

Walden University

**Office of
Financial Aid
Program Terms
and Conditions
2016–2017**

WALDEN UNIVERSITY

A higher degree. A higher purpose.

Updated May, 2016

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Contents

Introduction.....	5
Federal Pell Grants.....	5
Federal Supplemental Educational Opportunity Grant (FSEOG).....	5
Federal Teacher Education Assistance for College and Higher Education (TEACH) Grant	6
Federal Direct Loans.....	6
Entrance Counseling	8
Annual Loan Limits vs. Lifetime Aggregate Loan Limits.....	8
Annual Loan Limits	8
Direct Subsidized Loan	8
Time Limitation on Direct Subsidized Loan Eligibility for First-Time Borrowers on or after July 1, 2013.....	8
Direct Unsubsidized Loan.....	9
Lifetime Aggregate Loan Limits.....	9
Graduate PLUS Loans and Parent PLUS Loans.....	9
Exceeding Annual or Aggregate Loan Limit.....	9
Undergraduate Students: Direct Loan Maximums.....	10
Graduate Students: Direct Loan Maximums.....	10
Exit Counseling.....	11
Federal Student Loan Repayment Plans.....	11
Loan Deferments.....	12
Walden’s Loan Deferment Policy.....	13
Federal Direct Graduate PLUS Loans.....	13
Federal Direct Parent Loans for Undergraduate Students (PLUS)	14
Federal Student Aid (FSA) Student Loan Ombudsman.....	15
Private Education Loans.....	15
Comparing Private Loans and Federal Loans	15
Choosing a Private Loan.....	17
Truth in Lending Act	17
State Grant Aid	17
Financial Aid Application Process.....	18
Verification Policy	18

Unusual Enrollment History Flag	19
Financial Aid Deadlines.....	19
Financial Aid Notifications.....	20
Student Eligibility Requirements	20
Attended Another School? Overlapping Financial Aid	21
Financial Aid Annual Award Year Definition	21
Enrollment Policy	21
Enrollment Statuses for Financial Aid.....	22
Residency Policy.....	22
Study at Another Institution or Study Abroad	23
Adjustments to Financial Aid	23
Confirmation of Return Enrollment After Withdrawal From Part of a Term.....	24
Withdrawal From a Term for Course-Based Programs.....	24
Withdrawal From Tempo Learning® Based Programs.....	24
Leave of Absence for Course-Based Programs.....	25
Leave of Absence for Tempo Learning® Based Programs.....	25
Overaward of Federal Aid	25
Financial Aid Disbursement Process and Requests for Excess Funds for Course-Based Programs.....	25
Adequate Academic Progress (AAP).....	26
Refund Policy for Minnesota GI Bill Program (MN OHE GI Bill).....	26
Financial Aid Disbursement Process and Requests for Excess Funds for Course-Based Programs Tempo Learning® Programs.....	27
Federal Return of Title IV (R2T4) Funds	28
Examples of Title IV Calculations.....	29
Satisfactory Academic Progress (SAP) Standards.....	32
Minimum Standard for Federal Financial Aid.....	33
Maximum Timeframe.....	34
Right to Appeal.....	34
Treatment of Courses and Credits.....	35
Policy and Definitions.....	36
Loss of Federal Financial Aid Eligibility.....	37
Satisfactory Academic Progress (SAP) Standards for Tempo Learning® Programs.....	38

Office of Financial Aid Program

Terms and Conditions

Introduction

Walden University is certified by the U.S. Department of Education as being eligible to participate in the Pell Grant program, the Federal Supplemental Educational Opportunity Grant (FSEOG) program, the Federal Teacher Education Assistance for College and Higher Education (TEACH) Grant, and the Federal Direct Loan Program.

The following sections detail the policies related to financial aid programs. Federal regulations that govern the administration of federal aid programs are subject to change. Notification of any regulatory changes will be provided to all students prior to the effective date of the new or revised policy.

Federal Pell Grants

Federal Pell Grants are generally awarded to undergraduate students who have not yet earned a bachelor's or professional degree. All recipients are limited to 18 quarters (or 600%) of Pell Grant eligibility during their lifetime. This affects all students regardless of when or where they received their first Pell Grant. For more information on how lifetime eligibility is calculated, visit the Department of Education's Pell Lifetime Eligibility website. Students may view their percentage of Pell Grant used by logging into the National Student Loan Data System ([NSLDS](#)). The "Lifetime Eligibility Used" percentage will be displayed in the "Grants" section. The U.S. Department of Education, using a standard needs-based formula established by Congress, determines student Pell eligibility. The Pell Grant maximum for the 2015–2016 award year (July 1, 2015, to June 30, 2016) is \$5,775. The maximum Federal Pell Grant for 2016–17 (July 1, 2016, through June 30, 2017) will be \$5,815. How much students receive depends on their expected family contribution (EFC), cost of attendance, how many credits they are enrolled for, and whether they are attending for a full academic year or less. Students may not receive Pell Grant funds from more than one school at a time.

Federal Supplemental Educational Opportunity Grant (FSEOG)

The Federal Supplemental Educational Opportunity Grant (FSEOG) program is for undergraduates who are enrolled in their first undergraduate program of study and who have exceptional financial need. Funding is extremely limited. Pell Grant recipients with the lowest expected family contributions (EFC) will first be considered for FSEOG until funds are exhausted. Having a low EFC is not a guarantee that a student will receive the grant. Grant amounts are determined by Walden based on availability of funding. Just like a Pell Grant, this grant does not have to be repaid.

Federal Teacher Education Assistance for College and Higher Education (TEACH) Grant

The Federal TEACH Grant program is a non-need-based program that currently provides grants of up to \$4000* per year to graduate students enrolled in an eligible program, as defined by Walden University. Students must intend to teach full time in high-need subject areas at schools that serve students from low-income families. Recipients of a Federal TEACH Grant must teach for at least 4 years within 8 years of completing the college program for which the Federal TEACH Grant was awarded (if a student ceases enrollment, he or she loses eligibility). Graduate students may receive up to 2 years of grant funding for a total of \$8,000 in lifetime Federal TEACH Grant awards. A student may not receive Federal TEACH Grant payments concurrently from more than one school.

Students enrolled less than full time will have their Federal TEACH Grant award reduced according to a schedule established by the U.S. Department of Education. The amount of the Federal TEACH Grant awarded when combined with other student aid cannot exceed a student's cost of attendance. Because total financial aid received must not exceed the cost of attendance, receiving a Federal TEACH Grant may reduce the recipient's eligibility for other sources of financial aid. The Federal TEACH Grant cannot be denied if you reach your aggregate maximum on federal loans. This grant is not based on need and does not factor into your aggregate limit on federal loans.

If a student awarded a Federal TEACH Grant either (1) fails to complete the teaching service obligation, (2) ceases enrollment in an eligible program for which the TEACH Grant was received, or (3) does not meet any other requirement as defined by the Department of Education, his or her grant will convert into a Federal Direct Unsubsidized Loan (Direct Unsubsidized Loan), with interest accrued from the date the grant was disbursed.

It is the student's responsibility to understand all requirements and rules for the Federal TEACH Grant Program.

**A Federal TEACH Grant where the first disbursement is on or after October 1, 2014, may be impacted by sequestration. To find out more about sequestration go to <https://studentaid.ed.gov/sa/types/grants-scholarships/teach#sequestration>*

Federal Direct Loans

Federal Direct Subsidized Loans are need-based loans available only to undergraduate students. The federal government pays the interest on this loan while the student is enrolled at least half time in school. Students typically have a 6-month repayment grace period for all federal loans. A grace period is a period of time after borrowers graduate, leave school, or drop below half-time enrollment where they are not required to make payments on certain federal student loans. Some federal student loans will accrue interest during the grace period, and if the interest is unpaid, it will be added to the principal balance of the loan when the repayment period begins.

Federal Direct Unsubsidized Loans are available to undergraduate and graduate students. These loans are not based on need. Students are required to pay the accruing interest while enrolled in school, unless the student arranges to postpone the interest payment with their servicer. If you are unsure of who your servicer is, you can locate them by going to [NSLDS](#). Students should be careful when choosing this option, since it means that the interest will be capitalized (the accrued interest will be added to the principal amount), increasing the amount of the debt.

The interest rates for undergraduate subsidized and unsubsidized Direct Loans disbursed on or after July 1, 2015 through June 30, 2016 are fixed at 4.29%. The interest rates for undergraduate subsidized and unsubsidized Direct Loans disbursed on or after July 1, 2016 through June 30, 2017 are fixed at 3.76%.

The interest rates for graduate unsubsidized Direct Loans disbursed on or after July 1, 2015 through June 30, 2016 are fixed at 5.84%. The interest rates for graduate unsubsidized Direct Loans disbursed on or after July 1, 2016 through June 30, 2017 are fixed at 5.31%.

Both the subsidized and the unsubsidized Direct Loans first disbursed on or after October 1, 2014 through September 30, 2015 have a 1.073% origination fee. Direct Stafford subsidized and unsubsidized loans first disbursed on or after October 1, 2015 and before October 1, 2016 have a 1.068% origination fee.

Creditworthiness is not a requirement to obtain a Federal Direct Loan (subsidized or unsubsidized). Under this program, students may borrow up to their maximum annual loan limit every award year (i.e., 9 months for quarter-based, 12 months for semester-based programs). Loan funds can be used to cover direct education costs such as tuition, fees, and room and board, as well as indirect costs, such as books and other education-related expenses. Federal Direct Loans borrowed while enrolled at another institution may impact a student's loan eligibility at Walden University. Before any funds are disbursed, students must read important disclosure information regarding their student loan(s). The Disclosure Statement provides information about the Direct Subsidized Loan and/or Direct Unsubsidized Loan that Walden University plans to disburse (pay out) by crediting the student's school account, paying the student directly, or both. There is also a Plain Language Disclosure that will explain the terms of the loan(s). Both disclosures are available at www.studentloans.gov. Students are encouraged to keep a copy of all disclosures for their records. All information submitted for the purpose of securing a federal student loan will be submitted to the National Student Loan Database (NSLDS) and accessible by authorized agencies, lenders, and institutions. The student loan borrower is responsible for knowing the total amount of federal loans borrowed. A summary of an individual's federal loan debt is available via [NSLDS](#).

