

Kendall College

Office of Financial Aid

Program Terms & Conditions

2011-2012

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Office of Financial Aid Terms & Conditions

Introduction

Kendall College is certified by the U.S. Department of Education as being eligible to participate in the Pell Grant program, the Federal Supplemental Educational Opportunity Grant program, the Federal Perkins Loan Program, the Federal Direct Loan Program and the Federal Work Study Program.

The following section details the policies related to financial aid programs. Federal regulations that govern the administration of federal programs are subject to change. Notification of any change will be provided to all students prior to the effective date of the new or revised policy.

Federal Pell Grants

Federal Pell Grants are generally awarded to undergraduate students who have not yet earned a bachelor's or professional degree. The Department of Education, using a standard need-based formula established by Congress, determines eligibility. The Pell Grant range for the 2011-12 award year (July 1, 2011 to June 30, 2012), is \$200- \$5,550. How much students receive depends on their expected family contribution, cost of attendance, whether they are enrolled full time or part time, and whether they are attending for a full academic year or less. Students may not receive Pell Grant funds from more than one school at a time. The Federal Pell Grant does not have to be repaid.

As required for Pell Grant recipients, all students are provided a book voucher for use at the MBS online bookstore. These vouchers are provided to registered students via email approximately 4 weeks before the term start date.

Federal Supplemental Educational Opportunity Grant (FSEOG)

The Federal Supplemental Educational Opportunity Grant (FSEOG) program is for undergraduates with exceptional financial need. Pell Grant recipients with very low expected family contributions (EFC) will be considered first for a FSEOG. Just like Pell Grants, this grant does not have to be repaid.

Federal Direct Loan Program

Federal Direct Loans are available to **undergraduate** students as either subsidized or unsubsidized loans. Students must be enrolled at least half-time to receive a Direct Loan. Students may be eligible for one or the other, or a combination of both loan types. Federal Direct Loans borrowed at a prior institution may impact a student's loan eligibility at Kendall College. The standard repayment period for Direct Loans is 10 years.

Federal Direct Subsidized Loans are need-based. The federal government pays the interest on the subsidized portion of the loan while the student is enrolled at least half-time in school. For subsidized loans first disbursed on or after July 1, 2011, the interest rate is 3.4% for undergraduates.

Federal Direct Unsubsidized Loans require that the student pay the interest while enrolled, unless the student arranges to postpone the interest payment by checking the appropriate box indicated on the promissory note. Students should be careful when choosing this option: It means that the interest will be capitalized (the accrued interest will be added to the principal amount), and that will increase the amount of the debt. For unsubsidized loans, the interest rate is 6.80% for undergraduate students.

Both the subsidized and unsubsidized loans have default fees deducted from each disbursement of the loan. For loans first disbursed after July 1, 2011 a 1% federal default fee will be deducted from a student's loan disbursement.

Students will have a 6 month repayment grace period after graduating, leaving school, or dropping below half-time status. After this time, payments must be made. During the grace period, interest will not be charged on subsidized loans but will be charged on unsubsidized loans. Payments are usually due on a monthly basis.

Creditworthiness is not a requirement to obtain a Direct Subsidized or Unsubsidized Loan. Under this program, students may borrow up to their maximum loan limit every award year (three 10 week quarters). Loan funds can be used to cover direct education costs such as tuition and fees, room and board, as well as indirect costs such as travel to and from school, books, and other education-related expenses.

Entrance Counseling

First-time borrowers are required to complete Direct Loan Entrance Counseling prior to receiving the first disbursement of a Direct Loan. Counseling is completed online at [Subsidized and Unsubsidized \(Stafford\) Loan Entrance Counseling \(https://studentloans.gov/myDirectLoan/index.action\)](https://studentloans.gov/myDirectLoan/index.action) and will help you understand your rights and obligations as a student loan borrower. Loan counseling must be completed before you can receive loan funds.

