

## **GENERAL AWARDING POLICIES**

1. All federal and state awards are subject to government funding.
2. Eligibility for financial aid is based on the definition of “an academic year” as prescribed by the U.S. Department of Education. Collin College’s academic year is defined by the fall and spring terms, consisting of 15 weeks each for a total of 30 weeks of instruction. The summer term is defined as a trailer to the previous fall and spring terms. The complete academic year begins with the fall term and would include the following spring and summer terms.
3. If a student’s FAFSA is selected for verification, he or she will be required to complete that process before any aid will be awarded.
4. Students must be degree-seeking and enrolled in an eligible program of study to receive Title IV financial aid.
5. In order to receive federal and state aid, students must maintain financial aid satisfactory academic progress as defined in the Satisfactory Academic Progress policy.
6. A student may NOT receive financial aid at two schools simultaneously. If it is discovered at any time during the year that the student is receiving aid at another institution simultaneously, aid at Collin College may be removed and the student will owe a balance due to the Bursar’s Office.
7. A student’s financial aid is packaged (given financial aid from one or more of the programs for which the student is eligible) based on the student’s financial need. Financial need is determined by a student’s Student Aid Index (SAI) as compared to the College’s Cost of Attendance (COA).

To meet with federal regulations, Collin College defines the neediest students as those whose SAI = \$0.

In addition, students will not be packaged for an amount that exceeds the student’s Cost of Attendance

8. Students are initially awarded based on full-time enrollment (12 hours or more). The financial aid package may be adjusted after census date and enrollment verification\* to reflect the student’s actual enrollment (if less than full-time). Enrollment status directly affects eligibility for certain types of aid. In addition, financial aid may be adjusted (reduced) if a class or classes is not in the student’s program of study. See the section on Types of Aid for more information.

Enrollment levels\*\* at Collin College are as follows:

- 12 hours or more = full-time
- 9 to 11 hours =  $\frac{3}{4}$  time
- 6 to 8 hours =  $\frac{1}{2}$  time
- < 6 hours = less than half time

\*Regular Class Attendance is required to establish eligibility for a student's financial aid award. If it is determined that a student's attendance in a course(s) cannot be documented by the instructor(s), the student will not receive financial aid for the course(s). As a result, the student's financial aid award will be canceled or reduced to reflect the courses in which attendance was established. The student will be responsible for repaying any financial assistance for which he or she is deemed ineligible.

\*\*Pell Grant is awarded based on the actual number of hours enrolled. For example, if on census date, the student is only enrolled in 10 credit hours (on their degree program), their Pell Grant would be adjusted to 10/12ths of their maximum award.

Additionally, financial aid is awarded under the assumption that the student will attend school for the entire academic year or semester for which financial aid was awarded. The financial aid award of a student who does not enroll for a semester will be canceled and all funds returned to the applicable financial aid program.

9. Financial aid funds are expected to be used to cover those courses required to complete a student's chosen major. Effective July 1, 2011, a previously passed course may only be repeated once and be counted as credit in determining a student's enrollment status. Any repetition of a class after that will not count in the student's enrollment.

10. Receipt of outside scholarships may affect the aid package. Outside awards are applied first to the student's balance including tuition, fees and other educationally related charges. If a student's financial need is met, the outside scholarship may affect his/her eligibility for a subsidized loan. Students are required to report outside scholarships to the Office of Financial Aid, even if funding is not disbursed to the College.

11. Students must enroll at least half-time to retain eligibility for Federal Stafford Loans and Federal Work Study (FWS for fall and spring. Students only have to be enrolled for 1 credit hour in summer to be eligible for FWS funds). Undergraduate half-time status is classified as 6 credit hours.

12. The Pell Grant is gift aid. We automatically assume the student accepts their Pell Grant. Institutional scholarships and FWS are also auto-accepted for the student.

13. Loans and FSEOG are usually accepted via the student's Workday account. Students can specify the amount of loans if the full amount awarded is not needed/wanted. Disbursed loan amounts **must** be repaid.

14. A student's financial aid award is subject to change or may be adjusted at any point in the academic year due to a correction(s) by the College, a subsequent ISIR transaction, and/or change(s) in federal/state appropriations. The College reserves the right to make corrections to a student's financial aid information as needed and these changes may alter a student's Student Aid Index (SAI) or award eligibility and subsequently the financial aid package. In addition, changes in a student's SAI due

to student's/parent's failure to report accurate information on the FAFSA may result in award revision(s) as well. The College reserves the right to adjust the content and/or the amount of the student's financial aid package based on the above conditions at any point in the academic year.

