

**Rose-Hulman**  
**Office of Financial Aid**

**Manual of Financial Aid**  
**Policies and Procedures**

**06/30/2016**

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## 1 Section One: Introduction

Federal regulation mandates that institutions have written policies and procedures. In addition to the federal requirements, there are many benefits to having a writing document outlining Office of Financial Aid policies and procedures. These benefits include:

- 1) Distribution to appropriate others outside of the Office of Financial Aid (OFA) for the purpose of informing and fostering an understanding of the complexity and operation of the OFA.
- 2) OFA staff as a referral guide to assist in maintaining consistency in the problem-solving process
- 3) As an important component of a comprehensive training program.

### 1.1 Statement of Purpose

The purpose of this document is to record policies and procedures surrounding the delivery of financial aid at Rose-Hulman Institute of Technology. The OFA staff is expected to use professional judgment based upon the intent of all financial aid programs and office practices, if no policy or procedure addresses a given issue.

For purpose of this manual, definitions of policy and procedures are as follows:

**Policy** – A statement that guides present and future decisions and actions.

**Procedure** – A series of steps followed in a specific order to properly administer a financial aid program.

This Manual is intended to:

1. Provides the financial aid staff with current policies and procedures that pertain to eligibility assessment for federal, state, and university programs.
2. Provides each staff member with general and specific responsibilities of the total staff, their individual responsibilities, and the OFA relationship to other departments and divisions of the university.
3. Provides each staff member with general office procedures in order that a systematic and consistent approach may be taken in the operation of all programs; ensuring that similar operations will be handled in a uniform manner.
4. Provides quick reference to various practices.
5. Facilitates the orientation and training of personnel when changes occur.

## 1.2 Financial Aid Reference Documents

Financial aid reference documents and publications are maintained by the Director, Office of Financial Aid and may be borrowed by personnel in the office. Reference documents specific to program managers daily duties may also be located in the manager's office for immediate access.

The Office of Financial Aid uses the following reference documents published by the U.S. Department of Education:

- Federal Student Financial Aid Handbook
- Title IV Training Guide
- Audit Guides

- Dear Colleague Letters
- U.S. Departmental Trainer

The OFA also utilizes the following reference documents:

- IFAP Newsletters
- National Association of Financial Aid Administrators Newsletter

### 1.3 Office of Financial Aid Professional Associations

The RHIT Office of Financial Aid maintains membership in the following professional financial aid administration associations.

National Association of Student Financial Aid Administrators (NASFAA)  
Midwest Association of Student Financial Aid Administrators (MASFAA)  
Indiana Student Financial Aid Association (ISFAA)

## 2. Section Two – Philosophy of Student Financial Aid at Rose-Hulman

The philosophy of student aid is to provide access and choice to students, who would otherwise not be able to pursue post-secondary education.

### 2.1 Mission Statements

#### 2.1.1 Rose-Hulman Mission Statement

To provide our student's with the world's best undergraduate education in engineering, mathematics and science in an environment of individual attention and support.

#### 2.1.2 Rose-Hulman Vision

To be the best in engineering, mathematics, and science education; to make an impact upon the world in which we live; and to be a leader in every aspect in the delivery of education and the development of tomorrow's leaders.

### 2.2 Policy Development

### 2.2.1 Responsibility for University Policy Development

The Director of Financial Aid is responsible for establishing University policy development surrounding the delivery of financial assistance. Policy development adheres to federal and State laws and regulations as well as to the mission of the University. Financial Aid policy is reported to and approved by the Vice President of Enrollment Management.

### 2.2.2 University Principles of Financial Aid

The staff at Rose-Hulman has adopted the Principles of Student Financial Aid Administration from the University Scholarship Services.

1. The purpose of any financial aid program – university, governmental, or private – should be to provide monetary assistance to students who can benefit from further education but who cannot do so without such assistance. The primary purpose of a collegiate financial aid program should be to provide financial assistance to accepted students who, without such aid, would be unable to attend the university.
2. Each institution of higher education has an obligation to assist in realizing the national goal of equality of educational opportunity. The university should work with schools, community groups, and other educational institutions in support of this goal.
3. The University should publish budgets that state total student expenses realistically by including, where applicable, personal expenses and laptop expense.
4. Parents are expected to contribute according to their means, taking into account their income, assets, number of dependents, and other relevant

information. Students themselves are expected to contribute from their own assets and earnings, including appropriate borrowing against future earnings.

5. Financial aid should be offered only after determination that the resources of the family are insufficient to meet the student's educational expenses. The amount of aid offered should not exceed the amount needed to meet the difference between the student's total educational expenses and the family's resources.
6. The amount and type of self-help expected from students should be related to the circumstances of the individual. In the assignment of funds to those students designated to receive financial aid, the largest amounts of total grant assistance should go to students with the least ability to pay.
7. The university should review its financial assistance awards annually and adjust them, if necessary to reflect changes in the financial needs of students and the expenses of attending the institution. The university has an obligation to inform students and parents of the financial aid renewal policies for enrolled students at the time of the initial offer of financial assistance.
8. Because the amount of financial assistance awarded reflects the economic circumstances of students and their families. RHIT should refrain from any public announcement of the amount of aid offered and encourage students, their secondary schools, and others to respect the confidentiality of this information.

9. All documents, correspondence, and conversations between and among aid applicants, their families, and the Office of Financial Aid are confidential and entitled to the protection ordinarily arising from a counseling relationship.
10. Concerns for the student should be paramount. Financial Aid should be administered in such a manner that other interests, important though they may be, are subordinate to the needs to students.

### 2.2.3 Operating Policies

The following operating policies are designed to assure that the OFA is effective in carrying out its responsibilities.

1. All students must apply for financial assistance by submitting appropriate application forms to the OFA.
2. All funds available to the university for financial assistance shall be administered through the OFA. The selection of students to receive certain designated scholarships and other awards shall be submitted by the responsible department to the OFA for processing. When funds or awards for students are received from outside sources by other offices, that office will be required to notify the OFA.
3. The OFA shall maintain adequate records to ensure proper administration of aid funds. This includes ensuring that aid given is not in excess of need and or the cost of attendance and that aggregate awards do not exceed total expenditures of funds under each program.
4. Selection of students to receive financial aid will be made without regard to age, sex, race, color, religion,

sexual orientation, national origin, disability or marital status.

### 3. Section Three: Administrative Organization of the Office of Financial Aid

#### 3.1 Organizational Chart

The following is the organizational chart of OFA.

VP of Enrollment Management

Assistant VP of Enrollment Management

Director of Financial Aid

Assistant Director of Financial Aid

Administrative Assistant

#### 3.2 Division of Responsibility between Financial Aid and Student Financial Services

There exists a clear and separate division of responsibility for the administration of financial aid programs which are divided between the OFA, and the SFS. In order to maintain this division, each office is accountable for the following responsibilities.

The Office of Financial Aid

The Office of Financial Aid at RHIT had established the following functions:

Prepare Required Report and Reconciliation

Maintain Financial Aid Records Support

Monitor Financial Aid System Processing

Assist Other University Departments

Monitor Financial Aid Operations

- Manage the University's Cohort Default Rate
- Process Loans to Students
- Maintain Accurate Records in Financial Aid Systems
- Process Fee Waivers and Financial Aid Transcripts
- Coordinate Student Employment
- Coordinate State Grants and Scholarships
- Provide Customer Service
- Award and Distribute Financial Aid to Students
- Process Pell Grants

### Student Financial Services

The SFS responsibilities include but are not limited to the following functions:

- Maintain and disburse accurate bills
- Collect payments for student accounts
- Disburse funds to students
- Maintain the Perkins Promissory Notes

### 3.3 Position Descriptions: Office of Financial Aid

The job descriptions for each position are housed in the Human Resource Department and are reviewed on an annual basis during annual reviews.

### 3.4 General Office of Financial Aid

#### 3.4.1 Office Hours

The OFA is open and available to service students from 8:00 am to 5:00pm Monday through Friday.

#### 3.4.2 Correspondence



General correspondence is routed by the Administrative Assistant to the Director as necessary.

Where appropriate, correspondence should be responded to within 24 – 36 hours. The Director responds to all complaints either verbally or in writing.

#### 3.4.3 Telephone

Telephone calls are answered in a friendly and professional manner (i.e., Office of Financial Aid, this is Melinda, Can I help you)

#### 3.4.4 Distribution of Forms

General financial aid forms are distributed from the RHIT website or a RHIT OFA staff member.

Forms are distributed by:

1. Mailed to students and parents
2. Distributed by the Admission Office
3. Distributed during orientation
4. By website
5. Email

#### 3.4.5 Staff Meetings

Staff meetings are held once per week to evaluate the effectiveness of the current processes. Other meetings are called at the discretion of the Director.

