Undergraduate Financial Aid Policies and Procedures

2014-2015

At Duke, we work to ensure that financial aid is distributed equitably based on calculated financial need. Below is a summary of the policies and guidelines we use when reviewing financial aid applications and information.
Contents

Guiding Principles .............................................................................................................. 2

How Your Contribution is Determined .............................................................................. 2

Income ................................................................................................................................. 2

Assets .................................................................................................................................. 4

Siblings in College .............................................................................................................. 4

Special Circumstances ....................................................................................................... 5

Divorce ................................................................................................................................. 8

Types of Aid ........................................................................................................................ 9

Duke Need-based Grants and Scholarships ................................................................. 9

Self Help .............................................................................................................................. 9

Outside Scholarships ....................................................................................................... 11

Tuition Benefits .................................................................................................................. 11

Federal and State Grants ................................................................................................. 12

Taxable Scholarships ....................................................................................................... 12

Cost and Budgeting .......................................................................................................... 13

Student Budget (Cost of Attendance) ............................................................................. 13

Other Costs ......................................................................................................................... 15

Applying for Aid ................................................................................................................ 16

Types of Applicants ........................................................................................................... 16

Paying Your Bill ................................................................................................................ 20

Meeting the Parent Contribution ................................................................................... 20

Registration and Enrollment ............................................................................................ 22

Requirements .................................................................................................................... 22

Satisfactory Academic Progress ....................................................................................... 24

Financial Aid Warning ..................................................................................................... 25

Appeal Process ................................................................................................................... 25

Financial Aid Probation .................................................................................................... 26

Return from Leave ............................................................................................................. 26

Incompletes, Withdrawals, Noncredit Remedial Courses and Transfer Credits .......... 26

Repeated Courses ............................................................................................................ 27

Academic Amnesty ............................................................................................................ 27
Guiding Principles

When awarding undergraduate financial aid, Duke adheres to the following principles:

- To the extent they are able, parents and students have the primary responsibility to contribute to educational expenses before Duke awards financial aid.
- Families should contribute to educational expenses according to their ability. Those with similar financial profiles should contribute similar amounts.
- Both income and assets, including business income and assets, are part of the assessment of the parents' and applicants' ability to pay.
- Institutional aid is awarded on the basis of financial need as determined by the information provided on an applicant's CSS Profile and supporting tax and wage information.

How Your Contribution is Determined

An Expected Family Contribution (or EFC) is calculated for all students who have completed both the FAFSA and Profile and submitted their most recent tax forms and W-2 forms to Duke. Duke uses this information to determine how much a family will be expected to pay toward the cost of education each year.

Income

A family's contribution from income is based on the year prior to the student's entry to college (for example, if a student plans to attend Duke in 2014-2015, we use financial
information from tax year 2013). Duke then takes a family's **total income** (taxed and untaxed) for the year and provides the following allowances:

- Actual federal and FICA taxes paid
- Standard state and local taxes (which may differ depending on state of residence)
- A standard cost-of-work expense for a family in which both parents work, or for a single-parent household
- Unusually high non-insured medical expenses (if reported on line 1 of Schedule A of the 1040)
- Private elementary and secondary school tuition up to a prescribed limit for siblings
- Basic living expenses such as housing, food, clothing, transportation, insurance, etc., adjusted for living expenses in different parts of the country
- An education savings allowance to recognize the need to save for younger children’s future college education

The calculation for the basic living allowance figure comes from the Consumer Expenditure Survey, which reflects actual family spending patterns for moderate living standards. These standards are based on the number of family members in the household and the number of family members in college. Duke uses these standards in an effort to provide the most equitable treatment possible for families of similar income levels. Because of this, the allowance will not necessarily reflect your family’s actual living expenses.

In addition to the parent contribution, students are expected to contribute to their educational costs as well. At Duke, students will have a minimum expected contribution as follows:
<table>
<thead>
<tr>
<th>Year in School</th>
<th>Minimum Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>First year</td>
<td>$2,600</td>
</tr>
<tr>
<td>Second year</td>
<td>$2,900</td>
</tr>
<tr>
<td>Third year</td>
<td>$3,000</td>
</tr>
<tr>
<td>Fourth year</td>
<td>$3,000</td>
</tr>
</tbody>
</table>

The only circumstances that will enable a waiver or reduction of the minimum student contribution are as follows:

- A student receiving need-based grant assistance from Duke enrolls in a Duke summer school course or study abroad program (Duke students may receive aid for a maximum of two summer sessions. Only these first two sessions of enrollment may qualify for a contribution reduction or waiver)
- A student participates in a summer-long Duke Engage program
- A student participates in a summer-long experience through Bass Connections
- A student majoring in Public Policy participates in the mandatory summer Public Policy internship

**Assets**

Duke also considers assets in determining the parent contribution. We first protect a portion of parental assets and then consider no more than 8% of the remaining amount. Home equity is included in Duke's analysis, although the amount of home equity considered is capped based on parent income level. Money in retirement funds such as 401k, 403b, and IRA accounts are always excluded from consideration.

