



DREXEL UNIVERSITY

FINANCING OPTIONS GUIDE

2011–2012

Questions?
<http://ask.drexel.edu>
www.drexel.edu/financialaid

DREXEL UNIVERSITY FINANCING OPTIONS GUIDE 2011–2012

The Student Resource Center/Financial Aid Office (SRC/FA) at Drexel University recognizes that funding your education requires careful financial planning. We've developed this guide to help you and your family understand your financial aid award. Inside you will find an explanation of the different types of aid included in your financial aid award and the steps you must complete to finalize, disburse, and maintain your financial aid.

REVIEW YOUR FINANCIAL AID AWARD

Your financial aid award should accompany this guide. You can also view your award online by logging in to DrexelOne at <http://one.drexel.edu>. Be sure to keep this financial aid award letter (and any revised award letters) for your records. You should also keep a copy of all documents that you submit to the SRC/FA.

How Your Financial Need Is Determined

Drexel University uses the information you provided on the FAFSA and the formulas established by the federal government to determine your financial need. The following equation demonstrates how financial need is determined.

Cost of Attendance – Family Contribution = Financial Need

Your financial aid award includes need-based aid to help meet the gap between your cost of attendance and your expected family contribution. The maximum amount of financial aid you receive in one academic year cannot exceed your total cost of attendance.

Family Contribution

Drexel University endorses the principle that education is, first and foremost, the responsibility of you and your family. Drexel awards financial aid to supplement, not replace, the family's ability to pay. Our goal is to assist as many families as possible in a fair and equitable manner. For dependent undergraduate students and medical students who wish to be considered for institutional scholarships, grants, or loans, your total family contribution includes contributions from both you and your parents. For graduate students and independent undergraduate students, only your contribution is taken into account.

Your student contribution includes:

- Current savings and assets including dividend and interest income
- Effective July 1, 2010, co-op earnings are not calculated in the Expected Family Contribution (EFC). Income from other work is included.

Your parents' contribution is determined by:

- Income
- Assets and income taxes
- Family size
- Number of dependent children in college

Cost of Attendance

The Financial Aid Office determines the cost of attendance each year. It takes into account such costs as tuition and fees and the average costs for room and board, books, supplies, transportation, and miscellaneous (personal) expenses.

Under ordinary circumstances, you are expected to live within your established cost of attendance for the academic year. No allowances will be made for the purchase of an automobile or for other consumer debts, such as personal loans or credit cards.

Most costs specific to your particular program of study are included in your financial aid award.

Additional Expense – Student Health Insurance

The University requires all full-time students to have health insurance. You can satisfy this requirement through private coverage or through enrollment in the Drexel Student Accident and Sickness Insurance Plan. You must provide proof of coverage or purchase insurance from Drexel.

You will be automatically enrolled in the Drexel Student Accident and Sickness Insurance Plan if we do not receive proof of coverage. The cost of the Drexel Student Accident and Sickness Insurance Plan for an undergraduate student with no dependents was \$1,113 in 2010–2011. (Drexel may allow you to borrow additional funds upon request to cover this expense.) These charges will be reflected in your annual bill. Detailed information is available at www.drexel.edu/studentlife.

Reevaluation of Financial Need

If, after a careful review of this guide and your financial aid award, you think that your resources are insufficient for you to attend Drexel, you may request a reevaluation from the SRC/FA.

In very few instances, counselors in the SRC/FA can alter the cost of attendance. If you have special circumstances such as child care costs or emergency medical bills, you can request a review of your situation. You will be expected to provide detailed documentation of your cost increase before your case is considered.

Drexel will also consider requests for reevaluation of the expected family contribution due to specific circumstances. However, the reevaluation may not result in an adjustment to your financial aid award. You may request a reevaluation if your family has experienced one of the following situations:

- A significant and recent change in financial circumstances, such as employment, recent divorce or separation, or death in the family.
- Extenuating circumstances which distinguish them from other families of similar income and characteristics, and which were not considered in the initial determination.

UNDERSTAND THE DETAILS

Your financial aid award is the total amount of financial aid offered from all sources, including scholarships and grants, loans, and employment (such as Federal College Work-Study). Here we've outlined some of the financing options that may be included in your financial aid award.

