

THE UNIVERSITY OF
SCRANTON
A JESUIT UNIVERSITY

2009-2010 ACADEMIC YEAR

GUIDELINES FOR THE FINANCIAL AID PROCESS

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CHANGES IN FAMILY FINANCIAL SITUATION

The University of Scranton recognizes changes in economic circumstances that are impacting many of our families' ability to meet higher educational expenses. While the Free Application for Federal Student Aid (FAFSA) collects income information from the most recently completed calendar year, our financial aid policy will take into consideration changes in financial circumstances. This includes recent unemployment or underemployment, change of job positions and other income reductions that families are experiencing. Special funds have been established to augment existing funding that has been used to address family reduced income. Special Condition forms are used

to report reduction in family income for the 2009 calendar year due to death of a parent, separation or divorce of parents, loss of employment earnings or untaxed income reported on the FAFSA. To obtain a Special Condition Form, please visit the Financial Aid Forms section of the Financial Aid website, or call the Financial Aid Office. Our aid policy also allows families to report private elementary and secondary expenses for other dependent children and excessive family medical expenses when determining eligibility for need-based assistance. Other unusual circumstances not addressed on our forms should be addressed by submitting a signed statement with supporting documentation to the Financial Aid Office.

APPLICATION REQUIREMENTS

The FAFSA is required for all federal, Pennsylvania State Grant and University of Scranton need-based aid programs. Federal programs include the Stafford Loan, Federal Work Study, Perkins Loan, Nursing Loan, Academic Competitiveness Grant, TEACH Grant, National SMART Grant, Pell Grant and SEOG Grant. If you filed a FAFSA for the 2008-2009 academic year, you will receive an e-mail from the U.S. Department of Education reminding you to re-apply for the 2009-2010 school year. The preferred method of completing the FAFSA is online via www.fafsa.ed.gov. You may download a FAFSA on the web worksheet from the website; make certain to use the 2009-2010 worksheets. Copies of the FAFSA on the web worksheets are available in the Financial Aid Office, located in St. Thomas Hall, Room 401.

FINANCIAL AID DEADLINE ALERT

The renewal FAFSA application deadline is April 15, 2009 for the fall term. All students receiving University of Scranton grants and federal campus-based funding must have a completed FAFSA filed by this date. While it is best to have final tax information available when completing the FAFSA, you may use estimated information in absence of final data. For the 2009-2010 academic year, the Financial Aid Office will strictly adhere to the application deadline and request for additional documentation. Students not complying with the application deadline will not be given full consideration for need-based University grants and federal campus-based programs that include Federal Work Study, Federal SEOG and Federal Perkins Loans. Students missing deadline requirements may submit a written appeal and list any unusual circumstances that may have prevented them from meeting application requirements within the deadlines.

WHAT TO EXPECT AFTER FILING

If you listed your e-mail address on the FAFSA, an e-mail notification providing you with a link to your Student Aid Report (SAR)

will be sent to you. If you file a paper FAFSA and do not provide an e-mail address, a paper SAR will be sent to the address listed.

Beginning in June, you will receive an e-mail providing you with the link allowing you to review your aid eligibility. You may also check on your status by checking Self Service (UIS).

Eligibility for need-based aid programs is determined using the information supplied on the FAFSA. If your family's financial situation has changed significantly from the prior year, your need-based aid, including University of Scranton award(s) may increase or decrease. In addition, award amounts are also influenced by your choice of housing. **Students who change from University owned housing to off-campus or commuter housing will have their need-based aid eligibility determined using a lower cost of attendance budget. Reductions in University of Scranton awards range from \$1,200-\$1,800 for the academic year.**

THIRD PARTY ACCESS TO FINANCIAL AID AND BILLING INFORMATION

You will be able to grant access to selected personal information located on the University Information System (UIS) to parents, spouses, or other third parties. This capability is being offered to allow your educational partners to view and have access to information that otherwise is protected from release by the University in accordance with the Family Educational Rights and Privacy Act (FERPA). You may authorize access to financial records located in the Bursar and Financial Aid sections of UIS. This would include student account balances, payment history, financial aid award notifications, and current financial aid award statuses. You control access to specific areas and will be able to add or rescind authorization. A third party access authorization will need to be granted to any person you wish to have electronic access to designated UIS records, as well as to allow University personnel to discuss your billing and financial aid information with third parties over the telephone. Please visit the Student Tab of my.scranton.edu to grant authorization.

FINANCIAL AID CHECKLIST

The following checklist of items you will need to complete your aid application is provided to assist you in the application process:

- Parents' and students' 2008 federal tax returns.
- W-2 forms and any other earnings statements. Review Box 12 of the W-2, for untaxed pension contributions.
- Current bank, stock and investment statement(s) for parent(s) and student.
- Value of real estate. Do not include primary residence.
- Value of any business assets. Do not include net value of family owned business with less than 100 employees.
- Value of any S corporations or investment farms.
- Medical and dental bills paid and not reimbursed by insurance in 2008.
- Record of tuition paid in 2008 to private elementary or secondary schools for applicant's **siblings**.

