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INTRODUCTION

The goal of the Financial Aid Office is to provide students with sufficient resources to meet their financial need and to distribute funds to eligible students in a fair and equitable manner upon the completion of the Financial Aid Application.

Every year, the U.S. Department of Education, the State of New Jersey and various other agencies allocate funds to the University. It is the responsibility of the Office of Financial Aid to distribute these funds equitably. The amount awarded to each student will vary based on financial need, program regulations, and request.

All students presenting unusual and extenuating circumstances to support an increase in the Cost of Attendance budget will be reviewed by the professional staff on a case-by-case basis after providing appropriate written documentation.
CHAPTER 1. WHAT IS FINANCIAL AID?

Financial aid typically consists of three sources: loans, scholarships and grants, and Federal Work-Study. The three sources are defined as follows:

**Loan**
An advance of funds guaranteed by a signed promissory note in which the recipient of the funds promises to repay a specified amount under prescribed conditions. A financial source that is available to students and their parents through student loan programs with varying interest rates and repayment provisions to supplement the family's financial resources, scholarships, and grants.

**Scholarships**
A form of financial assistance that does not have to be repaid. Scholarships may be awarded based on any number of criteria, such as academics, achievements, hobbies, talents, and affiliations with various groups, or career aspirations.

**Grant**
A form of financial aid that does not have to be repaid.

**Federal Work-Study Program**
A Campus-Based program awarded by the college, in which eligible students work part-time to help fund their education.

At Rowan University, these three basic types of financial aid come from a variety of sources: the Federal Government, the State of New Jersey, Rowan University, and or outside agencies, organizations, and donors.

SUMMARY OF MAJOR FINANCIAL AID PROGRAMS

**Federal Direct Loan-Unsubsidized (Graduate/Professional)**
- Department of Education Title IV Program.
- All graduate and professional level students are considered independent.
- Unsubsidized loans are not based on financial need; interest is charged from the date of disbursement.
- All first-time Direct Loan borrowers must complete a Master Promissory Note and Entrance Counseling.
- Exit Counseling Interviews are required upon less than half-time enrollment, or separation/graduation from the University.
- Interest rate 6.21% for loans disbursed after July 1, 2014.
- Loan origination fee is 1.072%; and will increase to 1.073% on October 1, 2014.
- The maximum award per academic year for graduate level students is based on grade level, and is determined at the time of packaging.
- Consolidation: Eligible federal student loans can be combined into one Direct Loan Consolidation Loan.
Federal Direct Graduate PLUS Loan
- Department of Education Title IV Program.
- All graduate and professional level students are considered independent.
- Graduate PLUS loans help pay for education expenses up to the cost of attendance minus all other financial assistance. Interest is charged during all periods.
- Interest rate 7.21% for student loans disbursed after July 1, 2014.
- Loan origination fee is 4.288%; and will increase to 4.292% on October 1, 2014.
- All first-time Direct Loan borrowers must complete a Master Promissory Note and Entrance Counseling.
- Exit Counseling Interviews are required upon less than half-time enrollment, or separation/graduation from the University.
- When applying for a Direct PLUS, the Department of Education will check your credit history. If you are determined to have an adverse credit history, you will have the option to document extenuating circumstances (appeal) or obtain an endorser who does not have an adverse credit history.
- Consolidation: Eligible federal student loans can be combined into one Direct Loan Consolidation Loan.

Federal Perkins Loan
- Department of Education Title IV Program.
- Must demonstrate financial need as defined by the federal government.
- Interest is subsidized and does not accrue while enrolled in school, grace or during authorized deferment periods.
- All first-time borrowers must complete a Master Promissory Note.
- Interest rate is fixed at 5%.

Federal Work-Study (FWS)/Federal Community Service (FCS) Program
- Department of Education Title IV Program.
- Must demonstrate financial need as defined by the federal government.
- Earnings cannot exceed total Federal Work-Study award. Employment is up to 20 hours per week while classes are in session.
- Students may work up to 32 hours per week during breaks, provided they are not in class and are not taking exams.

