Financial Aid Consumer Information
I. GENERAL INFORMATION

A. Federal Student Aid

International Career Development Center (ICDC) participates in the following U.S. Department of Education (USDE) student financial aid programs:

- Federal Pell Grants
- Federal Supplemental Educational Opportunity Grant
- Direct Loans (Subsidized, Unsubsidized and PLUS)

Grants are monies that do not have to be repaid.
Loans are monies that are borrowed and must be repaid with interest.

B. Eligibility

In order to qualify for Federal Student Aid you must meet the following criteria:

- You must be enrolled as a regular student in an eligible program.
  - A regular student is one who is enrolled in a degree or certificate program.
  - An eligible program is one that has been accredited by a nationally recognized accrediting agency and meets the requirements set by the U.S. Department of Education for an eligible program.
- You must have a high school diploma or its equivalent, such as a General Education Development Certificate (GED), or have being enrolled in a postsecondary institution and have taken and passed an Ability to Benefit test before July 1, 2012. Refer to the school’s catalog for specific requirements.
- You must have a valid Social Security Number.
- You must be a U.S. citizen, U.S. national, or an eligible non-citizen.
  - An eligible non-citizen must have the documentation listed in the glossary to provide this status or an Institutional Student Information Report (ISIR) with a comment saying the student’s eligible non-citizenship status has been confirmed.
- You must exhibit financial need. (Except for Unsubsidized Stafford and PLUS loans)
- You must not be in default on a Title IV loan at any institution. (Perkins Loan), Stafford, PLUS or consolidation loan.
- You must not owe a repayment on a Title IV grant at any institution.
- You must sign a Statement of Educational Purpose, which is included on the Free Application for Federal Student Aid (FAFSA)
  - A Statement of Educational Purpose is a statement by which you agree to use financial aid funds only for education-related purposes.
- You must maintain Satisfactory Academic Progress.
- If you are a male, you must register or have registered with the Selective Service if you are required to do so.
  - This Registration requirement applies to males who:
    a) Were born on or after January 1, 1960;
    b) Are at least 18 years old; and
    c) Are not on active duty in the armed forces

C. Dependency Status

Depending upon how you answer certain questions on you FAFSA, you will be considered either dependent on your parents or independent. If you are considered dependent for financial aid purposes, you will report your income, as well as your parent’s income. On the other hand, independent students will only report their own
income (and spouse’s, if applicable). Students are classified as dependent or independent because Federal Student Aid programs are based on the concept that a student’s parents have the primary responsibility of paying for their children’s education. For the current award year, you will be considered independent if you fall into one of the following categories:

- You were born before January 1, 1990;
- You are a veteran of the U.S Armed Forces;
- You, at anytime since you turned 13 were both parents are deceased, were you in foster care or were you a dependent or ward of the court;
- You are a student with a legal dependent (other than spouse). If you expect to have a legal dependent after you apply for federal aid (and that person will be dependent on you during the current award year), you may count that dependent at the time you apply and be considered independent;
- You are enrolled in a graduate or professional education program;
- You are married;
- You are currently serving on active duty in the U.S. Armed Forces;
- You have children who will receive more than half of their support form you;
- You were an emancipated minor as determined by a court in your state of legal residence;
- You are or were in legal guardianship as determined by a court in your state of legal residence;
- You at anytime on or after July 1, 2012 did your high school or school district homeless liaison determine that you were an unaccompanied youth who was homeless.
- You at anytime on or after July 1, 2012, were determined to be by the director of an emergency shelter or transitional housing program funded by the U.S. Department of housing and Urban Development that you were an unaccompanied youth who was homeless;
- You at anytime on or after July 1, 2012, were determined to be by the director of a runaway or homeless youth basic center or transitional living program that you were an unaccompanied youth who was homeless or were self-supporting and at risk of being homeless;

You may be asked to provide proof of your dependency status before you can receive Federal Student Aid. If you do not fit into any of the above categories but think you have unusual circumstance that would make you independent, talk to the Financial Aid Officer at your school. If it is determined your circumstances warrant it, the Financial Aid Officer can use his or her professional judgment to change your status to independent. This is not automatic and the Financial Aid Officer’s decision is FINAL. You cannot appeal it to the U.S. Department of Education.

If your dependency status changes at any time throughout the award year, you must notify your Financial Aid Officer immediately.

D. Transfer Students

There are a number of steps you must take when transferring from one school to another during the same year.