#### 3.4.6 Personnel Policies

The RHIT Policies Manual is stored in the Human Resources Office.

#### 3.4.7 Performance Evaluations

Performance evaluations are conducted on an annual basis. The evaluation form provided by the Human Resources Department is used for OFA employees. Forms must be completed by Director.

#### 3.4.8 Absence Approvals

All requests for absences must be approved by the Director.

#### 3.4.9 Appointments with Office Staff

Students and parents are not required to make appointments. If they want to make an appointment, the OFA will arrangement the appointment.

### 3.5 Record Management

#### 3.5.1 Confidentiality of Records

All records and conversations between and aid applicant, his/her family and the staff of the OFA are confidential and entitled to the protection ordinarily given a counseling relationship. RHIT assures the confidentiality of student educational records in accordance with RHIT rules, State and federal laws including the Family Education Rights and Privacy Act of 1974 as amended. As a rule, all currently enrolled and former students have the right to review their records to determine their content and accuracy. Parents of dependent students, as defined by the Internal Revenue Code, who give evidence of this status, have the same rights. A student who wishes to obtain access to his/her financial aid record is able to do so in the presence of an OFA employee.

#### 3.5.2 Active Records

The OFA maintains a master record for each student receiving financial assistance. All financial aid folders are retained for

three years after submission of the FISAP report. Any records involved in any claim or expenditure which has been questioned by federal audit are retained until the question is resolved.

### 3.5.3 Inactive Records

Inactive records are kept in the OFA for one year following the close of the fiscal year in which they are active. At the end of one year, the folders are moved to storage outside of the OFA. The OFA keeps inactive records for three years or longer depending on current University policy. After the appropriate time period, records are shredded.

### 3.5.4 Imaging

As of the 15/16 academic year, all documents are scanned into the extender system. Students will not have any physical files.

## 4 Section Four: Calendar of Financial Aid Activities

January – Financial Aid Workshops, Load New Year FAFSA, update documents for the New Year.

February – Tentative Campus-Based Allocations, start awarding process for new freshmen

March – Official Notice of Funding for Campus-Based Allocations, Award Letters mailed to new freshman, Work with parent and students on awards

April – Review of current year files for audit preparation, attend ISFAA Conference, and continue working with new freshmen awards

May – Start working on upperclassmen awards, conduct exit counseling, send promissory notes to new freshmen

June – certify private student loans, parent loans, continue to get awards ready for the new academic year and new freshmen employment opportunities.

July – NASFAA conference, Dues for MASFAA, NASFAA and ISFAA

August – Closeout of current year programs

September – FISAP, NCAA Report, Experimental Site Report

October – Fall MASFAA Conference

November – FISAP edits

December – FSA Conference, Financial Aid Retreat, ISFAA

## 5 Section Five: Student Consumer Information

The staff in the OFA recognizes that in order to understand the complications of Financial Aid, accurate and timely dissemination of information to consumers is vital. Several policies have been implemented to ensure appropriate dissemination is achieved.

### 5.1 Financial Aid Program Availability

Financial aid programs which are available to students attending RHIT are distributed through the following RHIT published documents:

1. The RHIT website
2. The Financial Aid Award Letter

Additional resources are published outside of the OFA and are distributed through the OFA. These resources include:

1. The Student Guide published by the U.S. Department of Education

Financial aid funds may be categorized into four basic sources, federal, state, institutional and private. Because there are too many outside private sources to list in this manual, only Federal, State and Institutional sources for RHIT are listed below:

1. Federal
  - a. Federal Pell Grant
  - b. Federal Supplemental Education Opportunity Program (SEOG)
  - c. Federal Work-Study Program (CWS)
  - d. Federal Perkins Loan
  - e. Federal Direct Student (Stafford) and Parent (PLUS) Loan Program
2. State
  - a. Frank O'Bannon Grant
  - b. 21<sup>st</sup> Century Scholarship
3. Institutional
  - a. Merit Scholarship
  - b. RHIT Grants
  - c. Departmental Scholarships
  - d. Endowed Scholarships
  - e. Annual Scholarships
  - f. Student Employment Program
  - g. Special Scholarships

## 5.2 Procedure and Forms Required to Apply

The procedure and forms required to apply for financial aid are published at the RHIT website. In addition, notices announcing deadlines and application availability are distributed via email.

There are many forms, which may be required to evaluate student aid eligibility. However, a student may only need

submit the Student Aid Report (SAR) as a result of filing the Federal Application for Federal Student Aid. (FAFSA)

Additional documents may be requested to complete processing of the aid request. Notification of these additional required documents is sent to students through a missing document letter. Additional information may include, but is not limited to the following:

1. Proof of citizenship
2. Proof of selective service registration
3. Marriage certificate
4. Verification forms
5. Tax returns
6. Statement of non-tax filer
7. Student Aid Report
8. Admission Status
9. Student Certification
10. Employment Verification
11. Verification of marital status
12. Legal Guardianship

### 5.3 Methods of Disseminating Consumer Information

The primary method of disseminating consumer information to university students is through RHIT website. In addition, information is distributed through:

1. Consumer Information documents distributed to students with award letters

### 5.4 Student Eligibility Requirements

Student eligibility requirements are listed in the following documents:

1. RHIT Admission Brochure
2. RHIT website
3. The instructions on the Free Application for Federal Aid

To be eligible to receive Federal assistance, a student must:

1. Be enrolled in an eligible program of study
2. Be a US citizen, US national or US permanent resident or reside in the United States for other than a temporary purpose (supportive documentation may be required to verify residency or citizenship status).
3. Maintain satisfactory academic progress in their course of study.
4. Not be in default of any loan or owe a repayment on a Federal Pell Grant, SEOG or State Grant
5. Demonstrate financial need

#### 5.5 Criteria for Selecting Recipients and Determining Award Amounts

Students may obtain the criteria used for selecting financial aid recipients and determining award amounts by making an appointment with the Financial Aid Director. Additional information concerning criteria and selection is listed in Section Fifteen.

#### 5.6 Availability of Forms and Instructions

Availability of forms and instructions is listed in the following documents:

1. Listed on the Student's Bannerweb

## 2. On specific aid applications

### 5.7 Rights and Responsibilities of Students on Financial Aid

As a recipient of financial aid, there are certain rights and responsibilities of which students should be aware. These rights and responsibilities of students on financial aid are listed in the following documents:

#### 1. RHIT Website

Students have the right to know the:

1. Financial aid programs available at RHIT
2. Application process which must be followed to be considered for aid.
3. Criteria used to select recipients and calculate need.
4. RHIT refund and repayment policy
5. OFA policies surrounding satisfactory academic progress
6. Special facilities and services available for the handicapped.

Students are responsible for:

1. Completing all forms accurately and by the published deadlines.
2. Submitting information requested by OFA staff in a timely manner.
3. Keeping the OFA informed of any changes in address, name, marital status, financial situation, or any change in student status.
4. Reporting to the OFA and additional assistance from non-university sources such as scholarships, loans, fellowships and educational benefits.
5. Notifying the OFA of a change in enrollment status.



6. Maintaining satisfactory academic progress
7. Re-applying for aid each year.

#### 5.8 Cost of Attendance

A description of the fees for attendance is located on the RHIT website. A complete budget outlining the cost of attendance may be obtained from the OFA. Cost of attendance information is listed in Section Seven.

#### 5.9 Refund Policy

A brief description of the refund policy is described on the RHIT website. A detailed description of the refund policy is listed in Section Twenty.

#### 5.10 Academic Programs Offered

A description of the academic programs offered is list on the RHIT website. Additional information may be obtained from individual departments.

#### 5.11 Person(s) Designated to Provide Financial Aid Information

Only information published, provided, or referred by OFA staff is valid. Any additional information should be verified with staff from the OFA.

#### 5.12 Student Retention and Completion Data

Student retention and completion data is gathered by the Asst. VP of Enrollment Management.

#### 5.13 Information of Students with Disabilities

Information concerning students with disabilities is listed in the Student Affairs Office. Students are also notified of their

responsibility to inform the OFA of any special or unusual circumstances via the following:

1. By verbal or written explanation
2. The Free Application for Federal Student Aid.

The Office of Student Affairs provides information and assistance to students with disabilities who are in need of special accommodations. This office should be contacted for additional information.

#### 5.14 Information on Accreditation

Information concerning accreditation is listed in the Academic Affairs Office.

### 6 Section Six: Student Application for Financial Aid

Students are recommended to submit aid applications on an annual basis.

#### 6.1 Forms

There are many forms, which may be required to evaluate student aid eligibility. However, a student need only submit the Federal Application for Federal Student Aid (FAFSA) to begin the first step in applying for aid.