Loans for Disadvantaged Students (LDS)
- Department of Health and Human Services Title VII Program.
- Loan available to students from disadvantaged backgrounds that demonstrate exceptional financial need as defined by the Department of Health and Human Services.
- Interest is subsidized and is fixed at 5%
- Parental income Information is required.
- Currently available to School of Osteopathic Medicine students ONLY.

Primary Care Loan (PCL)
- Department of Health and Human Services Title VII Program.
• Must demonstrate financial need as defined by Department of Health and Human Services.
• Interest is subsidized and fixed at 5%.
• Entrance and Exit Counseling Interviews are required
• Primary Health Care Residency required.
• Practice in Primary Health Care until date of full repayment is mandatory.
• Currently available to School of Osteopathic Medicine students.

Educational Opportunity Fund (EOF)
• A New Jersey State grant program.
• Grants up to $4,350 per year for graduate level students, not to exceed 5 years of eligibility.
• Must be a New Jersey resident for 12 consecutive months prior to the award period.
• Must demonstrate historical poverty as defined by EOF guidelines as well as adherence to family size and income cut-off.
• Determined by the Office of Student Financial Aid using information provided on the FAFSA and supporting documents.

Disadvantaged Student Fund
• A School of Osteopathic Medicine grant program.
• Program is designed to help students from disadvantaged backgrounds or students who demonstrate exceptional financial need as defined by the school.

Alternative/Private Loans
• Private loan sources that are made available from a variety of lenders.
• Interest on loan accrues while borrower is in school.
• Interest and principal may be deferred during that time.
• Interest rates may vary by lender.
• Maximum award is determined by your Cost of Attendance, minus other aid.
• Loans are credit–based; borrower must have an acceptable credit history, as determined by the lender.
• For additional information on Alternative/Private Loan programs.

SERVICE COMMITMENT PROGRAMS

Armed Forces Health Professions Scholarships (HPSP)
Scholarships are available to U.S. citizens enrolled in allopathic and osteopathic medical schools. In return for financial assistance, students must serve in the Armed Forces. In addition to paying for tuition, fees and required books & supplies, the scholarship pays a monthly living expense stipend. The expectation is that a student will serve year-for-year after graduation.

For additional information and/or an application, contact your local military recruitment office.

National Health Service Corps (NHSC)
The program is designed to recruit allopathic and osteopathic physicians/dentists, certified nurse midwives, family nurse practitioners and physician assistants to serve in areas designated by NHSC that have shortages of primary care health professionals.

**Eligibility Criteria**
Must be a U.S. citizen or U.S. National and full-time in an accredited program/school.

**Terms and Conditions**
Program pays tuition and fees. Individuals chosen for the scholarship must agree to one year of service commitment in a Health Professional Shortage Area (HPSA) for each year of scholarship support, with a required minimum commitment of two years and maximum of four years. For additional information, visit http://nhsc.hrsa.gov/.

**UNIVERSITY PROGRAMS**

**Admissions Merit Scholarships**
Rowan University administers several privately endowed scholarships. Recipients are chosen based on their financial need and academic performance after completing the first year. All students with completed financial aid files will be considered.

**New Jersey Healthcare Foundation (NJHF)**
Scholarships are awarded through the New Jersey Healthcare Foundation to students attending or accepted for admission at Rowan University School of Osteopathic Medicine.

**Rowan School of Osteopathic Medicine Emergency Loans**
Short-term no interest loans are limited and based upon availability of funds. Financial aid must be pending with the Student Financial Aid Office to be approved for a loan. Emergency loans are repaid upon disbursement of financial aid to the University.

**OUTSIDE PROGRAMS**

**National Medical Fellowships (NMF)**
Need-based scholarships are offered primarily to first and second-year medical students, these scholarships are granted on the basis of financial need. For additional information, visit http://www.nmfonline.org/Home.

**Merit-Based Awards**
Recognize outstanding minority medical students, recommended by their medical schools, for extraordinary scholastic achievement, leadership, community services and the potential for outstanding contributions to medicine. Offered primarily to third and fourth-year medical students.

**The GE-NMF Primary Care Leadership Program**
Launched in 2012, the GE-NMF PCLP provides medical, nursing and physician assistant students an opportunity to examine first-hand, primary healthcare in targeted areas of the U.S. At
the core of the program is a “service-learning” rotation that aims to enhance the students’ training by combining clinical experience, site-specific projects, and leadership training.

