

## Section VI.C. Financial Aid

These procedures supplement and clarify Section VI.C of the Lone Star College District Policy Manual (“Policy Manual”) last revised by the Board of Trustees on **March 3, 2016**—setting out the College’s policies regarding financial aid.

The Policy Manual controls when a conflict arises between it and the procedures below. These procedures were last updated on **June 15, 2016**. The notice and comment period was open online to the public from **April 22, 2016**, to **May 22, 2016** and from **March 7, 2017** to **March 21, 2017**.

**1. General.** The College believes that financial aid removes financial barriers preventing access to educational opportunities. Nevertheless, a dispute may arise from time to time regarding a student’s eligibility for financial aid. This procedure governs the administration and resolution of such disputes.

**2. Financial Aid Application Process.** The financial aid application process involves the steps detailed below:

**2(a)** Students should visit [www.fafsa.gov](http://www.fafsa.gov) to complete the Free Application for Federal Student Aid (FAFSA). Be sure to list Lone Star College school code, 011145. The FAFSA is available each October 1st for the upcoming academic year. Students should file as early as possible because limitedly funded programs are awarded on a first-come, first-served basis.

**2(b)** After students submit their FAFSA, a copy is provided electronically to the Lone Star College Financial Aid Office (FAO). Some students are selected by the Central Processing System (CPS) for verification and will be required to submit additional documentation to the FAO. The FAO may also select students for verification. The FAO will notify such students via email of the documentation they are required to provide.

**2(c)** Student financial aid eligibility is determined after the FAO receives a student’s FAFSA and all required documents provided the student has been admitted to the College, is seeking a degree or certificate program at least one year in length, complies with Satisfactory Academic Progress (SAP) policy requirements, and meets all other federal eligibility requirements.

**2(d)** The FAO will then send the student an award letter detailing the financial aid awards the student is eligible to receive.

**2(e)** For student loans only, the student must then accept or decline online via MyLoneStar.

**2(f)** Students who are first-time Federal Direct Loan borrowers must complete a Direct Entrance Loan Counseling session and a Master Promissory Note (MPN). A link to the online session and the MPN is available at [www.StudentLoans.gov](http://www.StudentLoans.gov).

**2(g)** Parent Direct PLUS Loan Borrowers must complete a credit pre-approval and MPN (if they have not already completed a Direct PLUS MPN). Borrowers may access the PLUS application at [StudentLoans.gov](http://StudentLoans.gov).

**3. Initial Financial Aid Eligibility.** Students must meet the following criteria to receive federal student aid: (a) be admitted into an eligible degree or certificate program; (b) demonstrate financial need (some loans do not require an applicant to demonstrate

need); (c) have a high school diploma or GED compliant with standards approved by the United States Department of Education.

The U. S. Department of Education requires federal financial aid awards be given only to U.S. citizens or eligible non-citizens, those with valid Social Security Numbers (SSN), those who meet SAP standards as set forth by the U.S. Department of Education, those registered with Selective Service, and those not currently in any federal student loan default. A conviction of drug distribution or possession may affect a student's eligibility for federal student aid. All federal student aid programs have specific eligibility requirements that a student must meet in addition to those stated above. More information detailing specific criteria may be found in the catalog's Need-Based Programs section.

Non-citizen students, including undocumented students, may be eligible to receive state financial aid. To apply for state financial aid, students must complete the Texas Application for State Financial Aid (TASFA) available at <http://www.lonestar.edu/financial-aid-forms.htm>. This application must be returned to the FAO (see <http://www.collegeforalltexans.com/index.cfm?objectid=d465d848-ea0f-c0ea-5209bc8c89262877> for details).

**4. Appealing Initial Financial Aid Eligibility Determinations.** The College offers financial aid to admitted, eligible students. From time to time, a dispute may arise about whether a student is eligible for financial aid for a host of reasons (separate from SAP requirements, which are covered later in these procedures). This procedure governs the administration and resolution of such disputes.

First, the student should try to informally resolve the issue with the FAO at the college the student attends (or any office at a college where the student attends). Second, once the student unsuccessfully tries to resolve the issue with the college's FAO staff, the student is encouraged to formally contact the Executive Director of Financial Aid (EDFA) to file a written grievance.

The student should submit all supporting documentation for the grievance along with the grievance. The EDFA or a designee must schedule a conference with the student to be held within 10 working days of receiving the written grievance. The student or EDFA or a designee may appear by telephone or telepresence at the conference. While the EDFA does not have to appear at the conference in person, he or she must issue a written decision upholding, amending, or reversing the initial aid eligibility determination.

