

# FINANCIAL AID

## Financial Aid Policies

### Required Forms

- Free Application for Federal Student Aid (FAFSA)
- Other documentation required for federal verification as requested

### Important Information

- To be considered for all available awards, students are encouraged to apply early.
- All required documents must be submitted to the Financial Aid Office in a timely manner to avoid any delays in the processing of financial aid applications. Once the necessary documents have been submitted and eligibility is confirmed, loan requests will be certified, and need-based grants will be credited to the student's account. Additionally, the Federal Work-Study program will be initiated for eligible students.
- Students may be selected in a process called Verification and additional documents may be required. Failure to submit the documents required by the verification process within the given timeframe will result in the loss of eligibility for federal financial aid. Therefore, students should prioritize completing the verification process as soon as possible to avoid any unnecessary complications.
- Scholarships and grants are credited to student accounts according to the schedule on the financial aid offer letter. Loans are credited upon receipt of funds. Earnings from on-campus employment are paid on a bi-weekly basis.
- Students may contact the Financial Aid Office in Room 4-700 CC between the hours of 8:00 a.m. and 5:00 p.m. (Monday - Friday) for specific details regarding eligibility, application procedures, deadlines, and required documents.

In addition to cooperative education earnings, there are three basic types of financial assistance for students: gift aid, loans, and campus employment. While these are described below, the Kettering University website contains detailed information about these awards.

## Gift Aid Sources

- **Federal Pell Grant** This grant is from the federal government and is awarded based on the student's Expected Family Contribution (EFC) as determined by the federal methodology needs analysis formula by completing the FAFSA.
- **Federal Supplemental Educational Opportunity Grant (SEOG)** This grant is from the federal government and may be awarded by the Kettering University Financial Aid Office to undergraduate students who demonstrate exceptional financial need.
- **Michigan Competitive Scholarship** This scholarship is awarded by the Michigan Department of Education to Michigan residents. Eligibility is based on academic requirements and financial need. Students must initially qualify for the scholarship before enrolling as college freshmen. The scholarship is renewable for a maximum of ten semesters, with renewal based on continued need and satisfactory academic progress. Recipients must file the Free Application for Federal Student Aid (FAFSA) each year before the State of Michigan deadline of March 1.
- **Michigan Achievement Scholarship** Beginning with the 2023-24 year, students graduating from a Michigan high school in 2023 will be considered for the Michigan Achievement Scholarship, up to \$4,000

per year if they attend a private college or university. Students will be eligible if their family demonstrates financial need when they complete the FAFSA. Those that will qualify for the scholarships must be from families where the expected family contribution is less than \$25,000.

**Endowed Scholarships** Some scholarships are open to a wide spectrum of students, while others have specialized criteria. Questions regarding eligibility, scholarship guidelines, and the application process and deadlines should be directed to the Financial Aid Office.

## Loan Sources

**Federal Direct Subsidized/Unsubsidized Loans** These are loans that are available to students through the government's loan program. The amount students are eligible to borrow is based on their grade level. These loans have a fixed interest rate and can be deferred while the student is enrolled at least half-time. An origination fee is deducted from the approved loan amount before disbursement. This fee is determined each year and is subject to change. Repayment on these loans begins six months after graduation or when the student ceases to be enrolled at least half-time. These loans have a 10-year repayment plan.

- **Federal Direct Subsidized Loan** This is a need-based loan for which students are not responsible for the interest while in school at least half-time.
- **Federal Direct Unsubsidized Loan** This is a non-need loan for which the student is fully responsible for paying the interest. Interest begins to accrue once the loan has disbursed.

Dependent Students	Maximum Subsidized Loan	Maximum Unsubsidized Loan	Total Loan Eligibility
Freshman	3,500	2,000	5,500
Sophomore	4,500	2,000	6,500
Junior/Senior	5,500	2,000	7,500

Students that do not qualify for the need-based Subsidized Loan are eligible to borrow the "Total Loan Eligibility" from the Unsubsidized Loan. The student's award letter will reflect the amount they are eligible to borrow.

