



Northern Marianas College Procedure

Procedure No.: 4013.1 Procedure Title: Financial Aid (Title IV)
Issuing Date: 6/4/2014 Adoption Date: 6/4/2014 Effective Date:
Office of Origin: Financial Aid Office
Procedure Approval Authority: *[Handwritten signature]*
Board Policy No. associate with this procedure: 4013
This Procedure Supersedes/Replaces:

The written steps necessary to appropriately and uniformly perform a task in carrying out policies and activities of the College.

Overview/procedure description This procedure establishes financial aid requirements, deadlines, verification, satisfactory academic progress and awards consistent with federal and state rules and regulations, which is consistent with the mission of the Northern Marianas College. This procedure specifies data to be collected on the Free Application for Federal Student Aid (FAFSA).

Areas of Responsibility The Financial Aid Office will be responsible for overseeing this procedure in accordance with NMC Board of Regents Policy.

PROCEDURE DETAILS

FINANCIAL AID INFORMATION

Federal Financial Aid (Title IV funding)

The following are types of Title IV financial aid from the United States Federal Government that are available to eligible NMC students.

Federal Pell Grant

TEACH Grant

Federal Supplemental Educational Opportunity Grant (FSEOG)

Federal College Work Study (FCWS)

FAFSA Procedures

Students are required to file the Free Application for Federal Student Aid (FAFSA) and submit all supporting documents to the NMC's Financial Aid Office in order to determine eligibility for federal student aid. Students must apply and qualify annually on the basis of demonstrated need.

When to Apply

Filing the FAFSA on time is critical. Students should apply as early as January 1 for the next academic year. While early filing applicants are given priority-funding consideration, Northern Marianas College continues to accept and award funds to students all through the academic year. The Northern Marianas College Financial Aid Office has established deadlines for each semester. Please call or visit the Financial Aid Office to find out the deadlines for each respective semester.

Students may apply using one of the following methods

Complete and mail the Free Application for Federal Student Aid (FAFSA). Forms may be obtained from a high school guidance counselor or from the college Financial Aid Office for first-time applicants. Renewal applications will be either mailed or emailed directly to the student from the U.S. Department of Education if the student applied before the calendar year ended. The student may also file their FAFSA electronically on the internet at www.fafsa.gov. Or the student may submit their FAFSA to the Financial Aid Office to be processed electronically for them. For further assistance, please call 1-800-433-3243 or visit the Financial Aid Office in Building N, Room 1-1.

General Documents & Forms

- Free Application for Federal Student Aid (FAFSA)
- Copy of Birth Certificate, Passport and/or Permanent Residence Card (if applicable)
- Copy of High School Diploma, Transcript (stating graduation status), **GED Diploma, or Adult School Diploma**
- Copy of Income Tax Forms
- Verification Forms
- Other forms as requested by the Financial Aid Office

Student Aid Report (SAR)

The student's SAR is produced through a Federal Need Analysis Calculation Methodology by the U.S. Department of Education, for determining their Expected Family Contribution (EFC). The student's EFC is the amount he/she and their family can reasonably be expected to pay towards his/her college education and also determines how much in the Pell Grant he/she is eligible for.

Financial Need Calculation

Financial Need = Cost of Attendance – Expected Family Contribution

Financial need is simply defined as the difference between the student's cost of attendance and the family's ability to pay those costs. The student's cost of attendance includes tuition and fees, books, living expenses, transportation, and personal expenses. The cost is standard, but may be adjusted based on unusual circumstances. The student must request in writing to have their cost adjusted by the Financial Aid Administrator at their institution.

AWARDS

Completed applications are generally processed within a three-month time period. Students who are eligible for financial aid will be notified by either mail or email of the type and amount of the awards as soon as possible after the College has received its federal allocations of financial aid funds. Normally financial aid checks are disbursed once per semester. The Pell Grant is awarded three times during each school year (Fall, Spring, and Summer [trailing award]). Please contact or visit the Financial Aid Office for more information.