**Siblings in College**

Duke adjusts the expected contribution for families receiving need-based aid with multiple students in college at the same time. The Parent Contribution is adjusted to 60% of the full calculated contribution for families who have two children in
college and to 45% of the full calculated contribution for those with three children in college. Please see the notes below for the guidelines regarding these adjustments.

Duke Exceptions to the Above:

- Siblings attending two-year community college programs are not considered
- Siblings over the age of 22 are not considered unless they are clearly supported 100% by the Duke applicant’s family and are completing a four-year undergraduate degree
- Siblings enrolled in U.S. military academies where all costs are born by the U.S. government are not considered for either the institutional or the federal needs analysis
- Siblings receiving full athletic or merit aid from their institution are not considered. Note: this does not include siblings receiving need-based aid regardless of the amount of the aid
- Siblings enrolled at the graduate level are not considered for institutional need determination
- A parent’s attendance at college is never considered in the determination of need, either institutional or federal

The Financial Aid Office requires verification of sibling enrollment each semester. Financial aid packages will change if there is a change in sibling enrollment or if you fail to return the verification form. Students will be notified if there is a change to their financial aid package.

**Special Circumstances**

If you have circumstances that may not be reflected on the information supplied to our office, we may be able to help. Please see the sections on what is automatically considered in your aid award, what we can consider, what cannot be considered, and the special considerations given as a result of a job loss or reduction in income.

The following circumstances are automatically considered when evaluating your financial aid:

- Federal, state, and other taxes
- Medical expenses that are either
- 4% of your total income or less, or
  - reported on your IRS Form 1040 Schedule A, line 1
- Routine household expenses
- Routine vehicle and travel expenses
- Tuition expenses for children in private primary/secondary schools
- Multiple children in college
- Previously reported special circumstances

When determining financial aid eligibility, the following qualify as special circumstances and should be included in a letter at the time of application or at the time the event occurs:

- Support of multiple households (married family members living apart, elder care, or care of family overseas)
- One-time income
- Withdrawal of retirement funds for emergency purposes
- Moving allowances or similar expenses incurred and reimbursed by an employer
- Funeral expenses or unreimbursed medical and dental expenses that are both
  - 5% of total income or more, and
  - Not reported on your IRS Form 1040 Schedule A
- Educational debt
  - Note: we will only consider parental educational debt that is currently in repayment, documented, and for students (parents and/or siblings) who are no longer enrolled
- Job loss or significant reduction in income
  - If this is the case, please see the section on "Special Considerations for Income Reductions or Job Loss"

If you have experienced one of the situations above (other than job loss or income reduction), please click here to download the Special Circumstances Form. For the 2014-15 academic year, please submit this form and any accompanying documentation prior to February 25th, 2015 to receive consideration.

When determining financial aid eligibility, the following are not and will not be considered in our analysis, and therefore would not qualify as special circumstances:
Expenses related to:

- Pets
- Housekeepers
- Vacations
- Weddings
- Extracurricular Activities
- Consumer Debt
- Fraternity/sorority dues
- Graduate school expenses for siblings and/or other family members
- Financial aid offers from other institutions
- Unwillingness to contribute to educational expenses
- Inability to pay the calculated family contribution from current income*

*Please note: It is our expectation that families will use all resources available to them to finance the expected family contribution (EFC) including current salary, savings, investments, payment plans and parent loans if necessary.

**Special Considerations for Income Reductions or Job Loss**

If you've experienced a significant reduction in pay due to one of the qualifying events listed below, we will reevaluate your financial aid in January, once all earnings information from the prior year can be assessed. **This means that you cannot request a special circumstance review for income reductions or a job loss prior to January 1, 2015, and your completed tax returns, W2’s, and the Verification of Income form should be submitted prior to February 25th, 2015. Your fall financial aid award will not change until the after the evaluation of your 2014 tax information, at which point it will be retroactively adjusted based on your finalized financial information for the year.** We understand this may result in a financial burden for the fall semester, and we will work with you to determine the best financing options available until your financial aid award can be reevaluated.

The following events will qualify you for reevaluation of your financial aid when finalized documentation is available regarding your earnings from the prior year:

- Job loss/termination
• Wage/salary reduction
• Mandatory furlough

**Please Note:** If you are a business owner, reductions in income as a result of business operations cannot be considered under the special circumstance process unless your tax returns for your family and all businesses can be completed and submitted by February 25th, 2015.

For non-business owners, families should be aware that data must be collected from the entire household who wishes to appeal on the basis of income loss (i.e. wage statements must be received for all wage earners) to determine the net change in household income for the current aid year. Applications submitted citing only one family members change in earnings will not be considered.

When considering financing options, we recommend looking into monthly payment options, additional federal student loans, federal parent loans, or other private/alternative loan options. Find out more about your financing options, and contact us if you need assistance.

