

# 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. Lindenwood University 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 Student Financial Services 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.

Students should carefully review and ensure that they comprehend all financial aid related materials sent from Lindenwood University and/or other agencies that will be awarding financial aid. 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.
- 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. Lindenwood University 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 Lindenwood University.
- 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 Lindenwood University'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 Lindenwood University. 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 minus EFC equals Financial Need.*

Financial need is the student's eligibility for the following need based programs: Federal Pell grants, FSEOG, state grants, Lindenwood University need-based grants, federal work study, and Direct Subsidized Loans.

**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 include: Direct Unsubsidized Loan, Direct PLUS Loan, Lindenwood University merit scholarships, and other Lindenwood University 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 student that is shorter than a full academic year.

## **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, fellowships, veterans' benefits, vocational rehabilitation benefits, etc.), he/she is required to report these awards to Student Financial Services.

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.

## **Overawards of Aid**

Overawards can occur when Lindenwood University receives additional information not accounted for when the student was awarded originally. Lindenwood University is required to resolve any overaward on a student's account. Common examples of changes that cause overawards include, but are not limited to:

- Receipt of internal or external scholarships
- Notification of exemptions/tuition and fee waivers
- Enrollment changes
- FAFSA corrections
- Changes to a housing plan

Overawards can result in a balance due to the University which is the responsibility of the student.

## **Verification**

In some instances, Lindenwood University is required by federal and state regulations to review financial aid applications through the process of verification. Student Financial Services reserves the right to request verification of any data submitted by applicants or the parents of applicants (if applicable).

Verification requires that the university review additional documents to verify the information reported on the FAFSA for the student, parent(s), and spouse. Information that must be verified includes income information, high school completion, the number of family members in the household and the number of children in the household who are enrolled at least half-time in college. Document requirements include:

1. Verification Worksheet - based off of dependency status; and
2. Federal tax information - Lindenwood University encourages all students and/or parents who filed taxes to utilize the IRS Data Retrieval Tool as this is the preferred method for FAFSA filers to report federal tax information.
3. Other requirements may include: Non-tax filer information, evidence of high school completion, statement of educational purpose, and any other documentation deemed required to validate the FAFSA.

Failure to submit requested documents in a timely manner may result in a delay or cancellation of a financial aid award. If during the process, data is found to be incorrect; the data may be corrected and the award revised. If a student is found to have knowingly submitted falsified or intentionally misleading information, Lindenwood University shall reserve the right to (1) refuse to award financial aid, (2) to cancel all aid that has previously been awarded, and/or (3) to dismiss the offending student from the University. Additionally, at Lindenwood University's discretion, all fraudulent information shall be forwarded to the Office of Inspector General for further investigation.

### **Verification Deadline:**

An applicant who is selected for verification for the 2018-2019 or 2019-2020 award year must complete the process no later than 120 days after the last day of the student's enrollment.

## **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). Lindenwood University 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 dependent undergraduates are \$5,500 for freshman (zero to 23 credits), \$6,500 for sophomores (24-53 credits), and \$7,500 for juniors and seniors (54 or more credits). Independent undergraduate students can borrow an additional Unsubsidized Direct loan of \$4,000 in their freshman and sophomore years and up to \$5,000 in both their junior and senior years. Graduate students can borrow up to \$20,500 each year.

Lindenwood University promotes responsible borrowing and encourages students to borrow what they need to assist with the 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.

To learn more about loan requirements, annual borrowing limits, lifetime borrowing limits, and the National Student Loan Data System, please go to [Direct Loan Information](#). Please know that if you receive a Direct Loan from Lindenwood University, we are required to submit this information to the National Student Loan Data System (NSLDS) as a condition of this loan. This information may be accessible in NSLDS by Authorized agencies, lenders and other Institutions.

## Lifetime Limits

**Federal Pell Grant** - Students who are eligible to receive a Federal Pell Grant will have a lifetime limit of 12 full-time semesters or six full years of eligibility. This policy is retroactive to whenever a student first received a Federal Pell grant and includes payments received at colleges or universities that the student had attended prior to Lindenwood University.

**Federal 150% Direct Subsidized Loan Limit** - Beginning with the 2013-14 academic year, a new provision was added to the Direct Loan statutory requirements (see HEA section 455(q)). This provision limits a first-time borrower's eligibility for Direct Subsidized Loans to a period not to exceed 150% of the length of the borrower's educational program. Under certain conditions, the provision also causes first-time borrowers who have exceeded the 150% limit to lose the interest subsidy on their Direct Subsidized Loans. Only first-time borrowers on or after July 1, 2013 are subject to the new provision. Generally, a first-time borrower is one who did not have an outstanding balance of principal or interest on a Direct Loan or on a FFEL Program Loan on July 1, 2013.

