



## Terms and Conditions Governing Student Financial Aid

### LSCS Financial Aid Departments

<b>Cy-Fair</b>	<b>Kingwood</b>	<b>Montgomery</b>	<b>North Harris</b>	<b>Tomball</b>	<b>University Park</b>
9191 Barker Cypress Road Cypress, Texas 77433	2000 Kingwood Drive Kingwood, Texas 77339	3200 College Park Drive Conroe, Texas 77384	2700 W.W. Thorne Drive Houston, Texas 77073	30555 Tomball Parkway Tomball, Texas 77375	20515 SH 249 Houston, Texas 77070



*Federal Title IV regulations require all students to complete a Free Application for Federal Student Aid (FAFSA) to apply for federal financial aid funds. Lone Star College System (LSCS) also uses this information to award state grant funds, as well as institutional funds and certain scholarships. Requests for financial aid are processed on a first come-first serve basis. Students who apply before April 1 will be given priority.*

## **APPLYING FOR FINANCIAL AID**

1. Submit a FAFSA (Free Application for Federal Student Aid) through the US Department of Education.
  - If this is the student's first time completing a FAFSA, you will need to apply for a FSA ID. If you do not have a FSA ID, you may request one from the official FSA ID site <https://studentaid.ed.gov/sa/fafsa/filling-out/fsaid> .
  - The student must also complete all LSCS applications and admissions requirements. Lone Star College will only process financial aid applications after a student has successfully completed our admissions application.
  - *Note: The following school code is required: 011145*
2. Students are notified through their my.Lonestar e-mail if additional documentation is needed.
3. Once awarded, the student may review/accept the award(s) in myLoneStar.

### **FAFSA Renewal**

*Financial aid eligibility at LSCS is not automatically renewed from year-to-year. A FAFSA, or a Renewal FAFSA, must be submitted each academic year.*

## **DETERMINING ELIGIBILITY**

*Financial aid eligibility is determined based on a combination of factors. The topics covered in this section are not exhaustive. For additional information refer to the Federal Student Aid Handbook.*

### **Course Enrollment**

All initial financial aid awards are based on full-time enrollment level. Financial aid will be recalculated based on any changes in your course enrollment. In some cases, if you enroll less than half time, grant and work-study amounts can be reduced or cancelled.

Full-time	12+ credit hours
Three-quarter time	9-11 credit hours
Half-time	6-8 credit hours
Less than half-time	1-5 credit hours

*\*\*These enrollment levels apply for financial aid eligibility in all semesters (fall, spring, and summer).*



## **Residency status**

LSCS is a public institution. State funds must be awarded to Texas residents. If the residency status used to make an award is changed, then the student's eligibility can subsequently change. Students can view their residency status in myLoneStar.

## **Grade level**

A student's academic level is used to determine Federal Stafford Loan limits. When a student progresses from freshman to sophomore, the student's Stafford Loan eligibility may change. Stafford Loans are not automatically increased based on a grade level progression. If a student changes grade level mid-year, loan amounts will not increase until the next Financial Aid year.

## **Satisfactory Academic Progress (SAP)**

It is a requirement that students maintain SAP to receive/keep financial aid. A change in SAP status can impact eligibility.

## **Additional Aid**

Federal and state regulations require LSCS to consider additional sources of financial assistance when awarding aid. Additional aid can be scholarships (LSCS or private), tuition waivers, tuition exemptions, veteran benefits, etc. A student's myLoneStar account will list all additional aid of which LSCS is aware. Receiving any additional aid later may cause a reduction to an existing financial aid award. Students should make every attempt to notify Financial Aid before financial aid awards are credited. If this does not occur, the student may be asked to repay federal or state funds that have been received.

## **Cost of Attendance**

A student's COA is estimated cost for a student to attend college for one academic year. The majority of the COA components are estimated living expense figures and those expenses may vary. The Cost of Attendance does not vary between the LSCS campuses.

