

**FINANCIAL AID**

**POLICIES AND PROCEDURES MANUAL**

**Academic Year 2024-2025**

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## Financial Aid Process

Sofia University maintains a broad-based financial aid program of scholarships, grants, loans, and part-time employment for students who require financial assistance. Financial aid eligibility policies are set in accordance with federal and state requirements and with definitions of academic standards at Sofia University.

While complying with all applicable governmental and donor regulations, a serious attempt is made to extend a personalized, concerned approach to a student's financial needs.

We encourage everyone to read the financial aid website for complete information about aid sources and policies at [www.sofia.edu](http://www.sofia.edu).

### Title IV Federal Financial Aid Eligibility

**To be eligible for this program you must meet all the following criteria:**

- Be a citizen of the United States or an eligible non-citizen.
- Be registered with Selective Service (if required).
- Be working toward a degree or certificate.
- Be making satisfactory academic progress toward an eligible degree program.
- Not owe a refund on a federal grant or be in default on a federal education loan.
- Not have filed for bankruptcy.

Title IV loans are available to students enrolled at least half-time (3 units for MA, 6 units for PhD and 1-3 units for Dissertation) in Sofia aid eligible degree programs. Students taking single courses, or the Coaching Certification are not eligible for Title IV aid.

### Application

To apply for Title IV aid, you must first complete the Free Application for Federal Student Financial Aid (FAFSA). To complete the FAFSA, you will need:

- Your previous year's tax return (or W-2 forms if you are not required to file a return).
- W-2 forms and other records of money earned in the previous year.
- Records of untaxed income such as welfare, social security, AFDC or ADC, or

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veterans' benefits.

- Green card (eligible non-citizens).
- Driver's license and social security card.

The FAFSA is filed electronically. For details, visit the Department of Education web site at [www.fafsa.ed.gov](http://www.fafsa.ed.gov) and be sure to include Sofia's school code when completing the FAFSA. Sofia's school code is G22676. A Student Aid Report (SAR) will be returned to you when the FAFSA has been processed. Sofia will receive an electronic version called an ISIR if you have designated the school on your FAFSA. All students must also complete an Institute Application for Financial Aid, which is available through the Financial Aid Office or student portal.

### **Awarding Financial Aid Title IV Funds**

Sofia awards federal aid to all eligible students on a first come, first served basis. The Financial Aid office needs to process and complete **the COA Calculation Form** (before creating an award letter, to avoid awarding student above the Financial Need (COA/Budget minus EFC = Financial Need):

- A valid ISIR is needed to start awarding students.
- Once the financial need has determined, financial aid office can award grants (Pell, SEOG & FWS), Scholarship, other financial resources minus Direct Subsidized Loan = Remaining Financial Need
- To calculate the Remaining Eligibility; the Remaining Financial Need plus VA Benefits (chapter 38 & 30 only) plus the Adjusted EFC- Unsubsidized Loan - Plus/GPLUS/Private loan
- An award letter will be created and sent to students describing eligibility for aid.
- Student's financial aid record will be sent to COD.
- A revised award letter will be created and send to student (if enrollment status change occurs)
- The Financial Aid Office will routinely review and, as necessary, adjust the student's awards to avoid exceeding a student's financial need.
- Any changes to the award letter must be documented.

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### **Deadlines for Title IV Financial Aid are as follows**

- One month prior to initial enrollment is the minimum lead-time to submit the FAFSA, receive an award and complete the loan application process.
- June 1st of each year: Last day to submit FAFSA for processing for the current year.

### **How financial aid is applied**

Financial aid is awarded for one academic year at a time. Funds are applied to the Sofia student account once the following conditions are met:

- The student is determined to be eligible and is awarded.
- The student is determined to be maintaining Satisfactory Academic Progress.
- The student is enrolled in the correct number of units.
- The disbursement date for the term has been reached. (for loan purposes only)

Funds will be applied to the Sofia student account shortly after the first day of the quarter. The Financial Aid Office continues to release funds throughout the quarter as students are awarded and as funds arrive from outside agencies or lenders.

### **Revised Award Notices**

Sofia reserves the right to change or cancel any student aid awards due to additional information gathered concerning the student's financial aid eligibility. These changes may be caused by:

- the Federal Verification Process
- the Sofia University Special Circumstances Review Process
- a change in enrollment status\*
- a change in student's housing status
- a student not maintaining Satisfactory Academic Progress

***Note: Changes of enrollment can impact a student's financial aid eligibility. The Registrar's Office reports changes of enrollment to the Financial Aid Office. The Financial Aid Office reports enrollment (and subsequent changes to enrollment) monthly to NSLDS (National Student Loan Data System). For loan purposes, these changes may impact a student's grace period.***

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## Outside Sources of Aid

Federal Regulations require students who are receiving outside sources of financial assistance (scholarships, grants, awards) to notify the Financial Aid Office. Federal, State and University regulations prohibit "over awards" - aid more than the Cost of Attendance (COA). All outside awards, whether based on academic merit or financial need, will be counted as a source of aid and will be added to the total financial aid package. This may result in a reduction of other aid, such as loans or work study.

