



**FINANCIAL AID AWARD CONDITIONS 2019-  
2020**

# What You Need to Know!

The Award Conditions contains basic information you need to know about financial aid eligibility, how your awards for financial aid were determined, what type of awards Montgomery College offers and the terms and conditions of those awards. There is also information on how financial aid pays your bill for tuition and fees, book credits, and application deadlines.

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## **OFFICE OF STUDENT FINANCIAL AID AWARD CONDITIONS 2019-20**

Montgomery College helps students and their families pay for college with financial aid programs that include grants, scholarships, loans, and student employment.

### **WHO IS ELIGIBLE FOR STUDENT FINANCIAL AID?**

Students may be eligible for aid if they meet certain requirements. A student must

- Enroll in an eligible degree or certificate program. (Enrollment in at least 6 credit hours each semester is necessary for some types of financial aid);
- Be a U.S. citizen or an eligible non-citizen; have a valid social security number in College records;
- Demonstrate financial need through the federal formula;
- Make satisfactory academic progress toward completion of an associate degree or a certificate program;
- Not be in default on Federal Perkins Loans, Federal Stafford Loans, or Federal PLUS loans or owe a refund on a Federal Pell Grant or Federal Supplemental Educational Opportunity Grant (FSEOG);
- Report all financial aid awarded by private sources (such as scholarships, loans, employer reimbursement, and other third-party payments);
- Meet all additional federal, state, and institutional eligibility requirements for financial aid;
- Be a high school graduate or GED recipient; (students younger than age 16 without a high school diploma or GED are **not** eligible for federal and most state student financial aid); and
- Not be concurrently enrolled in high school at any time during the award year. (See "Special Programs for High School Students.") Students in the MC Dual Enrollment programs are not eligible for federal financial assistance.

### **WHAT IS NOT COVERED BY FINANCIAL AID?**

Students cannot receive federal financial aid if they are taking:

- Workforce Development and Continuing Education (WDCE) courses
- Classes in which students register as "Audit."
- Most repeated classes previously passed and being taken for the third time.
- Courses that are not in your declared program of study.
- Courses not needed to satisfy graduation requirements.

### **HOW FINANCIAL AID IS AWARDED**

Montgomery College uses the federal government's formula to determine your ability to pay for your education. We collect eligibility information on the Free Application for Federal Student Aid (FAFSA) that you submit to the federal processor. The formula considers your family income (including your parents' income if you are dependent and your spouse's income if you are independent), the size of your family, the number of family members attending college at least half-time (**not** including your parents), and other financial information. Federal, state, and local taxes paid, social security paid, and an allowance for supporting the family are also factors in determining your **Expected Family Contribution (EFC)**. This amount represents what the formula says your family can contribute to your educational costs.

The Office of Student Financial Aid constructs average budgets that include tuition, fees, books, supplies, transportation, and living expenses. These budgets are the **Cost of Attendance**. The Office of Student Financial Aid subtracts the Expected Family Contribution from the Cost of Attendance. The difference between the Cost of Attendance and the Expected Family Contribution is your **Financial Need**. The Cost of Attendance, Expected Family Contribution, and Financial Need used to determine your financial aid awards can be viewed on the college portal, MyMC. Students who register for less than six credit hours each semester may not have financial need for some types of aid.

You may use your financial aid to pay for developmental and English Language for Academic Purposes (ELAP) course work. (For additional information, see the Satisfactory Academic Progress Policy.) Refer to the on-line college catalog for the credit hour equivalent for developmental classes and ELAP classes.

We review and award applications for financial aid in the date order they are received, completed, and verified. All financial aid is awarded pending the availability of funds. Federal, state, institutional and private financial aid funds may be reduced during the academic year depending on the source and availability of funds.

