

Nova Southeastern University

Financial Aid Basics

Presented by
Enrollment & Student Services

Enrollment & Student Services

Presentation Objectives

1. Learn financial aid basics including specific terms.
2. Learn the steps in the financial aid process.
3. Learn how to borrow smart to avoid future financial hardship.

Financial Aid Vocabulary

Aggregate Limit

The maximum amount of Federal Loans that a student can borrow in their lifetime (includes undergraduate and graduate loans).

Authorization Form

Authorizes the use of aid for charges such as parking tickets and library fees.

Award

Amount of aid offered to students based on eligibility.

Financial Aid Vocabulary

Cost of Attendance

The estimated Cost for a student to attend a specific program which includes direct (Tuition & Fees) and indirect educational expenses (Room & Board, Transportation, Personal Expenses, Books & Supplies)

Disbursement

Financial aid funds that are paid to the NSU student account.

Refund

The amount of financial aid that exceeds the institutional charges resulting in a credit balance which is then issued to the student via direct deposit or refund check.

Financial Aid Vocabulary

Reprocess

The return/cancellation of a loan and subsequent reawarding based on current enrollment. *(i.e. If a student does not attend the first part of a term, funds will be preprocessed to reflect only second part of term registration)*

Release of Information (ROI)

A form that provides authorization to person(s) other than the student to obtain information regarding the student's account.

Financial Aid Vocabulary

Satisfactory of Academic Progress (SAP)

Academic requirements that must be met each academic year in order to maintain federal and state aid eligibility.

Title IV Funds

Also known as “Federal Funds” include Direct Subsidized & Unsubsidized, Perkins, PLUS and Graduate PLUS Loans as well as Federal Work-Study (FWS).

Financial Aid Process

1. Complete the Free Application for Federal Student Aid (FAFSA) at www.fafsa.ed.gov as early as possible
 - ❖ The FAFSA is available January 1st of each year.
2. Plan for Housing and Meal Expenses
 - ❖ Your financial aid budget includes a housing and meal component, take these costs into consideration when determining how much of your award to accept.
3. Check Your Financial Aid Account Frequently
 - ❖ The link to **My Financial Aid** is located in the center of your SharkLink Student tab. Now is a good time to confirm your admissions status. You will have to be fully admitted in order for your financial aid funds to disburse.

Financial Aid Process

4. Submit Additional Documentation

- ❖ Some students may be required to submit additional documents prior to having their financial aid awarded. You will be notified of outstanding requirements by mail. Outstanding requirements can also be viewed by logging into SharkLink at

<http://sharklink.nova.edu/cp/home/displaylogin>

- » Click on **Student** tab and locate the financial aid section.
- » Select My Financial Aid and click on Eligibility.
- » Click on Student Requirements and select the appropriate award year.

Failure to complete outstanding requirements will prevent initial financial award and/or the disbursement of awarded funds.

Financial Aid Process

5. Accept, Reduce, or Decline Your Loan(s) or FWS Award
 - ❖ Your award notice will provide you with detailed instructions on how to accept, reduce, or decline your financial aid award.
6. Register for Classes
 - ❖ All students awarded federal direct loans must be enrolled at least half time.

Types of Financial Aid

There are two forms of aid:

1. Gift Aid

- ❖ Scholarships
- ❖ Grants
- ❖ Fellowships

2. Self-help Aid

- ❖ Federal Work Study/Student Employment
- ❖ Loans

Types of Financial Aid

- ❖ The options for Gift Aid for graduate students are limited.
- ❖ Graduate students are encouraged to pursue Gift Aid opportunities.
- ❖ For more information on scholarships visit <http://www.nova.edu/financialaid/scholarships>
- ❖ Students can also do their own searches for external scholarships, fellowships and Grants through various organizations, places of employment, etc.