## Continuance of Aid

Students must apply for financial aid each year. The types of aid awarded, and the amount of aid eligibility will be dependent upon the availability of institutional funds, demonstration of need as defined by filing the FAFSA, and whether or not the student has met the Minimum Standard for Satisfactory Academic Progress.

***Note: Receiving funds during one academic year is NOT a guarantee of the same award in future years.***

## The Federal Verification Process

The Financial Aid Office will verify all applicants selected by the U.S. Department of Education's (USDE) system edits. Other applicants may be selected for Verification by the Financial Aid Office if conflicting information is found.

It is the policy of the Financial Aid Office to **NOT DISBURSE AID OR CERTIFY STUDENT LOANS** until all required documentation has been submitted. Therefore, Sofia University has no procedures for referring overpayment cases to USDE and Sofia University will not be liable for any overpayments made to students who fail to comply with Verification or who do not submit required documentation.

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## **Requirements of Verification**

All students, parents of dependent students, and spouses of independent students (if applicable) must submit a copy of their 2023 IRS Tax Transcript and corresponding W2 Forms, or they must have successfully transferred their federal tax information on the FAFSA using the IRS Data Retrieval process. We also request a completed Verification Worksheet.

## **Notification of Verification**

All students will be notified of their selection for Verification shortly after the application for aid is received. If a student has been selected to be verified at a later date either by the Federal Government or the college, the student will be notified as soon as the selection takes place.

Students will be given reminders during the quarter if they fail to provide the needed documentation in a timely manner.

## **Deadlines**

Students will be asked to sign and submit all required documentation upon request. However, the final deadline will be 30 days after the last day of enrollment. All corrections must reach the central processor by July 1st, or an award can no longer be made.

## **Conflicting Documentation and Notification**

If there is no conflicting documentation or if conflicting documentation does not result in a change in the aid eligibility, a student will not be notified of the completion of Verification. The student shall assume there were no problems with Verification if the student's account has been credited with the proper financial aid award(s). If there is conflicting documentation and a change in an award(s) is required, a student will be notified immediately by mail. This notification will include a Revised Award Letter.



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## **Consequences of Failure to Complete Verification**

If a student fails to complete Verification by the required deadline, all financial aid will be canceled. Any requests for reinstatement must be made in writing to the Financial Aid Office.

### **Overpayment**

If an overpayment is created, Sofia University will work with the student to correct the situation internally. If the student is unwilling to work with the Financial Aid Office and Accounting Office, they will be reported to the Department of Education regarding the overpayment situation.

### **Transfer Monitoring**

Students that transfer to Sofia University from another post-secondary institution will be monitored by the Financial Aid Office using the National Student Loan Database for a period of 90 days once the student's enrollment begins to ensure that no other school is trying to disburse Title IV funds for that student. If another school does disburse Title IV funds during that time period and the student's financial aid eligibility is impacted, the student will be notified.

### **Federal Grants**

#### **Federal PELL Grant**

The Federal PELL Grant is the foundation of all need based undergraduate financial aid. It is determined by filing the FAFSA (Free Application for Federal Student Aid). Recipients of this grant are selected by the Department of Education and are awarded through the Financial Aid Office.

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

**SEOG** is a grant for students with exceptional financial need as determined by filing the FAFSA. Recipients of SEOG are selected and awarded by the Financial Aid Office based on funding levels. Awarding of SEOG is on a first-come, first-serve basis.

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**Eligibility for Grants (undergraduate) and Student Loans are automatically calculated by our SIS Campus Cafe system based on:**

- ISIR (Institutional Student Information Record)
- EFC
- Student's grade level
- Income
- Household number
- Number in college
- COA (Cost of Attendance)
- Degree program

**To award SEOG - the criteria for determining the amount is as follows:**

- SEOG allocated funds to school for the current year
- Zero EFC-priority = \$4000.00/year (\$1000/quarter)-first come first serve
- 100 – 999 EFC = \$3000.00/year (\$750.00 quarter)
- 1000-1999 EFC = \$2000.00/year (\$500.00/quarter)
- 2000 – 2999 EFC = \$1000.00/year (\$250.00/quarter)
- 3000 – 9999 EFC = \$0.00 award

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## Federal Work Study

The **Federal Work Study** Program was established by Congress to assist students in earning money to meet their educational costs while providing experience related to the student's academic major or career interests. Students can have flexible work schedules, which permit academics to be their first priority.

Participation in the Federal Work Study Program is limited. It is determined by the student's financial need and is awarded on a first come, first serve basis. Students must re-apply for financial aid each year and remain eligible for Federal Work Study to continue working in a work-study position.

Students are awarded from \$750.00 to \$4000.00 in available work-study funds per year. This award simply authorizes a maximum earnings limit for the academic year. Students work approximately 5 to 20 hours a week. It is the student's responsibility to work enough hours not to exceed the earnings limit. Some position titles that may be funded through Federal Work study have included:

- Library Assistant
- Research Assistant
- Teaching Assistant
- Special Project Coordinator

On Campus student employment positions are limited and not all available positions are funded through the Federal Work Study. Consult the job announcement for details and contact the Financial Aid Office with any questions about how accepting a position may impact your financial aid awards.