Exit Counseling

Federal regulations require that you complete Exit Counseling to help you to understand the responsibilities and repayment obligation for your student loans. To assist you, the U.S. Department of Education has compiled the [Exit Counseling Guide: For Direct loan Borrowers](#). This guide provides a general overview of information to successfully repay the Direct Subsidized and Direct Unsubsidized Loans that you have received. For more detailed information about any of the topics covered in this guide, review your Master Promissory Note (MPN). Exit Counseling is also available online- click here www.studentloans.gov or [Direct Loan Exit Counseling](#). This process should be completed:

- before you graduate
- before transferring to another institution
- before withdrawal and leaves of absence
- if you are enrolled less than half time

To manage your student loan portfolio you should check regularly with the National Student Loan Data System (NSDLS) at www.nslds.ed.gov. This database shows the status of your loans during repayment, the servicer of the loans, interest rates and Outstanding Principal Balance (OPB). This database is accessible 24 hours a day and requires access with your Federal PIN number.

Undergraduate Students: Direct Loan Maximums*

<i>Grade Level</i>	<i>Dependent Undergraduate Student†</i>	<i>Independent Undergraduate Student</i>
Year 1* (0-44 credits)	\$5,500—Only \$3,500 of this amount may be in subsidized loans.	\$9,500—Only \$3,500 of this amount may be in subsidized loans.
Year 2* (45-89 credits)	\$6,500—Only \$4,500 of this amount may be in subsidized loans.	\$10,500—Only \$4,500 of this amount may be in subsidized loans.
Years 3–4* (90+ credits)	\$7,500—Only \$5,500 of this amount may be in subsidized loans.	\$12,500—Only \$5,500 of this amount may be in subsidized loans.
Lifetime Maximum Total Debt from FFELP and Direct Loans (in each status)	\$31,000—Only \$23,000 of this amount may be in subsidized loans.	\$57,500—Only \$23,000 of this amount may be subsidized loans.

† Dependent students whose parents have been denied a federal Parent Loan for Undergraduate Student are eligible to borrow at the independent undergraduate level. A new credit denial is required for each award year.

**Students in undergraduate certificate programs or who are in the last two terms of their academic program may be eligible for reduced amounts due to required pro-rating.*

Loan Deferments

Under certain circumstances, an enrolled borrower is entitled to have the repayment of a loan deferred. During deferment, the borrower is not required to pay loan principal and interest on subsidized loans does not accrue. After the in-school deferment, the borrower is entitled to one grace period of 6 consecutive months.

Students who have a valid social security number on file at Kendall College will have their enrollment here reported and updated monthly with the National Student Clearinghouse (NSC). The NSC communicates electronically with the federal and non-federal loan servicers to insure that students who

remain enrolled maintain the in-school deferments for which they are eligible.

Kendall College's Policy: Students who seek to defer repayment of their prior student loans and do not want to rely on the electronic exchange with the NSC must fill out forms to have their enrollment status verified. Students must get the forms from their lender(s) and send them directly to Kendall College, Office of the Registrar, Attn: Loan Deferment, 900 N. North Branch, Chicago IL 60642. At the top of the form, students should include their enrollment start date and the term for which they are requesting an in-school deferment.

Note: Any deferment paperwork sent to Kendall's registrar's office for enrollment verification is forwarded to the National Student Clearinghouse on a weekly basis.

Annual Loan Limits vs. Lifetime Aggregate Loan Limits

Annual Loan Limits The federal government limits the annual amount of Federal Direct Loan that you can borrow. Kendall College defines its annual award year as three 10 week quarters. Students cannot exceed the annual Direct Loan maximums in the award year. Loans borrowed at a prior institution can impact your eligibility at Kendall College. Our office may ask you to provide additional information about prior loans in order to process new loans at Kendall.

Direct Subsidized Loans

Undergraduate annual borrowing ranges from \$3,500-\$5,500 depending on year in school and dependency status.

Direct Unsubsidized Loans

Undergraduate annual borrowing ranges from \$5,500-\$12,500 (less Direct Subsidized Loan eligibility) depending on year in school and dependency status.