Additional documents may be requested to complete processing of the aid request. Notification of these additional required documents is sent to students through a missing document letter. Below are documents which may be required.

1. Free Application of Federal Student Aid (FAFSA) – a need analysis document published by the Department of Education. Information is sent to the Central Processing Center (CPS)

for an analysis of the expected family contribution (EFC). Students receive a Student Aid Report (SAR) which shows the results of the analysis. Federal aid may only be awarded based on the official results of the FAFSA.

2. Student Aid Report (SAR) – students are not automatically required to submit SAR's. However, an Aid Administrator may request the document to verify conflicting information.
3. Federal Tax Returns – Federal Income Tax returns may be requested if a student is selected for verification, or if the Aid Administrator deems it necessary to verify conflicting information. Dependent students and their parents must submit their tax return transcripts. Independent students must submit their tax return transcript and their spouse's if applicable.
4. Verification Worksheet – a document which collects updated information submitted on the FAFSA. Students who are selected for verification must submit a worksheet. Dependent students must obtain their parent's signature. Independent students must obtain their spouse's signature if appropriate. An Aid Administrator may request a Verification Worksheet to resolve conflicting documentation.

## 6.2 Application Process

Students begin the application process by submitting the Free Application for Federal Student Aid. The submission(s) informs the OFA that the student wished

to apply for financial aid. Tracking letters are sent to students every month or less informing the student of documents or information which still needs to be submitted. If a student submits an incomplete document, it is returned for completion. If a student doesn't submit the required information in the appropriate time span, the application will become inactive and no further correspondence is sent. Once the student submits all the required documentation, it is given to the Assistant or Director of Financial Aid for review. If the file requires additional information, a letter or email and any appropriate forms will be sent to the student. If the student does not submit the requested information, the file will be considered inactive. Once the requested information is received, it is forwarded to the Staff for packaging.

### 6.3 Deadlines

The Indiana student must apply for the FAFSA before March 10 to be considered for State of Indiana Aid. RHIT doesn't have a deadline to apply.

### 6.4 Independent Student Status

The EFC from an independent student takes into account only the income and asset value of the student and spouse, if applicable; the parent's financial information is not included. Students are automatically considered independent if they meet the independency criteria on the FAFSA.

The Director has the authority to make students who do not meet the criteria independent under special circumstances using Professional Judgment. Special

circumstances must be documented and a copy of the documentation must be maintained in the student's file.

## 7 Section Seven: Student Budgets

Student budgets are an important component in the financial aid process. Standard student budgets reflecting the RHIT average student cost of attendance at a modest, but adequate standard of living are used to award financial aid. Special budget considerations are approved by the Director of Financial Aid and the Assistant Financial Aid Director on a case-by-case basis.

### 7.1 Basis for Student Budgets

The Director collects information to prepare standard costs on an annual basis.

#### Tuition and Fees

Tuition and Fees are approved by the Board of Trustees of Rose-Hulman.

#### Books and Supplies

An estimate cost of books from the university bookstore

#### Room and Board

Room and Board expenses are divided into two categories: living on-campus or off-campus, living with parents and/or relatives.

#### Computer

An estimate cost of the required laptop

### Personal Expenses

Personal expenses include cost for clothing, toiletries, medical/dental, recreational, and other miscellaneous expenses.

#### 7.2 Standard Student Budgets

Student budgets include the cost of attendance as published in the Student Guide for Financial Information. Additional allowances for transportation, books and miscellaneous expenses and included.

#### 7.3 Special Budget Considerations

Upon request, the Director may review, and if appropriate, request an adjustment to a student budget. Students must submit supporting documentation. These requests must be approved by the Assistant Director or the Director of Financial Aid.

## 8 Section Eight: System Operations

The OFA at RHIT is automated. The OFA uses the Banner System to automate disbursement of funds as much as possible.

#### 8.1 Loading Financial Aid Data

Federal eligibility information is received electronically from the Department of Education using Electronic Data Exchange (EDE)

## 9 Section Nine: Verification

### 9.1 Introduction

Verification is the process of confirming the accuracy of student reported data on the financial aid applications. Only a portion of the student population is selected for verification.

### 9.2 Selection of Applications to be Verified

The OFA verifies those applicants identified by the Department of Education (DOE). Typically, the DOE selection criteria translate into verifying thirty percent of the financial aid population at RHIT. In addition, Aid Administrators may select a student for verification if there is a discrepancy or a condition which is unusual and warrants investigation.

#### 9.2.1 Exclusions

Listed below are certain circumstances where students do not have to complete verification. The program manager must identify and document in the aid folder why the student is not required to complete verification.

1. An applicant who died during the award year.
2. A resident of Guam, American Samoa, the Northern Mariana Islands, the Marshall Islands, the Federated States of Micronesia, and the Trust Territory of the Pacific Islands (Palau).
3. A student who is incarcerated
4. Applicants whose parents do not live in the United States and cannot be contacted.

5. A student immigrant (however, the student must meet the citizenship requirement).
6. A dependent student whose parents cannot comply because of specified reasons (i.e., parents are deceased, are physically or mentally incapacitated, or the student does not know where the parents reside).
7. A student who does not receive Title IV funds.

### 9.2.2 Conflicting Information

If Aid Administrators have conflicting information for an applicant or have any reason to believe his or her application information is incorrect, we are required to resolve any discrepancies discovered in a student's file. Because need analysis information is only collected from the DOE, and additional information is typically not requested from the students who are not selected for verification, conflicting information is systematically rare.

### 9.3 Verification Time Frame

Upon receipt of any documentation that a student intends to apply for financial aid, a Tracking Letter listing missing items is sent to the student when the student record is activated after receipt of a federal transmission. This letter informs the student of any additional information which is required to complete his/her financial aid file. If the OFA has received DOE information identifying the student as being selected for verification, the tracking items letter requests the appropriate verification



documents (i.e., verification form, student and parent tax transcripts).

#### 9.4 Document Collection Procedure

Required documentation items are identified in the banner system. When documents arrive, the administrative assistant enters a receipt date beside the document in the banner system. When all required documents are received, the student is considered complete and ready to be verified. The documents are given to the Director of Financial Aid and Assistant Director to verify. Once verification is complete, if the data changes, the files are given to the Assistant Director to send to CPS to process.

##### 9.4.1 Documentation

Documentation submitted to the OFA must be legible, appropriate, and have the student's ID number for identification purpose. If the student submits a document which is not legible, (i.e., a copy of a tax return in which the income numbers are not identifiable), appropriate (a tax return transcript is requested and the student submits a W-2), or identifiable (student submits a copy of the step-parents tax return and the last name does not match the student's and there is no student's ID number) the documents will be returned and a request for additional documentation is requested. If possible, the return of documentation is recorded on the computer system.

#### 9.4.2 Failure to Comply

Students who fail to submit verification documents never become complete; therefore, federal, state or need-based aid is not disbursed for these students.

#### 9.4.3 Notification for Verification to Applicants

Students are notified that they are selected for verification on the Student Aid Report (SAR). In addition, the tracking letter indicates to the student he/she has been selected for verification.

### 9.5 Verification of Data Elements

RHIT verifies only those data elements required by the federal government. However, Aid Administrators are free to ask for additional information if further investigation is needed to resolve a discrepancy.

#### 9.5.1 Adjusted Gross Income

Adjusted Gross Income is verified by comparing a copy of the student, spouse, or parent income tax return transcript or Income Certification Statement to federal data. Discrepancies outside of tolerance levels must be corrected before further processing.

#### 9.5.2 U.S. Income Tax Paid

U.S. Income Tax paid is verified by comparing a copy of the student, spouse or parent income tax return transcript or Income Certification Statement to federal data. Discrepancies outside of tolerance levels must be corrected before further processing.

### 9.5.3 Household Size

Household size is verified by comparing the Verification Worksheet to federal data. Discrepancies must be corrected before further processing.

### 9.5.4 Exclusions

Although regulations allow situations when verification of household size is not required, the OFA does not have a systematic way to track these exclusions. Therefore, all students selected for verification must submit a response to the Household size questions on the Verification Worksheet.

### 9.5.5 Number of Postsecondary Institutions

Number of family members enrolled at least half-time in postsecondary institutions is verified by comparing the Verification Worksheet to federal data. Discrepancies must be corrected before further processing.

### 9.5.6 Exceptions

Although regulations allow situations when verification of number in university is not required. The OFA does not have a systematic way to track these exclusions. Therefore, all students selected for verification must submit a response to the Household size question on the Verification Worksheet.

### 9.5.7 University Discretionary Items

The OFA verifies those applicants identified by the Department of Education (DOE). Aid Administrators may select a student for verification if there is a

discrepancy or a condition which is unusual and warrants investigation. If a student submits verification documentation (i.e., tax return), the OFA staff must verify the information on the document against the information in the student's file.

