

Ozarka College

Financial Aid Office

Manual of Financial Aid

Policies and Procedures

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1 Introduction

Federal regulations mandate that institutions have written policies and procedures. Beyond the federal requirement, there are many benefits to having a written document outlining Financial Aid Office policies and procedures:

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

1.1 Statement of Purpose

The purpose of this document is to record policies surrounding the delivery of financial aid at Ozarka College. If no policy or procedure addresses a given issue, the FAO staff is expected to use professional judgment based upon the intent of all financial aid programs and office practices.

1.1.1 This manual:

- a) Provides the financial aid staff with current policies and procedures which pertain to eligibility assessment for federal, state and college programs.
- b) Provides each staff member with general and specific responsibilities of the total staff, their individual responsibilities, and the office's relationship with other departments/divisions of the college.
- c) Provides each staff member with general office procedures in order that a systematic and consistent approach may be taken in the operation of all programs; ensuring that similar operations will be handled in a uniform manner.
- d) Provides quick reference to various practices.
- e) Facilitates the orientation and training of personnel when changes occur.

1.2 Financial Aid Reference Documents

There are many resource guides which assist the FAO staff. These citations are maintained by the Director and are available to staff members.

The documents which are used to determine student's eligibility for financial aid include, but are not limited to: current regulations published in the Federal Register, US Department of Education guides (such as the Federal Student Financial Aid Handbook). Many sources of rules and regulations are obtained through websites such as the National Association of Financial Aid Administrators (NASFAA) and Information for Financial Aid Professionals (IFAP).

2 Philosophy of Student Financial Aid at Ozarka College

The philosophy of student aid is to provide access and choice to students, who without such assistance would not be able to attend an institution of higher learning.

History of Financial Aid at Ozarka College

The FAO was established at Ozarka College to coordinate all financial assistance offered to students at the college. The office was charged with the responsibility of assuring that the principles identified below become operationally effective.

Policy Development

Responsibility for Institutional Policy Development

The Vice President of Student Services is responsible for establishing institutional policy development surrounding the delivery of financial assistance. Policy development adheres to federal and state laws and regulations as well as to the mission of the college. Financial aid policy is reported to and approved by the Vice President of Student Services when appropriate.

Institutional Principles of Financial Aid

The purpose of any financial aid program – institutional, governmental, or private – should be to provide monetary assistance to students who can benefit from further education but cannot do so without such assistance. The primary purpose of a collegiate financial aid program should be to provide financial assistance to students who, without such aid, would be unable to attend that college. See Board Policy 5.52 (Appendix #)

Operating Policies

The following operating policies are designed to insure that the FAO is effective in carrying out its responsibilities:

- a) All students must apply for financial assistance by submitting appropriate application forms to the FAO.
- b) All funds available to the college for financial assistance shall be administered through the FAO. The selection of students to receive certain designated scholarships shall be submitted by the responsible department to the FAO for processing. When funds or awards for students are received from outside sources by other offices (such as the Business Office) that office is required to notify the FAO.
- c) The FAO shall maintain adequate records to ensure proper administration of aid funds. This includes ensuring that aid given is not in excess of need and/or the cost of attendance and that aggregate awards do not exceed total expenditures of funds under each program.
- d) Selection of students to receive financial aid will be made without regard to age, sex, race, color, religion, sexual orientation, national origin, disability or marital status.

- e) All students applying for federal aid are required to apply annually for federal assistance by completing the Free Application for Federal Student Aid (FAFSA) (see appendix #).

Financial Aid Committee

The purpose of the financial aid committee is to hear appeals related to restoring financial aid benefits, administer professional judgments, and to select recipients for scholarships.

- a) The function of the financial aid committee is to recommend the continuation or termination of student financial aid benefits related to appeals. The committee will also deal with financial aid cases that have requested a professional judgment in regards to their aid. The committee will also review scholarships as well as scholarships and awards from external agencies, to recommend modifications to institutional or external scholarships, and to act on any other issue or concern that relates to the purpose of the committee.
- b) Membership of the financial aid committee is to be determined by the President of Ozarka College.

3 Administrative Organization of the Financial Aid Office

3.1 Organizational Charts

Vice President of Student Support Services
Director of Financial Aid
Financial Aid Officer

3.2 Division of Responsibility Between the Financial Aid Office and the Business Office

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

3.2.1 The Financial Aid Office

The FAO is responsible for the following:

- a) Collect supporting documentation for the determination of aid eligibility.
- b) Determine student eligibility for financial assistance.
- c) Award federal, state, and college aid in compliance with laws, regulations, and policies.
- d) Notify student of aid eligibility.
- e) Compile and complete all institutional, state and federal reports.

3.2.2 The Business Office

The Business Office is responsible for the following:

- a) Maintain and disburse accurate bills.
- b) Collect payments for student accounts.
- c) Disburse funds to students; return federal/state funds
- d) Report scholarship donations to the FAO.

3.3 General Financial Aid Office Administration

3.3.1 Office Hours

The FAO is open and available to service students from 8:00 a.m. to 4:30 p.m., Monday through Friday except during holidays in which the school does not open.

3.3.2 Correspondence

General administrative correspondence application information is routed to the FAO. If an appropriate recipient is not identifiable, the correspondence should be given to the Director for evaluation and delegation.

Where appropriate, correspondence should be responded to within one week. If a staff member is responding to a specific complaint, it is typical procedure for the staff member to have the Director overview the correspondence to make them aware of potential problems.

3.3.3 Telephone

Telephone calls are answered in a friendly and professional manner (i.e., "Financial Aid Office, this is Susie. May I help you?")

3.3.4 Distribution of Forms

General financial aid forms are distributed from the FAO which is located in the administration building.

3.3.5 Appointments with Office Staff

Students and parents are not required to make appointments. Either the Director or the Financial Aid Secretary is available at all times. On occasion, when either is not available, a student worker will be available to assist students, refer to other sources, or to take messages.

3.4 Records Management

3.4.1 Confidentiality of Records

All records and conversations between an aid applicant, his/her family and the staff of the FAO are confidential and entitled to the protection ordinarily given a counseling relationship. Ozarka College assures the confidentiality of student educational records in accordance with college rules, state and federal laws including the Family Educational Rights and Privacy Act of 1974 (the Buckley Amendment – whose primary intent is to provide students access to their educational records and to limit dissemination of personally identifiable information without the student's written consent) as amended. As a rule, all currently enrolled and former students have the right to review their records to determine their content and accuracy. A student who wishes to obtain access to his/her financial aid record is able to do so in the presence of a FAO employee.