Lifetime Aggregate Loan Limits

The federal government limits the aggregate amount of Federal Direct Loan that you can borrow in your lifetime. The lifetime aggregate limits for Direct Loans (FFELP and Direct) are as follows:

Dependent undergraduate students: \$31,000 combined (only \$23,000 may be subsidized).

Independent undergraduate students: \$57,500 combined (only \$23,000 may be subsidized).

Parent PLUS Loans do not have a lifetime maximum.

As a student loan borrower, you are responsible for knowing the total amount of federal loans you have borrowed. A summary of your federal loan debt is available via the National Student Loan Data System at www.nslds.ed.gov.

Federal Direct Parent Loans for Undergraduate Students (PLUS)

Federal PLUS Loans are available to all parents and legal guardians of dependent undergraduate

students regardless of income. Qualification is based solely on good credit. There are no debt-to-income ratio guidelines or employment verification requirements. Parents may borrow up to the total education cost for the award year, minus any other financial aid that the student is receiving. Parent PLUS Loans are processed based on three 10 week quarters per award year. They are limited annually by the cost of attendance minus any financial aid received.

The total education cost may include tuition and fees, room and board, books and supplies, transportation, and living allowance. The interest rate for Direct PLUS Loans is 7.90%. PLUS loan repayment normally begins within 60 calendar days after the loan has been fully disbursed. In certain circumstances, parents may elect to repay the loan on a graduated repayment schedule, making interest-only payments (with the amount based on the term of the loan, at least \$50 per month) for a portion of the repayment term.

Private Education Loans

Comparing Private Loans and Federal Loans

Private education loans may have significant disadvantages when compared with federal education loans. We strongly encourage you to first borrow any federal loans for which you are eligible. The chart below will help you in understanding the differences between Federal and Private Loan funds.

Comparison Chart of Federal and Private Education Loans

	Federal Loans	Private Loans
Credit Check Required?	Direct Loan: No PLUS: Yes (limited)	Yes
Credit Score or Debt-to-Income considered?	Direct Loan: No PLUS: No	Yes
Co-Signer Required?	Direct Loan: No PLUS: Usually no	Usually yes
Deferment Options	Several options	Depends on lender
Grace Period	Direct Loan: 6 months	Depends on lender
Interest Rate	Fixed	Usually variable
Loan Fees	Direct Loan: up to 1% PLUS: up to 4%	Depends on lender

Flexible Repayment options	Many options available	Generally none
Loan Forgiveness Options	Several options available	Generally none
Penalties for Early Repayment	None	Depends on lender

Choosing a Private Loan

When choosing a private education loan, you should compare the loan terms offered by several lenders in order to choose the best fit for your situation. A resource for finding active private education loan programs is <http://www.finaid.org/loans/privateloan.phtml>. When you choose your lender make sure that our school is eligible for their loan programs.

Here are several points you should research when considering a private loan:

- What is the interest rate; is it fixed or variable; is the rate capped?
- What fees must be paid for this loan and when are they paid?
- How will I receive my loan funds?
- When does repayment begin and is there a grace period?
- What will my monthly payment be?
- What will be the total cost if I use the full repayment period?
- Are there penalties for early repayment?
- Are there deferment, forbearance or cancellation options?

Most private loan programs require our office to certify your eligibility before approving your loan. If you receive financial aid, you must notify our office of any private loans you borrow as it may affect your aid eligibility.

Truth in Lending Act

Under the Federal Truth in Lending Act (TILA), your lender must provide you with the following documents:

- **Self-Certification Form**

You must complete this form and return it to the lender before receiving your first disbursement of loan funds.

- **Final Disclosure and Right-to-Cancel Period**

After you sign your promissory note, the Final Disclosure Statement confirms the terms and conditions of your loan. At the time that this final disclosure is delivered, your "right-to-cancel" period begins. During this period of three to six days, you may cancel the loan by contacting the lender. The lender cannot release the first disbursement of your loan funds until the end of the

right-to-cancel period.

State Grant Aid

Subject to pending legislative action, Kendall students who meet the requirements for Illinois residency are assessed for eligibility for the Monetary Award Program Grant (MAP). Students and parents of dependent students must be prepared to document a minimum one year of Illinois residency.