SATISFACTORY ACADEMIC PROGRESS (SAP)

Students receiving financial aid are required to maintain satisfactory academic progress in their course of study. Academic progress is defined using both a qualitative and quantitative measure. The qualitative academic progress is assessed by the grade point average achieved at NMC; the quantitative academic progress is measured through the number of semester units satisfactorily completed. Financial aid progress standards are in addition to the college's Academic Standards, which apply to all students. All students applying for federal financial assistance are subject to SAP evaluation of their transcript regardless if they received aid or not for a particular term(s). This is in accordance with Federal rules and regulations. Academic progress for financial aid recipients is assessed according to the Satisfactory Academic Progress Policy Standard described below.

1. Maintain a **term or cumulative** Grade Point Average (GPA) of at least 2.0 on a 4.0 scale, and
2. Complete at least **67%** of the number of credits taken each semester (Ws and UWs will be counted against the student).

Transfer credits from another institution will be included in the calculation of the student's cumulative GPA, which is used in determining their academic status for federal aid at NMC. If the student fails to earn the minimum credit hours for the required term of enrollment, they will be given up to two semesters to make up the deficient credit hours.

FINANCIAL AID PROBATION AND SUSPENSION

Students who fail to meet any of the above criteria for any one semester will be placed on financial aid probation. A student on probation may continue to receive federal aid during the probationary period, but must give evidence of satisfactory academic progress by the end of the probation period. Two consecutive semesters of financial aid probation will subject the student to suspension from financial aid and thus will not be eligible for financial aid in subsequent semesters until they make up the deficient credits and/or term or cumulative GPA.

APPEAL PROCESS

Students who are denied aid due to lack of "Satisfactory Academic Progress" or have not completed their degree objectives in the maximum time frame must petition to the Financial Aid Administrator. The appeal should be in writing and must be submitted to the Financial Aid Office no later than 30 days from date posted on the denial notice explaining in detail the specific reasons which contributed to the lack of progress, documentation to substantiate the student's statement, and an outline of what steps the student plans to take to ensure academic progress if the student is reinstated. Students will be notified in writing of the decision no later than 30 working days after review of the documents submitted.

Students may appeal the Financial Aid Office's decision by submitting copies of their appeal and the Financial Aid Office's decision to the Dean of Student Services.

Appeals may be made based on one or several of the following reasons:

- A death in the immediate* family
- Serious injury or illness of the student or a member of the immediate* family.
- Improvement sufficient to meet required standards in hours and/or GPA while attending a subsequent semester at student's own expense.
- Special circumstances to be reviewed on a case-by-case basis. (Students on Financial Aid Probation who have not attended college for at least one calendar year may appeal based on change of circumstances).

*Immediate family members are father, mother, sister, brother, grandfather, grandmother, and child(ren).

A student on Financial Aid Suspension whose appeal is approved is placed on probation status. The probation status conferred to a student upon appeal is good for one payment period only. The Financial Aid Administrator (FAA) may extend the student's probation period beyond one payment period if it is determined that the student's basis of appeal will prevent the student from meeting Satisfactory Academic Progress in one payment period. Students on an extended probationary period must make progress according to an academic plan developed by the FAA and reviewed after each payment period. Failure to meet requirements specified under the academic plan will result in a student being placed on financial aid suspension.

A student on Financial Aid Suspension whose appeal is denied may attend NMC at his/her own expense.

REINSTATEMENT

To be reinstated, students must complete all credit deficiency without financial aid. Credits earned will be applied to the student's credit deficiency. To qualify for reinstatement, a student must:

Complete all credit deficiencies (credits must apply to student's program of study)
Complete all credits attempted
Earn a cumulative GPA of 2.0

At the end of this/these excluded semester(s), to be reinstated, the student must meet the Satisfactory Academic Progress qualitative and quantitative measures. Students must apply in writing to be reinstated and that they will be notified in writing in a timely fashion that they have been reinstated.

TERMINATION OF ELIGIBILITY

Students who do not meet the Satisfactory Academic Progress Policy qualitative and quantitative measures at the end of the reinstatement semester(s) will be terminated from receiving federal financial aid indefinitely or until Satisfactory Academic Progress has been made.

