

STUDENT FINANCIAL AID HANDBOOK

July 2016

**Divine Word College
Epworth, IA 52045**

Student Financial Aid Handbook

Table of Contents

<u>Content</u>	<u>Page</u>
Introduction	4
Financial Aid Office	5
Board of Administration	6
The Business Office	6
The Admissions Office	6
The Registrar's Office	6
Title IV and State Aid Programs	6-7
Awarding Philosophy and Methods	7
Federal Aid Programs Available at Divine Word College	7-8
Scholarships and Benefits Not Directly Related to Need	9-10
Order of Awards	10
Initial Divine Word College Scholarships for New Students	11
Renewal Divine Word College Scholarships for Returning Students	11
Limitations on Financial Awards	11
Vocational Rehabilitation Assistance	12
Professional Judgment Methods	12
Verification Methods	12-14
Federal Pell Grants	14
Federal Supplemental Education Opportunity Grant	14
Federal Work-Study Program	15
Divine Word College Scholarships and Awarding Procedures	15
Veterans Administration Benefits	15-16
Federal Direct Subsidized/Unsubsidized Loans	16
Refunds	16
Return of Title IV Funds	16
Satisfactory Academic Progress and Attendance Policy	16-17

Financial Aid Office Reports	17
Collection Process on Student Loans	17

STUDENT FINANCIAL AID HANDBOOK

INTRODUCTION

The purpose of a financial assistance program at Divine Word College is to provide financial assistance to students who demonstrate financial need in accordance with program guidelines. Some Divine Word College students receive financial assistance from state and federal student aid programs. Every incoming student should apply for aid. Divine Word College expects parents/students to contribute according to their means, taking into account all financial resources of the family, including appropriate borrowing against future earnings by the student. Several factors directly affect the student's need for financial aid: parent/student income, number of dependents in family, savings, investments, number of family members going to college, and a variety of other circumstances. The amount of aid offered will not exceed the amount needed to meet the difference between the student's total educational expenses and family's resources.

The policies and procedures outlined in this manual cannot and are not intended to replace individual program manuals and the laws, regulations, policy statements, and other directories made by the government for government aid programs. No study on student aid can remain current very long (even though every effort will be made to keep it current); this manual is no exception. Questions on any policy and/or procedure should be referred to the Financial Aid Office for response and/or resolution. The contents of this manual pertain to the following federal, state and institutional financial assistance: the Federal Pell Grant, Federal Supplemental Educational Opportunity Grant (FSEOG), Federal Perkins Loan, Federal College Work-study, the Federal Direct Subsidized/Unsubsidized Loans, State Grant Programs, and Divine Word College programs.

THE FINANCIAL AID OFFICE

The Financial Aid Office has broad responsibility for awarding and administering virtually all financial aid funds which flow to the institution and generally for obtaining these funds from the government and other resources. Critical to performing these responsibilities successfully is a thorough understanding and continuous monitoring of regulations, legislation, and philosophies which affect the delivery of student aid. The professional staff which is current on these issues is in a position to recommend appropriate action and to speak with authority in disseminating information to other departments of the institution.

Responsibilities of the Financial Aid Office:

1. Strives to meet the demonstrated and documented financial need of all students at Divine Word College following approved procedures and ethical practice.
2. Exercises appropriate caution and controls to avoid any over-awarding of student financial aid.
3. Redirects funds when a student benefits from a merit scholarship recognizing special talents when these funds represent a significant portion of institutional assistance.
4. Verifies applicant information as required under applicable federal statutes and the U.S. Department of Education (USDE) interpretations as specified in the USDE Verification Guide and the Federal Student Aid Handbook.
5. Notifies state and federal agencies, which provide funds, of individual award amounts, fund balances and expenditures, regular enrollment and/or academic status reports, institutional audits, and requests for funds.
6. Ensures compliance with specific statutory and regulatory requirements which govern each aid program (citizens, eligible non-citizens, selective service). Informs the student of all conditions under which an award is granted at the time the offer is made. Participates in the mandatory exit interview scheduled by the Financial Aid Office staff with each financial aid recipient.
7. Maintains records of all student loans, furnishes to the Vice President for Finance lists of students in default, and participates in the processing of loan collections and referrals to the U.S. Department of Education.
8. Prepares for the annual Financial Aid Audit by preparing and producing all required documentation in a timely manner. Supplies all auditor requested information in a timely manner.
9. Provides statements on the cost of attendance to students and government agencies when required.

