

Understanding Your Award



KING'S COLLEGE

TRANSFORMATION. COMMUNITY. HOLY CROSS.

Understanding Your Financial Aid Award Letter

The Financial Award Letter is made up of three sections.

Section One

The first paragraph indicates whether or not you will be required to submit additional information in order to verify your financial aid application. **If your awards are estimated, then your application for financial aid has been selected for verification.** This means that you and, if dependent, your parents must provide 2016 income information. Please read the first paragraph carefully and return any required information to the financial aid office in a timely manner. You can keep one copy of the award letter for your records and return one signed copy to us.

Section Two

This lists the types and amount of financial aid you, the student, are eligible to receive at King’s College for the year. You will see the award totals for the year as well as by semester and a grand total of all aid for the year. **Do not use any work study amount listed when determining your out-of-pocket cost.** Please be sure to indicate next to each scholarship/ grant/loan by circling the "Y" for yes and the "N" for no.

Section Three

The **Terms and Conditions** is the third section of the award letter and appears on the back. **It is your responsibility to understand and comply with these terms for the receipt of financial aid.**

Step by Step: How to Determine the Cost

Step 1: Determine your direct costs (those billed by King’s College) for next year by using the costs associated with your housing status at King’s College. They are listed in the chart below.

Step 2: Deduct the total financial aid listed on your award letter from the total cost to arrive at the cost not covered by financial aid. Divide this figure by two to arrive at the cost per semester. You can also use our Out of

Pocket electronic worksheet to determine your net costs for the academic year. The worksheet is under Financial Aid Resources on kings.edu.

Do not include any work study amount listed on your award letter. Work study awards indicate student eligibility only and are not guaranteed awards. Work study funds are wages that are earned and are paid to the student on a bi-weekly basis based upon the hours worked.

Step 3: Compare your award letters and cost information from all schools to determine the true cost at each college you are considering. Below are a few tips for comparing financial aid offers:

- The largest financial aid package does not always mean the lowest cost to you.
- You may be comparing schools where your housing status and meal plan differ thereby changing direct costs.
- Be sure to evaluate the type of awards posted on your letter. You want to compare total “gift aid” (grants, scholarships) and total “self help aid” (loans, work study) between offers.

Estimated 2018-2019 Annual Direct Cost		
	Resident (living in college housing)	Commuter (living with relatives)
Tuition and Fees	\$37,226	\$37,226
Health Fee	\$380	
Room and Board	\$12,942	
TOTAL COST	\$50,548	\$37,226
New freshman - add \$185 Orientation Fee New transfer - add \$105 Orientation Fee		

The Federal Direct Stafford Loan

If you filed a Free Application for Federal Student Aid (FAFSA) and received a financial aid award letter, your eligibility for the Federal Direct Stafford Loan is included on your award letter. The amount that can be borrowed through the Direct Stafford Loan is determined by your grade level and dependency status. Dependent Freshmen can borrow up to \$3,500 in a Subsidized and \$2,000 in an Unsubsidized Direct Stafford Loan. If you would like to borrow a Direct Stafford Loan but have not filed the FAFSA, you can still file one at fafsa.gov. **The FAFSA must be completed each year in order for a Federal Direct Stafford Loan to be processed.** If you are a new Direct Stafford Loan borrower, you must complete a Master Promissory Note and Entrance Loan Counseling. This is required by the federal government and can be completed at studentloans.gov.

For students enrolled as regular students in eligible programs, annual Federal Direct Stafford Loan limits are as follows on the chart shown here on the right.

In the case of a Federal Direct Parent PLUS Loan denial, a dependent undergraduate student may be eligible to receive the additional Unsubsidized Direct Stafford Loan in the amount indicated above based upon their grade level.

Students are eligible to borrow the maximum amount for their grade level each year provided they are meeting satisfactory academic progress requirements and are not in excess of educational costs or maximum loan limits set by federal regulation.

Students who change grade level after the fall semester may receive an increased loan limit for the spring and must submit a loan request to the financial aid office.

Interest rates are set annually on July 1. Current rates for Undergraduate subsidized and unsubsidized loans are 4.45%. Origination fees are 2.05%. Interest rates for Unsubsidized Graduate loans are 6.00%; origination fees are 3.60%.

Grade Level and Loan Eligibility for Federal Direct Stafford Loans			
The following is the grade level classification used by King’s College to determine loan eligibility for Dependent Undergraduate Students			
Level	Credits	Subsidized Stafford	Unsubsidized Stafford
Freshmen	0+	\$3,500	\$2,000
Sophomores	30+	4,500	2,000
Juniors	60+	5,500	2,000
Seniors	90+	5,500	2,000
The following is the grade level classification used by King’s College to determine loan eligibility for Independent Undergraduate Students and Dependent Students Whose Parents cannot borrow a Federal Direct Parent PLUS loan			
Level	Credits	Subsidized Stafford	Unsubsidized Stafford
Freshmen	0+	\$3,500	\$6,000
Sophomores	30+	4,500	6,000
Juniors	60+	5,500	7,000
Seniors	90+	5,500	7,000
Level	Credits		Unsubsidized Stafford
Graduate and Professional Students	-		\$20,500



Additional Financing Options: Filling in the Gaps

When a family needs assistance in addition to what has already been awarded to the student in their financial aid award letter, there are several options to consider. You can use more than one to cover your costs.

