

March 2011

Graduate Student Financial Aid at Tulane



Note: We are making this information available to those considering fall 2011 graduate programs for which financial aid counselors are based at the main financial aid location (programs other than public health, medicine or law JD/LLM degree programs), regardless of whether or not an application for admission has been made and accepted. This is simply an introduction to financial aid and is not a comprehensive guide to financial aid, and the information is subject to correction.

We are pleased that you are considering Tulane University as a possibility in your future. We understand that a graduate school education may well be the largest investment of your life.

The Tulane University Financial Aid Office has many functions, among the most important of which is packaging and processing financial aid (loans, scholarship and/or federal work-study eligibility) for Tulane students. In addition, we try to make sure that Tulane students are informed students. Informed students should be able to make mature and responsible decisions about the amount of educational loans they can afford, and to examine the value of making immediate personal sacrifices to keep educational debt as low as possible.

If you are offered admission to Tulane University as a graduate student, our policy is to inform you of the maximum amount of educational loan eligibility available, once scholarship funds and outside resources are determined, and after the processing results are received from the Free Application for Federal Student Aid for the 2011-2012 School Year (FAFSA). This is not a guarantee of loan funding. Nor is it an endorsement of borrowing every dollar available. To the contrary, we are very concerned that applicants be aware of the effect their borrowing decisions will have on their future standard of living. With this in mind, we have provided information to help you answer some very important questions before you enroll in any school:

- How do I apply to borrow educational loans?
- What aid may I receive in lieu of educational loans?
- Will I be able to borrow what I need each semester of graduate school?
- To what extent will my borrowing affect my future standard of living?

We hope you find this information useful as you make decisions regarding graduate school.

Federal Student Aid

Submission of the 2011-2012 Free Application for Federal Student Aid (FAFSA) is a prerequisite to application for federal aid, and parental information is not required for those pursuing graduate degrees (*except those seeking consideration for U.S. Department of Health and Human Services programs*). Federal educational loans generally have better terms than private (non-federal) educational loans. Certain federal loans (such as the Unsubsidized Stafford Loan and Graduate PLUS Loan) are available regardless of financial need. We recommend all US citizen or permanent resident graduate school applicants file a FAFSA so that they may make an informed decision about whether or not the resulting federal loan eligibility is beneficial; the FAFSA may be filed without cost, and loan eligibility may be easily declined. *Note: Federal Pell grants are not available to graduate students.*

An applicant may complete a FAFSA as early as January 1, 2011. Those filing by June 30, 2011 should have time to file paperwork to receive fall loan funding at the end of August. Students must file by the "final" filing deadline (no aid can be considered when fewer than four weeks remain in the academic period) to receive loans during the 2011-12 academic year; however, we do certainly not recommend waiting this long.

The FAFSA can be completed online (www.fafsa.ed.gov). The results are sent to the applicant and up to ten schools listed on the FAFSA. **Tulane University's FAFSA Title IV school code is 002029.** If a FAFSA has already been completed and submitted without inclusion of Tulane, the applicant should not complete another FAFSA in order to add Tulane; instead, the applicant should add Tulane online (www.fafsa.ed.gov) to the existing FAFSA record.

The **Federal Stafford Loan has a set interest rate of 6.8%**, and a graduate level student* may borrow a yearly maximum of \$20,500 in this loan type (or the Cost of Attendance minus other aid, whichever is less). **Interest associated with up to \$8,500 may be subsidized** (paid) by the Federal government while the borrower is in school or grace periods, and is awarded to applicants showing sufficient financial need. **School of Medicine students may borrow a maximum of \$40,500 in Federal Direct Stafford Loan; School of Public Health students may borrow a maximum of \$33,000 in Federal Direct Stafford loan.*

A **Federal Graduate PLUS Loan** is a credit-based loan which can be borrowed up to the Cost of Attendance minus other aid. **The interest rate is set at 7.9%.**

For both Stafford and Graduate PLUS loans, the lender is the U.S. Department of Education, and repayment is not required during periods of deferment, grace or forbearance (for example, while the student is enrolled at least half-time and for six months after graduation).

A **Federal Perkins Loan is a low-interest (0% during school and 5% during repayment) loan** for which Tulane University is the lender. Applicants showing sufficient need and meeting other criteria receive Perkins awards until the year's allocation for each Tulane student group is depleted. The loan is usually set at \$2,000 per year per recipient due to funding limitations. Repayment is not required while the student is enrolled at least half-time and for nine months after graduation. Federal Perkins Loans for Tulane students are reallocated every year, so a student may

receive a Federal Perkins Loan one year and not receive a Perkins Loan the next, and vice-versa.

Federal Work Study

Federal work study is a need-based federally sponsored part-time employment program. Positions are posted at www.HireTulane.com and are usually on campus in one of the university's many departments, but may also be in the community. Most students work about 10 to 15 hours a week. Students are paid by direct deposit biweekly and are paid for the number of hours worked. Your work schedule can vary from free periods during the day to night or weekend work. Federal work study certification does not guarantee a job or total earnings.

