

Financial Assistance Available from Federal and Institutional Programs at Heritage Christian University

Federal Grants

The federal government is the largest provider of financial aid. Heritage Christian University believes that it makes sense to know as much as possible about federal financial aid programs and to apply for federal financial aid funds before seeking out other non-federal financial aid sources. Grants may be awarded if you show financial need based on the Free Application for Federal Student Aid ([FAFSA](#)). The grants listed here are administered by Heritage Christian University based on the guidelines set for each program by the provider.

Federal Pell Grants are considered the foundation of federal financial aid, to which aid from other federal and non-federal sources might be added. It is gift aid that is awarded to the highest need students. Students are automatically considered for Pell Grant when they file the FAFSA. Pell Grants are for students who are seeking their first undergraduate degree and whose Estimated Family Contribution (EFC) ranges from 0 to 5846. The annual award amount is determined by your EFC and enrollment status. **The maximum scheduled 2021-2022 award is \$6,495.**

Students who establish eligibility will be funded. All documents needed to establish eligibility must be received prior to your last day of enrollment, or June 30 of the award year, whichever comes first. Initial awards are estimated based on the results of the FAFSA and are based on a full-time enrollment calculation. Estimates would change if any criteria used to determine your eligibility, degree status, satisfactory progress, and income or family information changes.

The amount paid to you from the Federal Pell Grant will be prorated if you enroll for less than 12 credit hours in each term or if you take courses outside your program of study. You must begin attending all your classes on the first day. If you are withdrawn for non-attendance prior to the actual payment of Pell Grant funds, your eligibility could be cancelled. Pell Grant funding has a limit to the total amount of Pell Grant that a student may receive, which is the equivalent of 6 school years (600 % maximum). Once a total amount of Pell Grant eligibility has been received, a student can no longer receive Pell Grant aid.

Eligible students may now receive full Federal Pell Grant for a summer term even if they received a full Federal Pell Grant during the fall and spring semesters. With careful planning, Pell Grant recipients may take advantage of this new regulation to earn their degree faster.

Important Note: The maximum award amount is given for any Pell Grant eligible student whose parent or guardian died as a result of military service in Iraq or Afghanistan after Sept.11, 2001. You must be under 24 years old or enrolled at least part-time in college at the time of your parent's or guardian's death.

Pell Grant and Iraq & Afghanistan Service Grant Awards are for Pell-eligible student whose parent or guardian died as a result of U.S. military service in Iraq or Afghanistan after September 11, 2001, may receive increased amounts of Federal Student Aid if the student was less than 24 years old when the parent or guardian died, or was enrolled at an institution of higher education at the time of the parent or guardian's death. There are two different provisions for such students, depending on whether the student has an EFC that falls within the range for Pell eligibility or not.

- **Provision 1: Zero EFC Treatment for Children of Soldiers** - Pell eligible students will receive the Zero EFC maximum Pell Grant Award. HCU will use an EFC of 0 to package all Federal Student Aid if the student meeting the above criteria. **Exception:** The award may not exceed the student's cost of attendance.
- **Provision 2: Iraq and Afghanistan Service Grant** - Non-Pell Eligible students will receive the Iraq Afghanistan Service Grant equal to the amount of a maximum Pell Grant Award. Iraq and Afghanistan Service Grants are made under the same terms and conditions as Pell, and disbursements for each payment period are calculated in the same manner as Pell. **Exception:** The award may not exceed the student's cost of attendance.

Federal Supplemental Educational Opportunity Grant (FSEOG) is a need-based federal grant awarded to undergraduates seeking a first undergraduate degree in an eligible program who have exceptional financial need. The award amount at Heritage varies by enrollment and allocation. Priority is given to students with an Estimated Family Contribution (EFC) of "0" who apply for financial aid early. Limited



funding is available in this program and funding is awarded on a first come-first served basis. Recipients are chosen based on EFC. Initial awards are estimated based on the results of the FAFSA and assume a full-time enrollment. Actual payment will not be determined until after the add/drop period has ended and classes have begun.

Federal Work Study (FWS) is a federal campus-based program that provides jobs for undergraduates who are enrolled at least half-time. Most jobs are on-campus (students working for the school), although some are off campus. Students seeking FWS must complete the Free Application for Federal Student Aid (FAFSA) and meet the general requirements for federal aid.

FWS funds are made available to undergraduate students with financial need. Campus employment includes a variety of opportunities within departments of the University. The specific working hours approved per week are arranged so they do not interfere with class attendance or academic progress. Students generally work 4-20 hours per week and may work during the summer under certain conditions. Students are paid at least the current federal minimum wage and are paid once a month at the end of the month. The total a

student may earn depends on the amount of the student's financial aid award, which is determined by the Office of Financial Aid based on the funds available to the University. **Important Note:** Since the FWS award is based on the availability of funding at HCU, there is no guarantee that every eligible student will receive an FWS award.