MAXIMUM TIME FRAME / PACE OF COMPLETION

Public law 112-74 amended HEA section 401(c)(5) to reduce the duration of a

student's to receive a Federal Pell Grant from 18 semesters (or its equivalent) to 12 semesters (or its equivalent). This provision applies to all Federal Pell Grant eligible students effective with the 2012-2013 award year. The calculation of the duration of a student's eligibility will include all years of the student's receipt of Federal Pell Grant funding. This change in the duration of students' Federal Pell Grant on or after the 2008-2009 award year, as the HEA previously provided when the duration of eligibility was 18 semesters.

All students are expected to complete their program within an acceptable period of time. The maximum time frame for financial aid recipients is 150% of the published credit length of their program. Students are funded up to a maximum of 150% of units attempted of his/her degree or certificate objective including hours transferred in and withdrawals, whether or not financial aid was received.

Students who have only one active program or major at NMC may not receive financial aid if the total number of attempted credits in combination with accepted transfer credits is equal to or more than 150% of the credit length of their active program/major. Withdrawals are considered attempted credits.

Students who graduate from an NMC certificate or associate degree program and enroll in a new program may not receive financial aid if the total number of attempted credits in combination with accepted transfer credits is equal to or more than 150% of the credit length of their new program. Required credits listed on the IDP that do not transfer into their new program will not be considered as part of the 150% total attempted credits for the new program. Additional time will be given to a student who is pursuing a second and/or third degree. Financial aid will cover only the courses needed to fulfill the second and/or third degree. Students with more than one active program or major may not receive financial aid if the total number of attempted credits in combination with accepted transfer credits is equal to or more than 150% of the credit length of their first ranked program or major.

It is the student's responsibility to inform the FAO of any changes in his/her program of study.

While NMC does allow students to pursue as many degrees as he/she wishes, the Financial Aid Office will award up to a student's Bachelor Degree level. Once a student receives his/her Bachelor's Degree, he/she is not eligible for Pell Grant awards afterwards. Students must keep in mind the Lifetime Eligibility Used (LEU) in regards to their Pell Grant awards.

In terms of certificate programs, students are allowed up to two certificates in addition to the above provision. Up to 30 NDU credits will not be counted toward the 150% completion rate.

REMEDIAL OR NON-DEGREE UNIT (NDU) COURSES

34 CFR 668.20 – Remedial Coursework: A student enrolled in remedial or NDU courses (below 100 level) is eligible to receive financial aid only if the courses are required for the student to pursue the degree or certificate program. These courses will

be applied toward the minimum number of credits the student must complete each semester. A maximum of 30 units of NDU classes will be eligible for funding. There is no exception to this rule.

REPEAT AND SUBSTITUTE COURSES

A student may receive an award for repeat, required courses the student failed to complete in previous terms. The SAP policy applies to such cases. Federal aid (including the CNMI College Access Challenge Grant) is not awarded to repeated and/or substituted courses with grades above substandard level of C or above. The repeated course will be counted towards the maximum time frame and credit completion requirement.

The following grades will be considered as credits enrolled but not successfully completed: UW, W, NP, I, TF. The I grade is calculated as no credit until the grade is changed by the instructor and entered into the student's academic record by the Office of Admissions and Records.

SUMMER ENROLLMENT

Pell grants are awarded for summer sessions (trailing summers). Depending on the summer session enrolled, a student's remaining Pell award will be calculated at a certain percentage.

ENROLLMENT STATUS

The number of credits for which a student is registered determines his/her enrollment status. A student receiving financial aid may be required to complete hours in addition to those listed below. The exact requirement for financial aid purposes is stated in the student's financial aid award letter.

