

Financial Aid: Policies and Procedures for University Programs: *Bachelor of Science in Criminal Justice, Bachelor of Science in Law and Master of Science in Law*

How Loan Funds Are Disbursed

You will be required to complete entrance counseling before your loan funds are sent to your school (disbursed). You will learn about the loan terms and requirements during the counseling session.

You will also be required to sign a Master Promissory Note (MPN) before the loans can be disbursed.

Please note that ALU will *not* disburse loan funds until all official transcripts have been received.

The Direct Loan program sends the funds to your school to be credited to your student account. In most cases, the loan will be sent (disbursed) in two payment periods, one at the beginning of the Academic year and one at the midpoint when half of the program weeks and units have been successfully earned.

All aid will be credited to your account, in multiple disbursements, proportional to the number of credits scheduled in each payment period. Payment periods may be unequal in length (i.e. your schedule may include more credits in the first payment period and less credits in the second payment period). When grades for the final course in the payment period have been released, which takes four weeks from the last day of the course, and have been posted on your academic transcripts, the Financial Office will determine if you have earned the credits (at least half of the total credits in the program) and are maintaining satisfactory academic progress (SAP) to receive payment. Any failed courses will delay payment until after successful completion of the next course. ***If you become ineligible to receive financial aid due to failed grade(s), failure to maintain satisfactory academic progress, or a change in your enrollment status that affects the amount of your expected financial aid, you will be responsible for any tuition incurred during the payment period.***



Loan funds are credited to your account in this order:

1. Tuition and fees
2. Other school charges (with your permission)

If any loan funds remain in your account, the credit balance will be refunded to you by check within 14 days after the balance is created unless you authorized the school to hold a credit balance until the end of the loan period.

Interest Rates:

Interest rates for direct loans first disbursed on or after July 1, 2017.

Loan Type	Borrower Type	Loans first disbursed on or after 7/1/17 and before 7/1/18
Direct Subsidized Loans	Undergraduate	4.45%
Direct Unsubsidized Loans	Undergraduate	4.45%
Direct Unsubsidized Loans	Graduate or Professional	6%
Direct PLUS Loans	Parents and Graduate or Professional Students	7%

Loan Fees:

Loan Type	First Disbursement Date	Loans Fee
Direct Subsidized Loans & Direct Unsubsidized Loans	On or after 10/1/16 and before 10/1/17	1.069%
	On or after 10/1/17 and before 10/1/18	1.066%
Direct PLUS Loans	On or after 10/1/16 and before 10/1/17	4.276%
	On or after 10/1/17 and before 10/1/18	4.264%



Cost of Attendance

A student's cost of attendance (COA) is established solely for use in calculating federal financial aid eligibility and awarding financial aid, for a specific period of enrollment. Living expenses are provided below by the school's region and metropolitan area with increases in the Consumer Price Index calculated by the U.S. Bureau of Labor Statistics.

For qualifying undergraduate programs:

2017-18 Cost of Attendance (COA) Component – With Parent	<i>Bachelor of Science in Criminal Justice & Bachelor of Science in Legal Studies</i>
*Tuition (direct cost)	\$6,000
Registration Fee (direct cost)	\$100
Academic Resource Fee (direct cost)	\$100
Graduation Fee (direct cost)	\$250
Books (indirect cost) 1st Year	\$1,440
Loan Fee (indirect cost)	\$218
Room and Board (indirect cost)	\$9,108
Transportation (indirect cost)	\$4,620
Personal/Misc. (indirect cost)	\$7,440
Total Annual COA \$29,276	

*Tuition effective January 1, 2018.

For qualifying graduate programs:

2017-18 Cost of Attendance (COA) Component – With Parent	Master of Science in Law
*Tuition (direct cost)	\$4,200
Registration Fee (direct cost)	\$100
Academic Resource Fee (direct cost)	\$100
Graduation Fee (direct cost)	\$250
Books (indirect cost) 1st Year	\$1,152
Loan Fee (indirect cost)	\$218
Room and Board (indirect cost)	\$9,108
Transportation (indirect cost)	\$4,620
Personal/Misc. (indirect cost)	\$7,440
Total Annual COA \$30,776	

*Tuition effective January 1, 2018.