15. If a student withdraws after the census date, his or her financial aid package is subject to proration as set forth in the federal regulations (i.e., R2T4). If, after the proration is calculated, the FAO must reduce the financial aid package, the student may owe a balance on their account. This balance is the student's responsibility to pay. For further information, see the section on R2T4.

16. Students attending the summer term are eligible for financial aid based on remaining eligibility for the academic year. Federal funds, i.e., Pell Grant and student loans, are based on an annual limit. If the total annual amount has been utilized for previous terms (whether at Collin College or at other post-secondary schools), the student is not eligible for additional funding for the summer term\*.

The student must be enrolled and attending at least 6 hours during the summer term to receive a student loan.

\*Students may be eligible for an additional 50% of the annual Pell Grant award for the summer provided they meet all other requirements and as long as they have not reached their lifetime limit (LEU).

## **TYPES OF AID**

Students are notified via email (and can also view/accept their aid via their CougarWeb) when they are awarded financial aid as well as when/if their award is adjusted at any time throughout the academic year.

Collin College participates in the following financial aid programs:

- Federal Pell Grant
- Special Rules for Pell Grant (Previously known as the Iraq & Afghanistan Service Grant and Children of Fallen Heroes Scholarship)
- Federal Supplemental Educational Opportunity Grant (FSEOG)
- Texas Public Education Grant (TPEG)
- Texas Educational Opportunity Grant (TEOG)
- Texas Grant Renewal
- Federal Work Study
- William D. Ford Federal Direct Loan Programs

**Federal Pell Grant:** Funding for the Pell Grant comes from the U.S. Department of Education. This federal grant is available to undergraduate students who have NOT received a baccalaureate degree. There is a lifetime limit on Pell Grant (LEU) of 600% or 6 years of full-time attendance (prorated for less-than-half-time attendance).

Eligibility is determined by the Student Aid Index (SAI) as calculated using information provided by the student/parent on the FAFSA. Funds from this award will be divided equally between the fall and spring semesters and will be credited to the student's account accordingly. If a student has remaining eligibility for summer, a determination will be made regarding the amount available (based on the yearly awarded amount and enrollment status).

A Pell Grant award is based on the actual number of hours a student is enrolled. Typically, the initial posted award amount is based on full-time enrollment. Should a student not enroll for 12 or more hours (full-time), the award will be prorated at census based on actual enrollment, i.e., 7 hours, 8 hours, 9 hours, etc. Specific award amounts and the minimum and maximum Pell Grant amounts vary by year according to legislative process.

Pell Grants are considered to be the first source of aid to the student, and packaging FSA funds begins with Pell eligibility. A correctly determined Pell Grant is never adjusted to take into account other forms of aid.

**Special Rules for Pell Grant:** (Previously known as the Iraq & Afghanistan Service Grant and Children of Fallen Heroes Scholarship): Funding for these special Pell Grants come from the U.S. Department of Education. To receive these funds, the student must meet all eligibility requirements. These Pell Grants are made under the same terms and conditions as regular Pell, and disbursements for each payment period are calculated in the same manner as described for Pell.

Due to the sequester, for these award amounts first disbursed on or after October 1 of the award year and before October 1 of the subsequent award year must be reduced by the sequestration percentage assigned to that year.

**Federal Supplemental Educational Opportunity Grant (FSEOG):** Funding for the SEOG awards comes from the U.S. Department of Education and is awarded to Collin College students based on the following criteria:

- Be an eligible U.S. citizen or non-citizen
- Must be Pell eligible

Students may receive the designated award maximum each year in SEOG funds (minimum of \$100 – which can be prorated for students enrolled for less than an academic year) and is prorated based on the student's actual enrollment. Funds are awarded based on exceptional need as determined by a student's Student Aid Index (SAI) (which is calculated using information provided by the student/parent on the FAFSA), and with a zero SAI (or less) being considered first.

**Texas Public Education Grant:** Funding for the TPEG awards comes from the State of Texas and typically, is awarded to students based on the following criteria:

- Are Texas residents, non-residents or students who meet the eligibility requirements for SB 1528

- Show financial need (as calculated by their SAI via the FAFSA or the TASFA {Texas Application for State Financial Aid} in relation to the College's Cost of Attendance)
- Register for Selective Service or are exempt from this requirement

Awards may vary depending on the category of eligibility and generally require the student to be enrolled at least quarter-time and are prorated based on actual enrollment.