Federal Direct Loans

Federal Direct Loans are made through the Department of Education. They are low-interest loans for both undergraduate and graduate students and parents to help pay for the cost of a student's education after high school and beyond. The lender is the U.S. Department of Education, though the entity you deal with is your loan servicer. 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 or the National Student Loan Data System (NSLDS) website (www.nsls.ed.gov.)
- can choose from several repayment plans that are designed to meet the needs of almost any borrower, and you can switch repayment plans if your needs change.
- federal Stafford loan programs now carry both annual and cumulative (lifetime) limits. Students, who reach their lifetime loan limit, cannot receive any more of that type of loan. If a student exceeds their limit, aid already disbursed will be billed back. It is advantageous for students to borrow only what is needed for educational expenses, and to keep track of their cumulative debt. The Office of Financial Aid is happy to work with students to find ways to minimize borrowing.

Loans are funds that are borrowed and then repaid after a student completes his/her program or stops going to school. Given that loans must be repaid from future earnings, **Heritage Christian University recommends that students use all other possible resources first and borrow only when it's absolutely necessary.** Those interested in Federal Direct Loans must complete a [FAFSA](#) and be enrolled at least half-time. To ensure students are aware of all the provisions and responsibilities of borrowing from the educational loan programs, all loan students must attend a [Loan Entrance Counseling session](#) before receiving the initial loan disbursement, and complete a [Loan Exit Counseling session](#) before dropping below half-time, graduation or leaving HCU.

What types of federal student loans are available?

There are four types of Direct Loans available:

Direct Subsidized Loans

are loans made to eligible undergraduate students who demonstrate financial need to help cover the costs of higher education at a college or career school.

Direct Unsubsidized Loans

are loans made to eligible undergraduate, graduate, and professional students, but eligibility is not based on financial need.

Direct PLUS Loans

are loans made to graduate or professional students and parents of dependent undergraduate students to help pay for education expenses not covered by other financial aid. Eligibility is not based on financial need, but a credit check is required. Borrowers who have an adverse credit history must meet additional requirements to qualify.

Direct Consolidation Loans

allow you to combine all of your eligible federal student loans into a single loan with a single loan servicer.

Private Student Loans (also called Alternative Loans)

When federal financial aid is insufficient or education expenses exist outside of the coverage of federal student loans, private student loans can be used to fill the gap between federal financial aid and the full cost of attendance. Private loans are offered by private lenders and there are no federal forms to complete. Eligibility for private student loans often depends on your credit score. HCU is committed to first assist students in exhausting all grant, scholarship, and federal loan financing options before recommending private student loans.

Federal Student Loans	Private Student Loans
Given by the federal government.	Given by a private institution such as a lender, bank, or credit union.
Always have a fixed interest rate.	Can have a fixed or variable interest rate.
Repayments are not required until after graduation.	Repayments may be required while in school or not until after graduation.
Loans are based on the FAFSA and Expected Family Contribution.	Loans are based on the creditworthiness of the students and their cosigners, if applicable.
You do not need a cosigner.	Most private lenders require a cosigner.
You are eligible for federal benefits like forgiveness and repayments plans.	You are not eligible for any federal benefits.

Student Loan Interest Rates Rise for 2021-2022

In the aftermath of the coronavirus pandemic, students borrowing for college will benefit from some of the lowest interest rates on record for federal student loans this upcoming 2021-2022 school year. Rates for federal loans issued between July 1, 2021 and June 30, 2022 will be 3.73% for undergraduate federal student loans, 5.28% for graduate student unsubsidized loans, and 6.28% for PLUS loans for parents and graduate students. These rates apply to the federal loans taken out for the upcoming school year and are fixed over the life of the loan.



If you have a **subsidized loan**, you will not be charged interest while you are enrolled in school at least half-time, after you graduate or leave school, or during any authorized period of deferment. If you have an **unsubsidized loan**, you will be charged interest from the day the loan is disbursed until it is repaid in full, including while you are in school, during the six-month grace period, or during any authorized period of deferment. You have the option to pay the interest during these periods. If you choose not to pay the interest on unsubsidized loans during these periods, it will be capitalized (added to the principle when repayment begins).

Monthly payments, which begin six months after enrollment stops or drops below half-time, are based on the total amount borrowed, but will never be less than \$50 per month. In addition to the FAFSA, these loans require a separate loan application (contact the Office of Financial Aid).

Federal Aid Tool Assists Student Borrowers Entering Repayment

The Office of Federal Student Aid has launched a new one-stop website, studentloans.gov/repay, to help borrowers navigate student loan repayment options and select their best option in five steps or less. The initiative is part of the federal government's push to enroll as many student borrowers as possible in income-driven repayment plans for their student loans.

Documenting Attendance in Distance Learning Courses

In a distance learning context, documenting that a student has logged into an online class is not enough, by itself, to demonstrate academic attendance. HCU must demonstrate that a student participated in class or was otherwise engaged in an academically related activity, such as contributing to an online discussion or initiating contact with a faculty member to ask a course-related question. *See the Return of Title IV Funds policy on the HCU website for more information.*

Withdrawing from Class Can Affect Financial Aid

Thinking about withdrawing from that Fall Term class? Be aware that doing so can affect your financial aid. Also, if you attend at least half-time but less than full-time you might

not be eligible for the full amount of financial aid you were originally offered. Please contact the Office of Financial Aid before making changes to your schedule.