Federal Financial Aid Counseling

Entrance Counseling

ALU ensures loan entrance counseling is conducted using the U.S. Department of Education's online counseling module (<https://studentloans.gov>) for students borrowing Federal Unsubsidized Loans. The goal of entrance counseling is to help the borrower understand what it means to borrow federal student loans.

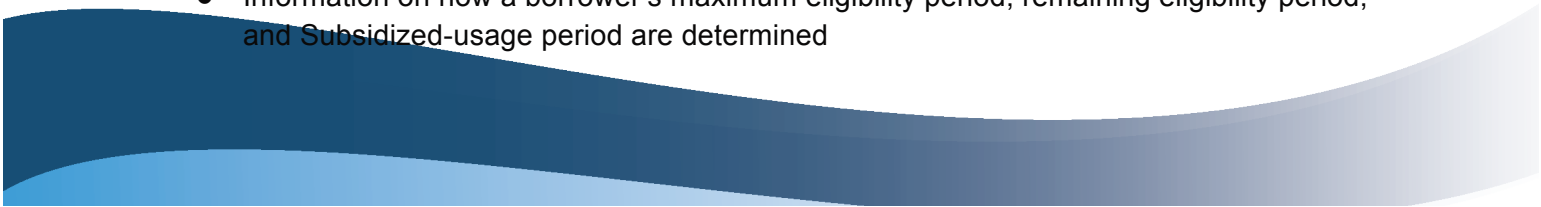
Entrance counseling generally includes the following:

- An explanation of the use of a Master Promissory Note (MPN)
- Importance of repayment obligation
- Description of consequences of default
- Sample repayment schedules
- Information in reference to a borrower's rights and responsibilities
- Information on the National Student Loan Data System (NSLDS)
- Information on possible loss of eligibility for additional Direct Subsidized Loans
- Information on how a borrower's maximum eligibility period, remaining eligibility period, and subsidized-usage period are determined
- The potential for a borrower becoming responsible for all accruing interest on Direct Subsidized Loans during in-school periods, grace periods and periods of authorized deferment
- Impact of borrower responsibility for accruing interest on the borrower's total debt
- Other terms and conditions

Exit Counseling

ALU notifies students to complete loan exit counseling online at the U.S. Department of Education website <https://studentloans.gov> within 30 days of completion of a program, withdrawal from ALU or when a student ceases to be enrolled at least half-time.

Exit counseling generally includes the following:

- An explanation of the use of a Master Promissory Note (MPN)
 - Importance of repayment obligation
 - Description of consequences of default
 - Sample repayment schedules
 - Information in reference to a borrower's rights and responsibilities
 - Information on the National Student Loan Data System (NSLDS)
 - Information on possible loss of eligibility for additional Direct Subsidized Loans
 - Information on how a borrower's maximum eligibility period, remaining eligibility period, and Subsidized-usage period are determined
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- The potential for a borrower becoming responsible for all accruing interest on Direct Subsidized
- Loans during in-school periods, grace periods, and periods of authorized deferment
- Impact of borrower responsibility for accruing interest on the borrower's total debt
- Other terms and conditions

Satisfactory Academic Progress Policy

Federal regulations require institutions to establish a reasonable Satisfactory Academic Progress (SAP) policy for determining whether an otherwise eligible student is meeting SAP in an educational program and may receive financial aid under the Title IV HEA programs. The SAP policy applies to *all* University students including those not receiving federal financial aid under the Title IV HEA programs.

Students must demonstrate satisfactory academic progress toward completing their academic programs by meeting ALU's established standards of academic progress in each of five specific measurable areas:

- Grade point averages
- Course repeats
- Maximum coursework allowed
- Pace of progress toward graduation

Grade point averages and pace calculations used to determine academic standing are based on all courses the student completes as a ALU undergraduate. The calculation for maximum coursework allowed is based on the required credit hours of the student's primary program. All areas of academic progress are evaluated at the end of each student's semester, and academic standing is assigned according to the evaluation. A summary of academic progress standards follows. Students should consult Student Services or the registrar for policy details.