### Disclaimer

The terms of the Title IV program are subject to change without notice by the Department of Education or by action of the Congress of the United States. The University assumes no responsibility for changes to the Title IV program.

### Student Loan Options: Federal Direct Loan

The Federal Direct Loan Program offers low interest loans to students to help pay for their college education. Interest rates vary from year to year, but never exceed 8.25%. Principal payments are deferred while students are enrolled at least half-time. The student must:

- Meet general FSA eligibility requirements
- Enroll at least half-time each quarter
- File the current year's FAFSA (Free Application for Federal Student Aid)

#### There are two types of Direct Loans:

- Subsidized: The Federal Government will pay the interest on this loan while the student is enrolled at least half-time.
- Unsubsidized: Interest accrues on the loan while the student is in school. The student may choose to pay the interest monthly.

#### Annual Borrowing Limits (Federal Direct Loan Only):

##### Undergraduate Students

1 <sup>st</sup> Year (0-24 credits)	\$3,500 Subsidized + \$2,000 Unsubsidized ( <b>UNDG</b> ) + \$4,000 Additional Unsubsidized**
2 <sup>nd</sup> Year (25-54 credits)	\$4,500 Subsidized + \$2,000 Unsubsidized ( <b>UNDG</b> ) + \$4,000 Additional Unsubsidized**
3 <sup>rd</sup> through 5 <sup>th</sup> Year (55+ credits)	\$5,500 Subsidized + \$2,000 Unsubsidized ( <b>UNDG</b> ) + \$5,000 Additional Unsubsidized**

##### Graduate Students

Graduate Students	\$20,500 Unsubsidized
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**Note: Dependent Students must receive a Federal Direct Parent PLUS Loan denial before becoming eligible for the additional Unsubsidized.**

**Note: Independent Students automatically become eligible for the Additional Unsubsidized.**

**Aggregate Loan Limits (the maximum amount a student can borrow in their lifetime)**

**Undergraduate:**

- Dependent Students= \$31,000 (no more than \$23,000 of which can be Subsidized)
- Independent Students= \$57,500 (no more than \$23,000 of which can be subsidized)

**Graduate and Professional Students:**

- Maximum= \$138,500 (no more than \$65,500 of which can be in Subsidized)

**Interest Rates for Direct Loans First Disbursed on or After July 1, 2023, and before July 1, 2024**

Loan Type	Borrower Type	Fixed Interest Rate
Direct Subsidized Loans and Direct Unsubsidized Loans	Undergraduate	<b>5.50%</b>
Direct Unsubsidized Loans	Graduate or Professional	<b>7.05%</b>
Direct PLUS Loans	Parents and Graduate or Professional Students	<b>8.05%</b>

All interest rates shown in the chart above are fixed rates for the life of the loan. Note: The interest rates for federal student loans are determined by federal law. If there are future changes to federal law that affect federal student loan interest rates, we will update this page to reflect those changes.

**Application and Disbursement**

First-time Federal Direct Stafford Loan borrowers must complete a Stafford Loan Master Promissory Note (MPN) and Entrance Counseling session. Both items can be completed online at [www.studentloans.gov](http://www.studentloans.gov). **Both must be on file before funds can be approved and sent for disbursement.** They ensure that a student fully understands their rights and obligations as a student loan borrower. *Returning borrowers (students who have borrowed a Federal Stafford Loan within the past 12 months) do not need to complete another MPN or Entrance Counseling session.*

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## Exit Counseling

Once a student has graduated, dropped below a part-time enrollment status, or has withdrawn from Sofia, the Financial Aid Office will send the student notification to complete Exit Counseling at [www.studentloans.gov](http://www.studentloans.gov).

### Exit Counseling Policy

1. Information regarding student loan, interest rate and repayment options can be access [www.studentloans.gov](http://www.studentloans.gov).
2. All students who withdraw or graduated from the program must complete the Exit Counseling Requirement at [www.studentloans.gov](http://www.studentloans.gov).
3. The Financial Aid office will notify students by email to complete the Exit Counseling, once the FA office receive a confirmation notice from the Registrar or Student Services office regarding the student's enrollment status and the last day of attendance.
4. A copy of the Exit Counseling communication request to students will be maintained in the Student Information System (Campus Cafe) under the student's Activity Tracking.

### Deferments

Under certain conditions a student can receive a deferment on their loan as long as their loan is not in default. This allows the student to temporarily postpone payments. Students enrolled at least half-time can be considered for an in-school deferment.

Direct Loan borrowers must contact the Direct Loan Servicing Center to request a deferment. ([www.studentloans.gov](http://www.studentloans.gov) or 1-800-848-0979)

The student must continue making scheduled payments until he/she is notified that the deferment has been granted, otherwise the loan could enter into default. All Deferment Forms should be submitted to Sofia Registrar's Office for completion. The Registrar's Office can be reached at [Registrar@sofia.edu](mailto:Registrar@sofia.edu).