**Federal Direct Loan Lifetime Limit** - All students are subject to aggregate lifetime borrowing limits.

## Enrollment Requirements for Aid

Students are initially awarded financial aid based on the following average enrollments:

If a student is enrolled less than average estimates, then his/her aid will be adjusted accordingly (including possible cancellation). Non-credit classes are not eligible for financial aid. It is the student's responsibility to notify Student Financial Services of any change to his/her enrollment status. Furthermore, in order to ensure availability of all student aid funds that have been awarded, a student will be required to complete the registration process each term by the end of the add/drop period.

As mandated by the U.S. Department of Education, only courses that are required for completion of a student's program may be included when determining a student's enrollment status for financial aid purposes. In addition, federal student aid regulations

permit only one retake of a previously-passed course when determining a student's enrollment status for financial aid purposes.

All academic credit is stated in semester credit hours. Student enrollment status is determined by the number of credit hours in which a student is enrolled during a given term. In credit hours, the academic load for quarter students is as follows:

### **Undergraduate Quarter Students**

Nine credit hours: full-time

Eight credit hours: three quarter-time

Six to seven credit hours: half-time

One to five credit hours: less than half-time

### **Graduate Quarter Students**

Six credit hours: full-time

Three to five credit hours: half-time

One to two credit hours: less than half-time

### **Undergraduate Students in 8-week Terms within 16-week Semesters (starting January 2020)**

Twelve credit hours per 16-week semester: full-time

Nine credit hours per 16-week semester: three quarter-time

Six to eight credit hours per 16-week semester: half-time

One to five credit hours per 16-week semester: less than half-time

### **Graduate Students in 8-week Terms within 16-week Semesters (starting January 2020)**

Six credit hours per 16-week semester: full-time

Three to five credit hours per 16-week semester: half-time

One to two credit hours per 16-week semester: less than half-time

## **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:

- On the first day of classes. Direct Loan recipients will receive a disbursement notification to their Lindenwood University email within 7 days of funds being applied to their student account. Students should review their account for the types of loans disbursed (subsidized, unsubsidized PLUS), 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.

Lindenwood University 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, housing, 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.

## **Federal Student Aid & Study Abroad**

Students enrolled in a program of study abroad approved for credit by Lindenwood University may be considered enrolled at Lindenwood University for the purpose of receiving Federal Student Aid such as Federal Pell Grant, SEOG, Missouri Access Grant, Direct Loans, and PLUS loans. Student Financial Services works closely with the Center for Experiential Learning and the Study Abroad Office to ensure that our students receive the financial aid they are qualified for while attending their student abroad program. Students wishing to enroll in a Lindenwood University Study Abroad Program must apply with the Study Abroad Office and meet with Student Financial Services to determine the process and availability of Federal, State, and Institutional aid.

## **Credit Balances and Refunds**

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

Lindenwood University provides Title IV eligible students a method to purchase books and supplies prior to the beginning of the term if (1) Lindenwood University 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. Students may opt out of either program by not using the process provided. Opting-out will not result in an expedited refund.

### **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 will be processed according to a student's refund preference with BankMobile. [For more information about this policy, please visit this webpage.](#)

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

Lindenwood University 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 receives Pell/FSEOG and Direct Loans is the award year (July 1 - June 30); or
- Current year for a student who only receives Direct Loans is the loan period.

Lindenwood University 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 Lindenwood University must follow to return the payment of aid. These regulations require the Student Financial Services 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. For more information [please see this webpage.](#)

## **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 Student Financial Services 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. Lindenwood University's current SAP standards for all programs are available on our website and/or upon request from Student Financial Services.

## **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.

	<b>Possession of illegal drugs</b>	<b>Sale of illegal drugs</b>
<b>1st offense</b>	1 year from date of conviction	2 years from date of conviction
<b>2nd offense</b>	2 years from date of conviction	Indefinite period
<b>3+ offenses</b>	Indefinite period	

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 the University of any change 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 to the Office of 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. However, it should be noted that university staff members may be required to disclose information about certain issues that relate to the health and safety of Lindenwood University community members.

## **Misrepresentation**

Lindenwood University will not engage in substantial misrepresentation by having the University itself or one of its representatives, make a substantial misrepresentation regarding the institution, including about the nature of its educational program, its financial charges, employability of its graduates, or its relationship with the Department of Education. Substantial misrepresentations are prohibited in all forms, including those made in any promotional materials, or in the marketing programs of instruction offered by the University. Lindenwood University intends to relay true and accurate information in all forms. Linden prohibits all forms of substantial misrepresentations or misleading statements, including those made in any advertising or promotional materials.

## **Availability of Employees**

Lindenwood University is required to designate an employee or group of employees who will be available to assist enrolled or prospective students in obtaining information on the school, financial assistance, graduation and completion rates, security policies, and crime statistics, etc. That employee at a minimum is the Lindenwood University Ombudsman.