Disbursement of Financial Aid

Pell Grants, FSEOG, and scholarships are disbursed after the drop/add period. Disbursement for students with incomplete verification or scholarship components will be delayed until all requirements are met. Disbursement for students with changes in their enrollment status at disbursement may also be delayed. Student loans are disbursed in two half parts during each semester. The first disbursement is generally available at the completion of the fifth week of classes. The second disbursement is generally available at the completion of the ninth week of classes.



Federal Work-Study checks are disbursed at monthly intervals based on the amount of time worked and reported on the time sheet for the prior month.

All financial aid funds, except Federal Work-study, are applied first toward the student's balance due. Refund checks are disbursed by the HCU Business Office. Students who pick up refund checks in person must provide a photo proof of identity.

Student Rights and Responsibilities



Current law requires Heritage Christian University, an eligible institution participating in Title IV financial aid program, to provide our students with the following information concerning student rights and responsibilities in regard to federal financial aid. The rights listed below apply to eligible students who

have reached 18 years of age or are attending an institution of postsecondary education. When a person becomes an eligible student, the rights accorded to and the consent required of parents under this part, transfer from the parents to the student.

You have the right:

- To know all the federal, state, institutional and private student financial assistance programs available, including both need-based and non-need-based programs.
- To know the procedures, forms, deadlines, and eligibility requirements to apply for assistance; the criteria for selecting aid recipients and determining the amount of aid awarded.
- To know the procedures, forms, deadlines, and eligibility requirements for a program of Study Abroad.
- To know the cost of attending the University, how those costs are determined, and how your estimated expenses are developed.

- To know what resources we have considered in calculating your financial need, how the Expected Family Contribution was determined, and how much of your financial need has been met.
- To know the standards required for [maintaining satisfactory academic progress \(SAP\)](#) for financial aid eligibility.
- To know how and when disbursement of financial aid is made, the University's refund policy for costs paid to the University, and any refund due to Title IV student assistance programs.
- To know the terms and conditions of any loans, employment, scholarships, or grant aid you receive.
- To know the policies and procedures used to maintain confidentiality of financial aid records. Only those individuals who directly handle the application have a right to know or access the information. Heritage Christian University complies with the Family Educational Rights and Privacy Act of 1974.
- To know that disclosure of your financial aid information may be made to other school officials, including teachers, within the school whom the school has determined to have legitimate educational interests and to officials of another postsecondary school or school system, where you receive services or seek to enroll.
- To know who to contact and how to contact financial aid personnel regarding information on student financial assistance.
- Knowing the Institutional Refund Policy.
- To know the academic programs of the University, the facilities available, and the faculty and instructional personnel.
- To know the names of bodies that accredit, approve, or license the institution and its programs and how their documents may be reviewed.
- To know the completion or graduation rate of students.
- To know statistics on the receipt of athletic-related student aid.
- To know campus security policies and crime statistics.
- To know what facilities and services are available to students with disabilities.

It is your responsibility:

- To read and consider all information about the University before you enroll.
- To complete all University application forms thoroughly and accurately and submit them to the appropriate office(s) by required deadlines.
- To accurately and honestly complete your [Free Application for Federal Student Aid \(FAFSA\)](#). Errors can result in delays. False or misleading information is a criminal offense and is subject to a \$20,000 fine, imprisonment, or both.
- To use any federal, or institutional financial aid received during the award year solely for expenses related to attendance at Heritage Christian University.
- To read, understand, and accept responsibility for all forms or agreements you sign. We recommend you keep copies for your records.
- To notify the Office of Financial Aid if you attend two schools at the same time. You can only receive federal or state aid at one school at a time.
- To report to the Office of Financial Aid if you are in default on a student loan or if you owe a refund or repayment on any educational grant received from any school.

- To notify your student loan lender of changes in your name, address, and school status.
- To perform the work agreed upon when you accept a work-study award.
- To know and to comply with the following University policies and procedures as they relate to financial aid: enrollment status for aid disbursement, satisfactory academic progress, withdrawal, refund/repayment, and debt management.
- To keep your address and phone number current with the University on your student Populi account or with the Registrar's Office.
- Completing the entrance counseling before receipt of first loan disbursement.
- Scheduling an exit interview with the Office of Financial Aid when dropping below half-time, graduating or leaving Heritage Christian University for any reason.
- Accepting responsibility for all agreements signed.
- Signing promissory notes for student loans, following the repayment schedule, notifying school, loan servicer agency of changes in name, address, social security number, or attendance.

The Office of Financial Aid – HCU Federal School Code - 015370

The Office of Financial Aid hours of operation are Monday through Friday 8:00 am until 4:30 pm. You are invited to visit anytime during business hours to have your financial aid questions answered, your forms reviewed for accuracy, and to pick up any additional forms or application materials you may need.

► You may visit, call, email or write for more financial aid information:

Call 256-766-6610/800-367-3565 ext. 303
 Email.....mthompson@hcu.edu
 Fax 256-716-8021

► Send correspondence to:

Heritage Christian University
 P.O. Box HCU
 Florence, AL 35630
 Attn: Office of Financial Aid