3.4.1.1 Public Information

The student must submit a written release for any information to be released to an outside person or agency. The student's release of information (Appendix #) must contain the date of request, student's signature, and the specific contact name or agency.

3.4.2 Active Records

The FAO maintains a master record for each student receiving financial assistance. All financial aid folders are retained according to the guidelines stated in section 4.5 of the Common Manual for federal financial aid.

3.4.3 Inactive Records

Inactive records are retained according to the guidelines stated in section 4.5 of the Common Manual for federal financial aid. After the appropriate time period, the records are completely destroyed by the maintenance department, under their direct supervision.

3.4.4 Records on Computer Discs/Tape

Student financial aid records are retained according to the guidelines stated in section 4.5 of the Common Manual for federal financial aid.. They are destroyed, by standard procedure, after that time.

3.4.5 Automated Program Files

The FAO uses a computer system, SONIS.

4 Calendar of Financial Aid Activities

January

Spring Registration

Spring Classes Begin

Federal College Work Study Placement
Pell Payment Report

February

Pell Payment Report
Financial Aid Workshops

March

Pell Payment Report
Financial Aid Workshops

April

Pell Payment Report
AR Association of Student Financial Aid Administrators Spring Conference

May

Pell Payment Report
Ozarka College Graduation
Summer Registration
Begin Award Process for Upcoming Academic Year

June

Pell Payment Report
Summer School Registration
Summer School (1st session)

July

Pell Payment Report
Summer School 2nd session) Registration
Summer School (2nd session)
Beginning of New Fiscal Year
National Association of Student Financial Aid Administrators Conference

August

Place Federal College Work Study Job Description Cards on Bulletin Board
Fall Semester Begins
Fall Federal College Work Study Placement
Reconcile Previous Year Financial Aid Awards & Report Corrections (if necessary)
Advertise Work Study positions (bulletin boards and www.ozarka.edu)

September

Current Year Pell Payment Report
Last Month for Submitting Previous Year Pell Payment Report

October

Pell Payment Report

FISAP Report Due
AR Association of Student Financial Aid Administrators Fall Conference

November

Pell Payment Report
Decentralized Training for Federal Aid

December

Pell Payment Report
OCR Report Due to AR Department of Higher Education
Registration for Upcoming Spring Semester

5 Student Information

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

5.1 Financial Aid Program Availability

Financial aid programs, which are available to students attending Ozarka College, are distributed through the following documents:

- a) The Ozarka College Catalog
- b) The Scholarship List
- c) The Financial Aid brochure

Additional resources are published outside of, but distributed through, the FAO. These resources include:

- a) The Student Guide, published by the US Department of Education
- b) Your Guide to Student Financial Aid in Arkansas, published by the Arkansas Department of Higher Education.

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

- a) Federal
 - i. Federal Pell Grant
 - ii. Federal Subsidized Stafford Loan
 - iii. Federal Unsubsidized Stafford Loan
 - iv. Federal Supplemental Educational Opportunity Grant (FSEOG)
 - v. Federal Work-Study Program (FWS PROGRAM)

- b) State
 - i. Workforce Improvement Grant
 - ii. Arkansas Academic Challenge Scholarship
 - iii. Governor's Scholars
 - iv. Emergency Secondary Education Loan
 - v. Law Enforcement Officers Dependents' Scholarship
 - vi. MIA/KIA Dependents' Scholarship
 - vii. Freshman/Sophomore Minority Grant Program
 - viii. Minority Teachers Scholarship Program
- c) Institutional
 - i. ACT Scholarship
 - ii. Academic Excellence

Additional information about these programs is listed in Section Twelve.

5.2 Procedures and Forms Required to Apply

The procedures and forms required to apply for financial aid are published in the College Catalog and on www.Ozarka.edu

Additional documents may be required to complete the processing of the aid requested. Notification of these additional required documents is sent to the student in the form of a Missing Document Letter. Additional information may include, but is not limited to, the following:

- a) Proof of citizenship
- b) Proof of selective service registration
- c) Verification form (independent and dependent)
- d) Tax Returns (parents and/or student and/or spouse)
- e) Marriage certificate
- f) Institutional Student Information Record (ISIR)

5.3 Methods of Dissemination Student Information

The primary method of disseminating of student information to the students is through the Ozarka College Catalog. In addition, information is distributed through:

- a) Award letter
- b) [www. Ozarka.edu](http://www.Ozarka.edu)
- c) The Guide to Student Aid (prepared by the USDE)

5.4 Student Eligibility Requirements

Student eligibility requirements are listed in the following documents:

- a) www.Ozarka.edu
- b) Financial Aid Student Guide

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

- a) Be enrolled in a eligible program of study
- b) Be a U.S. citizen, U.S. national, or a U.S. permanent resident or reside in the United States for other than a temporary purpose. Supportive documentation may be required to verify resident or citizenship status.
- c) Demonstrate satisfactory academic progress
- d) Not be in default of any loan or owe a repayment on a Federal Pell Grant, FSEOG, or State Grant
- e) Demonstrate financial need

Additional information is listed in Section 12.

5.5 Criteria for Selecting Recipients and Determining Award Amounts

Students may obtain the criteria used for selecting financial aid recipients and information used as to the method of determining award amounts by contacting the Director at Ozarka College or by contacting the Federal Student Aid Information Center at 1-800-433-3243.

5.6 Availability of Forms and Instructions

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

- a) Ozarka College Catalog
- b) www.Ozarka.edu

5.7 Rights and Responsibilities of Students on Financial Aid

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

- a) Ozarka College Catalog
- b) www.Ozarka.edu
- c) Financial Aid Student Guide

Students have the right to know the:

- a) Financial aid programs available at Ozarka College
- b) Application process which must be followed to be considered for aid
- c) Criteria used to select recipients and calculate need
- d) Ozarka College refund and repayment policy
- e) Financial aid office policy on satisfactory academic progress
- f) Special facilities and services available for the disabled

Students are responsible for:

- a) Completing all forms accurately
- b) Submitting information requested by the FAO staff in a timely manner
- c) Keeping the FAO informed of any changed in address, name, marital status, financial situation, or any change in student status
- d) Reporting to the FAO any additional assistance from non-college sources such as scholarships, loans, and any other educational benefits
- e) Maintaining satisfactory academic progress

- f) Reapplying for aid each academic year
- 5.8 Cost of Attendance

A description of the fees for attendance is published in the college catalog. An estimated budget for the total cost of attendance is published on www.Ozarka.edu. The cost of attendance information is listed in Section 7.
- 5.9 Refund Policy

A brief description of the refund policy is described in the Ozarka College Catalog. A description of the Title IV Refund/Repayment policy is posted in the Ozarka College Catalog and www.Ozarka.edu. For more information on the Title IV Refund/Repayment policy, contact the FAO.
- 5.10 Academic Programs Offered

A description of the academic programs offered at Ozarka College is listed in the catalog. Additional information may be obtained from the individual departments.
- 5.11 Person(s) Designated to Provide Financial Aid Information

Only information published, provided, or referred by the FAO staff is valid. Any additional information should be verified by FAO staff.
- 5.12 Student Retention and Completion Data

Student retention and completion data is gathered by the Office of Admissions.
- 5.13 Information for Students with Disabilities

Information concerning students with disabilities can be obtained from the Vice President of Student Services.
- 5.14 Information of Accreditation

Information concerning accreditation is listed in the college catalog. Additional information may be obtained from the office of the Vice President of Academic Affairs.