On August 2, 2011, Congress passed the Budget Control Act of 2011, which put into place automatic federal budget cuts, known as a "sequester." To find out more information, please visit <https://studentaid.ed.gov/sa/about/announcements/sequestration>.

Entrance Counseling

First-time borrowers are required to complete Direct Loan Entrance Counseling prior to receiving the first disbursement of a Direct Loan. Loan counseling will help students understand their rights and obligations as student loan borrowers. Loan entrance counseling can be completed online at <https://studentloans.gov/myDirectLoan/counselingInstructions.action>. Loan counseling must be completed before students can receive loan funds.

Annual Loan Limits vs. Lifetime Aggregate Loan Limits

Annual Loan Limits

The federal government limits the annual amount of Federal Direct Loan(s) that students can borrow. Walden University defines its annual award year as three quarters or three semesters for course-based programs. For Tempo Learning Programs, the annual borrowing limit is based on the minimum weeks and semester equivalencies in the program's financial aid academic year and students cannot borrow a new annual loan limit until both requirements are met. Walden defines the academic year for the Tempo Learning Master's program as 52-weeks and 16.5 semester credit equivalencies and 52-weeks and 15 credits for Tempo Learning certificate programs. Students cannot exceed the annual Direct Loan maximums in the award year. Loans borrowed at a prior institution can impact the student's eligibility at Walden. The financial aid office may ask students to provide additional information about prior loans in order to process new loans at Walden.

Direct Subsidized Loans

Undergraduate annual borrowing up to \$5,500 depending on year in school and EFC.

Time Limitation on Direct Subsidized Loan Eligibility for First-Time Borrowers on or After July, 2013

The federal government has placed a new time limit on Federal Direct Subsidized Loans for first-time borrowers on or after July 1, 2013. A first-time borrower is someone with no outstanding student loan debt as of July 1, 2013. In general, a first-time borrower may not receive Federal Direct Subsidized Loans for more than 150% of the published length of the bachelor's degree or undergraduate certificate programs as measured in academic years. This is called the "maximum eligibility period." For the Walden bachelor's degree programs, the Federal Direct Subsidized Loan maximum eligibility period is 6.5 academic years. For the Undergraduate Certificate in Homeland Security, the limit is 1.5 academic years. An academic year is 3 quarters. Prior subsidized usage will count toward the students' maximum.

Click here for more information:

<http://www.ifap.ed.gov/eannouncements/051613DirectSubsidizedLoanLimit150PercentAnnounce1.html>

Direct Unsubsidized Loans

- **Undergraduate** annual borrowing ranges are from 5,500–\$12,500 (less Direct Subsidized Loan eligibility) depending on year in school and dependency status.
- **Graduate** student annual borrowing maximum is \$20,500.
- **Teacher Preparation Students or Endorsement Students** who do not choose the M.S. degree option have a borrowing maximum of \$12,500.
- **Students Enrolled in Preparatory Courses for the Master of Science in Nursing (MSN)** have a borrowing maximum of \$12,500.

All graduate student loans are unsubsidized for loan periods that began on or after July 1, 2012.

Graduate PLUS Loans and Parent PLUS Loans

These loans are also processed based on three terms per award year. They are limited annually by the cost of attendance minus any financial aid received.

Lifetime Aggregate Loan Limits

The federal government limits the aggregate amount of Federal Direct Loans that students can borrow in their lifetime. The lifetime aggregate limits for Federal Family Education (FFEL) Program and Direct Loans are as follows:

- **Graduate students:** \$138,500 combined (only \$65,500 may be subsidized; includes amounts borrowed as an undergraduate student).
- **Dependent undergraduate students:** \$31,000 combined (only \$23,000 may be subsidized).
- **Independent undergraduate students:** \$57,500 combined (only \$23,000 may be subsidized).
- **Parent PLUS Loans and Graduate PLUS Loans** do not have a lifetime maximum.

Student loan borrowers are responsible for knowing the total amount of federal loans they have borrowed. Having sufficient remaining eligibility is important to a student's ability to successfully complete his or her academic program. A summary of each student's federal loan debt is available via [NSLDS](#).

Exceeding Annual or Aggregate Loan Limits

The Student Aid Report (SAR) may indicate that a student has inadvertently borrowed in excess of the Federal Direct Loan limits. For example, a prior institution may have inadvertently allowed a student to borrow federal undergraduate loans in excess of undergraduate limits while not exceeding the graduate loan limits. Before Walden can award graduate-level Direct Loans to the student, the student must reaffirm the debt by either consolidating the prior loans that exceed the limits or by obtaining a reaffirmation letter from the holder of the loans. Another example would be if a prior institution inadvertently allowed a student to exceed graduate loan limits. Before Walden can award Federal Graduate PLUS Loans, the student must reaffirm the debt by either consolidating the prior loans that exceed the limits or by obtaining a reaffirmation letter from the holder of the loans.

Undergraduate Students: Direct Loan Maximums*

Grade Level	Dependent Undergraduate Student	Independent Undergraduate Student
Year 1* (0–44 credits)	\$5,500—Up to \$3,500 of this amount may be in subsidized loans.	\$9,500—Up to \$3,500 of this amount may be in subsidized loans.
Year 2* (45–89 credits)	\$6,500—Up to \$4,500 of this amount may be in subsidized loans.	\$10,500—Up to \$4,500 of this amount may be in subsidized loans.
Years 3–4*(90+ credits)	\$7,500—Up to \$5,500 of this amount may be in subsidized loans.	\$12,500—Up to \$5,500 of this amount may be in subsidized loans.
Lifetime Maximum Total Debt from Stafford and Direct Loans (in each status)	\$31,000—Only \$23,000 of this amount may be in subsidized loans.	\$57,500—Only \$23,000 of this amount may be in subsidized loans.

*Dependent undergraduate students whose parents have been denied a Federal Parent Loan are eligible to borrow at the independent undergraduate level. Students in undergraduate certificate programs or who are in the last two terms of their academic program may be eligible for reduced amounts due to required prorating.

Graduate Students: Direct Loan Maximums

Timeframe	Graduate (Master’s, Ed.S., Doctoral, Post-Doctoral, Graduate Certificate) Students	Teacher Preparation Students or Endorsement Students Who Do Not Choose the M.S. Degree Option		Students Enrolled in Preparatory Courses for the Master of Science in Nursing (MSN)	
		Dependent Students	Independent Students	Dependent Students	Independent Students
Per Academic Year	\$20,500	\$7,500—Up to \$5,500 of this amount may be in subsidized loans. <i>Note: Students are eligible for this loan for one consecutive 12-month period.</i>	\$12,500- Up to \$5,500 of this amount may be in subsidized loans. <i>Note: Students are eligible for this loan for one consecutive 12-month period.</i>	\$7,500-Up to \$5,500 of this amount may be in subsidized loans. <i>Note: Students are eligible for this loan for one consecutive 12-month period.</i>	\$12,500 <i>Note: Students are eligible for this loan for one consecutive 12-month period</i>
Lifetime Maximum Total Debt From Direct Loans	\$138,500—Only \$65,500 of this amount may be subsidized loans. <i>Note: The graduate debt limit includes Stafford Loans received for undergraduate study.</i>	\$31,000—Only \$23,000 of this amount may be subsidized loans.	\$57,500—Only \$23,000 of this amount may be subsidized loans.	\$31,000—Only \$23,000 of this amount may be subsidized loans.	\$57,500—Only \$23,000 of this amount may be subsidized loans.

Exit Counseling

To help students manage their student loans after graduation, federal regulations also require that they complete exit loan counseling. Exit loan counseling is available online at

<https://studentloans.gov/myDirectLoan/counselingInstructions.action>.

The timing to complete an *Exit Counseling* form is:

- Before graduation.
- Before transferring to another institution.
- Before withdrawal and leaves of absence.
- When enrolled less than half time.

Federal Student Loan Repayment Plans

Federal Direct and Stafford Loans offer several repayment plan options. Some of the options carry a lower monthly payment than standard repayment, but choosing these extends the term of the loan and increases the total amount of interest paid during the life of the loan. Learn about the various options and your ability to move between plans by visiting <http://studentaid.ed.gov/repay-loans>.

Repayment Estimator is a tool that William D. Ford Federal Direct Loan (Direct Loan) and Federal Family Education Loan (FFEL) program borrowers can use to obtain preliminary repayment plan eligibility information and estimated repayment amounts. This easy-to-use tool offers borrowers the opportunity to obtain preliminary repayment information across all of the repayment plans. Its advantage over repayment plan-specific calculators is that it provides side-by-side results for all plans and information about the total cost of a loan over time.

The new Repayment Estimator is available for borrower use at the following website:

<https://studentloans.gov/myDirectLoan/mobile/repayment/repaymentEstimator.action>.

1. **Standard Repayment.** On a standard repayment plan, a borrower pays a fixed monthly amount for a loan term of up to 10 years, with a \$50 minimum monthly payment.
2. **Extended Repayment.** Extended repayment is like standard repayment, but allows a loan term of 12 to 30 years, depending on the amount borrowed. Stretching out the payments over a longer term reduces the size of the monthly payment, but increases the total amount repaid during the life of the loan.
3. **Graduated Repayment.** Graduated repayment starts off with lower monthly payments, which gradually increase every two years. The loan term is 12–30 years, depending on the amount borrowed. The monthly payment must be at least \$25 and will amount to at least the interest accruing.