## **Expected Family Contribution (EFC)**

A student's EFC is the amount of money the federal government (in accordance with the regulations outline in the Federal Student Aid Handbook) determines a family can contribute towards a college education during the award year. This is an estimate, and may not reflect the actual amount a student is expected to pay.

## **Verification**

If a student's financial aid application (FAFSA) is chosen for verification, he/she will receive notification from our office. The student may be asked to submit signed copies of their tax transcripts, W-2's, and the tax transcripts of a parent or spouse. A student will not be awarded financial aid until the Verification process is complete.



## Eligible Program of Study

To be eligible for federal aid, a student must be a regular student as defined in section 600.2 of the General Provisions regulations. Students are not eligible to receive federal Title IV assistance for credit hours/course work which will not count towards the completion of that student's degree program requirements.

## Audit Courses

Audited courses cannot be counted towards a student's enrollment level for financial aid purposes.

## Enrollment Status

Financial aid disbursements (excluding loans) generally occur each semester after the official day of record if all paperwork has been submitted in time and the student is registered for the amount of hours used to determine financial aid eligibility. However, since students can drop courses during that first week, it is possible for aid eligibility to change after it has been disbursed. If courses are dropped, the student's entire financial aid package will be recalculated and in some instances, the student will receive a bill for part or all of financial aid previously disbursed. Students should contact the Financial Aid Department to discuss the possible impact of changing their enrollment level before adjusting their registration.

## Drug Conviction and Financial Aid Eligibility

According to federal regulations, students convicted for a drug offense that occurred during a period of enrollment while they were receiving Title IV Federal Financial Aid, may lose eligibility for Federal Aid.

### **Federal Aid includes:**

- Federal Pell and SEOG Grants
- Federal Work Study
- Federal Perkins Loan
- Federal Direct Loan
- Federal Plus Loan
- Graduate Plus Loan

If a student answers 'Yes' to the question on the FAFSA, regarding conviction for possession or sale of illegal drugs, they will be sent a worksheet by the federal processing center in order to determine if the conviction affects eligibility for aid. Should the financial aid office be notified that a student has been convicted of sale or possession of illegal drugs, the financial assistance will be suspended immediately.

If a conviction was reversed, set aside, or removed from the student's record, it does not count. Convictions occurring during periods of non-enrollment do not count. In addition, any conviction received as a juvenile does not count, unless they were tried as an adult. The period of ineligibility is dependent upon the type of conviction (sale or possession) and if there were previous offenses. The chart below demonstrates the periods of ineligibility for FSA funds:



	Possession of Illegal Drugs	Sale of Illegal Drugs
<b>1<sup>st</sup> offense</b>	1 year from date of conviction	2 years from date of conviction
<b>2<sup>nd</sup> offense</b>	2 years from date of conviction	Indefinite period
<b>3+ offenses</b>	Indefinite period	

If the student was convicted of both selling and possessing illegal drugs, and the periods of ineligibility are different, the student will be ineligible for the longer period.

### Regaining Eligibility

The student may regain eligibility:

- The day after the period of ineligibility ends, OR
- When he or she - successfully completes a qualified drug rehabilitation program- that includes two unannounced drug tests

Students denied financial aid eligibility for an indefinite period can regain it after:

1. Successfully completing a rehabilitation program -and pass- two unannounced drug tests from such a program, or
2. Have the conviction - reversed, set aside, or removed from the student's record so that fewer than two convictions for sale or three convictions for possession remain on the record.
3. Successfully complete two unannounced drug tests which are a part of a rehab program.

### Standards for a Qualified Drug Rehabilitation Program

A qualified drug rehabilitation program must include at least two unannounced drug tests and must satisfy at least one of the following requirements:

- Be qualified to receive funds directly or indirectly from a federal, state, or local government
- Be qualified to receive payment directly or indirectly from a federally or state-licensed insurance company
- Be administered or recognized by a federal, state, or local government agency or court
- Be administered or recognized by a federal or state-licensed hospital, health clinic, or medical doctor.