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## **Federal Direct PLUS Loan (for parents of dependent undergraduate students OR Graduate students)**

Parents of dependent undergraduate students and Graduate students may apply for the Federal Direct PLUS Loan to help pay their educational-related expenses. Depending on creditworthiness, borrowers can request the difference between the Cost of Attendance and the total financial aid listed on the Financial Aid Award Letter.

### **Eligibility Requirements**

**Parent requirements:** *(for the parents of dependent undergraduate students only):*

- Must be the student's biological or adoptive parent;
- Must be a U.S. citizen or eligible non-citizen;
- Must not be in default on a federal loan or owe an overpayment on a federal education grant.

### **Student requirements:**

- Meet general eligibility requirements
- Must enroll at least half-time each quarter
- Must file the current year's FAFSA (Free Application for Federal Student Aid)

### **Application and Disbursement**

Interested borrowers may complete the PLUS Loan Application *with credit check* online at [www.studentloans.gov](http://www.studentloans.gov). If approved, the borrower will also need to complete a PLUS Loan Master Promissory Note (MPN) at the same website. If the parent of a dependent undergraduate student is denied for the PLUS Loan, then that entitles the student to additional Unsubsidized Stafford Loan funds. The additional loan funds are added to the student's financial aid package once the PLUS denial is received.

***See Annual Borrowing Limits noted in Federal Direct Stafford Loan section.***

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### **Alternative Loans (not currently offered)**

Sofia University maintains a portfolio of alternate lending programs. These programs are offered through private lenders to students. Generally, the terms of these loans are not as favorable as the Direct Stafford Loan programs. Contact the Sofia University Financial Aid Office for information about the availability of alternate lenders. Participation in an alternate loan program requires additional financial counseling. Alternate loan applications will not be processed without this debt counseling.

### **Sofia Scholarships**

Sofia University offers scholarships to full-time students (with and without financial need) who are fully accepted into a degree-seeking program. The total of Sofia University Scholarships may not exceed full tuition. Because these awards are limited in number and are highly competitive, students are encouraged to apply as early as possible for their application to be considered. Waiting until the deadline to apply may result in a missed opportunity.

Detailed information on Sofia Scholarships can be found on the Sofia website: <http://www.sofia.edu/admissions/financing-your-education/scholarships/>.

Sofia awards a limited number of need-based scholarships. The Board of Trustees as part of the annual operating budget appropriates funds for these scholarships annually. The scholarship program is intended as a bridge to assist needy students in managing tuition increases. It has never been intended to be a primary source of funding. Consult the financial Aid Office for the current application procedures or visit Sofia's scholarship website.

### **Eligibility**

Any student who is not starting the final quarter of enrollment may apply for a scholarship. Visit Sofia's scholarship website for details about available scholarships, eligibility and deadlines.

### **Application**

Students wishing to apply for a Sofia Scholarship should submit a completed scholarship application by the announced deadline.



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### **Awarding Scholarship**

A Scholarship Committee made up of Sofia personnel convenes to award the available funds. The awards for the scholarship are need-based, with secondary consideration given to diversifying the student body and the students demonstrating high potential to advance in their program. All scholarships for the coming year are awarded once a year. Students will be notified of the Committee's decision in writing approximately one month after the application deadline.

### **Receipt of Scholarship**

No cash awards will be made. In the event of a shortage of qualified applicants, all available funds may not be awarded. If a student elects to withdraw from the program the remaining scholarship money will be considered forfeited.

### **Veterans Benefits**

Eligible veterans may receive benefits for work in the following degree programs:

- PsyD in Clinical Psychology
- Ph.D. in Psychology
- Ph.D. in Transpersonal Psychology
- M.S in Computer Science
- M.A in Counseling Psychology
- M.A. in Transpersonal Psychology
- M.A in Women's Spirituality
- M.A. in Transformative Education
- Master of Business Administration
- B.A in Psychology

### **Eligibility**

Eligibility and rules governing receipt of benefits vary according to enlistment dates and length of service. Contact the Benefits Office of the Department of Veterans Affairs for details by calling 888-GIBILLI (888-442-4551) or visit the VA web site at [www.benefits.va.gov](http://www.benefits.va.gov).

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## Loss of Eligibility

Students who fail to make satisfactory academic progress will be placed on Academic Probation for one quarter. If at the end of the probation period the student is still not meeting satisfactory academic progress requirements but is allowed to continue in the program, Veterans Benefits will be terminated. Once the student has achieved satisfactory academic progress, benefits can be reinstated.

## Application

To apply, visit the VA benefits website at [www.benefits.va.gov](http://www.benefits.va.gov).

## Awarding Veterans Benefits

Eligible veterans and eligible persons must notify the Registrar's Office of their eligibility, so an enrollment certification may be submitted to the Department of Veteran's Affairs.

## Receipt of Veterans Benefits

Eligible students will receive benefits directly from the Department of Veterans Affairs.

## Canadian Students

Citizens of Canada may be eligible to receive student benefits from their provincial or territorial Ministry of Education.

## Eligibility

Canadian student attending an approved institution may receive grants or loans through the provincial or territorial Ministry of Education. Contact your provincial or territorial Ministry of Education for application information.

