

Financial Aid

NEWSLETTER • WINTER 2010

This is the first of two newsletters designed to assist students and their parents in learning more about the opportunities for financial aid at Loyola University Maryland.

Many families view the process of applying for financial aid as daunting, complicated, and confusing. There are multiple financial aid applications, many types and sources of aid, different deadline dates, and several need analysis formulas used to determine aid eligibility. Our newsletter will answer many of your questions concerning what forms of financial aid are available, how aid eligibility is determined, and how to apply. If you have any questions after reading the newsletter, we encourage you to contact us.

Approximately 68 percent of the undergraduate students attending Loyola defray part of their educational costs with some form of financial assistance. No qualified student who is interested in attending Loyola should hesitate to apply for admission because of financial circumstances. While we cannot promise to make it financially easy for every student to enroll, we can make it financially possible.

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“A newsletter designed to inform prospective Loyola University Maryland students and their parents.”

LOYOLA'S MERIT-BASED SCHOLARSHIPS REWARD ACADEMIC EXCELLENCE

Loyola Offers a wide range of financial aid programs to assist students in meeting educational expenses. One of Loyola's largest programs is its institutionally-funded academic scholarship program, which recognizes and rewards students with outstanding academic talent. During the 2009-10 academic year, students in all four classes are receiving just over \$9.9 million in academic scholarship awards.

Presidential Scholarships, ranging from \$7,500 to \$25,000 annually for four years, will be awarded to first year students entering the Class of 2014. Scholarships are awarded on a competitive basis considering the student's overall academic performance in high school, course selection, number of advanced placement or honors classes, rank in class, and strength of the high school.

Claver Scholarships, ranging from \$7,500 to \$25,000 for four years, will be awarded to African American, Asian, Hispanic, and Native American students. Claver Scholarships are also awarded on a competitive basis with highest priority given for strong academic performance, challenging course selection, community involvement, and leadership potential.

Presidential Scholarships and Claver Scholarships are not need-based. To be considered, students need only complete their application for admission; a separate scholarship application is not required.

Early Action applicants (who met our November 1, 2009 application deadline) will be notified of scholarship awards by February 15, 2010; students who are accepted for admission under the Regular Decision program will be notified by April 1, 2010.

THE FINANCIAL AID APPLICATION PROCESS

As college education continues to be viewed as an essential factor in achieving success in today's challenging financial times. Choosing to attend a particular college can be one of the most important investment decisions that a student will make. Therefore it is extremely important that this decision is based upon the most current financial information related to college costs and available assistance and be aware that because of the availability of financial aid, many students pay significantly less than a college's published costs.

The College Board's annual report, "Trends in College Pricing 2009" released last month announced that nationally, tuition and fees at private four-year colleges and universities increased on average 4.4 percent for the 2009-10 academic year. Tuition and fees at four-year public colleges increased 6.5 percent, and at two-year community colleges, tuition and fees increased 7.3 percent. However, the report also revealed that the average full-time student attending a private college during this same period received about \$14,400 in grants and tax benefits while the average full-time student attending a public four-year school received about \$5,400 in grants and tax benefits. Therefore, at all institutions, the average net price that aid recipients pay after considering grant aid is typically lower than the published charges.

During the 2008-09 year, approximately \$126 billion in financial aid was awarded to undergraduate students. This aid was in the form of grants, federal loans, federal work-study, and federal tax credits and deductions. Undergraduate students received an average of \$10,185 in financial aid per full-time students in the forms of grant aid (\$5,041) and federal

loans (\$4,585). This represents an increase of about 3.5 percent from the previous academic period. A family should not rule out any college solely on the basis of its published costs. If you and your parents do not think a particular college is affordable, then you should apply for financial aid.

The following article from The College Board publication "College Cost & Financial Aid Handbook" provides an excellent introduction to the process of applying for financial aid. Understanding the realities of the costs of higher education can assist families in making sound investment decisions.

APPLYING FOR FINANCIAL AID

The process of applying for financial aid can be confusing and time-consuming, especially if you're doing it for the first time. (Yes, you have to reapply for aid every year, but it really does seem a lot simpler the second time around.) Application requirements differ from college to college, but the good news is that you don't really have to file separate applications for each and every one.

To improve your chances of getting the aid you need, you have to know three things:

- What you have to do: What financial aid applications are required?
- When you have to do it: What are the filing deadlines that must be met?
- How to do it right...the first time: What procedures should be followed to avoid processing errors?