Viewing Your Financial Aid Package Online

Tulane's Gibson Online portal is the area in which financial aid packaged for a Tulane applicant or student is made available for viewing. You use your Tulane e-mail credentials to log in, and if you do not yet have a Tulane e-mail address, you use your Tulane ID and PIN. If you do not have your Tulane ID and PIN, go to <http://tulane.edu/gibson-online.cfm>, click on the "Gibson Online" link, click on the "Forgot username or password?" link (under the login button), when prompted provide the e-mail address associated with your admission application, and finally click on the "submit" button. You will then be sent an e-mail with your Tulane ID and a PIN number with which you may access Gibson Online. If you cannot provide the required e-mail address, please check with your school's graduate level admission office to confirm that your personal e-mail address is on file and to inquire as to when you might be provided access to the Tulane Gibson Online portal.

Scholarship Awards

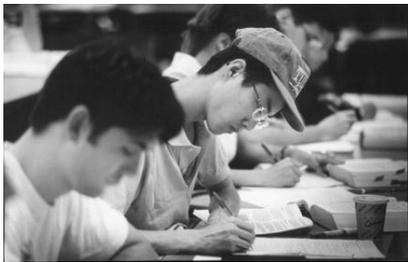
Tulane University Schools

Scholarships are awarded to a number of accepted graduate level applicants by individual graduate student schools. Please note that Tulane's supply of scholarship funds is limited: once these funds have been allocated, the schools must stop making awards. In most cases, Tulane's scholarship awards are made to accepted applicants at the time an offer of admission is extended, made on the basis of information contained in the admission file, and no additional applications or forms are required. In the months following admission, Tulane graduate student schools may be able to make additional scholarship awards. Please check with your school for more information. **Applicants or students who have been offered scholarship (or other gift aid, such as fellowship) from their school are responsible for making sure the gift aid is reflected in their personal financial aid package from the Tulane Financial Aid Office; otherwise, the package is inaccurate and invalid.**

Other Sources

Organizations other than schools exist which sponsor graduate student scholarships. Students are responsible for researching and applying for these scholarships.

Contact information can be found at The SmartStudent Guide to Financial Aid (<http://www.finaid.org/scholarships/>) and on other internet sites. To make sure a web search service is reputable, call the National Fraud Information Center (800/876-7060). Graduate scholarship reference books with agency contacts may be found in libraries as well.



Questions

We hope you consider these important questions before you enroll in any school.

Can I live within budget constraints?

A limit on all financial aid (including private and federal educational loans) is maintained by the financial aid office. Financial aid budgets vary by school program most often due to tuition and fee variations. Even though a student's actual expenses may be more or less than a "standard budget" established for financial aid purposes, total financial aid (all scholarships, educational loans and work-study eligibility) for the academic year is limited by federal regulation to the total budget established for the academic year. If actual living expenses exceed the financial aid budget for living expenses, the excess cannot be covered with additional educational borrowing or other financial aid, so students should budget carefully.

In addition, students may not use educational borrowing or other forms of financial aid to pay for costs not allowed in the financial aid budget. These include moving costs, car loan payments, payments on pre-existing debt (like credit cards), and living expenses associated with days before or after an academic period. Financial aid is not available for summer expenses other than standard costs associated with days during which a student is enrolled at least half-time. Costs not allowed in the financial aid budget must be paid with a source other than financial aid.

The 2011-2012 Tulane University Standard Cost of Attendance for graduate students is delineated below: tuition/fees - vary by program; \$8,300 housing allowance; \$4,750 food; \$1,500 misc.; \$2,050 transportation allowance; \$2,350 health costs; \$1,500 book allowance.

For example, during 2011-12, the allotment for housing (rent and utilities) for Tulane University graduate students is about \$922 per month. A higher housing expense might have been covered by spending less in other categories (for example, less than \$673 per month for food and transportation), but could not be covered with additional educational loans or other financial aid.

Will I be affected by credit constraints?

Lenders of non-federal educational loans and Federal Direct Graduate PLUS Loans review credit reports of applicants. If a report contains negative financial information (whether or not in error) may be denied by the lender, even if eligibility is certified by a financial aid office.

Federal Direct Graduate PLUS approval is based on the absence of adverse credit notations for the student. A student who is denied a Federal Direct Graduate PLUS Loan may possibly obtain the loan by securing an endorser who has no adverse credit notations. Note that credit scores and/or debt-to-income ratio are NOT considered as reasons to deny a Federal Direct Graduate PLUS Loan.

Private loans are more strictly credit-based than the Federal Direct Graduate PLUS Loan. If the credit report of a student contains negative financial information and/or a low credit score, the loan may be denied by the lender. A student who is denied a private loan may possibly obtain the loan by securing a cosigner who, according to the lender, has a satisfactory credit history, credit score and debt-to-income ratio (deemed as being adequate to support the new loan in addition to pre-existing debt).

