

2013-2014 Academic Year

Financial Aid Package

Understanding Your Financial Aid
Graduate Students



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UNDERSTANDING FINANCIAL AID FOR GRADUATE STUDENTS

The Office of Financial Assistance at Villanova University is pleased to notify you of your financial aid eligibility and to explain the sources of financial aid that you may be qualified to receive. Please review this booklet thoroughly and retain it for future reference. What follows is a detailed explanation of all sources of federal and alternative forms of aid.

Please visit our Graduate Students webpage at finaid.villanova.edu for the most up-to-date information.

Villanova University Tuition Payment Plan

Please contact the Bursar's Office at 610-519-4258 for information about the Tuition Payment Plan for Graduate Programs. Please note that the Tuition Payment Plan is not available in the summer semesters.

Federal Direct Unsubsidized Loan

This is a federal education loan available to graduate students with an annual maximum amount of \$20,500 per year. At no time does the government subsidize the loan through payment of interest. Payment is not required while students are enrolled. It has a fixed interest rate and various repayment terms. Graduate students are able to borrow a Federal Direct Unsubsidized Loan regardless of income. A FAFSA is required to apply for the Federal Direct Unsubsidized Loan. Rates are subject to change July 1 of each year,

Federal Direct Graduate PLUS Loan

Graduate students can borrow through a William D. Ford Direct Loan Program—Direct Graduate PLUS. Direct Graduate PLUS Loans give a graduate student a viable alternative to private loans in situations where a student's Direct Unsubsidized Loan has not covered all costs. It has a fixed interest rate and various repayment terms. Receipt of a Federal Direct Graduate PLUS Loan is based on the creditworthiness of the borrower. Rates are subject to change July 1 of each year.

Private Educational Loans

If the Tuition Payment Plan and Federal Direct Graduate PLUS Loan do not satisfy your balance, a private loan may close the gap. If you believe private educational financing is needed, we encourage you to use this guide to learn about available programs and determine which one best meets your needs.

NEXT STEPS YOU SHOULD TAKE

1. Read your financial aid award notice carefully.
2. Notify the Office of Financial Assistance via email at finaid.award@villanova.edu if you wish to reduce or decline any portion of the aid package.
3. Complete required documentation for any Federal Direct Loans.
4. If you receive any outside sources of aid, notify the Office of Financial Assistance of each source and amount. Please note that receipt of outside aid may result in an adjustment of your aid package.
5. Contact the Office of Financial Assistance in writing if any of the following circumstances apply to you, as one or more could affect your eligibility for financial aid:
 - Receipt of outside aid (e.g. scholarships, state grants)
 - Change in enrollment status from full-time to part-time
 - Deferral of your offer of admission to a subsequent term or year



WILLIAM D. FORD FEDERAL DIRECT LOAN UNSUBSIDIZED LOAN

The Federal Direct Loan is the cornerstone of any borrowing because it offers the best available interest rate and repayment terms for the student.

An **Unsubsidized Loan** is awarded to all eligible graduate students regardless of income. Interest accrues from the time the funds are disbursed. You may elect to pay the interest while you are enrolled or allow it to accrue and be capitalized (added to the principal balance) at the end of your grace period.

Requirements

To receive financial aid, graduate students are required to meet the following criteria:

- Must be matriculated/degree-seeking in a graduate-level program. Non-matriculated students and certificate programs are not eligible for federal financial assistance.
- Must be enrolled at least half-time in graduate program (credits defining half-time status vary by program).
- Graduate Business: Must be enrolled in a minimum of 3 credit hours in the summer, fall or spring semester.
- Graduate Arts and Sciences: Must be enrolled in a minimum of 3 credit hours in the summer, fall or spring semester.
- Graduate Engineering: Must be enrolled in a minimum of 3 credit hours in the summer, fall or spring semester.
- Graduate Nursing: Must be enrolled in a minimum of 4 credit hours in the fall or spring semester (summer semester half-time status is 3 credits).**

***Graduate Nursing students who begin the full-time CRNA program need to maintain a minimum of 3 credit hours per semester to be eligible for financial aid.*

- Must maintain Satisfactory Academic Progress (SAP). Beginning with the 2011-2012 academic year, Satisfactory Academic Progress is defined as maintaining a 3.0 cumulative GPA and completing the total number of credit hours attempted in an academic year. SAP is reviewed at the end of each spring semester.

