

# Financial Aid

NEWSLETTER • WINTER 2010

This second issue of the Loyola University Maryland Financial Aid Newsletter will provide answers to questions that are commonly asked about the financial aid application process.

Loyola is willing to share the financial responsibilities of attending college with students and their parents, but we expect the primary effort to come from students and their parents. The information provided by families on the PROFILE Application of the College Scholarship Service and the Free Application for Federal Student Aid (FAFSA) is used to assist the Financial Aid Office in determining an expected family contribution (EFC) towards educational expenses. The EFC is calculated according to standard federal and institutional formulas and institutional policies. In general, the family's income and assets are considered to produce a comprehensive index of family financial strength and capacity to absorb the costs of a college education. In the administration of financial aid, "financial need" is considered to be the difference between the cost of attending a college or university and the total family contribution as shown in the following simple formula:

Educational Expenses  
— Family Contribution  
= Financial Aid Need

Financial aid applicants are considered for the three major types of need-based financial assistance (grants or gift aid, student employment, and educational loans) funded through federal and state governments, private organizations, and institutional resources. In order to be considered for all forms of need-based aid, both the College Scholarship Service PROFILE Application and the Free Application for Federal Student Aid (FAFSA) should be filed as soon after January 1, 2010 as possible. Loyola's financial aid application filing deadline is February 15, 2010.

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

## THE AID APPLICATION PROCESS

The financial aid application process can be one of the more complicated and confusing aspects of the college admission process. However, if you take some time to prepare by gathering information using trusted and reliable financial aid websites, seeking advice from your high school guidance office, and accessing information directly provided by the Financial Aid Offices at the colleges and universities where you are applying for admission, you will find the process much less stressful. Don't rule yourself out of being considered for financial assistance. If you and your parents do not think you can afford the cost at a particular college or university, you should apply for financial assistance.

The first step in the financial aid application process is to become familiar with the various applications that colleges and universities will require you to complete. The Free Application for Federal Student Aid or FAFSA is required by all colleges. The FAFSA must be filed to be considered for federal and most state sources of need-based financial aid. The CSS/Financial Aid PROFILE is a financial aid application service of the College Board. Approximately 600 colleges and universities use the information collected on the PROFILE to help them award institutional funds to their students. Loyola University Maryland requires all students to complete and submit both the FAFSA and the PROFILE to be considered for any type of federal or institutionally funded forms of financial aid.

### Where to Find the FAFSA

The electronic version of the FAFSA (FAFSA on the Web) is available at [www.fafsa.gov](http://www.fafsa.gov). Filing electronically is easy and secure and allows

the results of the FAFSA to be processed more quickly. In addition, the data you supply on the FAFSA is reviewed before it is transmitted to the processing center, therefore errors occur less frequently. Less than 1.0% of all FAFSA's filed for the 2009-10 academic were completed using the paper version.

### Before you apply

It is recommended that your parents complete their 2009 federal tax returns before filing the FAFSA since much of the information requested on the FAFSA refers to information that will need to be provided on the federal tax return. However, you are not required to file your tax returns with the IRS before you file your FAFSA. Estimates of your tax information are acceptable when completing financial aid applications since you will have the opportunity to submit updates and corrections to your information at a later point.

Also, prior to completing the FAFSA both you and one of your parents must obtain a Federal Student Aid PIN (personal identification number). This PIN will serve as your electronic signature and will allow you to file the FAFSA online. Apply for your PIN at [www.pin.ed.gov](http://www.pin.ed.gov). If you provide an email address, you will receive a notice of your PIN immediately. Your federal PIN should be kept in a safe, secure location since it can be used in subsequent years to reapply for financial aid.