**Application and Selection Criteria:** A rigorous application process ensures that assistance is provided to students with the greatest documented need. For additional information, visit http://www.nmfonline.org/pclp.
CHAPTER 2. FINANCIAL AID APPLICATION AND ELIGIBILITY

APPLYING FOR FINANCIAL AID

New and continuing students should plan to apply for financial aid three months prior to the start of the academic year. The application process is located on the Financial Aid website at www.rowan.edu/som/financialaid.

Step 1: Click on Application Process then Application Packet and Useful Forms and complete the following:

- **FAFSA Online** (Available January 1 of each year for the upcoming academic year)

  **Income Tax Filers**
  Complete and submit the FAFSA no earlier than two weeks after electronically filing your income tax return, or no earlier than 6 weeks after mailing your income tax return to the IRS.
  Use the Data Retrieval Tool (DRT) on the FAFSA to ensure that IRS information is seamlessly transferred to your FAFSA.

  **Non-Income Tax Filers**
  If you do not have income to report for 2013, you may complete and submit the FAFSA immediately. If you have income to report for 2013, complete and submit the FAFSA when you have received your income information statements (2013 W-2’s, etc.).

  You will receive an email notification from the Central Processor with instructions on how to access your electronic SAR (Student Aid Report) if your FAFSA was processed successfully. If you do not have an email address, or you submitted a paper FAFSA, you will receive a paper copy of the SAR.

  You can print a copy of your SAR for your records by visiting www.fafsa.ed.gov and request one by electing Print “SAR” from the navigation bar. Please note: you will need your PIN to access this request form.

  The FAFSA is forwarded electronically to the academic institutions indicated, by you, on the FAFSA. In some instances, additional documents may be requested by the Financial Aid Office. Some documents may be requested for reference, others may be required to determine your level of eligibility or required to disburse financial aid.

- **Financial Aid Internal Application**

Step 2: Sign into www.studentloans.gov and complete the following:

- **Entrance Counseling**
If you are borrowing through the William D. Ford Direct Loan, Federal Perkins Loan, Primary Care Loan (PCL), or Loan for Disadvantaged Students (LDS) programs, you are required to complete Entrance Counseling. The purpose of Entrance Counseling is to advise you of your rights and responsibilities and to provide information on the repayment schedules, deferments and forbearance options available.

Entrance Counseling for the Federal Direct Loan program is available at www.studentloans.gov. Entrance Counseling for the Federal Perkins Loan, Primary Care Loan and Loans for Disadvantaged Students is submitted through a third-party servicer. Students who receive these loans will be provided instructions from the Rowan University Student Loans Office.

- Master Promissory Note for Direct Subsidized/Unsubsidized Loans

*All required information must be received by the Office of Financial Aid for the appropriate academic year for which you are requesting aid prior to awards being finalized and loans certified for disbursement.*

Financial Aid applicants are encouraged to read and reference the following publications and documents located on the Financial Aid website at www.rowan.edu/som/financialaid, to assist in the financial aid process:

- Cost of Attendance
- Student Financial Aid Handbook
- Summary of Major Financial Aid Programs

**CORRESPONDENCE AND FORMS**

The primary source of information is the Student Self-Service Portal, where students can view financial aid tracking requirements and information specific to your application file. In addition, we communicate with our students through University assigned e-mail accounts, US mail, University mailboxes, or the telephone. Any changes to your financial aid mailing address and/or telephone number should be communicated to the Office of Financial Aid.

Stratford Campus Office of Financial Aid  
40 East Laurel Road  
UEC Suite 1030, PO Box 1011  
Stratford, New Jersey 08084  
Phone: 856-566-6008  
Fax: 856-566-6015

**Incoming Students**
If additional items are required to complete your financial aid application a Missing Information Letter detailing the additional items, including instructions on accessing/submitting required documents will be mailed to the address on file.

After the applicant receives his/her Rowan email address, he/she is advised to visit their self-service account to view and determine if additional items are missing.

**Continuing Students**
Log into the Rowan Self Service Portal to view your outstanding requirements, instructions, and financial aid award.