Additional drug convictions will make the student ineligible for federal aid again.

**It is the student's responsibility to certify to the school that they have successfully completed the rehabilitation program.**



## **TYPES OF AVAILABLE FINANCIAL AID**

### **Grants**

*Federal and state grants are awarded to students based upon factors such as “need” as determined by the FAFSA, the priority filing date, and availability of funds. LSCS will award the maximum grants that a student qualifies for based on this application. Filing by the priority date will increase the probability of receiving grant funds. Students must also meet the minimum Satisfactory Academic Progress (SAP) standards to receive any federal and/or state grants.*

### **Pell Grant**

Federal Pell Grants are undergraduate grant funds from the federal government. Pell awards must be applied for each year and are based on FAFSA eligibility. Students must begin attendance in all the classes for which they received Pell to establish eligibility.

### **Federal Supplemental Educational Opportunity Grant (SEOG)**

This federal undergraduate grant must be applied for each year and is for undergraduates with exceptional financial need. Pell Grant recipients with the lowest EFC's will be considered first for a FSEOG.

### **TEXAS Grant**

This state grant is to assist students who completed an Advanced or Recommended High School Program and who demonstrate financial need. This student must be enrolled as a full-time student and must meet Satisfactory Academic Progress.

### **Texas Education Opportunity Grant (TEOG)**

This state grant is to assist students who are not eligible for TEXAS grant, have less than 30 attempted hours and demonstrate financial need. The student must be enrolled in at least 9 hours each semester.

### **Texas Public Education Grant (TPEG)**

This state grant is to assist students attending public institutions of higher education. To be eligible, a student must have remaining financial need.

### **Federal Work-Study**

The Federal Work-Study Program (FWS) is aid offered to students who have a demonstrated need as determined by the FAFSA, and who answered “yes” to the Work-Study question on the FAFSA. Work-Study gives students the opportunity to work and earn money while attending college. Open job postings are advertised differently on each campus. Employment through this program is dependent



upon job skills, class schedule, and the available positions. Please visit the Financial Aid Department for additional information.

### **Guidelines**

1. Work-Study is part-time employment which cannot exceed 19.5 hours per week
2. Work-Study is different from regular part-time employment.
3. Money earned in a Work-Study job does not count as income when filing the FAFSA.
4. Work-Study students are paid bi-weekly.
5. Students are awarded funds based on the amount that a student can potentially earn but are only paid for hours worked.

### **Loans**

In the summer of 2010 Lone Star College became part of the William D. Ford Direct Loan Program. Students will now receive their dollars directly from the Federal Government. LSCS chose the Direct Lending option as a way to continue student loan service to our students.

#### **Federal Direct Subsidized Stafford Loan**

The purpose of the Subsidized Stafford or Direct Loan is to provide low interest educational loans that enable a student to pay the cost of attendance. The federal government pays the interest on these loans while a student is in school.

A 1% origination fee is deducted from the proceeds of each loan disbursement. Currently, there are no guarantee or insurance premium fees. Loans that are first disbursed on or after July 1, 2011 will have a fixed annual (simple interest) rate of 3.40% for the life of the loan. The borrower is not responsible for the interest accruing while he/she is enrolled at least half-time. Interest is not capitalized at any time and may be paid as it accrues.

Repayment of the loan begins six months after the student ceases to be enrolled at least half-time. The loan repayment schedule will require a minimum monthly payment or an amount required to repay the loan within 10 years, whichever is greater. Borrowers may be eligible for postponement of loan repayment under certain circumstances.

#### **Federal Direct Unsubsidized Stafford Loan**

The purpose of the Federal Unsubsidized Stafford or Direct Loan is to provide low interest educational loans that enable a student to pay the cost of attendance. The borrower is responsible for interest that accrues while in school, during a grace period, or during authorized periods of deferment or forbearance.

