

East Texas Baptist University

Financial Aid Office

Policies & Procedures Manual



2021-2022

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SECTION 1: MANUAL INTRODUCTION

1.1 Introduction to the Financial Aid Office (FAO)

The East Texas Baptist University Financial Aid Office is committed to assisting students gain financial assistance in support of their educational goals.

The FAO is located on the second floor of Marshall Hall.

Mailing address is:

East Texas Baptist University
Financial Aid Office
One Tiger Drive
Marshall, TX 75670
(903) 923-2138 Phone
(903) 934-8120 Fax
www.etbu.edu

Financial Aid Office hours – Monday through Friday 8:00 a.m. – 5:00 p.m.
(Summer hours may vary)

FAO Staff:

Linda Slawson(lslawson@etbu.edu) Director of Financial Aid – (903) 923-2137
Alicia Earle (aearle@etbu.edu) Financial Aid Advisor – (903) 923-2142
Oscar Castanos (ocastanos@etbu.edu) Financial Aid counselor – (903) 923-2139
Danya Maradiaga(danyam@etbu.edu) Financial Aid specialist – (903) 923-2138

1.2 Purpose & Philosophy of the Financial Aid Office

1.2.1 ETBU Mission Statement

As a Christ-centered institution, East Texas Baptist University educates students by integrating biblical faith and learning to develop mind, body, and soul through community engagement to prepare graduates to be Christian servant leaders in their calling to God and humanity.

1.2.2 ETBU Vision Statement

University seeks to inspire and impact students through the renewing of minds and the transformation of hearts for the cause of Christ. The primary focus of the ETBU educational experience is the development of the whole student – intellectually, spiritually, emotionally, socially, and physically – in an unwavering commitment to the transformation of mind, spirit, and body.

1.2.3 Philosophy and Operation of the Financial Aid Office

Financial aid programs at ETBU are designed to assist with – not replace – family resources for college.

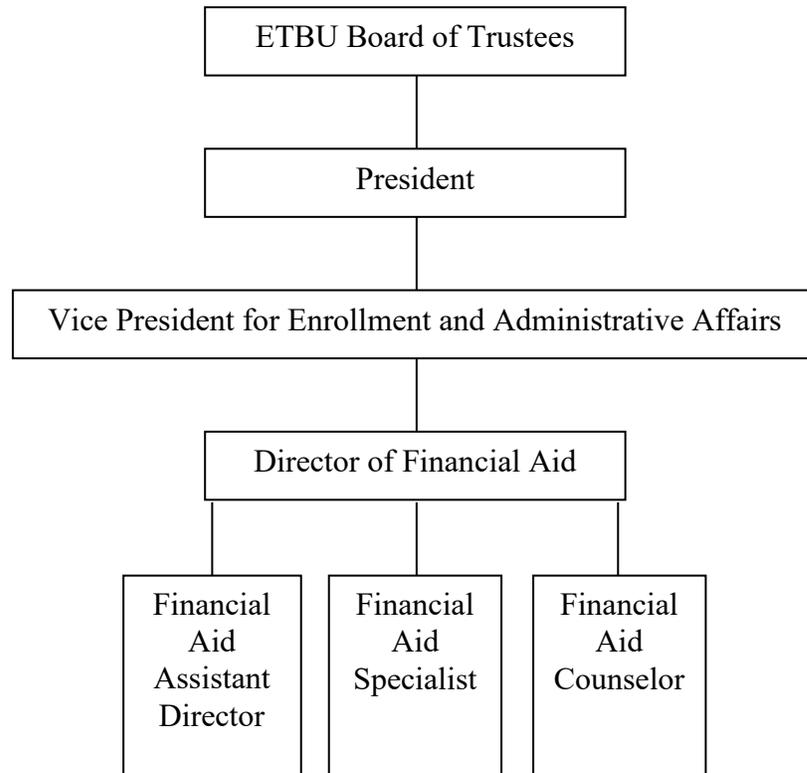
East Texas Baptist University does not unlawfully discriminate on the basis of age, sex, disability, race, color or national origin in awarding financial aid.

1.3 Policies & Procedures Development Responsibilities

The Director of Financial Aid is responsible for maintaining the FAO Policies & Procedures Manual. Changes or updates to any policies and procedures are reported to the Vice President for Enrollment and Administrative Affairs. The Vice President will as needed, report implemented changes to the President and the Presidential Cabinet.

SECTION 2: ADMINISTRATIVE ORGANIZATION & OFFICE MANAGEMENT

2.1 Institutional & Divisional Structure



Office Responsibilities

Registrar's Office – certifies enrollment, posts official grades, updates transcripts, submits data to the National Student Clearing House

Financial Aid Office – awards and verifies student aid eligibility

Business Office – requests/posts/disburses aid to student accounts, processes student refunds

2.2 Confidentiality of Student Records

The ETBU FAO is in compliance with the Family Education Rights and Privacy Act (FERPA) of 1974. Access to records by persons other than the student is limited to those persons and agencies specified in the statute. The FERPA form must be filled out by the student in the Registrar's Office.

Student records in the ETBU FAO are considered private and confidential. This information can only be reviewed by authorized employees of ETBU that are directly associated with the student's records, the student, the student's parent or guardian if the student is dependent and listed as a dependent on the parent's or guardian's tax return, or appropriate governmental agencies. Parents of independent students may not review the information in a student's financial aid file. Only parents for which information has been provided may review a dependent student's records.

The U. S. Department of Education (USDOE) will be given the right to review a student's file only if that student received Title IV financial aid. The Texas Higher Education Coordinating Board (THECB) will be given the right to review a student's file if that student received State of Texas funding. Information for the USDOE and the THECB is limited to only those years in which that student received their funding.

Information for foundations, outside agencies, and scholarship donors is limited to the student's cumulative grade point average (CGPA), major or minor, and the parent's and/or student's spouse's income. In order for these outside agencies to receive the information listed above, the student must be receiving their scholarship funds. Individual award information is not available to agencies outside ETBU. This information will only be released if the student (and spouse), and one parent/guardian if the student is dependent, has provided the FAO with written permission.

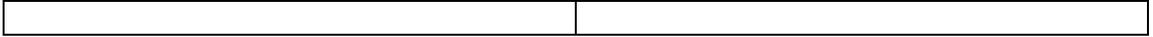
A student may request that any or all of this information be withheld from an outside agency by making a written request to the FAO. The request must be made by the last official day to register for a given semester/session and applies to that semester/session only.

2.3 Records Management and Retention

Student documents are stored electronically through the Docubase imaging system.

The Financial Aid Office follows the guidelines in the approved ETBU Retention and Disposition of Records Policy and Procedures Manual. Supplement F - *Federal Student Financial Aid Record Retention Requirements* provides the details of this policy. Regarding Financial Aid specific files the following applies:

Description of Documents/Records	Minimum Recommended Retention Period
Fiscal Operations Report and Application to Participate	5 years
Student's Financial Aid File that establishes eligibility	7 years after graduation; or if not graduated, 7 years after end of award year in which the student last attended.
Perkins Loan – Student's Financial Aid File	3 years after final loan payment



Section 3: Financial Aid Programs

3.1 Administrative Capability

The Admissions Office verifies that students meet requirements to be admitted – high school transcript, post-secondary academic transcripts.

3.2 Reporting & Reconciliation

The Director of Financial Aid is responsible for completing and submitting the annual Fiscal Operations Report and Application to Participate (FISAP). The Director is also responsible for gathering and submitting data for the annual institutional audit.

Each FAO staff member has access to the National Student Loan Data System (NSLDS).

The Financial Aid Advisor is responsible for submitting reports to the Texas Higher Education Coordinating Board (THECB). This includes but not limited to, the Financial Aid Database (FADB), the Tuition Equalization Grant (TEG) report, and the Texas Work-study report.

3.3 General Title IV Student Eligibility Requirements

A person must be enrolled as a regular student in an eligible program in order to receive FSA funds. A regular student is someone who is enrolled or accepted for enrollment in an eligible institution for the purpose of obtaining a degree or certificate offered by the school.

3.4 Federal Aid Programs in Which Institution Participates

3.4.1 Federal Pell Grant

The Federal Pell Grant, unlike a loan, does not have to be repaid. Federal Pell Grants are awarded only to undergraduate students who have not earned a bachelor's or a professional degree. Eligibility is determined through the FAFSA.