- If you have a Federal Pell Grant, you must request a duplicate of your Student Aid Report (SAR) from the central processor. This SAR must be submitted to your school.
- If you have a Direct Loan or a Direct PLUS loan you will need to reapply. Contact your new Financial Aid Officer as well as your lender.
- You cannot receive any Title IV funds at your new school until your Financial Aid history is reviewed on NSLDS or in certain circumstances a Financial Aid transcript is requested and received from the prior school.

Check with your school’s Financial Aid Officer to find out what programs are available and what additional steps you must take.
E. Rights and Responsibilities of Students Receiving Federal Financial Aid

You have the right to know:
- The names of the organizations which accredit and authorize the school to operate.
- The cost of the program.
- The school’s policy on refunds for students who drop prior to completion of the programs.
- The procedures and deadlines for submitting applications for each available financial aid program.
- How your financial need is determined.
- The type and amount assistance in your financial aid package. You have the right to ask that your financial aid package be reconsidered if you believe it to be in error or financial circumstances have changed.
- How and when your financial aid will be disbursed.
- The school’s Satisfactory Progress Policy and how the policy affects your eligibility for financial aid.
- The program, faculty, and the physical facilities at the school.
- The special facilities and services available to the handicapped.
- The interest rate on any loan available through the school, the amount you must repay, the length of time you have to repay, when you must begin repayments, any cancellation and deferment provisions that apply. For more information, see “Borrower Rights”
- Who the school’s financial aid personnel are, where they are located and how to contact them for information.

This brochure, in conjunction with the school’s catalog and other available publications from the school, will provide you with the information you have the right to know. If, upon review of all the information available to you, you have additional questions, you are encouraged to consult the Financial Aid Officer at the school.

Student Responsibilities:

If you are applying for a Federal Student Aid, it is your responsibility to:
- Complete you FAFSA accurately and submit it on time. Errors can delay and, in some cases, prevent you from receiving aid.
- Provide all supporting documentation, corrections, and/or new documentation upon the request of the financial aid office.
- Notify your school of any information that has changed since you applied (name, address, attendance status, etc).
- Read and understand all forms you are asked to sign. (This includes forms such as a Free Application for Federal Student Aid).
- Attend both an entrance and exit interview at your school and sign the Entrance/Exit Interview form.
- Complete a Student Application.
- Understand ICDC refund policy.

REFUNDS

Treatment of Title IV Fund When a Student Withdrawals

If you withdraw from school and are a Title IV recipient, both the State of California refund and the Return of Title IV Aid are calculated. The Return of Title IV Aid is calculated based on the portion of time earned during the school’s defined payment period. The US Department of Education mandated calculation will determine the unearned portion of Financial Aid that must be returned.
Refund Distribution Policy

The School must return the unearned Title IV Aid for which it was paid in the following order up to the total net amount disbursed from each source:
1. Direct Unsubsidized Stafford Loan
2. Direct Subsidized Stafford Loan
3. Direct PLUS Loan
4. Federal Pell Grant
5. FSEOG
6. Other Title IV Programs

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 the following order. Amounts to be returned to grants are reduced by 50%.
1. Direct Unsubsidized Stafford Loan
2. Direct Subsidized Stafford Loan
3. Direct PLUS Loan
4. Federal Pell Grant (50%)
5. Federal FSEOG (50%)
6. Other Title IV Programs

II. TITLE IV PROGRAMS

A. Federal Pell Grant

The Federal Pell Grant Program provides financial assistance to undergraduate students to help pay for education after high school. Unlike loans, grants do not need to be paid back.

In order to qualify, the eligibility requirements listed on page 3 must be met. The amount of the Federal Pell Grant a student will be eligible for will depend upon:
- Expect Family Contribution
- Cost of Education
- Enrollment status (full or part-time)
- Program length

Once the Financial Aid Officer receives the ISIR, the school will then credit the award to the student’s account. The school must inform the student in writing of how much the award will be and how and when payment will be made. The school will make at least two disbursements per academic year.

B. Federal Supplemental Educational Opportunity Grant

The Federal Supplemental Educational Opportunity Grant (FSEOG) provides financial assistance to undergraduate students to help pay for education after high school. Unlike loans, grants do not need to be paid back.

In order to qualify, the eligibility requirements listed on page 3 must be met. An eligible recipient must have financial need, and students with the lowest EFCs who will also receive Pell grants for the award year have primary consideration for FSEOG. These funds are available on a first come first serve basis.
Once the Financial Aid Officer receives the ISIR, the school will then credit the award to the student’s account. The school must inform the student in writing of how much the award will be and how and when payment will be made.