4. **Income Driven Repayment Plans (IDR).** Choosing any of these plans involve using a percentage of your discretionary income. The percentage is different depending on the plan. IDR plans usually lower your federal student loan payments; however you may increase your repayment period resulting in higher interest cost over the repayment period.
- a) **Income-Based Repayment.** This plan started in 2009 for all federal loan borrowers. Income-based repayment extends the term for up to 20 years for new borrowers on or after July 1, 2014 and 25 years for borrowers prior to July 1, 2014, also bases the monthly repayment amount on the borrower's income, resets annually, and caps the monthly payments at a lower percentage of income than income-contingent repayment. If income is low enough, the interest that accrues is waived for a fixed period of time. At the end of 25 years, any remaining balance on the loan will be canceled and the amount canceled is taxable.
 - b) **Income-Contingent Repayment.** This plan applies only to Federal Direct Loans. Monthly payments are based on the borrower's income and total amount of debt. Payments are adjusted each year as the borrower's income changes. The loan term is up to 25 years. At the end of 25 years, the remaining balance on the loan will be canceled, and the amount canceled is taxable. A \$5 minimum monthly payment is required.
 - c) **Pay As You Earn (PAYE).** Borrowers with eligible student loans may qualify for this program, that includes a repayment based on income, interest payment benefits, limitation on capitalization of interest and loan forgiveness, if the borrower qualifies. Borrowers should speak with their loan servicer for more information on this program.
 - d) **Revised Pay As You Earn (REPAYE).** This new plan started December of 2015. Income-based repayment extends the term for up to 20 years for undergraduate loans and 25 years for graduate loans, also bases the monthly repayment amount on the borrower's income, resets annually, and caps the monthly payments at a lower percentage of income than income-contingent repayment. At the end of 20 for undergraduate or 25 years for graduate, any remaining balance on the loan will be canceled, and the amount canceled is taxable. Please contact your servicer for more eligibility requirements.

Loan Deferments

Under certain circumstances, an enrolled borrower is entitled to have the repayment of a loan deferred. During deferment, the borrower is not required to pay loan principal, and interest on subsidized loans does not accrue. After the in-school deferment, the borrower is entitled to one grace period of six consecutive months. The date that the deferment starts may affect the length of the grace period.

Students who have a valid Social Security number on file at Walden will have their enrollment reported and updated monthly with the National Student Clearinghouse (NSC). The NSC communicates electronically with the federal and non-federal loan servicers to insure that students who remain enrolled maintain the in-school deferments for which they are eligible.

Walden's Loan Deferment Policy

Students who seek to defer repayment of their prior student loans and do not want to rely on the electronic exchange with the NSC must fill out forms to have their enrollment status verified. Students must get the forms from their lender(s) and send them directly to:

Walden University
Office of the Registrar
Attn: Loan Deferment
650 S. Exeter Street
Baltimore, MD 21202
Fax: 1-410-843-6416

At the top of the form, students should include their enrollment start date and the term for which they are requesting an in-school deferment.

Note: Any deferment paperwork sent to Walden's registrar's office for enrollment verification is forwarded to the NSC on a weekly basis.

Federal Direct Graduate PLUS Loans

Federal Direct Graduate PLUS loans are available to graduate students enrolled at least half time who do not have an adverse credit history. Students may borrow up to the cost of attendance minus any other aid. The total education cost may include tuition, living allowance, books and supplies, and transportation. Graduate students must use their Federal Direct Unsubsidized loan eligibility prior to applying for a Federal Direct Graduate PLUS loan.

The interest rate for Federal Direct Graduate PLUS loans disbursed on or after July 1, 2015 through June 30, 2016 is fixed at 6.84%, with interest beginning to accrue upon disbursement

The interest rate for Federal Direct Graduate PLUS loans disbursed on or after July 1, 2016 through June 30, 2017 is fixed at 6.31%, with interest beginning to accrue upon disbursement.

Federal Direct Graduate PLUS loans first disbursed on or after October 1, 2015 and before October 1, 2016 have a 4.272% origination fee. The loan origination fee is retained by the federal government to reduce the cost of supporting these low interest loans.

Process

- If one has not been submitted for the current year, the student completes the Free Application for Federal Student Aid (FAFSA) online at <http://www.fafsa.gov/>.
- Student completes the Direct Graduate PLUS Loan Request, Direct Graduate PLUS Master Promissory Note (MPN), and Graduate Level Direct Loan Entrance Counseling. All forms are available online at <http://www.studentloans.gov/>.
- The Office of Financial Aid receives the Approved/Endorsed Graduate PLUS Loan Record and the Direct Graduate PLUS MPN from the U.S. Department of Education (ED) and adds the Graduate PLUS award to *myFinAid*.

- Student goes to *myFinAid* to accept, reduce, or decline the Graduate PLUS award amount.
- If student is registered and all official transcripts are on file with the Office of Admissions, the Office of Financial Aid sends a Direct Graduate PLUS Loan origination record to ED.

Decisions

The U.S. Department of Education is responsible for all Graduate PLUS loan credit decisions. Graduate PLUS loan borrowers are required to pass a simplified credit check, meaning that the U.S. Department of Education is not looking for a certain credit score or for an extensive credit history, but simply the absence of an adverse credit history. Students can view the status of their application by logging in to www.studentloans.gov or by calling Federal Direct Loans at 1-800-557-7394. Effective March 29, 2015 credit decisions are held for 180 days.

Federal Direct Parent Loans for Undergraduate Students (PLUS)

Federal PLUS loans are available to all parents of dependent undergraduate students regardless of income. Qualification is based solely on good credit. You must be the student's biological or adoptive parent or the student's stepparent, if the biological or adoptive parent has remarried at the time of application. Your child must be a dependent student who is enrolled at least half-time at Walden. There are no debt-to-income ratio guidelines or employment verification requirements. Parents may borrow up to the total education cost for the year, minus any other financial aid that the student is receiving. The total education cost can include tuition and fees, room and board, books and supplies, transportation, and living allowance.

The interest rate for Federal Direct Parent PLUS loans disbursed on or after July 1, 2015 through June 30, 2016 is fixed at 6.84%, with interest beginning to accrue upon disbursement until it is repaid in full.

The interest rate for Federal Direct Graduate PLUS loans disbursed on or after July 1, 2016 through June 30, 2017 is fixed at 6.31%, with interest beginning to accrue upon disbursement until it is repaid in full.

Federal Direct Parent PLUS loans first disbursed on or after October 1, 2015 and before October 1, 2016 have a 4.272% origination fee. The loan origination fee is retained by the federal government to reduce the cost of supporting these low interest loans.

Federal Direct Parent PLUS loan repayment normally begins within 60 calendar days after the loan has been fully disbursed. In certain circumstances, parents may elect to repay the loan on a graduated repayment schedule, making interest-only payments (the minimum amount is based on the term of the loan and must be at least \$50 per month) for a portion of the repayment term.

Process

- The student completes the Free Application for Federal Student Aid (FAFSA) at <http://www.fafsa.gov/> if one has not been submitted for the current year.
- The parent completes the Parent PLUS Loan Request and Parent PLUS Master Promissory Note (MPN), and the student completes undergraduate-level Direct Loan Entrance Counseling. All forms are available online at <http://www.studentloans.gov/>.
- The Office of Financial Aid receives the Direct Parent PLUS MPN and the approved/endorsed Parent PLUS Loan Record from the U.S. Department of Education and adds the Parent PLUS award to *myFinAid*.
- The student goes to *myFinAid* to accept, reduce, or decline the Parent PLUS award amount.
- If the student is registered and all official transcripts are on file with the Office of Admissions, the Office of Financial Aid sends a Direct Parent PLUS Loan origination record to the Department of Education.

Decisions

The Department of Education is responsible for all Parent PLUS loan credit decisions. Parent PLUS loan borrowers are required to pass a simplified credit check, meaning that the Department of Education is not looking for a certain credit score or for an extensive credit history but simply the absence of an adverse credit history. Students can view the status of their parents' application by logging in to www.studentloans.gov or by calling Federal Direct Loans at 1-800-557-7394. Effective March 29, 2015 credit decisions are held for 180 days.

Federal Student Aid (FSA) Student Loan Ombudsman

The Walden Office of Financial Aid is always ready to assist with any questions or concerns regarding student loans. If loan issues cannot be resolved, the FSA Student Loan Ombudsman for student loan issues is available. An ombudsman resolves disputes from a neutral and independent viewpoint. The FSA Student Loan Ombudsman Group will informally research a borrower problem and suggest solutions to resolve the problem. Student borrowers can contact the FSA Student Loan Ombudsman Group via the following:

Online assistance: <http://studentaid.gov/repay-loans/disputes/prepare>

Toll-free telephone: 1-877-557-2575

Fax: 1-606-396-4821

Mail: FSA Ombudsman Group

P.O. Box 1843, Monticello, KY 42633

Private Education Loans

Comparing Private Loans and Federal Loans

Private education loans may have significant disadvantages when compared with federal education loans. We strongly encourage students to first borrow any federal loans for which they are eligible. The chart below will help in understanding the differences between federal and private loan funds.

Comparison Chart of Federal and Private Education Loans

	Federal Loans	Private Loans
Credit Check Required?	Direct Loan: No PLUS/GradPLUS: Yes (limited)	Yes
Credit Score or Debt-to-Income Considered?	Direct Loan: No PLUS/GradPLUS: No	Yes
Co-Signer Required?	Direct Loan: No PLUS/GradPLUS: Usually no	Usually yes
Deferment Options	Several options	Depends on lender
Grace Period	Direct Loan: 6 months	Depends on lender
Interest Rate	<ul style="list-style-type: none"> • Undergraduate—The interest rates for undergraduate subsidized and unsubsidized Direct Loans disbursed on or after July 1, 2015 through June 30, 2016 are fixed at 4.29%. • The interest rates for undergraduate subsidized and unsubsidized Direct Loans disbursed on or after July 1, 2016 through June 30, 2017 are fixed at 3.76%. • The interest rates for graduate unsubsidized Direct Loans disbursed on or after July 1, 2015 through June 30, 2016 are fixed at 5.84%. • The interest rates for graduate unsubsidized Direct Loans disbursed on or after July 1, 2016 through June 30, 2017 are fixed at 5.31%. • The interest rate for PLUS/Graduate PLUS loans disbursed on or after July 1, 2015 through June 30, 2016 is fixed at 6.84%, with interest beginning to accrue upon disbursement • The interest rate for PLUS/Graduate PLUS loans disbursed on or after July 1, 2016 through June 30, 2017 is fixed at 6.31%, with interest beginning to accrue upon disbursement. 	Usually variable
Loan Fees	<ul style="list-style-type: none"> • Both the subsidized and the unsubsidized Direct Loans disbursed on or after October 1, 2014 and before October 1, 2015 have a 1.073% origination fee. • Both the subsidized and the unsubsidized Direct Loans disbursed on or after October 1, 2015 and before October 1, 2016 have a 1.068% origination fee • Federal Direct PLUS/Graduate PLUS loans disbursed on or after October 1, 2014 and before October 1, 2015 have a 4.292% origination fee. • Federal Direct PLUS/Graduate PLUS loans disbursed on or after October 1, 2015 and before October 1, 2016 have a 4.272% origination fee. 	Depends on lender
Flexible Repayment Options	Many options available	Generally none
Loan Forgiveness Options	Several options available	Generally none
Penalties for Early Repayment	None	Depends on lender

Choosing a Private Loan

When choosing a private education loan, students should compare the loan terms offered by several lenders in order to choose the best fit for their situation. When choosing a lender, borrowers should make sure that Walden students are eligible for the lender's programs.