**You must report any change in your family financial situation, school enrollment (including attendance), or additional non-federal and non-state financial assistance to the Office of Student Financial Aid. Additional financial aid received and or decreased enrollment may reduce the Montgomery College financial aid award or the amount of student loans you may receive. You must report any change in your name, address, phone number, or citizenship status to the Office of Admissions.**

### **CREDIT HOURS, CREDIT EQUIVALENT HOURS, AND BILLED HOURS**

The college uses your total semester credit hours or equivalent credit hours (for developmental classes and ELAP classes) to determine your enrollment level. Refer to the current on-line college catalog to determine class credit hours. **This may not match the hours you are billed for tuition.** For example, you may enroll in a class that is billed at 5 hours, but the equivalent credit hours equal 3 credit hours. Some developmental classes earn 0 hours, but are billed at the equivalent of 3 or 5 credit hours. In these cases, we use the equivalent **credit hours** in your total enrollment, not billed hours. The College also reports your enrollment to the federal government using credit hours. If you have questions, contact the financial aid office.

### **CONSORTIUM AGREEMENTS**

Sometimes students are attending two colleges or universities at the same time. Most types of

financial aid can only be used at one institution during the same semester. The institution awarding the financial aid is usually the student's home school – the school from which the student is receiving a degree. The school where the student is taking other classes is the host school.

Students who wish to have their credit hours from both schools considered in awarding financial aid at the home school must complete a consortium agreement. This is a written arrangement between institutions used to track total credit hour enrollment at both schools. The student initiates the process by contacting the home school's financial aid office and following their procedures. The home school then contacts the financial aid office at the host school to certify the hours the student is taking.

Not all schools participate in consortium agreements. Check with your home school to find out the institution's policies and procedures.

### **INDIVIDUAL PROGRAM INFORMATION**

**Please note: Your financial aid award package may not contain funds from all of these programs. Your initial financial aid awards are based on full-time enrollment (minimum registration of 12 credit hours per semester). Cost of Attendance is adjusted based on your enrollment status in each term. If you do not enroll full-time, your Cost of Attendance and financial aid awards may be reduced or canceled, depending on the rules of the specific program.**

**For financial aid purposes, the College defines an academic year as equal to 30 credit or equivalent credit hours.**

### ***Federal Pell Grant***

This is the Federal government's primary grant program for undergraduate students with exceptional financial need who have not earned bachelor's or professional degrees. We determined the amount of your award using your federal Expected Family Contribution and your enrollment level. We base the initial award on full-time enrollment (minimum of 12 credit hours per

semester) for the fall and spring semesters. It is adjusted each semester for enrollment of three-quarter time (9 to 11 credit hours or equivalent credit hours – 75% of the full-time semester award), half-time (6 to 8 credit hours or equivalent credit hours – 50% of the full-time semester award), and less than half-time (1 to 5 credit hours or equivalent credit hours – 25% of the full-time semester award).

The determination of the credit hours your Pell grant can pay for is based on your enrollment in all terms within the semester. Pell grants adjust up and down based on the number of current attended hours as of the 20% date of each semester and part-of-term. Pell grants **will pay** for attended, registered hours and classes attended through the course 20% date as well as classes withdrawn with grades of W, F or U.

**Withdrawals may cause adjustment to aid amounts.** Pell grants **will not pay**, regardless of the amount a student is charged, for classes audited and classes dropped before the course 20% date. Course 20% dates can be found on MyMC. Students may receive Pell Grant funds for summer sessions if they did not receive full-time Pell grants in fall and spring semesters, which includes Pell Grants received to attend other colleges and universities during the academic year.

Students with a federal status of “Lifetime Eligibility Used” (LEU), or who are close to their LEU, may not receive Pell grants or may receive reduced Pell grants. The federal government notifies you of this status on your Student Aid Report.

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

This federal grant program supplements the Pell grant of students with exceptional financial need. The federal government provides MC with a limited amount of SEOG to award to students. We base your initial award on full-time enrollment (minimum of 12 credit hours per semester). It may be reduced for less than full-time enrollment or if students receive other grant funds. In order to maintain a semester SEOG award, students must stay enrolled in at least one class past the 6% date (MC last date for refund) for the semester classes in which they registered. If students withdraw from all classes prior to the 6% dates, SEOG will be cancelled for that semester.

### ***Board of Trustees (BOT) Grant***

This is an institutional grant program funded by Montgomery College. To receive a Board of Trustees Grant, students must have financial need and maintain at least a *cumulative* 2.0 grade point average (GPA). You may only use a BOT Grant to pay charges for tuition and fees. If your tuition and fees are waived for any reason, or are covered by a tuition-specific award, we will cancel your BOT Grant. Tuition-specific awards include Board of Trustees Scholarships, Montgomery Scholars, Renaissance Scholars, and Macklin Scholars. Other awards may be included as well, depending on the criteria of the individual program.