All requested documents must be forwarded to the Stratford Campus Office of Financial Aid.

**ELIGIBILITY**

There are many criteria that determine eligibility for financial aid. The predominant one is financial need, as demonstrated on the FAFSA. All graduate and professional school students are considered independent. However, students who want to be considered for HRSA’s Loan for Disadvantaged Students (LDS), must provide parental information on the FAFSA. Prior EOF recipients must also submit parental data in year one. **NOTE:** HRSA programs are currently not available to Cooper Medical School students. An “Expected Family Contribution” (EFC) will be calculated based on the information submitted on the FAFSA. Financial need is determined by subtracting the EFC from your Student Expense Budget/Cost of Attendance.

The Expected Family Contribution (EFC) represents an estimate of the ability of the student and, if applicable, the student’s family to contribute to the education costs (LDS program only). This standard need analysis is called Federal Methodology (FM) and was passed into law by Congress under the Reauthorization of the Higher Education Act of 1992. FM uses “base year date”. This means that the previous year’s income will be used in the analysis. An “income protection allowance”, which represents the cost basic necessities for all family members, is used in calculating the EFC. FM allows for adjustments to be made by the financial aid administrator on an individual basis with required written documentation.

The **Student Expense Budget** is a reflection of the cost of the student’s educational program for an academic year. It is referred to as the “Cost of Attendance” (COA). It takes into account tuition, required fees, required books, supplies, estimated room and board, miscellaneous, personal and transportation costs. The student expense budget covers expenses for only the period of enrollment. Financial Aid can be awarded up to the Cost of Attendance. For example first year students are typically enrolled for nine months. Financial aid covers living expenses only for those nine months. Periods of continuous non-enrollment are not included and are not funded. Therefore, personal budgeting of financial aid and living expenses is crucial. Estimates of room, board, personal, and transportation expenses are based on surveys of former students and the Bureau of Labor Statistics budget expenditure figures. Room allowances for rent are based upon the assumption that two students will share a two bedroom apartment.
**Default**
There are certain academic and financial requirements you must fulfill in order to receive aid. Students in default on their education loans, or owing a refund on Federal PELL, FSEOG, or SSIG (undergraduate programs study); will be ineligible to receive financial aid, until those obligations are satisfied. Students who are enrolled less than half-time are not eligible for financial aid.

Students must make Satisfactory Academic Progress to be eligible for financial aid. Contact your college’s Student Affairs Office for specific information on the standards of Satisfactory Academic Progress.

**Satisfactory Academic Progress (SAP)**
Federal regulation mandates that continuing eligibility for financial aid is contingent upon Satisfactory Academic Progress according to the standards and practices of the institution and individual schools. Satisfactory Academic Progress standards are defined by each school. Should a student not be progressing satisfactorily, the student will either be placed on Financial Aid warning or lose eligibility for financial aid.

A review of each enrolled student’s academic progress will be conducted within the various Professional School units of Rowan University in accordance with the school policies. An annual review of each policy will be conducted to assure compliance.

Go to your school’s website, to view Satisfactory Academic Progress Policy:

**Penalty for Drug Violations for Students Receiving Financial Aid**
Any institution of higher education must provide to students, upon enrollment, a notice of the penalties for a drug conviction on the student’s federal financial aid. If a student subsequently loses eligibility for federal financial aid as a result of a drug conviction, the institution must notify the student of his or her loss of eligibility and how he or she may regain it.

**Verification (For School of Osteopathic Medicine Students Only)**
Upon completion of your FAFSA, you may be selected for a process called Verification. If you wish to receive federal financial aid you must complete the appropriate verification form(s) which will be listed as outstanding requirements in your Self-Service Portal. Notification that you have been selected for Verification by the U.S. Department of Education is shown on the Student Aid Report (SAR).
CHAPTER 3. AWARD PROCESS

FINANCIAL AID AWARD

Financial aid is awarded in response to the calculated financial need and request. The amount and type of aid is based on specific eligibility requirements and the financial aid offices packaging policy. The financial aid packaging policy is a formula developed to determine the amount of aid to be given to the student from the available programs. In most instances award packages consists solely of loan programs.

