

Notice of Federal Student Financial Aid Penalties

Notice of Federal Student Financial Aid Penalties of Drug Law Violations

A federal or state drug conviction can disqualify a student from federal financial aid funds.

Under the Higher Education Act (HEA), a student may become ineligible for federal student aid upon the conviction of any offense involving the possession or sale of illegal drugs while receiving Title IV federal financial aid. Federal aid includes Federal Stafford Loans, Federal PLUS Loans and Pell Grants.

Conviction During Enrollment

According to the United States Department of Education, if a student is convicted of a drug offense after receiving Federal aid, he or she must notify the Financial Aid Office immediately and that student will be ineligible for further aid and be required to pay back all aid received after the conviction.

Convictions apply if they were for an offense that occurred during a period of enrollment for which the student was receiving Title IV federal financial aid; convictions do not count if the offense did not occur during such a period. A conviction that was reversed, set aside, or removed from the student's record does not count toward federal financial aid eligibility. In addition, a conviction received when the student was a juvenile does not apply unless tried as an adult.

The following chart illustrates the period of ineligibility for federal financial aid programs. Please note that ineligibility is dependent upon the nature of the conviction and the number of prior offenses.

| | Possession of Illegal Drugs | Sale of Illegal Drugs |
|-------------------------|---------------------------------|---------------------------------|
| 1 st Offense | 1 year from date of conviction | 2 years from date of conviction |
| 2 nd Offense | 2 years from date of conviction | Indefinite Period |
| 3 rd Offense | Indefinite Period | Indefinite Period |

Pursuant to federal law, conviction for the sale drugs includes convictions for conspiring to sell drugs. Moreover, students convicted of both selling and possessing illegal drugs will be subject to ineligibility for the longer period as prescribed under the circumstances.

A student's eligibility is reinstated the day after the period of ineligibility ends, or when the student successfully completes a qualified drug rehabilitation program. Further drug convictions will make the student ineligible again for federal financial aid programs. Students denied for an indefinite period can only regain it after successfully completing a rehabilitation program as described below. Furthermore, eligibility can be regained if a conviction is reversed, set aside, or removed from the student's record so that fewer than two convictions for the sale or three convictions for the possession of illegal drugs remain on the student's record. In such cases, the nature and dates of the remaining convictions will determine when the student will regain eligibility. It is the student's responsibility to certify to school that a qualified drug rehabilitation program has been completed.

For purposes of financial aid eligibility, a qualified drug rehabilitation program must include at least two unannounced drug tests and must satisfy at least one of the following requirements:

- Be qualified to receive funds directly or indirectly from a federal, state, or local government program.
- Be qualified to receive payment directly or indirectly from a federally or state licensed insurance company.
- Be administered or recognized by a federal, state, or local government agency or court.
- Be administered or recognized by a federally or state-licensed hospital, health clinic, or medical doctor.

Question #23 on the FAFSA form asks if the student as ever had a conviction of a drug related offense. Failure to answer this question automatically disqualifies the student from receiving Federal aid. Falsely answering this question could result in fines up to \$20,000, imprisonment, or both. If you are not sure how to answer the question, call the Federal Student Aid Information Center at 1-800-4-FED-AID (1-800-433-3243)

For more information regarding illegal drug convictions and financial aid eligibility please visit the Frequently Asked Questions section of the Free Application for Federal Student Aid (FAFSA) web site www.fafsa.ed.gov