## Application

Sofia's Canadian institution code is MPZZ for all provinces and territories except Quebec. Canadian students should contact their local Ministry of Education for application information.

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### **Receipt of Aid (Canadian Student)**

Students generally receive an aid check directly from the Education Ministry. Consult your local Ministry for details.

### **Alternate Funding Sources**

In addition, education loans are available to Canadian students through lenders in the United States. For additional information about alternate loan programs for Canadian students, contact Sofia's Financial Aid Office.

### **Alternate Financial Aid Resources**

While the federal government is the primary source of educational funding in the United States, a multitude of other resources exist. Some other areas to investigate for school funding include the following.

#### **Religious, Social, and Professional Organizations**

If you are a member of a religious organization, such as a church, synagogue, or mosque; a community organization (Rotary Club, Elks, Mosse, etc.); or you have been a member of a professional organization (APA, ABA, AMA, etc.), ask if they offer any student assistance programs and if so, what are the award criteria.

#### **Employer**

Some companies offer tuition reimbursement for employees. Consult your Human Resources or Benefits Office to see what programs might be available to you.

#### **World Wide Web**

The most current information about financial aid can be found on the World Wide Web. The following sites contain information about Federal and alternate financial aid including access to several scholarship search engines such as [www.finaid.org](http://www.finaid.org) and [www.fastweb.com](http://www.fastweb.com).

#### **Alternate Loan**

Additional loan funds may be available through other loan providers. Consult the Financial Aid Office for current information about alternate loans. Participation in a supplemental loan program will require completion of additional loan counseling.

There is a segment of the loan market advertised as private loans for students that is largely unregulated. Not all lenders offering student loans are scrupulous. There are virtually no lenders who can offer better terms than those available on the Stafford loans. Eligible students should apply for federal loan before taking out additional loan from private sources.

If you are considering taking out a loan from a private source, be sure to read and understand the repayment terms. Do not sign anything until you are satisfied that you understand what you are committing to repay. If you have questions about the terms of a private loan or the reputation of a lender, contact the Financial Aid Office.

## **Student Rights and Responsibilities**

### **Student Rights:**

- To inspect and review personal financial aid records.
- To know what financial aid programs are available at Sofia University College.
- To be informed of financial aid policies, procedures, and deadlines.
- To know when financial aid is disbursed, how decisions on that disbursement are made, and the basis for those decisions.
- To know how your financial aid eligibility was determined, what information and resources were used to calculate your EFC and need.
- To be informed of the institution's Satisfactory Academic Progress Policy.
- To know what portion of the award offered must be repaid (loans), what portion is grant aid, and what portion must be earned through work.

### **Student Responsibilities:**

- Maintain Satisfactory Academic Progress.
- Complete all application forms accurately and truthfully.
- Provide correct information. (Misrepresentation of information on financial aid applications is a violation of Federal Law and may be a criminal offense.)
- Submit all documentation as requested by the Financial Aid Office in a timely manner.
- Read and understand all forms that are signed and keep copies.
- Accept responsibility for all agreements signed.

- Understand the requirements of the academic program selected.
- Meet with a counselor in order to develop a Comprehensive Educational Plan that should be followed.
- If awarded Federal Work-Study and placed on a job, satisfactorily perform the duties assigned.
- Notify the Financial Aid Office of any unusual circumstances that may not have been reflected in the FAFSA.
- Report any changes in educational resources such as scholarships or veterans' benefits that occur during the academic year.
- Report changes of name, address, and/or phone number immediately to Admissions and Records Office.
- Notify the Financial Aid Office immediately upon complete withdrawal from school.
- Read and understand the college's refund policy and the financial aid repayment policy (Return to Title IV).
- Repay loan funds and interest when due.
- Read all financial aid correspondence.

### Financial Aid Terms

**Award Letter:** All awards listed in the award letter are based on full-time enrollment (12 or more units for Undergraduate student). If you are enrolled in less than 12 units, your awards will be adjusted. Example: (Undergraduate Student) If your Federal Pell Grant indicates \$5920 for the award year, and you are enrolled in only 9 units (3/4 status), you will receive \$4440 for the year and it will be divided equally into 4 quarters (Summer, Fall, Winter and Spring).

If you change your enrollment status before the census date (see Academic Calendar at [www.sofia.edu](http://www.sofia.edu)) for the date, your award will be adjusted accordingly.

**Full Time= 12+ units; 3/4 Time= 9 to 11.5 units; 1/2 Time= 6 to 8.5 units; 5 & below =less than 1/2 Time**

**Budget:** This amount is the estimated Cost of Attendance (COA) for Sofia. To see a breakdown of all budget items, click [www.sofia.edu](http://www.sofia.edu).

**Expected Family Contribution (EFC):** This is the calculated amount a student (or family) is expected to contribute towards the cost of attending EVC. Your EFC is calculated by Federal Student Aid based on the information you provided on your FAFSA.

**Need:** This amount is the difference between the Budget and your EFC.

**Total Award:** This the total amount of financial aid awards given to a student for the whole school year based on full-time enrollment.

