

OTERO

JUNIOR COLLEGE



2021 - 2022

Financial Aid
Handbook



Otero College

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Introduction

Philosophy of Financial Assistance

The administration of financial aid programs at Otero College is designed to compliment and service the educational programs of the institution. The services provided by the financial aid office are necessary for the operation of the college and will be provided through a cooperative relationship with other areas of the organization. Since the operation of the financial aid office is dependent upon federal, state, and local resources, it is our philosophy to utilize those funds to facilitate support for students, who without such aid would not be able to attend this institution.

The College accepts the Federal Need Analysis Methodology as a fair and equitable means of determining the student's or the family's ability to contribute to the student's educational expenses. Otero College requires all students and/or parents who wish to apply for financial aid to submit the Free Application for Federal Student Aid. This application may be obtained in high school counseling offices, in college financial aid offices, or online at www.studentaid.gov.

Review and Cancellation of Awards

Otero College reserves the right to review and cancel the financial aid awards at any time because of changes in financial resources, residency, marital status, or because of the recipient's failure to remain in good standing at the College for financial aid, academic, or disciplinary reasons. Award adjustments can be made if additional information concerning a student's eligibility is received after awards are made. Any information that is considered to be misleading will result in cancellation of aid until the information is clarified. From time to time it becomes necessary for various reasons to change the specific guidelines and requirements for any given award. These changes may occur without prior notice due to a shortage of funds or the total number of students applying for aid.

Student Eligibility

In order to receive assistance from student financial aid funds, a student must be a U.S. citizen, or a citizen of the Federated States of Micronesia, the Marshall Islands, or a permanent resident of the trust territory of the Pacific Islands (Palua), or an eligible non-citizen. Students must also be over 16 years of age, enrolled as a regular student in a degree program, must maintain satisfactory and measurable progress and attend the College on a full-time or part-time basis. In addition, financial assistance is made available to students who have graduated from High School or have completed the High School Equivalency Certificate (GED). However, in special circumstances students may qualify for financial assistance under the "ability to benefit" exception. For further information concerning this procedure, please contact the Financial Aid Office at Otero College.

A non-citizen is considered eligible if he/she is in the United States for other than a temporary purpose and is, or intends to become, a permanent resident. Evidence in the form of an alien registration receipt card or an approved notice from the Immigration and Naturalization Service will be required to verify permanent resident status.

Otero College's Office of Financial Aid offers a variety of federal and state student aid programs and administers institutional scholarships. Applications for these programs are available in the Student Services Center, located in McBride Hall, Room 132.

Aid from federal programs is not guaranteed from one year to the next. A student must apply every year. There are two primary steps to follow at Otero College to begin the process of applying for assistance:

1. Apply for admission and be admitted to Otero College
2. Complete the Free Application for Federal Student Aid, which is available online at <http://www.studentaid.gov>

The financial aid award year begins with fall semester (August thru December), continues with spring semester (January thru May), and concludes with the summer semester (starting May or June of the following year).

Apply as soon as possible on or after October 1. It will take 1 to 2 weeks for your financial aid application to be processed, and if you have to correct any information and return it for processing, it could take another 2 to 3 weeks.

Filling out the Application

When you fill out your financial aid application, you should have certain records on hand. You'll need to refer to:

1. Your 2019 tax return
2. Your parents' 2019 tax return (if you apply as a dependent student).
3. Your spouse's 2019 tax return (if you're married and your spouse filed a separate return).

The 2019 U.S. Income Tax Return is the most important record you will need, since you must use specific numbers from specific lines on the tax return to fill out your application.

Aid from most of the federal student aid programs - except for Unsubsidized and PLUS loans - is awarded on the basis of need. The primary responsibility for meeting college costs rests with the family and the student. The amount of financial aid that you will be eligible to receive is based upon your financial need as determined by a federally approved processor. Financial need is the difference between the cost of attending the college of your choice and the resources available to the student. Resources include: parents' contribution, earnings from employment, spouse's income, vocational rehabilitation, welfare, etc. The Financial Aid Officer will take the cost of education at Otero College and subtract the amount you and your family are expected to pay toward that cost (Expected Family contribution [EFC]). If there's anything left over, you're considered to have financial need.

Cost of Education includes your educational expenses such as tuition, fees, room, board, books, supplies, and other related expenses.

There are two classifications of students in determining eligibility for financial aid:

1. Dependent Student - Students who have been or will be claimed as an exemption on their parents' federal income tax return during this current and/or previous calendar year, or lived in their parents' household during this same period of time.

2. Independent Student - For the 2021—2022 award year, a student is automatically independent if he or she:
 - A. was born before January 1, 1998.
 - B. is a veteran of a U.S. Armed Forces.
 - C. is an orphan or a ward of the court.
 - D. has legal dependents other than a spouse.
 - E. has dependents who live with you and receive more than half of their support from you.
 - F. is married, or a graduate or professional student.