### Completing your FAFSA

To assist you and your parents in completing the FAFSA online, you can print out a PDF version of the FAFSA on the Web Worksheet. The worksheet will help you determine the information needed to complete the FAFSA and it provides a facsimile of the online application form. The Department of Education also provides "help" links to assist you if you have

a question while completing your FAFSA. The online version of the FAFSA allows you to click on the Live Help tab to be connected with a customer service representative who will assist you with any questions that you might have.

It is very important that you meet the filing deadlines provided by colleges, your state financial aid agency, and private scholarship organizations. Many state agencies and private scholarship sponsors use the results of the FAFSA to make their award decisions.

Remember to keep an electronic record or a paper copy of your completed FAFSA application prior to submitting the original to the federal processor.

### What happens after you apply?

Your FAFSA data is sent to the Federal Central Processing Center (CPS) that handled over 16 million forms this year. This is where your family financial information is passed through the Federal Methodology need analysis formula and a calculation of your expected family contribution (EFC) is generated. You will receive your EFC immediately online upon submission. Formal confirmation will be sent to you within two weeks.

The official results of your FAFSA and your EFC are supplied on a document called the Student Aid Report (SAR). If you supplied an email address on your FAFSA, you will receive an electronic notification that your SAR is available for viewing online. If an email address is not provided, a hard copy of your Student Aid Report will be sent. The SAR includes all of the data that you submitted on your FAFSA. The SAR also provides your calculated EFC. The EFC is sent electronically to your state student aid agency and to the colleges that you indicated on your FAFSA. The Student Aid Report can also be used to make corrections to your information or to update any of your FAFSA responses. Once you submit corrections to your FAFSA, this information will also be sent to the CPS where a revised calculation of your EFC will occur. You as well as your colleges will receive confirmation of your most recent expected family contribution. The Student Aid Report can also be used to request that the processing center send your FAFSA results to additional colleges that were not originally included on your original FAFSA.

### Additional Financial Aid Applications – The CSS PROFILE

The FAFSA may be the only financial aid application that some colleges require. However, as indicated above, many private colleges and universities, including Loyola University Maryland,

## Need Help With Your Financial Aid Forms?

### Here is a Quick Reference of Where to Call for Assistance:

If you have questions about federal student aid call the Federal Student Aid Information Center at 1-800-FED-AID (433-3243).

For help with FAFSA on the Web call 1-800-433-3243.

PROFILE customer service can be reached at 1-305-829-9793.

The Loyola Financial Aid Office can be contacted at 1-800-221-9107, extension 2576 or at 410-617-2000 or by email at [financialaid@loyola.edu](mailto:financialaid@loyola.edu)

require families to complete the CSS PROFILE Application to be considered for institutionally-funded forms of need-based aid. A smaller number of colleges and universities have their own institutional aid application form.

### How to register for the PROFILE

PROFILE Applications are customized based upon how you complete the registration questions. Register for the PROFILE online at <https://profileonline.collegeboard.com>. You can access the website 24 hours a day seven days a week.

Online registration requires the use of a valid credit or debit card or you may submit payment by an online check.

You will be charged a processing fee of \$25 that covers the initial PROFILE Application and the first school report. You will be charged \$16 for each additional college or program.

Once you register online, your customized PROFILE Application will be immediately available for completion.

### Completing the PROFILE

The College Board also provides online help in the form of a live chat service with customer service representatives and an extensive posting of FAQs. Applications completed online are processed and transmitted to colleges within 48 hours of submission. The College Board also utilizes online edits, which will inform you of any missing or erroneous data prior to allowing your submission of the PROFILE.

As with the FAFSA, it is crucial that you meet the filing deadlines as determined by the colleges that require the PROFILE. Remember, colleges use the results of the PROFILE to determine which of their applicants qualify for institutional funds. Late filers may receive less aid than if they had filed on time and might possibly lose eligibility altogether.