6 Student Application for Financial Aid

Students are required to submit aid applications on an annual basis. Priority consideration for receipt of financial aid funds administered by the FAO shall be given to students who submit all required documentation first.

6.1 Forms

A student need only submit the Free Application for Federal Student Aid (FAFSA) to begin the process to apply for aid.

Additional documents may be requested to complete the process of requesting of the aid. Notification of these additional required documents is sent to students through a Missing Document letter. Below are documents which may be required.

- 6.1.1 Free Application for Federal Student Aid (FAFSA) – a need analysis document published by the U.S. Department of Education. Information is sent to the Central Processing Center (CPC) for an analysis of the Expected Family Contribution (EFC). Students receive a Student Aid Report (SAR) which shows the results of the analysis. Federal aid may only be awarded based on the official results of the FAFSA.
- 6.1.2 Ozarka College “Student Data Form: (Appendix A) – a document which collects secondary information.
- 6.1.3 Financial Aid Transcript (FAT) – Data is collected on-line from the National Student Loan Data System (NSLDS).
- 6.1.4 Student Aid Report (SAR) – students are not automatically required to submit SAR’s. If the student listed Ozarka College’s federal school code (013217), the FAO will receive an ISIR electronically.
- 6.1.5 Federal Subsidized Stafford Loan Master Promissory Note (MPN) – Required application for Stafford Loan.
- 6.1.6 Federal Unsubsidized Stafford Loan Application – students who wish to receive a Federal Unsubsidized Stafford Loan must submit an MPN.
- 6.1.7 Federal Tax Returns – Federal Income Tax returns may be requested if a student is selected for verification, if the FAO deems it necessary to verify conflicting information, or if the FAO office deems it necessary to verify the student’s and/or parents’ income.
- 6.1.8 Verification Worksheet- a document which collects updated information submitted on the FAFSA. Students who are selected for verification (either by CPS or the financial aid office) must submit a worksheet. Dependent students must obtain their parents’ signature. (Appendix B & C)

6.2 Application Process

Students begin the application process by submitting any piece of documentation. This submission informs the FAO that the student wishes to apply for financial aid. A tracking letter is sent informing the student of documents or information which still needs to be submitted. If a student submits an incomplete document, it is returned for completion. If the student does not submit any of the requested documents, the application will become inactive and no further correspondence is sent. Once the student submits all of the required documentation, the file is forwarded to the FAO officer for review and/or packaging.

6.3 Independent Student Status

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

- a) They are at least 24 years of age.
- b) They were working on a degree beyond a bachelor's degree during the school current academic year.
- c) As of the application date, they were married/separated, but not divorced.
- d) They were an orphan or ward of the court or were a ward of the court until age 18.
- e) They are a veteran of the US Armed Forces.
- f) They had children who received more than half of their support from the student; OR they had dependents (other than children or spouse) that lived with them and received more than half of their support from the student, currently, and through the academic year.

FAO Administrators have the authority to make students who do not meet the above criteria independent under special circumstances using Professional Judgment. Special circumstances must be documented and a copy of the documentation must be maintained in the student's file. Students wishing to have professional judgment must complete an "appeal to file as an independent student" (Appendix D) and submit to the FAO administrator, along with all supporting documentation. Examples of special circumstances include, but are not limited to:

- a) An abusive relationship with the family.
- b) A student under the age of 24 who was married for at least one year and currently divorced and maintains a separate residence from their parents and pays all expenses from their own income and assets.
- c) Abandonment by both parents.
- d) History of parental alcohol or drug abuse.
- e) Incarceration of the custodial parent.
- f) You are a non-citizen of the US (who is otherwise eligible to receive Federal financial aid) and your parents currently reside in a foreign country. However, you are unable to communicate with your parents because of a longstanding political policy or civil unrest in your parents' country or residence.
- g) Death of a parent after filing the FAFSA and the surviving parent meets one of the above conditions.
- h) You have extenuating circumstances not described above which prevent you from having contact with your parents to obtain parental information for FAFSA filing.

7 Student Budgets

Student budgets (Appendix #) are an important component in the financial aid process. Standard student budgets reflecting the Ozarka College average student population cost of attendance are used to award financial aid.

7.1 Basis for Student Budgets

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

7.2 Special Budget Considerations

Upon request, the Director may review, and if appropriate, adjust a student's budget. Students must submit supporting documentation.

An example of a change of a standard budget may include, but is not limited to:

Special needs--disabled students or students with special problems may be allocated funds to cover reasonable costs associated with disabilities or problems that are not already covered by other resources.

8 Systems Operations

The FAO at Ozarka College is automated. The SONIS management system is used to automate the processing of aid applications as much as possible.

8.1 Loading Financial Aid Data

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

- a) Processing Federal Data
- b) Correcting Federal Data
- c) Adjusting Federal Data (e.g. Professional Judgment)

Verification

9.1 Introduction

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

9.2 Selection of Applications to be Verified

The FAO verifies those applications identified by the US Department of Education (DOE). Typically, the DOE selection criterion translates into verifying their percent of the financial aid population at Ozarka College. In addition, Aid Officers may select a student for verification if there is a discrepancy or a condition which is unusual and warrants investigation.

If chosen for verification, a "notice of verification" (Appendix E) is sent along with the appropriate Verification Worksheet (Appendix B & C).

9.2.1 Exclusions

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

- a) An applicant who dies during the award year.
- b) A resident of Guam, American Samoa, the Northern Mariana Islands, the Marshall Islands, the Federated States of Micronesia, and the Trust Territory of the Pacific Islands (Palau).
- c) A student who is incarcerated.
- d) Applicants whose parents do not live in the US and cannot be contacted.
- e) A student immigrant (however, the student must meet the citizenship requirement).
- f) A dependent student whose parents cannot comply because of specified reasons (i.e., parents are deceased, are physically or mentally incapacitated, or the student does not know where the parents reside).
- g) A student who does not receive Title IV funds.