The student will also be considered to be independent if the school documents that special circumstances exist:

1. Students may appeal to the financial aid office for a review of the dependency status on a case by case basis.

Students' Rights and Responsibilities

Students' Rights

You have the right to:

1. Know what financial assistance is available from Otero College, including information on federal, state, and other financial aid programs.
2. Know the deadlines for submitting applications for each of the financial aid programs available.
3. Know the cost of attending Otero College, the refund policy and the repayment policy.
4. Know the criteria used by Otero College to select financial aid recipients.
5. Know how the College determines financial need. This process includes how costs for tuition, room and board, books and supplies, travel, and miscellaneous expenses are considered in establishing your budget.
6. Know what resources (such as parental contribution, other scholarships and financial aid, your income and assets, and other resources) are considered in the calculation of your need.
7. Know what portion of your financial need, as computed by Otero College, has been met.
8. Request an explanation of the various programs included in your financial aid package, and to appeal for a review of your award if you feel that it does not adequately meet your needs.
9. Know what portion of your financial aid package is a loan that must be repaid. If your award package does contain a loan, you have the right to know the interest rate, the total amount that must be repaid, the repayment procedure, the length of time you have to repay the loan, and when the payments are scheduled to begin.
10. Know what portion of your financial aid package are earnings from part-time student employment, the conditions of employment, and how and when you will be paid.
11. Know how the College determines whether you are making satisfactory progress in your course of study, and what happens to your financial assistance if you do not make satisfactory academic progress.

Student Responsibilities

You have the responsibility to:

1. Complete all application materials on time and send them to the correct place.
2. Pay special attention to and accurately complete your application for financial aid. Errors can result in long delays in your consideration for financial assistance and may result in your inability to receive assistance due to the lack of funds. **Intentional mis-reporting of information on applications for federal financial aid funds is a violation of the law and is considered a criminal offense subject to penalties under the U.5. Criminal Code.**
3. Return promptly all additional information, documentation, verification, and/or corrections requested by either the Financial Aid Office or the agency to which you submitted your application.
4. Read and understand all papers you are asked to sign, and keep copies for your personal records. The Financial Aid Office at Otero College is not to be used as a holder for a student's permanent records.
5. Accept full responsibility for all agreements you sign.
6. Notify your student loan lender(s) of changes in your name, address, and/or student status if you have a loan or loans.
7. Perform the work you have agreed to in accepting a College Work-Study award.
8. Know and comply with the refund/repayment policies and procedures of Otero College.
9. Understand the conditions under which each element of your financial aid package is offered and comply with the criteria for retention of your financial aid awards.
10. Notify the Financial Aid Office if you receive assistance of any kind, from any source, that was not reported on your application for financial aid. This includes but is not limited to:
 - Private scholarships/grants
 - Social Security Payments
 - Veteran's Benefits
 - Aid to Families with dependent Children (AFDC/ADC or TANF)
 - Vocational Rehabilitation (Voc Rehab)
11. Report financial aid, with the exception of loans, to the Internal Revenue Service (IRS) as income if the aid received is greater than the tuition and fees charged plus the amount paid for books and supplies. Students are strongly encouraged to contact the IRS for specific details. Students are advised to keep records of tuition and fee charges, books, supplies, etc., for all semesters that you attended during a calendar year.
12. Enroll for classes that apply towards your degree. Classes taken by audit or CLEP do not qualify as financial aid hours attempted and will be considered as non-completion of a course and the student will be placed on financial aid probation for the following semester.

Verification

Students applying for financial aid are required to submit certain documents for verification. The financial aid office verifies applications selected for verification by the U.S. Department of Education and others that have questionable information, it received before any aid is awarded. Documents needing to be submitted to the financial aid office include (but is not limited to) the following: Tax return transcripts issued from the IRS, Parents tax return transcripts, Spouse's tax return transcripts, W-2 transcripts issued from the IRS, proof of high school (or GED) completion, and other forms as requested.

Missing Information Letters will be sent to students requesting documentation of items listed on their Student Aid Report (SAR). Missing Information Letters will only be distributed to the email address provided to the student by Otero College to ensure FERPA regulations are being followed. This email is located on the students' MyOtero portal and should be activated upon admission to Otero College.

Students applying for financial aid are also required to complete certain institutional forms, such as: Institutional Verification Form, Statements and Certification Form, Student/Parent Non-filing Statement, Clarification of Student/Parent Tax-Filing Status Form. For students reporting a low amount of income, documentation of how expenses were met will be requested prior to awarding of financial aid by requesting the student to complete a Statement of Income Form. For additional information, please contact the financial aid office.

Student Financial Aid Policy

1. The primary purpose of Otero College's financial aid program is to provide financial assistance to students who, without such aid, could not attend college.
2. Financial assistance consists of grants, scholarships, loans, and employment. This assistance may be offered to a student singularly or in various combinations, referred to as a "financial aid package."
3. Selection of a student to receive financial aid at Otero College is the result of a student's demonstrated financial need, and/or academic achievement, without regard to sex, race, creed, color, age, veteran's status, national origin, or individual handicaps.
4. A student who receives financial aid should provide a reasonable part of the total amount required to meet college costs by accepting employment, a loan, or both. All students are expected, either on their own, if self-supporting, or in conjunction with their parents, if dependent, to contribute to the cost of their education.