PELL-Awarding

Grant for undergrad students seeking their first bachelor's degree. This grant is always available to qualifying students who meet EFC requirements. The Pell Grant is pro-rated based on enrollment. Full-time

receives 100%, Three-quarter time receives 75%, Half-time receives 50% and Less-than-half-time receives 25%. Pell is awarded when we receive a valid ISIR. Pell is the first grant that is awarded to a student and then additional grants are added based on the awarding philosophy.

From Dept of Ed: The school itself does not determine Pell grant awards. The Dept of Education determines eligibility and awards amounts. Formulas for calculating disbursements of the award are also created and provided by The Dept of Education (ED). Actual disbursements are reported to the ED using the Common Origination and Disbursement System (COD). The first step is to create an origination record for each Pell eligible student, which is sent to COD. When COD receives the origination record it checks the record for errors then sends an acknowledgment to the SAIG mailbox. The next step is for the school to send out a disbursement record to the COD system with the amount of disbursement and the actual date the funds will be issued. At this point it is up to COD to return an acknowledgement for the disbursement record, which will then let the school, know of any problems with the submission. If there are no problems with the submission the disbursement runs as scheduled. Responsibilities of the Pell Coordinator include: Setting up initial origination, Running Pell origination and disbursement, correcting rejections, analysis, review, and contact for multiple records, review, analysis and contact for statement of accounts, closing out and reconciling the account for the year.

Common problems affecting Pell origination or disbursement: Concurrent enrollment, multiple records, name was invalid or didn't match (usually this is because there is no actual FAFSA on file), or there is a previously rejected origination record on file.

Lifetime Pell Grant Eligibility (LEU) GEN-12-01
Beginning July 1, 2014, amounts received will now count towards life-time aggregate limit. The life-time aggregate limit for Pell grant eligibility is limited to the equivalent of 6 years or 12 semesters of full-time enrollment. If a student has received the equivalent of 12 full-time semesters of Pell Grant, they will no longer be eligible for Pell Grant funding. To track your LEU, visit www.NSLDS.ed.gov. This site will be updated regularly as your Pell Grant awards are reported.

Pell Disbursement- is done around 2-3 weeks into the semester. During this time Enrollment hours of student is verified before disbursement occurs. Student pell grant is adjusted based on enrollment. Full-time receives 100%, Three-quarter time receives 75%, Half-time receives 50% and Less-than-half-time receives 25%. When the student is initially awarded this is considered the initial calculation of the Pell Grant. Prior to Disbursement Financial Aid runs a report to verify enrollment status and adjusts at that time. After disbursement a student's pell grant will not be adjusted again based on enrollment... either increase in hours or a dropping of hours. The only exception to this is if a student does not initiate attendance in enough credits upon which the enrollment status was based. Nonattendance prompts a mandatory recalculation. See page 3-68 in the [2020-2021 FSA Handbook](#) For example if student enrolls in 6 hrs. for the term (3 hrs. first module, 3 hrs. 2nd module) and then the student is awarded pell grant based on 6 hrs. If he drops the 2nd module class before beginning attendance then pell will need to be recalculated based on never attending that 2nd module and will then be considered enrolled in 3 hrs. RTIV will not need to be calculated. ([NASFAA ask Regs](#)) Also Loans do not need to be adjusted.

[2020-2021 FSA Handbook](#), p. 3-67

3.4.2 Federal Supplemental Education Opportunity Grant

The purpose of the Federal Supplemental Educational Opportunity Grant (FSEOG) is to provide grants to undergraduate students with exceptional need to help pay for their post-secondary education. Students who have earned a bachelor's or first professional degree are not eligible to receive a FSEOG to pursue an additional undergraduate degree.

In determining the priority order in which students are awarded FSEOG funds in any given award year, the Financial Aid Office (FAO) will first consider those students with exceptional financial need - that is, those with the lowest Expected Family Contributions (EFCs) who will also receive Federal Pell Grants in that award year.

The FAO will not award a FSEOG to a student if the grant, when combined with all other resources, would exceed the student's need. If a student that has already been awarded a FSEOG later receives additional resources that cause his or her financial aid package to exceed their need, the amount in excess of the student's need is considered an over-award. As a result, need-based aid will be reduced to stay within the financial need.

3.4.3 Federal Workstudy Program

The Federal College Workstudy (CWS) Program provides part-time employment to students who need the income to help meet the costs of post-secondary education, and it encourages its recipients to participate in community service activities. Since the beginning of the 1994-95 award year, schools have been required to utilize money from their CWS Program funds to compensate students employed in community service jobs.

To be eligible for a CWS job, a student must meet all eligibility requirements as required for federal funded programs. In addition, a student must have financial need; that is, his or her cost of attendance (COA) must be greater than his or her Expected Family Contribution (EFC).

Assigning Jobs

CWS jobs are made reasonably available to all eligible students at ETBU through the [student employment portal](#). Each department on campus is responsible for posting student employment positions. In awarding work-study funds, the FAO will consider the student's financial need, the number of hours per week the student can work, the period of employment, the anticipated wage rate, and the amount of other assistance available to the student.

Effective for the 2021 Aid Year, all enrolled students will be allowed to view jobs posted on the student employment portal. Work-study as an award will not be awarded on the student's award letter. Rather, all students will review jobs posted on the student employment portal and those that are hired will be reviewed for work-study eligibility. Those eligible will be awarded the fund and paid through these funds. The Financial Aid office works with HR to determine the hired students and award according to students need, cost of attendance etc. For each job that is applied for, the supervisor of that department will receive an e-mail that notifies them who applied for their job. When the supervisor is ready to hire a student, they will click "hire" and the student will then be sent an e-mail that offers the job to them. The student will need to click "accept" which will in turn notify the payroll office, and the department who hired them.

The student is also e-mailed links to the W-4, I-9, and the direct deposit form with instructions for each to be returned to HR. All forms should be completed before employment begins.

Example
Community Service Jobs

CWS jobs may be on-campus or off-campus. Off-campus jobs must be in the public interest if the work is for a federal, state, or local public agency or for a private nonprofit organization. Schools are required to use at least 7% of their FWS allocation to employ students in community service jobs unless the U. S. Department of Education (USDOE) grants the school a waiver. ETBU is granted a school waiver.

Community services are defined as services that are identified by an institution of higher education through formal or informal consultation with local nonprofit, governmental, and community-based organizations, as designed to improve the quality of life for community residents, particularly low-income individuals, or to solve particular problems related to their needs. These services include:

- Such fields as health care, child care, literacy training, education (including tutorial services), welfare, social services, transportation, housing and neighborhood improvement, public safety, crime prevention and control, recreation, rural development, and community improvement;
- Work in service opportunities or youth corps and service in the agencies, institutions and activities;
- Support for students (other than for an institution's own students) with disabilities; and
- Activities in which a CWS student serves a mentor for such programs as tutoring, supporting educational and recreational activities, and counseling, including career counseling.

On-campus jobs can meet the definition of community services, provided that the services are open and accessible to the community and that they meet the regulatory and statutory provisions pertaining to the applicable CWS Program employment limitations and conditions. For example, it would be acceptable for an institution to set up services on the campus (e.g., tutoring centers or child-care centers) that are open to the community. A service is considered open to the community if the service is publicized to the community and members of the community use the service.

Time Sheets

Students are required to keep an accurate time sheet of all hours worked. Time sheets are signed by both the student and the supervisor and turned in to HR. It is each supervisor's responsibility to provide each student worker blank timesheets.

Establishing Wage Rates

Work-study wages are paid on an hourly basis only usually 10-15 hours per week on average. Most work-study jobs are paid at the federal minimum wage rate. Work study students are paid twice a month by direct deposit. The direct deposit form is completed by the student upon being hired.

The Fair Labor Standards Act of 1938, as amended, prohibits employers (including schools) from accepting voluntary services from any paid employee. Any student employed under CWS will be paid for all hours worked.

Job Descriptions

Each work-study position has a job description that is available through the online work-study system. Each job description includes the following:

- the name and address of the student's employer (department, public agency, nonprofit organization),
- the purpose of the job,
- the student's duties and responsibilities,
- the job qualifications,
- the job's wage rate or range,
- the length of the student's employment (beginning and ending dates), and
- the name of the supervisor.

