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G89-105-B	DIFI	05/01/2015	08/20/2018	Every 3 years	1 of 7
Name: <b>POLICY OF SATISFACTORY ACADEMIC PERFORMANCE OF STUDENTS WITH A LOAN UNDER THE "WILLIAM D. FORD DIRECT LOAN PROGRAM"</b>					

**1. Objective**

To establish guidelines to determine if students benefiting from the *William D. Ford Direct Loan Program (Direct Loans)* meet the *Satisfactory Academic Progress (SAP)* standards established by Universidad de Monterrey in order to continue to dispose of this aid.

**2. Scope**

U.S. undergraduate students who receive aid granted with resourced from the U.S. Government, through the *William D. Ford Loan Program (Direct Loans)*.

**3. Responsibilities**

- 3.1 Coordinator of Educational Credits (Financial Aids Department):
  - 3.1.1. To verify that the academic performance of Direct Loan students is satisfactory and that they meet all the requirements described in this policy in order to subsequently validate the student's eligibility.
- 3.2 School Services Department (DISE for its acronym in Spanish):
  - 3.2.1 To update academic progress each school year by entering all students' grades into a transcript.

**4. Terms**

- 4.1. CIAA: Student Information and Service Center of the School Services Department
- 4.2. Financial Aids Committee: Its members, attributions and operating procedures are described in the financial aids Regulations (G89-102).
- 4.3. *Entrance Counseling*: Requirement for students who have not received any previous loans, either a *Direct Loan* or a *Federal Family Education Loan*.
- 4.4. *Federal Family Education Loan Program (FFELP)*: A program that formerly supported Stafford Loans, Unsubsidized Stafford Loans, and Federal PLUS Loans.
- 4.5. *William D. Ford Direct Loan Program (Direct Loans)* (formerly FFELP): Current loan program available through the U.S. Federal Government for U.S. undergraduate students.
- 4.6. MPN(*Master Promissory Note*): Master Promissory Note for one or more federal loans of the *Federal Family Education Loan* program.
- 4.7. SAP(*Satisfactory Academic Progress*): degree of compliance of the GPA obtained by the student and of the sufficient academic progress to graduate within

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the maximum time frame set forth according to the syllabus (See item 5.11 hereof).

- 4.8. SAR(*Student Aid Report*): A student aid report that summarizes information submitted by the student to the Department of Education from the free application for federal student aid.

## 5. Policies and Procedure

- 5.1 The loan under the *William D. Ford Direct Loan Program (Direct Loans)* (hereinafter *Direct Loan*) aids students who demonstrate that they are U.S. citizens and are pursuing a bachelor's degree with funds provided by the U.S. Government. The granting and renewal must be in accordance with the guidelines established in the "Financial Aids Regulations" (G89-102) of Universidad de Monterrey.
- 5.2 The *Direct Loan* must be granted to undergraduate students, either first-time or returning, who meet the following requirements:
- 5.2.1 A GPA equal o higher than 80. (In the case of returning students, the grade presented in the transcript of the immediately prior semester shall be taken; in the case of first-time students, the global GPA of high school shall be taken).
- 5.2.2 Not to have failed any subject.
- 5.2.3 No overdue debts.
- 5.2.4 No blockages originating in the administrative or academic department.
- 5.3 The eligibility of a student who applies for a *Direct Loan* can be determined once the interested party completes the corresponding applications, integrates the file, and delivers it to CIAA or to his or her promoter:
- 5.3.1 At [fafsa.ed.gov](http://fafsa.ed.gov) the student fills out the form required to obtain the effective SAR, which shall be attached to the file.
- 5.3.2 At [studentloans.gov](http://studentloans.gov) the student electronically signs the *MPN* and fills out the *Entrance Counseling*, documents that will be attached to the file.
- 5.3.3 Proof of American nationality passport, birth certificate or valid driver's license).
- 5.3.4 Proof of previous completed studies (copy of certificate or transcript).
- 5.3.5 Letter of no criminal record issued in the United States with a maximum one-year validity.
- 5.4 The *Direct Loan* is only granted for a regular enrollment period, i.e., Spring or Fall; the loan cannot be used during Summer courses. In the event that the student wishes to take summer courses, he/she will have to pay the

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cost at his/her own expense; therefore, the loan is non-disbursable.

- 5.5 The maximum credit amount to be granted shall be governed by the limit established by the U.S. Department of Education according to the student's academic progress.
- 5.6 The *Direct Loan* may be combined with various types of scholarships offered by the University, as long as the sum of all of them does not exceed 100% of the cost of tuition and is not another credit or loan.
- 5.7 Students with a *Direct Loan* must take at least 18 administrative credits, which is equivalent to half an academic load.
- 5.8 On the part of Financial Aids Department, there is no restriction on the maximum number of credits to be taken per semester, since this limit is established by the Academic Program Department in item 5.4 of the document "Policies of the curricular model and curricular updating for undergraduate programs 2014-2015" (C16-140).
- 5.9 Once enrolled, a student with a *Direct Loan* should not withdraw from any academic course without prior authorization. If the student does not request authorization, he/she shall act as indicated in item 5.12 hereof.
- 5.10 The academic performance of *Direct Loan* students must be verified at the end of the repayment period or school year.
- 5.11 In order for the student to continue with the school aid on the next school year, he/she shall meet the following requirements:
- 5.11.1 A GPA equal or higher than 80 on the transcript:
- 5.11.1.1. Failed or uncompleted subjects have an impact on the student's GPA.
- 5.11.1.2. Remedial courses are not considered in the calculation of the student's GPA; however, they must be passed in order to continue with courses of the syllabus.
- 5.11.2 Pass all credits taken.
- 5.11.3 Not to have withdrawn subjects without prior authorization of the Committee.
- 5.11.4 Achieve a progress of 67% of the credits programmed annually in their syllabus; for example, if the syllabus considers that 36 credits per semester must be taken per semester (72 credits per year), it means that the student must accredit at least 24 credits per semester (48 credits per year).
- 5.11.4.1. Remedial course credits will not be considered in this yearly academic progress.
- 5.11.4.2. In the event that the student has studied at another institution and revalidates a part of his/her studies, the progress in