Medical students should refer to *Additional Funding Options for Medical Students* for an overview of alternatives available only to students pursuing an MD.

Scholarships and Grants

Scholarships and grants are types of gift aid that do not have to be repaid. They may take the form of University scholarships, federal or state grants, or outside scholarships. Detailed descriptions of scholarships and grants may be found at www.drexel.edu/financialaid/scholarships.

Taxability of Aid

Students receiving financial assistance should be aware that scholarship awards in excess of tuition, fees, and books and supplies required for courses of instruction are subject to U.S. federal income taxation. It is suggested that you consult your tax advisor if you have any questions.

Drexel University Scholarships and Grants

Drexel scholarships are awarded on a competitive basis and may reflect academic excellence, as well as demonstrated financial need. The level of scholarship assistance depends on the quality of your academic record, the availability of funds, and whether you are a part-time or full-time student.

Eligibility for Drexel grants may depend on financial need or on any criteria defined by the funding source. Awards with fund-specific criteria (major, degree, program, activity, etc.) will not continue if the student ceases to meet the criteria.

These awards are made from either general University funds or specific funds earmarked by donors for financial aid. Named scholarships may replace general University funds when candidates are identified. Students who receive named funds are expected to write a thank-you note to the donor.

Note: Drexel funds may only be used for tuition. Students with full tuition provided by Drexel funds, including Drexel tuition remission, full-time athletic grants, and ROTC grants, are not eligible for additional Drexel scholarships and grants.

Pennsylvania State Grant

The Pennsylvania Higher Education Assistance Agency (PHEAA) sponsors a need-based state grant program for undergraduate Pennsylvania residents who will be enrolled at least half-time (6 or more credit hours per quarter in a campus-based program). All Pennsylvania residents applying for financial aid from Drexel University are required to apply for a Pennsylvania State Grant. If a student is eligible to apply for this grant and does not do so, the SRC/FA will not substitute Drexel funds for the computed state grant amount. Those interested in receiving consideration for the Pennsylvania State Grant must complete the Free Application for Federal Student Aid (FAFSA) before May 1. The award will appear as an estimate, but the real notification (and grant amount that will count toward your aid package) will be sent from PHEAA. Be sure to confirm that the award has been made for Drexel.

Outside Scholarships

Many scholarships and grants are offered by private sources, such as fraternal and religious organizations, labor unions, professional associations, social groups, and ethnic associations. Because they are private and therefore not administered by Drexel, it is up to you to research and apply for them on your own. The best place to start your research is your local church or synagogue or a local club such as the Lions or Kiwanis. In addition, various publications contain private resource information; they can be found in your local library or bookstore. You can also search online at www.collegeboard.com, www.finaid.org, or www.fastweb.com.

Report Your Private Funding

Any outside funding you receive must be taken into account when your eligibility is determined for need-based financial aid, such as the Stafford Loan program. If you have been offered funding from a source outside the University, you must notify the SRC/FA of the amount and of the donor.

Loans

A portion of your financial aid award may be a loan. While no one prefers to borrow, loans are a necessary element in meeting college costs. Without them, it would be impossible for most colleges to fully cover the financial needs of their students.

Interest rates vary from program to program but are usually lower than on loans made to the general public. The precise terms of the loans are contained in the promissory notes that borrowers must sign before your loan can be applied to your bill.

Detailed information about loans can be found at www.drexel.edu/financialaid/loans.

Loan Repayment

A loan must be repaid. When deciding whether to borrow, you should examine your need for assistance and your future ability to repay. Student loans must be repaid after graduation — therefore, such loans should be viewed as an investment in the education that makes future income possible.

Unlike consumer loans, student loans have longer terms of repayment and in most cases payments are not required while you are in school; in the case of subsidized loans, no interest accrues during the in-school period. Unsubsidized loans will have interest accrue during the in-school period. You should note how often the interest is capitalized (added to principal). Please refer to your promissory note for deferment and cancellation provisions.

Graduated repayment plans are available to lessen payments in the early years after graduation, and repayment may be extended in most cases beyond 10 years so that monthly payment amounts may be reduced. In addition, federal loan consolidation may be available for federal loans. It is important that you understand the seriousness of repaying your student loans. If you have any difficulties in making your loan payments, please contact the lender (or servicer) of your loans. To obtain more information on your federal student loan(s), visit the National Student Loan Data System at www.nslds.ed.gov.