9.2.2 Conflicting Information for Non-selected Applicants

FAO Officers are required to resolve any discrepancies discovered in a student's file. Because need analysis information is only collected from the DOE, and additional information is typically not required from students who are not selected for verification, conflicting information does exist and at that point has to be resolved. Many times when conflicting information exists or questionable information is given, Ozarka College chooses to verify.

9.2.3 Verification Time Frame

Upon receipt of any documentation that a student intends to apply for financial aid, a tracking letter is sent to the student when the student record is activated after receipt of federal transmission. The only exception to this is if the ISIR is the only document received. If that is the only document received, a Student Data Form and IVF (if required) is sent along with a letter asking the student to return requested items if they plan on attending Ozarka College. Once one of the documents is received (or any other document), an active file is prepared and timely correspondence is made with the student requesting required documents.

9.3 Document Collection Procedures

Required documentation items are identified and receipt date is maintained on an automated tracking system. When documents arrive, a financial aid officer enters a receipt date beside the document field number (name). When all required documents are received, the student is considered complete and ready to be packaged. These files are routed to another Financial Aid Officer for verification and packaging.

10 Need Analysis

10.1 Calculating Federal Methodology

The expected family contribution (EFC) is calculated by Central Processing Center using the federal methodology formula.

10.2 Standard Adjustments to Need Analysis

Adjustments can be made to accurate data elements by “professional judgment”. Adjustments by professional judgment are **only** made with supporting documentation. Documentation is gathered along with a special consideration form (Appendix F & G) completed and submitted by the student.

The forms are reviewed and professional judgment is considered by the Director of Financial Aid.

11 Professional Judgment

The Higher Education Act of 1992 allows financial aid administrators to make professional judgment (PJ) decisions for special or unusual family or student circumstances. These circumstances must be documented. Circumstances requiring PJ decisions must be analyzed on a case-by-case basis.

Aid administrators may treat a student with special circumstances differently than the strict application of the methodology would otherwise permit. Adjustments can either increase or decrease a student’s EFC or cost of attendance. In the case of an adjustment to a student’s EFC or cost of attendance, specified adjustments may be made to data elements.

The reason for the adjustment must relate to the student’s special circumstances and must be documented in the student’s file.

11.1 Areas of Administration

Professional judgment decisions may be made to adjust eligibility for all Title IV aid. Documentation supporting special circumstances must be maintained in the student’s folder. (See Appendix F & G).

11.2 Staff Authority

The Director and/or the Financial Aid Committee make adjustments using professional judgment.

11.3 Circumstances

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

- a) Cancellation of parental contribution due to an abusive relationship with a family member. A signed letter (on business stationery) from a professional, non-family member would be an example of appropriate documentation. If possible, two letters documenting the situation should be collected.
- b) Cancellation of parental contribution due to parental abandonment of the student. A signed letter from a professional explaining the situation of the abandonment would be appropriate documentation. Typically, another adult is assisting the student (lives with a grandparent, a girlfriend/boyfriend’s parent). If the student is receiving other assistance, in-kind support should be checked and documented.

11.4 Student Requests

Students may request a PJ from the FAO. A student must first submit the “special consideration” form to the FAO and attach all required documentation. The decision of the Director and the Financial Aid Committee is final. No further means for appeal are available.

11.5 Documentation

Aid Administrators are required to document PJ decisions. This documentation must be maintained in the student’s file. Because PJ situations are unique, specific required documentation is not listed for each case. It is left to the discretion of the FAO official to select what is appropriate documentation. If a student requests “special consideration” each year, additional documentation is required to bring the special circumstance up-to-date. Documentation of information which has not changed can be brought forward from the previous year, as long as the situation is still in existence.

12 Participation in Financial Aid Programs

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

12.1 Institutional and Program Eligibility

12.1.1 Institutional Eligibility

As a public nonprofit institution, Ozarka College has been authorized by the United States Secretary of Education to participate in financial aid programs authorized by Title IV of a Higher Education Act.

12.1.2 Terms of Agreement

The Program Participation Agreement between Ozarka College and the Department of Education entitles the FAO to participate in the following federal program.

- a) Federal Pell Grant Program
- b) Federal Family Education Loan Program – including the Stafford Loan Program (subsidized) and the Stafford Loan Program (unsubsidized)
- c) Federal Supplemental Educational Opportunity Grant Program (FSEOG)
- d) Federal Work-Study Program (CWS)

12.1.3 Institutional Application for Federal Funds

The FAO applies for funds through the Fiscal Operation Report and Application to Participate (FISAP). The FAO applies annually for federal funds through the FISAP which is submitted each September. The Financial Aid Director is responsible for

preparing the FISAP, but does have to obtain information from other offices, such as the Business Office and Student Support Services to collect the necessary statistics to complete the report. The information is sent electronically to the US Department of Education. The signature page and required certifications are sent by certified mail.

12.2 General Student Eligibility for Federal Title IV Financial Aid

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

- a) Demonstrate financial need according to Federal Methodology.
- b) Have a high school diploma, a GED, or have passed a test approved by the US Department of Education, or complete a high school education in a home school setting that is treated as a home school or private school under state law.
- c) Be enrolled in a degree seeking or eligible certificate program.
- d) Be a U.S. Citizen or eligible non-citizen.
- e) Make satisfactory academic progress (SAP) as determined by the institution.
- f) Have a valid and correct Social Security Number.
- g) Sign the Free Application for Federal Student Aid (FAFSA) certifying that you will use federal student aid only for education purposes.
- h) Sign the FAFSA certifying that you are not in default on a federal student loan and that you do not owe money back on a federal student grant.
- i) Register with Selective Service, if required.

12.3 Federal Programs

The federal programs in which the FAO participates are listed in the section above. The Federal Supplemental Educational Opportunity Grant Program and the Federal Work Study Program are referred to as campus-based programs because although funded primarily with federal dollars, the institution is able to determine how these funds should be awarded to student.

12.3.1 Federal Pell Grant

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

12.3.1.1 Purpose of Program

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

12.3.1.2 Institutional Policy Statement

- a) Determining Eligibility

The FAO uses the Pell award as the foundation of the student's financial aid package. Therefore, students requesting financial assistance during their enrollment are required to establish Federal Pell Grant eligibility before additional determination of funds eligibility is made and/or awarded.