The student may then further appeal directly to the Associate Vice Chancellor of Student Success (AVCSS) if dissatisfied with the EDFA's decision. The AVCSS must schedule a conference with the student to be held within 10 working days of receiving the written grievance. The student or AVCSS may appear by telephone or telepresence at the conference. The AVCSS must issue a written decision upholding, amending, or reversing the EDFA's refund determination. The AVCSS's decision is final.

**5. Requesting Professional Judgment Review.** Students who believe that their FAFSA does not accurately reflect a special circumstance that may warrant adjustment of their data may request Professional Judgment. The federal government allows Financial Aid Administrators (FAA) to adjust cost of attendance, the values of specific data used in the Expected Family Contribution (EFC), or both. For example, an FAA may exercise Professional Judgment if a student is a dislocated worker or homeless; if a student's family member was recently unemployed; or if another significant change recently occurred to the student's

income. A student requests Professional Judgment by completing the appropriate form available at <http://www.lonestar.edu/financial-aid-forms.htm>. The form should be returned to the FAA. All Professional Judgment requests must be accompanied by supporting documentation. The FAA's decision regarding the exercise of Professional Judgment is final.

**6. Maintaining Financial Aid Eligibility.** The federal government requires that the College review a student's Satisfactory Academic Progress (SAP) before continuing to disburse financial aid every semester. The College's financial aid applicants must meet three SAP requirements including:

1. maintaining at least a 2.0 cumulative grade point average,<sup>1</sup>
2. Successfully completing 67% of cumulative credits attempted,<sup>2</sup> and
3. Earning a degree or certificate within 150% of the published length in credit hours of the declared program of study.

Meeting SAP means the student satisfies all three of the above requirements and is classified as "**Meets SAP**" and is financial aid eligible. Conversely, not meeting SAP means the student failed to satisfy one or more requirement and is no longer eligible for financial aid disbursements.

**6(a) SAP Requirement 1: Cumulative Grade Point Average Calculation.** A student must maintain a 2.0 cumulative GPA to maintain financial aid eligibility. The cumulative GPA is computed by adding the grade point values for college-level, developmental, and English for Speakers of Other Languages (ESOL), for which grade point values (A, B, C, D, and F) are assigned and dividing this total by the appropriate number of credit hours attempted. Only credits for which grades are awarded are used in calculating the grade point average. If a course is repeated, the higher grade is the permanent grade. A student that fails this requirement for two consecutive semesters is classified as "Failed SAP (Not Meet)". **Following the first "Warning" semester, the student enters "Not Meet" status and is no longer eligible for financial aid unless the student successfully appeals for reinstatement of financial aid eligibility.**

**6(b) SAP Requirement 2: Cumulative Completion Rate.** A student must successfully complete at least 67% of cumulative attempted hours. The cumulative completion rate is computed by dividing the number of credit hours earned (completed) by the number of credit hours attempted for college-level, developmental, English for Speakers of Other Languages (ESOL), and transfer courses. Successful completion results in grades of: A, B, C and D. Note: The grade of "D" is treated as unsuccessful completion in some program areas, including developmental studies and nursing (see College Catalog for more detail). Unsuccessful completion results in grades (or marks) of a F, W (Withdrawal), I (Incomplete), IP (In Progress for remedial coursework only) and/or NR (No Grade Reported). In addition, marks of NC and/or X, which are no longer used, are treated as unsuccessful completion. Repeated courses, courses for which the student has been granted Academic Fresh Start at the College, and credit hours previously earned at another institution that are accepted by the College will be counted as both attempted and earned, i.e., if successfully completed, in the calculation of the cumulative completion rate. A student that fails this requirement for two consecutive semesters is classified as "Failed SAP (Not Meet)". **Following the first**

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<sup>1</sup> 34 C.F.R. 668.34(a)(5)(i)-(5)(ii).

<sup>2</sup> 34 C.F.R. 668.34(a)(4)(i)-(4)(ii).