- **Federal Direct PLUS Loan** A credit-based loan that is available to the parents of dependent students who have completed the FAFSA. The amount that a parent may borrow is based on the student's educational costs minus any other financial aid received. The interest rate is fixed; however, interest does begin to accrue once the loan has disbursed. A payment deferment is an option is available if it is requested by the parent. Otherwise, repayment begins 60 days after the final disbursement of the academic year. An origination fee is deducted from the approved loan before disbursement. This fee is determined each year and is subject to change.  
Note: If a parent is denied a PLUS Loan due to an adverse credit history, the dependent student can access an additional loan through the Federal Direct Unsubsidized Loan program listed above. The amounts are as follows:

Dependent Students with a PLUS Denial or Independent Students	Maximum Subsidized Loan	Maximum Unsubsidized Loan	Total Loan Eligibility
Freshman	3,500	6,000	9,500
Sophomore	4,500	6,000	10,500
Junior/Senior	5,500	7,000	12,500

- **Private Student Loan Programs** These programs are intended to provide students and their families an alternate source of loan funds to assist in meeting the cost of postsecondary education. These loans are credit-based and offered through third-party lenders to the student. Interest on a private loan will begin to accrue once the loan has disbursed. Repayment on most loans begins six months after graduation or when the student ceases to be enrolled at least half-time. Contact the Financial Aid Office for further details.

## On-Campus Student Employment

**Federal Work-Study (FWS)** is a program that assists Kettering University in providing on-campus employment for students with demonstrated need.

**Campus employment (Student Labor)** is available on a limited basis to students without financial need who would like to earn money toward educational cost while attending school.

## Satisfactory Academic Progress (SAP)

To maintain financial aid eligibility, you must make Satisfactory Academic Progress (SAP) toward obtaining a degree. Satisfactory Academic Progress will be monitored at the end of each academic term whether or not you have received financial aid. This policy applies to all federal, state, and university-funded grants, along with some private student loans.

### Minimum standard requirements:

- **Qualitative Measure (Cumulative GPA):** Must maintain a cumulative grade point average (GPA) of at least 2.0 at the end of each academic term.
- **Qualitative Measure (Term GPA) -** Must maintain a term GPA of at least 2.0 at the end of each academic term.
- **Quantitative Measure (Pace of progression to ensure completion within the maximum time frame):** Pace of progression is determined by dividing the cumulative number of credit hours successfully completed by the cumulative number of credit hours attempted, including transfer hours that have been accepted. Undergraduate students must maintain a pace of progression of 67% for all course work attempted, including transfer credits.
- **Credits Attempted** are defined as all classes for which a student received a passing grade ("D" or better), or an "F", "FN", "W", "WN" or "I".
- **Credits Completed** are defined as all classes for which a student receives a passing grade of "D" or better.
- **Audit Credits** do not count as credits attempted or completed.
- **Repeated Courses** count as credits attempted during each term the student is enrolled in the course; however, they will be counted only once as credits completed the first time a passing grade is received for the course.
- **Transfer Credits** count towards the quantitative measure.

- **Maximum Time Frame (to Complete a Degree):** The maximum allowable timeframe for receiving aid is equal to 150 percent of the length of your academic program. If you are a transfer student, your accepted transfer coursework will be counted in the maximum timeframe.

## Financial Aid Warning

Students who fail to meet the minimum standards for Satisfactory Academic Progress at the end of the academic term will be placed on Financial Aid Warning. A student may continue to receive financial aid for one semester while on Financial Aid Warning. Students should use this opportunity to re-establish Satisfactory Academic Progress.

If at the end of the Financial Aid Warning period, the student is meeting the minimum requirements for Satisfactory Academic Progress, the Financial Aid Warning is lifted.

Students who fail to make Satisfactory Academic Progress after the Financial Aid Warning semester will be ineligible for financial aid. You may appeal this status. If your appeal is approved, your financial aid eligibility will be reinstated, and you will be placed on Financial Aid Probation for one term. If your appeal is denied, your financial aid will be suspended for the next academic term.

## Financial Aid Probation

To be on Financial Aid Probation you would have to successfully appeal not making Satisfactory Academic Progress after a Financial Aid Warning term. Students may receive aid for one more academic term if an appeal is granted.

If at the end of the Financial Aid Probation period, the student is meeting the minimum requirements for Satisfactory Academic Progress, the Financial Aid Probation is lifted.