In order to determine eligibility for any federal financial aid program, students must file a Free Application for Federal Student Aid (FAFSA) and have the results sent to Ozarka College, Code #013217. The FAO will accept results through electronic transmission with the Central Processing System (CPS). Student eligibility is determined only through the CPS of the Department of Education using the Federal Methodology need analysis formula. The FAO must have an official EFC before eligibility for any fund may be determined. Students who qualify for a Pell Grant have an Expected Family Contribution (EFC) under \$3,851.

Students are notified of the amount of their Pell Grant award through an "award notification letter". The amounts on the award letter are based on full-time status. A disclaimer statement at the bottom states "the awards are conditional based on enrollment and federal guidelines; the awards may be reduced or revoked".

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

All reports required by the US Department of Education are submitted in a timely fashion and are in accordance with the federal regulations.

The amount of the Pell Grant is based on the student's enrollment and is determined at the time the Pell Grant is credited to the student's account. Disbursement occurs approximately one week after the credit to the student's account.

The first disbursement is made after the official 11th day enrollment after the semester begins and continues weekly for students with late disbursements.

Pell awards are recalculated when there is a change in the EFC, when the enrollment status changes between terms within the same award year, and when the cost of attendance changes. Applications are processed on a regular basis. Generally, students who have submitted all required documents by August 1 of the academic year, have their disbursements made with the first batch of awards.

Students who do not use their entire Pell allocation during the fall and spring semesters may use the balance during the following summer 1 period. We classify our summer 1 session as a "trailer".

b) Recordkeeping

Financial aid records are maintained in student file folders in the FAO.

12.3.1.3 Student Eligibility

Students must meet the eligibility requirement for Title IV aid. In addition, the Pell Grant is awarded only to first-time undergraduates. Student eligibility is determined only through the CPS of the US Department of Education using the Federal Methodology need analysis formula.

12.3.1.4 Amount of Federal Pell Grant

The amount of Federal Pell Grant for which a student is eligible is determined using the EFC and the corresponding cost of education from the Federal Pell Grant Eligibility Chart published by the US Department of Education.

12.3.1.5 Verification Procedures

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

12.3.1.6 Disbursement Procedures

Pell Grant funds are disbursed to students only after an official EFC from the US Department of Education has been received. Offered aid is automatically accepted if the student does not return the official "award notification letter" and officially accepts.

12.3.2 Federal Supplemental Educational Opportunity Grant (FSEOG)

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

12.3.2.1 Purpose of Program

The FSEOG program is federally funded for the purpose of helping the financially needy students meet the cost of postsecondary education. This program is administered by the institution; however, FSEOG funds are awarded only to Pell Grant recipients.

12.3.2.2 Institutional Policy Statement

1) Determining Eligibility

In order to determine eligibility for any federal financial aid program, students must file the FAFSA and have the results sent to Ozarka College. The FAO will accept results through electronic transmission with the CPS. Student eligibility is determined only through the CPS of the US Department of Education.

2) Matching Requirement

The government regulations require the institution to match the allocation of FSEOG by 25% (as prescribed by law); however, when Ozarka College is granted a waiver, we do not have to match the funds.

3) Payment

The FSEOG is disbursed through the Business Office located in the Administration Building which subtracts tuition and other appropriate outstanding charges before releasing the remaining proceeds to the student. Students must show photo identification and sign for their aid proceeds.

4) Recordkeeping

Financial aid records are maintained in students' folders as well as on electronic format. Student's records include the demonstration of need and FSEOG eligibility. The Director is responsible for account management and appropriate record security for all student aid transactions and how need was met for all aided students.

12.3.2.3 Student Eligibility

Students must meet the eligibility requirements described in Section 12.2. In addition, the FSEOG is awarded only to students who are Pell eligible. Student eligibility is determined only through the CPC of the US Department of Education using the Federal Methodology need analysis formula.

12.3.2.4 Amount of Award

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

12.3.2.5 Disbursement Procedures

FSEOG funds are disbursed to students only after an official EFC from the US Department of Education has been received. Notification of offered aid is sent to the student via the financial aid award notification letter.

12.3.3 Federal Work Study Program

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

12.3.3.1 Objectives and Purpose of the Program

The objectives and purpose of FWS program are to provide:

- a) A source of financial aid to undergraduate students who demonstrate financial need.
- b) Work experience which enhances the participants' education whenever possible.
- c) An employment pool to the college, and to off-campus federal, state, and local public agencies, that would be exist otherwise.

12.3.3.2 Institutional Policy Statement

1) Selection of Students

The policy regarding dissemination of FWS PROGRAM funds is to award monies to as many students as possible. When students receive award notification letters notifying of award of Pell Grant, etc., they are notified to contact the FAO, if interested in a student loan and/or work study. If the student does not receive an award notification letter (because of ineligibility), they are sent a letter notifying them that they may possibly be eligible for loan/work study. Reasonable effort is made to place students in positions which complements and/or reinforces their educational and career goals. FWS PROGRAM funds are awarded to students only if they interview with the appropriate supervisor of vacant job and placement is decided.

2) Determination of Award

Students are awarded the FWS PROGRAM based on eligibility and hiring by supervisor. Records which document FWS PROGRAM eligibility and how financial need is met are maintained in the student financial aid file and the computer system.

3) Employment During Periods of Non-Enrollment

Students are allowed to work during periods of non-enrollment (July 1 and after prior to beginning of fall semester) provided sufficient work study allocations exist. Typically, FWS PROGRAM funds are not awarded for summer terms; however, the Director may approve summer work study if funds are available.

4) Over Awards

Students are only awarded FWS PROGRAM funds if, in combination with other resources, the award does not exceed the student's need. If additional resources are received after FWS

PROGRAM is awarded (but before all wages have been paid), an adjustment is made to prevent an over award.

Students may not earn work study funds in excess of their FWS PROGRAM award. Students who earn their FWS PROGRAM award and want to continue working may do so if they have the employer's consent and are paid with non-FWS PROGRAM funds, if available. Students are referred to their supervisor and personnel office for information regarding institutional employment.

5) FWS PROGRAM Fund Transfers

At the discretion of the Director, a certain percentage of the funds may be transferred to the FSEOG account. In addition, a certain percentage may be carried forward to the next or back to the last academic year's work study account.

6) Federal Share

Federal regulations require a certain percentage of matching funds from the institution unless a waiver for match is granted by the US Department of Education. Typically, Ozarka College is granted this waiver. Notification is maintained in the FAO.

12.3.3.3 Student Eligibility

Students must meet general eligibility for Federal Title IV funds.

