

---

## PARENT GUIDE FOR FINANCIAL AID

## FREQUENTLY ASKED QUESTIONS

---

### WHAT IF I HAVE QUESTIONS ABOUT MY STUDENT'S FINANCIAL AID?

The financial aid process may be confusing for students and their families. The Financial Aid and Scholarships (FAS) office recognizes that both you and your student may have questions about financial aid and we want to assist your student in completing all the necessary steps to receive the maximum financial aid possible. We welcome the opportunity to answer your general financial aid questions, such as those regarding interest rates for specific loan types or eligibility requirements for different grants. However, FAS has the responsibility of maintaining a student's privacy according to the Family Educational Rights and Privacy Act (FERPA). This legislation requires that we keep student information private, so our staff can only release student information when the student provides proper photo identification or when the student can answer specific personally identifiable questions. A student may complete an *Authorization to Release Student Information* form to authorize the release of specific financial aid information to other individuals. Without this form on file, our staff is unable to release student information to you. This form is available in FAS or online at <http://www.registrar.ku.edu/pdf/nondirectoryrelease.pdf>.

### MY STUDENT IS BUSY WITH ACTIVITIES AND HOMEWORK. CAN I COMPLETE ALL OF THE FINANCIAL AID PAPERWORK?

It is acceptable for you to help your student complete the Free Application for Federal Student Aid (FAFSA) and for you to complete paperwork for a Federal Direct Parent Loan for Undergraduate Students (PLUS), but it is the student's responsibility to complete any other necessary steps required to obtain financial aid. For a full list of the steps required to obtain financial aid, please view the Application Process Checklist online at <http://financialaid.ku.edu/process/checklist.shtml>. The FAFSA and student loan Master Promissory Notes (MPNs) require the student's signature and all aid (except excess PLUS funds) is released directly to the student after University charges are paid. Therefore, students must be directly involved in the application process so they fully understand the amounts, types, and repayment terms of the financial aid programs they are receiving.

### HOW CAN I OBTAIN A U.S. DEPARTMENT OF EDUCATION PERSONAL IDENTIFICATION NUMBER (PIN)?

Parents who have signed the FAFSA electronically should already have a Department of Education PIN. If you do not have a PIN, you may access [www.pin.ed.gov](http://www.pin.ed.gov) to apply for one or request a duplicate. PINs are created instantaneously and you will have the option to display the PIN online or have it sent via email. You will also have the option to receive a system-generated PIN or create your own personalized PIN. You can use your PIN to electronically sign your student's FAFSA and obtain your loan history information. If you are borrowing a Federal Direct PLUS loan, you can use your PIN to electronically sign your PLUS MPN.

### HOW CAN I REQUEST A LOAN TO HELP PAY FOR MY STUDENT'S EXPENSES?

Once your student's financial aid file is complete, you may request a Federal Direct PLUS loan to pay for your dependent student's educational expenses not covered by other aid. You can access the *PLUS Request* form at [www.financialaid.ku.edu](http://www.financialaid.ku.edu). All PLUS requests are subject to a credit check, which generally requires 7-10 business days to process. If you choose to request a PLUS loan, you will need to electronically sign an MPN with your PIN at [www.studentloans.gov](http://www.studentloans.gov). The MPN must be completed before funds will be available. A parent borrowing for more than one student must complete a PLUS MPN for each student.

Repayment of each PLUS loan begins 60 days after the final disbursement and the interest rate is 7.9%. There is a 4.0% loan origination fee on Federal Direct PLUS loans with an up-front 1.5% rebate, which means 2.5% of the total amount of the loan is automatically deducted upon disbursement by the U.S. Department of Education. To retain the up-front rebate, borrowers who are in loan repayment must make the initial 12 consecutive monthly payments on time. You may contact the Direct Loan Servicing Center (DLSC) at (800) 848-0979 regarding many options, including PLUS deferment, repayment, and consolidation.

### WHAT DOES "EFC" MEAN?

EFC is an acronym for "Expected Family Contribution." This is the estimated amount of support you and your student is expected to be able to contribute toward the annual cost of his/her education. The federal processor determines your student's EFC based on information you provide on the FAFSA. The EFC is the combined parent and student contributions and is calculated using a variety of factors, including income from work, adjusted gross income, family size, and number of family members in college. This number is used by FAS to determine what types of financial aid your student may be eligible to receive. If you do not have the funds available to contribute the amount equivalent to the EFC, you may want to consider applying for a PLUS loan.

### WHY DO I HAVE TO INCLUDE MY INFORMATION ON MY STUDENT'S FAFSA?

Federal student aid programs are based on the principle that students and their parents are considered the primary source of support for funding their postsecondary education. Dependency questions on the FAFSA determine if your student is required to include your information on the FAFSA. Providing information on the FAFSA does not obligate you to provide financial support.

### WHAT IF WE HAVE UNUSUAL CIRCUMSTANCES?

Sometimes a family will experience special circumstances that were not reflected on the FAFSA. Examples of these circumstances include a loss of income due to job loss, divorce, and loss of child support. Other circumstances could result from an unexpected increase in expenses such as non-discretionary medical expenses. If your student or your family experiences what you consider a special circumstance, please submit a *Special Circumstances Re-Evaluation Request* form available at [www.financialaid.ku.edu](http://www.financialaid.ku.edu).

