

# ARLINGTON BAPTIST COLLEGE

## Financial Aid

### Eligibility Requirements

#### General requirements:

Be a United States Citizen or permanent resident.

Be accepted by ABC in a degree or certification program. Students admitted with non-degree seeking status are not eligible for scholarships, grants, or loans.

Not be in default on an educational loan or owe a refund for an educational grant.  
Declared a major classification.

Meet satisfactory academic progress requirements.

### Pell Grant Federal

The Federal Pell Grant is awarded to eligible students who have not received a bachelor's degree and who have exceptionally high documented financial need. The Federal Pell Grant Processing Center calculates the student's eligibility from the Free Application for Federal Student Aid. Awards range from \$400 to approximately \$5,646. Eligible students are limited to a maximum of 12 full-time semesters in which to receive a Pell Grant. Awards are reduced for enrollment fewer than 12 credit hours per semester. Eligible students receive funds by credit to their personal checking account.

### Teacher Education Assistance for College and Higher Education Grant (TEACH)

TEACH Grants are awarded to eligible students who enroll in coursework necessary to begin a career in teaching or plan to complete such coursework. AT ABC the junior year is when a student will be eligible to apply for the TEACH Grant. Awards provide up to \$4,000 per year (\$16,000 total for four-year programs) in grants to students who intend to **teach full-time in high-need subject areas for at least four years at schools that serve students from low-**

**income families.** Graduate students are also eligible for \$4,000 per year (\$8,000 total).

## **IF YOU FAIL TO COMPLETE THE FOUR-YEAR TEACHING OBLIGATION YOU WILL HAVE TO REPAY THE GRANT WITH INTEREST!**

### **Student Eligibility Requirements**

- To receive a [TEACH Grant](#) you must: Complete the Free Application for Federal Student Aid (FAFSA) for the year you are applying, although you do not have to demonstrate financial need. ABC School Code 014305.
- Complete the VFAO Interview form.
- Complete the [TEACH Grant Request Form](#) and submit to the financial aid office, who will verify the program with the Registrar's office for certification that you are taking coursework in an eligible program.
- Be a U.S. Citizen or eligible non-citizen.
- Be enrolled in coursework that is necessary to begin a career in teaching or plan to complete such coursework. Coursework that will prepare a student to teach in a high-need subject area (e.g., math courses for a student who intends to be a math teacher) is acceptable.
- Meet the following academic achievement requirements
  - Score above the **75th percentile** on one of the following college admissions test(s) - SAT, ACT, or GRE, **Or**
  - Graduate from High School with a Cumulative **GPA of at least 3.25** on a 4.0 scale **AND** maintain a cumulative GPA of at least 3.25 throughout your academic program for which you receive a TEACH Grant.
  
- Complete [TEACH Grant counseling](#)
- Sign a [TEACH Grant Agreement to Serve and Promise to Pay](#) each year with the U.S. Department of Education (Agreement must be completed if you are awarded a TEACH Grant)

## TEACH Grant Agreement to Serve and Promise to Pay

Each year you receive a TEACH Grant, you must sign a TEACH Grant Agreement to Serve and Promise to Pay (service agreement) that will be available electronically on a Department of Education Web site. The TEACH Grant service agreement specifies the conditions under which the grant will be awarded, the teaching service requirements, and includes an acknowledgment by you that you understand that **if you do not meet the teaching service requirements you must repay the grant as a Federal Direct Unsubsidized Loan, with interest accrued from the date the grant funds were first disbursed.** Specifically, the TEACH Grant service agreement will provide that –

### Teaching Obligation

To avoid repaying the TEACH Grant as a loan with interest you must be a **highly-qualified, full-time** teacher in a **high-need subject area** for at least **four years** within **eight years of finishing the program** at a **school serving low-income students**. Specific definitions of these terms are included below.

### Highly-Qualified Teacher

You must perform the teaching service as a highly-qualified teacher. The term highly-qualified teacher is defined in section 9101(23) of the Elementary and Secondary Education Act of 1965 or in section 602(10) of the [Individuals with Disabilities Education Act](#).

### Full-Time Teacher

You must meet the state's definition of a full-time teacher and spend the majority (at least 51 percent) of your time teaching one of the high-need subject areas. Elementary school teachers who teach many subjects would not be able to fulfill their service agreement.