Some states have grant programs that they permit their state residents to use to attend Kendall College. Check with the appropriate state agency as indicated here:

http://wdcrobcop01.ed.gov/Programs/EROD/org_list.cfm?category_ID=SHE

Federal Perkins Loan

The Federal Perkins Loan is awarded to students with exceptional financial need. This is a federal loan program, with the school acting as the lender using a limited pool of funds repaid by prior borrowers. The Perkins Loan is a subsidized loan, with the interest paid by the federal government during the in-school and 9-month grace periods. There are no loan fees, and the interest rate is fixed at 5%. There is a 10-year repayment period.

Federal Work-Study (FWS)

Federal Work-Study provides subsidized part-time employment for undergraduate students with financial need, giving them an opportunity to earn money to help cover their educational expenses, such as tuition and books, and transportation to residencies, as well as providing them with positions that complement their educational programs or career goals, whenever possible. To be eligible for work-study employment, students must be in good academic standing and enrolled at least half-time and have demonstrated financial need. Kendall College provides as many work-study positions as funding allows.

Financial Aid Application Process

Applying for federal financial assistance is a two-part process consisting of (1) application and notification of eligibility, and (2) completion of the Master Promissory Note and Entrance Interview. This process takes approximately 2–4 weeks from the initial application through the receipt of funds. Students are strongly encouraged to begin the application process at least 8 weeks prior to the beginning of the start/renewal date to ensure the following deadlines are met.

The **Free Application for Federal Student Aid (FAFSA)** should be submitted at least 8 weeks prior to the student's effective start date, as well as each subsequent loan renewal date. Please note that the FAFSA must be completed annually. The Department of Education releases the new FAFSA each January 1st.

A fully executed master promissory note and entrance interview information must be on file in the financial aid office no later than 14 calendar days after the student is notified of the award.

- The 2011-12 FAFSA is for award periods that fall between July 1, 2011 – June 30, 2012.

- The FAFSA is available at www.fafsa.gov
- **Note:** Kendall College's Title IV code is 001703.

Financial Aid Deadlines

The Office of Financial Aid processes awards on a rolling basis. It is recommended that students have a complete financial aid application at least 8 weeks prior to the start of a term, but students must have a complete Financial Aid Application 30 days prior to the end of the term in order for funds to be processed for that term. A complete Financial Aid Application includes all documents required for the awarding and disbursing of funds. Students must also maintain all federal aid eligibility requirements for the entire term.

The Office of Financial Aid (OFA) will continue to accept applications, offer awards and process disbursements in the last 30 days of the term, but the OFA cannot be held responsible if funds are not able to disburse for the term. Delays can occur that are outside of the control of the OFA. For example, a student may not be able to obtain timely third-party documentation, such as selective service letters.

Financial Aid Notifications

The Office of Financial Aid will notify students of their aid eligibility via the student's college assigned email address and/or the email address the student provided on the FAFSA. Notifications include award notifications and changes that are made to financial aid information. Students are required to accept student loan awards in writing. At present, this is done by reviewing, signing and returning the signed award letter to the Office of Financial Aid. Please note that this process will become automated during the 2011-12 award year. Students may contact the Office of Financial Aid via email (financialaid@kendall.edu) or telephone 1-312-752-2070.

Students who complete the FAFSA will receive a Student Aid Report (SAR). Students should READ THE SAR CAREFULLY as it contains IMPORTANT information about the student's eligibility.

Student Eligibility Requirements

To receive aid from any of the federal student aid programs administered by Kendall College's Office of Financial Aid, a student must meet all of the following criteria:

- Be a U.S. citizen or eligible non-citizen
- Have a high-school diploma or a GED certificate, or pass an approved ability-to-benefit (ATB) test
- Enroll in an eligible program as a regular student seeking a degree or certificate
- Register (or have registered) with the Selective Service if a male between the ages of 18 and 25
- Have a valid Social Security number

- Meet satisfactory academic progress standards
- Not be in default on a federal student loan nor owe money on a federal student grant
- Not exceed the lifetime aggregate or annual loan limits without documentation that the debt has been reaffirmed.
- Please be advised that a conviction for any offense, during a period of enrollment for which a student is receiving Title IV financial aid, under any federal or state law involving the possession or sale of illegal drugs will result in the loss of eligibility for any Title IV grant, loan or work assistance.