The job description has several purposes:

- It clearly defines whether the job qualifies under the work study programs.
- It provides the information needed to explain the position to a student and to help him or her select the type of employment most closely related to his or her educational or career objectives.
- It helps the financial aid administrator, the student, and the supervisor determine the number of hours of work required at the specified wage rate to meet a student's financial need.
- It establishes a written record, for both student and employer, of the job's duties and responsibilities so that there will be no misunderstanding.

3.4.4 TEACH Grant

Teach Grant is offered as an option to students who are eligible based on their declared major leading to teaching, a 3.24 GPA if current student. Awarding is done by the Director of Financial Aid. Those awarded must complete annual counseling and agreement to serve before disbursement.

The amount awarded is 4,000 minus the reduced amount per the sequester law.

For any 2020-21 TEACH Grant first disbursed on or after Oct. 1, 2018, and before Oct. 1, 2020, the maximum award of \$4,000 is reduced by 5.9 percent (\$236), resulting in a maximum award of \$3,764.

For any 2020-21 TEACH Grant first disbursed on or after Oct. 1, 2020, and before Oct. 1, 2021, the maximum award of \$4,000 is reduced by 5.7percent (\$228), resulting in a maximum award of \$3,772

3.4.5 Federal Direct Loans

3.4.5.1 *Subsidized Stafford Loan*

Need Based Loan awarded amount based on student classification level. Entrance Loan and MPN must be received from Studentloans.gov before disbursement can be made. Awarded by Director of Financial Aid or Financial Aid Advisor; Processed through POISE and ED Express by Financial Aid Specialist.

3.4.5.2 *Unsubsidized Stafford Loan*

Non Need Based Loan awarded amount based on student classification level and dependency status. Entrance Loan and MPN must be received from Studentloans.gov before disbursement can be made. Awarded by Director of Financial Aid or Financial Aid Advisor; Processed through POISE and ED Express by Financial Aid Specialist.
Awarded to Undergraduate and Graduate students.

3.4.5.3 *Federal Perkins Loan*

Need Based Loan no longer awarded to new students in 2021 Aid Year. Currently active students who have had loan in the past are being administered by a third party servicer, UNISA...

3.4.5.4 *Federal Parent Loan for Undergraduate Students (PLUS)*

Non Need Based Loan awarded amount based on student classification level and dependency status. Entrance Loan and MPN must be received from Studentloans.gov before disbursement can be made. Awarded by Director of Financial Aid or Financial Aid Advisor; Processed through POISE and ED Express by Financial Aid Specialist.

3.5 State Aid Programs in Which Institution Participates

3.5.1 Texas Tuition Equalization Grant (TEG)

The Texas Tuition Equalization Grant is available to students who demonstrate financial need at not-for-profit colleges and universities in Texas. To qualify for this grant, students must:

- Meet the general requirements to receive financial aid
- Show financial need
- Be a legal Texas resident and/or the child of parents who are legal Texas residents
- Be enrolled full-time (minimum 12 hours)
- Be an undergraduate seeking a first bachelor's degree

More information regarding the Texas Tuition Equalization Grant, [click here](#)

(
<http://www.collegeforalltexans.com/apps/financialaid/tofa2.cfm?ID=534>)

3.5.1.1 Awarding Texas Tuition Equalization Grant (TEG)

The awarding of TEG and other funds is done by the Director of Financial Aid and Assistant Director. The Awarding philosophy regarding gift aid is based on each student's percentage of financial need, and on their academic tier level. The higher the academic level, the higher the percentage of need for gift aid. Merit and Christian Leadership scholarships are considered first, the Pell Grant second, TEG third, other institutional need-based aid fourth, then work-study and loans. Based on our institutional awarding parameters set for that year the Financial Aid Director and Assistant Director will determine the amount of TEG awarded to each student, based on their percentage of need calculation. Each year THECB publishes the maximum EFC Cap and this is added to the Awarding parameters and Pell chart for processing.

ETBU follows the TEG Program Guidelines as published by THECB [here](#) as it relates to student eligibility, awarding, allocation, disbursement and reporting.

Initial TEG recipients are awarded based on verifying the following:

- FAFSA/TASFA completed based on STUAID FILE
- Student has need based on FAFSA/TASFA based on STUAID FILE
- Student pursuing first undergraduate degree based on ISIR/ TASFA
- Student is Texas Resident on based on STUAID file

- Student Major based on STUAID file (Students in Religion/Ministry major are not eligible for TEG*)
- Student is Not be receiving any Athletic Scholarships based on other awarding in package
- Student is not receiving any Ministry Scholarships based on other awarding in package
- Male students that have not confirmed registration with Selective Service through FAFSA will need to provide proof that have registered. If TASFAA Student and they do not have a social security number they will need to complete a SSS Registration form at the post office and provide a copy to the aid office.

Renewal TEG recipients are awarded based on verifying the following:

- All the above checks for Initial TEG recipients
- Completed 24 credit hrs. in previous year based on Transcript
- GPA Check. 1.75 for students after first year; 2.5 GPA for students after 2nd year based on Transcript
- Completed 67% of all cum attempted hrs. for students after first year; 75% completion for students after 2nd year based on transcript
- Ensure no change in Major based on transcript

* Note—These are the specific ETBU majors that are not permitted to receive TEG:

- Music and Worship in Ministry
- Religion/Missions Concentration
- Religion/Pastoral Ministry Concentration
- Religion/Youth & Discipleship Ministry Concentration
- Religion/Youth & Christian Education Concentration

Reports- Before we request TEG funds for each fall and spring major, run a report to see if the student has changed their major. If they have changed to a “ministry related” major, then TEG will need to be removed and awarded to another eligible student.

Run Report via POISE pointer selecting student awards and that list major to verify

3.5.2 TEG Hardship Policy

ETBU believes it is a hardship for many freshman students in their first year of college to earn a 2.5 or higher cumulative GPA with at least 24 semester hours. First year TEG recipients must earn at least 18 hours with

a minimum 1.75 cumulative GPA at the end of their first year to meet institutional SAP requirements. Students not meeting these requirements may submit the online SAP Appeal form. If granted, this will allow these students to receive the TEG in their second year. At the end of the second year, they must have earned at least 24 hours that year, and have a cumulative GPA of at least 2.5 to receive TEG the following year.

ETBU also believes it is a hardship for students who graduate from high school in December and enroll in college in January, to earn 24 hours. Therefore, an automatic hardship will be granted and allow TEG to be received in the next fall semester as long as 9 hours are earned with a minimum 1.65 GPA from that spring semester. Students not enrolling in the spring semester immediately following their December graduation from high school, will NOT be eligible for this hardship.

Hardship conditions are assessed on an individual basis either by professional judgment of the Financial Aid Administrator or by an appeal from the student, depending on the case.

Hardship conditions may include, but are not limited to:

1. Enrollment less than full-time (applies only to students who are graduating and do not need full-time status to complete degree requirements OR Students who cannot take full time hrs. in a semester because their degree plan does not have classes available . example Nursing students with Pre-req requirements not allowing them to register for more classes in term)
2. Ill health; debilitating condition that may affect academic performance
3. Family responsibilities
4. Traumatic experiences
5. Lack of academic preparation for entering first year students
6. Difficult adjustment period from high school to post-secondary studies for a first year student

ETBU does not guarantee replacement of lost TEG funds with institutional funds.

3.5.3 Texas B-on-Time Loan (BOT)

This program is no longer awarded at ETBU.

3.5.4 Texas Work-study

A minimal amount is awarded typically to off campus students

3.5.5 College Access Loan

Credit based loan available to Texas Residents. Students may borrow no less than \$100 and up to the cost of attendance minus any other financial resources. Details are found on www.hhloans.com

Financial Aid Advisor certifies applications through the THECB Portal. Once approved award is added to student's package. Funds are not disbursed to students bill until funds are received in the Financial Affairs office.

3.6 Institutional Aid Programs

3.6.1 Merit Scholarships

Christian Leadership, Presidential, Honor, Dean, Achievement, Transfer PTK, Transfer Honor, Transfer Dean, Transfer Achievement, University Scholars, National Merit Finalist – eligibility all determined by the Admissions Office

3.6.2 Need-based Aid

Eligibility determined by the FAO based on standard packaging procedures as outlined in the FSA Handbook. Need is determined by the Budget/Cost of Attendance minus the Student EFC. Pell is awarded first, followed by ETBU Merit, ETBU Christian leadership, other need based aid such as endowments, TEG, FSEOG, outside grants or scholarships, following by students loans. See “Awarding Parameters” for more details.