Fall and Spring Semesters and Summer Sessions:

Full-time	12 or more credits
Three-quarter time	9 to 11 credits
Half-time	6 to 8 credits
Less than half-time	3 to 5 credits

DROPPING CLASS

A student's final eligibility for aid will (including the CNMI College Access Challenge Grant) be based on the number of credits for which they are enrolled on the first class day after the Add/Drop period. If you register and then dropped class(es) within the Add/Drop period, your eligibility for aid will be recalculated on your remaining hours as of that period. Students who receive a financial aid payment based on more credits than those remaining after the Add/Drop week may be responsible for repaying a portion of any financial aid received. Dropping classes may affect the student's eligibility for future aid. The student should consult the Satisfactory Academic Progress Policy to determine if dropping classes will affect your eligibility for aid.

VERIFICATION

Verification is the process used to check the accuracy of the information provided by the student applicant and family when applying for Federal Student Aid.

- The verification procedures are governed by the Higher Education Act of 1965, as amended, and Subpart E of 34 CFR Part 668 “Verification of Student Aid Applicant Information Regulations”, published in the Federal Registry in April 1994 and in November 1994.
- When verification is required for an application, that application is said to have been “selected” for verification. Verification of applications may be selected by either one of the following methods.
- An applicant selected by the FAFSA Processor (Central Processing System or CPS) based on edits.
- An applicant who NMC has reason to believe contains inaccurate information. If selected by the college, the student is subject to all the rules and requirements of verification.
- If the Financial Aid Office finds conflicting information on an application, or any reason to believe that an application is in error, appropriate steps must be taken to resolve all discrepancies prior to disbursing federal student aid to the student. The requirement to resolve conflicting information is separate and distinct from the verification requirements and procedures; it supersedes all verification rules.

Conflicting information and student repayment is required, if discrepancies are discovered after disbursing federal aid.

Students selected for verification of information by the U.S. Department of Education will be asked to submit additional forms.

Required Verification Items and Acceptable Documentation:

- Household Size
- Number Enrolled in College/University
- Adjusted Gross Income or income earned
- U.S. Income Tax Paid

Certain Untaxed Income and Benefits

- Social Security
- Military Educational Benefits
- Earned income credit
- Foreign income exclusion
- Child Support received
- Interest on tax-free bonds
- Untaxed payments to IRA
- Other untaxed income from U.S. income tax return

Verification Covers the Following Title IV Programs

- Federal Pell Grant Program
- TEACH Grant
- Federal Supplemental Educational Opportunity Grants (FSEOG)
- Federal Work-Study
- Direct Loan Program

Verification Exclusions:

Under any of the following circumstances a student is excluded from some or all of the verification requirements:

- Death
- In prison
- Certain Immigration Status
- Pacific Island Residency Status
- No Funds Disbursed.

The Northern Marianas College Financial Aid Office will use the same verification procedures for all other state and institutional funds, awarded or certified by this office.

Verification Procedure

When selected for verification, the student will receive a notice listing the types of documents that must be submitted to the NMC Financial Aid Office. Upon gathering all necessary signed documents, the student will submit them to the Financial Aid Office. The Office will review all required documents for signature and completion. The verification process must be completed or forfeit federal student aid eligibility.

Verification Deadline

A Federal Pell Grant applicant whose application is selected for verification must complete verification no later than 30 days after the last day of enrollment or June 30, whichever is earlier. The same deadline date applies by the College for Campus-Based Programs such as, the Federal Supplemental Educational Opportunity Grant (FSEOG) and Federal College Work Study (FCWS).

For the Pell Grant Program, a student completes verification when they have demonstrated that their application's data is correct. In addition, the Financial Aid Office must also have on file the final and valid federal Institutional Student Information Report (ISIR). The same process is required for TEACH Grant, Campus-Based Programs, and Direct Loan Programs.

RETURN OF TITLE IV FUNDS

The Higher Education Amendments of 1998 require schools to implement the Return of Title IV Refund Funds policy when a Title IV funds recipient completely withdraws from school.

This policy applies to students who officially withdraw from all courses for which they are enrolled for the term and who have received Title IV funds for the term.

Definitions

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The term “Title IV recipient” refers to a student who has received Title IV funds or has met the conditions that entitle the student to a late disbursement.

The term “officially withdraw” refers to those students who complete the withdrawal process by withdrawing from one or all courses by completing the appropriate form.