10. Maintains appropriate office confidentiality regarding all financial aid awards and student records.

THE BOARD OF ADMINISTRATION

The Financial Aid Office provides information regularly and promptly to the Board of Administration for decisions regarding scholarship renewals and other matters as requested.

THE BUSINESS OFFICE

The Financial Aid Office and the Business Office are in regular communication to ensure that the goals of the institution with respect to financial aid are carried through. Both offices are involved in any decisions regarding policies and their implementation related to student financial aid.

THE ADMISSIONS OFFICE

Often a student's first contact with an institution is the Admissions Office which plays an important role in preliminary advisement to students about financing their education. The financial aid staff works closely with the Admissions Office to ensure their understanding of the financial aid policies and programs available to prospective students.

THE REGISTRAR'S OFFICE

The Registrar's Office provides enrollment verifications to the Financial Aid Office for students of federal and state aid (e.g. grade reports, withdrawals, full or part-time, etc). The control and management of aid funds require considerable information from this office. A good line of communication between these two offices promotes optimum performance.

TITLE IV AND STATE AID PROGRAMS

The Financial Aid Office is required to maintain eligibility for Title IV and State financial aid programs.

The Financial Aid Office shall be familiar with the requirements of the eligibility provisions to participate in Title IV student aid and state aid programs in order to maintain both initial institutional eligibility and subsequent renewal requirements.

Included with this procedure is the mandate of complying with the administrative standards for student financial assistance. Title IV and State Aid programs are as follows:

1. Federal Pell Grant Program
2. Federal Supplemental Educational Opportunity Grant Program (FSEOG)
3. Federal Work-Study Program
4. Federal Perkins Loan Program
5. Federal Direct Subsidized/Unsubsidized Loan Programs
6. State Grant Programs

DIVINE WORD COLLEGE AWARDING PHILOSOPHY AND METHODS

The Divine Word College awarding philosophy is to assist those eligible students to the fullest extent possible to access financial aid enabling them to achieve their goals. The student makes the final determination as to whether the financial aid award will provide the needed assistance. Ultimately, each student has his own cost of attendance, which will determine if the award, made according to regulations, will conform to that individual's situation.

The student and/or his parents must fill out and file the Free Application for Federal Student Aid (FAFSA). After filing the FAFSA, the Financial Aid Office at Divine Word College electronically receives the Institutional Student Information Record (ISIR) report. The ISIR is checked for possible errors.

Financial aid applicants must meet all federal and state requirements before a financial aid award can be extended. This includes such eligibility criteria as a regular student enrolled in an eligible program, satisfaction of institutional application requirements, completion of verification requirements, compliance with other student eligibility provisions. Once these determinations have been made, the awarding process can begin.

FEDERAL AID PROGRAMS AVAILABLE AT DIVINE WORD COLLEGE

1. Federal Pell Grant – The Federal Pell Grant Program provides grants to undergraduate students who have financial need as determined by the results of the Free Application for Federal Student Aid (FAFSA). Besides having financial need, students must meet other eligibility requirements as set forth by the Department of Education.
2. Federal Supplemental Educational Opportunity Grant (FSEOG) – Federal Supplemental Educational Opportunity Grants are awarded to students with exceptional financial need as determined by the results of the Free Application for

Federal Student Aid (FAFSA). Priority is given to students who are eligible to receive a Federal Pell Grant.

3. Federal Work-Study Program – The Work-Study program is a federal program in cooperation with Divine Word College. The purpose of the program is to provide financial assistance to college students in need. (See the Work-Study Handbook).

Divine Word College determines if the student qualifies for the work-study program and to what degree. While attending Divine Word College, the student works seven to ten hours per week. Students are paid at least the current state or federal minimum wage, whichever is higher, per hour without deductions for income taxes and social security taxes.

Payment for work-study hours completed occurs once a month. The amount is credited to the student's tuition, room and board, or personal account, whichever is applicable.