Several points that should be researched when considering a private loan:

- What is the interest rate? Is it fixed or variable? Is the rate capped?
- What fees must be paid for this loan and when are they paid?
- How will the student receive loan funds?
- When does repayment begin, and is there a grace period?
- What will the monthly payment be?
- What will be the total cost if the student uses the full repayment period?
- Are there penalties for early repayment?
- Are there deferment, forbearance, or cancellation options?

Most private loan programs require the Office of Financial Aid to certify a student's eligibility before approving the loan. If students receive financial aid, they must notify the financial aid office of any private loans they borrow, as it may affect their aid eligibility.

Truth in Lending Act

Under the Federal Truth in Lending Act (TILA), the lender must provide the following documents:

- **Self-Certification Form:** Students must complete this form and return it to the lender before receiving their first disbursement of loan funds.
- **Federal Direct Loan Disclosure Statement and Right-to-Cancel Period:** After the student signs the promissory note, the Federal Direct Loan Disclosure Statement confirms the terms and conditions of the loan. At the time that this disclosure is delivered, the right-to-cancel period begins. During this period of three to six days, the student may cancel the loan by contacting the lender. The lender cannot release the first disbursement of the loan funds until the end of the right-to-cancel period.

State Grant Aid

Some states have a reciprocity policy for their state grants.

Check with the appropriate state agency as indicated here:

http://wdcrobcolp01.ed.gov/Programs/EROD/org_list.cfm?category_ID=SHE

Financial Aid Application Process

Applying for federal financial assistance is a two-part process consisting of (1) application and notification of eligibility, and (2) completion of the Master Promissory Note (MPN), entrance counseling, and online Financial Aid Policy Review (FAPR) information. This process takes approximately two to four weeks from the initial application through the receipt of funds. Students are strongly encouraged to begin the application process at least eight weeks prior to the beginning of their start date or renewal date to ensure the following deadlines are met.

The **Free Application for Federal Student Aid (FAFSA)** should be submitted at least four weeks prior to the student's effective start date, as well as prior to each subsequent loan renewal date.

A fully executed MPN, entrance counseling, and online FAPR must be on file in the financial aid office no later than 14 calendar days after the student is notified of the award.

Fill out the 2015–2016 FAFSA if you are starting your program on or after June 1, 2015.

Fill out the 2016–2017 FAFSA if you are starting your program on or after May 31, 2016.

Walden University strongly suggests that all students who are eligible and who filed a federal tax return use the IRS Data Retrieval Tool (DRT) when filling out their FAFSA on the Web. Using the IRS Data Retrieval Tool may expedite the verification and awarding process.

Note: *Walden University's Title IV code is 025042.* Students will need the code when filling out their FAFSA.

Verification Policy

In accordance with U.S. Department of Education regulations, Walden University is required to verify the accuracy of financial aid application information for selected students. Walden University strongly suggests that all students who are eligible and who filed a federal tax return use the IRS Data Retrieval Tool (DRT) when filling out their FAFSA on the Web. Using the IRS Data Retrieval Tool may expedite the verification and awarding process. If students are required to submit their tax information, they must now submit an official IRS tax return transcript if they do not use the IRS Data Retrieval Tool successfully. Students can obtain an IRS Tax Return Transcript by: (1) ordering a transcript online at www.irs.gov, Get Transcript by Mail; (2) calling 1-800-908-9946 to request a copy to be mailed through an automated system; or (3) filling out Form 4506T-EZ www.irs.gov/pub/irs-pdf/f4506tez.pdf and mailing it to the IRS.

In addition, students who are randomly selected for verification may also have to provide to the Office of Financial Aid their High School Completion Status documentation, proof of their identity, and a signed Educational Statement of Purpose. Once the required documents are received in the Office of Financial Aid, the normal processing time is 7–14 business days. Participation in the verification process is not optional. If students do not complete the verification process by the end of the enrollment period, they will not be able to receive federal financial assistance for that award year.

Please be aware that if students intentionally misreport information and/or alter documentation for the purpose of increasing aid eligibility or fraudulently obtaining federal funds, they will be reported to the U.S. Department of Education Office of the Inspector General or to local law enforcement officials.

Unusual Enrollment History Flag

The U.S. Department of Education added the Unusual Enrollment History (UEH) Flag to the ISIR (Institutional Student Information Record) to indicate whether students have an unusual enrollment history in regard to the receipt of Federal Pell Grant and/or Federal Direct Loan funds (not including a Direct Consolidation Loan, Perkins Loan or a Parent PLUS loan). The U.S. Department of Education enforced this process to determine if recipients were enrolling with the sole purpose of collecting Title IV credit balances.

Financial Aid Deadlines

The Office of Financial Aid processes awards on a rolling basis. It is recommended that students have a complete Financial Aid Application at least 4 weeks prior to the start of a term, but students must have a complete Financial Aid Application 30 days prior to the end of the term in order for funds to be processed for that term or financial aid award year. A complete Financial Aid Application includes all documents required for the awarding and disbursing of funds. Required documents may include but are not limited to the following items:

- Proof of Social Security number
- Proof of legal name
- Proof of date of birth
- Proof of citizenship
- Proof of registration with the Selective Service
- Proof of High School Completion Status
- Official IRS tax return transcript
- Copies of W-2 forms
- Documentation of Supplemental Nutrition Assistance Program (SNAP) benefits
- Documentation of child support paid
- Documentation of federal student loan default resolution
- Documentation of federal student grant overpayment resolution
- Academic records from previously attended institutions

Students must also maintain all federal aid eligibility requirements for the entire term or payment period.

New students: Award notifications will be made to admitted students with completed financial aid files. However, financial aid cannot be disbursed until all official transcripts are received by the Office of Admissions.

Current students: If a student is beginning a new Walden program within a term or payment period after completing a Walden program, financial aid for the new program cannot be disbursed until the student's degree/certificate is conferred by the Office of the Registrar.

The Office of Financial Aid will continue to accept applications, offer awards, and process disbursements in the last 30 days of the term or payment period, but cannot be held responsible if funds are not able to disburse for the term or payment period. Delays outside of the control of the Office of Financial Aid can occur. For example, a student may not be able to obtain third-party documentation, such as Selective Service status information letters, overlapping financial aid forms, official transcripts, and Graduate PLUS endorsers in a timely manner.

Financial Aid Notifications

The *myFinAid* Web portal is the student's 24/7 source for financial aid information for students who complete the FAFSA. The Office of Financial Aid will notify the student when updates including award notifications and changes are made to financial aid information on *myFinAid*; however, financial aid recipients are responsible for checking their *myFinAid* page periodically for any updates. Students may contact the Office of Financial Aid via email finaid@waldenu.edu or telephone 1-800-925-3368.

Students who complete the FAFSA will receive a Student Aid Report. Students should **read the SAR** carefully as it contains **important** information about the student's eligibility.

Student Eligibility Requirements

To receive aid from any of the federal student aid programs administered by Walden University's Office of Financial Aid, a student must meet all of the following criteria:

- Be a U.S. citizen or eligible non-citizen;
- Have a high school diploma or a GED certificate;
- Enroll in an eligible program as a regular student seeking a degree or certificate;
- Register (or have registered) with the Selective Service, if required;
- Have a valid Social Security number;
- Meet satisfactory academic progress (SAP) standards;
- Not be in default on any federal student loan nor owe an overpayment on a federal student grant; and
- Not exceed the lifetime aggregate or annual loan limits without documentation that the debt has been reaffirmed.

Be advised that a conviction for any offense during a payment period or period enrollment for which a student is receiving Title IV financial aid, under any federal or state law involving the possession or sale of illegal drugs, will result in the loss of eligibility for any Title IV grant or loan.

Attended Another School? Overlapping Financial Aid

Federal aid received at another institution can impact the amount of federal aid that a student may receive at Walden. As required by federal regulations, Walden participates in the federal transfer monitoring process whereby the U.S. Department of Education may take up to 90 days into the start of a student's first term or payment period to notify Walden that the student has federal aid awarded at another institution that overlaps into his or her enrollment dates at Walden. The Office of Financial Aid may not be able to make an initial award offer to a student or may have to cancel aid that has already been awarded if it receives information that the student has applied for and/or received federal aid at another institution for an overlapping period. For example, if the loan period at a student's prior institution ends even one day after his or her start quarter/semester, subscription period, or financial aid academic year at Walden, the student has an overlapping period and Walden must deduct aid received at the other institution from the student's annual eligibility at Walden. If the loan information is not already updated on the U.S. Department of Education's Common Origination & Disbursement (COD) website, the Walden University Office of Financial Aid may ask a student to have his or her prior institution complete an [Overlapping Financial Aid Form](#) to confirm the last date of attendance and disbursed loan amounts at the prior institution.

When processing a financial aid award for an overlapping loan period, Walden will cap the total loan at one-third of a student's annual loan limit per semester or quarter in course-based programs (subsidized loans are applicable to undergraduates only). To prevent duplication of the living allowance between schools, Walden must remove the living allowance from the student's cost of attendance at Walden during periods of overlapping enrollment. Students must make alternative arrangements for payment if they become ineligible for federal aid based on aid received at another institution.