**Unmet Need:** This amount is the difference between the COA and your EFC, resources and financial aid awards. Most colleges are unable to meet all of the students' needs. Therefore, many students choose to work part-time outside of school to cover any expenses not met by financial aid.

**Programs:** For details for each type of financial aid please Types of Aid Available go to [www.sofia.edu](http://www.sofia.edu)

**FPELL:** Federal Pell Grant

**FSEOG:** Federal Supplemental Educational Opportunity Grant

**Federal Work Study:** Federal funds earned by students with financial need. Students need to attend an orientation and complete additional documents before being placed on a job.

**Subsidized Direct Loan:** Loan funds that must be repaid and available for undergraduate student. Award based on request, eligibility, and need.

**Unsubsidized Loan:** Loan funds that must repaid and available for Undergraduate and Graduate Students. Non-need based.

**Grad Plus Loan:** Loan funds that must repaid and available for Graduate student only. Award based on request, eligibility, and credit approval.

**Parent Plus Loan:** Credit based loan that must repaid and only geared for undergraduate student.

**Award Notification/Letter:** This notifies financial aid applicants of the types and amounts of aid offered, as well as the responsibilities and conditions of each award.

**Cost of Attendance (COA):** The total estimated cost of college for the school year, also referred to as the student budget; includes tuition, fees, books, supplies, transportation, food, housing, and personal expenses.

**Default:** Failure to make loan payments or otherwise honor the terms of a loan; reported to credit bureaus and can influence future credit and ability to receive financial aid.

**Expected Family Contribution (EFC):** The amount that you and your family are expected to contribute toward your education, assessed from resources such as employment and assets.

**Financial Need:** This amount is determined by subtracting your EFC and other financial resources from your cost of attendance. Financial aid awards are offered to meet your financial need based on program requirements and available funds.

**Federal Processor:** The federal government's computer system, also referred to as the "central processor", that analyzes the information on your FAFSA, calculates your EFC, and sends you a Student Aid Report.

**Free Application for Federal Student Aid (FAFSA):** The FAFSA is the official financial aid application used to determine federal and state aid. There is no charge to have your FAFSA processed.

**Loan:** A loan is a form of financial aid that must be repaid with interest over a period of years. **Renewal FAFSA:** This application simplifies the process of reapplying for financial aid. Some information from the previous application is preprinted on the Renewal FAFSA making the application process faster. Students must re-apply every year.

**Residency:** This is a determination of a student's status as a California resident. This determination is made by the Admissions Office and will affect which financial aid programs a student may be eligible for.

**Return of Title IV Funds:** If a student receives federal student aid funds, including grants, and withdraws from all classes before 60% of the enrollment period has passed, the student could owe money back to the federal government or the college. Contact the Financial Aid Office before withdrawing from classes.

**Satisfactory Academic Progress (SAP):** To be eligible to receive federal and state financial aid, a student must be progressing satisfactorily toward completion of an approved educational program.

**Selective Service Registration:** By law, certain students are required to register, or arrange to register, with the Selective Service in order to receive federal student aid. This includes males born on or after January 1, 1960, who are at least 18 years old, citizen or noncitizen, and not currently on active duty in the Armed Forces. the information you provided on your FAFSA. The Financial Aid Office will receive this same information electronically and begin the process to determine your eligibility.

**Untaxed Income:** All income received that is not taxed or may not be reported to the IRS, including Social Security Benefits, Earned Income Credit, Additional Child Tax Credit, clergy and military allowances, Disability benefits, tax sheltered income reported on W-2 forms, welfare and child support payments, any cash income not reported to the IRS, bills and support paid on your behalf, or any other income received not reported on your tax form.

**Verification:** A federal process in which the college checks the accuracy of the information you submitted to the FAFSA. Documents will be requested such as tax return transcripts and W-2 forms. Quick response to any request for documentation will help expedite the process.

**Veteran:** For the FAFSA, a person who has engaged in active duty, or a National Guard or Reserves enlistee who was called to active duty for purposes other than training, or was a cadet or midshipman at one of the service academies, and who was released under a condition other than dishonorable.

## Student Loans

Sofia University participates in the U.S Department of Education's Direct Loan Program. Direct Loans are low-interest loans for students and parents to help pay for the cost of a student's education after high school. The lender is the U.S. Department of Education.

Subsidized and unsubsidized Direct Loans are available at Sofia University



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### **With Direct Loans you:**

- Borrow directly from the federal government and have a single contact-your loan servicer-for everything related to repayment, even if you receive Direct Loans at different schools.
- Have online access to your Direct Loan account information via your servicer's website.
- Can choose from several repayment plans, and you can switch repayment plans if your needs change.

For more information about the Direct Loan Program go to: [www.studentaid.gov](http://www.studentaid.gov)

## **Financial Aid Verification**

### **Overview**

Verification is a process that all schools participating in the Title IV programs must complete for selected files in order to confirm the accuracy of student and family information submitted on the FAFSA. Verification is undergone to comply with federal regulations designed to ensure equal and fair treatment of all potential aid recipients - to prevent individuals from receiving aid for which they do not qualify and alternately to ensure that students receive the optimal amount of aid for which they are eligible.