There are three main credit reporting agencies:

Equifax	800/685-1111; http://www.equifax.com
Experian/TRW	888/397-3742; http://www.experian.com
Transunion	800/888-4213; http://www.transunion.com

You may obtain a copy of one or all three credit reports free once a year as mandated by the Fair Credit Reporting Act from www.annualcreditreport.com or 877.322.8228. If you ask for one at a time, you may receive a free credit report every four months. We advise all applicants to obtain a copy of at least one credit report immediately. It is important to ascertain if credit reports contain errors (which, unfortunately, are common) in time to make any necessary corrections or to begin the process of repairing any damage to a credit rating. Optionally, detailed information from the three major credit bureaus is provided in a side-by-side format for a fee from <http://www.equifax.com>.

Tulane is unable to replace "denied" loans with other sources of aid, so it is critical for applicants to know whether their credit history will support planned borrowing.

How can I borrow less?

Every dollar not borrowed saves \$2, when you assume every \$1 borrowed repaid over 25 years at 7.9% interest results in about \$1 of interest costs. Living with roommates is a good way to cut down on costs. We recommend that students borrow conservatively, and increase their borrowing midyear if absolutely necessary.

Are my salary expectations realistic?

Take-home pay would be about \$4,133 per month for a person with a salary of \$62,000 per year (allowing 20% for taxes). Various sources are available to research salary expectations for graduate students. One website to begin expected salary research is www.finaid.org. Another example is http://www.ehow.com/about/6626574/average-starting-salary-ph_d.html, which states that after completing a doctorate, a graduate (not necessarily a Tulane graduate) can expect to make an average of about \$65,427.

Are my repayment expectations realistic?

As a point of reference, educational debt of \$100,000 would be repaid at the rate of about \$1,200 per month over 10 years, or \$750 per month over 25 years (assuming an 7.5% interest rate). The total amount repaid would be about \$150,000 over 10 years; or \$225,000 over 25 years. Calculators to predict how much your student loans will cost you and to plan for successful repayment *before* you borrow can be found at www.finaid.org/calculators.

How will educational borrowing affect other borrowing?

A lower educational debt will likely result in a stronger ability to borrow in the future for a house or a car; a higher debt will likely result in a reduced ability to borrow in the future.

Information for International Applicants

An applicant who is neither a U.S. citizen nor a U.S. permanent resident does not have eligibility to apply for U.S. Federal educational loans (**see more information below after the asterisk***), and should not fill out a FAFSA.

However, several private (non-federal) educational loans allow application by such students if they obtain a U.S. citizen or U.S. permanent resident co-signer. The co-signer must supply a U.S. social security number, have a satisfactory credit history, and demonstrate sufficient current income to repay credit obligations (including the educational loan). The student applicant also should provide a U.S. social security number if possible. With a creditworthy co-signer, a student can borrow up to the cost of attendance. Tulane determines the borrower's maximum loan eligibility based on the Cost of Attendance for the 2011-2012 academic year, less any other financial aid received. The interest rates are variable. For more details on these private commercial education loans (and/or to verify the latest information, which may be changed by the lenders without notice), contact each agency directly:

- ◆ CitiAssist Loan; <http://www.studentloan.com>, phone 1.800.STUDENT
- ◆ Smart Option Loan; <https://www.salliemae.com/student-loans/>, phone 1.888.2.SALLIE
- ◆ Wells Fargo Graduate Loan; <https://www.wellsfargo.com/student/>, phone 1.800.378.5526



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***Eligible Noncitizen: "You must be one of the following to receive federal student aid:**

- U.S. citizen
- U.S. national (includes natives of American Samoa or Swain's Island)
- U.S. permanent resident who has an I-151, I-551, or I-551C (Permanent Resident Card)

If you're not in one of these categories, you must have an Arrival-Departure Record (I-94) from U.S. Citizenship and Immigration Services (USCIS) showing one of the following designations:

- "Refugee"
- "Asylum Granted"
- "Cuban-Haitian Entrant, Status Pending"
- "Conditional Entrant" (valid only if issued before April 1, 1980)
- "Victims of human trafficking, T-visa" (T-2, T-3, or T-4, etc.) holder
- "Parolee" (You must be paroled into the United States for at least one year and you must be able to provide evidence from the USCIS that you are in the United States for other than a temporary purpose and that you intend to become a U.S. citizen or permanent resident.)

The following documents are not considered in determining your eligibility for federal student aid:

- If you have only a Notice of Approval to Apply for Permanent Residence (I-171 or I-464), you aren't eligible for federal student aid.
- If you're in the United States on certain visas, including an F1 or F2 student visa, or a J1 or J2 exchange visitor visa, you're not eligible for federal student aid.
- Also, persons with G series visas (pertaining to international organizations) are not eligible.

Citizens of the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau are eligible only for Federal Pell Grants, Federal Supplemental Educational Opportunity Grants, and Federal Work-Study. These applicants should check with their schools' financial aid offices for more information."

*Source: Department of Education Student Aid On the Web
<http://studentaid.ed.gov/PORTALSWebApp/students/english/Glossary.jsp#eligiblenoncitizen>