Financial Aid Annual Award Year Definition

Walden defines the annual award year as three 12-week quarters or three 16-week semesters. For the Tempo Learning programs, the annual award year is defined as 52-weeks and 16.5 semester credit equivalencies for the Master's program and 52-weeks and 15 credits for the Certificate program. If the student does not complete the required semester credit equivalencies in 52-weeks, the annual award year is extended beyond 52-weeks until such time that the student completes the required number of credits.

Enrollment Policy

Undergraduate Students: Financial aid is offered based on the assumption that undergraduate students will be enrolled for 9–11 credits per 12-week quarter for the entire period of the award. When students enroll for fewer credits in a term, their aid may be adjusted at the end of the "add/drop" period to reflect their current enrollment status. Students must be enrolled at least half time to remain eligible for federal student loans. Undergraduate students enroll in two sequential courses over the 12-week quarter. Students should register for both courses before the start of the 12-week quarter to avoid disbursement delays. *Please note that if both courses are in the second 6 weeks of the quarter, the disbursement will be delayed until day 12 of the course.*

Graduate Students:

Course-Based Programs – Financial aid is offered for most programs based on the assumption that students will be enrolled in at least 6 credits per term for the entire period of the award.

When students enroll for fewer credits in a term, their aid may be adjusted at the end of the “add/drop” period to reflect their current enrollment status. Students must be enrolled at least half time to remain eligible for federal student aid.

Tempo Learning® Programs – Financial aid is offered based on the assumption that students will agree to at least 4.25 semester credit equivalencies per subscription period.

Courses or competencies that do not count toward the degree or certificate: Generally speaking, in order to receive financial aid, students must be taking classes or working on competencies that count toward a degree or certificate offered at Walden. If students are enrolled in courses or competencies that do not count toward their degree or certificate, they cannot be used to determine enrollment status. For additional information, contact the Office of Financial Aid.

Enrollment Statuses for Financial Aid

Enrollment Status	Course-Based*Graduate Students (Graduate Certificate, Master’s, Ed.S., Doctoral, Post-Doctoral) Students	Undergraduate Students	Students Enrolled in Preparatory Courses for the Master of Science in Nursing (MSN)
Full time	6 credits per term	12 or more credits per term	12 credits per term
Three-quarter time	N/A	9–11 credits per term	9–11 credits per term
Half time	3–5 credits per term	6–8 credits per term	6–8 credits per term
Less than half time	1–2 credits per term	1–5 credits per term	1–5 credits per term

* All students enrolled in the Tempo Learning, competency-based program are classified as full-time.

Residency Policy

Students cannot receive financial aid for any term in which they register only for a residency. The financial aid office reviews registrations at the start of each term and cancels federal aid for any students registered for residency only. All students are responsible for managing their student loan refunds to be sure they can pay for residency travel expenses when they arise.

Study at Another Institution or Study Abroad

Enrollment in certain programs of study at another school for study abroad approved for credit by Walden may be considered enrollment at Walden for the purpose of applying for assistance under the Federal Title IV financial aid programs.

For students to access federal financial aid, a consortium agreement is required between the two schools whereby the home school disburses federal aid for courses taken at the host school. The host school agrees not to disburse federal aid and to monitor the student's enrollment for the home school. Consortium agreements may be made between Walden University (home school) and a host school if the student has been approved by Walden to take coursework at the host institution that will fully transfer toward the Walden degree program. Walden degree-seeking students must submit a copy of the Walden University Permission to Take a Course at Another Institution Form that is signed by Walden's Admissions Office and a [Consortium Agreement Form](#) signed by the host school's financial aid office to the Walden Office of Financial Aid.

Students must also meet all other federal financial aid eligibility requirements. If Walden approves the student for a consortium agreement, Walden University will disburse federal aid to the Walden student account, and the bursar's office will issue the refund to the student. The student is responsible for meeting payment deadlines set by the host school. Walden University does not typically pay the host school on behalf of the student, and Walden University does not alter the financial aid disbursement schedule to meet deadlines set by the host school.

Adjustments to Financial Aid

Federal financial aid is awarded based on an estimate of the student's eligibility. The Office of Financial Aid may have to cancel or reduce financial aid before or after disbursement, based on new information that becomes available after the time of awarding or disbursement. Examples of changes that would require adjustments to aid are:

- Student does not begin attendance in any courses.
- Pell recipient does not begin attendance in all courses of the term.
- Student withdraws from all courses in the term (officially or unofficially).
- Student receives other resources not reported at the time of awarding or disbursement.
- Student becomes federally ineligible based on the receipt of updated information from the U.S. Department of Education.
- Student does not meet course participation requirements.
- Student enrolls in only one course, which may require an adjustment of federal aid. (Most students are awarded based on the assumption of enrollment in two classes per quarter/semester.)
- Change of program.

Note: In some instances, a federal Return of Title IV (R2T4) calculation will be required. Details may be found in a later section of this document.

Confirmation of Return Enrollment After Withdrawal From Part of a Term

Students who withdraw from a course in the first part of a term and remain registered for a course in the second part of a term will be asked to confirm that they plan to return. Federal rules do not allow Walden to rely on a student's previous registration if he or she withdraws from the first course. If the student indicates that he or she will return, and he or she does not return, a federal Return of Title IV funds calculation will be processed using the earlier withdrawal date.

Withdrawal From a Term for Course-Based Programs

Students withdrawing from any or all courses in the term prior to the completion of 60% of the quarter/semester may find that funds are owed to the university as a result of the required Return of Title IV calculation process. Students who stop engaging in academically related activities during the term without officially withdrawing from the courses are subject to the Return of Title IV calculation. In such cases, the last date of academically related activity, as determined by the university, is used as the withdrawal date for the term.

Please note [withdrawal](#) is different from [drop](#). Dropping is when you enroll in a course and decide not to stay enrolled any time before it starts or within the first seven days. If you discontinue taking a course after the seventh day, then you will be considered having withdrawn from that point on. Prior to withdrawing from all courses in the term or ceasing to engage in academically related activity, students should contact the Office of Financial Aid to determine the amount of federal aid that must be returned. Federal student aid may not cover all unpaid charges due to the university upon the student's withdrawal.

Withdrawal from Tempo Learning® Based Programs

Students who officially withdraw from the Tempo Learning program will be subject to the return of title IV funds calculation on a payment period basis. The withdrawal date for students who officially withdraw from the program will be the last date of participation as documented within the learning platform.

Student engagement in the learning platform is continually tracked and monitored on a weekly basis. If a student has failed to demonstrate engagement in the learning platform for thirty (30) consecutive days, the student will be considered an unofficial withdrawal and will be administratively withdrawn from the program.

Every student is required to submit an academic plan by day fourteen (14) of each 3-month subscription period. This submission signifies the start of academic engagement for the period. If a student does not submit an academic plan by day 14, the student is considered an unofficial withdrawal, and the student will be administratively withdrawn from the university. Students who are administratively withdrawn will be subject to the return of title IV funds using the last date of participation as the withdrawal date.

Leave of Absence for Course-Based Programs

A student who takes a university approved leave of absence is considered, for financial aid purposes, to have withdrawn from the school. The Return to Title IV refund calculation applies to both university approved leaves of absence and withdrawals for recipients of Title IV aid.

When a student loan borrower begins a university approved leave of absence, the student's repayment begins after the grace period is over. Students are advised that once a grace period is utilized, there is no provision allowing an additional grace period and students will go into repayment. Students with federal financial aid or federal loan obligations are advised to contact their servicer to ascertain their loan repayment status during the leave of absence.

Leave of Absence for Tempo Learning® Based Programs

The Tempo Learning leave of absence (LOA) policy permits students to request a leave of absence if the student is experiencing hardships that make effective academic progress unusually difficult. A leave of absence is defined as a temporary break (30 – 180 calendar days) from their program with a clear intent to return to the program of study. Students who enter into an approved leave of absence (LOA) will not be considered a withdrawal unless they fail to return from leave as scheduled. In such cases, students will be subject to the return of title IV funds using the last date of participation as the withdrawal date.

Students may be approved for multiple LOAs, but the total of all LOAs may not exceed 180 calendar days in a 12-month period. Students on an approved LOA will not be assessed any additional institutional charges and will not receive federal financial disbursements.

Overaward of Federal Aid

The receipt of additional estimated financial assistance and/or a reduction in the cost of attendance that was not accounted for at the time of initial awarding may cause an overaward of federal funds. (The term overaward refers to any estimated aid that exceeds a student's financial need and/or cost of attendance.) Estimated financial assistance includes but is not limited to the following: scholarships, grants, Graduate PLUS Loans, third-party payments, and other resources. In such instances, the Office of Financial Aid will correct the overaward by adjusting the federal financial aid award. Federal aid may be adjusted by reducing or reallocating funds prior to disbursement or returning funds to federal programs if disbursement has already occurred. The highest cost loans will be reduced before any reduction is made to scholarship or grant awards.

Financial Aid Disbursement Process and Requests for Excess Funds for Course Base Programs

Most financial aid is disbursed in three equal payments over the award period. Students in good standing may have any excess balance in their account returned to them to pay for indirect education expenses. Any time financial aid proceeds credited to a student's account exceed direct charges, the bursar's office will automatically forward the credit balance directly to the student, no later than 14 calendar days after the credit balance occurs.

If students are not subject to Adequate Academic Progress (AAP) as first-time undergraduate students, they receive Pell Grants, and their financial aid will create a credit balance. Request book vouchers at: https://inside.waldenu.edu/c/Student_Faculty/OnlineForm_BookLoan.aspx.

Students are responsible for payment of tuition and fees incurred after a full credit balance refund has been released (e.g., added courses and residencies fees). Credit balance refund distributions are made in accordance with applicable federal guidelines. Any outstanding debt to the university as a result of a required credit balance refund is the responsibility of the student.

Unless students are subject to the AAP process outlined in the following section, financial aid generally begins disbursing on day 12 of the term and refunds are released to eligible students by day 26 of the term (14 days after funds have disbursed to the student's account). Students must participate in their online coursework to establish eligibility and remain eligible for federal aid. Failure to participate in academically related activity will result in loss of eligibility for all or part of the term. If two sequential courses make up a student's quarter or semester and he or she does not register for the first half of the quarter/semester, federal aid cannot disburse until day 12 of the second half of the term. Disbursements may be delayed if the student is subject to a Satisfactory Academic Progress review for a prior term.