To receive a re-evaluation of your aid based on an income reduction or job loss, please click here to complete a verification of income form. Additionally, please send in all accompanying documentation--including your completed 2014 taxes to the Undergraduate Financial Aid Office.

**Divorce**

In cases of separation or divorce, we expect both parents to participate in paying for a student’s education. We will compute separate contributions for custodial and noncustodial parents, using the same institutional methodology in each case. A contribution for each parent will be combined to establish the parent contribution.

Back to top
Types of Aid

Once need has been determined, Duke's Undergraduate Financial Aid Office creates an aid package to meet that financial need. Aid packages generally include two forms of assistance: grant/scholarship funds and self-help. Duke grant funds comprise the main portion of most need-based grant awards; federal, state and local grant funds are also included as appropriate. Self-help funds are offered in the form of low-interest, deferred-payment, subsidized loans, and work-study eligibility.

Duke Need-based Grants and Scholarships

The majority of assistance offered by Duke is in the form of need-based grants and scholarships. These funds do not have to be repaid and are calculated based on information from the CSS Profile and accompanying documentation. Students receiving need-based grants or scholarships from Duke are largely supported through endowments established by donors, and students receiving these awards may be asked to write thank-you letters to individual donors after receiving these awards.

Self Help

The amount of loan in each student’s package varies depending on the family’s income. In 2013-2014, Duke packaged the following loan amounts for families earning:

<table>
<thead>
<tr>
<th>Total Income</th>
<th>Loan Award</th>
</tr>
</thead>
<tbody>
<tr>
<td>under $40,000</td>
<td>$0</td>
</tr>
<tr>
<td>$40,001 &amp; $55,000</td>
<td>$2,000</td>
</tr>
<tr>
<td>$55,001 &amp; $70,000</td>
<td>$3,000</td>
</tr>
<tr>
<td>$70,001 &amp; $85,000</td>
<td>$4,000</td>
</tr>
<tr>
<td>Over $85,001</td>
<td>$5,000</td>
</tr>
</tbody>
</table>
Returning Students (admitted before the Class of 2017)

<table>
<thead>
<tr>
<th>Total Income</th>
<th>Loan Award</th>
</tr>
</thead>
<tbody>
<tr>
<td>under $40,000</td>
<td>$0</td>
</tr>
<tr>
<td>$40,001 &amp; $55,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>$55,001 &amp; $70,000</td>
<td>$2,000</td>
</tr>
<tr>
<td>$70,001 &amp; $85,000</td>
<td>$3,000</td>
</tr>
<tr>
<td>$85,001-$100,000</td>
<td>$4,000</td>
</tr>
<tr>
<td>over $100,000</td>
<td>$5,000</td>
</tr>
</tbody>
</table>

**2013-2014 Academic Year Work-Study Awards**

The self-help portion included in each financial aid package always includes a job award through the Federal or Duke University Work Study program. Duke will include the following work-study awards in each 2013-2014 package:

<table>
<thead>
<tr>
<th>Year in School</th>
<th>Work Study Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>First year</td>
<td>$2,200</td>
</tr>
<tr>
<td>Second year</td>
<td>$2,200</td>
</tr>
<tr>
<td>Third year</td>
<td>$2,200</td>
</tr>
<tr>
<td>Fourth year</td>
<td>$2,200</td>
</tr>
</tbody>
</table>
Outside Scholarships

Outside scholarships provide an important benefit to students who are receiving need-based financial aid from Duke. Students attending Duke University who have been awarded aid through federal or university funding (including need-based, merit, and/or athletic sources) are required to report all outside scholarships received to the Financial Aid Office. Students who receive outside scholarships and who receive need-based self-help (work study and loan) funds in their aid award will have these funds reduced first. University grant funds will only be reduced once the self-help amount has been reduced or if no self-help was awarded. The Parent and Student Contributions do not change with the addition of outside scholarships.

Submitting Outside Scholarship Checks

If the check is made payable to the student and Duke (and the organization chooses not to send the check directly to the student), it should be given to the cashier’s office.

Students may mail checks to:

    Duke University Cashiering
    PO Box 90759
    Durham, NC 27708

The funds will be applied directly to the University bill. Outside scholarships are evenly distributed between fall and spring semesters unless the donor agency specifies otherwise.

Tuition Benefits

Some employers, including Duke University, offer tuition benefit programs for employees and/or their dependents. Students attending Duke University who have been awarded aid through federal or university funding (including need-based, merit, and/or athletic sources) are required to report all tuition benefits received to the
Financial Aid Office. Unlike outside scholarships, tuition benefits reduce Duke need-based grants first. The parent and student contributions do not change with the addition of tuition benefits, though it is possible for the tuition benefit to exceed a student’s demonstrated need. Students who receive need-based, merit, or athletic aid in combination with a tuition benefit may not receive assistance that exceeds the cost of attendance. Duke employees with questions about their tuition benefit eligibility or reporting should contact their Human Resources representative.