Entrance and Exit Interviews

To make certain that student loan borrowers are given the most up-to-date information on student loans, all borrowers are required to complete entrance and exit counseling sessions.

Entrance Interviews

First-time borrowers of federal loans are required to complete entrance counseling before Student Financial Services (SFS) may credit their loan proceeds. The purpose of the entrance counseling is to ensure that you understand your rights and responsibilities as a new loan borrower and that you understand the regulations governing each loan program, such as interest rates, grace, deferment/forbearance options, prepayment, consolidation, and other general repayment obligations. You are also informed of the consequences of not repaying your student loans (default) and of various repayment strategies.

Exit Interviews

All student loan borrowers are required to complete exit counseling before graduating or withdrawing from Drexel University, or ceasing to enroll at least half-time. The interview covers all subjects that were covered in the entrance counseling, with an emphasis on repayment strategies. A hold is placed on your transcripts if you do not complete exit counseling.

Federal College Work-Study Program

Student earnings are an important source of funding for education. The Federal College Work-Study program at Drexel is designed to stimulate and promote the part-time employment of college students who have demonstrated financial need and who require the wages from employment to pursue their vocational objectives.

Employment under the Federal College Work-Study program is awarded as part of your financial aid award. The amount earned will not be applied to your tuition bill but will be paid to you through a paycheck. Any student receiving this type of award may earn these funds through the Federal College Work-Study program. You should not expect increases once this amount is earned.

If you are awarded Federal College Work-Study funding, you may visit www.drexel.edu/financialaid/workstudy to locate a job. Once a job is secured, have your supervisor contact SRC/FA to process your Federal College Work-Study award for payment. You must also contact Human Resources to complete the appropriate employment forms.

Note: Federal College Work-Study earnings are not credited toward tuition and fees or room and board but are paid to the student on a biweekly basis. Money earned from employment is normally used for books, transportation, and personal expenses.

NEXT STEPS

To ensure a smooth transition to the upcoming academic year and maintain your financial aid in the years that follow, you should complete the steps that pertain to your financial situation listed on the following pages. It is especially important that you remember to review and pay your eBill, make satisfactory academic progress toward your degree, and file the FAFSA every year.

Consider a Payment Plan

At Drexel University, you can pay your bill in one payment or through installments. Our installment plan may be available for students who are:

- Full-time undergraduate students
- Full-time law students
- Full-time medical students

The DU installment payment plan allows you to budget all or a portion of your educational expenses over a ten-month period of time in equal payments (for example, full-time undergraduates start in September and end in June). The installment payment plan is not a loan, but rather a credit toward the costs of your annual fees. Your account will not be charged interest, unless your payment is missed and you will only pay an annual application fee and your first monthly payment to be enrolled in the program. Participation in the plan does not affect your financial eligibility, and you can adjust your budget at any time for changes in your academic curriculum or financial aid. For additional information, visit the Student Financial Services website at www.drexel.edu/bursar.

Important Tax Information

There may be tax implications for payments made in one calendar year for terms starting after March 31 of the following calendar year. Check with your tax advisor or IRS Publication 970: Tax Benefits for Education, available at www.irs.gov, for information about the 1098-T, Hope Credit, and the Lifetime Learning Credit.

Maintain Your Financial Aid

Need-based financial aid awards are not automatically renewed each year. To maintain eligibility, you must continue to file the FAFSA by the published deadline, demonstrate financial need, remain in good academic standing, and make satisfactory academic progress.

Satisfactory Academic Progress Policy

The receipt of financial aid is a privilege that creates both rights and obligations. The United States Department of Education requires every postsecondary institution receiving federal funds (Title IV) to have an academic progress policy that is used to determine eligibility for and continued receipt of federal funds. Title IV federal funds affected by this policy include the Federal College Work-Study program, Federal Perkins Loans, Federal PLUS Loans, and Federal Stafford Loans. Drexel also uses this standard to renew need-based aid. Recipients of the Pennsylvania Higher Education Assistance Agency (PHEAA) Grant must also follow certain academic progress guidelines (contact PHEAA for these guidelines).