**“Warning” semester, the student enters “Not Meet” status and is no longer eligible for financial aid unless the student successfully appeals for reinstatement of financial aid eligibility.**

**6(c) SAP Requirement 3: Maximum Time Frame.** A student must declare an academic program other than “undecided” and must be taking courses that apply to that degree or certificate. A student must complete the declared academic program within 150% of the published length of the program in credit hours to maintain financial aid eligibility. The maximum time frame is computed by dividing the number of credit hours attempted for college-level and transfer courses by the 150% of the number of credits required to complete the declared program of study. Transferred credit hours previously earned at another institution and accepted by the College will be counted toward the maximum time frame at the College. A student that changes an academic program will have all course credits taken under previous academic programs count towards the new academic program’s maximum time frame. A student that graduates from a program must declare a new academic program and begin taking courses that apply to the new academic program to qualify for financial aid. Course credits taken under the completed academic program will count towards the maximum time frame of the new academic program. A student that fails this requirement is classified as “Maximum Time Suspension (Not Meet)” and is no longer eligible for financial aid unless the student successfully appeals for reinstatement of financial aid eligibility. **This is at the end of the term the student exceeds the max time frame. No warning term is given.**

**6(d) SAP Requirement Evaluation Deadline.** The College evaluates SAP at the end of each term regardless of financial aid received (Fall, Spring, and Summer).<sup>3</sup> A financial aid recipient’s cumulative record, i.e., all enrollment periods at the College, regardless of whether or not financial aid was received during the periods, along with transfer credits, is evaluated and tested.

An admitted student that files a 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 enrollment record with the College and any transfer credits, as applicable. A first-time student with no prior college enrollment will always be assigned “**Meets SAP**” and is financial aid eligible until the student becomes ineligible.

A student who graduates from a program must declare a new academic program and begin taking courses that apply to the new academic program to qualify for financial aid. Course credits taken under the completed academic program will count towards the new academic program’s maximum timeframe.

**6(e). First Semester after Not Meeting SAP Requirement.** Students must satisfy SAP requirements after every semester. Therefore, a SAP failure occurs at the end of each such term and cannot occur in the middle of a term. The first semester after not meeting SAP is the **Warning Semester**, but a student remains eligible for financial aid.<sup>4</sup>

For example, John Doe is a financial aid recipient during the spring 2016 semester. John’s SAP is tested at the end of the spring semester. If John does not pass all the GPA or Completion Rate SAP requirements at that time, John will be placed on Financial Aid Warning during the next semester. In John’s case that next semester could be the

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<sup>3</sup> 34 C.F.R. 668.34(e).

<sup>4</sup> 34 C.F.R. 668.34(a)(8)(i), 668.34(b), and 668.34(c)(2)(i).

summer term immediately following the spring 2016 semester or the next semester of enrollment depending on the timing of John's next enrollment.

**6(f). Second Semester after Not Meeting SAP.** Students must satisfy SAP requirements after every semester of enrollment, including a Warning Semester. The second semester after not meeting SAP standards provides a student with one of three outcomes: (1) accept the **Failed SAP (Not Meet)** designation and remain ineligible for financial aid until such time as the student Meets SAP, (2) file a successful appeal, or (3) file an unsuccessful appeal.

**6(f)(1) Appealing a Failed SAP Designation.** Appealing a “**Failed SAP (Not Meet)**” or “**Maximum Time Suspension (Not Meet)**” designation does not automatically reinstate a student's financial aid eligibility at Lone Star College. Indeed, a student must present extenuating circumstances in the appeal request explaining the student's failure to meet cumulative SAP requirements. Examples of extenuating circumstances include, but are not limited to, a relative's death, a student's injury or illness, or other special circumstances. Moreover, the SAP appeal must include all supporting documents establishing the extenuating circumstance on which the student hopes to rely. Appealing students must complete and submit their appeal in the student's myLoneStar portal by: October 1 (Fall semester), February 15 (Spring semester), and June 15 (Summer semester) of each academic year. Failure to submit an appeal by the deadline will result in a lost opportunity to regain eligibility for the term. Any exceptions to these deadlines must be reviewed and approved by the Executive Director of Financial Aid or the Associate Vice Chancellor of Student Success. Exceptions will be made only for well-documented extenuating circumstances that prevented timely submission of the form.

**6(f)(1)(i) Basic Appeal Documents.** The necessary basic appeal documents include: (1) satisfactory academic progress appeal form for financial aid (available online in the myLoneStar student portal), (2) supporting documentation of the extenuating or mitigating circumstances relied upon, (3) a student statement explaining the reasons for not satisfying SAP requirements, and (4) what has changed in the student's life that will allow the student to satisfy SAP at the next evaluation deadline.

**6(f)(1)(ii) Additional Appeal Documents for Maximum Time Suspension (Not Meet) students.** Students on “**Maximum Time Suspension (Not Meet)**” must also submit: (1) a program acceptance letter if participating in the Occupational Therapy Assistant, Nursing, Respiratory Therapy Assistant, Physical Therapy, or Accounting programs; (2) an academic plan signed by an academic advisor in the advising department of the campus that offers the program (the academic plan must follow the sequence and term in which courses must be taken and successfully completed to achieve SAP and be on track to graduate from the academic program); and (3) submit the academic plan with the appeal.

