student may then reapply by written appeal to request financial aid for the following semester.

Financial Aid Warning

A Student enrolled in a 1-year program of study, who fails to make SAP after one payment period/semester will be placed on Financial Aid Warning. Warning status lasts for one payment period/semester and does not require action (such as an appeal) by the student. The student is eligible for financial aid during their financial aid warning status. If the student fails to make SAP for two consecutive payment periods/semesters, they will be placed on Financial Aid Suspension and follow the procedures above.