**Federal and State Grants**

In addition to outside scholarships, students may be eligible to receive need-based funding from government agencies. The federal government provides Federal Pell Grants as well as Supplemental Educational Opportunity Grants (SEOG). Some states, including Pennsylvania, Rhode Island, Vermont, also often provide funding to college-bound state residents based on financial need. You are expected to apply for all funds for which you may be eligible. If you are eligible for government grants but fail to apply for or accept such funds, Duke is not obligated to cover the resulting shortfall with institutional funds. By filing the Free Application for Federal Student Aid (FAFSA), students are automatically considered for the federal grants.

Federal and state grants are considered to be direct resources meeting a student’s financial need. These grants do not reduce the family contribution.

**Taxable Scholarships**

Scholarships and grants (gift aid) are subject to federal and state laws. Funds used for required expenses such as tuition and fees, books and supplies (including equipment), are tax exempt, while funds used for expenses such as room and board are considered taxable income. Students are responsible for proper tax reporting and any payment that may be due. Students will receive a 1098-T tax statement from the Bursar. The 1098-T contains information necessary to determine eligibility for the Hope Scholarship and Lifetime Learning federal tax credits. Please refer to www.irs.gov for further information about federal tax responsibilities and credits.
Cost and Budgeting

Student Budget (Cost of Attendance)

The standard student budget applies to the typical Duke undergraduate student: unmarried, financially dependent on parents, living in a residence hall or off campus, and attending full-time for fall and spring. It includes tuition, fees, room, board, an average amount for books, supplies, and personal expenses, and a transportation allowance based on the estimated cost of two home trips per academic year for U.S. residents or one home trip for residents overseas. Your actual costs may differ from the standard student budget.

The Aid Office will consider requests for budget adjustments for actual and documented expenses above the standard allowance for books and supplies, transportation costs, required health insurance, and medical or dental expenses incurred during the academic year and not covered by insurance. Expenses outside these categories are considered discretionary, and allowances for them will not be made. For example, the Aid Office will not make allowances for costs associated with owning or maintaining an automobile. Students should submit requests for a revised budget evaluation in writing, accompanied by documentation such as bills and insurance statements. In most cases, the Aid Office will offer additional job or loan eligibility to help students cover documented expenses that fall outside the standard budget.

---

2014-2015 Estimated Cost:

<table>
<thead>
<tr>
<th>Tuition and Fees</th>
<th>$47,488</th>
</tr>
</thead>
<tbody>
<tr>
<td>Room</td>
<td>$6,526</td>
</tr>
</tbody>
</table>
Board

$6,050

Total Billed Expenses

$60,064

Other costs to consider:

**Personal expenses and book costs**

$3,466*

**Transportation to and from Duke**

varies

*Personal expenses represent spending money and other costs that students may want to consider when arriving on campus. Of the $3,466 above, $2,206 represents this spending money estimate. **When determining the level of aid, we use the total costs we think a student may incur-- billed and unbilled.** This means that your aid is based on the billed costs and the spending, book, and transportation estimates. We calculate transportation costs for every student based on ZIP code, which is why a specific number has not been added to the table above.

Read below for more information on each item we consider.

**Room Charge**

For students on financial aid, room charges will be adjusted to reflect the actual cost of housing, and grant aid will be adjusted accordingly. Adjustments are made once a semester, usually in October and February.

**Board**

Board (i.e., meal cost) amounts are based on the average meal plan price set by Dining Services. If the chosen meal plan costs less than the amount budgeted, the remaining funds should be used to buy food outside of the dining halls.
**Transportation**

Transportation costs are determined according to the parents' state of residence and are added to each student's budget. These allowances represent either two economy-class round-trip airline tickets or a fuel allowance for those whose parents reside in states bordering North Carolina. Transportation amounts for students living abroad are based on one economy-class round-trip ticket per year.

**Other Costs**

**Health Insurance Fee**

All registered students may seek medical care at the Student Health Center, regardless of what kind of health insurance students may have. Most of the services at the Student Health Center are free of charge. For all medical care outside of the Center, students must have health insurance. For this reason, the University requires that all registered students have health insurance.

To help students meet this requirement, the University offers a comprehensive health insurance plan covering a wide range of services. Duke automatically enrolls students in this program at the start of the fall semester, unless students waive coverage by the deadline and provide proof of other health insurance coverage.

The Financial Aid Office does not automatically include the cost of health insurance for undergraduate students in the cost of attendance, except for international students and for those determined to be financially independent. The Aid Office assumes the parents’ health insurance plans cover the student, and those costs have been considered when establishing the expected parent contribution. However, if this assumption is not correct, allowances can be made. For students whose parents are not expected to contribute toward educational costs, the cost will be covered with additional scholarship funds. For others, student loans may be offered to cover the expense.

**Computer Purchases**
Duke does not require all students to purchase a computer, thus it is not included in the cost of attendance. If a student wants to purchase a computer and wishes to borrow funds to cover the expense, he or she should contact the Financial Aid Office for a budget adjustment. Students can also purchase computers through the Duke University Computer Store and make monthly installment payments over the four-year period of enrollment, though interest charges apply.

