

# FINANCIAL AID FOR STUDENTS

Hope College provides financial assistance to students on the basis of both financial need and academic achievement through a variety of programs.

The purpose of these programs is to promote excellence in scholarship and to enable students to choose Hope, even if they have limited financial resources.

The resources for this program of financial assistance come primarily from Hope College, the State of Michigan and the federal government. Information regarding these various resources and instructions as to how to apply for such assistance may be found in the following sections or on our [website](#).

## NEED-BASED FINANCIAL AID

To determine most equitably the distribution of institutional need-based financial aid funds, Hope College requires all students applying for assistance to submit the Free Application for Federal Student Aid (FAFSA) for an analysis of financial aid eligibility. The college's goal is to help in every way possible the qualified student who is in need of financial assistance.

## DETERMINATION OF FINANCIAL AID ELIGIBILITY

Most financial aid dollars are awarded on the basis of a need analysis formula that measures each family's ability to pay for college expenses. This analysis considers such factors as family income and assets, family size, the student's earnings and savings and the number of children in college. The fairness of the formula is continually reviewed and adjustments are frequently made to insure that the results represent an equitable measurement of each family's ability to pay for college. The financial aid eligibility equation is as follows:

Total Expense Budget - Family Contribution =

Maximum Financial Aid Eligibility

The Total Expense Budget is set annually by the college and reflects both billable costs (standard tuition, activity and services fee, on-campus housing and board charges) and non-billable costs (books, supplies, personal expenses and travel). The Family Contribution is calculated through a federal need analysis formula that measures a family's capacity to fund college expenses. A student's financial aid eligibility figure equals the difference between the "Total Expense Budget" and the "Family Contribution."

## APPLYING FOR FINANCIAL AID

To apply for financial aid from all sources, students are asked to complete the Free Application for Federal Student Aid (FAFSA). The FAFSA is used to assess eligibility for need-based institutional aid and can be completed and submitted [online](#). The Office of Financial Aid does not act on a student's aid request until she/he has been accepted for admission or placed on the wait list. Students should apply for financial aid prior to the filing deadline date listed below.

### **Filing Deadline**

The priority date for filing for financial aid is March 1.

### **Award Notification**

The award notification from Hope College may contain the offer of several types of aid. A student may accept or reject parts of their aid package without penalty. The aid is normally awarded for the period of one academic year and is divided equally between the two semesters.

## DESCRIPTION OF AID TYPES AND SOURCES

**NEED-BASED GIFT ASSISTANCE – SCHOLARSHIPS AND GRANTS** Gift assistance refers to scholarships and grants that are non-repayable forms of financial aid. Some of these awards have grade point renewal criteria while some do not. The following are the various forms of need-based gift assistance available at Hope College.

**HOPE GRANT** – This gift aid is based on demonstrated financial need. There is no required grade point average for the initial receipt of this grant. Eligibility is limited to full-time students and normally a maximum of eight semesters of aid may be received under this program. Award is renewed to students who continue to demonstrate a consistent level of financial need and who meet Satisfactory Academic Progress Policy requirements.

**ACADEMIC ACHIEVEMENT AWARD** – This gift aid is based on demonstrated financial need plus a minimum cumulative grade point average (GPA) of 3.0 at the time of admission to the college. This scholarship is available only to those students who are not already receiving other Hope-sponsored merit awards. Eligibility is limited to full-time students and normally a maximum of eight semesters of aid may be received under this program. Award is renewed to students who continue to demonstrate a consistent level financial need and who meet Satisfactory Academic Progress Policy requirements.

**FEDERAL PELL GRANT** – This federal gift aid is based on exceptional financial need and recipients are selected by the federal government.

**FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANT** – This federal gift aid is awarded to those students who have demonstrated exceptional financial need. The federal government requires that priority in the awarding of these funds is given to Federal Pell Grant recipients.

**FEDERAL TEACH GRANT** – The federal government provides this award to qualifying students accepted into Hope’s education program pursuing specific majors or minors. The grant requires four years of full-time teaching service in a federally designated high-need field at a low-income school. Failure to meet the teaching service requirement results in the grant converting to a Federal Direct Unsubsidized Loan with interest charged back to the date of disbursement.