3.6.3 Endowed Scholarships

Eligibility determined by the FAO based on awarding parameters; a few are selected by academic departments; POISE Fund report will show full list of endowed scholarships and their eligibility requirements. Students are initially awarded based on these requirements. Before Fall disbursement endowments are reviewed and swapped as any awarding cancellations are finalized. During Fall semester Advancement office will do a review of all awards and request any adjustments that are necessary. Mid Fall semester Advancement office will send out email to all Endowed awarded students to attend a “thank you letter” meeting for these scholarships.

3.7 Other Aid Programs

3.7.1 Outside Funded Scholarships

Students receiving funds from outside sources should notify the FAO of the amount, who the funds are from, and how the fund are

to be disbursed each semester. All outside funded scholarships will be coded ad DF11. Outside scholarships will need to fit within students Budget/COA.

3.7.2 Veteran's Administration (VA) Benefits

See ETBU-VA Awarding Guidelines

3.7.3 Private Student Loans

See Section IV

3.7.4 Tuition Exchange and CCCU

East Texas Baptist University offers the faculty/staff tuition grant for full-time employees' spouse and/or dependent children. The employee must have been employed for at least one year prior to receiving this benefit, and is based on continued employment each semester. Students enrolled in programs with additional fees (like the Nursing Program), may receive the scholarship, but will be responsible for any charges beyond the base tuition amount.

ETBU also participates in the Tuition Exchange (TE) and Council for Christian Colleges and Universities (CCCU) programs. Both programs offer the tuition grant to attend other participating institutions.

To be considered for the TE program, the employee must notify the ETBU Financial Aid Office between June 1st and January 15th prior to the academic year in which you are applying. Applicants will then be ranked by the employee's length of full-time employment at ETBU. After January 15th, students will be approved on a first-come, first-served basis. The import/export ratio must then be followed. For every record that ETBU exports, there must also be an import. Each institution must maintain an approved import/export balance that is monitored by TE. An institution that is out of balance will be placed on restriction, and no new exports may be processed. Therefore, a student may not qualify for the grant to attend another institution if ETBU is on restriction.

If a student is approved for either program, the employee must pay the participation fee for each student in each year. The fee is reviewed and set annually by the ETBU Administration and Finance Division.

All recipients of the faculty/staff grant at ETBU must file the Free Application for Federal Student Aid (FAFSA) each year. State and externally funded scholarships (for example,

the Tuition Equalization Grant and the Hope Pierce Tartt scholarship) may be used to fund a portion of the grant, not added to it.

EXPORT:

Selection

- Employee must have a minimum one year of full-time employment at ETBU before the official first day of class at the desired institution, and is based on continued employment each semester.
- Student must maintain behavior that is consistent with ETBU standards.
- To be considered for the TE program, the employee must notify the ETBU Financial Aid Office between September 1st and January 15th prior to the academic year in which applicant is applying. Applicants will then be ranked according to the employee's length of full-time employment at ETBU, which will determine the order of consideration for export. After January 15th, students will be approved on a first-come, first-served basis.
- Each institution is required to maintain an approved import/export balance that is monitored by TE. An institution that is out of balance will be placed on restriction, and no new exports may be processed (unless exported to a Co-op institution). Therefore, a student may not qualify for the grant to attend another institution if ETBU is on restriction.
- Dependent is defined as meeting the IRS criteria for dependent status.

Renewal

- Maintain a cumulative 2.00 GPA each semester at the importing institution.
- Maximum of 4 years participation, yearly renewal required.

Other Policies

- A maximum of one award will be allowed per employee-family, per year. This would mean, for example, that if husband and wife are both employed full-time at ETBU, then only one of their children would be eligible for a grant per year unless there were slots available and the exception was approved by the ETBU tuition exchange committee.
- If the parent is no longer employed at ETBU (due to resignation, termination, or death) after the semester begins, eligibility shall continue for the recipient of the scholarship for that current semester.

Application Process

- Apply for the scholarship to the ETBU Tuition Exchange Liaison (Director of Financial Aid) – form available online.

- Furnish any information requested for application.
- The applicant will be responsible for the annual student participation fee (approximately \$50 per year).

IMPORTANT:

Application /Renewal

- Tuition Exchange scholarships are for undergraduate students only, and applicants must meet ETBU admission policies.
- Tuition Exchange scholarships will ordinarily be granted beginning in March.
- Applicants must file the Free Application for Federal Student Aid (FAFSA) as soon as possible after October 1st to be considered for any other aid including loans.
- Tuition Exchange Scholarships are for tuition only and may not be used for other enrollment costs.
- TE approved students are not eligible for Christian Leadership Scholarship or Academic Scholarships.
- If the student is eligible, the Federal Pell Grant may be received to exceed the cost of tuition.
- The scholarships may not be applied to special or study abroad programs as a part of undergraduate study except in the case where credit is awarded by East Texas Baptist University and tuition costs are not paid to another institution or entity.
- Recipients must maintain 2.00 cumulative GPA checked on a semester basis.
- Recipient must maintain behavior that is consistent with that ETBU standards.
- Scholarship may be terminated if student fails to maintain GPA or behavior requirements.
- Scholarship will be for a maximum of four years (8 semesters).

Other Conditions

Eligible for tuition only. ETBU reserves the right to replace Tuition Exchange Scholarships with other institutional aid.

EXCEPTIONS:

- Appeals must be submitted in writing to the Vice President for Enrollment Management and Administrative Affairs, who offers recommendations to the ETBU Tuition Exchange Committee.

SECTION 4: INSTITUTIONAL REQUIREMENTS RELATING TO EDUCATION LOANS

4.1 Private Education Loans

ETBU does not have a preferred Lender List nor does ETBU endorse any private lenders. ETBU utilizes ELM Select web portal for processing student loans electronically. Effective 19-20 Lenders who request to be added to the ELM Select portal will need to provide evidence that they historically lent to an ETBU student in the past. A student may choose another lender that is not on ELM select.

SECTION 5: STUDENT CONSUMER INFORMATION REQUIREMENTS

See ETBU's Higher Education Act Information webpage at
<https://www.etbu.edu/info-for/current-students/higher-education-act-information>

SECTION 6: APPLICATION & FORMS

6.1 FAFSA Application Process

Complete the Application for Admission and Financial Aid. You must complete the application, be accepted to the University and have submitted a FAFSA before the Financial Aid Office can assess full eligibility for financial aid package. Note - if you do not want to be considered for Federal, State or ETBU need based aid then submit the Refusal to File FAFSA form and we can proceed with awarding your Merit based aid.

SECTION 7: FILE REVIEW

7.1 Verification

The Financial Aid Specialist utilizes the [AVG guide](#) to process V1, V4, and V5 verification groups

7.1.1 Selection of Applicants to be Verified

The FAO verifies all records selected by the USDOE. The FAO will also choose to verify a record that was not selected, but has information that may be conflicting or does not seem consistent. Corrections that need to be made to a student's ISIR will be made by the FAO as long as there is documentation on file backing up those changes. Files that are selected for Verification will automatically have their Verification status loaded into POISE and required documents will be automatically identified on the student's account. Missing Document letters will then be emailed to any student missing documents.

7.1.2 Acceptable Documentation & Forms

7.1.2.1 *Verification Worksheet*

The FAO verifies all records selected by the USDOE. The FAO will also choose to verify a record that was not selected, but has information that may be conflicting or does not seem consistent. Corrections that need to be made to a student's ISIR will be made by the FAO as long as there is documentation on file backing up those changes. The Verification worksheet is located on the Financial aid website. There is a [Dependent Verification Worksheet](#) and [Independent Verification Worksheet](#). Effective for 2021 Aid Year a Cover Sheet with Frequently asks questions is being attached to the Verification worksheet. Also

7.1.2.2 *U.S. Tax Return Transcript/ Signed copy of U.S. Tax Return*

7.1.2.3 *Marital Status*

Documentation/clarification is Required if there is conflicting information between the tax return filing status and FAFSA marital status. With prior year tax return information being used the dates of Marriage or separation are carefully reviewed.

7.1.2.4 *Interim Disbursements*

ETBU does not perform interim Disbursements for students who have not completed Verification. New ETBU students

will be awarded but not disbursed. Returner students will not be awarded aid until verification is complete unless approved by the Director of Financial Aid.