Overlapping Financial Aid

Federal aid received at another institution can impact the amount of federal aid that you may receive at Kendall College. Per federal regulations, Kendall College participates in the federal transfer monitoring process whereby the U.S. Department of Education may take up to 90 days into the start of your first term to notify Kendall College that you have federal aid awarded at another institution that overlaps into your enrollment dates at Kendall College. The Office of Financial Aid may not be able to make an initial award offer to you or may have to cancel aid that has already been awarded if we receive information that you have applied for and/or received federal aid at another institution for an overlapping period. For example, if the loan period at your prior institution ends even one day after your start quarter at Kendall College, you have an overlapping period and we must deduct aid received at the other institution from your annual eligibility at Kendall College. You may be asked by this office to have your prior institution complete an Overlapping Financial Aid Form to confirm your last date of attendance and disbursed loan amounts at the prior institution. To prevent duplication of living allowance between schools Kendall College must remove the living allowance from your cost of attendance at Kendall College during periods of overlap. You must make alternative arrangements for payment if you become ineligible for federal aid based on aid received at another institution.

Verification Policy

In accordance with U.S. Department of Education regulations, Kendall College is required to verify the accuracy of financial aid application information on selected students. Students may be selected randomly for verification or may be selected on the basis of predetermined criteria. This selection process occurs at the Federal Central Processing Center. The College may also select applications for verification.

Financial aid awards cannot be determined until verification is complete. Failure to complete the verification process by the end of the period of enrollment will result in a student's inability to utilize federal or institutional financial assistance for that award year. Students intentionally misreporting information and/or altering documentation for the purpose of increasing aid eligibility or fraudulently obtaining federal funds will be reported to the U. S. Department of Education Office of the Inspector

General or to local law enforcement officials.

Financial Aid Annual Award Year Definition

Kendall College defines the annual award year as three 10-week quarters.

Enrollment Policy

Financial aid is offered based on the assumption that undergraduate students will be enrolled for 12-19 credits per 10 week quarter for the entire period of the award. The exception is Certificate programs that are always awarded at 6 credit hours per quarter. When students enroll for fewer credits in a term, their aid may be adjusted at the end of the 'add/drop' period to reflect their current enrollment status. Students must be enrolled at least half-time to remain eligible for most federal student aid programs. Students who are eligible for the Federal Pell Grant will receive funding for enrollment of less than 6 credit hours.

Enrollment Statuses for Financial Aid

<i>Enrollment Status</i>	<i>Undergraduate Students</i>
Full time	12 or more credits per term
Three-quarter time	9–11 credits per term
Half-time	6–8 credits per term
Less than half-time	1–5 credits per term

Adjustments to Financial Aid

Federal financial aid is awarded based on an estimate of the student's eligibility. The Office of Financial Aid may have to cancel or reduce financial aid before or after disbursement, based on new information that becomes available after the time of awarding or disbursement. Examples of changes that would require adjustments to aid:

- Student does not begin attendance in any courses
- Pell recipient does not begin attendance in all courses of the term
- Student withdraws from all courses in the term (officially or unofficially)
- Receipt of other resources not reported at the time of awarding or disbursement
- Student becomes federally ineligible based on the receipt of updated information from the U.S. Department of Education.

- Student does not meet course participation requirements.

Programs are awarded based on the assumption of enrollment at a full time level per quarter, unless the program is only offered at half time. Students who enroll in less than 12 credits may require an adjustment of federal aid.

Federal Return of Title IV Funds

Federal regulations require the Office of Financial Aid to apply a formula established by the U.S. Department of Education, entitled “Return of Title IV Aid,” (R2T4) to determine the amount of federal financial aid a student has earned as of the student’s withdrawal date. The amount of the federal financial aid returned to federal aid programs is determined by the amount of time a student spends in academically related activity. After 60 percent of the term has passed, students have earned 100 percent of the federal financial aid disbursed to them. A student who withdraws during a term may not be eligible to keep all financial aid disbursed. It is common that aid disbursed to a student’s account will be required to be returned. Frequently this causes a balance due to the school which must be paid by the student.