## 9.6 Tolerances

When verifying a student's record, there are two instances when discrepant information does not have to be corrected.

1. When the absolute value of the discrepancies does not exceed \$25.
2. When the EFC does not change after recalculation.

## 9.7 Notification to Students

Students are notified of the results of verification in the form of an award letter.

### 9.7.1 Correction Procedures

The procedure RHIT requires to make corrections is identified in Section Nine. Refer to this section for additional information.

### 9.7.2 Overpayments

OFA policies and procedures are designed to eliminate the possibility of an overpayment from any funds. If however, an overpayment does occur, the student's account will be charged and will not be able to register for subsequent terms until the account has been cleared. Unless special arrangements have been made with Student Financial Services.

## 9.8 Updating Requirements and Procedures

There are three situations whereby and Aid Administrator may update student information. When students notify the aid office of an allowance update, the Aid Administrator may recalculate the student's EFC and the new figure may be used to award financial aid. Updates may occur for:

1. Dependency status
2. Family Size
3. Number of family members enrolled in a postsecondary institution.

## 9.9 Interim Disbursements

Because the OFA is liable for disbursements made prior to verification, the OFA policy does not allow interim disbursement. Students must complete the verification process before aid is disbursed. Exceptions must include extenuating circumstances, be documented in the student's folder, and be monitored by an Aid Director.

## 9.10 Tax Extensions

The Office of Financial Aid will accept W2's or written estimates of the prior year's income when accepting Tax Extensions. We will need a copy of the IRS form regarding the extension.

# 10 Section Ten: Need Analysis

## 10.1 General Policies of Need Analysis

All Federal, State, and University need-based financial aid programs are awarded based on the Federal expected family contribution (EFC). The expected family contribution (EFC) is the amount that a family can be expected to contribute toward a student's university costs. By comparing the EFC to the student's cost of attendance, the financial aid administrator at the school can determine the student's financial need for federal student aid from the U.S. Department of Education and from other sources.

All data used to calculate a student's EFC come from the information the student provides: (1) on the Department's Free Application for Federal Student Aid (FAFSA), or (2) on a Renewal FAFSA.

The student's FAFSA information is sent to the federal central processing system. The EFC is computed by the central processing system using the information the student reported on his or her application. Each student will receive a Student Aid Report (SAR) that reports the information from the student's application and, if the information provided was accurate, the student's EFC. The student is instructed to check carefully the data on the SAR to ensure that it is correct. If corrections to the SAR are necessary, a student's school may submit corrections electronically or the student may make corrections on Part 2 of the SAR and return it to the address given at the end of Part 2.

## 11 Section Eleven: Professional Judgment

The Higher Education Act of 1992 allows financial aid administrators to make professional judgment decisions for special or unusual family or student circumstances. These circumstances must be documented.

Circumstances requiring professional judgment decisions must be analyzed on a case-by-case basis.

#### 11.1 Areas of Administration

Professional judgment decisions may be made to adjust eligibility for all University, Title IV, and campus-based aid. Documentation supporting special circumstance must be maintained in the student's folder.

#### 11.2 Staff Authority and Verification

Only the Director has the authority to adjust a student's eligibility using professional judgment. Verification must be performed before any professional judgment can be done.

#### 11.3 Circumstances

Student circumstances which may warrant a professional judgment decision include, but are not limited to:

1. Loss of job
2. Death in family
3. One-Time Income
4. Reduction in Earned Income
5. Divorce or Separation
6. Medical, Optical or Dental Expenses
7. Unusual Circumstances

#### 11.4 Student Appeals

Student must put his or her appeal in writing and fill out the appropriate forms with documentation. The decision of the Director is final, and no further means for appeals are available.

## 11.5 Documentation

Aid Administrators are required to document professional judgment decisions. This documentation must be maintained in the student's file or imaging. Because professional judgment situations are unique, specific required documentation is not listed for each case. It is left to the discretion of the Aid Administrator to select what is appropriate documentation.

1. Documentation should substantiate the student's situation.
2. If collecting documentation about the student's life situation, documentation from more than one person should be collected.

## 12 Section Twelve: Participation in Financial Aid Programs

The OFA participates in a variety of financial aid programs. Assistance may include scholarships, grants, loans, and jobs. Scholarships and grants are gift awards which do not have to be repaid. Loans and work opportunities are considered self-help awards since repayment or performance of duties are required. The type of aid awarded depends upon the student's financial need and may include a combination of gift and self-help assistance.

### 12.1 University and Program Eligibility

#### 12.1.1 University Eligibility

As a private nonprofit institution, RHIT has been authorized by the United States Secretary of Education to participate in financial aid programs authorized by Title IV of the Higher Education Act of 1962 as amended.



### 12.1.2 Terms of Agreement

The Program Participation between RHIT and the Department of Education entitles the OFA to participate in the following federal programs.

1. Federal Pell Grant Program
2. Direct Loan Program
3. Federal Supplemental Educational Opportunity Grant Program
4. Federal Work-Study Program
5. Federal Perkins Loan Program

### 12.1.3 University Application for Federal Funds

The OFA applies for funds through the Fiscal Operation Report and Application to Participate (FISAP). The OFA applies annually for federal funds through the FISAP, which is submitted each September. The Director, and the Business Office work together to collect the necessary statistics to complete the report. The Director loads the finalized data into the Electronic FISAP Program and the information is sent electronically to the Department of Education. The signature page and required certifications are sent certified mail. Starting in 15/16 all signatures are done electronically.

## 12.2 General Student Eligibility for Federal Title IV Financial Aid

There are several eligibility requirements which students must meet in order to be considered for federal funds. Student must:

1. Demonstrate financial need according to Federal Methodology.
2. Have a high school diploma.
3. Be enrolled in a degree seeking or eligible certificate program.

4. Be a U.S. Citizen or eligible non-citizen.
5. Make satisfactory academic progress as determined by the institution.
6. Sign a statement of educational purpose and a certification statement on refund and default.

### 12.3 Federal Programs

The federal programs in which the OFA participates are listed in Section 12.1.2 above. The Federal Perkins Loan Program, the Federal Supplemental Educational Opportunity Grant Program, and the Federal Work-Student Program are referred to as campus-based programs because although funded primarily with federal dollars, the institution is able to determine how these funds should be awarded to students.

#### 12.3.1 Federal Pell Grant

The Federal Pell Grant is an entitlement program. Student must demonstrate financial need to qualify.

##### 12.3.1.1 Purpose of Program

The Federal Pell Grant program is federally funded with the purpose of helping financially needy students meet the cost of postsecondary education. This program is centrally administered by the federal government and is typically the foundation of a student's aid package.

##### 12.3.1.2 University Policy Statement

###### Determining Eligibility

The OFA uses the pell award as the foundation of the student's financial aid package. Therefore,

students requesting financial assistance during their enrollment are required to establish Federal Pell Grant eligibility before additional determination of funds eligibility is made and/or awarded.

In order to determine eligibility for any federal financial aid program, students must file a Free Application for Federal Student Aid (FAFSA) and have the results sent to RHIT. The OFA will accept the results through electronic transmission with the Central Processing System (CPS).

Student eligibility is determined only through the CPS of the Department of Education using the Federal Methodology need analysis formula. The OFA must have an official EFC before eligibility for any fund any fund may be determined.

Students are notified of the amount of their Pell Grant through an award letter. Plus a student may go on Banner Web to obtain the amount.

Students who are enrolled on a less-than-half time basis may receive a Pell Grant.

All reports required by the Department of Education are submitted in a timely fashion.

Pell awards are recalculated when there is a change in the EFC, when the enrollment status changes between terms within the same award year, and when the cost of attendance changes.

Students who submit eligible SAR's or have electronic Pell data submitted to RHIT after the

end of an enrollment period for which the student met all the necessary criteria, will receive a retroactive award provided the student's file is complete prior to the last day of classes of the academic year.

### Payment

Pell Grant funds are disbursed to students about 10 days prior to the 1<sup>st</sup> class day.

The Pell Grant is disbursed through a Banner System. After subtracting tuition and other appropriate outstanding charges Bursar's Office staff release the remaining proceeds to the student after the full week of classes.

### Overawards

In the event of an overaward, the student is notified that he/she owes money back to the university and not allowed to register for the next term. Unless arrangements have been made with Student Financial Services.

### Recordkeeping

Financial aid records are maintained in student's folders as well as computer. The Director and the Accountant are responsible for account management and appropriate record security for all student aid account transactions. The amount and date of any overpayment restored to the program account, the cost of attendance, determination of enrollment status, and enrollment period, eligibility of enrolled students

who submit valid Pell records, name, Social Security number, amount paid, and amount the date of each payment are maintained in the OFA.