The cost of pursuing a professional education is very high. For most students, paying for their education will depend upon planning and resourcefulness. We urge you to investigate every opportunity to complement your aid package. Look into private sources such as employers, parents’ employers, unions, civic, religious, and cultural organizations. Rowan University expects that students will contribute to their fullest from income and assets in meeting expenses.

An award may consist of a “package” of loans, scholarships, grants, and Federal Work-Study. Most financial need is met primarily through a combination of loan programs. The primary source of funding for graduate/professional students is through the William D. Ford Federal Direct Loan Program. This program includes the Direct Unsubsidized and the Direct Graduate PLUS Loan programs. There is extremely limited funding available through the University in the form of other loan and grant programs. Requests for information on graduate fellowships and tuition waivers should be directed to your school.

Annual and aggregate loan limits apply to the William D. Ford Direct Lending Program. The maximum annual Direct Unsubsidized Loan limit for an academic year is based on grade level. The maximum total additional funding can be provided through the Direct Graduate PLUS Loan, or through private funding. Contact the Stratford Campus Office of Financial Aid for information.

Potential borrowers are encouraged to review their previous borrowing history through the National Student Loan Data System for students located at [www.nslds.ed.gov](http://www.nslds.ed.gov).

Students are required to comply with the terms and conditions of their educational loans. Any student in default of a prior educational loan(s) may not receive financial aid at Rowan University until the default status has been rectified. A financial aid advisor will be able to counsel you in the resolution of such problems.

Transfer students

If you transfer from one Rowan University school/campus to another Rowan University school/campus or from any other institution to Rowan University, your financial aid award package does not automatically transfer with you. To receive aid at your new school/campus, check with the financial aid office at your school to find out which programs are available and any additional steps you may be required.

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Accessing Your Financial Aid Data
Tracking your financial aid application and accessing your financial aid award package is done by clicking on the Financial Aid Tab in the Rowan Self-Service Portal at www.rowan.edu/selfservice. Information provided within the portal is live data. In some instances, the items requested are needed to complete your file and in other instances the message could be for informational purposes only. Once all required materials have been received and GSBS registration has occurred, award packages are completed. A summary of your billing account by term is also available in the Self-Service Portal for review.
CHAPTER 4. DISBURSEMENT PROCESS AND PROCEDURE

Funds are electronically wired to the University and posted to your student account for programs such as the William D. Ford Direct Loan Program and most private/alternative loans. Funds, for which the University receives allocations, are posted to student accounts through the University’s automated system. These programs include the Federal Perkins Loan, Loans for Disadvantaged Students, Primary Care Loan, Disadvantaged Student Fund, and Educational Opportunity Fund. Funds typically disburse 50% at the start of the fall term and 50% at the start of the spring term.

Contact the Rowan University Veteran’s Affairs Office at veteranaffairsoffice@rowan.edu if you receive Military scholarships, Montgomery GI Bill and National Guard Tuition Waivers.

All disbursed funds are applied to tuition and fees first. Remaining balances not needed to satisfy university charges will be refunded for living expenses. Refunds are processed by the Bursar’s Office by check or direct deposit (students may enroll in direct deposit at www.rowan.edu/epay).

Federal and State guidelines are followed for the disbursement of financial aid. Once your financial aid requirements are satisfied, disbursement of funds can occur 10 days prior to the start of your academic term. Please allow up to 5 business days for processing through the Bursar’s Office.

TUITION AND FEE DEFERMENT

Prior to the start of the academic year, a bill is sent to all students from the Bursar’s Office to your Rowan University email account. Tuition and fee obligations must be met prior to receiving refunds. Refunds are processed by the Bursar. Late fees will be assessed if obligations are not met by the bill due date. NOTE: A $50.00 late fee per month will be assessed until the account balance is paid in full. Students are responsible for all charges in excess of actual financial aid.

STUDENT FINANCIAL AID REFUND OPTIONS

Check
Refund checks are processed and couriered to the appropriate campus cashier for distribution. If you have any questions or need additional information, contact your school’s cashier.

ACH/Direct Deposit
In order to better serve the Rowan University student community and streamline the refund process, all financial aid refunds and payments can now be done through ACH/Direct Deposit instead of paper check.