7.1.2.6 Database Matches, Reject Codes, & C-Codes Clearance

The following matches are validated if flagged, before aid is awarded and disbursed.

- Social Security Administration (SSA)
- Department of Homeland Security (DHS)
- Selective Service System
- National Student Loan Data System (NSLDS)
- Department of Health and Human Services (HHS)
- Department of Defense (DoD)
- Department of Justice (DOJ) via ED Hold File

Financial Aid Data Manager daily downloads and imports ISIR's into POISE following the position procedures. Every incoming ISIR is reviewed for Rejections status, c-flags, comment codes and conflicting information. Data manager utilizes the current SAR Comment Code Guide for clarification and action on comment codes. This document is reviewed annually for updates and changes. [2020 SAR COMMENT CODE GUIDE](#)

Rejected ISIR's are not imported into POISE system and students are e-mailed regarding the error and need for correction.

7.1.2.7 Deadline to Complete Verification

The student shall have until their last day of enrollment, or June 30, whichever occurs first to submit any required verification documents. For applicants selected for verification by the Department of Education, the deadline may be extended to the earlier of 60 days from the last date of applicant's enrollment or September 1 of each year

Students not completing verification within this timeframe will be responsible for all charges that the need-based aid was originally expected to cover.

Late disbursements will be evaluated on a case-by-case basis following the guidelines in the AVG.

SECTION 8: STUDENT BUDGETS

8.1 Various Student Populations

Student budgets/Cost of Attendance is created each year for the following categories:

- Undergraduate Students
- Undergraduate Students with Reduced Tuition Rate (BASD, CLS)
- Graduate Students

Each of the categories above will have a COA for the following sub-categories:

- Enrollment Status (full-time, $\frac{3}{4}$ -time, $\frac{1}{2}$ -time, less than $\frac{1}{2}$ -time)
- Housing Status (on-campus, off-campus, at-home with parents)

8.2 How Budgets are Derived & Updated

Each year budgets are updated based on actual costs for tuition, fees, room, and meals. These direct costs are submitted by the Administration & Finance Office to the University President and Board of Trustees for approval. Indirect costs (books and supplies, personal, transportation expenses) are evaluated each year by the Director of Financial Aid and the Vice President for Enrollment and Administrative Affairs – within the guidelines of the FSA. Once the numbers are approved, they are submitted to the THECB.

8.3 Budget Adjustments

The THECB requires that budgets be based on 30 semester hours per year. If a student takes more than 15 hours in a semester, the FAO (at the request of the student) may increase the budget to allow for the tuition charge above the 15 hours. Budgets may also be increased (at the request of the student) to allow for other charges, such as nursing fees, music fees, insurance fees, etc.

Effective January 2020 a new Cost of Attendance Adjustment form was created to simplify any requests. [2020-2021 Student Cost of Attendance Adjustment](#)

SECTION 9: AWARDING & PACKAGING FINANCIAL AID

9.1 Packaging Philosophies

Each year the Director of Financial Aid and Vice President for Enrollment and Administrative Affairs develops awarding parameters for the upcoming school year. See “*Awarding Parameters*” These awarding parameters

9.2 Award Package Notification

New students are notified with a paper award letter and are also sent electronic notification to their ETBU e-mail address. Returner students are only sent the electronic notification. If there is a revision to the aid package, there is an e-mail sent indicating there has been a change, and instructions to log into Campus Connect. Self-help aid must be accepted or declined through Campus Connect.

9.3 Over-awards & Overpayments

Each semester before disbursements and over award report is run to identify if any students are awarded over their COA/Budget. Also need based aid is reviewed to ensure loans are awarded properly. Also, each time an already awarded student is awarded additional aid that effects need their package is reviewed and updated if necessary. Prior to disbursements and enrollment change report is run to ensure that students are still enrolled fulltime for ETBU aid and/or Pell adjustments. (See Pell awarding for more details on Pell).

Housing report is also run prior to disbursement each semester to ensure that any changes in COA are updated and if re-packaging is needed based on awarding parameters.

Note – for financial aid purposes, the ETBU Financial Aid Office defines an award year to be fall, spring, and summer. Fall and Spring semesters may include modules within the semester(s), while the summer may consist of 1, 2, or 3 modules (May, June, July). But all 3 summer modules are treated as one long semester.

SECTION 10: PROFESSIONAL JUDGMENT (PJ)

10.1 PJ Authority and Individuals Who May Exercise It

The Director of Financial Aid reviews all PJ cases, along with the Vice President for Enrollment and Administrative Affairs. If needed, the case will be brought to the Admissions & Financial Aid Committee.

10.2 Circumstances for Which PJ Adjustments are Allowed & Resulting Actions

Taken

- Loss of job or benefits
- Change in family size or number in college
- Reduction in family income
- Unusually high medical expenses

10.3 Requests for PJ Consideration

Student must complete Special Condition Form and turn in to the FAO

10.4 PJ Documentation

Student must provide documentation supporting their request. This may include copies of job termination notices, copies of pay stubs, canceled checks, etc.

10.5 Special Condition

See “*Special Condition Form*”

10.6 Dependency Override

See “*Dependency Override Form*”

SECTION 11: DISBURSEMENTS

11.1 Definition of Disbursements and Disbursement Methods

A disbursement is the liquidation of excess financial aid if there is credit balance after institutional charges (tuition, fees, room, meals, books & supplies) have been paid.

ETBU has partnered with Sallie Mae for the disbursement of student refunds. Refunds are processed each semester (after the last day of each semester's tuition refund schedule). Students have the option of receiving a refund by paper check, or by direct deposit into a banking account.

11.2 Student Authorizations

11.2.1 Disbursing Work-study Funds

All work-study programs are paid by direct deposit to the student's banking account. Students are given a form to complete when they are hired at HR office.

11.3.1 Disbursing Title IV Funds (Other than Federal Work-study) to Pay

Current Year Educationally-Related Institutional Charges Other than Tuition, Fees, and Contracted Room and Meals
Each student is expected to sign a *Title IV Authorization Form*. This remains in effect for the student's entire career at ETBU unless they want to make a change.

SECTION 12: SATISFACTORY ACADEMIC PROGRESS

12.1 Process Overview & Responsibilities

Satisfactory Academic Progress is evaluated at the end of each semester. SAP is measured on a qualitative measure (GPA) and a quantitative measure (hours earned). See “[Satisfactory Academic Progress Policy](#)”

Treatment of W, F, XF, CR, and NC No Grade Reported; Repeated Course Work and Transfer Credits

1. Course withdrawals (W) after the drop/add period are not included in the GPA calculation, but are considered a noncompletion of attempted coursework and are used in the completion rate calculation.
2. Incomplete grades are counted as an “F” and will affect both the cumulative GPA and the minimum hour completion components for that semester.
3. Failure (F) and Failure for Nonattendance (XF) grades will be treated as attempted credits that were not earned, and will be included both in the calculation of the GPA and minimum completion rate.
4. Credit (CR) and no credit (NC) grades are not included in the GPA calculation but the credits will be considered toward attempted coursework.
5. Each repeated course attempt will be included in the completion rate and maximum time-frame determinations.

12.2 Appeals

Students wishing to appeal their SAP must complete the “*Satisfactory Academic Progress Appeal Form*.” The Director of Financial Aid and/or the Vice President for Enrollment and Administrative Affairs will review the appeal, and make a decision to grant or decline the appeal. They will also consult with Office of Academic Success. The student will be notified by e-mail from the Director of Financial Aid of the decision.

SECTION 13: RETURN OF TITLE IV FUNDS (R2T4)

13.1 Process Overview

The Assistant Director of Financial Aid or Financial Aid Specialist will calculate the Return of Title IV Funds (R2T4) for students who withdraw before the 60% point of a semester, and for students received all Fs in a class due to failure of non- attendance. A report is run by Registrar at the end of each semester and provided to the Financial Aid office to identify “All F/W” students.

Return of Title IV is processed using the Dept of Education worksheet on FAA Access.

If a student receiving financial aid withdraws from all courses at ETBU or fails to attend all courses, the student and/or ETBU may be required to return some of the federal, state, and/or institutional funds awarded to the student. Student Financial Aid must calculate the unearned percentage owed and return the amount of the unearned aid within 45 days of the withdrawal. The withdrawal date will be determined by the students last day of attendance. The student's last date of attendance at an academically related activity as documented by the University. Students making a complete withdrawal will also see an impact on their Satisfactory Academic Progress which could adversely affect their eligibility for aid in future terms.