Satisfactory Academic Progress Requirements

Each institution of higher education that receives Federal Title IV Funds is required by the U.S. Department of Education to define and enforce standards of satisfactory academic progress. Satisfactory Academic Progress measures a student's performance in the following three areas: cumulative completion rate, cumulative grade point average (GPA), and maximum time frame. The Financial Aid Office at each Colorado Community College System college is responsible for ensuring that all students applying for or receiving federal, state of Colorado, or designated institutional financial aid funds, are meeting these standards. The Standards of Satisfactory Academic Progress apply for all applicable financial assistance programs including Federal Pell Grant, Federal Work-Study (FWS), Federal Family Education Loans (Stafford and PLUS), as well as assistance from the state of Colorado and the college.

Cumulative GPA Requirement

Students must maintain a minimum cumulative grade point average of 2.0 for all credits attempted.

Cumulative Completion Rate

Students must complete at least 67% of cumulative attempted credit hours.

The completion rate is defined as the percentage of the total number of credit hours completed divided by the total number of credit hours attempted over the entirety of a student's academic record at the college performing the calculation.

$$\text{(Credits Completed / Credits Attempted) x 100 = Completion Rate}$$

Transfer credit hours on the student's record are included when computing the student's completion rate. Remedial credit hours are included in the calculation of the cumulative completion rate.

Maximum Time Frame

Once students have attempted 110% of the number of credit hours required for their degree or eligible certificate program, they will be required to submit a degree completion evaluation with the signature of an academic advisor or counselor in order to be considered for continued financial aid eligibility. See section 6.04 "Review of Satisfactory Academic Progress" for processes surrounding the 110% criteria.

Federal regulations allow financial aid recipients to receive financial aid for a maximum number of attempted credits. Students attempting credits in excess of 150% of the required number of credits to complete their program of study will be placed on an "ineligible for aid" status. If at any point in time it is determined that a student cannot complete their program of study within 150% of the program length, the student will be placed on a status of "ineligible for aid."

Transfer credit hours are included in the calculation of allowable maximum time frame.

Attempted credit hours under all courses of study are included in the calculation of attempted and earned credit hours, including major/degree changes, as well as obtaining and pursuing multiple degrees and/or certificates. All attempted credits counted in the maximum time frame calculation, including credits attempted during periods of enrollment in which the student did not receive Title IV aid.

Clarification from the U.S. Department of Education (Federal Student Aid Handbook, Volume 1 – Student Eligibility 2009-2010, Chapter 1, p. 1-4) states that up to 30 credit hours of "for credit" remedial coursework are allowed when determining enrollment status. Therefore, as a policy statement of the Colorado Community College System, up to 30 credit hours of remedial credits **will not** be included in the calculation when determining if the student has exceeded the maximum time length (150% of the hours required) for the declared program of study, provided that the courses are not applicable to the declared program of study.

- (vi) The U.S. Department of Education states that institutions are required to define the effect of ESL courses on SAP. As a policy statement of CCCS, ESL classes will only be ignored in the maximum time length (150% of the hours required) calculation for SAP.

Definitions of Satisfactory Academic Progress Status

Review of Satisfactory Academic Progress will be done shortly after the stated due date for grades at the end of each academic term. Students who fail to meet either the quantitative or the qualitative criteria will be placed on a financial aid "warning" or "Ineligible for aid" status according to the following guidelines and will be notified electronically or in writing of their status.

Good Standing:

- Student is eligible to receive all types of aid
- Student has cumulative GPA at or above 2.0. Some scholarship programs may require a cumulative GPA higher than 2.0 for continued eligibility.

- Student has cumulative completion rate at or above 67%.
- Student has not attempted more than 150% of required number of credits for enrolled degree or certificate program and the student can mathematically complete the program of study within 150% of the program length.
- Student has attempted 110% or more of the required number of credits for their degree or certificate and has submitted an approved degree or certificate completion evaluation.

Warning:

- Student was previously in Good Standing but failed to meet one of the SAP criteria stated above. Student will continue to receive aid while placed on warning.
- Student has cumulative GPA below 2.0 and/or, has cumulative completion rate below 67%.

Ineligible for Aid:

- Student has failed to comply with stated SAP criteria while on warning. Student is not eligible to receive financial aid (federal, state or designated institutional financial aid).
- Student has failed to meet 2.0 GPA and/or 67% cumulative completion rate requirements.
- Student has attempted 110% of required number of credits **and** has not complied with a degree or certificate completion evaluation request and/or
- Student has attempted 110% of required number of credits and has failed to maintain progress towards timely completion of their stated degree or certificate program.
- Student has attempted more than 150% of required number of credits needed for degree or certificate program.
- It has been determined that a student can not complete their program of study within 150% of the program length.
- Student who fails to complete all enrolled courses (total withdrawal or total failure) will place student in an ineligible status and they will be required to appeal prior to reinstatement of aid.

Review of Satisfactory Academic Progress

First time financial aid applicants who are found to not meet the cumulative GPA and/or cumulative completion rate criteria will immediately be placed on warning status for the first semester. First time applicants who are found to not meet the maximum time frame criteria will immediately be placed on a status of ineligible for aid and will be required to appeal for financial aid consideration.