### **Verification Selection**

The Department of Education's Central Processing System (CPS) selects students for verification through a method of data based statistical analysis. The emphasis of selection is to flag applications with the highest probability of error and subsequent errors in aid eligibility. Sofia University is required by the federal government to verify, or confirm, the data reported on the FAFSA for all flagged SARs/ISIRs. Selection for verification is most easily identified by the presence of an asterisk(\*) next to the student's EFC value and can be done at random or due to incomplete or inconsistent information on the FAFSA.

Sofia University may also select additional applications for verification beyond those required, and in these cases, the institution decides upon which items to verify. If there is reason to believe that any information on an application used to calculate an EFC is inaccurate, the Financial Aid Office must require the applicant to verify the information that it has reason to believe is inaccurate. Students with these

applications are considered to be selected for verification by the institution, even though it may not be verifying the same data as for CPS selected applications. All students selected for verification will be notified via appointment prior to enrollment, either in person or on the phone, and will be presented with a letter and verification paperwork either in person or by email outlining the required documentation to complete the process. Depending on which verification group is assigned by CPS, the following may require supplementary documentation to be verified:

- High School Completion Status
- Identity/Statement of Educational Purpose
- Number of Household Members
- Number in College
- Supplemental Nutrition Assistance Program (SNAP-Food Stamps)
- Child Support Paid
- Adjusted Gross Income
- U.S. Income Tax Paid
- Income earned from work
- Untaxed Portions of IRA Distributions
- Untaxed Portions of Pensions
- RA Deductions and Payments
- Tax Exempt Interest Income
- Education Credits
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### **Time Period for Submission of Verification Paperwork**

If selected for verification, the student must comply with all requests for documentation from the Financial Aid office. Failure to comply will result in financial aid ineligibility. All verification documents must be submitted prior to a student's financial aid entrance counseling at the end of his or her trial phase, the first ten class days following the program start date. Students who have not completed the verification process prior to the end of the trial phase will not be eligible for financial aid for the respective enrollment but may be eligible to use financial aid funds at a later start date if the verification process can be completed before the end of the new trial phase. In the case where a student is not initially selected for verification but makes changes to his or her FASFA and is selected for verification after the changes are processed - verification must be completed prior to any subsequent disbursement.

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## **Correction of Errors / Notification of Award Changes**

The Financial Aid office will make changes to student's FAFSA information resulting from errors identified through the verification process. The student will receive notification of the correction via CPS. If verification results in changes to a student's financial aid award or eligibility the student will be notified via appointment, in person or on the phone, or in writing via email.

### **Overpayments**

If it is determined as a result of the verification process that an applicant received loan proceeds for an award year in excess of the student's financial need for the loan, the College shall withhold and promptly return any disbursement not yet delivered to the student that exceeds the amount for which the student is eligible, taking into account other financial aid received by the student. If the College determines as a result of the verification process that a student received Direct Subsidized Loan proceeds for an award year in excess of the student's need for the loan, the College shall reduce or cancel one or more subsequent disbursements to eliminate the amount in excess of the student's need.

### **Referrals to the Office of Inspector General**

Referrals for investigation to the Office of Inspector General (OIG) of the Department of Education will be made in any case in which fraud or other criminal activity is reasonably suspected throughout the pre-enrollment interview process and review of FAFSA information. Such information could include:

- False claims of independent student status
- False claims of citizenship
- Use of false identities
- Forgery of signatures or certifications
- False statements of income

Any credible information indicating that any employee, third-party servicer, or other agent of the College that acts in a capacity that involves the administration of the Title IV, HEA programs, or the receipt of funds under those programs, may have engaged in fraud, misrepresentation, conversion or breach of fiduciary responsibility, or other illegal conduct involving the Title IV, HEA programs, will be referred to the OIG for investigation.

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## **Financial Aid Refunds and Return of Federal Funds Policy**

Students who receive aid for which they are later determined to be ineligible will be responsible for timely repayment of this aid to the appropriate source.

### **Student's Right to Cancel - Withdrawal and Refund Policy**

First-time students have the right to cancel the Enrollment Agreement and obtain a full refund of tuition charges paid (less non-refundable application fee and acceptance fee) if withdrawn within seven days of enrolling or through attendance at the first-class session, whichever is later. Withdrawal is defined as the dropping of one's entire program in each quarter as differentiated from dropping some, but not all, of one's courses.

A student is considered registered until the date on which the Office of the Registrar receives written notice of withdrawal.

The University performs a separate calculation to determine the appropriate tuition and fee charges for a student who withdraws. This calculation is based on the amount of time completed in the enrollment period. The percentage of the return is based on the number of calendar days completed within an enrollment term up to 60%. The calculation will be based upon the official withdrawal date. A student attending greater than 60% of the term will be expected to pay all tuition and fees for the term. Students attending less than 60% will get a prorated refund as calculated.