A 1% origination fee is deducted from the proceeds of each loan disbursement. Currently, there are no guarantee or insurance premium fees. Loans that are first disbursed on or after July 1, 2006 will have a fixed annual (simple interest) rate of 6.80% for the life of the loan. Interest accrues from the date the funds are issued until the loan(s) are paid in full. Interest may be capitalized at the lender's discretion.



Repayment of the loan begins six months after the student ceases to be enrolled at least half-time. The loan repayment schedule will call for a minimum monthly payment or an amount required to repay the loan within 10 years, whichever is greater. Borrowers may be eligible for postponement of loan repayment under certain circumstances.

**Federal Direct Parent Loan for the Undergraduate Student (PLUS)**

If you are their dependent, your parents may request a PLUS loan to borrow up to the cost of your attendance minus any other financial aid received. This loan is credit-based.

**Applying for a Direct Student Loan**

The Federal Direct loan program provides long-term, low-interest loans to students demonstrating a need for financial assistance. Loan funds are sent directly to Lone Star College from the Department of Education and are applied to the student’s account. Loans are borrowed money that must be repaid.

Students applying for a Direct Student loan must complete the Free Application for Federal Student Aid (FAFSA) at <http://www.fafsa.ed.gov/> and be enrolled in at least 6 credit hours or more.

Student will receive notification of financial aid award through their LSCS email which will require them to complete the following steps.

1. Review award letter and accept loan(s) in myLoneStar (student can also reduce or decline loan amounts in myLoneStar). *Note: If you do not "accept" you loan(s), your classes will not be held.*
2. New and first time borrowers are required to complete Loan Entrance Counseling and e-sign a Master Promissory Note at [Studentloans.gov](http://Studentloans.gov).
  - o To complete a MPN, you will be required to use your Dept. of Education issued PIN.
  - o You will also need two references that live at different addresses.
  - o For your records, be sure to print the Master Promissory Note (MPN).

**Annual Loan Amounts:**

Dependent 1 <sup>st</sup> Year Student	Dependent 2 <sup>nd</sup> Year Student	Independent 1 <sup>st</sup> Year Student	Independent 2 <sup>nd</sup> Year Student
(0-29 Hours)	(30 + Hours)	(0-29 Hours)	(30 + Hours)
\$3500 Subsidized	\$4500 Subsidized	\$3500 Subsidized	\$4500 Subsidized
\$2000 Unsubsidized	\$2000 Unsubsidized	\$6000 Unsubsidized	\$6000 Unsubsidized

**Interest Rates:**

Direct Stafford Subsidized loans is 3.4%

Direct Stafford Unsubsidized loans is 6.8%





### **Stafford Aggregate (lifetime) Loan Limits**

The U.S. Department of Education has established aggregate loan limits for students borrowing from the Stafford Loan programs.

<b>Dependent Undergraduate Student</b>	<b>Independent Undergraduate Student</b>
\$23000 Subsidized	\$23000 Subsidized
\$8000 Unsubsidized	\$34000 Unsubsidized

*\*\*For more detailed information, please review aggregate loan limits via [www.nsls.ed.gov](http://www.nsls.ed.gov).*

## **SATISFACTORY ACADEMIC PROGRESS (SAP)**

### **Policy**

Federal Regulations require all financial aid recipients maintain satisfactory academic progress in a course of study leading toward a degree or certificate at Lone Star College. SAP requirements include:

**Qualitative standard-** Maintaining at least a 2.0 cumulative grade point average,

**Pace-** Successfully completing 67% of cumulative credits attempted, and

**Maximum timeframe-** Earning a degree or certificate within 150% of the published length in credit hours of the declared program of study.

### **Evaluation Period**

LSC will evaluate SAP at the end of each term, i.e., Fall, Spring, and Summer. Failure to meet one or more of the established SAP standards will make a student ineligible for financial aid. However, this does not prohibit a student from continuing their educational pursuit by meeting payment obligations with personal resources.