12.3.3.4 Minimum and Maximum Awards

The minimum FWS PROGRAM award is 1 hour per week. The maximum award is 15 hours per week (with exceptions made at the discretion of the Director and typically only occur in the summer semesters or during period or non-enrollment).

12.3.3.5 Job Classifications

Position levels are all the same in determining salaries for students. All students are paid federal minimum wage (which is required by the US Department of Education federal regulations governing the FWS PROGRAM.)

12.3.3.6 Placement Procedures

1) Collection of Available Positions

The number of available jobs is based on the amount of the FWS PROGRAM allocation from the student financial aid programs.

Job descriptions are completed by each supervisor and posted on a bulletin board outside of the FAO giving a brief description of the job; where the job is located; the supervisor, and the office location of the supervisor.

2) Notification of Award and Employment Placement Procedures

The student is sent an award notification letter at the time of packaging. A statement at the bottom notifies the student that they may be eligible for the work study program and if interested, to contact the FAO.

If the student is not packaged any aid (due to ineligibility) for Pell Grant, they will receive a letter stating that they are not eligible for Pell and to contact the FAO if interested in a loan or work study. If the student contacts the FAO and if eligibility is determined, the student is given a form indicating the number of hours per week that they are eligible for and the steps for job placement.

3) Student Placement

If the student is hired, the student returns to Human Resources completed required documentation. Student placement is then recorded.

12.3.3.7 Timesheets

Students receive timesheets from the Payroll office at the time of hiring. After completion of timesheets (which include student and supervisor signatures), the timesheet is returned to the Payroll office for processing. The timesheet indicates the numbers of hours worked per day and are recorded on a biweekly timesheet.

12.3.3.8 Recordkeeping

Records of student earnings are reconciled between the FAO and Payroll. Earning records are reconciled between the FAO and Payroll, by semester, for the FISAP report.

12.3.4 Federal Subsidized Stafford Loan Program

The Federal Subsidized Stafford Load Program provides low interest deferred payment loans to undergraduate students who demonstrate financial need. These funds assist students with education related expenses and will require repayment upon completion or termination.

12.3.4.1 Purpose of the Program

The Federal Stafford Loan Program federally guarantees repayment through the guarantee agency to the lending institution should the student borrower default. This guarantee creates an incentive for lending institutions to loan funds to students without a credit history. This ability to

borrow helps the needy students meet the cost of postsecondary education. This program is administered by the institution, the lending community, and the guarantee agency.

12.3.4.2 Institutional Policy Statement

1) Determining Eligibility

In order to determine eligibility for any federal financial aid program, students must file a Free Application for Federal Student Aid (FAFSA) and have the results sent to Ozarka College. The FAO will accept results through electronic transmission with the (CPS). Student eligibility is determined only through the CPS of the Department of Education using the Federal Methodology need analysis formula. The FAO must have an official EFC before eligibility for any fund may be determined. A Subsidized Stafford Loan is awarded to a student, upon request, if he/she has remaining eligibility after other aid has been awarded. Subsidized Stafford Loan funds are only disbursed to students who are enrolled on at least a half-time basis.

Students are notified of the amount of their Stafford Loan eligibility through an award notification letter. With the award letter, the student receives information regarding the date of disbursement. In addition to the above process, students must complete, sign, and send the lender a Promissory Note before funds can be disbursed.

2) Certification of Loan Applications

The loan certification is completed by the FAO. Loan certifications will not be completed until:

- a) A financial aid transcript or transcript data from NSLDS has been received.
- b) Official EFC is on file in the FAO.
- c) Verification is complete.
- d) Mapping-your-future.org Entrance Interview has been completed and proof is in the FAO.

Exception should be carefully documented and monitored by the FA Officer to ensure proper disbursement of loan funds occurs.

3) Payment

Subsidized Stafford Loan funds are disbursed to students beginning 30 days after the first day of classes for new students. Before disbursement, a match is done to ensure the student remains eligible for the loan and is registered for the appropriate number of semester hours. Photo identification is required before release of funds.

4) Over Awards

Once the entire Subsidized Stafford Loan proceeds have been released to the student, and over award does not exist. If however, the student becomes ineligible between certification and receipt of the loan funds, the loan check is returned to the lender and a new check is issued.

5) Recordkeeping

Financial aid records are maintained in student folders as well as on-line in the FAO. Student records include the demonstration of need and Federal Subsidized Loan eligibility.

The FAO is responsible for notifying lenders if the student ceases half-time enrollment during the semester after the student has received a loan.

The FAO is responsible for the submission of all Student Status Confirmation Reports (SSCR) and sharing address updates with the lenders and guarantee agencies (if a request is received). The SSCR is submitted electronically.

6) Returning Checks to Lender

Upon notification from FAO the Business office is responsible for returning funds to lenders if the student is not registered or if the disbursement is received after the student has ceased to maintain eligibility.

12.3.4.3 Student Eligibility

Students must meet general eligibility for Federal Title IV funds. Copy of the Loan Policies is attached.

12.3.4.4 Maximum Awards

The maximum amount regulated for the Federal Unsubsidized Stafford Loan is listed below:

Freshman	\$2,625
Sophomore	\$3,500

12.3.4.5 Entrance and Exit Interviews

Entrance Interview

All borrowers are required to have an entrance interview on-line at the www.Ozarka.edu through the mapping-your-future website.

Exit Interview

Students must complete an Exit Interview before they can pick up their last loan refund check.

12.3.4.6 Report to Lenders

If a student withdraws or leaves school, the lending institution must be notified. The FAO electronically submits the SSCR. Data is transmitted several times throughout the year, on a cycle which meets regulatory time requirements.

12.3.5 Federal Unsubsidized Loan Program

The Federal Unsubsidized Stafford Loan Program provides low interest deferred payment loans to undergraduate students regardless of financial need. These funds assist students with educational expenses.

12.3.5.1 Purpose of the Program

The Federal Unsubsidized Stafford Loan program federally guarantees loan repayment the guarantee agency to the lending institution should the student borrower default.

This guarantee creates an incentive for ending institutions to loan funds to students without a credit history. This ability to borrow helps the needy students meet the cost of postsecondary education. This program is administered by the institution, the lending community, and the guaranty agencies.

12.3.5.2 Institutional Policy Statement

Like the Subsidized Stafford Loan, this loan is not included in an original award letter to students, but is processed only as requested. The total combination of Federal Unsubsidized and Subsidized Stafford Loans may not exceed the loan maximums.

12.3.5.3 Student Eligibility

Students must meet general eligibility for Federal Title IV funds.