Tuition Payment Plans

Payment Plans are interest-free installment payments for full-time students that allow you to make payments over 10 months rather than one lump sum payment per semester. King's College offers a short-term payment plan that enables families to pay the student's balance of the annual costs not covered by the financial aid over 10 months. Payment plans start July of 2018. Please make sure to start this process early to stay on track with payments.

TMS (Tuition Management Systems):
1-800-722-4867 or kings.afford.com



Federal Direct Parent PLUS Loan

A Direct Parent PLUS is a federal loan that parents can borrow to pay for their children's education. Credit-worthy parents and stepparents of dependent undergraduate students who are enrolled at least half-time are eligible to apply. Parents may borrow up to the difference between the total cost of education (including expenses for books, transportation, personal, etc.) less other financial aid received (total of all grants, scholarships, student loans, and work study).

Federal Direct Parent PLUS Loan Amounts, Interest Rates, Fees, Disbursements and Repayment Options

- The amount of the Direct Parent PLUS Loan that can be borrowed is the difference between the student's total cost of education less the amount of financial aid received by the student.
- Repayment of principal and interest usually begins 60 days after the loan is fully disbursed for the year. Typically, repayment would begin 60 days after the spring semester money is disbursed.
- Other Direct Parent PLUS repayment options include:
 - Deferment of principal and interest while the student is enrolled at least half-time and for six months after student ceases to be enrolled half-time
 - Graduated repayment over a fixed period of time not to exceed 10 years
 - Extended repayment not to exceed 25 years as long as more than \$30,000 is borrowed
- Direct Parent PLUS Loans have a fixed interest rate. Interest is charged on Direct Parent PLUS Loans during all periods, beginning on the date of the first loan disbursement. A Parent PLUS borrower may pay the interest as it accrues during a deferment or allow it to accrue and be capitalized (added on to the principal) at the end of the deferment period. Interest rates and origination fees are set annually on July 1. Current interest rate is 7.00% and the origination fee is 4.60.

Direct Parent PLUS Loan Requirements

Parents Must:

- Be sure the Student has a Free application for Federal Student Aid (FAFSA) on file for the academic year.
- Be the dependent student's natural parent, adoptive parent or in some cases, step-parent. Step parents' information must be included on the FAFSA.
- Be a U.S. citizen or eligible non-citizen
- Not be in default on an education loan
- Be creditworthy

Dependent Undergraduates Must:

- Be accepted for enrollment or enrolled on at least a half-time basis
- Be making satisfactory academic progress
- Be enrolled in a degree or certificate program
- Not be in default on an education loan
- If required, be registered with Selective Service



Private Education Loans

Education loans are available to students who have a credit-worthy co-signer. These loans do not have the same interest rates, repayment terms, fees or eligibility criteria as federal loans. Therefore we recommend you borrow from federal loan programs (Perkins, Stafford, PLUS) before considering alternative loans.

- To begin reviewing private education loan options, go to kings.edu.
- Click on Admissions, then Financial Aid, and then Education Loans.
- Select ELMSelect from the drop down menu. You will be presented with a list of lenders who offer alternative loans. We recommend that you investigate each lender carefully before selecting one that best suits your needs. This list represents a small sample of private education loans available and King's College does not endorse any of these lenders.

What To Do Next

1. Return one signed copy of the Financial Aid Award Letter and accept, decline or reduce the aid awarded to you by King's College by completing the Award Acceptance Form.
2. If your award letter indicates that you have been **selected for verification**, you must provide all income documentation as requested. You must also complete and return a Verification Worksheet. All documents required for verification must be returned for your aid to be finalized within 30 days of notification.
3. If you have been awarded a **Perkins Loan** and you are accepting it, a separate Perkins Loan application will be mailed in June.
4. If you will be receiving a **PHEAA State Grant**, complete the State Grant form at pheaa.org.
5. New students should pay their **enrollment deposit** to King's College by May 1.
6. If you plan on enrolling in the **TMS Payment Plan**, you can do so starting in July.
7. The **Academic Advisement Office** will contact new students to make arrangements for placement testing and to schedule classes.
8. In late May, **housing and meal plan** information will be sent to students who will live on campus.
9. If you are a new Direct Stafford Loan borrower, you must complete a Master Promissory Note and Entrance Loan Counseling. This is required by the federal government and can be completed at studentloans.gov.
10. Parents applying for a Parent PLUS loan, need to use your FSAID to login to studentloans.gov. There you can complete a credit check, PLUS application, and Parent PLUS Promissory Note. In addition obtain a Parent PLUS loan request form from the financial aid portion of kings.edu. Complete the loan request form with the amount you will be borrowing and submit to the King's College Financial Aid Office.



For more information please contact

Office of Financial Aid
(570) 208-5868 or 1-800-955-5777
fax: (570) 208-6015
e-mail: finaid@kings.edu

Office of Admission
(570) 208-5858
1-888-KINGS PA
fax: (570) 208-5971
e-mail: admissions@kings.edu

Student Accounts Office
(570) 208-5830 for questions concerning
your bill or payment

Academic Advisement
(570) 208-5872

Academic Skills Center
(570) 208-5841

Center for Lifelong Learning
(570) 208-5865

Graduate Programs
(570) 208-5991

Registrar
(570) 208-5870

Residence Life
(570) 208-5856

PHEAA State Grant
1-800-692-7392
aessuccess.org
pheaa.org
for assistance with the PHEAA State Grant

Private Education Loans
kings.edu and select Admissions. From
there choose Financial Aid, then
Educationl loans. Finally, go to ELM
Select where you will be able to review
educational loan options.

Information in this guide is current as of October 2017 and may be subject to change.