The Financial Aid Office will notify students of their Satisfactory Academic Progress standing as it pertains to cumulative GPA, cumulative completion rate, and maximum time frame requirements via a yearly "Courtesy Notice".

At the end of each semester the Financial Aid Office will review the student's academic history for:

- 1) *cumulative GPA requirement*
- 2) *cumulative completion rate and*
- 3) *maximum time frame.*

Students who fail to meet Satisfactory Academic Progress criteria will be placed on financial aid statuses of warning or ineligible for aid and will be notified of their status.

Students who have attempted 110% of the required number of credits for their program will be sent a "Notification" informing them of their standing in terms of maximum time frame. Those students will be required to submit a degree or certificate completion evaluation signed by an academic advisor. Each college will determine a time frame for submission of this evaluation and will communicate this date to their students. This degree or certificate completion evaluation must list the courses that are needed to complete the program. If the evaluation is not submitted by the specified date, the student will be placed on financial aid ineligible for aid status.

Students on warning who meet Satisfactory Academic Progress criteria in a subsequent term as outlined in Article V will be reclassified as "In Good Standing".

The Financial Aid Office will review GPA and credit hours attempted/completed through consortium agreements.

Complete and Incomplete Credits/ Repeats

Each institution will define assigned grades and their interpretations.

Grade symbols of A, B, C, D, S, S/A, S/B, and S/C earned during the Fall, Spring and Summer will be considered acceptable for courses completed and Satisfactory Academic Progress consideration.

Grades of F, U, I, W, AW, Z, U/D, U/F, SP, and AU earned during the Fall, Spring, and Summer will not be considered acceptable for Satisfactory Academic Progress.

- (c) Courses repeated by students are counted for all qualitative and quantitative measurements, as is coursework removed from the permanent transcript through the Academic Second Chance option.

Grade Changes

Students are responsible for notifying the Financial Aid Office of all grade changes that might affect current or future financial aid eligibility. Students will be notified of this procedure via statements in the Financial Aid Handbook, website or by warning and/or ineligibility letters.

A reevaluation of a student's status will be performed by the Financial Aid Office once the grade change has been communicated to the Financial Aid Office.

Student Financial Aid Academic Progress Appeals

Each institution is required to have a primary and a secondary process for students to appeal an ineligible status. All decisions made at the secondary level are final. The primary and secondary level will be defined by the institution.

A student may appeal when they have been placed on a financial aid status of ineligible for aid. These appeals must be submitted to the Financial Aid Office with a completed appeal form and supporting documentation. An appeal form may be obtained from the Financial Aid Office or from the institution's website. The student is responsible for presenting sufficient information and documentation to substantiate the existence of extenuating circumstances.

Appeals may be filed for extenuating circumstances, such as:

Medical problems (family illness)

Family emergency (death of a family member)

Other documented extenuating circumstances beyond the student's control

Students may also appeal on the basis of:

Extension of the maximum allowable credit hours for the currently enrolled program, or

Funding for an additional degree and/or certificate

Appeals of this nature will require the student to meet with an academic advisor or counselor to discuss the number of attempted credit hours beyond the degree requirements and/or the educational purpose of a subsequent degree and/or certificate. A degree completion evaluation signed by an academic advisor or counselor must be submitted with the appeal. This evaluation must list only the courses needed for the student to complete the degree.

Students will be notified of the outcome of their appeal. If classes are in session, the student with a successful appeal will be placed on warning for the current term. For appeals approved between terms, the student will be placed on warning for the next current term. Under no circumstances can warning be assigned to a prior term.

Reinstatement of aid: Students who lose financial aid eligibility because they are not meeting the school's satisfactory academic progress standards will regain eligibility when they are again meeting the qualitative and quantitative standards as set previously in this policy. They may also regain eligibility by successfully appealing a determination that they were not making satisfactory progress. Upon successful reestablishment of eligibility, the student will be awarded financial aid based on the availability of funds at the time of reestablishment. Students may, or may not, receive all funds awarded prior to the loss of eligibility.

Packaging Policy

It is the intent of Otero College to provide some aid to all eligible students as long as funds remain available. Most students will receive a combination of financial aid based upon their financial need and the availability of funds. This is called the financial aid “package.” The Federal Pell Grant is the base for all financial aid packages. This grant will be awarded first depending on the student’s eligibility for the grant. State-funded assistance will go to Colorado resident students who meet all eligibility requirements as established by CCHE and/or the institution. The Financial Aid Director at Otero College will try to provide a financial aid package of 50% gift aid (scholarship and grants) and 50% self-help (loans and work). The percentage formula is a general guideline and does not exclude the Financial Aid Director from dealing with each applicant as an individual on an individual basis.

Disbursement of Financial Aid

Financial Aid awarded in the form of grants, scholarships, loans and will first be applied towards the payment of outstanding tuition, fees, and other charges owed to the College by the student. Any excess amount of financial aid will be distributed to the student in the form of a refund via Bank Mobile Disbursements. Bank Mobile can be contacted by calling 1-877-524-4013 or visiting bankmobilevibe.com.