13.2 Federal Title IV Funds

Federal regulations require Title IV financial aid funds to be awarded under the assumption that a student will attend the institution for the entire period in which federal assistance was awarded. When a student withdraws from all courses for any reason, including medical withdrawals, he/she may no longer be eligible for the full amount of Title IV funds that he/she was originally scheduled to receive. The return of funds is based upon the premise that students earn their financial aid in proportion to the amount of time in which they are enrolled. A pro-rated schedule is used to determine the amount of federal student aid funds he/she will have earned at the time of the withdrawal. Thus, a student who withdraws in the second week of classes has earned less of his/her financial aid than a student who withdraws in the seventh week. Once 60% of the semester is completed, a student is considered to have earned all of his/her financial aid and will not be required to return any funds.

Federal law requires schools to calculate how much federal financial aid a student has earned if that student:

- completely withdraws, or
- stops attending before completing the semester, or
- does not complete all modules (courses which are not scheduled for the entire semester or payment period for which he/she has registered at the time those modules began.)

Based on this calculation, East Texas Baptist University (ETBU) students who receive federal financial aid and do not complete their classes during a semester or term could be responsible for repaying a portion of the aid they received. Students who do not begin attendance must repay all financial aid disbursed for the term.

The following policies will help you to understand that a withdrawal potentially affects students academically as well as financially. We encourage students to read all the information below prior to making a final decision.

Important:

- *Academic policies on complete withdrawal from ETBU are available in the Academic Catalog, and student handbook.*
- *East Texas Baptist University's tuition/fee refund schedule is separate from the federal regulations to repay unearned aid. Whether or not a student receives a tuition/fee refund has no bearing on the amount he/she must repay to the federal aid programs. Contact the Business Office (903-923-2055) for further inquiries regarding tuition/fee refunds or visit the Business office website www.etbu.edu/about-etbu/campus-offices/business-office.*
- *Financial aid policies and procedures can also be found on the ETBU website www.etbu.edu/about-etbu/campus-offices/business-office.*

How the earned financial aid is calculated

Students who receive federal financial aid must “earn” the aid they receive by staying enrolled in classes. The amount of federal financial aid assistance the student earns is on a pro-rated basis. Students who withdraw or do not complete all registered classes during the semester may be required to return some of the financial aid they were awarded. Institutions are required to determine the percentage of Title IV aid “earned” by the student and to return the unearned portion to the appropriate aid programs. Regulations require schools to perform calculations within 30 days from the date the school determines a student’s complete withdrawal. The school must return the funds within 45 days of the calculation. The R2T4 calculation process and return of funds is completed by the Financial Aid Office (FAO).

For example, if a student completes 30 percent of the payment period, they earn 30 percent of the aid they were originally scheduled to receive. This means that 70 percent of the scheduled awards remain “unearned” and must be returned to the federal government. Once 60 percent of the semester is completed, a student is considered to have earned all of his/her financial aid and will not be required to return any federal funds.

The following formula is used to determine the percentage of unearned aid that has to be returned to the federal government:

- The **percent earned** is equal to the number of calendar days completed up to the withdrawal date, divided by the total calendar days in the payment period (less any scheduled breaks that are at least 5 days long).
- The **payment period** for most students is the entire semester. However, for students enrolled in modules (courses which are not scheduled for the entire semester or term), the payment period only includes those days for the module(s) in which the student is registered.
- The **percent unearned** is equal to 100 percent minus the percent earned.

For students enrolled in modules: A student is considered withdrawn if the student does not complete all of the days in the payment period that the student was scheduled to complete. East Texas Baptist University (ETBU) will track enrollment in each module (a group of courses in a program that do not span the entire length of the payment period combined to form a term, for example, summer sessions) to determine if a student began enrollment in all scheduled courses. If a student officially drops courses in a later module while still attending a current module, the student is not considered as withdrawn based on not attending the later module. However, a recalculation of aid based on a change in enrollment status may still be required.

Students who provide written confirmation to FAO at the time of ceasing attendance that they plan to attend another course later in the same payment period are not considered to have withdrawn from the term. If the student does not provide written confirmation of plans to return to school later in the same payment period or term, ETBU considers the student to have withdrawn and begins the R2T4 process immediately. However, if the student does return to ETBU in the same term, even if they did not provide written confirmation of plans to do so, the student is not considered to have withdrawn after all and is eligible to receive the Title IV funds for which the student was eligible before ceasing attendance. FAO will then reverse the R2T4 process and provide additional funds that the student is eligible to receive at the time of return.

Institutional funds are earned and recalculated based on the pro-rated policy as described for federal financial aid funds. Tuition/fee refunds also affect the recalculation of institutional financial aid.

Steps in the return of Title IV Funds Policy

Step 1: Student's Title IV information

FAO will determine:

A. The total amount of Title IV aid disbursed for the semester in which the student withdrew. *A student's Title IV aid is counted as aid disbursed in the calculation if it has been applied to the student's account on or before the date the student withdrew.*

B. The total amount of Title IV aid disbursed plus the Title IV aid that could have been disbursed for the semester in which the student withdrew.

Step 2: Percentage of Title IV aid earned

FAO will calculate the percentage of Title IV aid earned as follows:

The number of calendar days completed by the student divided by the total number of calendar days in the semester in which the student withdrew. *The total number of calendar days in a semester shall exclude any scheduled breaks of more than five days.*

Days Attended ÷ Days in Enrollment Period = Percentage Completed

If the calculated percentage completed exceeds 60%, then the student has "earned" all the Title IV aid for the enrollment period.

Step 3: Amount of Title IV aid earned by the student

FAO will calculate the amount of Title IV aid earned as follows:

The percentage of Title IV aid earned (Step 2) multiplied by the total amount of Title IV aid disbursed or that could have been disbursed for the term in which the student withdrew (Step 1-A).

Total Aid Disbursed x Percentage Completed = Earned Aid

Step 4: Amount of Title IV aid to be disbursed or returned

- If the aid already disbursed equals the earned aid, no further action is required.
- If the aid already disbursed is greater than the earned aid, the difference must be returned to the appropriate Title IV aid program.
Total Disbursed Aid – Earned Aid = Unearned Aid to be Returned
- If the aid already disbursed is less than the earned aid, then FAO will calculate a post-withdrawal disbursement.

Type of Withdrawals

For financial aid purposes there are two types of withdrawals: Complete and Unofficial.

Complete

- Official withdrawal from ETBU by the student. The current academic year's policy for a Complete Withdrawal can be found in East Texas Baptist University's Academic Catalog – Academic Policies.

Unofficial

- Federal financial aid regulations consider a student to be an unofficial withdrawal if the student receives all fail (F) grades or a combination of all fail (F) and withdraw (W) grades for the term.

Determination of the withdrawal date

The withdrawal date used in the return calculation of a student's federal financial aid is the actual date indicated on the official drop form. If a student stops attending classes without notifying ETBU, the withdrawal date will be the midpoint of the semester or the last date of academic activity determined by ETBU. Additional documentation supporting the last date of academic activity may be provided by the student if they verify a later date of attendance than determined by ETBU.

Withdrawing prior to completing 60 percent of a term

Unless a student completes 60 percent of the term in which federal aid was disbursed, the student will be required to return all or part of the financial aid disbursed in the term. This applies to students who have officially (including medical), or unofficially withdrawn.

When a student fails to begin attendance

If a student receives financial aid, but never attends classes, the Financial Aid Office (FAO) must return all disbursed funds to the respective federal and institutional aid programs.

When a student fails to earn a passing grade in any class

If the student has not completely withdrawn but has failed to earn a passing grade in at least one class for the term, federal regulations require the school to determine whether the student established eligibility for financial aid. Eligibility is based on if the student attended at least one class or participated in any ETBU academic-related activity. All disbursed funds must be returned to the respective federal and institutional aid programs

if the student cannot prove that he/she began attendance. For more information regarding this topic see the section Students who receive all failing grades at the end of the term.

Students who receive all failing grades at the end of the term

Financial aid is awarded under the assumption that the student will attend East Texas Baptist University for the entire term for which federal assistance was disbursed. When the student has failed to earn a passing grade in at least one class for the term, federal regulations require the school to determine whether the student established eligibility for funds disbursed by attending at least one class or participating in any ETBU academic-related activity. If the school cannot verify that the student attended ETBU, all financial aid must be repaid to the federal and institutional programs. The student's business account will be charged and the student will be responsible for any balance due.