### High-Need Subject Areas

- Bilingual Education and English Language Acquisition
- Foreign Language
- Mathematics
- Reading Specialist

- Science
- Special Education
- Other teacher shortage areas identified at the time you begin teaching. These are subject areas (not geographic areas) that are listed in the [Department of Education's Annual Teacher Shortage Area Nationwide Listing](#).

## Schools Serving Low-Income Students

Schools serving low-income students include any elementary or secondary school that is listed in the [Department of Education's Annual Directory of Designated Low-Income Schools for Teacher Cancellation Benefits](#).

## Documentation

For each TEACH-eligible program for which you received TEACH Grant funds, you must also provide documentation to the federal Department of Education that you completed your teaching obligation. TEACH Grant recipients must also confirm to the federal Department of Education in writing within 120 days of completing or otherwise ceasing enrollment in the TEACH-eligible program that they are fulfilling (or planning to fulfill) the terms and conditions of the service agreement.

Documentation of the teaching service must be certified by the elementary or secondary schools chief administrative officer, upon completion of four academic years of teaching service. This documentation must show that you were a **full-time, highly-qualified** teacher at a **school serving low-income students**, teaching a **high-need subject area** for at least **four years**.

## Reminder

Failure to complete the teaching obligation or properly document your teaching service will cause the teach grant to be permanently converted to a loan with interest.

**Once a grant is converted to a loan it can't be converted back to grant!**

# Maintaining Academic Progress

## **SATISFACTORY Academic PROGRESS**

Arlington Baptist College requires a student to achieve a cumulative grade point average (CGPA) each academic level (C average) in order to graduate from any of the degree programs.

A student must demonstrate satisfactory academic progress toward the completion of the degree program in which the student is enrolled and pursuing in order to receive Title IV financial aid funds through the Pell Grant, Teach Grant, or Student Loan Programs.

The Federal guidelines state that there must be both quantitative and qualitative standards established by the institution, which determine whether a student is progressing satisfactorily toward the completion of a degree program. The student has six years to complete a four-year program. A full time undergraduate student enrolled in 12 hours must successfully complete nine or more hours each long semester and meet the appropriate cumulative grade point average for their classification. The student must successively complete 67% of the courses attempted each year in order to satisfy the quantitative standard. The qualitative standard is based on the cumulative grade point average achieved at the following increments.

	<b><u>Undergraduate Students</u></b>	<b><u>% of Attempted Courses</u></b>
<b><u>Cum Hr./Increment</u></b>	<b><u>Cumulative GPA</u></b>	<b><u>Actually Completed</u></b>
0-32 Hours	1.00	67%
33-64 Hours	1.50	67%
65-above Hours	2.00	67%
	<b><u>Graduate Students</u></b>	
0-36 Hours	3.00	67%

Grades of F, I, W, R will not satisfy the academic progress requirement.

If an under graduate student's cumulative grade point average (CGPA) falls below the classification level, (C average), the student will be placed on academic probation for the next semester by the Academic Dean. The Registrar' Office, the Financial Aid Office, and the Business Office will be notified; and these offices will monitor the student's academic progress in succeeding semesters.

A student placed on academic probation/ suspension will be advised to enroll for no more than 12 semester hours, and the student will be advised to maintain an outside work schedule of no more than 20 hours per week. When the financial aid office receives notification of the student Satisfactory Academic Progress Report from the Registrar's office, at the end of each semester, a notification letter will be sent to students from the financial aid office that made the list and their status.

Transfer students must meet the same satisfactory academic progress requirements and maximum enrollment limits as other students. All credits accepted for transfer will be used in determining satisfactory academic progress and counted as both attempted and completed hours.

Graduate students must successfully complete at least three credit hours each long semester with a minimum 3.0 cumulative grade point average, in order to maintain financial aid eligibility.

There is a limit to the number of hours a student may register for, earn, or attempt while pursuing a degree (includes hours transferred from other colleges) and still maintain financial aid eligibility. The maximum number of hours that may be attempted for a degree is 150 percent of the minimum number of hours required for that degree. EXAMPLE: A degree requires 120 credit hours. Financial aid eligibility will end when 180 credit hours have been attempted and a degree not received.