NOTE: Students who register for classes and who have accepted a financial aid offer will have their account credited for the amount of the grant and/or scholarship. Should a student decide not to attend after they have registered, they must officially drop their classes to avoid being charged.

After students are awarded financial aid, they will receive an award letter. Financial aid will not be disbursed until after the twelfth (12th) day of classes of each semester at which time student enrollments are verified.

Work-Study checks are disbursed through direct deposit twice monthly. The amount the student receives will depend upon the minimum wage pay-rate and the number of hours worked.

College Work-Study Program Policy

Students who are interested in the work-study program need to see the Financial Aid Director to determine their eligibility for the program, and submit a resume. The Financial Aid Director will instruct students as to what positions are currently available at Otero College. It is the intention of Otero College to provide employment opportunities through the Federal and State funded college Work-Study Program which are beneficial both financially and experientially.

Each student who accepts employment through these programs is expected to know the following policies and procedures, and to follow them:

1. A student should clearly define his/her duties and responsibilities, work days and hours with the supervisor. Students will be held accountable for maintaining established work days or hours.
2. If a student is ill or unable to report to work, always contact the supervisor in advance to either notify him/her of illness, or to rearrange work hours.
3. When at work, it is inappropriate to have friends visit or to make personal phone calls.
4. The student is responsible to turn in electronic time-sheets at the end of each pay period. The supervisor will look over all hours reported and approve the time-sheet for payment. Falsification of a time sheet will be reported to the Federal Office of Inspector General for prosecution.
5. All students are paid biweekly on Friday. All work study positions through financial aid are paid at minimum wage (\$12.32 per hour through December 31, 2021 and \$12.56 as of January 1, 2022).
6. Students may work up to 15 hours per week during while classes are in session. During breaks students may work up to 28 hours per week. Students may also work 28 hours during the summer semester.
7. Students may work during consecutive periods of enrollment. For example, if a student is enrolled in at least 6 hours for spring semester and enrolled in at least 6 hours for the next fall semester, the student is eligible to work during the summer months.
8. Please be advised that College Work-Study awards are based upon the availability of funds and may be revised during the school year without prior notice. In that event, every reasonable effort, through student loans, other jobs, etc., will be made to assist a student for the remainder of the year.

Grants and Scholarships

Federal Pell Grant

Federal Pell Grant, unlike a loan, does not have to be paid back. It is the Federal government's largest student aid program and is the starting point for most students seeking financial assistance. Pell awards range from \$672 to \$6,495 for the 2021-2022 academic year. A Student must enroll in a minimum of 3 credit hours each term to receive a Federal Pell Grant. The grant can be awarded retroactively to students throughout the year provided the student is still enrolled. Students who have previously received a BS/BA degree are not eligible. Students who enroll at Otero College and also at another site within the same term are eligible to receive a Pell award for enrollment at only one site.

The Pell Grant regulations for the summer have been lifted. There will be no extra Pell Grant funds for summer students. The amount of Pell Grant awarded to a student can be divided between fall, spring, and summer semesters in the 2021-2022 aid year, depending on how many credits the student is enrolled in.

Federal Supplemental Educational Opportunity Grant (FSEOG)

This grant ranges from \$100 to \$4,000 per academic year and is available to students with exceptional financial need who are eligible to receive a Federal Pell Grant. Students must be enrolled in minimum of 6 credit hours to be eligible for this grant.

Colorado Student Grant (CSG)-(Colorado's College Responsibility Grant)

This grant is available to students who are Colorado residents, demonstrate a financial need (EFC of 8769 or less), and are enrolled at least half-time (6 or more hours per semester). These funds are applied at the same time as the Pell Grant, and will assist with financing college related expenses the student incurs. Funding for the CSG is dependent on allocation by the state of Colorado and may change from year to year.

Otero 3.0 Scholarship

This scholarship is awarded to students who possess a 3.0 cumulative grade point average or higher from a Colorado high school, and will be attending Otero College **full-time** the semester following high school graduation. Applicants must:

1. Be Colorado resident.
2. Have at least a 3.0 GPA, and
3. Meet all other conditions of student eligibility stated earlier in this handbook. The scholarship will pay tuition (on-campus rate) only for students enrolled in at least 12 credit hours and will pay for a maximum of \$1,000 per semester.
4. With the use of state and institutional funds, this scholarship will account for \$1,000 of tuition per semester at the on campus rate. A portion of this scholarship will be supplemented by state grant funds for those individuals who are also receiving the Colorado Student Grant.
5. These funds are provided by Otero College to encourage high school students to continue their education.

Otero Online Scholarship

A \$30.00 scholarship will be applied per credit hour for all Otero College Online courses for all Otero College students. Scholarship will be contingent upon funding.

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Student Loans

Federal Direct Subsidized Stafford Loan:

This loan is available to students who have demonstrated financial need. The loan is secured through the William D. Ford Federal Direct Loan Program. A student may obtain a loan up to \$3,500 for freshman status and \$4,500 for sophomore status (students who have completed 30 credit hours or more), based on documented need. Cumulative loan limits for a four-year degree program are \$23,000. There is no loan payment or interest charged while the student remains in school at least halftime. Students must begin repaying the loan at a fixed rate, capped at 8.25%, six months after they graduate, leave school, or are enrolled less than half-time. These loans are guaranteed by various agencies and reinsured by the federal government. All student loan requests will be reviewed on a case-by-case basis. If students have a substantial loan debt, they are initially denied the student loan. Students may submit an appeal if they have sufficient reasons.