When the student has a combination of fail and withdraw grades for the term, approximately 50% of the financial aid must be repaid. The student's business account will be charged, and the student will be responsible for any balance due.

If the student can prove to have participated in a ETBU class or academic-related activity past the 60% date, the student will not be required to return any disbursed financial aid. The student's business account will be updated and the student will be responsible for any other charges that may have been applied to their account.

Students who are able to verify attendance beyond ETBU's records may submit supporting documentation to FAO. The student must submit supporting documentation within 30 days from the last date of the term. Recalculations for aid eligibility will not be performed for documentation received after that date.

Repayment calculation process

Once grades are posted for the student who receives all failing grades, FAO will return all unearned aid back to the federal and institutional programs and the student's business account will be charged. FAO will mail a notification letter with the repayment amount(s) to the student's permanent address. The student's business account will be updated, and the student will be responsible for any balance due. A statement reflecting these charges will be sent to the student by the Business Office.

Definition of an academic related activity

Examples of East Texas Baptist University (ETBU) academic-related activities include but are not limited to physically attending a class where there is an opportunity for direct interaction between the instructor and students.

Proof of participation:

- Exams or quizzes
- Tutorials
- Computer-assisted instruction
- Completion of an academic assignment, paper or project
- Participating in an online discussion about academic matters
- Initiating contact with a faculty member to ask a question about the academic subject studied in the course
- ETBU required study group where attendance is taken

Return of Title IV funds for student enrolled in modules

Overview

These new regulations aim to provide for consistent and equitable treatment of students who withdraw from a program measured in credit hours, regardless of whether courses in the program span the entire term or consist of shorter modules. As of July 1, 2021 ETBU, will use our Census date as our PELL recalculation date (PRD). Hours enrolled in subsequent modules will be counted on that date if enrolled by that date.

Program integrity principles

- Title IV funds are awarded to a student to attend an entire payment period or period of enrollment, and the funds are intended to cover the student's educational and living expenses for the entire period.
- Federal law specifies that a student earns Title IV funds on a pro-rated basis through 60 percent of a period based on the actual days completed. For the purposes of federal aid programs, ETBU must be able to document a student's active participation in an academic activity.

Regulatory requirements

- A student is considered to have withdrawn from a payment period or period of enrollment in which the student began enrollment if the student ceased attendance in all scheduled courses without completing all of the days the student was scheduled to complete in the period.
- However, if a student provides written confirmation to ETBU before ceasing attendance that the student plans to attend another course later in the same period, the student is not considered to have withdrawn. For a nonstandard-term or non-term program, the next course the student plans to attend during the period must begin within 45 days after the end of the course the student ceased or failed to attend in order for the student not to be considered withdrawn. If a student does not resume attendance within the scheduled timeframe, the student is considered to have withdrawn as of the date on which attendance ceased.
- If a student does not provide written confirmation of plans to return to school later in the same period, a school considers the student to have withdrawn and performs a return of Title IV funds (R2T4) calculation to determine if any funds must be returned. However, if the student does return to school in the same period — even if the student did not provide written confirmation of plans to do so — the student is not considered to have withdrawn and is eligible to receive Title IV funds for which the student was eligible before ceasing attendance. ETBU must reverse the R2T4 process and provide any additional funds the student is eligible to receive at the time of return.
- This new rule replaces prior guidance provided in Dear Colleague Letter GEN-00-24 regarding student withdrawals in term-based programs that include courses shorter than the length of an entire term.
- The rule impacts all programs offering courses shorter than an entire term, including semester-based programs with a summer term consisting of two consecutive six-week summer sessions.

Repayment Calculation of unearned aid as a result of a withdrawal

As a result of a withdrawal, students who received federal funds will be required to repay “unearned” aid. The repayment calculation is performed utilizing the federal

government's repayment worksheet: "[Treatment of Title IV Funds When a Student Withdraws from a Credit-Hour Program.](#)"

The amount of the assistance earned is determined on a pro-rated basis. For example, if a student completed 30% of the term, they have earned 30% of the assistance they were originally scheduled to receive. Once a student has completed more than 60% of the term, the student earns all the assistance they were scheduled to receive for the term.

Student notification of repayment

A notification letter outlining the amount returned to the federal and institutional program(s) along with the federal government's repayment worksheet will be mailed to the student's permanent address. ETBU will return funds on the student's behalf to the appropriate federal and institutional aid program(s) and subsequently will bill the student's business account. A statement reflecting these charges will be sent to the student. The student is responsible for all charges and overpayments resulting from a Return of Title IV calculation.

Repayment to federal and institutional aid programs

Federal regulations and Institutional policy require that the following aid programs be subject to the repayment calculation if the student did not attend 60% of the term:

- Federal Direct Loans: Unsubsidized and Subsidized
- Grad PLUS Loans
- Federal Plus Loans
- Federal Pell Grant
- Federal Supplemental Educational Opportunity Grant (FSEOG)
- TEACH Grants
- Institutional Grants and Scholarships

Overpayment of Federal grant funds

Federal regulations provide that 50% of the unearned amount of all federal grants is protected by the federal calculation (see steps 9 and 10 of the federal government's repayment worksheet). Any grant amount subject to repayment will be billed to the student's business account as an overpayment. Upon receipt of payment from the student, ETBU will return the funds to the appropriate grant program(s).

Additional loan information to consider when withdrawing

The federal repayment calculation also has additional loan amounts that the student and parent may be responsible to return directly to the U.S. Department of Education (see step 8 of the federal government's repayment worksheet).

Important: Anytime a student is enrolled less than part-time the grace period begins. The student's grace period for loan repayments for Federal Direct Unsubsidized and Subsidized Loans will begin on the day of the withdrawal from the school. If the student is not enrolled part-time for more than 6 months, the loans will go into repayment. The student must contact the U.S. Department of Education (ED) or his/ her lender(s) to make payment arrangements. Loans must be repaid by the loan borrower (student/parent) as outlined in the terms of the borrower's promissory note. The student should contact the lender if he/she has questions regarding their grace period or repayment status.

School and student responsibility for return of unearned federal funds

The student and the school are both responsible for returning unearned federal financial aid to the federal government. The student will be billed for any amount due as a result of the return of federal aid funds (R2T4) calculation.

Repayment of unearned funds

The Financial Aid Office (FAO) will notify students if they owe federal funds back to the U.S. Department of Education (ED). Amounts that must be returned by the student will first be applied to federal loans. The student/parent will be permitted to repay loans based on the terms of the Master Promissory Note (MPN) which usually consists of scheduled payments to the holder of the loan over a period of time. Any grant overpayment the student has to return to the federal government must be repaid within 45 days after the student receives notification from FAO. If the grant overpayment cannot be paid in full, a repayment plan may be arranged with the U.S. Department of Education.

Students will also receive notice from FAO regarding repayment of institutional funds. If the student owes any money to the ETBU resulting from the return of federal or institutional funds, the student will be billed by the ETBU Business Office.

Consequences of non-repayment

If a student does not repay the grant funds that are owed to the government within 45 days, the account will be turned over to the U.S. Department of Education (ED) as an overpayment of federal funds. Students who owe an overpayment of Title IV funds are ineligible for further disbursements from federal financial aid programs at any institution until the overpayment is paid in full or payment arrangements are made with the U.S. Department of Education.

If a student does not pay funds due to ETBU to cover their Business balance, the student's records will be placed on financial hold. This means he/she will not be permitted to register for classes or receive transcripts until the balance is paid.

School and Student responsibilities in regard to the R2T4 policy and process

East Texas Baptist University's responsibilities in regard to the Return of Title IV funds

1. Providing each student with the information given in this policy;
2. Identifying students affected by this policy and completing the Return of Title IV Funds (R2T4) calculation;
3. Informing the student of the result of the R2T4 calculation and any balance owed to ETBU as a result of a required return of funds;
4. Returning any unearned Title IV aid that is due to the Title IV programs and, if applicable, notifying the borrower's holder of federal loan funds of the student's withdrawal date;

Student's responsibilities in regard to the Return of Title IV funds

1. Becoming familiar with the Return of Title IV Funds (R2T4) policy and how withdrawing from all courses affects eligibility for Title IV aid;
2. Resolving any outstanding balance owed to the ETBU resulting from a required return of unearned Title IV aid;
3. Resolving any repayment to the U.S. Department of Education as a result of an overpayment of Title IV grant funds

How a withdrawal affects future financial aid eligibility

Refer to the Financial Aid Office Satisfactory Academic Progress(SAP) policy to determine how a withdrawal will impact future financial aid eligibility.