4. Federal Perkins Loan Program – The Federal Perkins Loan is a cooperative loan program between the federal government and Divine Word College that is administered directly by the Financial Aid Office of Divine Word College. The cumulative maximum amount of Federal Perkins Loans a student may borrow is limited to \$5,500 per award year and \$27,500 for all undergraduate studies. In no case shall the amount borrowed exceed the demonstrated financial need. A simple interest of five percent per year is charged on the outstanding principal balance beginning nine months after the student ceases to be at least a half-time student. A borrower may apply in writing for forbearance, deferment, or cancellation of their Federal Perkins Loans as outlined in the Federal Perkins Loan Master Promissory Note.
5. Federal Direct Subsidized/Unsubsidized Loan Program – This program enables students with financial need to borrow up to \$3,500 for the first year, \$4,500 for the sophomore year, and \$5,500 for each of the junior and senior years to an undergraduate aggregate maximum amount of \$23,000. These yearly maximum amounts may be less if the student receives other financial aid to cover a portion of the cost of attendance. An origination fee is charged and deducted proportionately from each disbursement of the loan. Repayment of these loans begins six months after the student ceases to be at least a half-time student.

It is the policy of the Financial Aid Office to provide applicants with information on the Federal Student Loan Programs, encouraging them not to take unnecessary loans or to borrow in excess of their means to repay. No student, however, will be denied his/her right to borrow assuming their intent to repay the loan.

SCHOLARSHIPS AND BENEFITS NOT DIRECTLY RELATED TO NEED

1. Divine Word College Scholarship – After admission and upon application at the beginning of every school year, assistance from Divine Word College may be granted. Students enrolling for part-time and/or auditing courses may qualify for proportionately reduced assistance.
2. Presidential Scholarship – This scholarship is an award to incoming Freshman who show promise of superior academic achievement or a current student in the Intensive English Language Institute who transitions into the regular College Program with a high school GPA of 3.25 or a College GPA of 3.00. A student must have a minimum high school GPA of 3.25 to be eligible. The Presidential Scholarship is an annual award of \$3,000 renewable each year the recipient continues to meet the established guidelines and maintain a 3.25 GPA. A maximum of two freshmen students may receive this scholarship in a single year.
3. Bishop Curtis Guillory, SVD, Scholarship – The College established this scholarship in honor of Bishop Guillory, a 1968 graduate of Divine Word College who currently serves as the Bishop of Beaumont, Texas. A student must have a minimum GPA of 2.5 to be eligible. This scholarship is an annual award of \$2,300 which is renewable each year that the recipient continues to meet the established guidelines. A maximum of three students may hold Guillory Scholarships in any given year.
4. Father Robert Flinn, SVD, Scholarship – The College established this scholarship in honor of Father Robert J. Flinn, SVD, an accomplished educator, author, canon lawyer, medical ethicist and former Divine Word College trustee who died in June of 1995. A student must have a minimum GPA of 3.0 to be eligible. The scholarship is an annual award of \$2,300 which is renewable each year that the recipient continues to meet the established guidelines. A maximum of three students may hold Flinn Scholarships in any given year.
5. Alfred E. Hughes Scholarship – The College established this scholarship in memory of Mr. Al Hughes, a longtime member of the Board of Trustees and the College attorney, who valued education and a love of reading. A student must have a minimum GPA of 3.0 to be eligible. The Hughes Scholarship is an annual award of \$2,300 which is renewable each year that the recipient continues to meet the established guidelines. A maximum of three students may hold Hughes Scholarships in any given year.
6. Fr. Chester Nowicki, SVD, Scholarship – The College established this scholarship in memory of Father Chester Nowicki, SVD, who was a teacher, administrator, and a tireless worker, demonstrating dedication beyond ordinary expectations. A student must have a GPA of 2.25 to be eligible. This scholarship is an annual award of \$2,300 which is renewable each year that the recipient continues to meet

the established guidelines. A maximum of three students may hold Nowicki Scholarships in any given year.