Students who fail to make Satisfactory Academic Progress after the Financial Aid Probation semester will be ineligible for financial aid and placed on Financial Aid Suspension.

## Financial Aid Suspension

If the Financial Aid Office determines that you have not met the minimum standard requirements to receive financial aid, and your appeal is denied, you will not be eligible to receive aid for your next period of enrollment.

## Appeal

If extenuating circumstances exist which caused a student to fail to meet one of the above standards, a written appeal may be submitted. Examples of extenuating circumstances include, but are not limited to unexpected death or major hospitalization of an immediate family member, extended hospitalization or medical condition of the student, house fire victim, or victim of a violent crime. The appeal should address and document these extenuating circumstances **and** include:

- Why you failed to make Satisfactory Academic Progress
- What has changed that will allow you to make Satisfactory Academic Progress during your next academic term

The appeal form is available on the Financial Aid website. The appeal form must be turned into the Financial Aid Office within 30 days of the notification that you are not meeting Satisfactory Academic Progress. Appeals must include supporting documentation. Incomplete appeals or those missing adequate documentation are typically denied.

Those suspended due to attempting credits more than the 150% of the program are not eligible for appeal.

## Withdrawing from Courses

Financial aid is based on the number of credits for which students are enrolled at the end of the refund period. Students who are not registered for full-time at that point will have their aid reduced accordingly. Students are encouraged to meet with a financial aid advisor before making withdrawal decisions.

## Withdrawing from Kettering

For financial aid purposes there are two types of withdrawals: complete and unofficial.

- Complete: Official withdrawal from the university by the student.
- 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.

## Student Fails to Earn a Passing Grade in any Class

**Never Attended:** If a student receives a grade of an F due to not attending class, Federal Title IV aid will be adjusted for those classes never attended.

- Example: A student is in four classes which are all worth four credits. The student receives three A grades and one F grade. The instructor reported that the student never attended the class that received the F grade. Aid will be adjusted from 16 credits (full time) to 12 credits (three-quarter time).
- Example: A student is in four classes which are all worth four credits. The student receives all F or W grades (no passing grades). If attendance has not been achieved up through the 60% point of the semester, a calculation is done to determine the amount of the Title IV funds that the student has earned at the time of withdrawal.

### Why do we monitor students receiving all 'F' grades?

The University is obligated by federal regulation to review aid recipients receiving all 'F' grades. The assumption behind the law is that a student receiving all 'F' grades walked away from the semester without properly withdrawing from the University. Schools must identify students with 'F' grades within 30 days from the date final grades are posted.

## Withdrawing Prior to Completing 60% of Term

Unless a student completes 60% 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.

## Student Financial Aid Enrollment Requirements

Kettering University is a semester-based University with two semesters. Each semester consists of an academic term and a work term.

- July-December is a semester (includes summer and fall terms).
- January-June is a semester (includes winter and spring terms).

Student aid, by law, is paid in semesters. Therefore, students who participate in non-standard enrollment (for example, attending school

for two terms July-December and then working January-June) may experience decreased financial aid eligibility.

- Enrollment patterns that will not affect aid eligibility for traditional A-section students include the first and second examples on the chart below.
- Enrollment patterns that will not affect aid eligibility for traditional B-section students include the third and fourth examples on the chart below.

In summary, enrollment patterns that create problems include two academic terms within one semester.

## Acceptable Academic Enrollments to Receive Financial Aid

Summer	Fall	Winter	Spring	Enrollment Pattern
X		X		Traditional A
X			X	A/B
	X		X	Traditional B
	X	X		B/A

**Note:** Students may, according to special needs by their employer, follow other patterns of academic/co-op terms. Students wishing to work three consecutive work terms may do so but will be listed inactive (not a student) for one of the three terms. A student must demonstrate progress toward a degree by attending two academic terms within a given year. Students should send a written request to the Registrar if interested in pursuing this option.

## Financial Suspension

Failure to meet financial obligations or agreements with Kettering University may result in financial suspension. Financial suspension (determined by the Business Office) includes suspension from portions of or all privileges to which active students are entitled. Two privileges include issuance of transcripts and processing of current, and future, course registrations.