#### 12.3.1.3 Student Eligibility

Students must meet the eligibility requirements previously described. In addition, the Pell Grant is awarded only to first-time undergraduates. Student eligibility is determined only through the Central Processing System of the Department of Education using the Federal Methodology need analysis formula.

#### 12.3.1.4 Determination of University Federal Pell Grant Budget

The determination of the Federal Pell Grant Budget is identical to the budget used for other University awarded aid.

#### 12.3.1.5 Amount of Federal Pell Grant

The Amount of Federal Pell Grant for which a student is eligible is determined using the Expected Family Contribution (EFC) and the corresponding cost of education from the Federal Pell Grant Eligibility Chart published by the Department of Education.

#### 12.3.1.6 Verification Procedures

Verification procedures for the Federal Pell Grant are identical to other Title IV Aid.

#### 12.3.1.7 Student Aid Report (SAR) Processing

See Section 8 for additional information

#### 12.3.1.8 Disbursement Procedures

Pell Grant funds are disbursed to students only after an official EFC from the Department of Education has been received. Offered aid must be accepted by the student via the financial aid award letter.

#### 12.3.2 Federal Supplemental Educational Opportunity Grant (FSEOG)

The FSEOG is a gift program for students who demonstrate financial need.

##### 12.3.2.1 Purpose of Program

The FSEOG program is federally funded for the purpose of helping the financially needy student meet the cost of postsecondary education. This program is administered by the institution.

##### 12.3.2.2 University Policy Statement

###### Determining Eligibility

In order to determine eligibility for any federal financial aid program, students must file a Free Application for Federal Student Aid (FAFSA) and have the results sent to RHIT. The OFA will accept results through electronic transmission with the Central Processing System (CPS). Student eligibility is determined only through the CPS of the Department of Education using the Federal Methodology need analysis formula.

Students are notified of the amount of their FSEOG eligibility through the award letter.

## Payment

FSEOG funds are disbursed to students 10 days prior to the first day of class for those students who have a valid award letter.

## Overawards

In the event of an overaward, the student is notified that he/she owes money back to the university and not allowed to register for the next term.

## Recordkeeping

Financial aid records are maintained in student's folders as well as in the Banner System. Student records include the demonstration of need and FSEOG eligibility.

### 12.3.2.3 Student Eligibility

Students must meet general eligibility for Federal Title IV funds as described in Section 12.2.

### 12.3.2.4 Amount of Award

The regulated maximum amount of FSEOG is \$4,000 and the minimum is \$100. However, the OFA self-imposes minimum and maximum awards (\$1,000 - \$4,000) to ensure that the greatest number of students have an opportunity to receive a portion of the FSEOG allocation.

#### 12.3.2.5 Disbursement Procedures

FSEOG funds are disbursed to students only after an official EFC from the Department of Education has been received. See Section 19 for disbursement procedure for all aid funds.

#### 12.3.3 Federal Work-Study Program (CWS)

The CWS program provides employment positions for undergraduate students who demonstrate financial need. These earnings assist students with educational expenses.

##### 12.3.3.1 Objective and Purpose of the Program

The objectives and purpose of the CWS are to provide:

1. A source of financial aid to undergraduate who demonstrate financial need.
2. Work experience which enhances the participants' education whenever possible.
3. An employment pool to the University, and to federal, state and local public agencies, that would not exist otherwise.

##### 12.3.3.2 University Policy Statement

###### Selective of students

The policy regarding dissemination of CWS funds is to award monies to as many students as



possible. This is accomplished by awarding funds to needy students on a priority basis until funds are exhausted. Reasonable effort is made to place students in positions which complements and /or reinforces their educational and career goals.

#### Determination of award

Students are awarded the CWS based on the packaging formula described in Section 15. Records, which document CWS eligibility and how financial need is met, are maintained in the student file and the Banner System.

#### Off-campus employment

Typically, CWS contracts with outside agencies are submit to the Financial Aid Office.

#### Overawards

Students are only awarded CWS funds if, in combination with other resources, the award does not exceed the student's need by more than \$300.00.

Student may not earn work-study funds in excess of their CWS award. Students who earn their CWS award and want to continue working may do so if they have the employer's consent and are paid with non-CWS funds

### Federal share

The law requires a minimum 25% University match.

#### 12.3.3.3 Student Eligibility

Students must meet general eligibility for Federal Title IV funds as described in Section 12.2.

#### 12.3.3.4 Minimum and Maximum Awards

The minimum CWS award for undergraduates is \$1,300 for the 13/14 or beyond academic year. Exceptions for additional awards may be made by Aid Administrators if funding allows.

#### 12.3.3.5 Wage Rates

Students are paid at different rates depending on the position.

#### 12.3.3.6 Placement Procedures

### Collection of available positions

The Financial Aid Administrative Assistant will send a message to all departments asking for position available and job descriptions for each job. The supervisor will give a list of students who are returning the next year for the position. The supervisor will give the Financial Aid Administrative Assistant a number of positions that need to be filled. The positions will be put on the employment website. The new freshmen and returning students will apply for the positions on the web. Once the position selection is approved,

the student will receive an email confirming the position.

#### Notification of award and employment placement procedures

The student receives an award notification indicating the amount of CWS award. Also, a new student will get a letter explaining how to apply for a position.

#### Student Placement

Students must meet with supervisor after receiving assignment during orientation. The student and supervisor must agree and approve of the assignment. The student must take all paperwork to HR to be able to start work.

##### 12.3.3.7 Supervision

Supervisors are instructed to maintain adequate supervision of student with regard to attendance.

A work schedule must be agreed upon each term and the supervisor which is not in conflict with the student's class schedule.

##### 12.3.3.8 Time Sheets

Students fill out the time sheet on line via Banner Web. The supervisor will go on line to Banner Web and approve the student's time at end of each pay period.

##### 12.3.3.9 Recordkeeping

Records concerning compensation for student employment are maintained in the Payroll and OFA. A record of student earnings is loaded into the banner system. Earning records are reconciled between the OFA and the Payroll Office at the end of each pay period and at the end of the academic year for the FISAP report.

#### 12.3.3.10 Payment Procedures/Frequency

Student's pay is direct deposit in the account the student provides the HR department. The student is paid bi-weekly.

### 12.3.4 Federal Perkins Loan

The Perkins Loan provides subsidized low interest rate loans to undergraduate students. This loan is based on need and assists students with educational expenses.

#### 12.3.4.1 Purpose of Program

The purpose of the Perkins loan program is to provide a low subsidized interest rate to students. Payment on these loans are not until nine months after graduation or go below ½ time.

#### 12.3.4.2 Student Eligibility

Students must meet general eligibility for Federal Title IV funds as previously described.

#### 12.3.4.3 Minimum and Maximum Awards

The maximum award for the Perkins Loan is \$5,500 for the federal government. Rose-Hulman will award based on how much Rose-Hulman has to award. There is no minimum limit. The aggregate for this award is 22,000.

#### 12.3.4.4 Disbursement Procedures

The Perkins Loan proceeds are disbursed to the students account.

#### 12.3.5 Federal Subsidized and Unsubsidized Stafford Loan Program

The Sub and Unsub Stafford Loan is a low interest rate loan to students. This loan is based on need.

##### 12.3.5.1 Purpose of Program

The purpose of the Stafford Loan program is to provide a low subsidized interest rate to students. Payment on these loans are not until six months after graduation or go below ½ time.

##### 12.3.5.2 Student Eligibility

Students must meet general eligibility for Federal Title IV funds as previously described.

##### 12.3.5.3 Minimum and Maximum Awards

The Maximum depends on the student's grade level. Freshmen = \$3,500 Sophomore = \$4,500 Junior and Senior = \$5,500.

#### 12.3.5.4 Processing Procedures

The award letter will have the Stafford loan listed as an award. For Freshmen, if they want the loan, they must sign the promissory note for the loan. For Upperclassmen, the student must accept the loan on banner web. Once the loan has been accepted, then the FAO will process the loan.

#### 12.3.5.5 Disbursement Procedures

The Stafford loan proceeds are disbursed to the students account. Student may receive a voucher for books that might contain Stafford loan money.

#### 12.3.5.6 Report to COD

The Assistant Director of Financial Aid originates the loan and then sends the report to COD.

### 12.3.6 Federal Parent PLUS Loan for Undergraduate Students

The PLUS provides non-subsidized low or capped interest rate loans to parents of undergraduate students regardless of financial need. These funds assist students with educational expenses.

#### 12.3.6.1 Purpose of the Program

The purpose of the PLUS program is to provide non-subsidized low or capped interest rate loans with deferred repayment to parents of dependent students.

#### 12.3.6.2 University Policy Statement

The PLUS loan may be used to replace family contribution to the extent that it does not exceed the difference between the student's cost of attendance and other financial aid. PLUS loans are processed for parents or guardians of dependent undergraduate students.