7. Fr. Francis Kamp, SVD, Scholarship – The College established this scholarship in honor of Father Francis Kamp, SVD, a Divine Word Missionary for over 60 years. Fr. Kamp headed the SVD Mission Center at Techny, Illinois, for many years, generating great support for the missionaries and their ministries abroad. A student must have a GPA of 2.5 to be eligible. The Father Kamp, SVD, Scholarship is an annual award of \$2,300 which is renewable each year that the recipient continues to meet the established guidelines. A maximum of three students may hold Kamp Scholarships in any given year.
8. State Grant Programs – State Grant Programs may be available for studying at Divine Word College.
9. Other Student Aid Sources –
 - a. Educational assistance to veterans and their families
 - b. Vocational rehabilitation assistance
 - c. Social Services
 - d. Private Organizations:
 - Knights of Columbus
 - Service Clubs: Kiwanis, Rotary, Lions
 - St. Vincent DePaul Society
 - Church or Parish Organizations

ORDER OF AWARDS

Divine Word College Scholarships are awarded in conjunction with all other outside assistance in the following order:

1. Federal Grants
2. State Grants
3. Non-SVD outside scholarships
4. Presidential Scholarship*
5. Other Named College Scholarships*
6. Work-study (federal, state and/or DWC)
7. Federal Perkins and/or Federal Direct Loans
8. The Regular Divine Word College Scholarship
9. The Special Divine Word College Scholarship for any remaining needs.

* See the Financial Aid Office for details

INITIAL DIVINE WORD COLLEGE SCHOLARSHIPS FOR NEW STUDENTS

Newly admitted students (pursuing the objective of missionary service) are automatically eligible for DWC Scholarships granted for the academic year in which they were admitted.

RENEWAL OF DIVINE WORD COLLEGE SCHOLARSHIPS FOR RETURNING STUDENTS

1. The Financial Aid Office, by March 15th of each academic year, will provide to the President a list of students anticipated to return for the Fall of the next academic year, requesting approval or renewal of Divine Word College Scholarships.
2. The criteria for continued scholarship eligibility are satisfactory academic progress, as outlined in the College Catalog, suitability for religious and missionary vocation and service in the church.
3. The Board of Administration will approve all candidates eligible for DWC Scholarships by April 15.
4. On or before April 15 the chair of the Board of Administration will inform the Financial Aid Office of all students eligible for Divine Word College Scholarships.
5. The Financial Aid Office will inform any student of a change in his scholarship status.
6. A student may appeal the decision to the President of the College.

LIMITATIONS ON FINANCIAL AWARDS

Students who do not qualify for government loans may be awarded DWC Scholarships according to the following guidelines.

1. College work-study from SVD funds, at the prevailing hourly rate assigned to government work-study, may be earned for approximately ten (10) hours of work per week.
2. The balance of the financial award will be covered with fifty percent (50%) in DWC Scholarship and fifty percent (50%) in College loans from SVD funds.

VOCATIONAL REHABILITATION ASSISTANCE

Information regarding such assistance is available from the department of education in a student's home state.

DIVINE WORD COLLEGE PROFESSIONAL JUDGMENT METHODS

The Financial Aid Office exercises professional judgment when informed of extenuating circumstances that affect the financial welfare of the student. The Financial Aid Office might learn of the need to exercise professional judgement from the student, professional staff, referral, agency personnel or other concerned parties such as parents or spouse. The Financial Aid Office will exercise all reasonable and prudent means which are at hand to help the student meet both financial and human needs.

Reasons for exercising professional judgment include:

1. Adjusting the cost of attendance to allow for unanticipated expenses that are not foreseen or considered in normal situations (e.g., change in direct school expenses such as program equipment purchases due to curricular changes).
2. A student/parent's inability to meet expected family contribution levels under the needs analysis formula because of special conditions. There is any number of other reasons that could cause a change in income or loss of assets that can lower the contribution level.

The Financial Aid Office will document the professional judgment conditions to the best of his/her ability with written and dated narrative and/or documents. A personal interview will normally occur but a written request by the student will be considered. A recalculation of expected family contribution will be performed whenever there is a change in income. Current calendar year, school year, or expected calendar year income could be considered. The Financial Aid Office will notify appropriate members on the financial aid committee whenever professional judgment is used to reflect changes in the financial aid award.

VERIFICATION METHODS

Verification is the process under which a student's FAFSA information is selected by the U.S. Department of Education or Divine Word College to check the accuracy of the information the student and/or parents provided when applying for federal financial aid. Information is verified by securing documentation and signed statements attesting to the accuracy of the information provided. Verification will help assure the correct amount of financial assistance to be disbursed.