An aid recipient's cumulative record, i.e., all enrollment periods at LSC, regardless of whether or not aid was received during the periods, along with transfer credits, will be evaluated.

### **Treatment of Special Populations**

An admitted student that files a Free Application for Federal Student Aid (FAFSA) and for which there is no SAP status on the student record will have a SAP evaluation performed based on the student's prior LSC enrollment record and any transfer credits, as applicable. A first time student with no prior college enrollment will always be assigned "Meets SAP" and is aid eligible.

All transfer credits accepted by Lone Star College will be included in the SAP calculation. Transfer credits will be counted as both attempted and completed in the Pace calculation. GPA from transfer credits will not be factored into the SAP calculation.



Students may attempt no more than 30 developmental credit hours in pursuit of a degree or certificate.

Students who enroll for less than 12 credit hours are considered part-time. Academic progress requirements apply to part-time enrolled students on a proportional basis.

### **Consequences of not meeting SAP**

**Financial Aid Warning** – Upon the student’s first infraction period they will be placed on Financial Aid Warning. Students will be eligible for financial aid during the period they are placed on warning. After warning period, if a student’s cumulative GPA and/or completion rate does not meet the college’s SAP standards, the student will be placed on financial aid suspension. A student may not receive two consecutive semesters of warning status. A student may receive an additional warning semester after regaining eligibility (Meets SAP).

- If a student successfully completes the warning period and cumulative GPA and completion rate meet the college’s minimum standards the student regains eligibility for financial aid.
- If a student successfully completes the warning period but the cumulative GPA and/or completion rate do not meet the college’s minimum standards the student may be placed on suspension.
- If a student does not successfully complete the warning period, the student will be placed on suspension.

**Financial Aid Suspension-** If, after being placed on financial aid warning status, a student fails to meet the SAP standards of a cumulative 2.0 GPA and 67% completion rate, he or she will be placed on Financial Aid Suspension and will immediately lose financial aid eligibility.

**Maximum timeframe suspension-** If a student fails to meet the Maximum Time Frame standards, he or she will be placed on Maximum Time Frame Suspension and will immediately lose financial aid eligibility.

**Note:** It is the student’s responsibility to monitor academic progress. A student who does not meet the standards will be ineligible for financial aid even if they do not receive communications.



## Appeal Process

A student that has been placed on financial aid suspension (Not Meets) for failure to meet the SAP requirements may submit a SAP Appeal to the Office of Financial Aid via the portal or in person.

If the student has mitigating circumstances such as, death of a relative, illness or injury, or other special circumstances beyond their control that affected their ability to meet SAP standards, the student may appeal the loss of their eligibility. Sufficient documentation of such circumstances must be provided along with the appeal.

If approved, the student will be placed on "Appeal Approved (Probation)" and is aid eligible during that semester of probation. A student on probation must submit an academic plan prior to the end of the semester in order to be eligible for aid the following semester. Failure to submit an academic plan will render the student ineligible for aid.

## Extenuating Circumstances

- Medical(personal or family illness)
- Death of a family member
- Job Loss
- Natural Disaster
- Military Deployment
- Car Accident
- Legal Issues (divorce, separation, incarceration)
- Traumatic Event
- Lack of college preparation
- Other extenuating circumstance

## Reinstatement of Financial Aid

A Student will regain eligibility once all Satisfactory Academic Progress (SAP) requirements are successfully met.

**Note:** Neither paying for nor sitting out for an enrollment period is sufficient to reestablish eligibility for Financial Aid.

## FINANCIAL AID DISBURSEMENTS AND REFUNDS

### Disbursements

LSCS will not disburse financial aid until all verification is complete. If a student is awarded financial aid prior to the payment deadline the aid should show online as a pending credit. The total amount of financial aid is generally credited to the student bill in two installments (half in the fall semester and half in the spring semester). Grants, loans and installment payments credited to student accounts will be applied to all outstanding tuition charges before refunds are generated. Students are issued refunds if the credited financial aid is more than the charges.