**Living Off Campus**

The housing budget for a student living off campus will be equivalent to a two-bedroom apartment on Central Campus. Once all aid has been disbursed to the student account and all charges paid, the student will receive a refund check for any remaining amount. These funds can be used to pay off-campus expenses.

**Applying for Aid**

Duke requires that all undergraduate aid applicants submit the CSS Profile, tax, wage, and business information in order to be considered. U.S. citizens and permanent residents are also required to submit the Free Application for Federal Student Aid (FAFSA). The deadlines for submitting information are listed here: Application Deadlines

**Types of Applicants**

Duke University views its financial aid program as an investment in students and their futures. We seek a diverse student body and are committed to ensuring aided students can take full advantage of the Duke experience. To that end, Duke admits U.S. citizens, permanent residents, and a limited number of international students without regard to financial circumstance or aid eligibility and meets 100 percent of each admitted student's demonstrated need for eight academic semesters and two summer terms of potential undergraduate enrollment.
**Transfer Students**

The number of terms of aid eligibility for students transferring to Duke is based on up to eight academic terms and two summer terms of aid eligibility less the amount of academic credit granted by the University. This policy will allow all transfer students the necessary number of terms of aid eligibility for their degree completion.

Students may substitute additional summer terms in lieu of one or more of the eight academic terms. Students opting to follow this path must be informed in writing of the number of academic terms that will still be available to them. Students must work with their academic dean to develop a plan to graduate at the end of their proposed term of attendance.

A student may not elect to turn his or her two summer terms of aid eligibility into a ninth academic semester unless he or she is out of normal sequence due to academic or health difficulties. In other words, the extension of academic terms cannot result from a student’s primary desire to extend his or her undergraduate career.

**Married Students**

Marital status does not usually affect dependency status for the purpose of awarding Duke financial aid. We generally expect a parent contribution toward educational expenses as well as a contribution from a spouse, if the spouse is not enrolled in college. A single student’s standard budget is used to compute financial aid eligibility as a married applicant. The budget will differ, however, for students living with dependent children.

**International Students**

Financial resources for international students are limited. Each year Duke University expects to enroll 20 to 25 international students whose full demonstrated need has been met with a university-provided need-based aid package. All international applicants admitted with "no financial aid interest" and all international transfer students will be ineligible to apply for financial aid for any year of undergraduate study.

International applicants requesting need-based financial aid will be required to complete and submit the College Board's Profile along with a copy of their family’s most recent national tax forms. Applicants should also submit an English language
statement from their parents’ employers stating the amount of their annual income. Required forms should be submitted with the Admissions application. We encourage international students applying for need-based aid to detail any financial difficulties that affect their family's ability to support their educational expenses.

All foreign nationals, including winners of Duke merit scholarships, must document the available funding for their education by completing and submitting the Certificate of Financial Responsibility (CFR), which is sent by the Admissions Office upon admission.

Scholarship support in excess of tuition, books, and fees is federally taxable. We encourage all international students to file a U.S. income tax return as soon as they receive their U.S. tax statement 1042S for taxable scholarships and W-2 forms for wages earned. An Individual Taxpayer Identification number (ITIN) is required for all international students to receive scholarship funds.

Students receiving any kind of University financial aid/scholarship (need, merit, or athletic) are also required to complete a Foreign National Form and a payroll certification. The Foreign National Form can be completed at the Undergraduate Financial Aid Office while the Payroll Certification must be completed at the International Student Office. Sessions are offered at the beginning of each term to facilitate completion of these forms in one location.

Please note that all international students admitted without financial aid are expected to fully fund their studies while at Duke University. Financial aid will not be available in later years. Duke cannot assume financial responsibility for international factors such as currency fluctuations in determining financial aid. Additionally, Duke cannot make up foregone resources such as lost support from friends or relatives or any decision to decline outside aid.

**Independent Students**

In determining financial need and scholarship eligibility, we consider parents’ income and assets unless students are orphans, wards of the court, or have an extreme adverse home situation. We expect the student and his or her parents (and any spouse, in the
case of married students) to assume primary responsibility for a student’s educational expenses.

Students will be considered independent for federal grant (Pell Grant) and loan (Stafford) purposes if they meet the following conditions:
• Born before January 1, 1990
• Active Duty member or Veteran of the U.S. Armed Forces
• Ward of the court or both parents are deceased
• Married
• Graduate or professional student
• Have legal dependents, according to federal definition.

Students with Divorced or Separated Parents
Duke's policy for determining the financial need of students from divorced or separated families is based on the general principle that parents are responsible for the post-secondary education of their children to the extent they are financially able. Analysis begins with the custodial family unit and then additional information is sought concerning the non-custodial family unit. In the case of remarriage of either or both natural parents, the standard approach would be to request information from all parents and spouses. Generally, a contribution from the income and assets of no more than two parents will be expected. As with students whose parents are married to each other, ability to pay, not willingness, will be used to determine the contribution. The non-custodial parent must complete the CSS Noncustodial Profile.