In completing the PROFILE, it is also helpful to have your 2008 federal tax returns handy as a reference if you have not yet completed your 2009 federal tax return. Allow yourself sufficient time to complete the application. Don't attempt to finish the application in one session. If you have any questions while completing the PROFILE, you can contact the College Board at [help@cssprofile.org](mailto:help@cssprofile.org) or at 1-305-829-9793 Monday through Friday from 8:00 am to 10:00 pm Eastern Time.

### What happens after you apply?

Your PROFILE data is analyzed and reported back to the schools included on your registration form. A need analysis formula developed by the College Board referred to as "Institutional Methodology" is applied to the information provided on your PROFILE. Each of the colleges receives a "Need Analysis Report" reflecting your PROFILE information and the analyzed results.

You will receive online a PROFILE Acknowledgement that includes a Data Confirmation section that allows you to verify the accuracy of the information that you provided on your PROFILE application.

**FINANCIAL AID FAQs**

**1. Do I have to wait until my parents file their 2009 income tax return before completing my FAFSA and PROFILE?** No, but you should wait until you and/or your parents know what income they will be reporting on 2009 tax returns. You could determine this after W-2 forms are received or other records are available. The online versions of the FAFSA and PROFILE provide instructions and worksheets to help you to determine the entries for the income and asset questions. Both forms contain line references to the federal tax forms. However, these entries may be estimated if necessary in order for you to comply with your colleges' filing deadlines. Estimated figures can be updated and corrected once your applications have been submitted and processed.

**2. Why do the FAFSA and PROFILE ask for income information from 2009 while I will be attending college in 2010?** For most families, the most recent complete year's income is the best predictor of their current financial status. Requesting 2009 tax information makes it easier for parents to provide complete, accurate information on the FAFSA and PROFILE. It is verifiable information that allows financial aid dollars to be distributed on the basis of actual information rather than on estimates or predictions.

**3. I have a sibling who will be attending the same college as me; does my family have to file separate financial aid applications for each of us?** Yes. While the parents' information will be the same for each applicant, the student

data will be different. The colleges must have a complete record for each individual applicant.

**4. Do I have to apply for financial aid each year?** Yes. You must file each year to apply for renewal of your financial aid. If your family's financial circumstances change, your eligibility for aid may also vary from year to year.

**5. When will Loyola University Maryland notify me about my financial aid eligibility?** Early Action applicants who have been accepted for admission and who meet the financial aid filing deadline of February 15, 2010 will be notified of their eligibility for financial aid no later than March 15, 2010.

All remaining students who are accepted for admission under the Regular Decision program and who file the FAFSA and PROFILE by February 15, 2010, will be notified of their financial aid eligibility no later than April 15, 2010. Your financial aid package will be offered to you through a formal Financial Aid Award Notification that lists the types and amounts of aid that has been awarded. The Financial Aid Award Notification must be completed, signed, and returned to the Financial Aid Office by May 1, 2010.

**6. The financial aid office informed me that I am not eligible for as much aid as I feel I need. What should I do?** Carefully read all of the materials that a college sends to you along with your financial aid package. Usually colleges will provide you with information that explains your eligibility for need-based aid as well as information concerning alternative resources that are available to families who are looking for

additional forms of assistance. If you still have questions after reviewing all of the information, you should contact the college's financial aid office.