1. Students who have been awarded Federal PELL Grant before the first day of classes will be able to retain their classes without payment until the Official Day of Record for the term, provided that the student's tuition and fee debt is less than, or equal to, the amount awarded. Payment will automatically be made to the Business Office on the Official Day of Record.
2. If the student's tuition and/or fee debt is more than the award for the term the student must make that payment on or before the payment due date listed in the Schedule of Classes for the term.
3. Students who are awarded Federal PELL Grant after the start of classes for the term will be award based on their enrollment level on:
  - a) the student's Official Day of Record or,
  - b) the date their file is completed in the financial aid office, whichever is later

Outside scholarships will not be credited to a student's account until the check arrives at the college. Scholarship balance refunds are issued to students according to the donor's specifications.

## Refunds

### Grant and LSCS Scholarship Refunds

Financial aid refunds generally occur during the fourth week of each semester if all paperwork has been submitted in a timely fashion, and the student is registered for the amount of hours used to determine financial aid eligibility. Students who enroll in late-start classes (flex/mini-term) will be mailed the check for the balance (if any), to their home address approximately two weeks after the Official Day of Record for the late start class.

### Stafford/ Parent PLUS Disbursements

Most students apply for a Stafford loan in the fall to cover expenses during the fall and spring terms. Under the terms of this loan, half of the loan is disbursed in the fall and half is disbursed in the spring. When a loan is requested to cover expenses for one term only, funds are disbursed in two installments during that one semester (e.g., a fall only loan). LSCS will only certify up to half the annual loan limit for one term only applications (depending on eligibility requirements).

### 30 Day Waiting Period

LSCS cannot disburse loan funds until after the 30th class day. If multiple disbursements are required within one term (i.e. one term only loan), the secondary disbursement will be released after the midpoint of the semester has passed. Tuition, fees, or other allowable institutional charges remaining from the beginning of the semester will be deducted from loan proceeds and the remaining balance will be transmitted to a debit card. If a student chooses to receive the refund in the form of a paper check instead of the debit card, funds will be mailed to the address on file with the Admissions Department.

### Flex/Mini-term Classes

Students who enroll in late-start classes (flex/mini-term) will not have their funds released until approximately two weeks after the Official Day of Record of the class with the latest start date. Please contact the Financial Aid Department for specific information regarding late-start classes.



### Dropping Courses

If a student drops below six credit hours, any portion of the loan that has not been released will be cancelled and the lender will be notified that the student is no longer enrolled at least half-time. Students are required to complete an Exit interview if this occurs.

Students who apply for loans will have their eligibility and enrollment level based on the date the loan is certified and again the date the check is released. Students who change enrollment to a level below half time, or who fail to maintain Satisfactory Academic Progress, after the loan is certified will have their loans cancelled.

### Parent PLUS Loans

Parent PLUS disbursements will arrive at the school in check form. They will not be automatically credited to the student's account. The student account must be at a zero balance before the PLUS funds can be disbursed to the parent.

### Refund Policy

The refund policy for Lone Star College is based upon the assumption that student tuition and fees provide only a portion of the actual incurred costs to provide educational opportunities. When a student enrolls in a class, a place is reserved which cannot be given to another student. This represents a significant cost to LSCS whether or not class enrollment is continued.

Title IV (Federal Pell Grant, FSEOG, and FFELP Loans) aid recipients are subject to a different policy upon complete withdrawal of classes. Refunds for tuition are processed from Lone Star College System four to six weeks after the official day of record. Refunds for courses scheduled outside the sessions listed in this section will be made on a prorated basis in accordance with the refund policy.

