



FINANCIAL AID GUIDE

2010-2011

HOW TO FINALIZE YOUR FINANCIAL AID

WHERE TO BEGIN

1. Read the Financial Aid Award Notification and this guide carefully before accepting or rejecting individual awards.
2. Review the estimated cost of attendance section to assist in planning for how much aid you will need.
3. Review the Financial Aid Programs section to understand other factors that may affect your aid.
4. Respond to your Financial Aid Award Notification by accepting or rejecting your aid offered:
 - a. If you have paid your enrollment deposit, submit your reply online by going to baylor.edu/bearweb.
 - b. If you have not paid your enrollment deposit, sign and return one copy of the form as soon as possible:
Baylor University
Student Financial Aid Office
One Bear Place # 97028
Waco, TX 76798-7028
Fax: (254) 710-2695
Email: Financial_Aid@baylor.edu
Web: baylor.edu/admissions/finaid
5. Complete the additional steps necessary to pursue Direct and/or alternative loans by the designated due date.

DIRECT LOAN

- Federal aid program
- Available to undergraduate, graduate, seminary, and law students
- Loan is in your name, and does not require a co-signer
- Payments are deferred while you are enrolled at least half-time
- There are two types of Direct Loans. Your award notification lists your eligibility for the subsidized and/or unsubsidized loan programs.

Subsidized Loan – need-based award; the interest on this loan is paid by the Federal government while you are in school, for the six-month grace period after you leave school, and for periods of authorized deferment

Unsubsidized Loan – available to all students regardless of need; interest accrues on this loan while you attend school; you have the option to make interest-only payments while you are in school, but it is not required

- Academic year limits on Direct Loans depend on your grade level (see detailed explanation at baylor.edu/sfs)
- Complete entrance counseling at studentloans.gov. (Our records may not reflect your completion prior to May 1st.)
- We will notify you when it is time to complete an MPN in mid-May.

DIRECT PLUS LOAN FOR PARENTS

- Federal aid program
- Only available to parents of dependent undergraduate students
- Payment begins 60 days after loan is fully disbursed. There is no grace period for this loan; however, your parent can postpone repayment if you are enrolled at least ½ time
- Your parent cannot have an adverse credit history (a credit check will be performed)
- Your parent may borrow up to your COA minus any other financial aid received
- Your parent should complete a Direct PLUS Loan Request form by going to baylor.edu/sfs/PLUS available in April.
- We will notify you when it is time for your parent to complete an MPN in late May.

Denial of a PLUS Loan

If your parent is denied a PLUS loan, he/she may apply with an endorser. An endorser is someone who agrees to repay the loan if your parent does not. Without an endorser, you may be eligible for additional unsubsidized loans.

DIRECT GRADUATE PLUS LOAN

- Federal aid program
- Available to graduate, seminary and law students attending at least half-time
- You are the borrower, not your parent(s)
- Payments are deferred while you are enrolled at least half-time
- You cannot have an adverse credit history (a credit check will be performed)
- You may borrow up to your COA minus any other financial aid received
- Complete entrance counseling at studentloans.gov. (Our records may not reflect your completion prior to May 1st.)
- Complete your MPN after May 1st.





PRIVATE ALTERNATIVE LOANS

What is an alternative loan?

An alternative loan is a credit-based loan offered through a state or private lender. A student or parent may borrow an alternative loan to fill the gap between the COA and aid offered by our office. Alternative loans are not need-based.

Should I consider an alternative loan and how much can I borrow?

Use the Evaluating your Undergraduate Costs & Resources chart to determine if you want to pursue an alternative loan to assist you with meeting your expenses. Refer to your award letter for the maximum amount you may borrow in alternative loan funds. We encourage you to borrow only the minimum amount needed based on your expenses.

When should I apply for an alternative loan?

We strongly recommend that you apply for your loan by June 1 to assure timely arrival of funds for the fall semester. From application to disbursement of the loan to Baylor, the process can take between 4-6 weeks.

Does the parent or the student borrow an alternative loan?

Your family must decide whether to borrow in the parent's name or your name. Loans in your name generally require a credit-worthy co-signer. We encourage you to apply with a co-signer to receive the best possible rate.

Choosing an alternative loan lender:

We publish a list of lenders at baylor.edu/sfs/Alternative if you decide you need additional assistance beyond the Direct subsidized/unsubsidized, and/or PLUS Loans. You are not required to select lenders from this list. You have the right to select any participating lender.

Some alternative loans have a variable interest rate and provide flexible repayment options.

For example, you may be able to defer the principal and interest payments until six months after graduation. You need to review the benefits available in choosing a private alternative lender just as you do Direct loans. Questions you may wish to ask the lender include:

- What is your lowest interest rate and fee combination and how can I get it?
- Is the rate only for a certain period of time or is it for the life of the loan?
- Is there a limit on how high the variable rate can go?
- What interest rate can I get on a fixed-rate loan?
- How long will I be repaying the loan?
- Is there a penalty if I pay the loan off early?
- When do I have to start making payments?
- What proportion of borrowers receive the discounts you offer?
- How long have you been in business?