Grade Point Average

To remain in good academic standing, a student must maintain a Cumulative Grade Point Average (CGPA) of 2.00 or higher (3.00 or higher for Graduate students). If at the end of the semester the CGPA is below 2.00 (3.00 for Graduate students), the student is placed on academic warning.

Course Repeats

To remain in good academic standing, a student must successfully complete all courses by the second attempt. A student who attempts a course a second time and at the end of the semester

does not pass the course is placed on academic/financial aid warning. A student who attempts a course a third time and at the end of the semester does not pass the course is dismissed.

Maximum Coursework Allowed

To remain in good academic standing, a student may attempt no more than 1.5 times the number of credit hours in the current program. A student who exceeds this maximum and has not graduated is dismissed.

Pace of Completion

To remain in good academic standing, a student must earn credit toward graduation at a pace (rate of progress) that ensures successful program completion within the maximum coursework allowance. The pace of progress is the ratio of credit hours passed to credit hours attempted. Pace is measured using a specific percentage established for incremental ranges of attempted credit hours. In addition, at least one course must be completed during the semester. A student must ultimately pass at least 67 percent of attempted credit hours. A student who fails to maintain the minimum pace and has not graduated is placed on academic warning. In addition, if the student withdraws from all courses during the semester, the student is placed on academic warning.

Evaluation

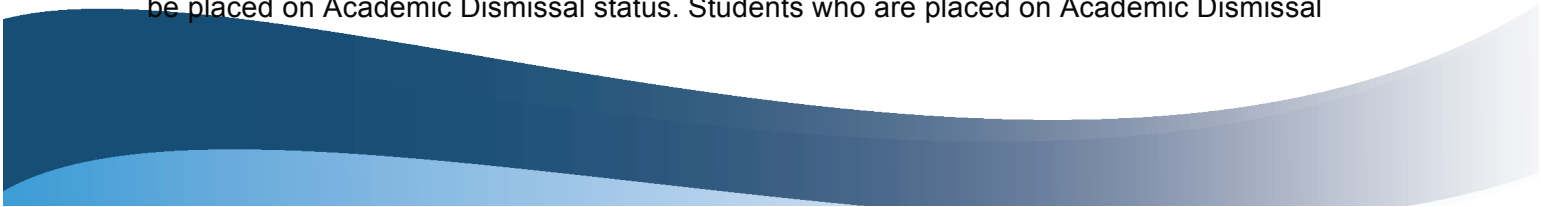
All areas of academic progress are evaluated at the end of each student's semester, and academic standing is assigned according to the evaluation. A summary of academic progress standards follows. Students should consult Student Services or the registrar for policy details.

Academic Warning

Students do not meet the minimum progress as stated in the University's academic policy are automatically placed on Academic Warning status. The University can disburse federal financial aid funds to students on Academic Warning status for one payment period.

Academic Dismissal

If a student on Academic Warning status does not meet SAP at the end of the subsequent completed payment period, the student is not eligible for additional federal financial aid and will be placed on Academic Dismissal status. Students who are placed on Academic Dismissal



status are ineligible for federal financial aid. Students may submit an academic appeal for review and approval according to University guidelines.

Academic Probation

Students who are granted an academic appeal will be placed on Academic Probation status and will have their financial aid eligibility reinstated based on the appeal. The University can disburse federal financial aid funds to students on Academic Probation status for one probationary period, provided all other eligibility requirements are met. The student must meet the University's SAP standards to maintain federal financial aid eligibility. If the University determines, based on the appeal, that the student will require more than one period to meet progress standards, the University will place the student on academic probation and develop an academic plan for the student. The University will review the student's progress at the end of the terms, as is required of a student on probation status, to determine if the student is meeting the requirements of the academic plan. If the student is meeting the requirements of the academic plan, the student is eligible to receive Title IV aid as long as the student continues to meet those requirements and is reviewed according to the requirements specified in the plan.