Drexel University has designed an academic progress policy that meets the requirements of both federal and state agencies. You can find full details of the University's Satisfactory Academic Progress Policy at www.drexel.edu/financialaid/info/eligibility.

Note: Medical students have a separate Satisfactory Academic Progress Policy that can be accessed from www.drexel.edu/financialaid/info/eligibility_md.

File the FAFSA

You may file your FAFSA at www.fafsa.gov as early as January 1 for the upcoming academic year. Returning students are encouraged to file the FAFSA each year by May 1 in order to be considered for all available forms of financial aid.

If you file the FAFSA online, you should receive your Student Aid Report (SAR) within five days of filing. Review your SAR carefully; it summarizes the information you provided on the FAFSA and contains your expected family contribution as well as the status of your application. If you find any mistakes, information that needs to be updated, or if you need to provide additional information and/or signatures, follow the instructions on the SAR to make corrections.

FAFSA applications are processed on a rolling basis; however, you must allow five to six weeks to receive any aid for which you are eligible. If you apply after May 1, some forms of aid may no longer be available.

Note: College of Medicine students who wish to be considered for institutional loan or grant funds must submit parental data on the FAFSA. Additional information may be required and will be requested separately.

RESOURCES

Financing Options for Incoming Students

(EdFinancial Services)

1-877-DREXEL-5 (incoming students)
This call center has been arranged with EdFinancial Services for Drexel students and their families.

Student Resource Center/Financial Aid Office (SRC/FA)

215-895-2537 (returning students)

215-895-1692 (fax)

<http://ask.drexel.edu>

www.drexel.edu/financialaid

- University City Main
Campus Location
Main Building, Room 222
3141 Chestnut Street
Philadelphia, PA 19104
- Center City Hahnemann
Campus Location
New College Building,
First Floor, Room 1142
245 North 15th Street
Philadelphia, PA 19102
- Office Hours
Monday through Friday
8:00 a.m. – 5:00 p.m.
(9:30 a.m. – 5:00 p.m. on Tuesdays)
- Mailing Address
Student Resource Center/
Financial Aid
3141 Chestnut Street
Philadelphia, PA 19104

Financial Aid Office (College of Medicine Students Only)

215-895-2537

215-843-5243 (fax)

<http://ask.drexel.edu>

www.drexel.edu/financialaid

- Queen Lane Medical
Campus Location
2900 Queen Lane, Room G-27
Philadelphia, PA 19129
- Office Hours
Monday through Friday
8:00 a.m. – 5:00 p.m.
(11:00 a.m. – 5:00 p.m. on Tuesdays)
- Mailing Address
Financial Aid Office
Drexel University
2900 Queen Lane
Philadelphia, PA 19129

Student Financial Services (SFS)

215-895-1445

215-991-8268 (College of
Medicine students)

<http://ask.drexel.edu>

www.drexel.edu/bursar

- University City Main
Campus Location
Main Building, First Floor
3141 Chestnut Street
Philadelphia, PA 19104
- Center City Hahnemann
Campus Location
New College Building,
First Floor, Room 1142
245 North 15th Street
Philadelphia, PA 19102
- Queen Lane Medical
Campus Location
2900 Queen Lane, Room G-24
Philadelphia, PA 19129

Health Insurance and Immunizations

215-895-2507

www.drexel.edu/studentlife

Residential Living and University Housing

215-895-6155

housing@drexel.edu

www.drexel.edu/housing

DrexelOne

<http://one.drexel.edu>

Log in to review your financial aid award, eBill, and outstanding items required to disburse your financial aid.

Federal Student Aid

1-800-4-FED-AID (1-800-433-3243)

www.studentaid.ed.gov

- FAFSA
www.fafsa.gov
- *Funding Education Beyond High School: The Guide to Federal Student Aid*
www.studentaid.ed.gov/guide
- National Student Loan Data System
www.nslds.ed.gov

Pennsylvania Higher Education Assistance Agency (PHEAA)

1-800-233-0557

www.pheaa.org

www.aessuccess.org

Scholarship Listings

- www.fastweb.com
- www.finaid.org
- www.collegeboard.com

Credit Bureaus

- TransUnion
1-800-888-4213
www.transunion.com
- Equifax
1-800-493-2392
www.truecredit.com
- Experian
1-888-397-3742
www.experian.com



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