C. Direct Loans

*Direct Subsidized Loans:*
Direct Subsidized Loans were established to provide loan access to both independent and dependents students based on Financial Need. Therefore, the formula for eligibility if the following:

- Cost of Attendance:
  - Estimated Financial Assistance
  - Estimated Family Contribution
  = Total Need

- Besides the Loan Application, you will be required to complete the both entrance and exit interview.
- Repayment on a Direct Subsidized Loan Begins six (6) months after you graduate, withdraw, or drop form your program of study.

*Note: There is a limit on the maximum period of time (measured in academic years) that you can receive Direct Subsidized Loans (Eligibility for FIRST time Borrowers on or after July 1, 2013) In general, you may not receive Direct Subsidized Loans for more than 150% of the published length of your program. This is called your “maximum eligibility period”. You can usually find the published length of any program of study in your school’s catalog

*PLUS Loans:*

PLUS Loans are for parent borrowers; Unsubsidized (U-Stafford) Loans are for students. These loans provide additional funds for expenses that are incurred as a direct result of being in school. PLUS and U-Stafford Loans are made by the US Department of Education. The interest rate on loans made after July 1, 1987 is variable and will be adjusted accordingly each award year. Currently after July 1, 2013 the interest rate is a fixed rate at 7.90%. To qualify you must meet the eligibility requirements listed on page 3.

The amount of PLUS Loan that a borrower will be eligible for will depend upon:
- The ability to find a lender who will grant the loan; and/or
- The degree of need demonstrated by parents of dependent students (may borrow up to their need on PLUS funds per year for each student who is enrolled at least half time).

PLUS borrowers generally must begin repaying both principal and interest within 60 days after the second loan disbursement. Under certain conditions, you can defer your PLUS Loan repayment. To obtain a deferment, you must complete a deferment request form and submit it to your lender. Interest continues to accrue.

If a PLUS program loan was obtained by two parents as co-borrowers, and one of the borrower dies, becomes totally and permanently disabled, or has his/her loan discharged in bankruptcy, the other borrower remains obligated to repay the loan.

*Direct Unsubsidized Loans:
Unsubsidized Stafford Loans were established to provide loan access to students regardless of their Financial Need.

Independent undergraduates may borrow Direct Unsubsidized funds up to $6,000 per year. These loan limits are in addition to the Subsidized loan limit. The formula for eligibility for the unsubsidized loan is as follows:

\[
\text{Total Need} = \text{Cost of Attendance} - \text{Estimated Financial Assistance} - \text{Estimated Family Contribution} - \text{Eligibility for Subsidized Stafford loan}
\]

Independent undergraduate students may borrow Unsubsidized Stafford funds up to $6,000 per year. These loan limits are in addition to the Subsidized Stafford Loan limits. The lender sends the full amount of the loan proceeds electronically via (EFT) to the school. You will be notified when loan proceeds have been credited to your tuition account.

Late payments and other types of neglect, such as failure to report a change in your address, may result in action by a collection agency. Default on a loan may affect future credit ratings. It also could result in the IRS withholding a tax refund to apply toward a loan. No further Federal Aid can be received until satisfactory arrangements are made to repay the loan.

If you are unable to make a payments on your loan contact the Financial Aid Officer immediately.

III. HOW TO APPLY FOR FEDERAL STUDENT AID

A. Federal Pell Grant

All students applying for financial aid are required to complete the Free Application for Federal Student Aid (FAFSA). The information collected on the FAFSA is used to calculate the EFC that will determine eligibility for aid. This form is available at the financial aid office. Financial aid staff will review the FAFSA and other required documents with the student before the application is processed.

The FAFSA is then transmitted electronically for processing by the Central Processing System (CPS). The CPS will generate an Institutional Student Information Record (ISIR) that will provide the official EFC. The range of the EFC number will determine the student’s eligibility for the Federal Pell Grant program.

A new FAFSA application is required for each award year. An award year starts July 1 and ends June 30. If enrollment extends beyond June 30, new FAFSA application will be required to determine eligibility for additional financial aid. The financial aid office will notify students if it is necessary to reapply.

Besides the FAFSA, it is necessary to complete the school’s Enrollment Questionnaire. This includes information and other data needed to verify eligibility.

B. Master Promissory Note (MPN) for a Stafford Loan

Federal Direct Loan borrowers must complete the Electronic Master Promissory Note (MPN) for Direct Loans. You will need to have your Department of Education issued PIN (4 digit) to begin the process. The MPN is made
up of student, school, and Department of Education. After the student section is complete, the school will certify
the application and send it electronically through EDEXPRESS/COD. If the Department of Education agrees to
make the loan, the Department of Education will send the EFT to the school in two disbursements.

C. Master Promissory Note (MPN) of Parent Loans for Undergraduate Student (PLUS)

PLUS loans are requested in the same manner as a Stafford loan. Unlike Stafford loan borrowers, PLUS
borrowers do not have to have their EFC taken into consideration when determining eligibility.