**Texas Educational Opportunity Grant:** Funding for the TEOG awards comes from the State of Texas and is awarded to students based on the following criteria:

**For Initial Awards:**

- Be classified by the institution as a Texas resident
- Be registered for Selective Service or be exempt
- Have financial need, as determined by the institution
- Have not been convicted of any felony or crime involving a controlled substance
- NOT be concurrently receiving a Texas Grant
- Be enrolled at least half-time and awarded in the first 45 attempted hours (or its equivalent) of an associate's degree or certificate program (excluding credits for dual enrollment or by examination)
- Not have earned an associate or baccalaureate degree

**For Renewal Awards:**

- Be enrolled at least half-time as a student who previously received a TEOG award and has not yet been granted an associate's degree or baccalaureate degree
- Be classified by the institution as a Texas resident
- Have not been convicted of a felony or crime involving a controlled substance
- NOT be concurrently receiving a renewal Texas Grant
- Maintain Satisfactory Academic Progress (SAP) as follows:
  - 2.5 cumulative GPA on a 4-point scale or its equivalent
  - 75% successful completion of attempted hours
  - Reach the maximum time frame for receiving the grant which is the first of:
    - 4 years from the start of the semester in which the student received the first award through the program;
    - 75 semester credit hours attempted while receiving the grant, or
    - Completion of an Associate's degree

The amount a student can receive varies from year to year and is, in part, dictated by the amounts allowed by the legislation. Awards are prorated based on actual enrollment (of at least half-time).

Students apply when they complete the FAFSA or TASFA.

**Federal Work Study:** Funding for Federal Work-Study awards comes from the U.S. Department of Education. The FWS program gives students the opportunity to work on campus or in a community service position on a part-time basis. FWS students may work up to 20 hours per week and are awarded based on the following criteria:

- Be an eligible U.S. citizen or eligible non-citizen
- Have a calculated financial need
- Must be enrolled at least half-time in an eligible program

Students may receive an amount determined by the financial aid office each year or up to their need if it is less than the maximum award. Students receive these funds for actual hours worked and in the form of a paycheck from Collin College on a monthly basis. The current pay rate (as of September 1, 2021) is \$12.00 per hour.

To receive an FWS award, a student must file a Free Application for Federal Student Aid (FAFSA) as part of the application process. FWS funds are automatically awarded, and qualifying students can simply search and apply for student assistant positions on the Collin College HR website - <http://www.collin.edu/hr/employment/>.

**William D Ford Direct Loan Program Overview:** These are low-interest federal loans offered to students and parents. Students are required **to pay back loan money** they borrow (i.e., subsidized and unsubsidized loans), usually after graduating or falling below half-time (6 hours) enrollment.

- Federal student loan interest rates are set annually by the Federal Government.
- Students **must be enrolled and attending at least half time** (six credit hours) to be eligible for any student loan program.

\*For more information, such as the types of student loans, interest rates, repayment responsibilities, entrance and exit counseling, consolidation, loan services and rights and responsibilities as a student and of the school, see [www.studentloans.gov](http://www.studentloans.gov)

\*\*All loans; subsidized, unsubsidized and parent PLUS loans awarded through Collin College will be submitted to the [National Student Loan Data System](http://www.studentloans.gov) (NSLDS), and will be accessible by guaranty agencies, lenders and schools determined to be authorized users of the data system.

**Terms and Conditions of Title IV, HEA Loans:** Terms and conditions of Federal Student Loans (Stafford and Parent PLUS) are listed on the **Master Promissory Note** (MPN) signed by a borrower accepting the loan. The MPN must be completed by all students receiving federal student loans and can be found at [www.studentloans.gov](http://www.studentloans.gov). New borrowers will also need to complete **Entrance Counseling** at the student loans website. Students only need to complete entrance counseling and sign their master promissory note once while attending Collin College.

No loans will be disbursed until the College has a valid MPN and proof of Entrance Counseling on file.

If a student borrower drops below half-time, they will be required to complete **Exit Counseling**.

**Federal Direct Subsidized Stafford Loan:** This is a low interest federal loan that enters repayment six months after the student ceases to be enrolled at least on a half-time basis (6 hours). The term "Subsidized" means that the government pays the interest on the loan while the student is enrolled in school. The Subsidized loan interest rate varies each year and can be found on the Department of Education's website.

This is a need-based loan; meaning, the student must be found to have financial need as determined by their SAI compared to the College's Cost of Attendance (COA).

Freshman may be eligible to borrow up to \$3,500 annually (depending on their actual need). Sophomores may borrow up to \$4,500 annually (again, depending on actual need).

The U.S. Department of Education sets a lifetime limit on the amount of subsidized loans an undergraduate student may borrow at \$23,000.

**Federal Direct Unsubsidized Stafford Loan:** This is a low interest federal loan that enters repayment six months after the student ceases to be enrolled at least on a half-time basis (6 hours). The term "Unsubsidized" means that the **student** pays the interest on the loan while the student is enrolled in school. The Unsubsidized loan interest rate varies each year and can be found on the Department of Education's website.