Types of Financial Aid

- ❖ Federal Work Study & Student Employment
 - Federal Work Study requires a FAFSA be on file and allows qualifying students to work up to 25 hrs. per week.
 - Student Employment does not require a FAFSA and allows qualifying students to work up to 20 hours per week.
 - ❖ International students can qualify for the student employment program
 - These programs provide part-time, on campus employment for fully accepted and enrolled NSU students
 - For a listing of jobs currently available and hiring instructions, please visit the student employment Web page at www.nova.edu/financialaid/employment

Types of Financial Aid

- ❖ The primary source of aid for graduate students is student loans
- ❖ There are a two types of loans available to graduate students in the Fischler Education Programs
 - Direct Unsubsidized Loan
 - Graduate Plus Loan
- ❖ Award amounts vary based upon enrollment for each term.
- ❖ Financial Aid Awards cannot exceed the program's COA (*see vocabulary for details*)

Student Loans

- ❖ Federal Direct Unsubsidized Loan
 - \$10,250 per term
 - \$30,750.00 per academic year (Fall/Winter/Summer)
 - Accrues interest upon disbursement
 - Interest capitalizes quarterly
 - 6.8% interest rate and 1% Origination Fee
 - Students have the option of paying interest while in school

Effective July 1, 2012 Federal Direct Subsidized Loans are no longer available to graduate students

Student Loans

- ❖ Federal Direct Graduate Plus Loan
 - Can be utilized to cover tuition, fees and other educational related expenses up to Cost of Attendance after Unsubsidized loan has been applied.
 - Borrower must be creditworthy
 - Borrowers may require an endorser
 - 7.9% fixed interest rate and 4% Origination Fee.
 - To apply visit studentloans.gov
 - Your FAFSA PIN will be required to login

Borrowing Smart

- ❖ In order to minimize your student loan debt take time to consider how much you will actually need for tuition, fees and related expenses and only accept that amount.
- ❖ You should also take into account your projected salary based on the career path you are pursuing, you can project your salary by visiting swz.salary.com. Experts suggest using 10% of your annual salary to cover your student loan repayments in order to maintain a comfortable lifestyle.
- ❖ Over borrowing can lead to financial hardships after graduation, the following slides will provide some tips on how to avoid over borrowing.

Borrowing Smart

Only accept what you absolutely need!

- ❖ Determine cost of each term:
 - Tuition & fees
 - Credits x \$ per credit hour = tuition only
 - Student Services Fee
 - Registration Fee
 - Books & supplies
 - travel to sites, conferences, etc.
 - Miscellaneous

- ❖ Determine how much aid you will need for each term based on above calculation

- ❖ Adjust award to the amounts of aid per term and accept those amounts.

Borrowing Smart

Accepting your full award every semester will lead to this scenario:

- ❖ Student accepts the maximum amount of Federal Direct Unsubsidized Loans each year for three years totaling \$92,250
- ❖ Student's monthly payment will be \$1062 (*based on 10 year standard monthly repayment*).
- ❖ Student will need to earn approximately \$127,394 annually to manage this monthly repayment.

Accept Less...Repay Less

Borrowing Smart

- ❖ Even if you accept the full award you still have the option of returning any unneeded funds to NSU
- ❖ To return unneeded funds access the Authorization to Return Refund form located at http://www.nova.edu/financialaid/forms/return_refund_authorization.pdf

Borrowing Smart

- ❖ Another important factor to consider when determining how much to borrow is your aggregate limits
- ❖ Students who accept their maximum award per term run the risk of reaching their aggregate limits before completing their education
www.nslds.ed.gov

- ❖ Graduate Loan Aggregate Limits
 - Subsidized: \$65,500.00
 - Unsubsidized: \$73,000.00
 - Total \$138,000.00

- ❖ The graduate aggregate limits above include undergraduate, masters and doctoral level loans.
- ❖ Graduate PLUS loans do not have an aggregate limit, but do add significantly to loan repayment amounts.

Contact Information

Office of Student Financial Assistance

Toll free: 1-800-806-3680

Local: (954) 262-3380

Email: finaid@nova.edu

www.nova.edu/cwis/finaid/index.html

Bursar's Office

Local: (954) 262-5200

Email: bursar@nova.edu

www.nova.edu/cwis/bursar

Debt Management Office

Qwesha Keen (954) 262-7438

debtmgmt@nova.edu

Contact the Debt Management Office for One on One strategic borrowing, budgeting and loan repayment counseling.

For more information on minimizing student debt and other important student loan repayment and budgeting tips visit: <http://www.nova.edu/financialaid/tips/debt/>