What you have to do

All applicants for federal student aid must complete the Free Application for Federal Student Aid (FAFSA). Depending on where you are applying for admission, this may be the only application you need to complete.

Your high school counselor can probably tell you what application you need to complete to apply for state scholarship or grant programs. In some states, your FAFSA information is enough to establish your eligibility; in other states, a separate application may be required.

The FAFSA may also be sufficient to apply for aid at many colleges and universities. However, many other colleges and most private scholarship programs require the completion of *additional* applications. Check with each college and private scholarship program from which you are seeking assistance.

Loyola's Financial Aid Deadline:

TO BE ASSURED OF MAXIMUM CONSIDERATION, THE CSS PROFILE APPLICATION AND THE FREE APPLICATION FOR FEDERAL STUDENT AID (FAFSA) SHOULD BE FILED BY FEBRUARY 15, 2010.

For purposes of awarding their own funds, many colleges and universities require the CSS/Financial Aid PROFILE. (For more details, see the article "What is the CSS/Financial Aid PROFILE? Page 3.)

Note that PROFILE is not the same as the federal application and may not be used to establish eligibility for federal student aid programs. If you want to apply for federal student aid, you must complete a FAFSA.

Some colleges, universities, and private scholarship programs may ask you to complete their own financial aid applications in order to be considered for private funds. If a college wants you to complete its application, it will send it to you directly. Private scholarship programs sometimes have other requirements as well, such as personal essays or biographical statements.

If you aren't sure what financial aid applications a particular college wants you to complete, don't guess. Check the college/university website or contact the financial aid office and ask.

Later in the process, colleges or other aid sponsors may ask you for clarification of information you provided on your original applications. Respond to these inquiries promptly and in as much detail as requested. Don't assume that something is 'wrong' with your application just because you're asked for more details. Colleges that administer federal funds are required to verify the information provided by at least a portion of their applicants; some colleges routinely request tax returns from all aid applicants.

When you need to do it

Here again the key is to find out what colleges and programs want from you, and to follow their instructions as closely as possible. Some colleges have deadlines for receiving all application materials; others have preferred filing dates; still others will accept applications at any time.

For most types of aid, you start the application process in the fall or winter preceding the academic year for which help is needed. Try to submit your FAFSA at least one week before the earliest deadline you most to meet- but not before January 1. If one or more of the colleges and programs require PROFILE, determine what your earliest deadline is and plan accordingly.

Once you're started the application process, it's important to respond promptly to any follow-up requests for the information that you receive from a college or a program. Also, don't wait until you've been offered admission to a college or program before applying for financial aid. There are two reasons for not waiting:

- Most colleges try to let you know what financial aid is available before you have to accept their offer of admission. If you need financial aid, colleges understand that you need information about it before you can make an informed decision about where to enroll.
- If you wait until after you've received offers of admission, the colleges' grant and scholarship funds may be exhausted. Many colleges don't have enough money to meet the full need of all the students who demonstrate eligibility and grants and scholarships are limited.

How to do it right

The applications that you complete as a part of the financial aid application process collect information about your family's income, assets, family size, and unusual circumstances. Detailed step-by-step instructions are provided on the application forms.

Read the instructions. If any instruction isn't clear, ask your counselor or call the financial aid office.

Get organized. Gather together the records you and your parents will need before you sit down to complete your applications. These include income tax returns, W-2 forms, pay stubs, interest statements, home mortgage debt information, records of medical and dental expenses, business or farm records, notices of social security payments for veteran's benefits, and other financial records. If you're applying for the 2010-11 academic year, you will need information for calendar year 2009. Use the FAFSA

and CSS PROFILE pre-application worksheets to help you and your parents review the application questions in advance.

Know which federal income tax forms you plan to file, and draft your responses. The tax form you'll file is one of the factors that affect how your eligibility for federal aid will be determined. You don't actually have to file your tax return before you compete financial aid applications, but it's a good idea to at least have estimated figures. Some FAFSA and PROFILE questions are cross-referenced to the most common IRS forms to make them easier to complete.

Provide all the information requested in the application. For instance, if the answer calls for a zero, enter a zero. Don't just leave the question blank.

Keep copies of every application you complete. If you are asked for follow-up information, you may need to refer to your original answers. Don't trust your memory.