Annual Loan Limits

The annual loan limit for graduate students is \$20,500. The total lifetime limit is \$138,500.

Disbursements

Fall and spring: Funds are disbursed to your account usually at the beginning of each semester. Disbursements must be in equal and even amounts.

Summer: The Direct Unsubsidized Loan is available for summer semesters. There is usually one disbursement at the beginning of the summer term.

Lender

Federal Direct Loans are funded by the U.S. Department of Education (DOE) through Villanova University and are managed by the Federal Direct Loan Servicing Centers, under the supervision of the DOE.

Fees

Fees are deducted from the loan funds at the time of disbursement and are included in the amount you will repay. For Federal Direct Loans first disbursed on or after July 1, 2013, the loan origination fee is 1.051%, deducted proportionately from each loan disbursement. The entire fee for a Federal Direct Loan goes to the government to help reduce the cost of the loans. Additionally, if you do not repay your loan as scheduled, you may be charged collection costs and late fees.

Interest Rate

The interest rate on Unsubsidized Loans made to graduate students will be:

First disbursement of a loan	Interest rate on the unpaid balance
Made on or after July 1, 2013	5.41%*

* Subject to change on July 1, 2014; capped at 9.5%

Repayment

Repayment begins six months after you graduate, withdraw from school or are enrolled less than half-time. Depending on your total indebtedness, the repayment term may extend up to 10 years. You also may extend your repayment term for up to 25 years depending on the amount owed and type of repayment plan selected. A minimum payment of \$50 per month is required during repayment. Graduate students may have additional repayment plans available at studentloans.gov.

Deadlines

We recommend that you complete the application process for this loan 60 days before the start of classes. Applying later may delay your funds and possibly cause you to incur University late fees if your bills are not paid in a timely manner.

Application Process

Refer to finaid.villanova.edu for more information and for Federal Direct Loan application procedures.

Master Promissory Note (MPN)

Through a Federal Direct Loan MPN, you may receive multiple Unsubsidized Loans over a maximum 10-year period. Once a signed MPN is on file with the U.S. Department of Education, all you will have to do in future years is accept the Federal Direct Loan amount listed on your award letter. If you wish to change the amount of your Federal Direct Loan, email the Villanova University Office of Financial Assistance at finaid.award@villanova.edu. You may complete your Federal Direct Loan MPN at studentloans.gov.

Entrance Counseling

All first-time borrowers must complete Entrance Counseling prior to funds being credited to your account. Visit studentloans.gov and complete the Entrance Counseling for your Federal Direct Loan.

Federal Direct Loan Timeline

- **April-May:** The Office of Financial Assistance processes summer loan applications. Student visits studentloans.gov and completes Entrance Counseling for a Federal Direct Loan and signs MPN. Summer disbursements take place in May.
- **June:** The Office of Financial Assistance begins reviewing Direct Loan applications for fall and spring semesters.
- **July-August:** Student receives loan approval notice. Loan funds will be credited to the student's tuition account at the beginning of the fall semester.
- **January:** Loan funds will be credited to the student's tuition account at the beginning of the spring semester.

If your loan is not processed, please log into MyNova (mynova.villanova.edu) to make sure that all financial aid requirements are complete.

WILLIAM D. FORD FEDERAL DIRECT GRADUATE PLUS LOAN

A Federal Direct Graduate PLUS Loan is an easy way for graduate students to help meet additional costs beyond the Federal Direct Unsubsidized Loan. Federal Direct Graduate PLUS Loans are based on creditworthiness, not need.

To apply for the Federal Direct Graduate PLUS Loan, please follow these steps:

1. Go to **studentloans.gov** to complete the Federal Direct Graduate PLUS Loan application.
2. Complete the MPN at **studentloans.gov** and sign the MPN. Upon approval of the Federal Direct Graduate PLUS application and credit check, follow the next step online to sign the MPN.
3. Complete the Villanova University Federal Direct Graduate PLUS Loan Application (for graduate students) and return the completed form to Office of Financial Assistance.