Failure to meet the minimum satisfactory academic progress requirements financial aid recipient will result in a Financial Aid Warning. An otherwise eligible student on Financial Aid Warning will be permitted to receive aid for one more semester. If the student meets the minimum satisfactory academic progress requirements at the end of the warning semester, he/she will return to good standing. Failure to meet the minimum standards at the end of the warning semester will result in the loss of financial aid eligibility until the minimum standards are met. Failure to maintain the minimum cumulative grade point average will result in the immediate suspension of financial aid eligibility.

A student who failed the satisfactory academic progress requirements may request a re-evaluation of his/her status once the academic requirements are met. Students

on financial aid suspension may not receive any aid other than academic scholarships while they are attempting to make up the deficiency.

If a student changes his/her major and begins pursuing a different degree or certificate, the student's limit of maximum attempted hours for completion of the new degree may be re-evaluated. It is the student's responsibility to inform the financial aid office of such a change in his/her course of study.

Students who experience mitigating circumstances during their enrollment, such as the divorce of a parent or spouse, death of an immediate family member, or severe medical problems may appeal their status to Cindy Treat. Written documentation is required for an appeal. If a student's appeal is successful, the student will be placed on Financial Aid Probation for one term. Failure to meet satisfactory academic progress requirements at the end of the probationary period will result in the student being placed on Financial Aid Suspension until academic requirements are met to return the student to satisfactory academic progress. If it is determined that it will require more than one term for a student to meet satisfactory academic progress requirements, the student may be placed on an academic plan to take the student to successful completion of their program.

## **Withdrawing from ABC / Failure to Attend or Participate in Classes**

**Students who pre-register and decide not to attend must cancel their financial aid award and pre-registration prior to the first day of class to avoid academic charges and penalties.** When a student withdraws from ABC, they must first visit with the Dean of Students, Registrar's office and the Financial Aid office to go through the withdrawal process. The date the student withdraws from ABC is used to calculate the Return of funds within 7 business days of the student's departure, to see if the student will owe back any funds. The student must return any financial aid funds previously credited to their student account for that semester. Financial aid recipients who enroll and receive aid for a particular semester, then fail to complete more than 60% of that semester will have to repay part or all of the aid received for that semester. Additionally, any tuition, fees and room or board payments refunded by ABC as a result of a student's withdrawal must be returned to the financial aid programs in accordance with

Federal law. Students who fail to complete the official withdrawal process but stop attending classes prior to the end of the semester and receive grades of "F" in all classes for that semester will also have to repay part or all of the aid received for that semester.

Up through the 60% point in each semester, a pro-rated schedule is used to determine the amount of aid to be repaid by a student who withdraws. No adjustments in financial aid are required for students who withdraw after the 60% point in a semester.

If you receive any student loan, you must complete a loan Exit Interview with the Financial Aid Office if you drop below 6 credit hours, fail to enroll for any long semester, graduate, or transfer to another school.

Transfer Students - Must cancel financial aid awards at the previous school you attended if those awards covered the same semesters you have requested financial aid with ABC.

**Privacy Issues** – The ABC Financial Aid Office will not discuss or release your financial aid information or records to any agency or person, **including parents or spouse**, without your written consent unless the agency is entitled, by law, to have access to the information. You may give written consent for your information to be released to another person or agency by submitting a [Consent to Disclose Information Form](#).

## **Federal Stafford Loan**

### **Subsidized Federal Stafford Student Loans**

- Awarded to eligible students on the basis of documented financial need.
- These loans do not accrue interest during eligible in-school and grace periods.
- In most cases payments are not required as long as the student is enrolled at least half time.
- As of July 1, 2012, this loan is no longer available to graduate students.
- To apply go to the <https://studentloans.gov> and follow the directions for a Sub/Unsub loan.

## Unsubsidized Federal Stafford Student Loans

- Not limited to students with documented financial need.
- Interest begins to accrue when funds are disbursed.
- Repayment of principal and interest may be deferred until the student no longer meets enrollment requirements.
- To apply go to the <https://studentloans.gov> and follow the directions for a sub/unsub loan.

