

Financial Aid Bulletin 2011-2012

Receiving an education can be a costly endeavor. Planning ahead and applying for financial aid can help you obtain an education that might otherwise be outside of your financial reach. Daoist Traditions is committed to helping you with the financial aid process. Federal financial aid for Daoist Traditions is managed by Weber Associates Inc., a financial aid consulting service company. On campus our Admissions Coordinator, Juliet Daniel, is available to assist you with general questions.

We strive to provide you with the best customer service, timely notification, and personal assistance within federal guidelines. Please contact us whenever you have questions, comments or need assistance. Annual reports including but not limited to the Campus Security Report and the School Performance Fact Sheet are available upon request.

This Financial Aid packet provides you with much of the information needed regarding financial aid at Daoist Traditions. It is not intended to be all-inclusive due to the extent of information and ever-changing statutes, regulations and interpretations governing the financial aid programs. Our forms and web pages provide additional information. We also recommend that you review the U.S. Department of Education's federal loan booklet and "The Student Aid Guide" that is published annually at www.studentaid.ed.gov.

Financial aid is deadline driven. It is important to stay informed and observe all deadlines so that your aid can be processed in a timely manner and you can concentrate on your studies rather than your finances. We will attempt to notify you when it is time to re-apply for loans but it is your responsibility to be aware of when you need to re-apply and to check with the Admissions Coordinator if you are unsure. *Be aware that we cannot finalize your aid until all the required documentation has been received and processed.*

ELIGIBILITY FOR FEDERAL FINANCIAL AID

Federal financial aid is available for students who are fully admitted to the Master's of Oriental Medicine program. Graduate level loans are available for students with at least 90 semester credits of college education. Students with less than 90 semester credits may be eligible for undergraduate loans, which do not cover the annual tuition and fees.

Eligibility Requirements

To be eligible for federal loans you must meet the basic criteria. Your financial aid is based on the number of credits from the Course Registration Form. If you do not enroll in those planned number of credits, your award may have to be recalculated and aid reduced to prevent an over award. In order to qualify for federal financial aid you must:

- Be enrolled at least half-time (11 credits) in courses that are required for graduation from the program.
- Have a high school diploma or GED.
- Be a U.S. Citizen or eligible noncitizen.
- Be fully accepted to the program and have met all requirements for matriculation.
- Meet all program specific qualifications.
- Maintain Satisfactory Academic Progress as outlined in the Student Handbook.
- Not owe an overpayment on any Title IV grant or be in default on a Title IV educational loan.
- Be registered with the Selective Service, if required to do so.
- Meet the federal requirements regarding any conviction for possessing or distributing illegal drugs.
- Meet any and all other federally mandated requirements.
- Submit all forms required by the Financial Aid Office to confirm eligibility, if asked to do so.

How Eligibility is Determined

The information you report on the FAFSA, including but not limited to, family size, income, assets and number in college is used in a federal calculation that determines your Expected Family Contribution (EFC), the amount of the resources the federal government expects that a family would have to assist with educational costs for the year. From that number we subtract the calculated Cost of Attendance (COA) which takes into account expenses that we expect a student to incur during the period of enrollment. This cost of attendance includes tuition and fees, book expenses, room and board, transportation and miscellaneous expenses. The difference between the two figures is the students' eligibility for need-based aid.

Cost of Attendance (COA)

As noted above, in addition to the direct cost of tuition, fees and books, Cost of Attendance (COA) also takes into account general living expenses. Daoist Traditions 2011 COA is based on the didactic program for the 2011-12 school year being 32 weeks or 8 months in length. An average of fees, books and supplies costs, room and board, transportation, and personal expense are added together for a total estimate of \$30,373.00/year for a student who does not live with their parents and \$23,941.00/year for a student who lives with their parents (room and board and personal expenses are estimated to be lower for students who are living at home). These numbers represent the ceiling amount that a student may borrow to attend Daoist Traditions.