*NOTE: Your loan is not complete and will not be certified by the Office of Financial Assistance until ALL three of the above steps have been completed.

Loan Amounts

Graduate students can borrow up to an amount equal to the cost of attending Villanova University, less any other financial aid received.

Lender

Federal Direct Graduate PLUS Loans are funded by the U.S. Department of Education (DOE) through Villanova University and are managed by the Federal Direct Loan Servicing Centers, under the supervision of the DOE.

Disbursements

Fall and spring: Funds are disbursed to your account usually at the beginning of each semester. Disbursements must be in equal amounts.

Summer: The Direct Graduate PLUS Loan is available for summer semesters. There is usually one disbursement at the beginning of the summer term.

Fees

Fees are deducted from the loan funds and are included in the amount a student repays. The U.S. Department of Education charges a loan fee of 4.204% of the principal amount of each Federal Direct Graduate PLUS Loan. This fee is deducted proportionately from each disbursement of your loan.

Interest Rate

The interest rate is:

First disbursement of a loan	Interest rate on the unpaid balance
Made on or after July 1, 2013	6.41%*

* Subject to change on July 1, 2014; capped at 10.5%

Repayment

The repayment period for a Federal Direct Graduate PLUS Loan begins when the loan is fully disbursed, and the first payment is due 60 days after the final disbursement for that year. However, Federal Direct Graduate PLUS borrowers may defer repayment while enrolled at least half-time and for six months after the student ceases to be enrolled at least half-time.

Interest is charged on Federal Direct Graduate PLUS Loans during all periods, beginning on the date of the first loan disbursement. A Federal Direct Graduate PLUS Loan borrower may either pay the interest as it accrues during a deferment or allow it to accrue and be capitalized at the end of the deferment period.

Depending on the amount borrowed, repayment can be made for a period of up to 10 years. When you receive your repayment disclosure, you may apply for a temporary hardship forbearance or deferment to have your payments delayed.

Federal Direct Graduate PLUS Endorser

When you apply for a Federal Direct Graduate PLUS Loan, the Department of Education will check your credit history. To be eligible for a Federal Direct Graduate PLUS Loan, you must not have an adverse credit history. If you are found to have an adverse credit history, you may still borrow a Federal Direct Graduate PLUS Loan with an endorser who does not have an adverse credit history.

An endorser is someone who agrees to repay the Federal Direct Graduate PLUS Loan if you do not repay the loan. In some cases, you may be able to obtain a Federal Direct Graduate PLUS Loan if you document that there are extenuating circumstances related to your adverse credit history.

Application Process

Refer to **finaid.villanova.edu** for more information and application procedures for the Federal Direct Graduate PLUS Loan.

Master Promissory Note (MPN)

Through a Federal Direct Graduate PLUS Loan MPN, you may receive multiple Federal Direct Graduate PLUS Loans over a maximum 10-year period. You have to complete the promissory note only once, unless you are applying with an endorser. Thereafter, all you need to do is supply the amount you want to borrow each year on a Villanova University Direct Graduate PLUS Loan application and successfully complete the credit-check process. An MPN must be completed for each student enrolled.

Federal Direct Graduate PLUS Loan Timeline

- **April-May:** The Office of Financial Assistance processes Federal Direct Unsubsidized Loan applications for summer. If additional funding is needed beyond the Federal Direct Unsubsidized Loan, a student can complete a Federal Direct Graduate PLUS Loan electronic application, credit check, and MPN online at **studentloans.gov**. Then the student should complete a VU paper Federal Direct Graduate PLUS Loan application, along with dollar amounts for the academic year, and submit it to the Office of Financial Assistance. Summer disbursements take place in May.
- **June:** The Office of Financial Assistance begins reviewing Graduate PLUS Loan applications for fall and spring semesters.
- **July-August:** The student receives loan approval notice. Loan funds will be credited to the student's tuition account at the beginning of the fall semester.
- **January:** Loan funds will be credited to the student's tuition account at the beginning of the spring semester.