### Maximum Annual Loan Limits

Borrower's Academic Level Classification	Dependent Student Sub & Unsub	Independent Student Sub	Independent Student Unsub
Freshman	\$5,500	\$3,500	\$6,000
Sophomore	\$6,500	\$4,500	\$6,000
Junior/Senior	\$7,500	\$5,500	\$7,000
Graduate	N/A	\$8,500	\$12,000
Graduate (effective July 1, 2012)	N/A	N/A	\$20,500

### Aggregate Loan Limits

Dependent Undergraduates	Subsidized + Unsubsidized (No more than \$23,000 can be Subsidized)	\$31,000
Independent Undergraduates	Subsidized only	\$23,000
Independent Undergraduates	Unsubsidized & Subsidized	\$57,500

Graduates	Subsidized only (Includes undergraduate loans)	\$65,500
Graduates	Unsubsidized + Subsidized (Includes undergraduate loans)	\$138,500

## Federal Parent Loan for Undergraduate Students

- The Federal Parent Loan is a loan made to the parent of an eligible undergraduate dependent student for the student's allowable educational costs.
- The student for whom the Federal Parent Loan funds are borrowed must maintain at least half-time enrollment in an eligible degree program.
- These loans begin to accrue interest as soon as loan proceeds are disbursed; repayment begins within 60 days after the loan is fully disbursed or can be deferred while the student is enrolled at least half-time in an eligible degree program.
- NOTE: Dependent students may apply for additional Federal Unsubsidized Stafford Loans if their parents are denied a Federal Parent Loan because of adverse credit.
- To apply go to the <https://studentloans.gov> and follow the directions for a Parent Plus Loan.

## Federal Graduate Plus Loan

- The Graduate PLUS Loan is made to degree or certification seeking graduate students enrolled half-time or more, who have been awarded or notified of their maximum eligibility for a Federal Stafford Loan.
- A credit check is required and FAFSA results must be on file with the Financial Aid Office.
- A creditworthy cosigner is required for applicants who fail the credit test.
- Students may borrow up to the cost of attendance minus other financial aid received.
- Interest begins to accrue from the date of disbursement and continues through any deferment or forbearance until the loan is paid in full.
- Payments of principal and interest may be deferred during periods of enrollment of at least half-time (6 hours/semester or more).
- Interest payments not made during periods of enrollment or deferment will be capitalized.
- To apply go to the <https://studentloans.gov> and follow the directions for the Graduate Plus loan.

## Refunds

For information about refunding of ABC charges due to dropping or with drawing, please see the tab Financial Services Billing for more details.

Please choose the appropriate counseling session below:

If you are applying for or have been awarded a **Direct Subsidized Stafford Loan, Direct Unsubsidized Stafford Loan, Direct Graduate PLUS loan**, You are required to complete Entrance Loan/Debt Management Counseling through Studentloans.gov The purpose of entrance counseling is to provide you with the information you need in order to make an informed decision about loan borrowing and the many aspects of loan repayment. If the web site does not answer your questions please contact Cindy Treat (817) 461-8741 X114.

Many factors contributed to the requirement that student's complete loan counseling prior to receiving their first loan disbursement. Student loans have increased and at the same time so has the default rate increased on student loans.

A student loan is a serious commitment. The promissory note you sign for your student loan is a legal binding document that signifies you agree with the terms of the loan. A loan is a financial obligation that must be repaid, so it is important that you borrow only the amount you actually need to meet your educational expenses. You must repay your loan, including interest and fees, even if you do not graduate, are not satisfied with your education, or cannot find a job. All loan disbursements are reported to a national credit bureau. More information can be found on the <https://abconline.vfao.com> website, when you complete the Student interview for ABC.

At the beginning of each semester Refunds will be issued after the 12<sup>th</sup> class day. A check release form must be completed in the Business Office to request a refund into a student banking account. After the 12<sup>th</sup> class day and when monies have been received from the Federal Government, the funds will be eligible for payment.

Your Pell Grant award will be re-evaluated based on your enrollment status as of the last day to drop a class and receive a refund. This re-evaluation may result in a reduced Pell Grant award. In some cases, you may become ineligible for a Pell Grant.

Loans will be cancelled and funds returned to the lender if you drop below half-time enrollment prior to the official semester Census Day. You will be required to repay ABC any loan funds you received for that semester.