THE WORK STUDY PROGRAM

To be considered for the Federal Work Study program, students must file the FAFSA and indicate their interest in the program by checking the question under Section 1 on the FAFSA on the web worksheet or question 31 on the paper FAFSA. Students should also complete a Work Study application via the my.scranton.edu portal.

Students Returning to Work Study Jobs

Students employed in the 2009 spring semester will be able to complete the online work study application prior to the end of the semester. As the applicants' 2009-2010 financial aid requirements are met, their aid eligibility, including eligibility for the Work Study program, will be evaluated. Students who are eligible to return to their previous work study position(s) and who have been requested to return by the employing department will have work study placement notifications issued to their department supervisors.

Students Applying for a New Work Study Position

Students not currently employed but who wish to apply for a work study position for 2009-2010 must complete a work study application online through the my.scranton.edu portal. In addition, they also need to file the FAFSA.

Students applying for new positions will have their eligibility for work study determined when they have satisfied all application requirements.

If a student has been requested by a specific department and he/she is eligible to work, a placement notification will be sent to that department. All other students will be referred to hiring departments for interviews next fall, if their application requirements are satisfied and work study positions for which they are qualified are available.

PLEASE NOTE: Employment may not begin until:

- I-9/W-4 forms are completed by student employed first time in work study (proper identification must be presented to Financial Aid Office)
- Electronic Placement Notification is sent to the supervisor

NEW! UNIVERSITY OF SCRANTON CHANGES TO DIRECT LOAN PROGRAM FOR 2009-2010

Beginning with the 2009-2010 academic year, the University will no longer participate in the Federal Family Education Loan Program (FFELP) where students and parents borrow federal loans through a private lender. Instead, Stafford and PLUS loans will be available from the William D. Ford Federal Direct Loan (Direct Loan) Program where the federal government is the lender. **All current FFELP borrowers and any new borrowers will have to sign a new electronic Federal Direct Stafford Loan Application/Master**

COMMON APPLICATION ERRORS

- ✓ Using an incorrect student Social Security number.
- ✓ Reporting name incorrectly.
- ✓ Inserting words in spaces where figures must be reported.
- ✓ Reporting cents. Round all figures to nearest dollar.
- ✓ Misrepresenting the amount of federal tax paid. Report tax **paid**, not tax withheld.
- ✓ Neglecting to report all applicant's assets.
- ✓ Misreporting the number of people in the family household for the academic year.
- ✓ Misreporting the number of dependent household members that will actually be enrolled for the academic year.

Promissory Note (MPN). The University chose to move to the Direct Loan programs to take advantage of a guaranteed source of funding for parents and students and to simplify the application and certification of federal loans. Please visit www.ed.gov/offices/OSFAP/DirectLoan for a complete review of the Direct Loan Program. Additional information and instructions will be communicated to student and parent borrowers to provide guidance on how to complete the required electronic Master Promissory Notes.

The Direct Stafford Loan Program

The Direct Stafford Loan allows students to borrow in their own name and requires no credit evaluation. The U.S. Department of Education is the lender. Payment of principal is deferred while the student is enrolled. Repayment begins six months after the student has completed his/her program of study. The Direct Stafford Loan process will be completed online. Students who have previously borrowed under FFELP and any new borrower will be required to complete a new electronic Federal Direct Stafford Loan Application/Master Promissory Note (MPN). Further instructions will be given on the University of Scranton Financial Aid website and students will receive email notices in the spring 2009 semester.

The Direct Subsidized Stafford Loan

Eligibility for interest subsidy is based on demonstrated financial need as determined by the FAFSA. The federal government makes in school and grace period interest payments. Repayment of the loan will be directly through the U.S. Department of Education.

The Direct Unsubsidized Stafford Loan

The student makes interest payments during in school and grace periods or has the interest added on to the amount borrowed and repaid with principal after the grace period ends. Available to students who do not qualify for all or part of the subsidized loan. Repayment of the loan will be directly through the U.S. Department of Education.

Annual Borrowing Limits Based on Grade Level

	Subsidized	Unsubsidized	Subsidized	Unsubsidized	
Freshmen	\$3,500	\$2,000	Juniors	\$5,500	\$2,000
Sophomores	\$4,500	\$2,000	Seniors	\$5,500	\$2,000
Graduate Students				\$8,500	

You must file a FAFSA and indicate your interest in the program by checking the question under Section 1 on the FAFSA on the web worksheet or question 31 on the paper FAFSA

Additional Direct Unsubsidized Stafford Loan

In addition to the annual maximum amounts available through the Direct Subsidized program, dependent students whose parent(s) are unable to obtain a Direct PLUS Loan due to credit problems may borrow an additional amount through the Direct Unsubsidized Stafford Loan. The additional Direct Unsubsidized Stafford Loan is also available to independent undergraduates and all graduates

Freshmen	\$4,000	Juniors	\$5,000
Sophomores	\$4,000	Seniors	\$5,000
Graduate Students			\$12,000

The Direct PLUS Loan

The Direct PLUS Loan is available to credit worthy parents of dependent undergraduate students. Parents may borrow the difference between the student's total cost of education and all other aid the student is receiving. The U.S. Department of Education is the lender.