Adequate Academic Progress (AAP)

All new undergraduate students are conditionally admitted to Walden University until they demonstrate adequate academic progress. Financial aid cannot be disbursed to a Walden student account until the student has met the AAP requirements as set forth in the Walden University Student Handbook. Conditionally admitted students will not have book vouchers available as an option. Once conditions and all other eligibility requirements have been met, federal financial aid will disburse. Disbursements to a new undergraduate student's Walden account can be expected to occur by the close of the fourth week of the term. Students will receive a notice of disbursement. The bursar's office releases refunds to eligible students 14 days after the date of disbursement.

***Please note:** Should the student not meet the minimum requirements for AAP, his or her financial aid offer will be canceled.*

Refund Policy for Minnesota GI Bill Program (MN OHE GI Bill)

Minnesota GI Bill (MGIB) financial aid recipients who do not complete the required MGIB period of instruction may not be entitled to keep the full amount of MGIB financial aid disbursed to them.

Financial Aid Disbursement Process and Requests for Excess Funds for Tempo Learning® Programs

Walden's financial aid academic year for federal student aid in Tempo Learning Programs is defined as 52 weeks and 16.5 semester credit equivalencies for the Master's program and 52 weeks and 15 credits for the Certificate program. The academic year is also the loan period. The academic year is divided into two equal payment periods. The first payment period ends when the student successfully completes half the credit hour equivalencies *and* half the weeks in the academic year. The second payment period ends when the student completes the remaining credit hour equivalencies and weeks in the financial aid academic year. The loan amount for the academic year is divided equally between the two payment periods. Each payment period is then broken into two disbursements to align with the student's three-month subscription periods; therefore, most financial aid is disbursed in four equal payments over the award year.

All disbursements require that the student has submitted an academic plan by day 14 of each 3 month subscription period confirming that they will attempt the full time credit equivalency for that period. All disbursements also require the student to meet all federal financial aid eligibility requirements such as Satisfactory Academic Progress. Disbursements at the start of the payment period (with the exception of the first disbursement of the program) require that the student has earned half the semester credit equivalencies *and* has completed half the weeks in their financial aid academic year. Disbursements at the mid-point of the payment period require that the student has completed half the weeks in the payment period.

This disbursement schedule is designed to align with the student's subscription billing period but it's important to note that a student's pace or transfer from a prior school may result in payment periods and disbursement dates that do not fully align with the subscription billing periods. If a student transfers to Walden with an overlapping enrollment from a prior school or if the student's remaining credit equivalencies at the start of an academic year are less than 16.5 credits, it's possible for the academic year to be shorter than 52 weeks. If so, there may only be one payment period or one disbursement in the payment period. Likewise, the disbursement dates may not align with the subscription billing due dates.

Students in good standing may have any excess balance in their account returned to them to pay for indirect education expenses. Any time financial aid proceeds credited to a student's account exceed direct charges; the bursar's office will automatically forward the credit balance directly to the student, no later than 14 calendar days after the credit balance occurs.

Students may give permission to have their credit balance refund held on the Walden student account to pay for future subscription charges in the event that the next financial aid disbursement is scheduled well after the start of the next subscription or if the student's pace requires Walden to delay the next disbursement. Credit balance refunds held on the student's Walden account must be released to the student at the end of the loan period.

Federal Return of Title IV (R2T4) Funds

Course-Based students who withdraw, drop, or do not otherwise complete all of the courses that they are scheduled to attend in the term and Tempo Learning students who withdrawal officially or unofficially, may have disbursed funds returned to the federal government. This includes students who stop engaging in academically related activities in any or all courses or competencies during the term or payment period. Federal regulations established by the U.S. Department of Education require the Office of Financial Aid to apply a formula, entitled Return to Title IV (R2T4), to determine the percentage of federal financial aid a student has earned up through the last date of academically related activity in any or all courses or competencies during the term or payment period. Students withdrawing from any course(s) in the term or competencies prior to the completion of 60% of the quarter/semester or payment period may find that funds are owed to the university as a result of the R2T4.

The following enrollment changes in Course-Based Programs that may trigger an R2T4:

- Withdrawal to zero credits (official withdrawal through the university policy).
- Official Leave of Absence during the term.
- Lack of engagement in academically related activities for at least 14 consecutive days in the term.
- For consecutive enrollment within a term, withdrawal from an earlier course with no confirmation of return in a later course.
- For consecutive enrollment within a term, dropping, not attending, or withdrawing from a later course, even after the completion of an earlier course.
- For consecutive enrollment within a term, failure to earn a passing grade in the last course in the term, even after passing an earlier course.
- Failure to earn a passing grade in all courses attempted in the term.

The following enrollment changes in Tempo Learning® Programs that may trigger an R2T4:

- Official withdrawal from the program
- Administrative withdrawal due to lack of participation for thirty (30) consecutive days
- Administrative withdrawal for not submitting an academic plan by day fourteen (14) of the subscription period.
- Administrative withdrawal for failure to meet the satisfactory academic progress requirements
- Failure to return from a Leave of Absence

The last date of academically related activity, as determined by the university, is used as the financial aid withdrawal date to determine the completion percentage for R2T4. Students who complete more than 60% of the term or payment period are considered to have earned 100% of the federal financial aid disbursed to them for the term or payment period. Students who do not complete more than 60% of the term will have all or a portion of disbursed funds returned to the federal government.

The withdrawal date for federal financial aid purposes is not the same as the withdrawal date processed by the Registrar to determine tuition adjustments. Federal student aid may not cover all charges due to the university that result from the return of funds upon the student’s withdrawal.

Prior to withdrawing or making any enrollment changes, students should contact the office of financial aid to determine if the change will result in a return of funds and to understand the financial options to get back on track for future terms.

Examples of Title IV Calculations

Example 1—Course Based Enrollment in Modules:

Allyssa is an undergraduate student enrolled in the B.S. in Computer Information Systems program. Her fall term enrollment is from September 2 through November 23. She is enrolled in two back-to-back classes for the term. The first class is from September 2 through October 12. The second class is from October 13 through November 23. Allyssa successfully completes the first class but decides on October 15 to drop her second class.

Allyssa’s cost of attendance is as follows:	Cost
Tuition	\$3100
Fees	\$120
Total	\$3220
Allyssa’s financial aid package consists of:	
Federal Direct Subsidized Loan	\$1,154
Federal Direct Unsubsidized Loan	\$1,979
Total	\$3,133

Allyssa completed 42 days of the term (September 2 through October 12).	
Walden is required to return the following:	
Federal Direct Subsidized Loan	\$0
Federal Direct Unsubsidized Loan	\$1,567
After refunding the \$1,567, Allyssa will owe Walden:	\$17

Allyssa received a tuition cancellation of \$1,550 for dropping the class. After funds were returned to reduce her federal student loan, she had a balance of \$17.

Example 2 Course Based —Failing All Classes or the Last Class:

Fred is master’s degree student. His fall term is from September 2 through November 23. He is enrolled in two classes for the fall. The first class is from September 2 through October 12 and the second class begins September 6 and ends on November 23. Fred receives Fs in both classes. The latest day that Fred actively participated in either class was September 18.

Fred’s cost of attendance is as follows:	Cost
Tuition	\$3100
Fees	\$120
Total	\$3200
Fred’s financial aid package consists of:	Cost
Federal Direct Unsubsidized Loan	\$6,800
Total	\$6,800

Fred completed 17 days of the term (September 2 through September 18).

Walden is required to return the following:	
Federal Direct Unsubsidized Loan	\$2,570
After returning the \$2,570 to the government, Fred owes Walden:	\$2,570

A bursar hold is placed on Fred’s account at the time that funds are returned to the government, which prevents Fred from registering for any additional classes and from receiving his academic transcripts until he repays Walden what he owes.

Example 3 Course Based —Withdrawal From Term:

Susie is a doctoral degree student in public policy. Her quarter term begins on December 1 and ends on February 22. On January 11 she stops participating while trying to decide if she will drop her classes. Susie makes the decision to drop all classes on January 15, but her last day of participation is January 11 (42 days into the term).

Susie’s cost of attendance is as follows:	Cost
Tuition	\$4,550
Fees	\$160
Total	\$4,710

Susie’s financial aid package consists of:	Cost
Direct Unsubsidized Loan	\$6,800
Total	\$6,800

As Susie has completed only 42 days of her semester, she earned 50% of the \$6,800. According to the federally mandated calculation, 50% of the unearned portion of her aid, equaling \$3,400, must be returned.

Walden is required to return the following:	Cost
Federal Direct Unsubsidized Loan	\$3,400
After refunding the \$3,400, Susie will owe Walden:	\$1,190

Susie is not eligible to receive a tuition refund because she dropped her classes after the refund period. A bursar hold is placed on Susie’s account at the time the funds are returned to the government, which prevents Susie from registering for any additional classes and from receiving transcripts until she repays Walden what she owes.

Example 4 Course Based —Participation for More Than 60% of the Term:

Ernie is a master’s degree student in the teaching program. His semester begins January 5 and ends April 26. On March 13 (68 days into the term), Ernie accepts a full-time job and drops his classes.

Ernie’s cost of attendance is as follows:	Cost
Tuition	\$3,300
Fees	\$120
Total	\$3,420

His financial aid package consists of:	Cost
Direct Unsubsidized Loan	\$6,800
Total	\$6,800

Based on Ernie’s attendance (61% of the term), he has “earned” all of his financial aid for the term and will not have any funds returned.

Example 5 Tempo Learning® —Participation in a Payment Period for More Than 60% of the Term:

Sam is a graduate student enrolled in the M.S. in Early Childhood Studies program beginning on July 6. His first payment period is from July 6 to January 3. He is required to complete 26 weeks (182 days) and 8.25 credits to progress to the next payment period. He completes 2.5 credit equivalencies before withdrawing on October 1. Sam’s last date of participation was September 30. He attended 87 days in the payment period. To determine the percentage of the payment period completed in Tempo Learning program, federal regulations require Walden to project how long it would have taken Sam to complete the additional 5.75 required credit equivalencies. Walden calculates a credit equivalency completion rate for Sam by dividing the days completed in the payment period by the credit equivalencies completed.