The term “unofficially withdraw” refers to those students who did not attend any of their courses without properly withdrawing from all courses using the appropriate form.

Notifying the College of the Intent to Withdraw

The college is notified of a student’s intent to officially withdraw by the following method: The student completes and submits the appropriate withdrawal form in person to the Office of Admissions and Records (OAR). The “received” date posted on the form is considered the date the student began the official withdrawal process.

A student’s withdrawal date is defined as:

- a. The date the student began the College official withdrawal process as specified above, or
- b. The student’s last date of attendance at a documented academically-related activity if this date falls later than the date established in “a” or “b” above.

All Title IV funds will be refunded if the College cannot document that a student attended any classes within the term.

Returning of Title IV Funds

The return of Title IV funds for all charges including tuition and special fees will be prorated on a per diem basis based on the calendar days in the term up to and including the 60% point in the semester. After the 60% point, the student is deemed to have earned 100% of the Title IV funds.

In accordance with federal regulations, refunds are allocated in the following order: Federal Student Loans, Federal Pell Grant, FSEOG, Other SFA Program, Institutional Funds, Student.

In the event that funds must be returned, the College will reimburse the Title IV programs via the tuition revenue account. As a result, any tuition refunds due to the student will first be returned to reimburse the Title IV programs. Students will be billed for any unpaid institutional charges that result from the return of funds to the Title IV programs. Moreover, the student may be required to directly repay a portion of the Title IV funds that were received.

In such cases, the NMC Finance Office will send the student a repayment promissory note which details the amount that must be repaid, the federal aid program that must be repaid, and the date the repayment is due. Any repayment outstanding or unpaid will be referred to the U.S. Department of Education for collection and legal disposition. Furthermore, a financial obligation will be placed on the student’s account by the

College, which will prohibit the student from registering in the future terms, receiving academic transcripts, or receiving any additional federal aid funds.

In some cases, a student may be eligible to receive a “post-withdrawal” disbursement after the student completely withdraws from school when the amount of aid earned is less than the amount of aid disbursed. In such cases, the Financial Aid Office will notify the student of the “post-withdrawal” disbursement via an award letter.

In regards to the return of Title IV funds, Northern Marianas College responsibilities include:

- Providing each student with the information given in this policy;
- Identifying students who are affected by this policy and completing the Return to Title IV funds calculation for those students; and
- Returning to Title IV programs any Title IV funds that are due.

Fraud

Intent to defraud the Title IV award process constitutes fraud and the institution has the responsibility to report violation(s) to the Office of the Inspector General. Violators may face up to \$20,000 fine, imprisonment, or both.

STUDENTS' RESPONSIBILITIES

Notification

Notifying the College of the student's intent to withdraw from all courses, and returning to Title IV programs any funds that were disbursed directly to the student and for which the student was determined to be ineligible through the Return of Title IV calculation.

Reporting of Other Financial Assistance

A student's Award Notification should disclose all financial aid they are eligible to receive and scholarships they have been awarded. If a student is receiving additional scholarships, grants, or private educational loan that do not appear on their Award Notification, they will need to inform the Financial Aid Office of the missing information. Failure to do so may result in a federal financial aid over award that could terminate a student's future eligibility for federal student aid.

Terms and Conditions

With the student's Award Notification, they will also receive a notice of the Terms and Conditions of Awards. This document provides the student with detailed information on their award determination, statement of educational purposes, and responsibilities as a financial aid recipient. The student must make sure they read this information carefully. A student's acceptance of the Award Notification indicates that they understand their responsibilities as a financial aid recipient.

Change of Address

A student must update the Financial Aid Office when they change their address and/or phone number. They must provide their updates in writing, calling, or visiting the Financial Aid Office in order for them to receive prompt notification.

References 34 Code of Federal Regulations 600 series
 Federal Student Aid Handbook
 Northern Marianas College Catalog

Help Page 1-800-4-FED-AID
 www.fafsa.gov
 NMC Financial Aid Office: (670) 237-6791~4
 www.marianas.edu