PRIVATE EDUCATIONAL LOANS

A private (i.e., non-federal) educational loan enables full- and half-time students to pay for tuition and other costs associated with a college education after they have exhausted all other options outlined in this booklet. The program can be used along with the Villanova University Tuition Payment Plan, and Federal Direct Unsubsidized Loan and Federal Direct Graduate PLUS Loans.

Borrower Eligibility

The borrower of a private educational loan is the student. Since the private loan is based on creditworthiness, parents or creditworthy individuals may act as co-signers on this loan. (While some lenders will allow students to borrow without a co-signer, Villanova University highly recommends having a co-signer.)

To be considered for a private loan, the student borrower and/or the co-signer may be asked to meet various criteria:

- Be enrolled in certain eligible programs of study
- Meet certain citizenship requirements
- Meet credit underwriting guidelines
- Maintain a certain enrollment status
- Meet certain enrollment requirements
- Meet certain matriculation requirements

Since these loans are based on creditworthiness, not every applicant will to qualify.

Lenders

Borrowers may select any eligible and participating lender. You may want to contact the bank, savings and loan, or credit union with whom you regularly do business.

A list of Villanova University Preferred Lenders will be available on our website in Fall 2013. Please visit our website at that time for more specific information.

Disbursements

Disbursements are made through electronic funds transfer (EFT) or by check directly to Villanova University.

Fall and spring: Funds are disbursed to your account usually at the beginning of each semester.

Summer: Private education loans are available for summer semesters. There is usually one disbursement at the beginning of the summer term.

Fees

Fees may be charged for a private loan and may be tied to the borrower's and co-borrower's creditworthiness.

Interest Rates

Private student loans typically offer a variable or fixed interest rate. These loans are tied to an index, such as LIBOR or Prime, plus a margin. The interest rates and fees you pay on a private loan are based on your credit score and the credit score of your co-signer, if you have one. It is better to apply for a private loan with a co-signer even if you could qualify for the loan on your own. Applying with a co-signer usually results in a lower interest rate.

Repayment

A lender may offer a variety of repayment options. While most lenders will allow the student to delay repayment while enrolled at least half-time, you must confirm available options with your lender. For example, the lender may allow for deferment of principal but may require a borrower to either pay interest during this time or allow the interest to accumulate and then be capitalized (added to the principal balance) after the school deferment ends.

Borrower Benefits

Lending institutions may offer borrowers benefits such as the following:

- Co-signer release options
- Rate reductions for borrowers who elect monthly payments that are automatically deducted from a bank account
- Consolidation
- Rate reduction after a specified number of on-time payments

Check with your lender for the benefits that most appeal to you and your financial needs.

Application Process

Refer to finaid.villanova.edu for more information and application procedures for private educational loans.

FEDERAL DIRECT GRADUATE PLUS vs. PRIVATE EDUCATIONAL LOANS

We encourage you to carefully evaluate your needs and financial situation before you complete a loan application.