Note: The procedures and policies listed above are subject to change without advance notice based on changes to federal laws, federal regulations, or school policies. If changes are made, students must abide by the most current policy. The Federal Refund Policy (R2T4) is very encompassing and this is intended to be an overview of the policies and procedures that govern regulations pertaining to Title IV Refund (R2T4). For further guidance on R2T4 policies and procedures please see the reference material found in Volume 5 of the Federal Student Aid Handbook under Withdrawals.

13.3 Example of Federal RTIV Calculation

A student withdraws on the 30th day of class of a 114 day semester. The total institutional charges (tuition, fees, housing, meals, etc.) equals \$3,750. The student was awarded and received the following federal financial aid: \$2,155 PELL Grant, \$675 FSEOG Grant, \$2,500 Unsubsidized Direct Loan, \$2,750 Subsidized Direct Loan and \$1,200 Perkins Loan. Per the R2T4 policy, the student “earned” 30/114 or 26.3% (30 days completed ÷ 114 days of the semester) of the federal financial aid requiring the remainder of unearned aid to be returned to the federal aid programs. Under the policy, \$2,440.60 would be returned to the Unsubsidized Direct Stafford Loan.

State and Institutional Funds

Students who receive state or institutional grant funds and withdraw during the tuition and fee refund period will have funds returned based on the tuition and

fee refund schedule. Ex. If you withdraw during the 75% tuition refund period you will only be able to keep 25% of your ETBU aid and/or state funds such as TEG.

Other aid sources

For other outside sources of aid ETBU will follow their prescribed return policy. For example; Department of Defense Tuition Assistance must be returned within 45 days based on the last day of attendance and is also calculated based on the earned completion percentage of semester. The semester calendar dates used will be same as those used for calculated return of title IV funds. Ex. If the student completes 18 days in a 100 day semester the student has earned 18% of the award and the remaining amount must be returned. If the student completes 60% or more of semester then no funds are required to be returned. The Financial Aid office will calculate this and will notify the business office and the Registrar office. Registrar office will notify the student. VA Chapter 31, 33, 35 funds must be repaid by the student directly to the VA.

Other Notes

Exit Counseling information is available the following webpage:
<https://www.etbu.edu/admissions/financial-aid/types-financial-aid-loans/loan-exit-counseling> If you have had Federal loans as part of your financial aid, either this year or in previous years, you are required to complete Loan Exit Counseling any time you fall below half-time enrollment. Please complete [Online Exit Counseling](#) to clear your Exit Counseling Requirement. If you have taken out loans for the semester in which you withdrew, these loans will still count toward your aggregate limit (the total amount of loans you are allowed to borrow while you are a student). Whenever possible, you should bring back any refund you have received and request that portion of your loans be canceled and sent back to the lender.

Any active students that have a Perkins loan will complete their exit counseling here: [Perkins Loan Exit Counseling](#).

Upon withdrawal from all classes students meet with either Director of Financial Aid or Financial Aid Advisor to explain the process regarding last day of attendance, returning of funds, possibly repaying back university owed funds, and exit loan counseling if applicable. Students with loans who do not return to ETBU the following semester will be emailed a letter regarding completing Exit Loan Counseling and a Transcript hold will be placed on their account.

SECTION 14: INSTITUTIONAL REFUNDS

14.1 Institutional Refund Information

The University determines a refund schedule for each semester, and is printed online and in the University Catalog.

Students must remain enrolled full-time past the last refund day in order to be eligible for ETBU scholarships.

SECTION 15: TITLE IV FRAUD

15.1 Student Fraud

Institutions are required to refer applicants who are suspected of having engaged in fraud or other criminal misconduct in connection with Title IV programs to the Department of Education's (ED's) Office of Inspector General (OIG). The regulations require only that the institution refer the suspected case of investigation, not that it reaches a firm conclusion about the propriety of the student's conduct.

15.2 Institutional and Third-Party Fraud

Any ETBU employee acting in a capacity involving the administration or receipt of Title IV funds suspected to have engaged in fraud or any illegal conduct involving Title IV programs will be reported to Ed's OIG (Office of Inspector General).

15.3 Code of Conduct

The FAO staff of the ETBU is committed to the highest standards of professional conduct. We are members of the National Association of Student Financial Aid Administrators (NASFAA) and follow their code of conduct.

An institutional financial aid professional is expected to always maintain exemplary standards of professional conduct in all aspects of carrying out his or her responsibilities, specifically including all dealings with any entities involved in any manner in student financial aid, regardless of whether such entities are involved in a government sponsored, subsidized, or regulated activity. In doing so, a financial aid professional should:

- Refrain from taking any action for his or her personal benefit.
- Refrain from taking any action he or she believes is contrary to law, regulation, or the best interests of the students and parents he or she serves.
- Ensure that the information he or she provides is accurate, unbiased, and does not reflect any preference arising from actual or potential personal gain.
- Be objective in making decisions and advising his or her institution regarding relationships with any entity involved in any aspect of student financial aid.

- Refrain from soliciting or accepting anything of other than nominal value from any entity (other than an institution of higher education or a governmental entity such as the U.S. Department of Education) involved in the making, holding, consolidating or processing of any student loans, including anything of value (including reimbursement of expenses) for serving on an advisory body or as part of a training activity of or sponsored by any such entity.
- Disclose to his or her institution, in such manner as his or her institution may prescribe, any involvement with or interest in any entity involved in any aspect of student financial aid.

15.4 Referrals

If the school suspects that a student, employee, or other individual has misreported information and/or altered documentation to increase student aid eligibility or to fraudulently obtain federal funds, it must report those suspicions and provide any evidence to Ed's Office of Inspector General (OIG).

The OIG Web site at www.ed.gov/offices/OIG allows the school to:

- Complete a special complaint form on-line
- Call the toll free number (1-800-MIS-USED)
- Call an OIG office in the school's area (a list of offices and telephone numbers are provided)

Referrals to OIG will be made by ETBU's attorney. The Director of Financial Aid is responsible for informing the ETBU President and Fiscal Affairs of any situation in which fraud is suspected at which time the three principals will make the determination to contact the University's legal counsel.

SECTION 16: AUDITS

16.1 Type of Audit

ETBU is audited every year by an independent firm. The yearly audit collects a sample of student files to view financial aid processing. The Audit also reviews TEG sample of students for compliance based not on the TEG Audit guide published by the THECB.

16.2 Audit Submission Schedule

The yearly independent audit is conducted every summer. Audit results are submitted to Dept of Education annually using the EZ Audit. This is done by Financial Affairs.

SECTION 17: OTHER INFORMATION

17.1 Leave of Absence

A student desiring a Leave of Absence must provide a signed and dated written request to the Vice President of Academic Affairs. If the student is receiving financial aid, the VP will notify the Financial Aid Director. Once a determination has been made, the student will be notified by e-mail.

SECTION 18: APPENDICES

18.1 Published Forms

- Camp Match
- Church Match
- Core Residency Questionnaire
- Dependency Override
- Dependency Override Renewal Application
- Direct Deposit (Work-study)
- Faculty/Staff Grant Application
- FERPA
- Identity and Statement of Educational Purpose
- Minister's Dependent Scholarship Application
- Refusal to file a FAFSA
- SAP Appeal
- Special Condition
- Student Cost of Attendance Adjustment
- Texas Application for State Financial Aid (TASFA)
- Title IV Authorization
- Verification Worksheet
- Verification of High School Completion

18.2 Online Submitted Forms

- [Admissions Application](#)
- [SAP Appeal](#)
- [Tuition Exchange](#)
- [LEAP Scholarship](#)

18.3 Non-Published Forms

- Proof of Dependents
- Receipt of SNAP/Food Stamp Benefits
- Low Income Statement (Dependent)
- Low Income Statement (Independent)

18.4 Resources & Reference Documents

- Awarding Parameters
- Budgets/COA
- Code of Conduct
- TEG Hardship Policy
- VA Awarding Guidelines