## Entrance Loan / Debt Management

Prior to receiving the first disbursement on a Federal Direct Graduate PLUS, Federal Direct Subsidized Stafford Loan, and Unsubsidized Federal Direct Stafford Loan the federal government requires you to complete a loan counseling session. The purpose of entrance counseling is to provide you with the information you need in order to make an informed decision about loan borrowing and the many aspects of loan repayment.

Please choose the appropriate counseling session below:

- If you are applying for or have been awarded a **Direct Subsidized Stafford Loan, Direct Unsubsidized Stafford Loan, Direct Graduate PLUS loan**, You are required to complete Entrance Loan/Debt Management Counseling through [StudentLoans.gov](https://studentloans.gov).

The purpose of entrance counseling is to provide you with the information you need in order to make an informed decision about loan borrowing and the many aspects of loan repayment. If you have questions that are not answered by this session please call Cindy Treat or email [ctreat@arlingtonbaptistcollege.edu](mailto:ctreat@arlingtonbaptistcollege.edu).

**All first-time borrowers will not have funds released until 45 days after the first day of class.**

Responsible management of your student loan is easier when you understand the organizations involved in your student loan.

The **Federal Government** created the Direct Loan Program, which includes the Subsidized Federal Stafford Loan, Unsubsidized Federal Stafford Loan, Graduate PLUS Loan, and Federal Parent Loan for Undergraduate Students. The Federal government makes the rules and regulations governing the loan programs.

**Education Institutions** are key participants in the student loan process. The financial aid office determines loan eligibility and processes all requests for student loans.

**Secondary Markets** purchase student loans from lenders. If a secondary market purchases your loan, you will be notified that you should make your payments to the new owner.

**Servicers** are companies that specialize in the day-to-day management of student loans (such as payment processing, name and address changes, deferment processing, etc.). If your lender or secondary market notifies you that your loan has been assigned to a servicer, you should send your monthly payment directly to the servicer.

Effective July 1, 1999, the Master Promissory Note (MPN) became effective for Subsidized and Unsubsidized Federal Stafford Loans. The MPN is a new, simplified method of applying for and receiving Federal Stafford Loan funds. The MPN is a multi-year promissory note. If you are a new direct loan borrower, you can complete your MPN on line at <https://www.studentloans.gov/>. You can then print a completed copy of the MPN for your records.

For the awarding of loans, the VFAO processor will award the amount of Stafford Loan funds you requested on the VFAO interview, based on income and educational costs. You will receive an award notification by email indicating your Stafford eligibility. At that time, you will have the opportunity to reduce or cancel the loan amount. You may cancel all or part of your loan if you inform ABC that within 14 days after the date you receive the notice.

You must notify your lender, or their servicer, and the Financial Aid Office if you have any of the following changes:

- You drop below half-time enrollment status
- You change your name, address, or telephone number
- You withdraw from the college
- You transfer to another school
- You graduate from the college
- You have a change in your expected graduation date

As a student loan recipient, you have the following rights:

- You are entitled to a copy of your application and the promissory note you signed.
- If you are borrowing through the FFELP program, you will receive a disclosure statement informing you of the interest rate and estimate of your total interest charges and total indebtedness.
- Before your payments begin, you are entitled to receive a repayment schedule.
- Your lender must notify you in writing if your loan is sold to a secondary market.
- If you are unable to make your payments, you may request a deferment or forbearance. Contact your lender or secondary market for more information.

After you graduate, leave school, or drop below half-time enrollment, you have a six month grace period before you must begin repayment on the Subsidized and Unsubsidized Federal Stafford Loan, Graduate PLUS. Repayment of the Parent Loan for Undergraduate Students begins within 60 days after the loan is fully disbursed.

If you return to school at least half-time before that six month period ends, you may postpone repayment while you are in school. If you enroll at another school, you must contact your loan servicer to obtain deferment forms.

You may prepay all or part of the unpaid balance on your student loan at any time without penalty. If you have more than one Stafford Loan, be sure to specify which loan you are prepaying.

As a student loan borrower, you must make payments on your loans even if you do not receive a payment booklet or a billing notice. The lender sends payment coupons or billing statements as a convenience for the borrower. Not receiving them does not relieve the borrower of his/her obligation to make payments. If you do not pay by the due date, your lender or secondary market may charge a late fee. Ignorance of your payment responsibilities can lead to default.