	Federal Direct Graduate PLUS Loan	Private Educational Loan
Interest Rate	<ul style="list-style-type: none"> Fixed interest rate is 6.41 percent. Student is the borrower. 	<ul style="list-style-type: none"> Variable or fixed interest rate determined monthly or quarterly based on prime or LIBOR rate plus a margin. Interest rate is not capped.
Fees	<ul style="list-style-type: none"> A 4.204% percent origination may be deducted from the loan proceeds prior to disbursements. 	<ul style="list-style-type: none"> Fees may or may not be charged.
Credit Requirements	<ul style="list-style-type: none"> Credit check is based upon federal standards. 	<ul style="list-style-type: none"> Terms vary by lender, most of whom use credit scores or debt-to-income ratios to determine creditworthiness, interest rates and fees. International students must borrow with a creditworthy U.S. citizen co-signer.
Loan Limits	<ul style="list-style-type: none"> Students may borrow up to the cost of attendance less other aid. 	<ul style="list-style-type: none"> Student (or with co-signer) may borrow up to the cost of attendance less other aid. Limits depend on maximums established by lenders, as well as borrower and co-borrower credit scores.
Cancellation	<ul style="list-style-type: none"> Although Federal Direct Graduate PLUS Loans must be repaid in full, there are a few situations in which your loan(s) may be discharged and your repayment obligation cancelled, including, but not limited to total and permanent disability or your death. 	<ul style="list-style-type: none"> Death or disability insurance may be available and vary among lenders.
Repayment Terms	<ul style="list-style-type: none"> For Federal Direct Graduate PLUS Loans, repayment begins either no later than 60 days after the final disbursement or, at the request of the borrower, six months after the date that the student ceases to be enrolled at least half-time. Interest accrues from the date that the loan is disbursed. Generally, the repayment term is 10 years, and there are no prepayment penalties. Graduated repayment or extended repayment terms may be available if the borrower qualifies. 	<ul style="list-style-type: none"> Repayment varies by lender and may begin immediately or be deferred until six months after the student ceases half-time enrollment. Students may select from several repayment plans, and most lenders allow prepayment and early payoff without penalty.
Deferment and/or Forbearance	<ul style="list-style-type: none"> Various deferment and forbearance alternatives are available. 	<ul style="list-style-type: none"> Deferment options vary widely and are generally less flexible than Direct Graduate PLUS.
Consolidation	<ul style="list-style-type: none"> Federal Direct Graduate PLUS Loans may be consolidated. 	<ul style="list-style-type: none"> Some private lenders offer consolidation options, but interest rates are variable and scaled to credit.
Payment	<ul style="list-style-type: none"> Student borrower is responsible for repayment, unless there is an endorser 	<ul style="list-style-type: none"> Student is responsible for repayment; however, a co-signer is equally liable.



GLOSSARY

Capitalized

The adding of unpaid interest that accumulated during an in-school, grace or deferment period to the principal balance. This will increase the principal balance.

Deferment

The deferment period is a period of delayed payments while in-school or in grace period. Contact your lender for a list of available deferments.

Federal Direct Loan Lender

Federal Direct Loans are funded by the U.S. Department of Education through Villanova University and are managed by the Federal Direct Loan Servicing Center under the supervision of the Department of Education.

Disbursement

The process of sending the loan proceeds to the University's Bursar's Office. Disbursements usually coincide with the beginning of each semester.

Electronic Funds Transfer (EFT)

The process of disbursement that sends private educational loan proceeds electronically to the University's Bursar's Office.

Entrance Counseling

A review of the terms and conditions of the loan programs. All first-time borrowers must complete Entrance Counseling prior to Federal Direct Loan funds being credited to the student's account. Visit studentloans.gov and complete the Entrance Counseling for your Federal Direct Loan.

Forbearance

Forbearance is an arrangement to postpone a payment for a limited and specified period of time. Interest will accrue on all loans during forbearance. Any interest that is not paid will capitalize at the end of the forbearance, and will be added to the principal balance of the loan. Common types of forbearance include Temporary Hardship, In-School Forbearance, Economic Hardship, Natural Disaster, and Military Service.

Grace Period

The six-month, payment-free period that follows the student's graduation, withdrawal or dropping below half-time enrollment status. During this time interest will accrue.

Half-Time

The required enrollment status in order for graduate students to receive Federal Student Aid. Please visit finaid.villanova.edu for a list of half-time credit hours for each graduate program.

In-School

The period when a student is enrolled on at least a half-time basis. No payments are required; however, interest does accumulate on an unsubsidized loan.

Interest

The cost paid by the government (for subsidized loans during subsidized periods) or by the borrower during the time the loan is outstanding. Interest is accrued using the simple method with the Federal Direct Loan.

LIBOR

An acronym for the London Interbank Offered Rate. Visit bloomberg.com/markets to view current LIBOR rates.

Loan Consolidation

The federal loan program that allows a borrower to combine all his or her federal loans and refinance them, possibly over a longer term (up to 30 years) based on amounts borrowed.

Prime

The interest rate that commercial banks charge their most creditworthy customers.