If a parent or student requests the Noncustodial Profile be waived and/or the counselor discerns a waiver of the requirement may be appropriate, a waiver form must be completed. If the committee approves the waiver, the family is notified in writing.

The student's custodial parent must file the Free Application for Federal Student Aid (FAFSA) and the CSS Profile Form and must submit the most recent year’s tax returns and W2s to College Board’s IDOC document imaging service. The custodial parent is the parent with whom the student lived with most in the last 12 months. The noncustodial parent must complete the College Board’s Noncustodial Parent's Profile (online) and submit a copy of his or her most recent federal income tax return with W-2 forms directly to the Undergraduate Financial Aid Office. If the noncustodial parent
owns a business and files a tax return for that business, a copy of the partnership/corporate return should also be included.

Paying Your Bill

Meeting the Parent Contribution

The Financial Aid Office understands paying for college is not easy and requires some level of sacrifice for every family. With this in mind, the Aid Office has created an array of options we believe will be helpful to families from a wide variety of financial circumstances.

Duke encourages each family to create an individualized strategy that fits their circumstances and takes advantage of a number of the options now available. When developing a strategy, the Aid Office encourages families to consider paying for college over a longer period than the four years a student will be enrolled. Just as with other family expenses, paying over time creates flexibility and enhances the family's buying power.

Some options to consider include:

Short-Term Payment Plan
Duke University offers a payment plan through Tuition Management Systems (TMS). This option allows students and parents to make monthly payments over the course of the year rather than making a large, single payment or taking out more loans than a family may need. For more details, please visit Tuition Management’s website.

Parent PLUS
Parent loan and financing options may help parents meet the expected contribution. These options are also available to families who do not qualify for financial aid but wish to spread out the payment of educational costs over time. Federal Direct PLUS
loans are available for parents to borrow up to the full cost of attendance, less the amount of financial aid received, from the Department of Education. The Student Loan Office must certify enrollment and eligibility for the PLUS loan.

The PLUS loan interest rate is fixed at 7.21% for any loan taken out on or after 7/1/14, and repayment begins within sixty days of the disbursement of funds and may extend up to 10 years. By federal regulation, disbursements are made on a semester basis. PLUS Loan applications are processed in the summer prior to the fall term, which allows sufficient time for funds to be available by the fall semester due date.

**Financial Aid Funds Disbursement**

All financial aid funds will disburse in even halves each semester, including student loans. For example, an annual Stafford loan of $3,500 has two $1,750 disbursements at the beginning of each semester.

Several types of financial aid are reflected on the university bill. They include:

- Funds from university, federal, and state scholarships and grants
- Outside scholarship/grants received by the Bursar’s Office
- Loan proceeds (considered anticipated aid until the funds are received from the lender and enrollment is certified)

If credits from university, federal, and state scholarships, grants, and loans exceed the charges on your bill, a refund check for the excess amount will be issued.

Earnings from on-campus employment are paid twice each month and are based on actual hours worked. These funds are paid directly to the student and not credited to the student account.

Scholarship and loan funds are disbursed to the student account only when all of the following requirements are met:

- Enrollment in classes is confirmed
- Application procedures are complete
- In the case of outside awards and loans, when the funds have been received at Duke.

Please note: Aid awards will appear as “anticipated aid” on your student account until they can be disbursed.
Registration and Enrollment

Requirements

Recipient of financial aid at Duke are required to enroll in classes each semester, meeting the deadlines and procedures established by the University Registrar’s Office. Duke expects students to enroll for and complete a minimum of three course units per term to maintain financial aid eligibility for University scholarship funds. Eligibility for some types of federal aid, including Perkins loans, work study, SEOG, and Federal Direct Stafford loans (both subsidized and unsubsidized), requires enrollment for a minimum of two course units. The Federal Pell Grant program requires four course units per term for a full grant. Aid will not be disbursed until a student has been enrolled for sufficient units, and university funding will not be increased to adjust for any shortfall in the aid award due to failure to enroll in a sufficient number of units. Students will be required to pay full tuition unless granted an exception by the Registrar’s Office for medical reasons, terminal semester, or other circumstances. Any sanctioned exceptions to full-time enrollment will be reflected in the financial aid award notice. Students auditing classes are not eligible to receive financial aid funds.

Changes in Status

If a student files for a leave of absence before the first day of classes, charges and financial aid will be canceled for the semester. Financial aid resources must be returned to their sources; e.g., Stafford loans will be returned to the lender, scholarships to the university, etc. If a student takes a leave of absence after the first day of classes, a calculation must be completed to determine whether the student is entitled to a refund. Check the Duke Student Bulletin for current refund policies, which are consistent with those recommended by the federal government.

If a student leaves Duke, she or he must contact the Registrar’s Office to initiate a leave of absence. Procedures can be found in the Duke Student Bulletin. If the
University determines a student is entitled to a refund, the Aid Office will first recalculate the student’s costs and then disburse the refund in the following order: Unsubsidized Stafford Loan, Subsidized Stafford Loan, Perkins Loan, Parent Loans to Undergraduate Students (PLUS), Pell Grant, Supplemental Educational Opportunity Grant, and other resources of federal, state, private or institutional sources of aid, and finally to the student.