**6(f)(1)(iii) Additional Appeal Documents for Academic Plan 1 Modifications.** Students requesting a modification of an Academic Plan 1 must also submit: (1) a detailed letter describing the new extenuating circumstances, (2) meet with an academic advisor on the campus where the degree plan is offered to revise the academic plan, and (3) submit a revised academic plan with the appeal.

Extenuating Circumstance	Supporting Documentation
Medical (personal or family illness)	Timeframe of illness, relationship to person with illness (if applicable), medical documents, letter from doctor
Death of Family Member	Death certificate, obituary, program, funeral home certificate, letter from a family member (if not listed on program, obituary, etc.)
Traumatic Event (assault, abuse, or other personal violation)	Supporting documentation
Change in Employment Status	Proof of job loss, unemployment letter
Natural Disaster (fire, hurricane, flood, tornado, earthquake, etc.)	FEMA documents, insurance claim, statement from landlord
Military Deployment	Military orders, DD214
Car Accident	Police report, insurance documents, dated photos
Legal Issues (divorce, separation, incarceration)	Divorce decree, relevant court documents

**6(f)(1)(iv) Establishing Extenuating and Mitigating Circumstances.** It is impossible to predict and anticipate every extenuating and mitigating circumstance that could impact a student’s SAP requirements. Nevertheless, the list above is provided to guide both students and reviewers.

**6(f)(1)(v) Appeal Review Timeline.** An appeal received will be reviewed within 30 days of receipt by Financial Aid staff. The appeal will be approved if the documentation: (1) substantiates the extenuating circumstances, (2) explains the student’s prior situation and what has changed to allow the student to meet SAP standards in the future, and (3) provides evidence in the academic advising report that indicates the student could achieve satisfactory academic progress status and complete the program of study within the maximum timeframe if the student follows the academic advising report (if applicable) and successfully completes the coursework. The College will notify the student via email of its decision. If a student is enrolled during the SAP review period, the student will need to ensure that the student has either made a full payment, or has an established payment plan set up with the Business Office to ensure classes are not dropped.

**6(f)(1)(vi) Successful Appeals.** Approved appeals move students from “**Failed SAP (Not Meet)**” or “**Maximum Time Suspension (Not Meet)**” to “**Appeal Approved (Probation)**” until such time as the student submits an academic plan aimed at regaining SAP standards. Future terms of financial aid eligibility are contingent on satisfying the academic plan.

**6(f)(1)(vii) Unsuccessful Appeals.** An unsuccessful appeal results in a status of “**Appeal Denied (Not Meet)**.” This status is assigned to a student that did not meet a SAP requirement, was placed on “**Failed SAP (Not Meet)**” or “**Maximum Time Suspension (Not Meet)**”, filed an appeal, and the appeal was denied. The Student may submit a second and final appeal to be reviewed by the Appeal Committee. The Appeal Committee is comprised of the Executive Director of Financial Aid, System Directors, a Business Analyst, and all member-college/campus Directors of Financial Aid.

**6(f)(2) Academic Plan.** A financial aid recipient that is successfully placed on “**Appeal Approved (Probation)**” status must meet with an academic advisor to develop an academic plan and submit it by the appropriate deadline. The financial aid recipient will then move from “**Appeal Approved (Probation)**” to “**Academic Plan 1**” and is considered eligible for financial aid at Lone Star College once the academic plan is received and approved.

**6(f)(3) Academic Plan Requirements.** Students must meet with an academic advisor at the college in which the degree plan is offered to complete the academic plan. Progress is reviewed by the student’s Financial Aid Department at the end of each term. The student must have a SAP status of “**Meets SAP**” or must have fulfilled the requirements specified in the student’s Academic Plan 1 approved during the SAP appeal process to be aid eligible.

While on an Academic Plan 1, student must:

1. maintain a 2.0 GPA each term.
2. complete 75% of the courses attempted each term.

If at the end of the term, the student makes progress as stipulated in the academic plan, the student’s SAP status will remain “**Academic Plan 1**” until the student “**Meets SAP**” or fails to meet the requirements of the plan. If the student does not make progress as stipulated in the academic plan, the student’s status will change to “**Ineligible**” and does not have financial aid eligibility.