Below Half-Time

Students registered for less than 11 units of required courses are ineligible for federal loans. Additionally, at the point of dropping below half-time, any refund for the dropped classes must be returned to the lender and if further disbursements are expected, those disbursements must be canceled and the student must re-apply for the loan when the student returns to at least half-time attendance. If you fall below half-time, you will be required to complete Loan Exit Counseling.

Leave of Absence

If you take a leave of absence from the school you must notify the Financial Aid Office. Any upcoming disbursement of aid will be canceled.

For financial aid purposes, you may request Leave of Absence in accordance with federal regulation for no more than 180 days within a 12 month period. Daoist Traditions administration may allow an extension of the Leave of Absence within the 12 month period. However, it will not count as an Approved Leave of Absence for financial aid purposes. *If you do not return prior to the end of 180 days, your 6 month grace period will have elapsed and you will have to begin repayment of your student loans.* In addition, if you received financial aid in the term that you began your Leave of Absence, regulations require us to determine if you need to repay part or all of the financial aid received. When you leave, you must complete Loan Exit Counseling. At the point that you return to Daoist Traditions, you must contact the Financial Aid Office and complete the process needed to reactivate your aid, including Loan Entrance Counseling.

APPLYING FOR AID

You must complete the FAFSA form each academic year. Additionally, we award your loans on a borrower based year and you apply for student loans every two semesters. We usually start processing for the upcoming term 60 days before the start of classes. To apply for aid visit our website at www.daoisttraditions.com. On the Financial page you will find the link for Federal Financial Aid. The steps to complete are as follows:

1. If you have not already done so, apply for a federal PIN number from the U.S. Department of Education.
2. Complete the Free Application for Federal Student Aid (FAFSA). You will be required to enter Daoist Traditions' school code, which is G41464.
3. Once you have been accepted, you will be directed to visit our VFAO (Virtual Financial Aid Office) to complete your financial aid application, Entry Counseling, and Master Promissory Note. Information can be obtained from our Admissions Coordinator.

Parental Information

For students in the Master's program who have a Bachelor's Degree or who have more than 90 semester credits completed, parental information is not required on the FAFSA form. For students who do not have a Bachelor's Degree and have less than 90 semester credits completed parental information will need to be included on the FAFSA form *if you do not meet one of the following criteria noted below*. You have independent status if you:

- Are at least 24 years old as of January of the award year.
- Are married.
- Have children who receive more than half their support from the student.
- Have dependents other than a spouse or children who receive more than half their support from the student.
- When you were age 13 or older both your parents were deceased and you were in foster care or a dependent or ward of the court.
- Are active-duty military or veteran of the armed forces.
- Are under 24 and an emancipated minor.
- Are under 24 and are in legal guardianship as determined by a court in your state of legal residence.
- Are under 24 and meet the criteria for homeless youth (see FAFSA for more detailed explanation).

If you answer yes to any one of the questions above parental information is NOT required on the FAFSA.

Verification Process

Most of the time the information reported on the FAFSA is accepted as accurate. However, federal regulations require that a percentage of financial aid applicants are randomly selected by the central processor and flagged for a process called verification. For those selected applications, schools are required to collect documentation and confirm the accuracy of the data reported on the FAFSA form. Schools are also allowed to select files for verification for their own purposes if they so choose. If your application is flagged for verification it will be noted on your Student Aid Report (SAR) that you receive from the central processor and you will receive notification from the Daoist Traditions. You will be required to submit to the Financial Aid Office a copy of your most recent federal 1040 form and schedules and complete a federal verification form that we will send you. *You should respond to requests promptly to avoid delays in processing your aid.*

TYPES OF FINANCIAL AID AVAILABLE

There are several different forms of financial aid available to Daoist Traditions students depending upon eligibility and circumstances. The Financial Aid Office will always offer the best possible types of aid at the maximum levels for which the student is eligible. The types of aid and criteria are noted below.

Federal Stafford Loans

This is the primary source of aid for students at Daoist Traditions. Federal Stafford Loans are designed to assist students with educational expenses. The federal government guarantees, subsidizes and defers payment on these loans while a student is in school attending at least half-time and for 6 months after ceasing half-time enrollment.