Federal Direct Unsubsidized Stafford Loan:

This loan is **not** based on financial need. The borrower is responsible for the interest payments. Students may receive both a subsidized and unsubsidized Direct Stafford loan, but the total may not exceed Stafford loan limits. Repayment may be made monthly or quarterly; or interest may be capitalized no more frequently than quarterly.

Student Loan Application:

Students must go on-line at <https://www.studentaid.gov> to complete Entrance Counseling and sign a Master Promissory Note. These procedures must be completed and submitted to Otero College prior to disbursement of proceeds for first time borrowers. In addition, loans will not be applied to the student's account prior to thirty days after the first day of class each semester. Loans must be certified by the last day of attendance for the semester in order to be approved and disbursed. If a student enters a term of enrollment as less than half-time (6 credits), graduates, or withdraws from Otero College, the student is required to complete loan exit counseling at <http://www.studentaid.gov>.

Federal Parent Loan for Students (PLUS):

This loan is for the parents of dependent students. Parents may borrow up to the cost of attendance per child (minus other aid). Repayment typically begins sixty day after the final disbursement for the period of enrollment for which you borrowed. Fixed rates are based on when the loan starts repayment.

Loan Confirmation Process:

Federal regulations require a confirmation process in order to help the student control the borrowing process. Otero College has adopted the active confirmation. The student will not receive a disbursement until the borrower submits a loan request form accepting the proposed loan type and amount or request changes to the proposed loan package. The loan request is then sent to the financial aid committee for approval. All loan amounts requested are subject to being reduced or denied. Approved loan amounts will be split evenly, 50/50, throughout the loan period and will be disbursed in 2 equal amounts each semester.

Loan "Paperwork":

Students are required to apply through a federally approved need analysis system to determine their eligibility and have a complete financial aid file prior to having a Stafford Loan processed by the Financial Aid Office. To do this, a student must visit <http://www.studentaid.gov> to complete and submit the Free Application for Federal Student Aid. Once this is completed a Master Promissory Note and Entrance Counseling must be submitted on-line: <http://studentaid.gov>. Also, a hard copy Loan Request Form **must** be completed and submitted to the financial aid office.

Disbursing Federal Student Aid Funds:

The institution will notify borrowers when Federal Direct Loans are credited to their account. The borrower will receive a letter with the following information: amount of the loan, the loan type, the date, and the right to cancel the loan proceeds or the procedures to cancel the loan. The notification will be sent no earlier than 30 days before and no later than 30 days after crediting the student's account.

Proration of Annual Loan Limits

Student loans will be determined by prorating the limit applicable for a full academic year by a ratio equal to that of the remaining balance of the student's length of program remaining. The annual maximum loan amount an undergraduate student may borrow must be prorated in certain situations.

- When the student is enrolled in a program that is shorter than a full academic year; and
- When the student is enrolled in a program that is one academic year or more in length, but is in a remaining period of study that is shorter than a full academic year.

In some cases, the actual loan amount that a student is eligible to receive (based on costs, EFC, and other aid) may be less than the prorated loan limit. If an academic program is shorter than a full academic year in length the following calculation will be used:

$$\frac{\text{Semester Hours Enrolled in Program}}{\text{Semester Hours in Academic Year}}$$

Or

$$\frac{\text{Weeks Enrolled in Academic Program}}{\text{Weeks in the Academic Year}}$$

Prorating loan limits for remaining periods of study shorter than an academic year:

Students who are enrolled in the remaining periods shorter than an academic year, loans will be prorated. This may occur when a student is enrolled in a program that is one academic year or more in length, but the remaining period of study needed to complete the program will be shorter than an academic year.

Proration is required only when it is known in advance that a student will be enrolled for a final period of study that is shorter than an academic year. If a student originally enrolls for a final period of study that is a full academic year in length, but completes the program early in less than a full academic year, it is not necessary to retroactively prorate the annual loan limit.

Work-Study

Federal Work-Study

Federal funds are made available to assist students with their college financing through part-time campus employment. Students approved for this program can be eligible to work a maximum of 15 hours per week when school is in session and 28 hours per week on breaks (depending on the position and the student's unmet financial need).

Colorado Work-Study

State funds are made available to assist Colorado resident students with their college financing through part-time campus employment. Students approved for this program can be eligible to work a maximum of 15 hours per week when school is in session and 28 hours per week on breaks (depending on the position and the student's unmet financial need).

Colorado No-Need Work Study

State funds are made available to resident students even though they show no need for financial assistance with their college financing. This program allows no-need students an opportunity to receive on the job experience, which is helpful when looking for employment after graduation. These positions have the same requirements as the other work-study positions but they are not limited by need. Students must submit the Free Application for Federal Student Aid to qualify for this program.

Note: If a student changes their enrollment status to less than halftime during the semester, their eligibility to participate in any work-study ceases immediately.