Examples of Title IV Calculations

Erika Jones is a degree student in the Business Program. Her quarter term begins on April 11 and ends on June 23 (total of 74 days). On May 17th (37 days into the term), she drops her classes.

Erika's cost of attendance is as follows:

	Amount
Tuition	\$4,831
Fees	\$275
Total	\$5,106

Erika's financial aid package consists of:

	Amount
Direct Subsidized Loan	\$1,824
Direct Unsubsidized Loan	\$2,322
Total	\$4,146

As Erika has completed only 37 days of her semester, she earned 50 percent of the \$4,146. According to the federally mandated calculation, 50 percent of the unearned portion of her aid, equaling \$2,073 must be returned.

Kendall College is required to return the following Federal aid:

	Amount
Direct Unsubsidized Loan	\$2,073

Erika is not eligible to receive a tuition refund because she dropped her classes after the refund period. Erika now owes \$2,073 to Kendall College as she has lost part of her Federal aid eligibility. A collections hold is placed on Erika's account at the time the funds are returned to the government, which prevents her from registering for any additional classes, or receiving transcripts until she pays her balance to Kendall College.

[Example 2](#)

Ernie Smith is a Hospitality student. His semester begins April 11 and ends June 23 (total of 74 days). On May 30 (50 days into the term), Ernie accepts a full-time job and drops his classes.

Ernie's cost of attendance is as follows:

	Cost
Tuition	\$6,536
Fees	\$275
Total	\$6,811

His financial aid package consists of:

	Amount
Direct Subsidized Loan	\$2,820
Direct Unsubsidized Loan	\$3,980
Total	\$6,800

Based on Ernie's attendance (67 percent of the term), he has "earned" all of his financial aid for the term and will not have any funds returned.

Withdrawal from a term

Students withdrawing from all courses in the term prior to the completion of 60 percent of the quarter may find that funds are owed to the College as a result of the R2T4. Students who stop engaging in academically related activities during the term, without officially withdrawing from the courses, are subject to the R2T4 calculation. In such cases the last date of academically related activity, as determined by the College, is used as the withdrawal date for the term. Prior to withdrawing from all courses in the term, it is suggested that students contact the Office of Financial Aid to determine the amount of federal aid that must be returned. Federal student aid may not cover all unpaid charges due to the College upon the student's withdrawal.

Overaward of Federal Aid

The receipt of additional estimated financial assistance and/or a reduction in the cost of attendance that was not accounted for at the time of initial awarding may cause an overaward of federal funds (the term "overaward" refers to any estimated aid that exceeds a student's financial need and/or cost of attendance). Estimated financial assistance includes but is not limited to the following: tuition reductions, tuition waivers, scholarships, third party payments, and/or other resources. In such instances, the Office of Financial Aid will correct the overaward by adjusting the federal financial aid. Federal aid may be adjusted by reducing or reallocating funds prior to disbursement or returning funds

to federal programs if disbursement has already occurred. Loans will be reduced before any reduction is made to scholarship or grant awards.

Financial Aid Disbursement Process and Requests for Excess Funds

Most financial aid is disbursed in three equal payments over the award period. Students may have any excess balance in their account returned to them to pay for indirect education expenses. Any time financial aid proceeds credited to a student's account exceed direct charges the bursar's office will automatically forward the credit balance directly to the student no later than 14 calendar days after the credit balance occurs. Students are responsible for payment of tuition and fees incurred after a full credit balance refund has been released (e.g., added courses, residencies fees, returned financial aid due to withdrawal). Credit balance refund distributions are made in accordance with applicable federal guidelines. Any outstanding debt to the College as a result of a required credit balance refund is the responsibility of the student.