Repayment of interest and principal begins 60 days after the second disbursement. You can apply for a deferment to delay making payments. While you are in deferment, you will receive interest statements. Paying the interest as it accrues will save you money over the repayment term of the loan.

Parents should apply for the Direct PLUS Loan beginning in June. The loan cannot be applied for more than 90 days before the start of the academic year. The Direct PLUS Loan process will be completed online. Parents who have previously borrowed under FFELP and any new borrower will be required to complete a new electronic Federal Direct PLUS Loan Application/Master Promissory Note (PLUS MPN), the requested loan amount, and successfully complete the credit check. Further instructions will be given on the University of Scranton Financial Aid website during the spring 2009 semester.

The Direct PLUS Loans for Graduate Students

The Direct PLUS Loan is available to credit worthy Graduate students. Students may borrow the difference between the total cost of education and all other aid received. Graduate students are required to first utilize the Direct Stafford Loan Program prior to borrowing under the Direct PLUS Loan Program for Graduate students. Graduate students applying for a Direct PLUS Loan are required to complete a FAFSA.

Graduate students enrolled on at least a half-time basis, will be eligible for an in-school deferment that allows the postponement of payments. While you are in deferment, you will receive interest statements. Paying the interest as it accrues will save you money over the repayment term of the loan.

Students should apply for the Direct PLUS Loan beginning in June. The loan cannot be applied for more than 90 days before the start of the academic year. The Direct PLUS Loan for Graduate students process will be completed online. Students who have previously borrowed under FFELP and any new borrower will be required to complete a new electronic Federal Direct PLUS Loan Application/Master Promissory Note (PLUS MPN), the requested loan amount, and successfully complete the credit check. Further instructions will be given on the University of Scranton Financial Aid website during the spring 2009 semester.

University of Scranton Changes Payment Plan Provider for 2009-2010

NEW!

Beginning with the 2009-2010 academic year, the University will no longer participate in the Tuition Management Systems (TMS) Payment Plan. The new provider is ECSI. ECSI provides a monthly installment payment plan that allows families to spread payments over a 10 to 12 month period. This eliminates the need to make lump sum payments prior to the beginning of each semester. Families can budget an amount not to exceed total yearly charges less any aid that will be received. No interest is charged to participate in the plan. The enrollment fee will be \$60.00.

The University chose to move to ECSI to take advantage of electronic billing, the capability of paying the bill via ACH and/or via credit card (fees included). Further information will be given on the University of Scranton Bursar and Financial Aid websites during the spring 2009 semester.

Alternative Loan Programs

In addition to the Direct Stafford and PLUS Loans, there are other private loan programs available to students and/or families in need of additional funding for educational costs. These programs require a favorable credit rating. The borrower for most programs is typically the student with the parent as a co-signer. **Alternative loans should be applied for in June and be a last option loan.** Go to www.scranton.edu/financialaid, under Loans & Financing Options for more information.

SPECIAL CIRCUMSTANCES AND REDUCTION IN INCOME

The University of Scranton financial aid policy considers certain special circumstances. Private elementary and secondary expenses for other dependent children and excessive family medical expenses may be considered when determining eligibility for need-based assistance. A Private School Tuition Form and Medical Expense Form will be available on our website beginning February 1, 2009. For other special circumstances the University has Special Condition forms on which applicants can report reduction in family income for the 2009 calendar year due to death of a parent, separation or divorce of parents, loss of employment earnings or untaxed income. If any of these special conditions apply, please either visit our website to print a form or contact the Financial Aid Office. Other unusual circumstances not addressed on our Special Condition Form should be addressed by submitting a signed statement with supporting documentation to the Financial Aid Office.

TO ESTIMATE YOUR COSTS FOR 2009-2010

In order to determine what you may need to borrow through the PLUS Loan program, budget through the Payment Plan and/or pay out of pocket expenses, you can estimate your costs for 2009-2010 using the current year's costs as a base.

Refer to the financial aid website that reflects your housing status and tuition rate (per-credit or flat tuition).

Helpful Sites

- www.ed.gov/offices/OSFAP/DirectLoan
- www.fastweb.com
- www.finaid.org
- www.nsls.ed.gov

FAFSA AVAILABLE AT WWW.FAFSA.ED.GOV
APPLICATION DEADLINE FOR THE UNIVERSITY OF SCRANTON APRIL 15, 2009

IMPORTANT DATES

THE UNIVERSITY OF
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