There are two types of Stafford Loans, subsidized and unsubsidized. The subsidized loan is based on financial aid need as determined by the federal calculation described on page 2. This is a subsidized loan because while in school the federal government pays the interest on the loan, there is no interest accruing until 6 months after the student ceases to attend at least half-time. The unsubsidized loan has the same repayment terms, however this loan does accrue interest for which the student is responsible. The student has the option of either paying the interest while in school or allowing the interest to accrue and capitalize. The unsubsidized loan does not require that the student show financial need though the FAFSA form must still be completed.

Federal Stafford Loan Limits

Annual loan limits, the maximum that a student can borrow within a 12-month period, are based on grade level, dependency status and unit load. Every two 15 week semesters students can borrow the annual loan limit.

Students may borrow their annual maximum until they have reached the aggregate limits. This is the total amount of federal loans a student can borrow in their college career. Once you have reached your aggregate limit, you are ineligible for further federal Stafford Loans. If you have no other previous Stafford Loans and you borrow the full amount of Stafford loans for the four years at Daoist Traditions, you will *not* reach the aggregate limit. If you have previous Stafford Loans and you are concerned about reaching the aggregate limit, contact the Admissions Coordinator.

Federal Graduate PLUS Loan

This loan program allows graduate students to borrow under the criteria of the federal PLUS loan. The maximum that can be borrowed is the calculated Cost of Attendance (COA) minus other financial aid. The difference is what the student can receive in the federal Graduate PLUS. If a student lives on their own and has borrowed \$20,500 in Stafford loans for the 2011-2012 academic year, they are eligible for an additional \$9,873.00/year in GradPLUS loans [\$30,373 COA 2011 - \$20,500 Stafford Loan amount = \$9,873.00].

The PLUS loan is unsubsidized so interest does begin to accrue though the student has the option of paying the interest while in school or allowing it to accrue. The borrower must be creditworthy, in other words no negative credit, to receive the loan. If the student does not meet the credit-worthy criteria, they can apply with a credit-worthy co-signer. Unlike alternative student loans, the Graduate PLUS loan is eligible for consolidation with the federal Stafford Loan upon graduation.

Interest Rates

The interest rate between July 1, 2011 and June 30, 2012 is 3.4% for undergraduate subsidized loans and 6.8% for undergraduate unsubsidized loans. Graduate Stafford Loans (both subsidized and unsubsidized) have a fixed interest rate of 6.8%. Graduate PLUS loans have a fixed interest rate of 7.9%.

Loan Fees

Federal Stafford Loan fees are set according to federal regulation. A loan origination fee of up to 1% will be deducted from the loan principal. PLUS loans have a loan fee of up to 3%. In addition there is an insurance premium or "default fee" of up to 1% that may also be deducted from the principal. Fees are sent to the federal government to offset costs of the program.

Scholarships

Information on scholarship programs and free scholarship search services are posted on our website. *If you are receiving federal financial aid and you receive any additional funds through scholarships, grants, or any other agency you must notify the financial aid office.*

Veteran's Benefits

Daoist Traditions is fully approved by the Department of Veteran's Affairs (VA) to participate in the training of veterans. To determine your eligibility for Veteran's benefits you must first contact the VA directly. They will instruct you on what forms are needed for them to approve your benefits at Daoist Traditions. This can be done at their website, www.va.ed. Once those approvals are complete you should bring a copy of your approval notice to the Financial Aid Office and we can then certify your enrollment so that funding can be received.

DISBURSEMENT OF FUNDS

Funds are received by the school electronically and applied to any outstanding tuition and fees for the current semester. Any amount remaining is then disbursed to the student in a check available for pick up on or after the first day of classes. When a check is available, you will be notified by email or a notice will be placed in your student mailbox. *Federal regulation does not allow us to use current term aid to pay a past due balance. If you have a past due balance, your financial aid disbursement check will be held until you pay the back balance at which point we can release the current term check.*

Student loan money arrives in two disbursements. Half of a student's loan money is disbursed in the Fall after classes begin and half of it is disbursed after the Spring semester starts. For example, if a student takes out their full Stafford loan eligibility amount for the academic year (\$20,500) they will receive \$10,250 in the Fall and \$10,250 in the Spring. If a student applies for only one semester's worth of loan money, then the first half will arrive at the beginning of the semester and the second half will arrive mid semester.