Students with United States checking or savings accounts may sign up for Direct Deposit at www.rowan.edu/epay. Allow 5 business days for processing your request.
**Installment Payment Plan**
Individuals receiving financial aid that is less than the total cost of tuition and fees can make arrangements with the Cashier’s Office for an installment plan as can students who are not receiving any financial aid. Visit [www.rowan.edu/bursar](http://www.rowan.edu/bursar) for more information.
CHAPTER 5. REFUND POLICY

TUITION REFUND POLICY

Prior to the 1998 Amendments, Section 484B of the Higher Education Act (HEA) required all schools participating in the Title IV programs to use specific policies when a student who received Title IV funds ceases attendance at the institution. Under the 1998 Amendment, Section 484B of HEA does not dictate a refund policy but prescribes the amount of the Title IV funds a student has earned at the time when a student ceases attendance. It has no relationship to the student’s institutional charges. It is based on a proportional calculation through 60 percent of the repayment period. The new requirements do not prohibit an institution from developing its own refund policy or from complying with a refund policy required by an outside agency.

ROWAN UNIVERSITY REFUND POLICY FOR WITHDRAWAL FROM SCHOOL

If the student withdraws/drops out/is expelled before his/her first day of class of a payment period, all disbursed funds are viewed as an overpayment and must be returned to appropriate program(s).

NOTE: Dropping out of some classes, but not all classes is not considered a withdrawal and does not trigger the refund provisions. Final regulations provide that a student granted an approved leave of absence (LAO) should be considered to remain in an in-school status for Title IV HEA loan repayment purposes. Rowan University still requires students to complete the federally mandated Federal Loan Exit Counseling session. If the student fails to return from the approved LOA within the allotted timeframe, the student is at that time considered withdrawn from school. The student’s withdrawal date and beginning of the grace period is the date the student began the leave of absence. Subsequently, the institution will report to the federal loan holder(s) the student’s change in enrollment status as of the withdrawal date, which may impact the student’s loan repayment terms and may result in the exhaustion of his or her federal loan grace period.

In the case of a student who withdraws/drops out/is expelled after his/her first day of class, please refer to the appropriate school catalog for specific refunds policies.
CHAPTER 6. MANDATORY DIRECT LOAN EXIT COUNSELING

Students who receive educational funding through any federal loan program are required to complete Exit Counseling as defined by the Federal Direct Loan Program at [www.studentloans.gov](http://www.studentloans.gov). The purpose of the Exit Interview is to help you organize your repayment schedule and to answer any questions you may have concerning your rights and responsibilities. The exit interview will provide you with a summary of the loans borrowed during your education at Rowan University, information on deferments, forbearance, repayment and an estimate of your monthly payments. This information is also available on our website.

Students enrolled in the Rowan University School of Osteopathic Medicine who borrow funds to complete their education while in attendance at SOM are also required to attend a full day supplemental exit counseling program. This program is built into the fourth year academic calendar. The program is designed to enhance the federal exit interview requirement, providing hands on counseling and an in depth review of the repayment options available.
Repayment of your student loans should be given top priority when planning your post-education finances. Educational loans carry the same weight as consumer loans, such as a mortgage or car loan. Failure to meet responsibilities could have a devastating effect on your credit rating and have serious legal repercussions.

Student’s Responsibilities
As outlined within the promissory note(s), staying current and not being delinquent or going into major reasons for default:

- Deferments were not filed.
- Address changes were not reported.
- Loan was not repaid.
- Borrower did not respond to mail.

Preventive Measures
Student loans may be sold and resold at any time. Borrowers should be notified by their original lender/servicer(s) when this occurs. Borrowers must pay special attention to where their accounts are held to insure payments are received by the appropriate lender. A delinquency status can occur simply by mailing payments to the original lender as opposed to the new lender or servicing center that currently holds the loans. Information on who is holding your loan(s) can be located through the National Student Loan Data System (NSLDS) for students at http://www.nslds.ed.gov/nslds_SA/

- File deferments or forbearance forms each year and keep copies for your records. If using an address other than your current residence, check for mail at least every two weeks.
- Send all correspondence to the current lender/servicer by certified mail and always keep a copy for your records.
- Check to see if electronic communication with your lender/servicer is a viable option.
- Stay in touch with the lender/servicer. Document your conversations and include the date, time and name of the person to whom you spoke.
- After a missed payment the lender should be in touch; but not required according to the promissory notes. Payments are the borrower’s responsibility.