## ***Private Scholarships, and State Grants and Scholarships***

Organizations and agencies outside of Montgomery College award these funds using their own eligibility requirements to receive and renew these awards. We do not credit private and state scholarships to student accounts until we receive the funds from the state agency or sponsor issuing the awards. This includes Maryland State Scholarships and Grants as well as DC TAG and TAPITT.

Maryland State Campus Based Educational Assistance Grants are awarded through Montgomery College to full-time students who are Maryland residents and meet the state's criteria for the award. Maryland State Part-Time Grants are awarded per semester to Maryland State residents with financial need who enroll in 3 – 11 credit hours in the semester the award is made. Priority for part-time grants is given to students who lose other state grants due to part-time enrollment.

## ***Federal Direct Loan Program***

Montgomery College participates in the Federal Direct Loan Program. Loan funds are provided to students directly from the federal government. An estimated Federal Direct Loan amount may be included in your financial aid award package. The minimum loan that can be processed is \$200. Direct Loans can only be finalized and processed after students electronically accept an awarded loan in their award notification through your MyMC account. We then determine your final eligibility and process your loan. Students requesting Direct PLUS loans must submit the appropriate loan request form to the Office of Student Financial Aid, in addition to the FAFSA.

All Direct Loan recipients must register for at least six credit hours each semester and remain registered at least half time until their loans are disbursed. If you drop below six credit hours in a semester or completely withdraw from school, you may not receive the full amount of your loan or the loan may be cancelled. Students receiving Direct Loans must sign a master promissory note (MPN) before funds are credited to student accounts. The MPN can be signed at [www.studentloans.gov](http://www.studentloans.gov). Funds will be applied directly to your student account at the college.

There is a limit on Direct Subsidized loan eligibility for first-time borrowers on or after July 1, 2013. This means there is a limit on the maximum period of time that you can receive Direct Subsidized loans. You may not receive Direct Subsidized loans for more than 150 percent of the published length of your program (major). For example, if you are enrolled in a two-year associate degree program, the maximum period for which you can borrow Direct Subsidized loans is three years.

If you borrowed Direct Subsidized loans in a four-year bachelor's degree program and then enroll in a two-year program, your eligibility for Direct Subsidized loans may be limited by your prior Direct Subsidized loan borrowing.

## ***Financial Literacy***

Students receiving their first Federal Direct Loan at Montgomery College are strongly encouraged to attend our financial literacy sessions.

## ***Federal Work Study***

Federal Work Study (FWS) is a need based student employment program. The award does not credit to your student account and does not pay your college charges directly. Students can search for available positions at MC-eJobs on the college's web site <https://montgomerycollege-csm.symplicity.com/students/>. Students may also request FWS information at one of the MC campus financial aid offices. The college pays you bi-weekly for the hours you work in each pay period. The college directly deposits student earnings from FWS jobs to the student's personal checking or savings account after you begin working and complete a time sheet. Students may not work in FWS jobs until all required employment and financial aid requirements have been met. FWS jobs maybe on campus or off campus in a community service agency.

## **HOW FINANCIAL AID PAYS YOUR BILL**

The college disburses financial aid awards on a semester basis. We credit all financial aid proceeds, including student loans, to your student account at the College. The awards pay for all outstanding tuition and fees for the semester awarded, and may pay for charges in the previous semester **if** it is within the same academic year. Students with awarded financial aid in excess of

their charges for tuition and fees will have a book credit automatically processed for the campus bookstores. These can be viewed on-line at MyMC. The college will deduct the book charges from your financial aid.

If you have a credit balance after all outstanding obligations are met, the college will issue you a refund check. You may receive direct deposit of your financial aid refund to your bank account by signing up for "e-refund" on My MC. The college begins sending refunds of any balance remaining after all your charges are paid approximately four weeks after the semester begins, *if your aid is awarded and credited to your bill*. Awards from differing sources may credit to your account at different times. Also, your awards may be adjusted up or down if your enrollment changes. Additional funds will not disburse until at least 10 days after the class start dates for classes that start later in the semester.