Identify yourself consistently on all applications you complete. If you call yourself "John James Doe" on one application, do so on all applications. Be particularly careful about giving your correct social security number. Colleges sometimes have to match records from multiple sources in order to complete your file; incorrect social security numbers and variations on your name can slow the process down.

Respond Promptly. If you're asked for additional information, send it as soon as possible. If you find errors, correct them quickly.

WHAT IS THE CSS/ FINANCIAL AID PROFILE?

Many colleges, universities, graduate and professional schools, and scholarship programs use the information collected on PROFILE to help them award nonfederal, institutional student aid funds.

The PROFILE Application is customized based on the information given when the student registers for the service. PROFILE provides an opportunity for students to give a complete picture of their families' financial circumstances, including explanations about any special circumstances.

You can register for the customized PROFILE Application by connecting to the College Board site at profileonline.collegeboard.com.

When you register for PROFILE, you'll answer a few questions about yourself and where you are applying for aid. That information forms the basis for your personal record in the CSS processing system, and also lets CSS customize the application and instructions for you personally. The first part of the PROFILE application contains questions for all filers, but section Q includes questions unique to the particular colleges and private scholarship programs to which you are

applying. If your parents are divorced or separated, some colleges may require the non-custodial parent to file the NonCustodial PROFILE Application.

Use the four-digit CSS codes when you register for PROFILE (not the six-digit federal codes you list on the FAFSA). There is a fee for the CSS/Financial Aid PROFILE service to cover the costs of the processing your information and sending it to the colleges and programs from which you are seeking aid.

FINANCIAL AID WEBSITES

Loyola College Office of Financial Aid

Loyola's financial aid website for undergraduate students
www.loyola.edu/financialaid

Loyola College Office of Undergraduate Admission

Website dedicated to information for prospective students
www.loyola.edu/admission/apply

The College Board

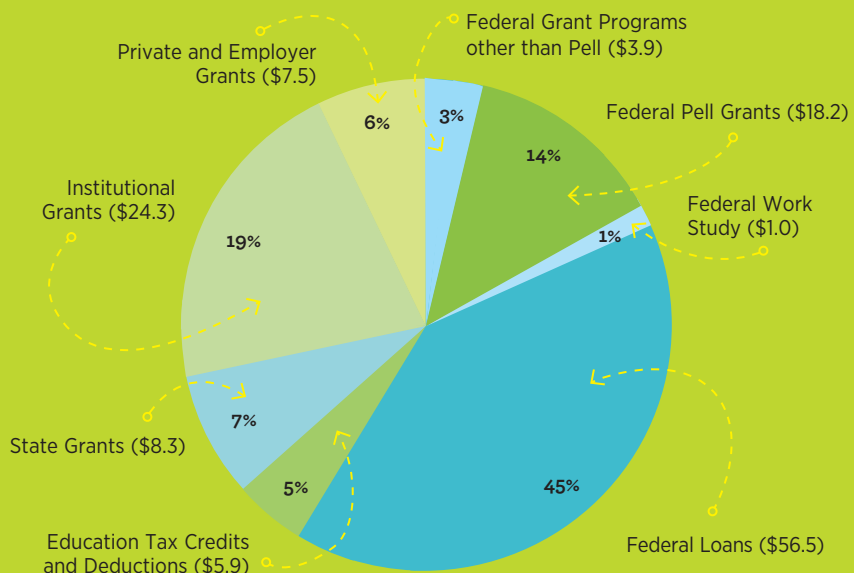
This website is an excellent resource for financial aid information. Also use this site to file the 2009-10 PROFILE Application.
profileonline.collegeboard.com

The Smart Student Guide to Financial Aid

This Web site is one of the most comprehensive sources of financial information available.
www.finaid.org

Total Undergraduate Student Aid by Source (in Billions) 2008-09

TOTAL AID AWARDED \$125.6 billion



Note: Components may not sum to 100% due to rounding. See Notes and Sources for a list of programs included in other federal grants. Nonfederal loans are not included here since they involve no subsidy of any kind and are not actually a form of financial aid. This table was prepared November 2009. Source: Trends in Student Aid 2009 The College Board, New York, NY.