Programs at Divine Word College covered by verification are Federal Pell Grant, Federal Supplemental Educational Opportunity Grant (FSEOG), Federal Work Study, and Federal Direct Subsidized/Unsubsidized Loans.

Verification of applicant information is an encompassing responsibility required under applicable federal statutes and U.S. Department of Education (USDE) interpretations. There are two important sources of information on verification that are to be consulted for both understanding and implementing the verification procedures. These sources are: The USDE Verification Guide and the Federal Student Aid Handbook. Statements made on policy and procedure for verification in this context are broad guidelines for implementing this requirement, and the aforementioned informational resources are to be consulted for final determination on “verification”.

The following policies and procedures are broad features of verification at Divine Word College. Questions regarding specific features should be directed to the Financial Aid Office.

1. All financial aid applications of enrolled students selected by the U.S. Department of Education for verification are verified for accuracy of the required data items as outlined in the federal regulations. This may or may not match the 30% limitation. Divine Word College will also select additional applications for verification beyond those required where information appears to be conflicting or discrepant.
2. Any suspicion of fraud or abuse will be reported to the USDE during verification by the Financial Aid Office. Examples are: forged or falsified documents, transcripts, or signatures; false claims; and generally unsupported data.
3. The applicant is notified of verification requirements via the Institutional Student Aid Record (ISIR), provided an Institutional Verification Worksheet (IVF), and advised to contact the Financial Aid Office for further Instructions.
4. Notwithstanding federal verification requirements, Divine Word College will resolve what it identifies as conflicting documentation, and verify data that appears to be incorrect.
5. Verification requirements are as follows:
 - a. The IVF worksheet will be used to verify family information and required student/parent untaxed income as well as collect required signatures for certification or information.
 - b. Federal tax returns will be utilized to verify both taxed and untaxed income verification items.
 - c. As a matter of policy, all untaxed income items will be reviewed in accordance with verification information.

- d. VA educational benefits will be verified with the records in the Student Services VA office. A copy of the student's VA payment roster is used to verify the amount received.
6. All verified applications with incorrect information are corrected and resubmitted electronically to the Department of Education for recalculation.

FEDERAL PELL GRANTS

The Financial Aid Office will make Federal Pell Grants available to eligible students, according to the following procedures.

1. Administration of this program is in accordance with program regulations for Title IV programs.
2. The Financial Aid Office will recalculate awards only for enrollment status changes that occur up to the end of the refund period. The Financial Aid Office will recalculate the Federal Pell Grant award for any student whose enrollment status changed up to that date. No adjustments will be made for changes to enrollment status that occurred after that date.

FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANT (FSEOG)

The Financial Aid Office will make FSEOG awards to eligible students to the extent of available funding. These grants are made to students who receive Pell Grants.

FEDERAL WORK-STUDY PROGRAM

Divine Word College will provide students with part-time employment opportunities on campus.

1. The Work-Study Coordinator, along with the Dean of Students, will assign suitable work-study positions to the student.
2. The Work-Study Coordinator, along with the Dean of Students, will assign supervisors with the work allocations.
3. The Financial Aid Office will monitor student employment earnings to assure that the student does not work more hours than he/she was allotted for in his/her financial aid award. The Financial Aid Office will collect monthly time sheets and make sure each student receives payment.
4. The Financial Aid Office will certify that only students eligible for federal/state aid receive this aid.

***DIVINE WORD COLLEGE SCHOLARSHIPS (INTERNAL)
AND AWARDING PROCEDURES***

1. Father Robert Flinn, SVD, Bishop Curtis Guillory, SVD, Father Chester Nowicki, SVD, Father Francis Kamp, SVD and Mr. Al Hughes Scholarships
 - a. The Financial Aid Office will provide the applications to the Dean of Students for distribution to the Formation Groups by February 1st.
 - b. Applicants submit completed forms to the Vice President for Finance by February 28th.
 - c. The Vice President for Finance gathers pertinent data from the Registrar's Office, compiles the data on each applicant, and forwards the information to the Board of Administration by March 15.
 - d. The Board of Administration reviews all applications and makes any and all awards by April 15.
 - e. The President notifies the recipients and the Financial Aid Office.