Student Notification

The University will notify students at any point during their enrollment if they are placed on or taken off the Academic Warning, Academic Probation, Academic Dismissal statuses, as these affect student eligibility to receive federal financial aid.

Student Academic Appeal

Students who have been dismissed for failing to meet Standards of Academic Progress may appeal the dismissal by submitting an Academic Dismissal Appeal form to Student Services for review by the appropriate academic administrator prior to the established deadline. Students should contact Student Services for more information.

Appeals must explain the verifiable mitigating circumstances that contributed to poor academic performance, show how the circumstances have been overcome, provide required documentation and present a realistic plan for meeting requirements to return to good standing. Appeals without supporting documentation are denied.

A student informed of the dismissal after beginning the session immediately following the dismissal may remain enrolled while the appeal is processed by the appropriate academic administrator. A student continuing in a course or courses while the appeal is processed and whose appeal is subsequently denied may not continue and is administratively dropped from class or classes. A student not currently enrolled whose appeal is approved may enroll for the

current semester, provided the registration deadline has not passed, and is subject to academic probation conditions in Requirements for Students Starting the Semester on Academic Warning or Academic Probation. Failure to meet specified conditions results in a second dismissal. Additional appeals are denied unless students have new verifiable mitigating circumstances. Fourth appeals must be submitted to a national college dean or designee. Students who fail to return to good standing after submitting a fourth appeal are dismissed and precluded from registering; however, they may reapply for admission after one year.

If an appeal is not submitted within three sessions after dismissal, the student must request readmission through standard admission procedures as well as submit an appeal to the appropriate academic administrator. Academic administrators' decisions to deny appeals are final and cannot be appealed.

Return to Title IV (R2T4) Policy

For students receiving Federal Student Aid (FSA), federal law requires that the University, and in some cases you, the student, return funds you did not earn to the U.S. Department of Education within 45 days from date of determination. The refund process uses a formula to determine the amount of FSA funds a student has earned as of his or her last day of attendance. The Return of Title IV (R2T4) policy is in addition to the institution's refund policy. Both calculations will be calculated when the student withdraws. If a student withdraws *after* completing 60% of the payment period, a student has earned 100% of the FSA funds he or she was scheduled to receive during the period. If a student withdraws *before* completing 60% of the payment period, FSA funds must be recalculated using Federal Return of Title IV funds formula:

- A determination of the percentage of the payment period the student has completed, which is used to calculate the amount of Title IV financial aid the student has earned, will be based on the number of days the student completed up to the last date of academic attendance, divided by the total days in the payment period. Any break of 5 days or more is not counted as part of the days in the term.
- To determine the amount of aid to be returned, subtract the percentage of aid earned from 100% of the aid that could be disbursed and multiply it by the total amount of aid that could have been disbursed during the payment period as of the date you withdrew.

Funds are returned to the appropriate federal program based on the percentage of unearned aid using the following formula:

- After the 60 percent point in the payment period, the student will have earned 100 percent of the federal financial aid funds already disbursed to him/her. This calculation concerning federal financial aid is separate and distinct from the institutional refund

policy, and may result in the student owing additional funds to the University to cover tuition charges previously paid by federal financial aid prior to student withdrawal.

- If a student earned less aid than was disbursed, the institution would be required to return a portion of the funds (in some cases the student is also required to return a portion of the funds). Keep in mind that when unearned Title IV funds are returned, the school can collect this amount from the student. If the total amount of FSA funds the student earned is greater than the total amount disbursed, the student may be eligible to receive a Post-Withdrawal Disbursement (PWD) of FSA funds. The University will offer any loan amount to a PWD that is due within 180 days of the date that the School determined that the student withdrew. The University must get the student's permission before it can disburse PWD loan funds (written notification provided to the student). The student may choose to decline some or all of the PWD loan funds. No PWD will be made if the student does not respond within 14 days of the written notification date.
- Unearned Federal Student Aid (FSA) funds to be returned, per federal R2T4 regulations, will be made within 45 days of the date that the University determined that the student withdrew (Date of Determination). Since the University does not participate in any federal grant programs, the formula above will only be used to calculate the amount of Title IV loans that may need to be returned. The University only participates in the *Unsubsidized* Federal Stafford loan (effective July 1, 2012, only unsubsidized Federal Stafford loans are available to graduate students). As such, unearned FSA funds will be returned to the Unsubsidized Stafford loan program. The University will also calculate any refund that may be owed to the student pursuant to the institution's refund policy. If a refund is due, monies will be returned pursuant per institution and accreditation policies.