Walden then divides the 5.75 remaining credits in the payment period by the credit equivalency completion rate to project that it would take Sam 199 days to complete the 6 credits and adds 87 days completed for a total of 286 days in the projected payment period. Walden then divides 87 days completed in the payment period by 286 projected total days in the payment period to determine that Sam has completed 30.4% of the payment period. Tuition is calculated using the greater of federal aid used to pay charges and the projected tuition charges of Sam's original payment period of 26 week which is determined by multiplying the number of weeks by a weekly tuition rate.

Sam's cost of attendance is as follows	Cost
Projected Tuition	\$3,000
Sam's financial aid package consists of:	
Federal Direct Unsubsidized Net Loan Amount	\$10,142
Total	\$10,142

Sam completed 30.4% of the term	
Walden Calculates the following	
Earned Federal Aid	\$3,083
Unearned Federal	\$1,988
Unearned Tuition Projected Tuition Charges	\$2,088
Amount of Federal Direct Unsubsidized Loan for Walden to Return	\$1,988

The R2T4 calculation requires the school to compare the amount of Unearned Federal Aid to the Unearned Tuition and return the lesser of the two to federal programs. In Sam's case, the R2T4 formula requires Walden to return \$1,988 to the federal unsubsidized loan program. Prior to withdrawal, Sam had received half of his federal Direct Unsubsidized Loan Disbursement. The second half of the disbursement was scheduled to disburse after he withdrew. Federal regulations dictate that Sam is no longer eligible for any portion of this disbursement.

Satisfactory Academic Progress (SAP) Standards

Walden University's Satisfactory Academic Progress (SAP) requirements to receive Title IV student financial aid comply with U.S. Department of Education regulations. These standards are intended to establish minimum, reasonable levels of advancement toward degree completion and to guard against abuse of federal financial aid programs. *Satisfactory academic progress requirements for receipt of federal financial aid are separate and distinct from the university's academic progress requirements for academic continuance.*

The requirements in this section also apply to Minnesota State Financial Aid Programs.

Satisfactory academic progress is reviewed for all students at the end of a payment period. All grades must be posted to the academic record before the SAP status will be determined. If the student is back in compliance with minimum standards after all grades are posted to the academic record for the payment period, federal aid eligibility will begin with the next payment period.

Students receive written notification to their Walden University e-mail account if they are placed on *financial aid warning status*. Upon receiving this status, a student has one payment period to return to the standards listed in the following section. If the student does not meet these standards, he or she may appeal for one additional period of financial aid probation. If the appeal is not granted, the student becomes ineligible for federal financial aid.

It is the student’s responsibility to know the requirements for satisfactory academic progress. Failure to receive notification will not nullify a student’s financial aid status with Walden University. Students considering a decision to withdraw from a class, drop a class, or stop participating in a class should check first with their Academic Advisor. Such a decision may affect their financial aid status.

Minimum Standard for Federal Financial Aid

Program Type	Minimum Financial Aid Course Completion Rate (Pace)	Minimum Cumulative Financial Aid GPA	Maximum Timeframe to Receive Federal Aid
Bachelor’s Degree	67%	2.0	272 financial aid attempted credits
Master’s Degree	67%	3.0	20 quarters or 15 semesters
Doctoral Degree	67%	3.0	32 quarters or 24 semesters
Certificate	67%	3.0	6 quarters or 6 semesters
Education Specialist	67%	3.0	20 quarters or 15 semesters
Teacher Preparation (without master’s degree option)	67%	3.0	56 financial aid attempted credits
Endorsement (without master’s degree option)	67%	3.0	32 financial aid attempted credits
Preparatory Coursework	67%	2.0	12 consecutive months

The following policies will apply:

- Minimum financial aid GPA is cumulative for the current program of study.
- Minimum financial aid course completion rate is calculated by dividing financial aid completed credits by financial aid attempted credits (e.g., if 40 credits are attempted, the student must have successfully completed 27 credits).

- Financial aid attempted and completed credits are cumulative for all courses in all programs attempted at Walden.
- The following grades adversely impact the course completion rate: *I* (incomplete), *F* (fail), *NC* (no credit), *U* (unsatisfactory), *W* (withdrawal).
- Students must meet both the GPA and course completion rate requirements within the defined maximum timeframe.
- Financial aid attempted and completed credit requirements include transfer credits.
- Financial aid attempted credits include all registered courses with the exception of courses dropped before the start of the term or during the drop period.
- For course repetitions, only the most recent grade is counted in the cumulative GPA and the most recent credits are counted in the completed credits; the credits from all attempts must be counted in the course completion rate and maximum timeframe.
- The maximum timeframe will be reset for students completing a second or further degree at Walden or changing from a non-degree to a degree seeking status.
- The maximum timeframe will not be reset for students that have earned degrees or certificates “Along the Way” at Walden University.
- The maximum timeframe for students who change programs without earning a Walden degree is cumulative for all programs attempted and is measured against the maximum timeframe for the current program.
- The maximum timeframe excludes quarters/semesters of non-enrollment and quarters/semesters in which all courses are dropped before the start of the term or during the drop period.
- Financial aid progress requirements include all terms of enrollment, including periods in which the student did not receive federal aid.
- Courses that adversely impact financial aid academic progress cannot be removed from the academic transcript.

Maximum Timeframe

Federal financial aid eligibility expires without probation when the student reaches the maximum timeframe or if the financial aid progress review makes it clear that the student cannot mathematically finish his or her program within the maximum timeframe.

Right to Appeal

Occasionally, a student’s academic progress may be impacted by unusual circumstances that are beyond the student’s control. A student may appeal for an extension of financial aid after a period of financial aid warning if the student successfully completes the warning term and if the student can document that unexpected, unusual, and temporary circumstances affected the student’s ability to progress at the required rate. Examples of such mitigating circumstances are a death in the immediate family, illness, or other significant life change.

Students may appeal to the Office of Financial Aid no later than 15 calendar days following the end of the financial aid warning period.

Students who wish to appeal must complete the [*Financial Aid Academic Progress Appeal*](#) form and provide the Office of Financial Aid with supporting documentation for review. Failure to provide supporting documentation will result in an automatic denial. If the appeal is accepted, the student must meet the requirements outlined in the written approval of the appeal.

A pre-existing condition (a condition or illness that a student had before beginning any Walden University program) is not cause for appeal unless there was an unexpected change in that condition.

Students may not use the same circumstances in a subsequent appeal, although a student may submit an appeal for a future period of difficulty for different mitigating circumstances. Courses that adversely impact financial aid academic progress cannot be removed from the student's academic transcript.

SAP decisions by the Office of Financial Aid are final.

Treatment of Courses and Credits

Course Repetitions: Repeated courses for which a grade of “D” or better has already been earned do not count as earned or as completed credits toward the student's completion rate.

Drops: Courses dropped before the end of the add/drop period are not included in the financial aid satisfactory progress calculations.

Incompletes: Incomplete grades count as credits attempted and not completed, but do not impact GPA.

No Credit: No credit grades count as credits attempted and not completed, but do not impact GPA.

Periods with No Financial Aid: Financial aid progress requirements include all periods of enrollment, including periods in which the student did not receive financial aid.

Second Program: The maximum timeframe will be reset for students who complete one program or degree at Walden University and begin a subsequent program or degree. The maximum timeframe will not for be reset for students that have earned degrees or certificates “Along the Way” at Walden University.

Transfer Credits: All transfer credits are considered as both attempted and completed when calculating the minimum course completion rate and maximum timeframe.

Unsatisfactory Grades: Unsatisfactory grades (a grade of “U”) count as credits attempted and not completed, but do not impact GPA.

Withdrawals: Courses dropped after the add/drop periods are considered to be attempted but not completed.

Policy and Definitions

Appeal: Occasionally, a student's academic progress may be impacted by unusual circumstances that are beyond the student's control. A student may appeal for an extension of financial aid if the student successfully completes the warning term and can document that unexpected, unusual, and temporary circumstances affected the student's ability to progress at the required rate. See the Right to Appeal section of this policy for details.

Financial Aid Annual Award Year: Walden defines the annual award year as three 12-week quarters or three 16-week semesters.

Maximum Timeframe: Federal financial aid eligibility expires without warning when the student reaches the maximum timeframe or if the financial aid academic progress review makes it clear that the student cannot mathematically finish the current program within the maximum timeframe.

- The maximum timeframe will be reset for students completing a second or additional degree at Walden. The maximum timeframe will not be reset for students that have earned degrees or certificates "Along the Way" at Walden University.
- The maximum timeframe for students who change programs without earning a Walden degree is cumulative for all programs attempted and is measured against the maximum timeframe for the current program.
- The maximum timeframe excludes quarters/semesters of non-enrollment and quarters/semesters in which all courses are dropped before the start of the term or during the drop period.
- Financial aid eligibility for an academic program ceases as soon as all academic requirements for graduation have been met regardless of maximum timeframe standing.

Minimum Course Completion Rate (Pace): A percentage calculated by dividing cumulative successfully completed credits by total credits attempted. For example, a student who has successfully completed 27 credits at Walden out of a total of 40 attempted credits has a course completion rate of 67%. This rate includes credits transferred in to Walden.

Minimum GPA—Cumulative: The GPA for all coursework pertaining to the current program of study.

Minimum GPA—Payment Period: The GPA for all courses attempted during the most recent payment period.

Period of Enrollment: One semester or one quarter.

Status—Financial Aid Warning: This status is assigned to a student who fails to make satisfactory academic progress during his or her most recent payment period. The student has one payment period to be successful and maintain eligibility for financial aid.

Status—Financial Aid Probation: This status is assigned to a student who fails to make satisfactory academic progress during his or her payment period, fails to successfully return to satisfactory progress during one term of financial aid warning, completes a successful appeal for mitigating circumstances, and has eligibility for financial aid reinstated on a probationary basis. Financial aid probation is assigned for one payment period. If an appeal is completed and determined that it will require more than one period of enrollment to meet satisfactory requirements, the student may be placed on an academic plan.