Federal Student Aid

General information is provided about the major Federal Student Aid Programs, tax credits for educational expenses, and other information on the process of choosing and applying to college. www.studentaid.ed.gov

Federal Student Aid Personal Identification Number (PIN)

Every student applying for financial aid as well as one of his or her parents should apply for a PIN. The PIN enables families to file the FAFSA on the Web each year and to access their student aid information online. Once issued, the PIN should be kept in a safe, secure place. Students and parents can apply for a PIN, request a duplicate PIN, or change their PINs. Students and parents can create their own PINs, which will be issued in real-time so that it can be used immediately. www.pin.ed.gov

FAFSA on the Web

Using this site, students can apply for aid using FAFSA on the Web or Spanish FAFSA on the Web. Using their Federal Student Aid PINs, students can check their financial aid application status, view their Student Aid Report (SAR) information, correct their FAFSA application data, and electronically sign their applications. Parents can also use their PINs to sign their children's FAFSA electronically. www.fafsa.ed.gov

FASTWEB Scholarship Search

The largest and most popular free scholarship search database www.fastweb.com

Access America for Students

A student's gateway to the U.S. government www.students.gov

**RUMOR HAS IT
FINANCIAL AID MYTHS**

Lots of misinformation can inhibit a family's views of the financial aid application process. This information can lead to a decisions not to apply for aid or to assume that they will not be awarded any assistance for their college-bound children. Below are some of the common myths concerning financial aid that have been identified by the College Board.

There's Not a Lot of Financial Aid Available

In fact, more than \$168 billion of student financial

aid is available. Most students receive some form of aid. Less of this aid now comes in the form of grants, however; most aid is awarded through low-interest loans or institutional and other grants. Parents should carefully consider the financing packages offered to their child by each college to determine which makes the most financial sense.

My Income is Too High to Qualify for Aid

Aid is intended to make a college education available for students from many financial circumstances. College financial administrators often take into account not only income but also other family members in college, home mortgage costs, and other factors. Aid is awarded to many families with incomes they thought would disqualify them.

We Saved for College, So We Won't Qualify for Aid

Saving for college is always a good idea. Since most financial aid comes in the form of loans, the aid you are likely to receive will need to be repaid. Tucking away money could mean you have fewer loans to repay, and it won't mean you're not eligible for aid if you need it. A family's share of college costs is calculated based on mostly income, not assets such as savings.

Private Schools Are Out of Reach for My Family

Experts recommend deferring cost considerations until late in the college-selection process. Most important is finding a school that meets your child's academic, career, and personal needs. In fact, you might have a better chance of receiving aid from a private school. Private colleges often offer more financial aid to attract students from every income level. Higher college expenses also mean a better chance of demonstrating financial need.

Millions of Dollars in Scholarships go Unused Every Year

Professional scholarship search services often tout this statistic. In fact, most unclaimed money is slated for a few eligible candidates, such as employees of a specific corporation or members of a certain organization. Most financial aid comes from the federal government, though it is also a good idea to research nonfederal sources of aid.

We Can Negotiate a Better Deal

Many colleges will be sensitive to a family's specific financial situation, especially if certain non-

discretionary costs, such as unusually high medical bills, have been overlooked. But most colleges adhere to specific financial aid-award guidelines and will not adjust an award for a family that feels it got a better deal at another school.

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**FINANCIAL AID
CHECKLIST**

- File the Loyola University Maryland Application for Admission. The Early Action deadline was November 1, 2009. The regular admission application deadline is **January 15, 2010**.
- **2010-11 PROFILE Application.** Register online for the 2010-11 PROFILE Application. The College Board's Web site for the Profile is profileonline.collegeboard.com. After completing the registration process, file the 2010-11 PROFILE Application online. **Loyola College's CSS Code Number is 5370.**
- **2010-11 Free Application for Federal Student Aid (FAFSA).** Obtain a Federal Personal Identification Number (PIN) using the Federal PIN Web site, www.pin.ed.gov Parents should also obtain a Federal PIN. Once created, the Federal PIN allows access to the applicant's data in several Federal Student Financial Aid systems and also serves as the person's electronic signature. After Receiving your PIN, file the 2010-11 FAFSA online. The FAFSA Web site is www.fafsa.ed.gov. **Loyola College's FAFSA Title IV Code Number is 002078.**
- All applicants for financial aid should also apply for state scholarships or grants administered by the student's state of residence.
- Investigate the availability of private scholarships opportunities for which you are qualified because of your: academic achievement, religious affiliation, ethnic or racial heritage, community service involvement, artistic talent, athletic abilities, or special skills, career plans or anticipated course of study. Check out the FastWeb Scholarship Search Web site at www.fastweb.com