This is a **non**-need-based loan; meaning, the student does **NOT** need to have financial need as determined by their EFC compared to the College's Cost of Attendance (COA). This loan program provides financial assistance to all eligible students regardless of income.

Dependent undergraduate students (not including dependents whose parents are unable to obtain a Direct PLUS loan) are eligible for \$2,000 annually, in addition to the amount of subsidized eligibility.

- Freshman dependent undergraduates can receive \$3,500 subsidized plus \$2,000 unsubsidized for a total of \$5,500 annually. Students who do not receive the full eligibility for subsidized loans (based on need), may receive the difference in unsubsidized loans.
- Sophomore dependent undergraduates can receive \$4,500 subsidized plus \$2,000 unsubsidized for a total of \$6,500 annually. As with the subsidized loan, students who do not receive the full eligibility for subsidized loans (based on need), may receive the difference in unsubsidized loans.

Independent undergraduate students, and dependent undergraduate students whose parents are unable to obtain a Direct PLUS loan have higher additional unsubsidized eligibility.



- Freshman independent undergraduates and dependents whose parents are unable to borrow a PLUS loan can receive \$3,500 subsidized plus \$6,000 unsubsidized for a total of \$9,500 annually. Students who do not receive the full eligibility for subsidized loans (based on need), may receive the difference in unsubsidized loans.
- Sophomore independent undergraduates can receive \$4,500 subsidized plus \$6,000 unsubsidized for a total of \$10,500 annually. As stated above, students who do not receive the full eligibility for subsidized loans (based on need), may receive the difference in unsubsidized loans.

The U.S. Department of Education sets a lifetime limit on the amount of total loans (subsidized and unsubsidized combined) a dependent undergraduate student may borrow at \$31,000 (of which only \$23,000 can be subsidized).

The lifetime limit on the amount of total loans (subsidized and unsubsidized combined) an independent undergraduate student, or a dependent student whose parent is unable to obtain a PLUS loan may borrow at \$57,500 (of which only \$23,000 can be subsidized).

**Federal Direct Parent Loan for Undergraduate Students (PLUS):** This federal loan is a long term, low interest loan available to parents of dependent students regardless of income level. However, parents must demonstrate credit worthiness to be eligible for a PLUS loan. This loan enters repayment 60 days after the last disbursement of each year. A separate loan application must be filed by the parent in order to receive these funds. In addition, a Direct PLUS Loan Promissory Note must be completed with the U. S. Federal Government. While the student is at Collin College, the MPN must be completed only once. Parents can apply for a PLUS loan at [www.studentloans.gov](http://www.studentloans.gov). The PLUS loan interest rate varies each year and can be found on the Department of Education's website.

Students are required to complete the FAFSA to receive PLUS loan proceeds. The loan proceeds are divided equally between the fall and spring terms.

The annual Direct PLUS loan limit is equal to the cost of attending Collin College less any financial assistance the student is receiving.

## **DISBURSEMENT POLICY**

The census date is set by the college and typically marks the end of the add/drop period. On this day, the college takes a "snapshot" of all students' enrollment which becomes the "official enrollment" that is used for both state reporting and financial aid eligibility.

Since students are initially awarded based on the expectation of full-time enrollment, if a student is enrolled and attending less than full time as of census date, his or her aid will be adjusted to reflect their actual enrollment.

Disbursement of eligible aid is made to the student's account after census date. During the next few days, students' eligibility will be re-confirmed and attendance verified via certified roster. All charges owed to the College, such as tuition, fees and book store charges will be automatically deducted from the student's financial aid at time of disbursement. Once aid eligibility is re-confirmed, the Bursar's Office will process any refunds from the financial aid a student receives in excess of tuition, fees and book store charges. For students who signed up for direct deposit, and electronic refund will be made to their chosen account. For students who did not sign up for direct deposit, a check will be mailed to the student's address on file with the College. (See the Financial Aid Calendar posted on the website for exact dates.)

If a student has loans and is not in at least 6 credit hours at the first census date of the regular term, their disbursement will not be issued until after census of the express class in which they are enrolled in their 6<sup>th</sup> hour.

For students awarded a fall/spring loan, the second disbursement will be made in spring on the regular spring disbursement schedule provided they are enrolled and attending at least 6 credit hours at that time, or after the census date of the class the student is enrolled and attending their 6<sup>th</sup> credit hour (in the case of students enrolled in express classes).

For students awarded a loan for fall only, spring only, or summer; those loan funds will also be disbursed in 2 separate disbursements during that one semester. The first disbursement will occur during the regularly scheduled disbursement time frame and the second disbursement will occur at the midpoint of the loan period.