Generally financial aid begins disbursing on the 12th day of the term and refunds are released to eligible students by day 26 of the term (14 days after funds have disbursed to the student's account). You must participate in your coursework to establish eligibility and remain eligible for federal aid. Failure to participate in academically related activity will result in loss of eligibility for all or part of the term. Disbursements may be delayed if you are subject to academic progress review for a prior term. Students have access to review their student account on MyKendall and should check their student account balance regularly.

Study Abroad or study at another institution

Enrollment in certain programs of study at another school or study abroad approved for credit by Kendall College may be considered enrollment at the College for the purpose of applying for assistance under the Federal Title IV financial aid programs.

Required to access Title IV eligible financial aid is a Consortium agreement between the schools whereby the home school disburses federal aid for courses taken at a host school. The host school agrees not to disburse federal aid and to monitor the student's enrollment for the home school. Consortium agreements may be made between Kendall College (home school) and a host school if the student has been approved by Kendall College to take coursework at the host institution that will fully transfer toward the Kendall College degree program. Kendall College degree seeking students must submit a copy of a "Consortium Agreement" form signed by the host school's financial aid office to the Kendall College Office of Financial Aid. Students must also meet all other federal eligibility requirements. If the student is approved for a consortium agreement by Kendall College, Kendall College will disburse federal aid to the Kendall College student account and the Bursar's Office will pay the host institution.

Satisfactory Academic Progress Standards (effective date 07.01.2011)

Kendall College's satisfactory academic progress requirements to receive Title IV student financial aid comply with U.S. Department of Education regulations. These standards are intended to establish minimum, reasonable levels of advancement toward degree completion and to guard against abuse of

federal financial aid programs. Satisfactory progress requirements for receipt of federal financial aid and institutional awards that are administered by the Office of Financial Aid are separate and distinct from the College’s academic progress requirements for academic continuance.

Satisfactory academic progress for all students is reviewed after each period of enrollment. Students receive written notification via e-mail to the account provided to the Office of Financial Aid on their FAFSA and/or their Kendall College email account if they are placed on **financial aid warning**. Upon receiving this warning, a student has one period of enrollment to return to the requirements listed below. If the student does not meet the requirements, they may appeal for a period of financial aid **probation**. If the appeal is not granted students become ineligible for federal financial aid.

It is the student’s responsibility to know the requirements for meeting satisfactory academic progress. Failure to receive notification will not nullify a student’s financial aid status with Kendall College.

<i>Program Type</i>	<i>Minimum Financial Aid Credit Completion Rate</i>	<i>Minimum Cumulative Financial Aid GPA</i>	<i>Maximum Time Frame to Receive Federal Aid</i>
Bachelor’s degree	67%	2.0	270 attempted credits
Associate’s degree	67%	2.0	144 attempted credits
Certificate	67%	2.0	36 attempted credits

Treatment of Courses and Credits for Satisfactory Academic Progress for Financial Aid Eligibility

- **Course Repetitions:** Only the most recent grade is counted in the cumulative GPA, but the credits from all attempts must be counted in the credit completion rate and maximum time frame.
- **Drops:** Courses dropped before the end of the “add/drop” period are not included in the Financial Aid Satisfactory Progress calculations.
- **Incompletes:** Incomplete grades count as credits attempted and not completed, but do not impact GPA.
- **Periods with No Financial Aid:** Financial aid progress requirements include all periods of enrollment including periods in which the student did not receive federal aid.
- **Second Program:** The maximum time frame will be reset for students who complete one program or degree at Kendall College and begin a subsequent program or degree.

- **Transfer Credits:** All credits accepted toward the Kendall College degree or programs are considered as both attempted and completed when calculating the Minimum Credit Completion Rate and Maximum Time Frame.
- **Withdrawals:** Courses dropped after the “add/drop” period are considered to be attempted but not completed.

Policy and Definitions

Appeal: Occasionally, a student’s academic progress may be impacted by unusual circumstances that are beyond the student’s control. A student may appeal for an extension of financial aid if the student can document that unexpected, unusual, and temporary circumstances affected the student’s ability to progress at the required rate. See the “**Right to Appeal**” section in this policy for details.