Tuition and Fees

Students are responsible for all tuition and fees charged. If you have submitted all the required paperwork in a timely manner, payment of tuition and fees can be deferred until financial aid is received without incurring any late fees. However if aid is delayed due to the student's failure to complete required forms, late fees may be applied. Also, if the financial aid received does not fully cover college charges, you are responsible for paying the difference as stipulated by college policy. Additionally, if you add a class after aid has been disbursed for the term, you are responsible for paying that additional cost directly from the financial aid already disbursed to you for that term. Because Daoist Traditions defers payment without late fees for financial aid students, and due to the prohibitive cost to the institution, you may not prepay by credit card tuition and fees expected to be covered by financial aid. Remaining balances due after the application of financial aid may be paid by any method accepted by the school.

RESPONSIBILITIES ASSOCIATED WITH LOANS

Entrance and Exit Counseling Requirements

Federal regulation requires that a student entering an institution and applying for student loans must complete Loan Entrance Counseling. Ours is done via the web and can be accessed from our VFAO website. All new and continuing students who are either returning from a leave or dropping below half time must complete Loan Entrance Counseling before a loan can be certified. Federal regulations also stipulate that if a student graduates, withdraws or drops below half-time that exit loan counseling must be completed within 30 days. Students who take a Leave of Absence must also complete Loan Exit Counseling. Exit counseling is completed both online at http://www.nsls.ed.gov/nsls_SA/ and in person with our Admissions Coordinator.

Use of Funds

Loan funds must be used for educational expenses, which can include books, supplies and living expenses while enrolled at Daoist Traditions.

Failure to Repay

If you fail to meet your repayment obligations, your loan will be placed in default. Once in default, the entire unpaid balance becomes immediately due and payable. Failure to repay your student loans can result in any or all of the following: loss of federal and state income tax refunds, negative credit reports, your student loan account may be turned over to a collection agency that will add assessment of collection fees including attorney fees if legal action is taken, wage garnishment, loss of eligibility for deferments, and loss of further eligibility for federal Title IV financial aid.

Federal Loan Deferments

You may be eligible to postpone payments of your federal student loans (including Stafford, Consolidated and Graduate PLUS) under certain conditions. If you are having any difficulty meeting your loan repayment obligation you should contact your lender or servicer immediately to determine what options may be available to you. Note: If you wish to defer payment for your previous or consolidated loans you must complete a request for in-school deferment from your lender. Enrollment cannot be verified prior to the start of classes. If you submitted a deferment form but are still receiving payment notices – check with your lender. It's very likely the deferment form went astray and another needs to be submitted.

When You Leave

At the point that you leave Daoist Traditions or drop below 11 credits, you must complete an exit loan counseling session and we must notify your lender of your last date of attendance. If you drop below half time or fully withdraw during the course of the term portions of your federal aid may need to be returned to the lender as required by Daoist Traditions policy and federal regulations. The following situations require Loan Exit Counseling:

- Graduation
- Leave of Absence
- Drop below half-time (below 11 credits of required courses)
- Withdrawal from the college (either official or unofficial)
- Academic dismissal

The exit counseling is a federal requirement and the college has the right to withhold transcripts and documents required for licensing or certification exams until we have proof that this requirement has been met.

For students who fully withdraw during a term, federal regulations require that we complete a calculation to determine the amount of federal aid for which the student was eligible based on the period of attendance. Any difference must be returned to the lender. If the amount returned to the lender is greater than any refund of tuition for dropped courses, that amount will be owed to the college and must be paid immediately. If you drop all courses, do not register for the following term or fail to return from an approved leave of absence, you will be presumed to have dropped from the program and any further disbursement of aid will be canceled and your lender notified of your last date of attendance.

Contact Us

We are here to assist you. Please feel free to contact our office with any question or concerns. We can be contacted via phone, email or by stopping by our office. We wish you well in your studies and look forward to working with you.

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