The student, for whom the parent is borrowing the loan, must meet all of the eligibility criteria for financial aid, except need analysis, Pell Grant eligibility, Stafford Loan eligibility, and Statement of Education Purpose.

The parent borrower must meet the citizenship criteria and not be in default or owe a repayment on a Title IV loan or grant.

#### 12.3.6.3 Student Eligibility

Students must meet general eligibility for Federal Title IV funds as previously described.

#### 12.3.6.4 Minimum and Maximum Awards

The maximum award for the PLUS loan is the cost of education minus other financial assistance. There is no minimum limit. There is not an aggregate borrowing limit.

#### 12.3.6.5 Processing Procedures

See Section 17 for processing information

#### 12.3.6.6 Disbursement Procedures

The PLUS loan proceeds are disbursed to the school. The student may release the loan money before the funds are received from DOE.

#### 12.3.6.7 Report to DOE

If a student withdraws or leaves school, the clearinghouse will report to DOE. This is done through the Registrar's Office.

### 12.4 State Financial Aid Programs

General eligibility requirements:

The results of the FAFSA will determine the State amount of awards based on CHE's funds availability.

Students must:

1. Be accepted for at least half-time study at RHIT in an eligible undergraduate program of study.
2. Be a citizen, permanent resident or eligible non-citizen of the U.S.
3. Be a bona-fide domiciliary resident of Indiana.
4. Meet satisfactory academic progress standards
5. Meet the federal eligibility requirements.
6. Demonstrate financial need.



### 13.1 University Scholarships

All RHIT scholarships awarded to students must be awarded in accordance with the following policies and procedures.

The University must, when awarding scholarships and other financial aid, comply with various federal regulations that are designed to ensure fairness, equity, and responsiveness to individual students.

These federal policies, in part, require the University:

- To coordinate aid from Title IV programs with the University's other federal and non-federal student aid programs;
- To properly package and most effectively use the various types of students assistance (federal, state, institutional, private, etc.); and
- To ensure that a student's financial aid package does not exceed his or her need.

### 13.2 Procedure

All awarding and communication to students regarding eligibility and award of any scholarship, regardless of the source of funding, will be made only by the Financial Aid Office, Scholarship Office and the various departments through the Scholarship Office to ensure: (1) compliance with all federal regulations; (2) scholarship awards meet University criteria or criteria established by donors of scholarship fund; and (3) aid is most effectively distributed so as to maximize individual student financial aid packages while not exceeding the student's calculated need.

### 13.3 Scholarship Committee

The Financial Aid Office has a committee that directly administers the RHIT scholarships with the help from Development Office.

#### 13.3.1 Financial Aid Office Scholarship Committee

The FAO Scholarship Committee will provide administrative oversight of the scholarship process to ensure compliance with these procedures.

The FAO Scholarship Committee will be comprised of the Director of Financial Aid, Assistant Director of Financial Aid and selected members of the faculty.

The FAO Scholarship Committee shall be informed of decisions by the Departments as to specific student individuals who have been designated to receive specific scholarship resources.

The FAO Scholarship Committee shall select the student to receive a scholarship awards. Each department will select committee members from their department to select students from various scholarship awards.

#### 13.4 Processing Scholarship Awards – Student Eligibility

The SFS provides each scholarship spendable account to the FAO. The FAO will look at each criteria of each scholarship. Those scholarships are given out first. Then the scholarships with no criteria will be awarded to various students for various reasons.

#### 13.5 Documentation Requirements

The awarding of individual scholarship, to an individual student, may be made only after the FAO accumulates and certifies the availability and completeness of appropriate documentation. This documentation may include application, transcript and essays.

Individual scholarship funds for which responsibility is assigned to individual departments must be disbursed in accordance with the stipulated wishes of the original donor or grantor.

#### 13.6 Notification

The responsibility for communicating to a prospective student that they are potentially eligible to receive the RHIT scholarship or restricted scholarship support rests fully with the Director of Financial Aid.

### 13.7 Periodic Reporting

The Director of Financial Aid will request a report for the Business Office for the amounts to be awarded to make sure the whole spending amounts have been awarded.

## 14 Outside Scholarships

### 14.1 Procedures

When a student brings in an outside scholarship, the FAO will add it to their award upon the receipt of the scholarship funds. If the scholarship makes the awards go over need, then the Stafford Loans will be lowered first then workstudy. If the scholarship brings the award over the COA, then loans will be lowered, then workstudy, then RHIT grants/scholarships.

### 14.2 Documentation Requirements

Once we have received the check, the money will go on the students account. The only documentation that is needed is the check. If the student wants the check for a particular term only, then a letter must be given from the donor giving us permission to release the funds in that particular term. The scholarship will apply to the term in which the funds have been received unless the Cost of Attendance has been met for the term. The funds then will be awarded to the next term.

## 15 Section Fifteen: Awarding Financial Aid

Financial Assistance as RHIT is awarded in March for Freshmen and in June for upperclassmen.

The first step of the award process is to determine the student's budget using the SARs.

The second step of the award process is to determine the student's need for financial assistance by subtracting the EFC from the student's budget. After the need has been established, we process in awarding eligible financial programs accordingly.

The Pell Grant is the foundation of a student's award package because eligibility is determined by the Federal Government. Therefore, we first determine if students have Pell Eligibility. We determine the amount by reviewing the Federal Pell Grant Payment and Disbursement Schedule. Also factored in determining the amount of the award is the student's enrollment status, and cost of attendance.

After eligibility for the Pell Grant is determined, we subtract the Federal Pell Grant from the need to determine the student's remaining need for financial assistance. We proceed to award the campus-based programs, state programs, and University programs according to remaining need. Due to limited funds, generally we are unable to meet 100% of student's need for financial assistance.

The awards are entered in the student's ID on the Banner System. The Assistant Director runs the program which populates the awards and the Director checks the accuracy. The Assistant to the Director enters the award information and an Award Notification is generated and emailed to student.

#### 15.1 Determination of Total Funds to be Awarded

The Director in conjunction with the Controller determines the total aid to be awarded during an academic year. With the approval of the Assistant VP of Enrollment Management. The Department of

Education sends the OFA information detailing annual fund allocations through the Federal Authorization Letter with the Official Notice of Funding. Determining the total funds available includes an evaluation and projection of available funds, required matching, and administrative expense. Careful projections are made to enable the OFA staff to offer fair and equitable packages to students. A determination is made based on prior year history, and an increase of projected funds to account for attrition.

## 15.2 Outside Resources

Students are encouraged to seek assistance from outside resources. It is required that all outside assistance be reported to the OFA. Student aid including outside resources, may not exceed the student's cost of attendance. Therefore, if a student has been awarded by the aid office and receives an outside award, an adjustment to the original award letter may be necessary. If an adjustment is made, the outside aid will replace self-help aid if possible.

## 15.3 Award Letter and Acceptance of Loans

Upperclass students receive notice of financial aid via an award notification and email. Students are required to accept or decline their Stafford Loans via Banner Web. Loans not accepted at a point in time are cancelled.

## 15.4 Summer Aid

If a student has eligibility for a Pell Grant and has not used his/her entire allocation during the academic year, they may use the award in the summer. Most of the student will have used their Pell Grant or Stafford Loan eligibility up in the academic year.

## 15.5 International Students

International students are not eligible for federal or state financial aid because they do not meet the citizenship requirement. International students may receive non-federal aid and are encouraged to apply for such aid.

#### 15.6 Appeal of Merit Scholarship

Merit Scholarship at Rose-Hulman are awarded prior to an applicant's enrollment, and the amount of these scholarships does not change and is guaranteed for as long as a student is enrolled as a full-time, undergraduate at the Institute. In almost all cases, applicants are notified of their merit scholarship with their award letter; for applicants intending to enroll as first-year freshmen, these awards are generated and shared in the March prior to the start of the freshman year. In the event that a student believes s/he is meritorious of a greater merit scholarship, s/he can appeal the award. Appeals of financial aid awards must be made in writing (E-mail being preferred) to the Institute's Director of Financial Aid. In the appeal, the applicant is invited to submit additional information which the applicant believes is indicative of being meritorious of a greater aid amount than initially awarded. Another person (e.g., a parent or guardian) can appeal on behalf of the applicant, but it is the strong preference of the Financial Aid Appeal Committee that the appeal come directly from the affected applicant.

The Financial Aid Appeal Committee considers each appeal on a case-by-case basis and makes a determination as to whether additional merit aid is to be awarded. The decision of the Financial Aid Appeal Committee is final; that is, there is not another level to which an appeal can be made subsequent to review by the Financial Aid Appeal Committee.