For the purpose of determining the *amount* of the refund, the date of the student's withdrawal shall be deemed the last date of recorded attendance. For the purpose of determining *when* the refund must be paid, the student shall be deemed to have withdrawn at the end of 14 days. However, if a student notifies the University, in writing, that he or she is withdrawing, the University will use the date on the student's withdrawal letter, or the 14-day after his/her Last Day of Attendance (LDA), whichever is earlier, as the date of determination.

Federal Student Aid (FSA) Student Loan Ombudsman

If you are in a dispute about your federal student loan, contact the Ombudsman Group as a last resort. The Ombudsman Group is dedicated to helping resolve disputes related to Direct Loans, Federal Family Education Loan (FFEL) Program loans, Guaranteed Student Loans, and Perkins Loans:

Online assistance: <http://studentaid.gov/repay-loans/disputes/prepare>

Telephone: (877) 557-2575; Fax (606) 396-4821

Mail:

FSA Ombudsman Group

P.O. Box 1843

Monticello, KY 42633

Financial Aid Code of Conduct

Abraham Lincoln University participates in the William D. Ford Federal Direct Unsubsidized Student Loan program. To comply with the 2008 Higher Education Opportunity Act, Abraham Lincoln University adopts the following code of conduct to provide guidance to university employees, assure the integrity of the student aid process and uphold ethical conduct of university employees with regard to student loan practices. This code of conduct is applicable to all university employees and agents, the university's Financial Aid Office and the Finance Office.

Our officers, employees, agents and other organizations associated with Abraham Lincoln University, agree to the provisions of this Code of Conduct and will refrain from:

- Refusing to certify or delaying the certification of an education loan based on a borrower's choice of lender.
- Assigning a first-time borrower to a particular private education loan lender through the student's financial aid award or another means.
- Receiving, directly or indirectly: points, premiums, payments, stock or other securities, prizes, travel, entertainment expenses, tuition payment or reimbursement, the provision of information technology equipment at below market value, additional financial aid funds or any other inducement from a guaranty agency or eligible lender in payment for securing applicants for Title IV loans.
- Accepting impermissible gifts, goods, or services from a lender, lender servicer, or guarantor. The institution may accept default prevention, financial literacy, or student aid-related educational services or materials, or other items of a nominal value.
- Accepting philanthropic contributions from a lender, lender servicer, or guarantor that are related to the educational loans provided by the entity that is making the contribution.
- The University will not permit guaranty agencies to conduct fraudulent or misleading advertising concerning loan availability, terms or conditions.
- The University or its employees may not provide names and addresses and/or e-mail addresses of students or prospective students or parents to eligible lenders or guaranty

agencies for the purpose of conducting unsolicited mailings, by either postal or electronic means, of student loan applications.

- Serving on or otherwise participating as a member of an advisory board for a lender, lender affiliate, or lender servicer.
- Accepting from a lender or its affiliate any fee, payment, or other financial benefit (including benefits that may accrue from a revenue sharing agreement) as compensation for any type of consulting arrangement or other contract to provide education loan-related services to or on behalf of the lender.
- Accepting fees or other benefits in exchange for endorsing a lender or the lender's loan products.
- Requesting or accepting an offer of funds for private education loans from a lender, in exchange for our promise to provide the lender with placement on a preferred lender list, or a certain number of volume of private education loans.
- Accepting call center or financial aid staffing assistance from a lender.