A pro rata refund pursuant to section 94919(c) or 94920(d) or 94927 of the Code shall be no less than the total amount owed by the student for the portion of the educational program provided subtracted from the amount paid by the student, calculated as follows: (1) The amount owed equals the daily charge for the program (total institutional charge, divided by the number of days or hours in the program), multiplied by the number of days student attended, or was scheduled to attend, prior to withdrawal.

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## Title IV Withdrawals

Students who receive Title IV financial aid will have their refund calculated as required by regulation. Under the most recent reauthorization of the Higher Education Act of 1964, the return of Federal funds has been separated from the calculation of refunds for institutional charges. The percentage of the return is based on the number of calendar days completed within an enrollment term. The calculation will be based upon the last date of documented attendance.

Refunds to students, if any, will be processed after financial aid adjustments are made. A student's financial assistance is adjusted to reflect reductions in the student's overall cost of attendance budget. Excess financial aid is restored proportionately to the funds from which it was drawn before a refund is given. For any student participating in Federal Title IV Federal Aid Programs, an official "Return to Title IV (R2T4) Calculation" must be performed when a student withdraws during a quarter of enrollment or exceeds fourteen days of nonattendance without indicating intent to continue. Please refer to the attendance policy for more details. This calculation determines the amount of federal aid that the student is allowed to retain for the quarter as a result of his/her withdrawal. The student's last date of documented attendance (last day of attendance or LDA) is used to perform this calculation. Last day of attendance is defined as the last day a student attended class on-site or online.

Students on leave are classified as withdrawn when certifying enrollment status for federal financial aid. Any aid received by the student is subject to the federal Return to Title IV (R2T4) formula. This means that if a student received a refund check from the school, all, or part of those "unearned" funds might need to be returned to the Department of Education. For those students who are eligible and receive federal financial aid, the following federal financial aid refund policy applies. The focus of the policy is to return the unearned portion of the federal financial aid for the enrollment period. The refund will be calculated based on the date the student begins, the last date of the documented attendance or, for an unofficial withdrawal, the mid-point of the term or the last documented date of attendance. If a student withdraws from school on or before 60% of the term is complete, then the percentage of unearned Title IV federal aid shall be returned by the school and possibly by the student.

Unearned financial aid funding that is required to be returned to the Department of Education is returned in the following order:

- Federal Direct Unsubsidized Loan

- Federal Direct Subsidized Loan
- Federal Direct PLUS Loan
- PELL Grant
- Federal Supplemental Educational Opportunity Grant (FSEOG)
- Other Federal Sources

**Note:** After the Federal Financial Aid refund, the student is responsible for any unpaid balance based on Sofia's refund policy.

### **Refunds for Withdrawing from Intensive or Seminar**

Intensive and Seminar tuition will be refunded in full if written notification is received at least one week prior to the beginning of the intensive or seminar. Students who complete an intensive or seminar before withdrawal from any program are responsible for the intensive or seminar tuition payment at the for-credit rate. This means that if you have attended an intensive or seminar course and withdraw, you are responsible for at least this amount of tuition regardless of the withdrawal date.

### **Refunds for Withdrawing from a Course**

Students who withdraw from a course prior to the course start date or during the first week of the course will receive a 100% tuition and fee refund for the course. Students who withdraw from a course during weeks two through six of the courses will receive a pro-rata tuition and fee reimbursement for the course. Students who withdraw from a course after week six will not receive a tuition/fee refund for the course. The pro-rata refund percentage is calculated by dividing the number of days remaining in the course after the student's last date of attendance by the total number of days in the course.

### **Refunds for Withdrawing from a Non-matriculating Program**

Please refer to your Enrollment Agreement for the specific dates and percentage of refund.

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## Memorandum

### Policy

The Financial Aid and business Office shall coordinate the processing of student financial aid to ensure timely and accurate awarding and recording of funds.

### Procedure

1. Financial Aid packages and certified title IV funds after the add/drop period, in COD.
2. After updating in COD, the disbursement roster with Pell and Loan amounts are sent to the Business Office via email.
3. Upon receipt of the disbursement roster, the Business Office draws down the certified funds in GS, posts them to the student ledger and process student excess refunds if applicable.

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## Sofia University

### Financial Aid Quarterly Internal Audit Plan Starting 2024

1. **Review of 10 combined random files each quarter:**
  - Withdrawn students
  - Graduated students
  - Current students
2. **Test for:**
  - File completion
  - Award letter
  - ISIR
  - Verification/C-Code (if applicable)
  - Disbursement Amount
  - R2T4's if applicable
  - Entrance/MPN
  - Exit Notification
  - Refund (within 14 days)
  - NSLDS Reporting
3. Results, including actions and measures will be taken to solve the problems/errors identified, from this Internal Audit will be reported to CFO, President and all relevant departments.



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## Memorandum

### Policy

Quarterly Internal Audit of Financial Aid and Financial Statement, effective January 2024

### Procedure

The Director of Financial Aid and Director of Accounting should conduct its own Quarterly Internal Audit on students Financial Aid and Financial Statement. Each quarter, it should select 10 samples randomly for the examinations to identify any potential errors.

The Director is required to submit a written report to the CFO on its findings and actions/measures taken to correct and avoid the mistakes.