**6(f)(4) Academic Plan 1 Deadline.** The academic plan must be submitted by November 15 (Fall semester), April 1 (Spring semester), and July 15 (Summer semester). If the Academic Plan is not submitted before the agreed deadline, and if the student does not meet all SAP requirements at the end of the term, the student’s SAP status will be changed to “**Ineligible (Not Meet)**,” making the student ineligible for financial aid. The status of “**Ineligible (Not Meet)**” based on failing to submit an academic plan is not appealable.

**6(f)(5) Amending Academic Plan 1.** Students can request one—and only one—modification to the academic plan if new extenuating circumstances develop. Granted modifications transform a student on “**Academic Plan 1**” to “**Academic Plan 2**”. Failing either an “**Academic Plan 1**” without an approved modification or failing an “**Academic Plan 2**” results in the student being placed into “**Ineligible (Not Meet)**.”

**7. Returning Financial Aid to Lone Star College.** Lone Star College has a legal obligation to demand a Return of Title IV Funds repayment from financial aid recipients. Title IV funds include Pell Grants, SEOG, and Direct Loans. Financial aid recipients receiving Title IV funds must return those funds if such recipients withdraw—officially or unofficially—from the Lone Star College during the first 60% of the term. 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 the College prior to completing 60% of a payment period or term, the Financial Aid Office recalculates eligibility for Title IV funds.

**7(a) Student Withdrawals.** Student-initiated notification of withdrawal is considered Official Withdrawal. Non-student-initiated notification of withdrawal is

considered Unofficial Withdrawal. For Title IV financial aid purposes only, the College must define unofficial withdrawal as well. For purposes of 7(a) and 7(b) below, either type of withdrawal is considered a withdrawal.

**7(a)(1) Official Withdrawal.** An official withdrawal occurs when a student withdraws (or drops) from: (1) all courses in the term, or (2) all course(s) scheduled to complete for which a grade(s) is yet to be assigned. The withdrawal date will be the date the Admissions Office receives written notification from a student of his or her intent to withdraw via personal, postal, electronic, fax delivery, or phone call. The written notification may be a College Schedule Change Form or a written request.

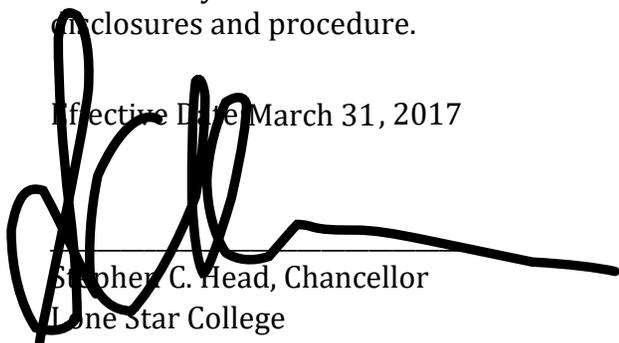
**7(a)(2) Unofficial Withdrawal.** Students who stop attending class or leave the College without following official procedures for withdrawal from a course or resignation from the College are subject to receiving a grade of "F" posted on their academic record for each course in question and/or denial of permission to reenter the College. When students receive all Fs, Us, Ws, or a combination of these grades for a semester, they may be defined as "unofficially withdrawn" for Title IV purposes and purposes of these procedures. At the end of each term, students who have been identified as unofficially withdrawn will be notified in writing by the Admissions Office. Students will have 10 working days to document the last date of attendance, if applicable. If the last date of attendance cannot be determined, students are assumed to have attended 50% of the enrollment period and the Return of Title IV Funds calculation will be based on this length of attendance. Unofficially withdrawn students will be billed for resulting institutional charges and repayments of Federal Student Aid.

**7(b) Percentage of Aid Earned.** Recipients must return all funds beyond those that have already been earned if the recipient does not complete at least 60% of the coursework. The percentage of financial aid earned equals the percentage of the completed period. If the student completes 60.01% or more, the student earns 100% of financial aid. Percentage of payment period or term completed equals the number of days completed up to the withdrawal date divided by the total days in the payment period or term.

**7(c) Minimum Credit Hours Required.** Recipients 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 canceled and all loan funds returned to the Department of Education.

**8. Title IV Fraud Procedures.** Any suspicion of Title IV fraud shall be reported to the Associate Vice Chancellor of Student Success or Executive Director of Financial Aid. Either official may contact the Office of the General Counsel for advice on other necessary disclosures and procedure.

Effective Date March 31, 2017



Stephen C. Head, Chancellor  
Lone Star College