12.3.5.4 Maximum Loan Amounts

The maximum amount regulated for the Federal Subsidized Stafford Loan, until July 2007, is as follows:

Freshman	\$2,625
Sophomore	\$3,500

12.3.5.5 Entrance and Exit Counseling

Entrance and Exit Counseling information is the same as described in the preceding section on the “Unsubsidized Federal Stafford Loan.”

12.4 State Financial Aid Programs

The Arkansas State Financial Aid Programs are administered by the Arkansas Department of Higher Education and Ozarka College. Listed below are the different types of Arkansas student financial aid programs:

- a) Workforce Improvement Grant
- b) Governor’s Scholars
- c) Academic Challenge Scholarship
- d) Emergency Secondary Education Loan
- e) Law Enforcement Officers Dependents’ Scholarship
- f) MIA/KIA Dependents’ Scholarship
- g) Freshman/Sophomore Minority Grant Program
- h) Minority Teachers Scholars Program
- i) Minority Masters Fellows Program

For information concerning the different student financial aid programs, students may contact the FAO and/or the Arkansas Department of Higher Education at 1-800-54-STUDY.

12.5 Institutional Financial Aid Programs

12.5.1 Institutional Scholarship Programs

Ozarka College offers a variety of scholarship programs; however, a student may only receive one Ozarka College funded scholarship at a time. For detailed information on each scholarship, students are referred to the listing which is published yearly. The listing consists of all institutional scholarships, criteria for each and requirements to maintain and is on www.ozarka.edu.

12.5.2 Institutional Emergency Loans

Ozarka College Foundation offers temporary loans to assist students who have a need for financial assistance on a short-term basis for educational related expenses.

These loan programs have a repayment date usually within 30 days and are not intended to be used as a long-term financial option. Students must be enrolled in courses at Ozarka College and have a favorable loan history and/or financial aid not yet disbursed. These loans are available once a semester for students who meet eligibility requirements and are not available after a student has received their financial aid disbursements for the semester. Interested students are to contact the Vice President of Finance or the Business Manager of Ozarka College.

12.5.3 Institutional Employment

Students may obtain institutional employment (if available). Interested students are to contact the Human Resources Office.

13 Awarding Financial Aid

The FAO staff has developed an institutional packaging philosophy to ensure consistent, equitable, and fair distribution of financial aid funds.

13.1 Determination of Total Funds to be Awarded

The Director of Financial Aid determines the total aid to be awarded during an academic year. The US Department of Education sends the FAO information detailing annual fund allocations through the Federal Authorization Letter with the Official Notice of Funding. Determining the total funds available includes an evaluation and projection of available funds, required matching (if any), and administrative expense. Careful projections are made to enable the FAO staff to offer fair and equitable packages to students.

13.2 Outside Resources

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

13.3 Award Notification Letter

Students receive notice of financial aid via an "Award Notification Letter". Students are encouraged to return the letter indicating accept or decline of each aid listed. However, if students do not return the award letter, the award is automatically accepted.

13.4 Summer Aid

There are only a few financial aid programs for which students may apply during the summer. If a student has eligibility for a Pell Grant and has not used his/her entire allocation during the preceding academic year, the appropriate remainder may be used during the summer 1 enrollment period.

Students may also apply for Stafford (Subsidized and Unsubsidized) loans during the summer 1 term if eligibility is remaining (i.e., student has not used all of preceding years' maximum amount).

Summer II is considered a "header" of the academic year.

Summer aid will be packaged separately from the full academic year award.

13.5 Consortium Agreements

A student may receive Title IV aid if he/she is taking courses at two or more schools, if the participating institutions enter into a consortium agreement. A consortium agreement specifies which institution will process and disburse student aid. The agreement also should stipulate which institution will consider the student enrolled. Whichever institution disburses aid funds is responsible for keeping records and returning Title IV funds in the case of an over award. The institution where the student is seeking the degree should be the institution to disburse financial aid.

13.6 International Students

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

14 Revision of Financial Aid Awards

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

14.1 Revision Initiated by the Financial Aid Office

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

- a) There is conflicting information in the file.
- b) There are changes resulting from verification.
- c) There is a change in availability of funds.
- d) There is an FAO staff member error.
- e) FAO receives information regarding other resources.

In the case of an office error, it is customary to contact the student personally or send a personalized letter.

14.2 Over Awards

An over award occurs any time a student's financial aid (federal, institutional, and outside aid) and other resources exceeds the cost of attendance for the award period.

14.2.1 Eliminating an Over Award

Before reducing a student's aid package because of an over award, the FA officer should always attempt to alleviate the situation by reducing or eliminating the over award. Typically, the best way is to adjust undisbursed funds.

14.2.2 Causes of an Over Award and/or Over Payment

There are several causes of an over award:

- a) Reduction in cost of attendance—the student changes budget categories.
- b) Additional resources—the student has resources greater than those used to calculate the award.
- c) Administrative error—the FAO inadvertently makes an error.
- d) Fraud—the student intentionally deceives or misrepresents information to obtain funds.

If eliminating the over award is not possible, the FA officer must reduce the over award using the following sequence:

- a) An over award from an administrative error must first reduce or eliminate next semester's overpayment. The FA officer must then have the US Department of Finance and Administration bill the student for any remaining amount.
- b) Once a Stafford Loan has been disbursed, there is no over award.
- c) If an over award occurs due to fraud, following the procedures in the Student Financial Aid Handbook for reporting fraud and misuse.

15 Processing Financial Aid Transcript Data

Financial aid transcript data is collected through the National Student Loan Data System (NSLD).

16 Disbursement of Funds

16.1 Responsibility for Disbursement of Funds

The Business Office has the responsibility for disbursement of loan, grant, FWS PROGRAM paychecks and scholarship checks.

16.2 Separation of Function

There is a clear and distinct separation of function between the FAO and the Business Office. The FAO assures and maintains the accurate and appropriate awarding of aid funds. This information is electronically transmitted to the Business Office. These funds credit the student's account. Any monies in excess of charges disbursed to the student by the Business Office staff.

16.3 Procedures

Ozarka College transfers aid to the student's account if all appropriate papers have been received and signed (if necessary) and the student is registered for the correct number of hours as a degree/certificate seeking student.

16.3.1 Verification of Identity of Student

Students must present photo identification to receive financial aid monies from the Business Office (i.e., student ID card, driver's license).

16.3.2 Verification of Status

The student's eligibility status is checked by the FAO. If, after a transmission, the status changes and the student become ineligible, the Director will manually cancel the award or adjust the award.

16.3.3 Student Endorsement

Students are required to endorse co-payable checks before funds can be released. The student is the only person who may endorse the check. In certain mitigating circumstances (which can be verified) a signed statement is accepted in lieu of the student.