D. Deadlines

All steps involved in applying for Student Aid are accompanied by specific deadlines. The Department of
Education set these deadlines and there are no exceptions. Schools may also have specific deadlines in order to
process student’s packages in a timely manner (see Financial Aid Officer for specific deadlines). If these
deadlines are not met, student aid may not be available.

E. Special Circumstances

Determining a student’s eligibility for Federal Student Aid is generally the same for all applicants. However,
there may be some flexibility. A Financial Aid Officer, in appropriate circumstances, can adjust a student’s EFC;
a student’s Cost of Education, and/or a student’s dependency status. If, for example, a family’s wage earner dies
or loses a job or benefits, it is likely that the family’s income will be reduced from what was reported in the
previous year. In cases such as this, the Financial Aid Officer may adjust data elements. Or for the Pell Grant
program, the EFC scan is adjusted to take into account the change in financial circumstances. Student’s who
believe that their situation may fall into any of these categories, should talk with the Financial Aid Officer.
Adjustment may be made if circumstances warrant, but it is based solely on the Financial Aid Officer’s
professional judgment and it is FINAL.

F. Verification

ICDC verifies 100% of the financial aid applicants that the U.S Department of Education (ED) randomly selects
for verification. During the 2013-2014 Award Year, ED will use Verification Tracking Flags to place an
applicant selected for verification into one of five Verification Tracking Groups. Students may be selected for verification by either ED or by the school. Verification means proving that what
was reported on the FAFSA is correct.

If selected, student may be asked to verify any of the following information:
- Adjusted gross income;
- Federal income tax paid;
- Household size;
- Supplemental Nutrition Assistance Program (Food Stamps)
- Child Support Paid
- High School Completion
- Identity/Educational Purpose
- The number of family members enrolled in postsecondary education at least half-time; and/or
- Certain untaxed income and benefits received.

The Financial Aid Officer may request certain documents in addition to a spouse’s and/or parents Federal Income
Tax Return Transcripts. If, at the time the application is processed, it is selected for verification, a Verification
Worksheet will be received with the ISIR. This is to be completed and submitted to the financial aid office at the
school. Any inconsistent or unusual information must be verified prior to receiving Federal Student Aid. Failure to submit the needed verification information and documentation by the stated deadline may result in cancellation of Federal Aid.

G. Determining Financial Aid Packages

Once the Financial Aid Officer receives the financial aid application and supporting documents, and evaluation of “financial need” and complete “award package” will be designed to meet the student’s needs. In general, most ICDC students receive aid for direct educational expenses (i.e., tuition/fee, and equipment).

ICDC develops standard Cost of Attendance (COA) based on the current budget developed by the California Student Aid Commission. These budget components include tuition fees, room and board, personal expenses, and transportation. They are determined for the academic year, and based on living arrangements; either with parents or off campus.

IV. DEBT MANAGEMENT

Debt management is the borrower’s ability and desire to control the level of his or her indebtedness as well as repay the loans that have been assumed. One way to prepare to repay student loans is to calculate the amount owed when leaving school.

Here’s how:
Add the total amount borrowed this year, plus the amount expected to be borrowed for future education. This will give an average indebtedness upon graduation. This calculation does not include the interest owed because the interest rate may vary and the loan amount will affect the length of repayment. The Financial Aid Officer can help determine what the average student attending school will borrow through the Federal Stafford Student Loan Program.

Situations may occur that could make loan repayment more difficult than anticipated, i.e. job loss or career changes. Loan consolidation or refinancing may be of assistance. If a loan is in default, they may not be refinanced, and if loans are more than 90 days delinquent, they are not eligible for consolidation. The lender can provide more information about available loan consolidation and refinancing options.

A. Deferment Options

Once Loan repayment has begun, there are certain options available to postpone repayments.

A deferment may be available if a student:
- Is unable to find full-time employment
- Is in school at least half-time at an eligible, postsecondary school
- Joins the Army, Navy or other Armed Service; or
- Works in the Peace Corps or as a full-time volunteer.

There is a legal obligation to repay students loans, regardless of one’s financial situation. However, the lender may allow:
- A short period of time to not make payments;
- Extending the amount of time to make payments; or
 Making smaller payments that originally scheduled

B. Default

If loan payments are not made when they are due, this considered a “default”. A student is in default on their loan if:
 The terms of the Promissory Note are not met;
 Payments are 270 days or more late; or
 The agency that has guaranteed the loan determines that it is reasonable to believe that repayment is not likely.