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such credits included in the transcript shall be considered in the calculation of the academic progress of the syllabus of their first school year at Universidad de Monterrey.

- 5.11.4.3. Failed, uncompleted or withdrawn courses, with or without permission, shall not represent academic progress on the student's transcript.
- 5.12 The Admissions and Permanence Terms and Conditions document must be signed.
- 5.13 If, at the end of the school year, the student fails to meet any of the requirements for continued aid, so as to lose eligibility, he/she may present his/her case to the Financial Aids Committee by submitting a letter of appeal stating why he/she failed to meet the requirements for continued aid and what he/she agrees to do to regain eligibility at the next assessment. Such letter should be delivered to the CIAA office.
- 5.14 The Financial Aids Committee must review the case and, if the appeal is approved, the student's eligibility may be conditionally reinstated. The Committee should not authorize two consecutive conditioning periods.
- 5.15 In the event that the student must temporarily suspend his/her studies, he/she must request written authorization from the UDEM Financial Aids Committee and submit it to the CIAA. Such absence must not be for a period greater than one continuous or discontinuous year; if it exceeds this time, the student will lose eligibility for the *Direct Loan*.
- 5.16 The maximum term of the *Direct Loan* available to the student to complete his/her studies must not exceed 150% of the published length of the program being studied; for example, if the program lasts 10 semesters, the student may complete his/her studies in a maximum period of 15 semesters. This deadline is independent of other Financial Aid policies or other academic matters.
- 5.17 Any case not covered by this policy should be referred to the Financial Aids Committee for review and resolution.

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## 6. Change description

The changes listed below are with respect to document: G89-105-A:

- 6.1. In item 3.1 "Financial Aids Department" is updated to "Financial Support Management".
- 6.2. In item 3.1 "to subsequently validate the student 's eligibility" is added.
- 6.3. In item 3.1.2 "Update academic progress and report grades in transcript of all students benefitted by the program" is updated to "Update academic progress each school year by entering all students' grades into a transcript".
- 6.4. The wording of item 5.3 is updated for more clarity.
- 6.5. In item 5.4. "in case the student wishes to take summer courses, he/she must pay the cost at his/her own expense, therefore the loan is not disbursable", is added.
- 6.6. Item 6 regarding what is not provided for in the previous document is integrated to the policy section, remaining in item 5.17.
- 6.7. In item 5.3.6 it is added that the *master promissory note* is a master promissory note.
- 6.8. Item 5.5 adds that it is the U.S. Department of Education.

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## 6. Transitional

FIRST. In the event of a modification to the organizational structure of the University, and if as a consequence of the above, the bodies or any entity mentioned in this document cease to exist, or in the event of not having the positions specifically mentioned, the duties shall be carried out by the collaborators or bodies that have absorbed said positions or that are in charge of equivalent activities. Likewise, in the event of modification to names of the institutional documents mentioned in this document, the institutional document in force and comparable in content shall be taken into account.

SECOND. This document shall remain under the custody of the Financial Information, Processes and Quality Department, who shall also be responsible for publishing the document in the SADI, once the signature protocols are met; however, it is the responsibility of the issuer of the document to decide and carry out the corresponding activities to ensure its publication in any other official media of UDEM, as well as to follow up and update the issued document in a timely manner.

THIRD. The guidelines provided for herein shall remain in effect for use, application, authorization, and evaluation until a version to the contrary is published.

FOURTH. In the event that reference is made to a document that has not been published on SADI, the issuer shall be responsible for its preparation and ensuring its publication.

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**Approval signatures:****Prepared by:**

DocuSigned by:

*[Illegible signature and alphanumeric DocuSign chain]*October 11<sup>th</sup>, 2018 | 12:15:00 P

David M. Rodríguez Salazar, Financial Aids Department

Date

*Due to changes to the organizational structure, the new Finance Director, Juan Diego Serna Torres signs*

**Approved by:**

DocuSigned by:

*[Illegible signature and alphanumeric DocuSign chain]*October 30<sup>th</sup>, 2018 | 7:22:16 PM

José Valles Luévanos, Finance Department

Date

**Areas involved:**

DocuSigned by:

*[Illegible signature and alphanumeric DocuSign chain]*September 20<sup>th</sup>, 2018 | 9:13:22

Blanca Iris Castillo Lozoya, Internal Control Department

Date

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*[Illegible signature and alphanumeric DocuSign chain]*December 3<sup>rd</sup>, 2018 | 4:57:44 PM CST

Lucía Treviño Villarreal, School Services Department

Date

**Document control:**

DocuSigned by:

*[Illegible signature and alphanumeric DocuSign chain]*December 3<sup>rd</sup>, 2020 | 5:11:10

Javier Torres González, Financial Information, Processes and Quality Department

Date