**Title IV Refund**

When students are unable to complete the semester and therefore must withdraw in the middle of a term, financial aid administrators are required to calculate the amount of aid for which a student qualifies. The financial aid funds are handled differently depending on whether they are federal (Title IV) funds or institutional (Duke) funds. In general, a dean will notify the Financial Aid Office that a student has withdrawn or is taking a leave of absence. If the student is receiving financial aid, the following steps are taken:

If the student withdraws after classes have begun, the administrator will determine how much of the semester has been completed. This will be used to figure the amount of aid the student has earned, and therefore how much aid may be kept. For institutional aid, the amount of aid earned is based on the week in which the student withdraws as follows:

<table>
<thead>
<tr>
<th>Before Classes</th>
<th>0%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st- 2nd Week</td>
<td>20%</td>
</tr>
<tr>
<td>3rd- 5th Week</td>
<td>40%</td>
</tr>
<tr>
<td>6th Week</td>
<td>80%</td>
</tr>
<tr>
<td>After 6th Week</td>
<td>100%</td>
</tr>
</tbody>
</table>
A Title IV refund calculation using the federally defined formula will also be completed for any federal funds received.

**Satisfactory Academic Progress**

Federal regulations require that, in order to be eligible for assistance from any Federal Title IV student aid program (Federal Pell Grant, Federal SEOG, Federal Work-Study, Federal Perkins Loan, Federal Direct/PLUS Loan, and State Student Incentive Grant Programs) a student must be making satisfactory academic progress.

The standards which follow govern eligibility for Federal Title IV programs only. Duke’s policy is to aid all enrolled students to the extent of their need; consequently, a student who may be ineligible for federal programs as a result of the application of these standards may continue to receive aid from other funds administered by the University. However, Duke will not replace with its own grant funds Federal aid for which a student may be ineligible. Please note also that these standards do not replace or supersede individual schools’ regulations and procedures affecting academic standing, which are stated in the Undergraduate Academic Bulletin.

For the purpose of Title IV financial aid eligibility only, the standards of satisfactory academic progress for students enrolled in full-time undergraduate programs are as follows:

- The student must have a cumulative GPA of 1.5 at the end of the second academic year, and at the end of each term thereafter; and
- The student must be completing credit units at a rate which would enable him/her to complete the requirements for the degree in a maximum time frame of 150 percent of the published length of the academic program. The maximum time frame will depend on whether the student is full-time or part-time.
• Student must pass at least two courses in the first semester of enrollment and three courses each term thereafter.

Academic progress will be checked at the end of each term for which the student is enrolled (summer (both sessions) will count as a term). A student who fails to meet any of the standards will be placed on Title IV warning for one semester. During that semester, the student will continue to be eligible for Title IV aid. At the end of a term during which a student is on Title IV warning, if the student still fails to meet any of the requirements, the student will become ineligible for Title IV assistance.

Financial Aid Warning

A student may be placed on financial aid warning as a consequence of not making Satisfactory Academic Progress as outlined above. The financial aid office can place a student on Warning status without an appeal or any other action by the student. The warning status lasts for one semester, during which the student continues to be eligible to receive federal financial aid funds. Students who fail to make SAP after the financial aid warning period lose their eligibility unless they successfully appeal and are placed on financial aid probation, outlined below.

Appeal Process

A student who becomes ineligible for Title IV assistance at the end of a term during which he/she was on Title IV warning may appeal the determination if the student believes there were extraordinary circumstances that prohibited them from achieving SAP. A letter of appeal should be submitted by the student to Title IV appeals committee outlining the basis on which they are appealing the termination of federal student aid. Supporting documentation, including a letter of support from the student’s academic dean, is helpful but not required. Students may also submit other documentation that supports their appeal from medical professionals, counselors, or other third party professionals (non-family members) who understand the details of the situation. Students should also include an explanation of what has changed in their situation that will allow them to demonstrate satisfactory academic progress at the next evaluation.

The appeal will be reviewed by a committee convened by the Director of Financial Aid and including the student’s academic dean and a representative from the
University Registrar’s Office. The committee shall review the student’s progress in light of any extenuating circumstances, and make a recommendation to the Dean for Undergraduate Education who will render a written decision to the student. The written decision will be placed in the student’s financial aid record.

Financial Aid Probation

If the appeal decision is to reinstate the student’s eligibility for Title IV funds, the student may be placed on probation for one additional term on the condition that the student is required to achieve minimum SAP standards at the end of the probationary semester. If it is statistically impossible to achieve the minimum SAP standards by the end of the probationary period, the student must submit another successful appeal before the institution can place the student on an academic plan. With a second successful appeal the Director of Financial Aid would develop an academic plan in conjunction with the student’s academic dean that, if followed, would ensure that the student is able to meet the university’s academic progress standards by a specific point in time and allow them to continue to receive Federal financial aid funds.