Repayment Period

The period of time following the grace period when principal and interest payments are required. The repayment term for Federal Direct and Federal Direct PLUS Loans is a maximum of 10 years but can be extended through loan consolidation or other repayment options.

Satisfactory Academic Progress (SAP)

The term used by schools to determine if a student is meeting the minimum academic requirements for matriculation, which are based on grade point average and number of credit hours completed. Students must be making SAP to receive Federal Student Aid. Refer to finaid.villanova.edu for Villanova's Satisfactory Academic Progress Policy.

Term of Loan

The number of years that a loan is in the repayment period.

FEDERAL DIRECT UNSUBSIDIZED AND GRADUATE PLUS LOAN REPAYMENT CHART

Estimating the costs of borrowing federal student loans can be challenging, but these charts can help you make informed decisions before taking out a loan. The charts outline repayment information for different loan amounts and different types of federal student loans, including:

- Unsubsidized Federal Direct Loan with Standard Repayment Plan
- Federal Direct Graduate PLUS

Repayment calculators are available at studentloans.gov by clicking on Repayment Plans and Calculators.

Balance at Repayment	5.41% Federal Direct Unsubsidized Loan		6.41% Federal Direct Graduate PLUS Loan	
	Estimated Payment	Number of Months in Repayment	Estimated Payment	Number of Months in Repayment
\$3,500	\$50	84	\$50	88
\$5,500	\$60	120	\$62	120
\$10,000	\$108	120	\$113	120
\$15,000	\$162	120	\$170	120
\$25,000	\$270	120	\$283	120
\$30,000	\$324	120	\$339	120
\$50,000*	\$540	120	\$565	120
\$100,000*	\$1,081	120	\$1,131	120
\$125,000*	\$1,351	120	\$1,414	120

* Eligible for the Extended Payment Plan



COSTS FOR THE 2013–2014 ACADEMIC YEAR

Direct Costs: Tuition costs are dependent upon graduate program and college. Visit bursar.villanova.edu for cost information. There is a general fee of \$30 for each semester for graduate students.

Indirect Costs: These are additional costs the University does not bill you; however, they are included in the cost of attending Villanova in order to calculate your aid eligibility.

- Books and Supplies: \$950 for fall and spring semesters
- Estimated costs for living expenses (room and board): \$17,440 for fall and spring semesters

Summer costs are a separate calculation in addition to the fall and spring costs of attendance. The summer costs are dependent upon the number of credits you enroll in and the length of the summer sessions you attend. For example, if you only attend the first summer session, we would determine living expenses for that time period only.

Please note: If you are borrowing for living expenses and/or books, refunds may not be available until 10 business days after the start of the semester. Please plan accordingly to cover initial expenses out-of-pocket.

Information About Subsequent Award Years

You will need to reapply for financial aid each year. Applications for the next academic year usually are available in January.

If you are applying for a fall/spring Direct Loan, you need to reapply by the end of June in order to ensure the timely processing of your Direct Loan. A complete application includes a renewal FAFSA and Graduate Aid Application.

If you are applying for a summer Direct Loan, please complete the application process as soon as possible after summer registration has taken place. All summer Direct Loan requests are processed in the order they are received. A complete application includes a renewal FAFSA and Graduate Aid Application. The review of summer Direct Loan requests commences once fall and spring grades are reviewed for Satisfactory Academic Progress.

You must maintain Satisfactory Academic Progress in order to be considered for financial aid each year. Please consult finaid.villanova.edu for more information about SAP.

Beyond this booklet, you can visit finaid.villanova.edu for more details and answers to frequently asked questions. As always, you are welcome to contact the Office of Financial Assistance for further help.

Villanova University Office of Financial Assistance
800 Lancaster Avenue
Villanova, PA 19085
Phone: 610-519-4010
Fax: 610-519-7599

Email: finaid@villanova.edu
Web: finaid.villanova.edu

IMPORTANT FINANCIAL AID INFORMATION ENCLOSED



IMPORTANT CONTACTS

Bursar (billing and payment plans)
International Student Services
Tuition Management Systems

610-519-4258
610-519-8017
800-895-9061

bursar.villanova.edu
students.villanova.edu/iss
villanova.afford.com