Awards are prorated for less than full-time enrollment. To receive the funds, students must annually complete TEACH Grant counseling and an Agreement to Serve document.

**MICHIGAN COMPETITIVE SCHOLARSHIP** – This state gift aid (limited to Michigan residents) is based on a student's demonstrated financial need and applicable SAT test score. For renewal in future years, the student must continue to demonstrate financial need and demonstrate a cumulative grade point average of 2.0 and meet Satisfactory Academic Progress Policy requirements. The student must be enrolled at least half-time (at least six credits per semester) in a degree program to remain eligible for this award. Students enrolled part-time (six to eleven credits per semester) are eligible for a prorated award. A student is limited to ten semesters of eligibility under this program.

**MICHIGAN TUITION GRANT** – This state gift aid (limited to Michigan residents) is based on a student's demonstrated financial need and is available only to students attending Michigan private colleges. For renewal in future years, the student must continue to demonstrate financial need and meet Satisfactory Academic Progress Policy requirements. The student must be enrolled at least half-time (six credits or more a semester) to remain eligible for this award. Students enrolled less than full time (six to eleven credits a semester) are eligible for a prorated award. A student is limited to ten semesters of eligibility under this program.

**LOAN ASSISTANCE – BOTH NEED-BASED AND NON-NEED-BASED** – Loans are an invaluable resource for many students and their families in financing a college education. Loans allow students to postpone paying a portion of their educational costs until they complete their education or leave school. Some loans are awarded on the basis of financial need and repayment does not begin until after a student graduates, withdraws from college, or drops below half-time enrollment (fewer than six credits per semester). Other loans are available to both the student and their parents regardless of financial need and offer various repayment options.

Loan descriptions and terms are briefly described below and in the promissory notes the borrower is required to sign.

**FEDERAL DIRECT LOAN PROGRAM** – Under this program, the U.S. Department of Education makes loans directly to students through Hope College. The following loan programs are included under the FEDERAL DIRECT LOAN PROGRAM:

Federal Direct Loan (Subsidized and Unsubsidized): The Federal Direct Loan program includes both subsidized and unsubsidized student loans. These two loans may be used singly or in combination to allow a borrower the maximum amount available. The federal government "subsidizes" the need-based subsidized loan by not charging interest while the student is enrolled at least half-time. For an unsubsidized loan, the government does not provide this subsidy;

rather, the government charges interest on the principal amount of this loan from the date of disbursement until the loan is paid in full. The borrower has the option of either paying this accruing interest while in school or deferring the payment of interest (and adding to the loan principal) until they enter repayment on the loan (thereby increasing overall debt). Repayment of principal (and deferred interest) begins six months after a student leaves school or drops below half-time status. Another difference between these two loans is that the student's demonstrated financial need is considered when determining eligibility for a subsidized loan. To determine eligibility for an unsubsidized loan, a student's financial need is not considered. The interest rate on these two loans may or may not be the same, depending upon action by the US Department of Education. All other provisions of the Federal Direct Loan Program apply to both subsidized and unsubsidized loans (i.e., loan limits, deferment provisions, etc.).

If a student chooses to borrow under the Federal Direct Loan Program, they will first be considered for the subsidized loan. If a student does not qualify, or if they qualify for only a partial award, they may then borrow under the unsubsidized loan program up to the maximum amount available (with the exception noted below).

In combination, a student's subsidized FEDERAL DIRECT LOAN and FEDERAL DIRECT UNSUBSIDIZED LOAN may not exceed the following undergraduate annual limits:

### **Dependent Students**

Freshmen:	\$ 5,500/year (maximum \$3,500 subsidized)
Sophomores:	\$ 6,500/year (maximum \$4,500 subsidized)
Juniors/Seniors:	\$ 7,500/year (maximum \$5,500 subsidized)
Aggregate Limit:	\$31,000 (maximum \$23,000 subsidized)

### **Self-Supporting Students**

Freshman Level:	\$ 9,500/year (maximum \$3,500 subsidized)
Sophomore Level:	\$10,500/year (maximum \$4,500 subsidized)
Junior/Senior Levels:	\$12,500/year (maximum \$5,500 subsidized)
Aggregate Limit:	\$57,500 (maximum \$23,000 subsidized)

**NOTE:** A student's combined loan eligibility under these two programs, in combination with their financial aid, may not exceed the cost of their education for the loan period.