Prior to beginning work, students must complete and pass a background screening, and see the Director of Human Resources and Personnel to ensure that all paperwork is completed for payroll. The documents needed are I-9 forms, copies of original driver's license and social security cards, withholding information, etc.

Otero College 2021-2022 Financial Aid Budgets

(based on a 9 month academic year)

The College accepts the responsibility for developing realistic student cost allowances based upon the Colorado Commission of Higher Education (CCHE) survey. The budgets established for student cost allowances seek to reflect accurate cost of living and direct educational costs estimates. The College will adjust the budget yearly to remain within the budget parameters established by CCHE.

Estimated 9-Month Cost of Attendance 2019-2020

*As of 8/2020

	In-State at Home	In-State on Campus	In-State off Campus	Out-State at Home	Out-State on Campus	Out-State Off Campus
Tuition/Fees	\$4,114.00	\$4,114.00	\$4,114.00	\$6,569.90	\$6,569.90	\$6,569.90
Books/Supplies	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00
Room/Board	\$4,626.00	\$6,993.00	\$11,439.00	\$4,626.00	\$6,993.00	\$11,439.00
Personal/ Medical Expenses	\$4,437.00	\$4,590.00	\$4,590.00	\$4,437.00	\$4,590.00	\$4,590.00
Transportation	\$1,665.00	\$1,665.00	\$1,665.00	\$1,665.00	\$1,665.00	\$1,665.00
<i>Total</i>	\$16,642.00	\$19,162.00	\$23,608.00	\$19,097.90	\$21,617.90	\$26,063.90

Dependency is determined by the Student Aid Report

**Tuition, fees, and Room/Board are subject to change.

The above budgets are for students enrolled in 12 credit hours each semester.

For summer term budgets, please check with the financial aid office.

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Return of Title IV Funds

The Return of Title IV Funds calculation is required when a student has withdrawn, officially or unofficially, from all enrolled courses during a period of instruction at the institution. Students who withdrew from courses, but not all enrolled courses, may be subject to other calculations based upon their new enrolment status. Funds that can be included in Return of Title IV calculations are defined as: Federal Pell Grant, Federal SEOG, Federal Direct Student Loans (subsidized or unsubsidized), and the Federal PLUS Loan.

Official Withdrawals: When all classes receive a W, the date used in the Return of Title IV calculations is the date the withdrawal was initiated.

Unofficial Withdrawals: The date used for the Return of Title IV calculation is the last date of an academically related activity.

The federal formula requires a Return of Title IV calculation if the student received or could have received (based on eligibility criteria) federal financial assistance in the form of Pell Grants, and Direct Loans or Direct PLUS Loans during the payment period. The percentage of Title IV aid earned is equal to the percentage of the payment period that was completed as of the withdrawal date if this occurs on or before the 60% point of time. After the 60% point of the payment period the student is considered to have earned 100% of the aid for the period. The percentage that has not been earned is calculated by subtracting the percentage of Title IV aid earned from 100%.

The percentage of the payment period completed is calculated by the days completed in the payment period as of the withdrawal date divided by the scheduled days in the payment period. The amount to be returned is calculated by subtracting the amount of Title IV aid earned from the amount of Title IV aid that was or could have been disbursed as of the withdrawal date.

Example:

The percentage of Title IV aid the student earned is determined by taking the number of calendar days completed in the period of enrollment and dividing by the total calendar days in the period of enrollment (excluding breaks of 5 days or more and days the student was on an approved leave of absence)

Example: 20 completed days/100 total days = 20 percent of aid earned

The dollar amount of Title IV aid the student earned is determined by multiplying the percentage of Title IV aid earned by the total of the Title IV aid disbursed plus the Title IV aid that could have been disbursed for the period of enrollment.

Example:

20 percent x (\$2000 disbursed + \$500 that could have disbursed) = \$500 aid earned

If this percentage is greater than 60 percent, the student earns 100 percent of the disbursed Title IV funds or aid that could have been disbursed. If this percentage is less than 60 percent, then the percentage earned is equal to the calculated dollar amount earned.

Aid to be returned is equal to unearned percentage (100 percent minus the percent earned) multiplied by the amount of aid disbursed toward institutional charges. If a student earned less aid than was disbursed, the institution is required to return a portion of the funds and the student may be required to return a portion of the funds. All Title IV fund returns must be completed no later than 45 calendar days after the date of determination that the student withdrew.

Funds are returned to the appropriate federal program based on the percentage of aid earned and the order of return dictated by the U.S. Department of Education. When Title IV funds are returned, the student may owe a balance to the institution. A student must repay these funds. Failure to repay requires the college to report the student to the U.S. Department of Education causing ineligibility of future Title IV funds at ANY institution. The College will notify the student in writing if they owe a Title IV grant repayment. The letter will include the dollar amount owed, the grant program, the method for repaying these funds, and the consequences of failing to repay.

