

# Financial Aid

## Online Programs – Financial Aid

A student enrolled in any of the online programs at Mount Mercy is eligible to apply for federal and state financial aid. Institutional financial aid is not available for online program students. To qualify for any financial aid at Mount Mercy, students must:

1. Receive notification from the Accelerated Office at Mount Mercy of acceptance as a REGULAR student for admission into an eligible degree program as defined by the U. S. Department of Education.
2. File the Free Application for Federal Student Aid (FAFSA) or Renewal Application to be eligible for most federal and state programs. Iowa applicants must have their application at the processing center by July 1<sup>st</sup> in order to be eligible for State of Iowa funds.

Currently enrolled students may obtain information and applications for financial aid in the Financial Aid Office. New students to Mount Mercy must inform the Financial Aid Office of their interest in receiving financial aid once they are registered for coursework at Mount Mercy. To be eligible for loan assistance, the student is required to be enrolled at least half-time for each semester in which the loan is to be received, and must be half-time to continue deferments on most student loans. The following chart illustrates how the block schedule equates to the semester format:

Blocks 1, 2, and 3 = Fall Semester  
 Block 4 = Winter Term  
 Blocks 5, 6 and 7 = Spring Semester  
 Blocks 8 and 9 = Summer Semester

For example, a student must be enrolled in at least 6 credit hours during blocks 1, 2, and 3 combined to be eligible for a loan during the Fall Semester. Taking one 3-credit course in block 1 and one 3-credit course in either block 2 or 3 would satisfy the 6-hour requirement for financial aid.

Block 4 is combined with the Spring Semester to determine financial aid eligibility. Students are encouraged to contact the Financial Aid Office if they have questions regarding financial aid.

The Summer Semester (blocks 8 and 9) is considered the end of the academic year at Mount Mercy for financial aid purposes. If you are interested in financial aid for the summer blocks, students are required to have completed the FAFSA form for the current school year and are encouraged to register for these blocks up front. During the summer session, only federal financial aid is available. Because the summer session is at the end of the academic year, many students have exhausted their annual eligibility in the federal loan and Pell grant programs. Many students utilize private loan programs for summer funding. For more information contact the Mount Mercy Financial Aid Office at 319-368-6467. Please see the main Financial Aid (<http://catalog.mtmercy.edu/financialaid/>) page of this *Catalog* for complete details.

## Enrollment Changes

Students who are enrolled in an online program should speak with a Financial Aid Counselor prior to dropping any courses. Per federal regulations for this program, Pell Grant awards must be revised any time a student adds or drops a course throughout the semester, regardless if the student attended the course or not. For example, if a student is enrolled in 9 credit hours for the semester which makes them eligible for \$1500 in Pell grant funds and drops to 6 credit hours, the Financial Aid Office will be required to reduce the Pell grant to \$1000. This may result in a balance owed to Mount Mercy.

## Return of Title IV Funds – Block Programs

A student earns aid based solely on the length of time he/she attends. Until a student has passed the 60% point of the days they are scheduled to attend only a portion of the student's dispersible aid has been earned. If a student completely withdraws prior to the 60% point, then the Return of Title IV Funds policy applies.

Title IV funds refer to the Federal financial aid programs authorized under the Higher Education Act of 1965 (as amended) and include the following programs: Direct Unsubsidized loans, Direct Subsidized loans, Direct PLUS loans, Federal Pell Grant, Federal SEOG, and Federal TEACH Grant. Though the Federal Work Study program is also included in Title IV funds, it is not included when calculating the Return of Title IV Funds.

A student starts the withdrawal process with their Program Director. This can either be done in person or over the phone. The withdrawal date is the date on which the student starts the withdrawal process or the date that the student otherwise provides notification to Mount Mercy of his or her intent to withdraw. However, if Mount Mercy can document an academically related activity different than the date the student officially withdrew, that date may be used.

If a student leaves school and fails to follow the withdrawal process or fails all of their courses, it is assumed the student withdrew at the midpoint of the period of enrollment unless academically related activity can be documented past the 60% point. The Financial Aid Office is responsible for the calculation of the amount of Title IV funds a student has earned at the point of withdrawal. The software provided by the Department of Education is used and review of this software is available upon request from the Financial Aid Office.

Mount Mercy will return any unearned aid that was applied to a student's institutional charges. The student must return any unearned funds allocated to a loan program under the terms and conditions of the promissory note. If a student owes a grant over-payment, the student must make satisfactory repayment arrangements with the Financial Aid Office at Mount Mercy.

In accordance with Federal regulations the student (or parent for a PLUS loan) must return unearned aid for which the student is responsible by repaying funds to the following sources in order: Direct Unsubsidized Stafford loan, Direct Subsidized Stafford loan, Perkins loan, Direct PLUS loan, Pell Grant, FSEOG, and other Title IV programs.

## Example of Return of Title IV Calculation

This example is for illustration purposes only. Actual charges and refund amounts may vary. The following is an example of a return of funds for a student who completely withdrew from their courses. This student was enrolled in Blocks 1, 2 and 3 so the total days of attendance for the Fall semester would be 105 days. The student withdrew in the first week of Block 2 and completed 45 days of the semester. The student completed 42.9% of the semester ( $45/105=42.9\%$ ).

The student would have earned 42.9% of the financial aid for the Fall semester. The remaining amount would have to be returned to the appropriate source.

Original Financial Aid	Loan Name	Revised Financial Aid	Total Original Aid	Total Revised Aid
\$6,219	Direct Stafford Loans	\$1,812		
\$1,500	Pell Grant	\$1,500		

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\$1,300	Iowa Tuition Grant	\$558	\$9,019	\$3,870
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