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, Pell Grants and SEOG Grants. If you filed a FAFSA for the 2004-2005 academic year, you should have already received either a paper Renewal FAFSA, a PIN reminder postcard and/or a PIN reminder e-mail from the federal government. A paper FAFSA can be obtained at the Financial Aid Office, the preferred method of completing the FAFSA is via the web at http://www.fafsa.ed.gov. PIN numbers used to sign the electronic FAFSA can be obtained at the site for both students and parents.

FINANCIAL AID DEADLINE ALERT

The renewal FAFSA application deadline is April 15, 2005 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 2005-2006 academic year, the Financial Aid Office will more 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 or Renewal 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, 2005-2006 eligibility for aid programs will be determined by the Financial Aid Office and 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 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 dormitory 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.

THE WORK STUDY PROGRAM

To be considered for the Federal Work Study program, students must file the FAFSA and answer YES to question #28. They should also complete a Work Study application.

Students Returning to Work Study Jobs

Students employed in the 2005 spring semester will be able to complete the online work study application prior to the end of the semester. As the applicants’ 2005-2006 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 2005-2006 must complete a work study application online through UIS. 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

THE FEDERAL STAFFORD LOAN PROGRAM

What Is the Stafford Loan?

The Stafford Loan allows students to borrow in their own name and requires no credit evaluation. 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 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.

The 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.

Annual Stafford Borrowing Limits Based on Grade Level

<table>
<thead>
<tr>
<th>Grade Level</th>
<th>Maximum Loan Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freshmen</td>
<td>$2,625</td>
</tr>
<tr>
<td>Sophomores</td>
<td>$3,500</td>
</tr>
<tr>
<td>Juniors</td>
<td>$5,500</td>
</tr>
<tr>
<td>Seniors</td>
<td>$5,500</td>
</tr>
<tr>
<td>Graduate Students</td>
<td>$8,500</td>
</tr>
</tbody>
</table>
Additional Unsubsidized Stafford Loan

In addition to the annual maximum amounts available through the subsidized program, dependent students whose parents are unable to obtain a PLUS Loan due to credit problems may borrow an additional amount through the Unsubsidized Stafford Loan.

The additional Unsubsidized Stafford Loan is also available to independent undergraduates and all graduate students. The annual maximum amounts available are:

<table>
<thead>
<tr>
<th>Freshmen</th>
<th>$4,000</th>
<th>Juniors</th>
<th>$5,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sophomores</td>
<td>$4,000</td>
<td>Seniors</td>
<td>$5,000</td>
</tr>
<tr>
<td>Graduate Students</td>
<td>$10,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

How to Apply for the Stafford Loan

You must file a FAFSA and check YES to question #27.

When your file is complete, a Stafford Loan will be certified by the Financial Aid Office for the maximum amount you are eligible for based on your grade level. If you do not wish to receive the maximum loan, please notify the Financial Aid Office in writing.

- If this is the first time that you will be borrowing a Stafford Loan, AES/PHEAA will contact you when the loan is certified. The Master Promissory Note (MPN) is good for up to 10 years.
- If you borrowed a AES/PHEAA guaranteed loan at The University of Scranton, it is not necessary for you to complete a new Master Promissory Note (MPN). You will receive a Guarantee Notice when the loan is processed.
- Loan funds will be sent via electronic funds transfer (EFT) directly to your student account, on the disbursement date scheduled by the Financial Aid Office.

If you are not borrowing your Stafford Loans through AES/PHEAA, please contact our office for loan certification procedures.

THE FEDERAL PLUS LOAN

Parents of dependent undergraduate students may help to pay for the cost of education by securing a PLUS Loan. Borrowers must be credit worthy and may borrow the difference between the student’s total costs and all other aid the student is receiving.

Interest is variable and is capped at 9%. Repayment of interest and principal begins 60 days after the second disbursement. You can apply for the PNC Bank Manageable Plus Loan and request a forbearance to delay making payments. While you are in forbearance, you will receive quarterly interest statements. Paying the interest as it accrues each quarter will save you money over the repayment term of the loan.

Parents should apply for the PLUS Loan beginning in June. The loan cannot be applied for more than 90 days before the start of the loan term. New for the 2005-06 academic year, the PLUS Loan process will be completed on-line through www.scranton.edu website. The University of Scranton uses the Multiple Year Promissory Note for the PLUS Loans (PLUS MPN). If you completed the MPN last year (2004-05), you will only need to supply the amount you want to borrow and successfully complete the on-line credit check process. For first time applicants, you will be required to complete the on-line Federal PLUS Loan Application and Master Promissory Note (MPN), the requested loan amount, and successfully complete the credit check. Further instructions will be given on The University of Scranton website.

OTHER SOURCES OF FINANCING

TMS Payment Plan

The University of Scranton, through Tuition Management Systems (TMS), provides an installment payment plan that allows families to spread payments over a 10 month period beginning in June. This eliminates the need to make lump sum payments prior to the beginning of each term.

Families can budget an amount not to exceed total yearly charges less any aid that will be received. No interest is charged by TMS and an automatic insurance plan is provided covering the balance of payments in the event the plan participant becomes deceased.

The 2004-2005 annual participation fee was $55. Contact TMS at 1-800-895-9061 or through links at www.scranton.edu to obtain an application or additional information.

Alternative Loan Programs

In addition to the Stafford and PLUS Loans, there are other private loan programs available to students and/or their 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. The following is a list of alternative loan programs available:

- PNC Bank Resource Loan (800) 851-2892
- New Jersey Class (800) 792-8670
- Key Education Resource Loan (800) 539-5363
- TERI Alternative Loan (800) 255-8374 ext 210
- Sallie Mae Signature Education Loan (800) 695-3317

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, 2005. For other special circumstances the University has Special Condition forms on which applicants can report reduction in family income for the 2005 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 to the Financial Aid Office.

TO ESTIMATE YOUR COSTS FOR 2005-2006

In order to determine what you may need to borrow through the PLUS Loan program, budget through the TMS Payment Plan and/or pay out of pocket, you can estimate your costs for 2005-2006 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).