Go to the US Department of Education's web site at [studentaid.gov](http://studentaid.gov) for the interest rates for both subsidized and unsubsidized loans.

**Repayment Options:** Federal loan borrowers are offered a variety of repayment options including standard, extended, graduated and income-based repayment. Learn more about repayment options and how to manage your loans at [studentaid.gov](http://studentaid.gov).

Repayment of both subsidized and unsubsidized loans begins six months after a student leaves school or drops below half-time status. Relative to the Federal Direct Unsubsidized Loan, should a student choose not to make interest payments while enrolled, said interest accrues and is capitalized (added to the loan principal), increasing their overall debt.

More specific information regarding repayment and deferments is included in the Master Promissory Note and the loan disclosure statement provided to student borrowers.

**FEDERAL DIRECT PLUS (Parent) LOAN PROGRAM** (eligibility NOT based on financial need):

Under the Federal Direct PLUS Program, parents of dependent students may borrow up to the full cost of their child's education (minus any aid for which the student qualifies). Credit checks are required, and parents who have an adverse credit history (determined by criteria established by federal regulations) may not be able to borrow under the PLUS program. The annual PLUS loan interest rate is determined in June for the upcoming award year. Go to [studentaid.gov](http://studentaid.gov) for the latest information.

For more information regarding other loan options, visit our website.

#### STUDENT EMPLOYMENT – FEDERAL WORK STUDY:

Awarded employment is funded either through the college or the Federal Work Study (FWS) program. Throughout the academic year, those students with employment included as a part of their financial aid package are given highest priority in on-campus job placement. Students must be enrolled at least half-time (six or more credits a semester) to qualify. The average workload is 8-10 hours per week. **STUDENTS ARE PAID DIRECTLY FOR HOURS WORKED ON A BI-WEEKLY BASIS AND IT IS THE RESPONSIBILITY OF THE STUDENT TO MAKE PAYMENTS TOWARD ANY OUTSTANDING BALANCE ON THEIR ACCOUNT.**

**Important Note:** As a participant in the Federal Work Study program, Hope College annually offers a limited number of job opportunities in community service positions. A student must have been awarded Federal Work Study funds in order to participate (as indicated on their award letter). Contact the **STUDENT EMPLOYMENT OFFICE** for more information.

## PAYMENT OF FINANCIAL AID TO STUDENTS

### THE BILLING PROCESS

Electronic student billing statements (e-bills) are generated monthly by Business Services. These billings include the student's charges to date and all finalized financial aid credits. Bills issued during the months of July through November include all charges and applicable aid credits for first semester. Bills generated during the months of December through April reflect all charges and applicable aid credits for the full academic year.

An outside scholarship award is not applied to a student's account until Business Services has received the check from the awarding agency/individual. Upon receipt of said check, one half of a student's award is credited to each semester.

Some forms of aid may not be credited to the student's account until the Office of Financial Aid receives proper verification and/or other required materials. For example, a Federal Pell Grant is not officially credited to a student's account until the Office of Financial Aid has received a valid electronic FAFSA record (or ISIR) from the federal FAFSA processor.

Hope College offers an Installment Plan that allows a student to apply payments to the balance on their account over a five-month period for each semester. Further questions regarding the Hope College Installment Plan and billing process should be directed to Business Services at (616) 395-7810.

### FEDERAL VERIFICATION REQUIREMENTS

When financial aid applications are processed through the federal processing agency, applications are selected (based on federal criteria) to undergo the process of data verification. The Office of Financial Aid is then required to conduct a verification process with those students selected.

If selected, the Office of Financial Aid will notify the student and they will be required to submit a variety of supporting documentation to the Office of Financial Aid (e.g., the parents' and student's federal tax information, W-2 forms, documentation of untaxed income, household size, etc.). The submitted documentation is then compared with the data originally reported on the financial aid application. Any corrections made as a result of this verification process may result in a change to the student's financial aid eligibility.