If you are having difficulty paying back your student loan, you may apply for either a deferment or forbearance.

A deferment allows a borrower to postpone loan payments for a specified period of time. For Subsidized Stafford Loans, the interest is paid by the U.S. Department of Education during the deferment period. If you have an Unsubsidized Stafford Loan and/or a Graduate PLUS Loan, interest will accrue and be applied to your loan principal at the end of your deferment, or you can elect to make interest payments while you are in school.

Forbearance allows you to temporarily stop or reduce your payments while interest continues to accrue on your account. During the forbearance period, you may make interest-only payments, postpone payments, or make smaller payments than originally scheduled. Forbearance is granted at the discretion of your lender or secondary market in cases of temporary financial difficulty.

After you apply for a deferment or forbearance, you are still responsible for your loan payments. It normally takes 2-3 weeks to process a deferment or forbearance. You should continue to make your loan payments until notified in writing that the deferment or forbearance has been granted. Otherwise, your lender may consider your payments past due and your credit rating may suffer.

Your student loan is a serious obligation that must be repaid. If you fail to repay this obligation, you default on your student loan. A defaulter is a borrower who has broken his or her promise to repay their loan. After 180 days have passed without a payment on a student loan, the loan is considered to be in default. This is what happens if you default on a student loan:

- Your debt will be reported to major credit bureaus. If you become 60 days or more past due in making your loan payment, your delinquency and/or default will be reported to a credit bureau. The negative credit rating will remain on your record for 7 years. This will seriously affect your credit rating and you could be denied credit cards, car loans, home loans, etc.
- You will not be eligible for further federal student aid, as well as deferments, forbearances, and loan consolidation on other education loans you may have outstanding.

- Your loan may be turned over to a collection agency, increasing your total debt by late fees, additional interest, collection costs, court costs, attorney fees, and other costs.
- Your federal or state income tax refund may be seized.
- Your lender may declare the entire unpaid balance of principal and interest immediately due and payable.
- Your employer, at the request of the federal government, can garnish part of your wages. And if you won the lottery, the government may receive the funds.
- Your account may be assigned to a guarantee agency, which will continue to collect the balance due
- Holds may be placed on your university records (i.e., transcripts).

You can request a single lender or secondary market to combine the principal balances from your student loans into a single loan with new terms. A new interest rate is set and a longer repayment period is provided (up to 30 years). Be sure to consider the following before deciding to consolidate your loans:

- Consolidated loans have a higher fixed interest rate.
- If you consolidate your loans, you may lose certain deferment and forbearance rights.
- If you choose a longer time to repay, your monthly payments will be reduced but you will also incur higher total interest costs.

Stafford Loan recipients have four repayment options--Standard Repayment, Extended Repayment, Graduated Repayment, and Income Contingent Repayment.

- The Standard Repayment option provides for a fixed payment of a minimum of \$50 per month for up to 10 years.
- The Extended Repayment option provides for \$50 minimum monthly payments, but you can take from 12 to 30 years to repay your loans.
- The Graduated Repayment option provides for payments that start out at one level and increase every two years. The repayment period varies from 12 to 30 years.
- The Income Contingent option permits your monthly payment amount to be calculated on the basis of your Annual Adjusted Gross Income and total

amount of your Stafford Loans. To participate in this plan you must authorize the Internal Revenue Service to release information about your income to the U.S. Department of Education. This information will be used to calculate and adjust your repayment amount annually. The maximum repayment period is 25 years.

A discharge releases you from all obligations to repay your student loans. You can receive a discharge only with proof of:

- Total and permanent disability
- Death
- Bankruptcy (only in certain cases)

Effective July 1, 2000, the Office of the Ombudsman was established to assist borrowers that have disputed the terms of their William D. Ford Federal Direct Loan, Federal Family Education Loan or Federal Perkins Loan in writing and the institution has not resolved the dispute. The Ombudsman can be contacted at the following address:

[Office of the Ombudsman](#)

877.557.2575

U.S. Department of Education

FSA Ombudsman

830 First Street NE

Fourth Floor

Washington, DC 20202-5144