### HOW IS FINANCIAL AID DISBURSED AND WHAT HAPPENS IF 'ANTICIPATED AID' EXCEEDS THE AMOUNT DUE?

Financial aid awards will typically be applied to your student's account each semester about one week prior to the first day of classes, provided your student has a complete financial aid file. Generally, funds are issued in two equal disbursements, once in the fall semester and once in the spring semester. Financial aid will automatically apply toward current tuition, required fees, and housing charges. As a service and convenience to students, KU will apply any excess federal financial aid to other current charges (such as the all-sports combo, library fees, etc.). Your student can choose this option in Enroll & Pay. If this service is declined, the student is still responsible for outstanding charges. Financial aid **will not** pay outstanding charges from a prior academic year.

If financial aid exceeds the amount due on the eBill, there will be a credit balance on the student's account and the student will receive a financial aid refund from the Bursar's Office (unless the refund is due to excess PLUS loan funds, in which case funds are released to the parent). The parent may authorize Direct Deposit by completing the authorization form for PLUS loans at [http://www.bursar.ku.edu/documents/student\\_forms/Parent\\_PLUS\\_EFT.pdf](http://www.bursar.ku.edu/documents/student_forms/Parent_PLUS_EFT.pdf) or submit a written request to FAS for excess PLUS loan funds to be released to the student. Excess aid refunds are typically available six business days after the financial aid file becomes complete. The first day to obtain excess aid for a semester is typically one or two days before the first day of classes.

### WHAT ARE THE PAYMENT DEADLINES AND HOW DO I ENSURE FINANCIAL AID IS AVAILABLE BY THE DUE DATE?

The Bursar's Office generates eBills, which the student can access in Enroll & Pay, on the 21<sup>st</sup> of each month and payments are due on the 15<sup>th</sup> of the following month. If a student has enrolled by July 20<sup>th</sup>, the tuition and fee eBill will be generated on July 21<sup>st</sup> and due August 15<sup>th</sup>.

If financial aid does not appear on the eBill as anticipated aid, the student will need to make other arrangements for paying the bill by the due date. Your student can login to Enroll & Pay to view the financial aid that is ready to disburse under the '**Anticipated Aid**' section. If expected financial aid is not included in the anticipated aid section, your student should check his/her 'To-Do List' in Enroll & Pay to determine what items still need to be completed. Questions about aid crediting the eBill should be directed to FAS.

If your student accepts financial aid online in Enroll & Pay prior to the payment deadline, financial aid funds are not necessarily assured to credit the eBill before payment is due (unless the funds appear as anticipated aid). Accepting financial aid online is one step in the financial aid process. Once that step is completed, there are typically additional processes that occur in order for funds to be available. For instance, if your student accepts a student loan on August 14<sup>th</sup> but has not yet signed a Master Promissory Note, the loan funds will not be ready to disburse by the due date on the 15<sup>th</sup>. The same situation applies to the PLUS loan. After a PLUS loan is accepted by the student, a parent would need to complete the *PLUS Request* form and be approved before loan funds would be available (typically a 7-10 day process, allowing for a credit check). Due to high volume, additional processing time may be necessary at the beginning of each semester. Some financial aid processes take longer than others, so it is recommended that you and your student file the FAFSA by the March 1<sup>st</sup> priority date (to be considered for limited funded programs, such as grants and low-interest loans), accept/decline the awards in Enroll & Pay without delay, and complete any additional items promptly to ensure financial aid is available by the eBill due date.

#### IMPORTANT PHONE NUMBERS

Bursar's Office	(785)864-3322
Department of Student Housing	(785)864-4560
KU Parent Association	(785)864-4060
New Student Orientation	(785)864-4270
Office of Admissions	(888)686-7323
Financial Aid & Scholarships	(785)864-4700
Direct Loan Servicing Center	(800)848-0979
U.S. Department of Education	(800)433-3243

#### IMPORTANT DATES

Freshman Scholarship Deadline	November 1 <sup>st</sup>
FAFSA Submission Priority Date	March 1 <sup>st</sup>

#### INTERNET RESOURCES

Department of Education	<a href="http://www.ed.gov">www.ed.gov</a>
FAFSA4caster	<a href="http://www.fafsa4caster.ed.gov">www.fafsa4caster.ed.gov</a>
FAFSA on the Web	<a href="http://www.fafsa.gov">www.fafsa.gov</a>
Financial Aid Information	<a href="http://www.finaid.org">www.finaid.org</a>
Kansas Board of Regents	<a href="http://www.kansasregents.org">www.kansasregents.org</a>
KU Parent Association	<a href="http://www.parentassociation.ku.edu">www.parentassociation.ku.edu</a>
Master Promissory Note	<a href="http://www.studentloans.gov">www.studentloans.gov</a>
Request a PIN	<a href="http://www.pin.ed.gov">www.pin.ed.gov</a>
Tuition Payment Plan	<a href="http://www.afford.com/ku">www.afford.com/ku</a>

*The Financial Aid and Scholarships (FAS) office is providing the above information as a courtesy. Outside of maintaining our website, the FAS office does not promote, validate, or maintain the websites listed. URL addresses and website contents frequently change. The URL addresses listed were accessible as of November 2010. A website appearing here does not necessarily imply that the University of Kansas or the FAS office agree with the material contained on or linked to the websites.*

10.27.11 pms