2. Presidential Scholarship
 - a. The Financial Aid Office provides applications to qualifying new incoming freshmen.
 - b. The completed application is returned to the Financial Aid Office, who submits the application to the Vice President for Finance.
 - c. The Vice President for Finance presents the applications to the Board of Administration.
 - d. The Board of Administration selects the scholarship recipients.
 - e. The President of the College notifies the recipients and the Financial Aid Office.

3. Divine Word College Scholarship
 - a. All students are considered eligible for a Divine Word College Scholarship.
 - b. Amounts are awarded according to the student's need.
 - c. The Financial Aid Office notifies applicants of awards through their awards letter.

VETERANS ADMINISTRATION BENEFITS

1. The Financial Aid Office will assist eligible veterans and dependents of veterans in completing appropriate application forms for entitlement payments in order to attend approved programs at Divine Word College.

2. Completed application forms will be processed by the Financial Aid Office in addition to enrollment certification forms which are forwarded to the Veterans Administration.
3. The Financial Aid Office will also monitor the satisfactory progress of enrolled veterans and will notify the Veterans Administration when progress is not attained.

FEDERAL DIRECT SUBSIDIZED/UNSUBSIDIZED LOANS

1. Students complete the loan entrance counseling and the loan application online at www.studentloans.gov.
2. The Financial Aid Office receives notification that No. 1 has been completed by the student. The Financial Aid Office then completes the loan process.
3. The Financial Aid Office assists with the online exit interviews in collaboration with the Dean of Students, the Financial Aid Director and the student.
4. The Financial Aid Office completes loan certifications as required.

REFUNDS

Upon withdrawal from the College, tuition and room and board are refunded on a day-by-day prorated basis, minus a \$100 administrative recovery charge. When 60% of a semester has expired, there will be no refund.

RETURN OF TITLE IV FUNDS

The college follows the Department of Education regulations and procedures to determine Refunds and Returns of Title IV funds. Volume 5 of the regulations states that refunds and returns shall be made on a day-by-day prorated basis. When 60% of a semester has expired, there is no refund or return of Title IV funds. The U.S. Department of Education regulations and procedures are available in the Financial Aid Office.

SATISFACTORY ACADEMIC PROGRESS AND ATTENDANCE POLICY

Students receiving financial assistance must maintain satisfactory academic progress and attendance in order to receive financial assistance (Title IV programs and Veterans benefits).

1. The Financial Aid Office receives the probation/suspension listing from the Registrar's Office.
2. Students who have not maintained the minimum cumulative grade point average are given a "probationary term."
3. Financial aid is suspended at the end of the probationary term if the cause condition has not been corrected. Students will be advised of their status.

FINANCIAL AID OFFICE REPORTS (required)

The Financial Aid Office is responsible for preparing the following reports required for financial aid accounting.

1. Federal Pell Grant Payments submitted electronically via EDE Express to update Federal Pell grant authorizations.
2. The Fiscal Operations Report and Application to Participate (FISAP) – The FISAP report is filed annually to report financial aid expenditures and apply for funding for the Federal Work-Study Program, Federal Perkins Loan Program and the Federal Supplemental Educational Opportunity Grant Program.
3. Information required by auditors performing annual Federal audit procedures on Title IV student financial assistance programs and State of Iowa programs.
4. Integrated Post Secondary Education Data System (IPEDS) – The Financial Aid Office prepares and transmits required reports annually.
5. Campus Crime & Security Survey – The Financial Aid Office prepares and transmits required reports annually.
6. Gainful Employment Report – The Financial Aid Office submits annually the Gainful Employment Report via NSLDS.

COLLECTION PROCESS ON STUDENT LOANS

Federal Perkins Loans and Divine Word College Loans – Divine Word College contracts the services of University Accounting Service, LLC., Brookfield, WI. UAS bills and maintains the borrower's account during grace and deferment periods. UAS contacts and sends correspondence to the borrowers as required by federal regulations during the grace, deferment and repayment periods.

Student loans, in default, following the established collections procedures by UAS, are referred to the U.S. Department of Education.