Sometimes the amount of your financial aid is not enough to pay your entire semester bill at the College. **If you have an amount of financial aid referenced on your semester bill that is enough to cover your fees, your classes will not be deleted for the semester at the time payment is due.** You must still pay the balance of your bill. If you need additional financial aid to pay your bill, you may want to consider accepting a Federal Direct Loan, if you have not already done so. Students are responsible for all charges not covered by financial aid. If financial aid is referenced on your semester bill and you determine that you do not wish to take a particular class you registered for or not attend MC at all for the semester, you must officially withdraw from any classes you have registered for prior to the refund date in order to not be liable for those charges.

### **SPECIAL PROGRAMS FOR HIGH SCHOOL STUDENTS**

Students who are dually enrolled in high school and Montgomery College may be eligible for a Board of Trustees High School Grant or Maryland State Dual Enrollment Grant. A limited amount of funding is available. These programs have a separate application form, which is available at campus Financial Aid Offices or on the web at [www.montgomerycollege.edu/finaid](http://www.montgomerycollege.edu/finaid).

### **BOOK CREDITS**

Students who receive financial aid in excess of their charged tuition and fees who have given approval through the Cash Management Form may use their funds to pay for required books and supplies at any MC Books and More. If the only financial aid you receive is a BOT grant or other tuition-specific award, you do not qualify for a book credit. Book credits are processed automatically for eligible students in August for fall semester, in January for spring semester, and in May for the summer session. Check My MC prior to the beginning of the semester to see if you qualify. Book credit eligibility, and use of book credits at MC Books and More, ends approximately two weeks into the semester.

### **ATTENDANCE AND WITHDRAWAL FROM CLASSES**

You must attend all of your classes in order to receive financial aid. The Office of Student Financial Aid must document your attendance in classes. Your financial aid may be canceled if proof of your attendance cannot be provided, even if you have not officially withdrawn from school and still owe a bill for tuition and fees. Non-attendance is considered an unofficial withdrawal from school. Attendance in on-line classes is documented through submission of academic assignments, completion of exams, or actual participation in on-line discussions about academic matters.

If you receive financial aid from federal Title IV funds and completely withdraw from MC, the college returns your funds to the proper financial aid accounts on a proportional basis. Title IV funds include Federal Pell Grant, FSEOG, TEACH Grant, FWS, and Federal Direct Loans. You may owe a bill for tuition and fees to the college after we reduce your financial aid. Your official withdrawal date may be the date you process the withdrawal, or the documented date you stopped attending classes. Contact your campus financial aid office for examples of how this process affects the repayment of financial aid.

Withdrawing from classes, dropping classes, or failing classes can have an effect on your satisfactory academic progress and ability to receive future financial aid.

## **RE-APPLICATION**

You must reapply for financial aid every academic year. Apply on-line at [www.fafsa.gov](http://www.fafsa.gov) on or after October 1 each year. You are encouraged to watch for financial aid news through campus media such as newsletters, student newspapers, or bulletin board displays.

## **IMPORTANT DATES TO REMEMBER**

- **October 1** – The first day to file the Free Application for Federal Student Aid (FAFSA) for the following year.
- **March 1** – deadline to file your FAFSA for Maryland State Scholarships
- **March 1** – priority deadline for fall aid at Montgomery College
- **July 31**– deadline for submitting an MC Foundation Scholarship application for fall
- **November 1** – priority deadline for spring aid at Montgomery College, if you did not apply in the fall
- **December 31** – deadline for submitting an MC Foundation Scholarship application for spring.

### ***What does a “priority deadline” mean?***

Students who complete financial aid applications by the priority deadline are processed first and have the best chance to receive some financial aid funds that are limited. These applications will be awarded aid before the bill for tuition and fees must be paid, with the exception of some MC Foundation funds. Completing a financial aid application means MC has received your FAFSA from the federal processor and that you have turned in all MC required financial aid application documents.

### ***Communicating with the OSFA***

Students should check their MC college email accounts on a weekly basis for important information sent from various offices at the college. Students who have completed their studies or have stopped attending should continue to be engaged with the college for a period of at least two to three years.