

Satisfactory Academic Progress (SAP) Policy for Financial Aid

To receive federal, state, and Luther College financial aid, students must make **Satisfactory Academic Progress (SAP)** toward completing their degree. These rules come from the U.S. Department of Education and the State of Iowa, and they apply to all degree-seeking students—full-time or part-time.

SAP is reviewed regularly to make sure students are:

- Earning a high enough GPA
- Completing enough of the credits they attempt
- Finishing their degree within the maximum timeframe
- Not failing all enrolled courses in the semester

This policy applies to all federal aid programs (Pell, TEACH, SEOG, Work-Study, Direct Loans), state grants, and Luther-funded aid.

What You Must Do to Maintain Financial Aid Eligibility

1. Maintain the Required Cumulative GPA

Your required GPA depends on how many credits you've completed:

- First Year (0–26 completed credits): 1.75*
- Sophomore (27–59 completed credits or up to 4 full-time semesters): 1.90*
- 60+ completed credits: 2.00

*While 1.75 is permitted for 0-26 credits, federal regulations require a **2.0 cumulative GPA** by the end of the second academic year, regardless of total credits earned.

Note: Transfer credits do not affect your Luther GPA.

2. Complete at Least 67% of All Attempted Credits (Pace of Completion)

You must successfully complete two-thirds (67%) of the credits you attempt.

- Completed credits – include all credits that count toward degree completion and are passed with a grade of D- or higher.
- Attempted credits – include all courses with earned grades (A, B, C, D), failures (F), non-credit (NC), withdrawals (W), drops post-add/drop, and incompletes (I).
- Transfer credits accepted by Luther count as both attempted and completed.
- To calculate your percentage: Completed credits ÷ Attempted credits = Completion rate

3. Finish Your Degree Within the Maximum Timeframe (150% Rule & Pace of Completion)

- The maximum timeframe for degree completion is 192 attempted credits (150% of the 128 credits required to graduation).
- All accepted transfer credits count toward this 192-credit cap.
- Financial aid eligibility ends immediately at the evaluation point where it becomes mathematically impossible for you to complete your degree program within the 192-credit limit.

- Luther-funded financial aid maximums:
 - 8 full-time semesters of merit scholarships awarded at admission
 - 10 full-time semesters of need-based aid

How Attempted Credits Are Counted

A credit is considered “attempted” once the add/drop deadline for the semester passes.

- Withdrawals (W): Count as attempted credits, but zero earned credits.
- Incompletes (I): Count as attempted credits. Once a final grade is posted, SAP is recalculated at the next official review point.
- Repeated courses: Count as attempted credits every time taken. Only the highest grade applies to your cumulative GPA, and credits are earned once upon passing.
- Audits: Audited courses do not qualify for financial aid and are entirely excluded from SAP calculations.

When is SAP Reviewed

SAP is reviewed:

- At the end of fall semester (J-term is a component of the Fall payment period)
- At the end of spring semester
- At the end of summer term

What Happens If You Don’t Meet SAP Requirements

Students who fall short may be placed in one of the following statuses:

Financial Aid Warning

You are placed on **Warning** for one semester if you fail to meet of SAP standards.

- You can still receive financial aid during this semester.
- You are encouraged to meet with academic support staff to build an improvement strategy.
- You cannot receive consecutive Warning semesters. If you do not meet SAP standards by the end of your Warning semester, you move to Financial Aid Suspension
- If you successfully re-establish SAP standards and fall short in a later non-consecutive term, you may be eligible for another Warning semester.

Financial Aid Suspension

If you do not meet SAP requirements by the end of your Warning semester, you move to **Suspension**.

- You are **not** eligible for federal, state, or Luther need-based aid.
- Aid can be reinstated once you raise your GPA and/or completion rate to meet SAP standards.

Appealing a Suspension

You may appeal by completing an Academic Success Action Plan through the [Center for Academic Enrichment](#) (CAE). Your appeal must include:

- The circumstances that affected your academic progress (e.g., severe illness, injury, death of a relative, or other special circumstances).
- The steps you will take to improve moving forward

- Academic Plan – work with your advisor to plot a course that will allow you to meet both GPA and Pace of Completion SAP standards by a specific point in time.

If your plan is approved, you will be placed on Financial Aid **Probation** for one semester.

Note: Students who lose aid eligibility and have not completed an approved Academic Success Action Plan **must pay for the semester balance before the first day of classes for the semester.**

Financial Aid Probation

If your appeal is approved:

- You may receive aid for **one probationary semester.**
- You must:
 - Successfully complete **all enrolled courses**, and
 - Earn a **term GPA of at least 2.0**

If you meet the terms of your Action Plan but still do not fully meet SAP standards, you may continue on Probation **one semester at a time** until all requirements are met.

Important Notes

This SAP policy applies **only** to financial aid eligibility. Academic standing (warning, probation, dismissal) is reviewed separately by the Registrar and Academic Standing Board. See the Luther College Catalog for details.

Academic Year Definition

Luther's academic year includes:

- **Fall semester:** 15 weeks
- **Spring semester:** 15 weeks
- **J-term:** 4-week module attached to fall for financial aid purposes
- **Summer term:** includes all summer sessions