17 Refunds/Repayments

If a student completely terminates enrollment or stops attending classes before completing more than 60% of the enrollment period, a repayment may be required. The amount of Title IV aid the student must return is determined by the Federal Formula for Return of Title IV Funds as specified in Section 484B of the Higher Education Act. This law also specifies the order of return of the Title IV funds to the programs from which they were awarded.

A repayment may be required when cash has been disbursed to a student from financial aid funds in excess of the amount of aid the student earned during the term. The amount of Title IV funds in excess of the amount of aid the student earned during the term. The amount of Title IV aid earned is determined by pro-rata software.

If less aid was disbursed than was earned, the student may receive a late disbursement for the difference. If more aid was disbursed than was earned, the amount of Title IV aid that must be returned (i.e., that was unearned) is determined by subtracting the earned amount from the amount actually disbursed. The amount of aid returned is determined by the pro rata funding software program of Title funding.

The responsibility for returning unearned aid is allocated between the college and the student according to the portion of disbursed aid that could have been used to cover college charges and the portion that could have been disbursed directly to the student once college charges were covered. Ozarka College will distribute the unearned aid back to the Title IV program as specified by law. The student will be billed for the amount the student owed to the Title IV programs and any amount due to the college resulting from the return of the Title IV funds used to cover college charges.

Upon request, students are given a copy of the calculation.

Bills are sent to the student from the Business Office.

Official withdrawals are collected in the Registrar's Office. The date collected is the date used in the calculation to determine the amount of Title IV aid to be returned.

17.1 Distribution of Refund Policies

Ozarka College's refund policies are disseminated to students in the Ozarka College Catalog and the policy on "Return of Title IV Funds" is also in the Ozarka College Catalog.

18 Satisfactory Academic Progress

Federal regulations require the college to establish and apply reasonable standards of Satisfactory Academic Progress (SAP) for the purpose of the receipt of financial assistance under the programs authorized by Title IV of the Higher Education Act. The law requires institutions to develop policies regarding SAP. Each institution must design criteria which outlines the definition of student progress towards a degree/certificate and the consequences to the student if progress is not achieved. Ozarka College students who wish to be considered for financial aid must maintain satisfactory progress as set forth in the policy. The regulations require us to set forth qualitative and quantitative measurements.

18.1 Institutional Policy

To receive Title IV student aid during an academic year, the following definition of satisfactory academic progress must be met. Federal guidelines require that the FAO measure progress with qualitative measurement (grade point average) and quantitative measurement (length of time for completion).

Only students enrolled in credit courses, seeking degrees/certificates, and in good standing can receive financial aid. Satisfactory academic progress must be checked in increments no longer than half the program or one academic year, whichever is less.

Satisfactory academic progress will be evaluated at the end of each fall and spring semester.

Any student failing to meet the satisfactory academic progress policy will be placed on financial aid probation. Students on probation may continue to receive financial aid during the probationary period (one semester). Students who do not meet the required standards of satisfactory academic progress at the end of the probationary period will be placed on financial aid suspension.

18.1.1 Grade Point Average (GPA)

Students must successfully complete two-thirds of all attempted course work each semester and maintain a 2.0 semester or cumulative grade point average.

18.1.2 Length of Time

Students must complete their education program within one hundred fifty percent (150%) of the normal time frame (eighteen months for a twelve-month program, etc. Attempted hours include W's, I's, Audits and repeated courses. Once a degree or certificate has been earned, a student must commit to another degree or certificate program before financial aid can be awarded.

18.1.3 Transfer Student

Transfer students are subject to the same policy regarding length of time and grade point average in regard to hours that are transferred to Ozarka College. Note: all transfer transcripts must be received in the Registrar's Office and must be evaluated before academic progress can be determined.

18.1.4 Suspension

Any student failing to meet the academic progress policy will be placed on financial aid probation. At the end of the probation period (one semester) if satisfactory academic progress is not met according to the college policy, the student will be placed on financial aid suspension. If suspended because of GPA or completion rate, a student must complete a minimum of 6 credit hours during a fall/spring/summer semester with his/her own finances and complete all six hours with at least a 2.0 GPA to regain eligibility. If suspended because of length of time, a student must obtain a degree or certificate.

Students wishing to appeal financial aid suspension must complete a "financial aid suspension appeal form" and submit it to the FAO.

18.2 Institutional Procedures

Students are notified of the SAP policy in the Ozarka College catalog and www.Ozarka.edu.

18.2.1 Suspension

A student will be placed on "financial aid suspension" if they do not meet all of the requirements as set forth in the above stated policy.

18.2.1.1 Appeal Process

Any student suspended from financial aid who can prove special circumstances pertaining to his/her case, may appeal the decision denying aid. All students are informed of the appeal process with their suspension letter. The appeal will then go to the financial aid committee which meets as needed. The committee has the final decision.

*Changes from certificate seeking to degree seeking and vice versa will be effective in reviewing satisfactory academic progress up until payment has been processed or would have been processed.

19 Fraud

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

19.1 Policy for Fraud

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

19.2 Procedures for Fraud

If, in an FA Officer's judgment, there has been intentional misrepresentation, false statements, or alteration of documents which have resulted or could result in the awarding or disbursement of funds for which the student is not eligible, the case shall be referred to the Vice President of Student Services for possible disciplinary action. After investigating the situation, if the Director believes there is a fraudulent situation, all information must be forwarded to the Office of Inspector General of the Department of Education.

The Director reviews the student's aid file with Vice President of Student Services and if the decision is made to pursue the possibility of denying or canceling financial aid, a written request to make an appointment, the Director may:

- a) Not process a financial aid application until the situation is resolved satisfactorily.
- b) Not award financial aid.
- c) Cancel financial aid.

Fraudulent situations should be reported to the hotline of the US Department of Education Inspector General at 1-800-MIS-USED or 1-800-647-8733, www.oig.hotline@edu.gov.

20 Audits and Program Reviews

Ozarka College is audited annually by the State of Arkansas Legislative Audit Division. Auditors review a sample of student aid files to ensure the FAO is in compliance with federal, state and college policies. An audit exit meeting is held at the college with the auditors and selected college personnel to discuss findings and allow the college an opportunity to clarify a response.

Findings of the audit are also sent to the US Department of Education.

20.1 Preparation

The only preparation for the audit is to cooperate with the Auditors requests. Typically, the Auditors will randomly select a specific number of students from each of the Title IV programs. The files are pulled and given to the Auditors. Any additional assistance requested is responded to promptly.

20.2 Guidelines

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