Maximum Time Frame: Federal financial aid eligibility expires without warning when the student reaches the maximum time frame or if the financial aid academic progress review makes it clear that the student cannot mathematically finish the current program within the maximum time frame.

- The maximum time frame will be reset for students completing a second or further degree at Kendall College.
- The maximum time frame for students who change programs without earning a Kendall College degree is cumulative for all programs attempted and is measured against the maximum time frame for the current program.
- The maximum time frame excludes quarters of non-enrollment and quarters in which all courses are dropped before the start of the term or during the drop period.
- Financial aid eligibility for an academic program ceases as soon as all academic requirements for graduation have been met regardless of maximum time frame standing.

Minimum Credit Completion Rate: A percentage calculated by dividing cumulative successfully completed credits by total credits attempted. For example, a student who has successfully completed 27 credits at Kendall College out of a total of 40 attempted credits at the College has a course completion rate of 67.5%. This rate includes credits transferred in to Kendall College. To maintain good academic standing by this measure students must keep their credit completion rate at or above 67%.

Minimum GPA: Cumulative: The grade point average for all coursework pertaining to the current program of study. To maintain good academic standing by this measure students must keep their cumulative GPA at or above 2.0

Period of Enrollment: One 10 week quarter.

Status - Financial Aid Warning: This status is assigned to a student who failed to make satisfactory academic progress during the most recent period of enrollment during which the student was in attendance. The student has one period of enrollment to return to standard during which the student is eligible for financial aid.

Status - Financial Aid Probation: This status is assigned to a student who failed to make satisfactory academic progress during a period of enrollment, failed to return to standards during one term of Financial Aid Warning, completed a successful appeal for mitigating circumstances, and has eligibility for financial aid reinstated.

Financial Aid Probation will be for one period of enrollment or will be accompanied by an:

Academic Plan to bring the student back to standard by a specified date. The option for extended probation with an Academic Plan is only available if it is not reasonable to expect the student to return to standard during the next period of enrollment. An Academic Plan may be a course-by-course plan for degree completion, a specification for number of credits and/or grade requirements for particular periods of enrollment, and/or requirements for the student to get academic support or to use other academic resources. A student must comply with an Academic Plan in order to retain eligibility for financial aid.

Status - Financial Aid Ineligibility: This status is assigned to a student who failed to return to the required standards during the period of Financial Aid Warning. Students who do not complete a successful appeal, who do not return to standards during a single term Financial Aid Probation, or who do not comply with an Academic Plan for an extended period of Financial Aid Probation will lose all federal financial aid eligibility. A student in Financial Aid Ineligibility status is not eligible for federal financial aid until the student returns to meeting the requirements. Simply sitting out a term, paying cash, or changing academic programs will not return a student to satisfactory academic progress standards.

Right to Appeal

Occasionally, a student's academic progress may be impacted by unusual circumstances that are beyond the student's control. A student may appeal for an extension of financial aid after a period of Financial Aid Warning, if the student can document that unexpected, unusual, and temporary circumstances affected the student's ability to progress at the required rate. Examples of such mitigating circumstances are a death in the immediate family, illness, or other significant life change.

- Students may appeal to the Office of Financial Aid following the end of the Financial Aid Warning period of enrollment.
- Students who wish to appeal must complete the **Financial Aid Academic Progress Appeal Form** and provide supporting documentation to the Office of Financial Aid for review.
- Failure to provide supporting documentation will result in an automatic denial.

- If the appeal is accepted, the student must meet the requirements outlined in the written approval of the appeal.
- A preexisting condition (a condition or illness that you had before beginning any Kendall College program) is not cause for appeal unless there was an unexpected change in that condition.
- Students may not use the same circumstances in a subsequent appeal, although a student may submit an appeal for a future period of difficulty for different mitigating circumstances.
- Decisions by the Office of Financial Aid are final.

Loss of Federal Financial Aid Eligibility

Students who become ineligible to receive financial aid but remain in compliance with the academic progress standards for continuance in their program are not withdrawn from the program but must arrange for alternative payment with the Bursar by the appropriate tuition due date.