Once a loan is in default, the agency that guaranteed the loan would buy the loan from the lender. If payments are not made to the guarantee agency when they are due, the guarantee agency may hire a private collection agency to collect any principal and interest payments that are due.

The guarantee agency can also collect any reasonable cost towards collecting the amounts that are overdue.

If a student is unable to repay a loan immediately, the guarantee agency may wait until money or property is accumulated, then takes legal action to garnish wages, to Garnish means that payments will be deducted from wages or take any land, personal, or other property.

 During the time in default, the guarantee agency may continue to charge interest on the loan. In addition, the guarantee agency, lender, or the Department of Education may report a failure to repay a loan, to a credit bureau. This report can injure credit and make it difficult to obtain credit in the future. Loss of federal and/or state income tax refunds and loss of eligibility for further financial aid are also possibilities of non-payment.
 Paying back student loans on time is the surest way of building a good credit history.
 Repayment of student loans also helps to ensure that the door remains open for other students to borrow for their education.

C. Borrower Responsibilities

When you borrow money under the Federal Stafford Student Loan programs, you become partners with the Federal Government. The government has held up its end of the bargain by making money available to you to pay for your education. You have agreed that you will pay it back on time with interest. Your responsibilities include:
 Completing all application forms truthfully and accurately
 Knowing who holds your loan. Your lender may hire a service to handle your account or sell your loan to another financial institution.
 Reading, understanding and keeping copies of all forms;
 Providing additional documentation or information if requested;
 Notifying your lender or school of anything that affects your ability to repay your loan;
 Informing the lender if you change your name, address or social security number;
 Informing the lender if you graduate, withdraw from school; transfer to different school, or drop below half-time enrollment status as defined by your school.

Your first Direct Subsidized loan payment is due six months after you are no longer enrolled at least half time. A six-month “grace period” allows you time to find a job and arrange a repayment schedule. Your first PLUS payment is due within 60 days after the second disbursement (unless a deferment has been approved).
*Note: If you receive a Direct Subsidized Loan that is first disbursed between July 1, 2012, and July 1, 2014, you will be responsible for paying any interest that accrues during your grace period. If you choose not to pay the interest that accrues during your grace period, the interest will be added to your principal balance.

Remember that your loan money can only be used for tuition another related educational expenses.

D. Borrower Rights

- When you take out a loan, you sign a promissory note. You must be given a copy of the completed note, and the original note must be returned to you when the loan is paid in full.
- You must be given a list of deferment conditions.
- Your Stafford Loan funds will be disbursed electronically via EFT. Before the disbursal of your loan, your school/lender must also give you the following information about your loan:
  - The full amount of the loan
  - The interest rate
  - When you must start repaying the loan
  - A complete list of any charges you must pay (loan fees) and information on how those charges are collected
  - The yearly and total amounts you can borrow and the maximum repayment periods and the minimum repayment amount
  - An explanation of available options for consolidating or refinancing your loan
  - A statement that can prepay your loan at any time without penalty
  - An explanation of default and its consequences.
  - What financial aid programs are available at your school and how you can qualify for them;
  - How your financial need was determined and what items were considered in your budget;
  - Your school policies concerning enrollment, required attendance and good academic standing;
  - Your school policy on refunds if you should leave school; and

Before your repayment period begins, your school/lender must tell you:

- The amount of your total debt (principal and estimated interest), what your interest rate is, and the total interest charges on your loan;
- The name of the lender or agency that holds your loan, where to send your payments and where to write or call if you have questions;
- The fees you might be charged during the repayment period;
- An explanation of available options for consolidating or refinancing your loan
- A statement that can prepay your loan without penalty at any time

If you are willing but unable to meet your repayment schedule, and are not eligible for a deferment, you may request forbearance. Forbearance means permitting payments to be stopped temporarily, allowing an extension of time for making payments, or making smaller payments than were originally scheduled. Your lender does not have to grant you forbearance or a delay in repayment.

With a Direct Subsidized loan, you have the right to federal interest benefits. This means that the Federal Government will pay the interest on your loan until your repayment period begins. They also must arrange for the lender to pay the interest on you Stafford if you don’t qualify for federal benefits.
*Note: If you receive a Direct Subsidized Loan that is first disbursed between July 1, 2012, and July 1, 2014, you will be responsible for paying any interest that accrues during your grace period. If you choose not to pay the interest that accrues during your grace period, the interest will be added to your principal balance.

If you have a Direct Stafford or PLUS, and the lender/DOE sells the loan or transfer the right to receive payment, you must be notified.

Don’t hesitate to ask questions. You have the right to an honest and complete answer to any questions you may have about your Federal Direct Stafford or PLUS Loan.