Once your loan enters default status it is too late. You may be required to repay the entire amount immediately plus fees. Therefore, it is imperative that you keep track of your status at all times.

CONSEQUENCES OF DEFAULT
Any student delinquent or in default on any prior educational loan may not receive financial aid at Rowan University until the delinquency or default status has been rectified. The Financial Aid Office will be able to counsel you in the resolution of such problems.

- Nationwide credit bureaus will be notified.
- SOIL (State Offset Income Liability) – the borrower’s name will be sent to the State. State income tax refunds will be withheld.
- Federal Offset Income Tax – federal refund will be withheld.
- Rowan University records will be withheld.
- Litigation will be initiated.
- Wages will be garnished.
- Liens will be placed on property and/or business.
- Licenses may be suspended.

**REPAYMENT OF STUDENT LOANS SHOULD BE GIVEN TOP PRIORITY WHEN PLANNING YOUR FINANCES. THEY HAVE THE SAME WEIGHT AS ANY CONSUMER LOAN SUCH AS A MORTGAGE OR CAR LOAN.**
CHAPTER 8. INTERNATIONAL STUDENTS

There are a number of private funding sources available to international students. These sources may require certification. The Office of Financial Aid is available to assist our international students with a list of possible educational funding sources along with loan certification. International students do not have to complete the above application process.
CHAPTER 9. THE IMPORTANCE OF GOOD CREDIT

Eligibility for the Direct Graduate PLUS Loan and other private educational loan programs are based on creditworthiness. A credit score is used to initially determine the general status of an applicant’s credit history and used in conjunction with the review of the credit report.

As such, the following list represents a GENERAL example of credit criteria that have been used by the majority of private lending programs to establish one’s eligibility for a private loan. It is strongly recommended that students obtain a credit report before applying for credit-based educational loans. Erroneous data or “bad” credit issues can be addressed immediately and will likely prevent delays in loan approval.

Credit Criteria

There are many credit reporting agencies or credit bureaus, who rate the credit reports for judging the creditworthiness of consumers. Usually, a credit report contains information regarding the borrower’s social security number, credit history, payment history, and regularity of payments, credit account inquiries, contact address, and details of each credit account.

Credit rating criteria may differ from one credit account to another. Credit ratings are designed to provide potential lenders with information to determine if a consumer is a good credit risk, and is likely to uphold the terms and conditions of the extension of credit.

There are many factors affecting credit rating. Once the credit report rating has been carried out, it generates a result, which is in the form of a numerical value. This score determines whether an individual is eligible for a loan, employment, or lower interest rates.

There are five factors that may affect the credit rating or credit rating criteria followed by the various credit rating agencies. They are summarized as follows:

1. **History of payments made**: One of the credit rating criteria is the payment history. Every credit rating has a score. History of payments made, encompasses 35% of the rating score. In the event there are late payments or the credit report has registered delinquent payment this is recorded in the credit report. The report also has details of bankruptcy, if applicable.

2. **Amount outstanding**: 30% of the credit score evaluates the outstanding debt amount. This is also one of the credit rating criteria for generating the score. When the outstanding amount is close to the amount of credit limit, this can negatively affect the score.

3. **Duration of credit history**: 15% of the credit score relates to the duration of the credit history. If the duration of a particular credit account is long and if the credit account is held with one particular financial service institution, this can have a positive effect on the credit score.

4. **Types of credit used**: the type of loan available by a consumer is one of the credit rating criteria. If an individual has availed a loan from a finance company, this affects the score
in a negative manner. 10% of the credit rating score is based on these credit rating criteria.

5. **Credit account inquires**: opening several new credit accounts is a negative qualification on the consumer’s part. 10% of the score is determined by these credit rating criteria.