Status—Academic Plan: This status is assigned in order to assist students in returning to compliance by a specified date. If an appeal is completed and it's determined that it will require more than one payment period to meet satisfactory requirements, the student may be placed on an academic plan. The Office of Financial Aid will review the student's progress at the end of one payment period as is required of a student on probation status, to determine if the student is meeting the requirements of the academic plan. If the student is meeting the requirements of the academic plan, the student is eligible to receive Title IV aid as long as the student continues to meet those requirements. The Office of Financial Aid will review the student's status at the end of each payment period to determine if the student continues to meet the academic plan requirements.

The option for an academic plan is only available if it is not reasonable to expect the student to achieve successful academic progress during the typical one-term extension of probation. An academic plan may be a course-by-course plan for degree completion, a specification for number of credits and/or grade requirements for particular payment periods, and/or requirements for the student to get academic support or to use other academic resources. A student must comply with all aspects of an academic plan in order to retain eligibility for financial aid.

Status—Financial Aid Ineligibility: This status is assigned to a student who failed to be successful during the period of financial aid warning or probation. Students who do not complete a successful appeal, who are not successful during a single-term financial aid probation, or who do not comply with an academic plan for an extended period of financial aid probation will lose all federal financial aid eligibility. A student with financial aid ineligibility status is not eligible for federal financial aid until the student meets all the requirements again. Simply sitting out a term, paying cash, or changing academic programs will not return a student to satisfactory academic progress.

Loss of Federal Financial Aid Eligibility

Students who become ineligible to receive federal financial aid but remain in compliance with the academic progress standards for continuance in their program are not withdrawn from the program, but they must make alternative payment arrangements with the bursar by the appropriate tuition due date. Students may still be eligible for private educational loans if federal aid eligibility is lost.

Satisfactory Academic Progress (SAP) Standards for Tempo Learning® Programs

Walden has implemented a satisfactory academic progress (SAP) policy designed to identify and assist any student who is not progressing at a pace that will allow them to complete the Tempo Learning® student program within the maximum 48-month time frame. SAP is a key measure for tracking a student's academic progress toward degree completion and is a requirement for all Tempo Learning® students, whether or not they receive federal financial aid. SAP is measured every 26 weeks. In order to demonstrate quantitative satisfactory academic progress, a student must complete at least 50% of the full time credit equivalents attempted. Qualitative progress is demonstrated by the completion of competency credit equivalencies. At the beginning of each subscription period, students will document which competencies they plan to attempt during that term. The academic plan must include, at a minimum, the number of credit equivalencies required to complete the program in 24 months. Student progress will be measured after every 26-week SAP evaluation period is completed, which may not align with the end of a student's loan payment period. Students who fail to complete at least 50% of attempted credit equivalencies will be placed on warning for the next 26-week SAP evaluation period.

Progress will be reassessed at the end of the SAP warning/evaluation period, and if students have not returned to SAP, they will be suspended from federal financial aid eligibility (as applicable), will be exited from the Tempo Learning® modality, and may consider moving into a course-based modality. Students who have not returned to SAP will have the option to appeal for an extension of academic continuance and federal financial aid eligibility if they can demonstrate that unusual, temporary, and unexpected circumstances impacted their ability to progress at the required rate. In addition to keeping their academic progress in line with the Walden SAP policy, students in their first subscription period must complete a minimum of two Program Competencies or be placed on warning. Students placed on warning after their first subscription will be required to complete at least 50% of attempted credit equivalencies at their first 26 week SAP check or be automatically dismissed from the Tempo Learning modality. This additional first-period policy is to ensure Walden has a mechanism to quickly identify students who will not be successful in the competency based modality.

The following policies will apply:

- Qualitative progress is demonstrated by the completion of competency credit equivalencies.
- Minimum financial aid credit completion rate is calculated by dividing the completed credit equivalencies by the attempted credit equivalencies (e.g., if 16.5 credit equivalencies are attempted, the student must have successfully completed 8.25 credit equivalencies).
- Financial aid attempted and completed credit equivalencies are cumulative for the program.
- Financial aid attempted and completed credit requirements include transfer credits.
- Financial aid attempted credits include all registered credit equivalencies with the exception of credit equivalencies dropped during the drop period.
- The maximum timeframe will be reset for students completing a second or further degree at Walden or changing from a non-degree to a degree seeking status.

- The maximum timeframe for students who change programs without earning a Walden degree is cumulative for all programs attempted and is measured against the maximum timeframe for the current program.
- The maximum timeframe includes periods of LOA.
- Financial aid progress requirements include all periods of enrollment, including periods in which the student did not receive federal aid.

Maximum Timeframe

Federal financial aid eligibility expires without probation when the student reaches the maximum timeframe or if the financial aid progress review makes it clear that the student cannot mathematically finish his or her program within the maximum timeframe.

Right to Appeal

Occasionally, a student's academic progress may be impacted by unusual circumstances that are beyond the student's control. A student may appeal for an extension of academic continuance financial aid after a period of financial aid warning if the student completes at least 4.25 credit equivalencies within the warning term and if the student can document that unexpected, unusual, and temporary circumstances affected the student's ability to progress at the required rate. Examples of such mitigating circumstances are a death in the immediate family, illness, or other significant life change. Students may appeal to Tempo Learning Academic Appeal Committee 30 days prior to the end of the financial aid warning period. Students who wish to appeal must complete the *Academic Progress Appeal* form and provide the Academic Appeal Committee with supporting documentation for review. Failure to provide supporting documentation will result in an automatic denial. If the appeal is accepted, the student must meet the requirements outlined in the written approval of the appeal. A pre-existing condition (a condition or illness that a student had before beginning any Walden University program) is not cause for appeal unless there was an unexpected change in that condition. Students may not use the same circumstances in a subsequent appeal, although a student may submit an appeal for a future period of difficulty for different mitigating circumstances.

SAP decisions by the Academic Appeal Committee are final.

Treatment of Courses and Credits

Competency Repetitions: Because competencies are not time bound, there are no repetitions.

Drops: credit equivalencies dropped before the end of the drop period are not included in the financial aid satisfactory progress calculations.

Periods with No Financial Aid: Financial aid progress requirements include all periods of enrollment, including periods in which the student did not receive financial aid.

Second Program: The maximum timeframe will be reset for students who complete one program or degree at Walden University and begin a subsequent program or degree.

Transfer Credits: All transfer credits are considered as both attempted and completed when calculating the minimum credit completion rate and maximum timeframe.

Credit Equivalencies are not tied to specific competencies: The student agrees to a specific number of competencies in the Customized Learning Plan at the start of a subscription period. The student may switch the competencies attempted within the subscription period without necessarily changing the overall attempted credit equivalency attempted total.

Policy and Definitions

Appeal: Occasionally, a student's academic progress may be impacted by unusual circumstances that are beyond the student's control. A student may appeal for an extension of academic continuance and financial aid if the student completes at least 4.25 credit equivalencies during the warning term and can document that unexpected, unusual, and temporary circumstances affected the student's ability to progress at the required rate. See the Right to Appeal section of this policy for details.

Maximum Timeframe: Federal financial aid eligibility expires without warning when the student reaches the maximum timeframe or if the financial aid academic progress review makes it clear that the student cannot mathematically finish the current program within the maximum timeframe.

- The maximum timeframe will be reset for students completing a second or additional degree at Walden.
- The maximum timeframe for students who change programs without earning a Walden degree is cumulative for all programs attempted and is measured against the maximum timeframe for the current program.
- The maximum timeframe includes periods of LOA.
- Financial aid eligibility for an academic program ceases as soon as all academic requirements for graduation have been met regardless of maximum timeframe standing.

Minimum Credit Completion Rate (Pace): A percentage calculated by dividing cumulative successfully completed credit equivalencies by total credit equivalencies attempted. For example, a student who has successfully completed 8.25 credit equivalencies at Walden out of a total of 16.5 attempted credit equivalencies has a course completion rate of 50%. This rate includes credits transferred in to Walden.

SAP Evaluation Period: 26-week interval beginning with the start date of the student's first subscription billing period. The first SAP Evaluation Period includes the first and second subscription billing periods, the second includes the third and fourth subscription billing periods and so on.

Status—Financial Aid Warning: This status is assigned to a student who fails to make satisfactory academic progress during his or her most recent SAP evaluation period. The student has one SAP evaluation period to be successful and maintain eligibility for academic continuance and financial aid.

Status—Financial Aid Probation: This status is assigned to a student who fails to make satisfactory academic progress during his or her SAP evaluation period, fails to successfully return to satisfactory progress during one period of SAP warning, completes a successful appeal for mitigating circumstances, and has eligibility for academic continuance and financial aid reinstated on a probationary basis. Academic probation is assigned for one SAP evaluation period. It may be extended if accompanied by an academic plan.

Academic Plan: This status is assigned in order to assist students in returning to compliance by a specified date. The option for extended probation with an academic plan is only available if it is not reasonable to expect the student to achieve successful academic progress during the typical one-evaluation period extension of probation. An academic plan may be a specification of the number of credit equivalencies for specific SAP evaluation periods, and/or requirements for the student to get academic support or to use other academic resources. A student must comply with all aspects of an academic plan in order to retain eligibility for academic continuance and financial aid.

Withdrawal from the Modality and Loss of Federal Financial Aid Eligibility: Students who do not come back into compliance with the minimum progress standards by the required time frames will be suspended from federal financial aid eligibility (as applicable) and withdrawn from the Tempo Learning modality. Students given the option to switch to the course-based modality will be subject to review by the financial aid appeals committee to determine if probation may be extended into the course-based modality. Students who enter the course-based modality without federal financial aid must make alternative payment arrangements with the bursar by the appropriate tuition due date. Students may still be eligible for private educational loans if federal aid eligibility is lost.

Modality Switch: Students who move from Course Based to Tempo Learning® Programs or Tempo Learning® to Course Based Programs will have their SAP Status as of the new modality (Course Based or Tempo Learning®) start date forwarded until the end of their first SAP evaluation period. This may only happen once without appeal.