The outcome of the appeal will be reported to the appealing applicant immediately, and all relevant awards will be updated

immediately. An amended award letter is not generated, but the applicant can review her/his updated award by logging in to Banner Web.

Students seeking to appeal the amount of any grant awards due to a perceived misrepresentation of the family's ability to contribute financially to the education must go through a separate process. The Financial Aid Appeal Committee reviews only appeals of merit scholarship awards.

#### 15.7 NCAA Division III – Scholarships

Rose-Hulman is a member of NCAA Division III; no such, no consideration is given to pre-enrollment or post-enrollment athletics participation in scholarship determination.

### 16 Section Sixteen: Revision of Financial Aid Awards

Once an award letter is sent to the student, there may be instances which warrant a change to the original notification. The Director may review a student's circumstances, make an adjustment to an award, and release a revised award letter. This revised award invalidates the original award notice.

#### 16.1 Revision Initiated by the Office of Financial Aid

The OFA will automatically consider a revision in a student's aid package when the following occurs:

1. There is conflicting information in the file.
2. There are changes resulting from verification
3. If the EFC changes due to parent/student correction.
4. There is a change in availability of funds.
5. There is an OFA staff member error.

The information provide along with the award letter acknowledges right of the OFA to make a change to any award. Students are sent a revised award letter as soon as possible and are notified via email of a change. In the case of an office error, it is customary to contact the student personally or send a personalized letter.

## 16.2 Revisions Initiated by Request from Student

Students may decline any portion of their award. Lack of acceptance does not count as a revision.

## 16.3 Overawards

An overaward occurs any time a student's disbursed financial aid (federal, University, and outside aid) and other resources exceeds the cost of attendance for the award period by more than an allowable tolerance.

### 16.3.1 Eliminating an Overaward

Before reducing a student's aid package because of an overaward, the Aid Administrator should always attempt to alleviate the situation by reducing or eliminating the overaward. Some awards may be reduced or canceled in order to alleviate an overaward.

### 16.3.2 Causes of an Overaward and/or Overpayment

There are several causes for an overaward:

1. Student wages – the student earns more than the awarded CWS allocation.
2. Change in the enrollment status – the student withdraws or drops below the projected enrollment status.
3. Reduction in cost of attendance – the student changes budget categories.



4. Additional resources – the student has resources greater than those used to calculate the award.
5. Administrative error – the Aid Administrator inadvertently makes an error.
6. Fraud – the student intentionally deceives or misrepresents information to obtain funds.

## 17 Section Seventeen: Processing Loans

### Direct Stafford Loan

17.1 The Direct Stafford Loan Program is designed to assist regular matriculating students' in meeting their financial obligations and offers a simpler way to borrow funds. Under this program, the funds for your loans are lent to you directly by the U.S. Department of Education.

### Federal Stafford (Subsidized) Loans

Under this program, the federal government pays the interest on these loans while the students (dependent or independent) are in school and during deferments. A student must demonstrate financial need in order to receive this loan.

### Federal Stafford (Unsubsidized) Loans

Under this program, the federal government does not pay the interest while a student (dependent or independent) is in school or during deferments for this loan. A student can receive this loan regardless of financial need up to the established limits. Also, students whose parents are unable to borrow under the (PLUS) program are eligible to receive the program.

## Federal Parent (PLUS) Loans for Undergraduate Students

This program allows credit-worthy parents to borrow money for the student. The parent must go on line to [www.studentloans.gov](http://www.studentloans.gov) to make application for the Parent (PLUS) Loan. If the loan is approved, the parent is responsible for the repayment of this loan. A promissory note is required for the first-time borrow.

### Loan Limits

The loan amounts undergraduates and graduates students may be eligible to borrow under these programs are determined by grade level.

### Procedures:

- A. Determine Borrower Eligibility and Loan Amounts
  1. All students applying for the Direct Stafford Loans must complete a Free Application for Federal Student Aid (FAFSA).
  2. The Central Processing System (CPS) will match required database information and calculate a students expected family contribution (EFC) using the federal need analysis.
  
- B. Establish Loan Origination Records
  1. A loan origination record will be created for each student receiving a Direct Stafford Loan. This record creates a permanent borrower record in the Department of Education's loan database.
  2. The loan origination record will be created electronically by importing ISIR data from EDEXpress. This record will contain student's demographic, financial and statistical information.

C. Printing Promissory Notes

1. The promissory notes are created using information from the loan origination records. Separate promissory notes are utilized by a student to borrow both subsidized and unsubsidized Federal Direct Stafford Loan funds if the loans are initiated at the same time.
2. A promissory note will be available to sign online. Once the promissory note is signed on line, the Assistant Director of Financial Aid will download it to the Banner System.

D. Transmission of Loan Origination Records to the Servicer

1. The Assistant Director will transmit electronic origination records to the D.O.E. for selected borrows.
2. Upon receipt, the servicer will verify the loan origination records for completeness and accuracy. If any edits need to be made to the records, the Servicer will edit and validate electronically received loan origination data within a 24 hour period.

## 17.2 Perkins Loans

The Perkins Loan Program is designed to assist regular matriculating students' in meeting their financial obligations and offers a simpler way to borrow funds. Under this program, the funds for your loans are lent to you from Rose-Hulman. The Federal Government gives the money to Rose-Hulman to give out.

### Loan Limits

The loan amounts undergraduates students may be eligible to borrow is between \$1,000 - \$5,500. The amount is based on the availability of funds.

## Procedures

- A. Determine Borrower Eligibility and Loan Amounts
  - 1. All students are considered for the Perkins Loan if their EFC number is below 10,000. The funds that are available determine how many students will be awarded the Perkins. The Perkins Loan will be listed on their award letter if eligible for the Perkins. The student may accept it or decline it. If this is the first Perkins, then a student must sign a promissory note before it is disbursed on the students account. In 16/17, the Perkins is awarded to student with EFC lower than 6,900.

### 17.3 Private Student Loans

The Private Student Loan Program is designed for student to borrow the additional loan through a bank. The student must choose a bank of their choice. Once they know the bank, they make application to the bank. Rose-Hulman is only involved once the loan has been approved. Rose-Hulman will certify the loan for the bank. The bank will send the fund electronically to Rose. Some bank will still send a check where the student must sign. If that is the case, we will email the student to come in the office to endorse it back to Rose.

The Lender List on the Rose-Hulman website is just a suggestion to students. The list was designed to help them pick a lender. The lenders were added based on the prior two years. If the lender has at least five loans, then they are put on the RHIT Fast Choice.

Data is submitted to the Clearinghouse pertaining to the student enrollment status every 45 days. The National Student Loan Data System when students complete the FAFSA for students at RHIT.

#### 18.1 National Student Loan Data System (NSLDS)

NSLDS is the first national database of information relating to loans and other Title IV financial aid disbursed to students. The overall purpose of NSLDS is to support ED and the entire student aid community in a variety of operational research functions aimed at improving the administration and delivery of Title IV student aid programs.

### 19 Section Nineteen: Disbursement of Funds

#### 19.1 Responsibility for Disbursement of Funds

The Office of Financial Aid is responsible for determining when a student has met all eligibility requirements for the disbursement of financial aid funds i.e. loans, grants and scholarships.

The Payroll Office has responsibility for processing CWS pay roll.

#### 19.2 Separation of Functions

There is a clear and distinct separation of functions between the OFA and the SFS. The Aid Office assures and maintains the accurate and appropriate awarding of aid funds. This information is submitted to the SFS. These funds credit the student's account. Any monies in excess of charges are disbursed to the student by SFS staff.

#### 19.3 Procedures

RHIT transfers aid to the student's account if all appropriate papers have been signed and the student is registered for the correct number of hours.

### 20 Section Twenty: Refunds/Repayments

When a student withdraws from classes, he/she may be entitled to receive money back which had been paid to the University. The University may be able to refund all or a portion of the tuition and fees the student paid. If the tuition and fees were paid with financial aid dollars, then all or a portion of the student's refund must be returned to the student aid programs from which the money was awarded. A student who receives a cash disbursement to assist with living expenses and then withdraws, drops out, or is expelled, may be required to repay money to the aid programs from which the money was awarded. The University has designed the following policies and procedures to ensure proper accountability when a student leaves the University.

#### 20.1 Refund and Withdrawal Policy

Adjustments of Fees Upon Official Withdrawal: Students who wish to withdraw from the University must complete the following steps.

1. Complete an Official withdraws form. The student may obtain one at the Student Affairs Office. Several signatures must be obtained in order to complete the process.
2. If student has a loan, they must complete an exit interview with the Office of Financial Aid.

#### 20.2 Tuition and Comprehensive Fee Refund Policy:

Refunds of Institutional charges including tuition, fees, room and board will be calculated based on either the Federal Return of Title IV Refund Policy or the University Refund Policy.