If the credit report has a negative scoring, one can opt for credit report repair by adopting several means. The FCRA or the Fair Credit Reporting Act has made it obligatory for the important credit bureaus to furnish details of your credit report once a year. By reviewing credit report scores, one can be prevented from the hassles of debt settlement and declaring bankruptcy. Keeping a track of the score is vital for maintaining a good credit history.

**Credit Bureau**
A credit bureau or consumer reporting agency is a company that collects information from various sources and provides consumer credit information on individual consumers for a variety of uses. It is an organization providing information on individuals’ borrowing and bill paying habits. Most U.S. consumer credit information is collected and kept by the three national credit reporting agencies: Equifax, TransUnion, and Experian.

The Fair Credit Reporting Act (FCRA) requires each of the nationwide consumer reporting companies—Equifax, Experian, and TransUnion—to provide you with a free copy of your credit report, at your request, once every 12 months. This free credit file can be requested through [www.annualcreditreport.com](http://www.annualcreditreport.com) by phone or by mail.

The three nationwide consumer reporting companies have set up a central website, a toll-free telephone number, and a mailing address through which you can order your free annual report.

You can order your free annual credit report online at [www.annualcreditreport.com](http://www.annualcreditreport.com) or by calling 1-877-322-8228, or by completing the Annual Credit Report Request Form and mailing it to: Annual Credit Report Request Service, PO Box 105281, Atlanta, GA 30348-5281.

When you order, you need to provide your name, address, Social Security number, and date of birth. To verify your identity, you may need to provide some information that only you would know, like the amount of your monthly mortgage payment.

**Keywords**

**Credit**
The granting of a loan and the creation of debt. It is a form of deferred payment.

**Credit Score**
A credit score is a numerical expression based on a statistical analysis of a person’s credit files, to represent the creditworthiness of that person. A credit score is primarily based on credit report information typically sourced from credit bureaus.

**Credit History**
A record of an individual’s past borrowing and repaying behavior. It will list personal information such as: number and types of credit accounts, how long each account has been open, amounts owed, amount of available credit used, whether bills are paid on time, and number of recent credit inquires. It also contains information regarding whether the consumer has any bankruptcies, liens, judgments or collections. This information is all contained on a consumer’s credit report.

Creditworthiness
An assessment of the likelihood that a borrower will default on their debt obligations. It is based upon factors, such as their history of repayment and their credit score. Lending institutions also consider the availability of assets and extend of liabilities to determine the probability of default.

Credit Report
Your credit report has information that affects whether you can get a loan – and how much you will have to pay to borrow money. You want a copy of your credit report to:

- Make sure the information is accurate, complete, and up-to-date before you apply for any loan.
- Help guard against identity theft. Identity thieves may use your information to open a new credit card account in your name. Then, when they don’t pay the bills, the delinquent account is reported on your credit report. Inaccurate information like that could affect your ability to get credit, insurance, or even a job. The burden of proof is on you to correct these errors even though you may not be the one that incurred the debt.
CHAPTER 10. CONSUMER INFORMATION

STUDENT RIGHTS

- You have the right to know what financial aid programs are available at your school.

- You have the right to know the deadlines for submitting applications for each of the financial aid program available.

- You have the right to know how financial aid will be distributed, how decisions on that distribution are made, and the basis for these decisions.

- You have the right to know how your financial need was determined. This includes how costs for tuition and fees, room and board, required books and supplies, personal miscellaneous expenses are considered in your budget.

- You have the right to know what resources (such as parental contribution, other financial aid, your assets, etc.) were considered in the calculation of your need. NOTE: Discussion of parental information with the student may be withheld at the request of the parent.

- You have the right to request an explanation of the various programs in your student aid package.

- You have the right to know your school’s refund policy.

- You have the right to know what portion of the aid awarded is loan funding that must be repaid, and what portion is grant funding. As a loan recipient, you have the right to know what the interest rate is, the total amount that must be repaid, the payback procedures, the length of time you have to repay the loan, and when repayment is to begin.

- You have the right to know how the school determines whether you are making satisfactory academic progress and what happens if you are not.

- You have the right to appeal your award package to the Student Financial Aid office in writing. Appeals are reviewed on a case by case basis. Federal and State guideline compliance is strictly adhered to.