The College will return Title IV funds to the programs from which the student received aid within 45 days of notification of the withdrawal. Funds will be returned in the following order, up to the net amount disbursed from each source:

- Unsubsidized Direct Loans
- Subsidized Direct Stafford Loans
- Direct PLUS Loans
- Federal Pell Grants
- Federal Supplemental Educational Opportunity Grants

Post-Withdrawal Disbursement

Financial aid recipients who drop all courses prior to each term's census date is subject to a post-withdrawal disbursement. The institution will disburse to a student any amount of a post-withdrawal disbursement of grants not credited to student's account no later than 45 days after the date the institution determines the student withdrew. The college will notify the student if they are subject to loan funds.

Repayments

There are two kinds of repayments of financial aid a student may have with different repercussions if not resolved in a timely manner. Both happen after a financial aid disbursement has been made. They are the results of a schedule adjustment or a total withdrawal.

Schedule Adjustment Repayment

Financial aid is disbursed based on a particular level of enrollment. When for whatever reason, there is an adjustment down to a lower level of enrollment and a disbursement has occurred, the student may owe a repayment of funds received.

Example:

Registered for 12 credits	Original Award	
Awarded Pell Grant of	2,960.00	
Tuition & Fees	- 1,928.20	
Financial Aid Disbursed	=1,031.80	4 weeks into the semester

Midterm Schedule Adjustment Award

4 credit class does not make and is cancelled. Enrollment is 8 credits / halftime.

Adjusted Pell Grant of	1,480.00
Adjusted Tuition & Fees total	-1,273.54
Adjusted Financial Aid Disbursement	= 206.46

Student owes \$825.34 (1,031.80—206.46) This is the difference between what was originally received based on full-time enrollment and what is actually allowed based on half-time enrollment.

Refunds

When a student receives Title IV funds or state aid (either directly or by credit to their account) and they terminate their enrollment prior to the end of the semester, the financial aid they received is subject to either refund or repayment.

Institutional Refund

The College will refund 100 percent of tuition and student fees collected for a term if the student officially withdraws during the first 15 percent (end of add/drop period) of the class term for which the tuition and fees were paid. The refund will be applied to the appropriate financial aid program based on the refund and Repayment Allocation Chart. This chart is available from the financial aid office. Contact the Admissions office to initiate this process.

Buying Books with Financial Aid

Otero College utilizes a virtual bookstore for all classes. All books or material required for courses will need to be ordered through eCampus.com, an online bookstore site. Students can buy new or used books, rent books or purchase E-books from the virtual bookstore site. The books and materials will be delivered to the student's home or specific mailing address, including their Otero College dorm address. Any charges unmet by financial aid are the responsibility of the student.

General Information

Academic Advisor: All students receiving financial assistance should have an academic advisor, and should consult with this advisor when preparing class schedules (this includes students in the general studies program). Inappropriate selection of classes will not be an acceptable excuse for failure to make satisfactory and measurable academic progress.

Course of Study: Students must enroll in an eligible program that leads to an Associate Degree or in an eligible Certificate program.

Declaration of a Major: Every student who receives financial aid must have declared an academic major to be eligible for aid. Financial assistance may be given to students who are in the general studies program as long as the student is enrolling in courses to satisfy the federal education requirements. Students who need to take remedial courses are limited to 30 hours of remedial courses that will be covered by financial aid. All attempted hours in the remedial courses are counted, including withdrawals. Students who need additional remedial classes once they have taken 30 hours will need to pay for those classes on their own.

Incomplete: An incomplete (I) grade is one given for which no credit was earned. A student who receives an "I" grade shall be placed on financial aid probation. The student will be taken off probation/suspension status when evidence of completion of the course with a "C" grade or better GPA for the semester is submitted.

Warning/Ineligible for Aid Statuses: Students who do not meet the requirements for satisfactory progress will be placed on financial aid warning or will become ineligible for aid. The criteria for satisfactory academic progress is detailed earlier in this handbook.

Repeats: A student receiving financial assistance may repeat a class if they did not pass the class on the previous attempt. All repeats will count in the student's measurable academic progress calculation. Students should not repeat a class if they have an incomplete grade in that class.

Self-help: Self-help awards consist of long-term student loans and part-time employment, and they should be included as not less than 50 percent of every student's financial aid package. All students are expected to make a commitment, from both current and future earnings, to the financing of their education. The implications and responsibilities inherent in the acceptance of such student aid shall be clearly explained to each student offered one or the other, or both forms of assistance.

Transfer Students: A student from another post-secondary institution who enrolls at OJC for the first time shall be assumed to be making satisfactory progress without submitting transfer transcript. The policies of satisfactory progress at OJC shall apply to such a student after his/her enrollment. This student may, however, deem it necessary to provide the College with a copy of a transfer transcript.

Nondiscrimination Statement: Otero Junior College does not discriminate on the basis of race, color, creed, religion, national origin, sex or handicap. The College complies with the Civil Rights Act of 1964, Related Executive Orders 11246 and 11375 and all civil laws of the State of Colorado. Accordingly, equal opportunity for employment and admission shall be extended to all persons, and the College shall promote equal opportunity and treatment through a positive and continuing Affirmative Action Program.

Questions: If you have further questions regarding financial aid, please contact:

Amber Asbury
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Otero College
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ALL OTERO COLLEGE BUILDINGS ARE HANDICAP ACCESSIBLE



Updated: 08/21

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JUNIOR COLLEGE



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