### THE RENEWAL OF FINANCIAL AID

Consideration for financial aid each year depends upon four factors: applying for aid by stated deadlines, satisfactory academic progress, the demonstration of financial need and the availability of funds. To be considered, students must submit the required financial aid applications prior to March 1 of each year. Each summer, students who demonstrate financial need based on their financial aid application are awarded financial assistance for the next academic year. For renewal students, the dollar amounts of aid will normally remain constant if a student's need remains the

same. Aid increases or decreases are based on an evaluation of the financial aid application. For those awards with renewal criteria based on the demonstration of a specific cumulative grade point average (GPA), the GPA earned at the close of the spring semester is the GPA used in the renewal determination.

Many factors can serve to reduce a student's financial aid eligibility in any given year. Some of the most common influencing factors are as follows:

1. An increase in either the parents' or the student's income as compared to the prior year
2. A decrease in the number of family members in the household
3. A decrease in the number of family members attending college
4. An increase in the reported asset holdings

### INTER-INSTITUTIONAL CONSORTIUM AGREEMENTS

Hope students sometimes withdraw temporarily (e.g., for a semester or a year) to attend another institution with the intent of returning to Hope College for their degree. Similarly, students enrolled at another institution may opt to enroll temporarily as a guest student at Hope College. Hope College does not participate in financial aid inter-institutional Consortium Agreements unless the other institution is willing to assume full responsibility for the administration of the student's financial aid for the period of enrollment in question.

### HOPE COLLEGE SATISFACTORY ACADEMIC PROGRESS POLICY

#### Satisfactory Academic Progress (SAP)

Federal regulations require that students make Satisfactory Academic Progress (SAP) towards the completion of their degree and maintain good academic standing. Students who fall behind in their coursework, or fail to achieve minimum standards for grade point average and completion of classes, risk losing their eligibility for federal and state financial aid, external scholarships/grants/loans, Hope College grants and certain Hope College scholarships.

SAP is assessed both qualitatively (by cumulative grade point average) and quantitatively (by earned credit hours). Progress is measured annually at the end of each spring semester to determine a student's financial aid eligibility for future enrollment periods. Students not meeting these SAP standards are notified by the Office of Financial Aid (both by mail using their self-reported permanent address and through their Hope email account) that they have become ineligible for future financial aid eligibility.

The SAP Policy can be found in its entirety on the Office of Financial Aid's website at [hope.edu/financialaid](http://hope.edu/financialaid).

### DON'T HESITATE TO CONTACT US WITH YOUR QUESTIONS:

Jill Nutt, Director of Financial Aid

Stephanie Forest, Associate Director of Financial Aid

Dawn Rentfrow, Assistant Director of Financial Aid

Heather Fowler-Voshel, Assistant Director of Financial Aid

Jan Boockmeier, Manager of Systems and Processes

Connie Vandemark, Financial Aid Specialist

Rose Smiles, Office Manager

### MERIT-BASED SCHOLARSHIPS AND AWARDS

As part of its commitment to academic and artistic excellence, Hope College seeks to recognize students who present the strongest academic record and also those who demonstrate outstanding ability in the arts. Financial need is not a criterion when awarding merit scholarships and artistic awards.

For academic merit awards, the application for admission also serves as the application for the award. In the instances where additional materials are required, the requests will be sent to those students under consideration. The National Merit Scholarship competition, however, is controlled exclusively by the National Merit Scholarship Corporation and has its own application guidelines. Hope is a sponsoring college of National Merit Scholars. The office of admissions may be contacted for further information regarding the academic merit awards.

Awards for artistic merit are available in art, creative writing, dance, music and theatre. Primarily designated for students intending to major or minor in one or more areas of the arts, the application process for these awards is determined and coordinated by the respective departments. For more detailed information, contact the chairpersons of the appropriate departments (Art, English, Dance, Music, and Theatre) or visit [hope.edu/admissions/scholarship/daa.html](http://hope.edu/admissions/scholarship/daa.html)