**PROJECT SCHOLARSCAM**

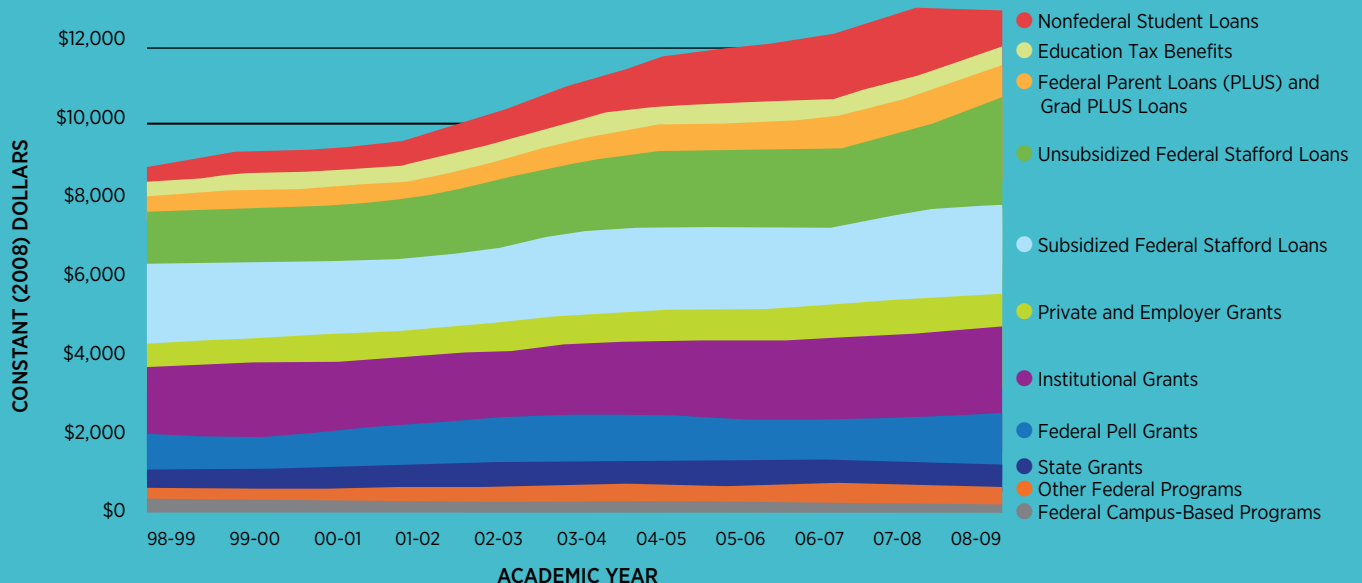
While doing research on information about financial aid, students and their families may encounter questionable companies or websites that offer help and assistance. Some families each year fall victim to scams because they are so eager to send their children to college that they are willing to trust anyone to receive financial aid. Be cautious prior to becoming involved with these offers of financial assistance. Don't fall prey to scholarship scams or other types of financial aid fraud.

The lure of "free money" can entice even the most skeptical among us. The College Scholarship Fraud Prevention Act was created in 2000 as part of "Project Scholarscam", a campaign of law enforcement and consumer education to limit the cases of scholarship fraud. The Federal Trade Commission (FTC) warns families to watch for the warning flags that a scholarship offer may be too good to be true. Some common warning signs would be:

- **Guaranteed winnings.** No one can guarantee that you'll win a scholarship. Also, be wary of "high success rates"—they usually do not refer to actual award winners.

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**Ten-Year Trend in Student Aid**



Source: Trends in Student Aid 2009 The College Board, New York, NY.

● **Application fees.**

You should not have to pay to search for or apply for scholarships. There are several free scholarship search engines online.

● **Requests for personal information.**

You should not have to provide credit card or bank account numbers as a condition to receiving a scholarship.

● **Excessive hype and pressure tactics**

Watch if you are informed that “you have been selected by a national foundation to receive a scholarship” or “you are a finalist” in a contest that you have not entered. Also, don’t allow yourself to be pressured into applying for a scholarship, especially if you are being asked to pay.

To check the legitimacy of a scholarship search, organizations, or individuals check the Better Business Bureau’s website at [www.bbb.com](http://www.bbb.com).

For more general information concerning financial aid scams check out the Department of Education’s website at <http://studentaid.ed.gov>.

To file a complaint if you feel that you have become a victim of a financial aid scam, call 1-877-382-4357 or visit the Federal Trade Commission’s website at [www.ftc.gov/scholarshipscams](http://www.ftc.gov/scholarshipscams).