Note: The Official Withdrawal Date is defined as the actual date the student indicates on the Withdraw form and signed by Student Affairs.

#### 20.3 Board Fee Refund Policy

A prorated board fee will be charged for each day the student occupies the resident hall. The balance of the board fee paid will be refunded.

#### 20.4 Room Fee Refund Policy

A prorated room fee will be charged for each day the student occupies the resident hall. The balance of the room fee paid will be refunded.

#### 20.5 Federal Return of Title IV Refund Policy

This policy is used to calculate a refund if the student meets the following criteria.

The student who is receiving Federal Title IV Financial Aid and the student's official withdrawal date is BEFORE 60% of the enrollment period. This equates to withdrawal date one or before 10 weeks. For student's withdrawing after 10 weeks of classes, the refund calculation will be based on the University's Refund Policy (See Below)

<b>OFFICIAL WITHDRAWAL DATE</b>	<b>REFUND TO THE STUDENT</b>
Before the 1 <sup>st</sup> day of class	100%
Week 1	100%
Week 2	90%
Week 3	80%
Week 4	70%
Week 5	60%
Week 6	50%
Week 7 – Finals	0%

The Return to Title IV Refund Policy is based on the federal mandate that students earn federal financial aid eligibility in proportion to the amount of time the student was enrolled. The earned portion of student's federal financial aid will be disbursed to the student's

account to assist in paying Institutional related expenses. The unearned portion will be refunded and/or returned to the U.S. Department of Education Title IV Programs.

#### 20.5.1 Pro Rata Refund Method

This policy is used to calculate a refund if the student meets the following criteria:

The student's official withdrawal date is AFTER 60% of the enrollment period. This equates to the enrollment period of more than 10 weeks after the official first day of class.

#### 20.6 Refund Distribution for Financial Aid Recipients

Refunds on behalf of Financial Aid Recipients must be distributed in the following order:

1. Federal Direct Unsubsidized Loans
2. Federal Direct Subsidized Loans
3. Federal Perkins Loans
4. Federal PLUS (Parent) Loans
5. Federal Pell Grants
6. FSEOG (Federal Supplemental Ed. Opp. Grant)
7. Other SFA Programs
8. Other federal, state, private, or University sources of aid
9. The Student

#### 20.7 Repayments



When a student who received directly a financial aid disbursement ceases attendance, the school must determine whether the student must repay a portion of the disbursement. If the school finds that the student's living expenses incurred up to the time of withdrawal exceed the amount of funds disbursed, the student does not owe a repayment. However, if the disbursement was greater than the student's living expenses up to the withdrawal date, the student must repay the excess amount.

Living expenses are defined as education costs above and beyond the tuition and fee charges, including such as room and board, books, supplies and laptop, if a freshmen.

FWS wages are excluded because they have been earned. Schools are responsible for notifying and for collecting the repayment.

#### 20.8 Unofficial Withdrawals

If the student does not formally notify the Institution and the last date of class attendance cannot be established, the midpoint of the term will be used as the student's official date of withdrawal. The Institute encourages completion of the formal withdrawal process in order to ensure the timely processing of student refunds and the return of financial aid funds.

### 21 Section Twenty: Satisfactory Academic Progress

Federal regulations require the Institution to establish and apply reasonable standards of satisfactory progress for the purpose of the receipt of financial assistance under the programs authorized by Title IV of the Higher Education Act. The law requires institutions to develop policies regarding satisfactory academic progress (SAP). Each institution must design criteria, which outlines the definition of student progress towards a degree and the consequences to the student if progress is not achieved. RHIT students who wish to be considered for financial aid must maintain

satisfactory progress in their selected course of study as set forth in this policy.

### 21.1 Satisfactory Academic Policy – RHIT Policy

Any student receiving financial assistance who does not meet the satisfactory academic progress requirements during a preliminary review at the end of each academic year will be on Financial Aid probation. If a student is put on Financial Aid probation, they will be required to make an Academic Plan that will involve the student's Academic Advisor. The student and his/her Academic Advisor will make an Academic plan which the student will need to follow. A copy of the Academic plan will be stored in the student's financial aid file. If the student does not maintain the requirements of the Academic Plan, he/she will be notified by written letter. This student will need to make an appointment with the Financial Aid Office and Academic Advisor to discuss the situation. If the Financial Aid Director and Academic Advisor approve the appeal, the student will be put on an Academic Plan. Once the student's Cum GPA goes above the required GPA, he/she will be taken off Probation.

#### 21.1.1 Undergraduate Students – Grade Requirements

An undergraduate student is considered to have made satisfactory academic progress for maintaining financial aid eligibility in a course of study if the following schedule is maintained.

<b><u>Credit Hours Completed</u></b>	<b><u>Class Status</u></b>	<b><u>GPA</u></b>
0 – 44	Freshmen	1.8
45 – 94	Sophomore	2.0
95 – 144	Junior	2.0
>145	Senior	2.0

An undergraduate student credit hours earned vs. credit hours attempted are looked at each academic year after the spring term. If the student is not maintaining 67% at the end of the spring term, the student is put on Financial Aid probation. The student can appeal and go on an academic plan. The student's academic advisor and the Director of Financial Aid will need to approve the plan. The plan will be stored in the student's Financial Aid folder.

Note: Student may take a class over and receive financial aid if the student had failed the class. If the student is taking a class over that they have previously passed, he/she may repeat a past prior course only one time and receive Title IV funds.

#### 21.1.2 Full-time Students

Student enrolled in 12 hours or more per term will be considered full-time. If the student withdraws below full-time and before the deadline for drop/add, the awards will be adjusted.

#### 21.1.3 Three-quarter time Student

Student enrolled in 9 – 11 hours per term will be considered three-quarter time. The student will only be eligible for a three-quarter time award.

#### 21.1.4 Part-time Students

Student enrolled in 6 – 8 hours per term will be considered part-time. The student will only be eligible for a part-time award.

## 22 Section Twenty-one: Fund Management and Reconciliation

### Disbursing Funds

Financial Aid funds are disbursed when RHIT makes a payment of Financial Aid Funds or delivers processed of a loan to or on behalf of a student, either directly or by crediting a student's account with the funds. The Department considers a disbursement of Federal Financial Aid Funds to

have taken place by crediting the student's account. The earliest RHIT may disburse Federal funds is 10 days before the first day of the payment period or period of enrollment for which the disbursement is intended. The student may come in the OFA and obtain a voucher for books before disbursement is made to the account.

Whenever a school credits Federal funds to a student's account, and those funds exceed the student's allowable charges, a school must pay the excess Federal Funds (credit balance) directly to the student with 14 days of the later of:

- The date the balance occurs on the student's account,
- The first day of classes of the payment period or period of enrollment.

## 23 Section Twenty-Two: Fraud

There are difficult situations where students and/or parents purposefully misrepresent information in hopes of obtaining or obtaining additional assistance. The OFA is required to have a policy of referral when confronted with actual or suspected cases of fraud and abuse.

### 23.1 Policy for Fraud

Students and parents who willfully submit fraudulent information will be investigated to the fullest extent possible. All cases of fraud and abuse will be reported to the proper authorities.

### 23.2 Procedures for Fraud

After investigating the situation, if the Director believes there is a fraudulent situation, all information must be forwarded to the Office of Inspector General of the Department of Education or the local law enforcement agency.

If the decision is made by the Director to pursue the possibility of denying or canceling financial aid, a written request to make an

appointment is sent to the student. If the student does not make an appointment, the Director may:

1. Not process a financial aid application until the situation is resolved satisfactory.
2. Not award financial aid
3. Cancel financial aid
4. Determine that financial aid will not be processed for future years.

All processing of the application of disbursement of funds shall be suspended until the Director has made a determination as to whether the student shall be required to make an appointment.

## 24 Section Twenty-three: Audits and Program Reviews

Federal regulations require the OFA to have its records and student files audited at least once every year. Each audit must cover the time period since the last audit. RHIT is audited annually by the Audit Company for which RHIT employees to audit the college. The audits are sent in to the DOE for their review.

Auditors review a sample of student aid files to ensure the OFA is in compliance with federal, state and university policies. The auditors submit a preliminary memorandum of findings to the Director of Financial Aid who conducts research and prepares a response addressing resolution of the specific discrepancy and appropriate procedures to correct faulty processing. Items which are resolved are deleted from the report and the final document is submitted to the DOE.

### 24.1 Preparation

The only preparation for the audit is to cooperate with the Auditor's requests. Typically, the Auditors will randomly select a specific number of students from each of the Title IV programs. The files are

pulled and given to the Auditors. Any additional assistance requested is responded to promptly.

## 24.2 Guidelines

A complete listing of financial aid audit guidelines is listed in the Audit Guide published by the U.S. Department of Education.