The student may continue to receive Title IV aid during the probationary term. If the student has not met the academic progress standards or the requirements specified in the academic action plan by the end of the probationary term, he/she will be ineligible for further Title IV aid until such time as he/she meets the standards.

At the end of each term, the Office of Undergraduate Financial Aid will notify students who have failed to meet the academic progress requirements as quickly as possible.

Return from Leave

A student who is readmitted after having dropped from the rolls will be required to have an academic action plan, and will be considered to be on Title IV probation immediately upon reenrollment. Consequently, that student would be ineligible for Title IV aid if he/she does not meet the academic progress standards or academic plan requirements at the end of the next term.

Incompletes, Withdrawals, Noncredit Remedial Courses and Transfer Credits
Courses with grades of (I)ncomplete or (W)ithdrawn will be counted as courses attempted but not completed. Noncredit remedial courses will be counted as neither courses attempted nor completed. Credits transferred from another institution shall be counted as both attempted and completed.

Repeated Courses

Courses with grades of a D-, D, or D+ can be repeated with permission from the Academic Dean. The grade earned in the repeated course as well as the grade earned originally appear on the transcript; both grades count in the grade point average, but the credit for only one counts toward the required number of courses for continuation and the 34 courses required for graduation.

Academic Amnesty

Academic Amnesty is the concept whereby students apply to have credits attempted or grades earned excluded from the GPA calculation. At Duke, all grades that appear on the record, with the exception of (S)atisfactory and (U)nsatisfactory, are included in the calculation of the cumulative grade point average. There is no exception, and there is no appeal process.

Loss of Financial Aid Eligibility

A student becomes ineligible for all federal student aid funds if Duke’s SAP review indicates he or she does not meet the required GPA, is not maintaining the required pace, has exceeded the permitted maximum time frame, and has exhausted our stated appeal process and allowable probationary period.

Communication of Status

Students will be notified of their financial aid status relating to Satisfactory Academic progress at the end of each semester if that status is unsatisfactory. Students will be notified each term if they are placed in probationary status or if their lack of SAP has resulted in the loss of financial aid eligibility. The process for appeal will be included in any communication. Students will be notified by email to their Duke University email account at the close of each semester.
Additional Semesters of Aid

Every Duke student may receive financial aid for up to nine academic terms (or eight academic terms and two summer terms). The summer terms must be used for official Duke-sponsored Summer Study Abroad Programs or for attendance at Duke summer school programs (including enrollment at the Marine Lab). Note that transfer students may receive fewer funded semesters at Duke, depending upon the number of credits transferred.

Part-Time Attendance

Students who are taking three credits or more during the fall or spring term are considered full-time and are charged full tuition. The three credits may be accumulated through any combination of full- and partial-credit courses. All full-time students have aid eligibility determined using the standard budget.

Students taking fewer than three credits during an academic term have their tuition prorated based on a per-course tuition charge and their book allowance prorated based on the actual number of courses being taken. Such students are subject to the following:

- The tuition component of their budget for the term is reduced to the amount charged on their Bursar’s bill.
- The book component of their budget for the term is reduced to 34% of the term book allowance for each course being taken.
- Need-based aid is reduced to reflect the reduced eligibility that results from the lower charges.
- Eligibility for certain programs is affected. Part-time students are not eligible to receive the North Carolina Tuition Grant for that term. Pell Grant award amounts for that term are reduced. To determine the correct Pell amount, the payment schedule for periods less than full-time must be consulted.

Students taking only one credit are considered less than half-time and are not eligible for need-based aid, either federal or institutional. The sole exception to this is that Pell Grant may be available for a one-quarter-time person.
Confidentiality

The Financial Aid Office does not provide copies of application documents to anyone other than the signatory of the requested document. If students want copies of their parents’ application documents, they must ask their parents to send written release to the Financial Aid Office, specifying which of their documents can be released. Similarly, if parents request copies of student documents, students must first sign a written release. Parents’ financial information cannot be discussed with students unless they have provided us with written authorization to do so.

Duke University does not share information on its enrolled students and does not participate in programs that use University information for statistical research.

Please realize that if a student accepts a scholarship from Duke University we may share the student’s name, major and hometown with the donor of the scholarship. We will not share financial information or other personal information with the donor. In some instances, we will ask scholarship recipients to write thank-you notes to the person who made the scholarship possible.

Educational Lending Statement

Duke University has established a set of publicly available principles and policies to govern educational lending practices for undergraduate, graduate and professional students. These principles emphasize that our lending practices come from a commitment to the best interests of our students. Neither Duke nor its employees accept financial payments, goods or services of material value from lenders. All employees involved in financial aid and student lending are subject to a rigorous conflict-of-interest policy. Administrators may serve as unpaid members of lender advisory boards in order to help shape the products and services that will best meet
the needs of our students. In such cases, Duke pays all costs associated with that service.