Although these are not the only sources of student aid information on the Internet, we suggest that students and parents use the following websites that provide reliable and accurate information:

- The College Board’s Scholarship Search [www.collegeboard.com](http://www.collegeboard.com)
- The US Department of Education’s Student Aid on the Web <http://studentaid.ed.gov>
- Fast Web Scholarship Search [www.fastweb.com](http://www.fastweb.com)
- National Association of Student Financial Aid [www.nasfaa.org](http://www.nasfaa.org)
- Sites maintained and operated by an official state agency
- Web sites of colleges, universities, or other postsecondary institutions.

**FINANCIAL AID APPLICATION HINTS AND TIPS**

**Know which Financial Aid Applications you are required to file:** The Free Application for Federal Student Aid (FAFSA) is required to apply for federal aid and for many state or private programs. Colleges who offer institutional aid may require additional applications such as the CSS PROFILE.

**Meet the filing deadlines:** Do not wait to apply for financial aid until you receive your admission decision from a college. It is true that a college will not offer you aid until you have been accepted, however adhering to all filing deadlines will assure you that you will be considered for all types of aid for which you are eligible once you are informed of your acceptance.

**List the correct school codes on your applications:** These codes are used by the processing centers to transmit your application results to the correct colleges. **Loyola’s financial aid application code numbers are as follows: for the FAFSA (Title IV Code Number) is 002078; for the CSS PROFILE it is 5370.**

**Keep copies of all forms that you file.** Remember to print all confirmation pages of your online financial aid applications.

**Read follow-up materials sent to you:** Once your FAFSA has been processed you will receive a Student Aid Report (SAR) and CSS will send to you online the PROFILE Acknowledgement. Both of these forms can be used to edit or correct your application data and to request the addition of different colleges or universities.

**Respond promptly to any requests for additional information.** Your 2009 Federal Tax Return and your parents’ 2009 Federal Tax Return information will be used to verify the financial aid information reported on the PROFILE and the FAFSA. Loyola University Maryland participates in the College Board’s Institutional Documentation Service (IDOC) to collect parent and student tax return forms. After you file the PROFILE Application, the College Board will send you complete instructions for submitting your Federal Tax Return forms to IDOC.

**WHAT YOU NEED TO KNOW ABOUT FINANCING COLLEGE**

**M**aking the best financing decisions when it comes to the college application and enrollment process starts with asking the right questions. Here’s a list of questions provided by the College Board. The admission and financial aid offices of the colleges and universities you are considering should be providing the answers!

**Searching and applying**

1. What’s the average total cost (including tuition and fees, books and supplies, room and board, transportation, and other personal expenses) for the first year?
2. How much will total costs increase each year?
3. Does financial need have an impact on admissions decisions? Does a decision to apply for early action affect financial aid?
4. Does the college offer both financial aid based on need and merit? Is it necessary to apply for merit aid, and if so, how do you apply?
5. What application forms are required to complete the financial aid process?
6. What are the deadlines for applying for financial aid?
7. When will I be notified about financial aid award decisions?

**Deciding which college to attend**

1. How much financial aid will I receive?
2. If my family can’t meet the financial responsibilities from current income or assets, what financing options are available to help me pay my share?
3. How will my aid package change from year to year? What will happen if my financial situation changes? What will happen if my enrollment status (or that of a sibling) changes?
4. What are the terms and conditions of the aid programs included in my award package? What are the academic requirements for the renewal of my scholarship assistance?

**Before you leave home**

1. When can my family expect to receive bills from the college? Is there an option to spread the yearly payment over equal monthly installments? Does the college accept payment by credit card?
2. What typical out-of-pocket expenses do most students have during the year? Can I use financial aid to pay for books and supplies?
3. Are there banking services available on campus. Will I have access to ATMs or check cashing services?
4. Is information available regarding budgeting resources, money management, and credit card usage?
5. How are student jobs assigned. How many hours per week will I be expected to work? How often and in what manner will I be paid?