Procedures for Processing Your Alternative Loan

- There are two types of private alternative loans:
 - Those that require school certification, and
 - Those that do not require certification; these loan programs will send the money directly to you
- Lender determines the creditworthiness of the borrower and/or the co-signer
- Interest rates vary from lender to lender
- Loan is in your name with a creditworthy co-signer
- Process only one loan at a time; if you are denied by one lender, then start a new application with another lender.
- Amounts allowed for alternative loans:
 - For those loans that require school certification, you are limited by your COA less other financial aid
 - For those loans that do not require school certification, you are limited only by the parameters set forth by the loan programs
- Origination fees vary from lender to lender affecting the net amount disbursed to your student account
- Most lenders allow the repayment of the principal and interest to be postponed
- Apply directly with the lender of your choice. Go to baylor.edu/sfs/Alternative
- Pay attention to the "Days Credit Report Valid" column on the online lender list; your credit approval will expire within the number of days specified. This means you will have to reapply if your credit expires prior to disbursement.
- Once the lender receives the promissory note and completes the application process, Baylor will receive an electronic request from the lender (in rare cases a lender may send a paper certification request)
- Funds will be sent to Baylor through the electronic funds transfer (EFT) process and will automatically be applied to your bill
- If your lender issues paper checks, then you will receive an e-mail with instructions for endorsement
- Once the check is endorsed, your loan funds will be applied to your bill

Important:

We strongly recommend that you apply for your Alternative Loan by June 1 to assure timely arrival of funds for the fall semester bill. From application to disbursement of the loan, the process can take 4-6 weeks.

CHECK THE STATUS OF YOUR PRIVATE ALTERNATIVE LOAN(S)

ELMNet is the system Baylor uses to process and track your alternative loans. Some alternative loans are not available on ELMNet.

You can monitor your loan status from the time you apply until the day your loan is fully paid:

- Go to elmresources.com
- Click on "Students and Parents"
- Click on "Check My Loans on ELMNet Loan Inquiry"
- Enter your ID and password (first-time users will need to create an ID and password)

We suggest you contact your lender if you have further questions regarding the status of your loan.





AWARDS FROM OUTSIDE SOURCES

If you are the recipient of any type of award from a source outside Baylor University, an adjustment in your financial aid offer may be necessary in accordance with federal, state and university guidelines.

Whenever possible, we first reduce Federal Work-Study (FWS) or loans. You must complete the Outside Scholarship Report Form (baylor.edu/admissions/finaid) and forward it to the Cashier's Office as soon as possible:

Baylor University
Cashier's Office
One Bear Place # 97048
Waco, TX 76798-7048

Fax: (254) 710-2114
Email: cashiers_office@baylor.edu

REVISED FINANCIAL AID AWARD NOTIFICATION

Due to various circumstances, we may have to revise the amount of financial aid offered to you. An adjustment to your financial aid offer may result from one of the following situations:

- additional award
- enrollment changes
- residence status change
- eligibility change due to verification
- classification change
- study abroad participation.

We recommend that you maintain records of all financial aid offers in order to see what changes may have been made in the Revised Financial Aid Award Notification.

SPECIAL CIRCUMSTANCES

There may be times when the FAFSA does not reflect a family's true financial situation. In this case, you are encouraged to contact the financial aid office.

Some of the more common special circumstances include:

- Parent of student had a loss of income due to unemployment (minimum of 10 weeks)
- Parent of student had a loss of some type of untaxed income or benefits such as child support or Social Security
- Parent or student's marital status has changed due to divorce or separation
- Death of spouse of a parent or a student, or
- Parent or student has incurred excessive medical/dental expenses

If you believe you qualify, please contact our office at scholarships@baylor.edu to request a special circumstances application.

STUDENT FINANCIAL AID

E-MAIL

Financial_Aid@baylor.edu

PHONE

1-800-BAYLOR-U, option 8-2,
or (254) 710-2611

FAX

(254) 710-2695

LOCATION

700 S. University Parks Drive
Suite 150
Waco, TX 76706

WEBSITE

baylor.edu/admissions/finaid

OFFICE HOURS

8:00am–5:00pm Monday – Wednesday
9:30am–5:00pm Thursday
8:00am–5:00pm Friday

MAILING ADDRESS

One Bear Place #97028
Waco, TX 76798-7028

The Office of Student Financial Aid at Baylor University adopts the National Association of Student Financial Aid Administrator's code of conduct for institutional financial aid professionals.

Baylor University complies with all applicable federal and state nondiscrimination laws and does not engage in prohibited discrimination on the basis of race, color, nationality or ethnic origin, sex, age or disability in employment or the provision of services.