Semester Length Courses Fall and Spring Semesters	
Prior to the first calendar day of the semester	100%
During the first 15 calendar days of the semester	70%
During the 16 <sup>th</sup> -20 <sup>th</sup> calendar days of the semester	25%
After the 20 <sup>th</sup> calendar day of the semester	None

Six-week Summer Semester	
Prior to the first calendar day of the semester	100%
During the first 5 calendar days of the semester	70%
During the 6 <sup>th</sup> -7 <sup>th</sup> calendar days of the semester	25%
After the 7 <sup>th</sup> calendar day of the semester	None



## Return of Title IV

### Refund Policy for Return to Title IV

Under the higher education amendment regulation called Return of Title IV Funds, all students receiving Title IV federal grant or loan assistance who withdraw from the institution in the first 60% of the term are subject to the Return of Title IV Fund policy. This regulation affects the calculation of aid to be returned as well as repayment procedures. The percentage of aid earned by a Title IV student is determined by calculating the percentage of the period that the student completed. If the student completes up to 60% of the term, the percentage of aid earned equals the percentage of the completed period. A portion of the Title IV funds (Pell Grant, ACG, SEOG, Direct Loan, Unsubsidized Direct Loan) awarded to the student must be returned. The calculation of the return of these funds may result in the student owing a balance to Lone Star College System and/or the Department of Education. It is the student's responsibility to officially withdraw from all classes. If the student completes 60.01% or more, the student earns 100% of aid. Students who are no longer attending at least six credit hours at the time loan funds are scheduled to be disbursed are not eligible to receive those funds. The loan will be cancelled and all loan funds returned to the Department of Education.

The Financial Aid Office is required by federal statute to recalculate federal financial aid eligibility for students who withdraw, drop out, are dismissed, or take a leave of absence prior to completing 60% of a payment period or term. ALL Title IV financial aid programs must be recalculated in these situations.

If a student leaves LSCS prior to completing 60% of a payment period or term, the financial aid office recalculates eligibility for Title IV funds. Recalculation is based on the percentage of aid earned must recalculate their aid using the following Federal Return of Title IV funds formula:

Percentage of payment period or term completed = the number of days completed up to the withdrawal date divided by the total days in the payment period or term. (Any break of five days or more is not counted as part of the days in the term.) This percentage is also the percentage of aid earned.

Funds are returned to the appropriate federal programs based on the percentage of unearned aid using the following formula: Aid to be returned = (100% of the aid that could be disbursed minus the percentage of earned aid) multiplied by the total amount of aid that could have been disbursed during the payment period or term.

If a student earned less aid than was disbursed, the institution and/or the student may be required to return a portion of the funds. Keep in mind that when Title IV funds are returned, the student borrower may owe a debit balance to the institution.

If a student earned more aid than was disbursed to him/her, the institution would owe the student a post-withdrawal disbursement which must be paid within 120 days of the student's withdrawal.

The institution must return the amount of Title IV funds for which it is responsible no later than 45 days after the date of the determination of the date of the student's withdrawal.



Refunds are allocated in the following order:

- Unsubsidized Federal Direct Loans
- Subsidized Federal Direct Loans
- Federal Parent (PLUS) Loans
- Federal Pell Grants for which a Return of funds is required Academic Competitiveness Grant for which a return of funds is required
- Federal Supplemental Opportunity Grants for which a Return of funds is required
- Federal TEACH Grants for which a return is required
- Iraq Afghanistan Service Grant for which a return is required

*\*\*Title IV financial aid at Lone Star College System includes the Federal Pell Grant, the Federal Supplemental Educational Opportunity Grant, the Federal Direct Loan (both subsidized and unsubsidized), and the Federal Parent Loan for Undergraduate Students (PLUS).*

### **Repayment of Return of Title IV**

Repayment with Lone Star College will include terms that permit students to repay overpayments while maintaining their eligibility of Title IV Funds. However, LSCS repayment arrangements with the students must provide complete repayment of the overpayments within two years of the date of the institution's determination that the student withdrew.

The student has up to 45 day period to repay Title IV funds. If the student does not repay the funds, the student becomes ineligible for Title IV funds. The student will remain ineligible until the student enters into a satisfactory repayment agreement with LSCS.

Students can make repayments or setup payment plans by contacting the Business Office.