

Cairn University

2020-2021 Financial Aid Award Information

1. Award Letter

Review your financial aid award letter. If you wish to **reduce** or **decline** any items, indicate the change on the award letter by crossing out the award amount, then enter a reduced amount if desired and initial the change. Sign the award letter and return within 15 days to the Financial Aid Office.

2. Missing Documents

Submit any requested missing documents within fifteen (15) days including the signed award letter. Missing documents not received promptly will slow down the financial aid process.

3. Federal Direct Loan – including subsidized and unsubsidized loans

Students that are first-time borrowers at the University are required by federal regulation to complete two steps to initiate the federal loan process:

- Entrance Counseling
- Master Promissory Note (MPN)

To complete these documents:

1. Go online to studentloans.gov
2. Use your FSA ID to log in. If you need help with your FSA ID please visit StudentAid.gov/FSAID
3. Be sure to complete **both** steps. Please read the information on the website to understand how the electronic process works. We estimate that it takes 30 minutes to complete the electronic counseling and MPN process.
4. If you experience difficulties completing the entrance counseling or the MPN call 800-557-7394.

Determining Your Award

Financial aid awards are determined by using the information you provided on the Free Application for Federal Student Aid (FAFSA). Once your FAFSA has been reviewed and processed by the U.S. Department of Education's Central Processing System, your family's Expected Family Contribution (EFC) is computed. The EFC is the number that will determine your eligibility for federal student aid and need-based financial aid from Cairn.

The 2020-2021 tuition and fees for undergraduates are:

Estimated Charges	Resident	Commuter
Tuition & Fees (full-time)	\$29,553	\$29,553
Room & Board	*11,187	-
Annual Total	\$40,740	\$29,553
Total for each semester	\$20,370	\$14,776.50

*Room and Board includes the full-meal plan.

In addition to the above direct costs, Cairn University estimates indirect expenses such as books and supplies, travel and other personal expense. For 2020-2021, the indirect expenses are estimated as \$3,070 – you will not be billed for these estimated expenses, but when added to the direct costs the result is the total Cost of Attendance (COA). The difference between the COA and the EFC is your family's Financial Need and is the basis for determining your financial aid eligibility.

Many families use a combination of current income, payment plans, and borrowing parent or home equity loans or other educational loans to finance the cost of attendance not covered by financial aid. See Financing Options below:

Award Descriptions

The award letter lists the sources of financial aid available to the student to help meet the cost of attendance. Awards are based on a number of factors including where the student is living (on or off campus) and the number of credits in which the student is enrolled. If these factors change, the financial aid award is subject to change. Below are descriptions of the different types of financial assistance that may be included on your award letter.

Federal Pell Grant and Federal Supplemental Educational Opportunity Grant (FSEOG)

These two need-based federal grants are awarded to students who meet the required financial need criteria. They are disbursed in two equal payments during the academic year typically near the beginning of each term. They are grants and do not have to be paid back. Pell-eligible students are determined by the U.S. Department of Education based upon FAFSA data. The Pell Grant amount may be prorated depending upon the enrollment level of the student (e.g., full-time, three-quarter time, etc.).

Federal Direct Loans

The Federal Direct Loan is a loan and must be paid back. Undergraduate recipients must be enrolled at least half-time (6 credits). The Federal Direct loans interest rate is fixed at 5.05% for undergraduates in 2019-2020. The lender may charge a fee of approximately 1%; therefore the actual amount the student receives is less than the amount borrowed. Direct loans are electronically disbursed to the student's account at the beginning of each semester in substantially equal disbursements. There is a six-month grace period before repayment begins once the student graduates or drops below half-time enrollment. The standard repayment period is ten years and deferment and forbearance options may be available.

There are two types of Federal Direct Loans:

- **Direct Subsidized Loan** is a loan for students with demonstrated financial need. The government pays the loan interest for the student while the student is in school and this is the preferred loan of the two loans due to this subsidy.
- **Direct Unsubsidized Loan** is a loan which is not based on a student's financial need. Students pay the loan interest while enrolled or the student can elect to have it deferred and capitalized upon graduation.

The annual Federal Direct Loan borrowing limits are:

	Dependent Student*	Independent Student
Freshman	\$5,500 (up to \$3,500 subsidized)	\$9,500 (up to \$3,500 subsidized)
Sophomore	\$6,500 (up to \$4,500 subsidized)	\$10,500 (up to \$4,500 subsidized)
Junior/Senior	\$7,500 (up to \$5,500 subsidized)	\$12,500 (up to \$5,500 subsidized)

* Dependent students whose parents are unable to obtain a parent PLUS loan become eligible for the Independent Student amount. (Dependency status is determined by the student's answers in Step 3 of the FAFSA.)

Federal Work-Study

Federal Work-Study is awarded based on financial need. This amount will not be applied to the student account like other financial aid, but if the student chooses to work, this amount will be paid biweekly based on the hours actually worked by the student. The offer of this work award is not a guarantee of the availability of a job, but most students interested in work can find a job on campus or off campus in a community service related position.

Pennsylvania State Grant

The PA State Grant formula will not be finalized until the state budget is approved. Until then an estimated amount will be awarded for those that qualify. In order to be eligible for state grant funds students must meet PA residency requirements at least one year prior to the PA State Grant FAFSA deadline which is May 1 for the following fall semester.

Cairn University Merit Scholarship and Admission Grant

These awards are renewable provided the student maintains full-time enrollment status and a cumulative GPA of 2.5 or higher (to be evaluated after spring semester each school year). This scholarship does not need to be paid back.

Financing Options at Cairn:

The following options may be used alone or may be combined to customize a financial plan that makes most sense to you and your family.

Payment Plan Options

Cairn University will provide an estimated bill on-line, through your Self-Service (selfservice.cairn.edu/), in mid-June for the fall semester and by mid-November for the following spring semester.

Two-Payment Option: One payment each semester to pay the full balance due after any approved financial aid.

- Fall Semester – Due on or before August 1
- Spring Semester – Due on or before December 15

Monthly Payment Options: Please review Cairn's monthly payment options on the TMS website, www.cairn.afford.com.

Federal Direct Parent PLUS Loan

Parents who wish to spread the cost of education beyond the academic year can apply for a Federal Direct Parent PLUS Loan. This loan program is for parents of dependent undergraduate students and is a loan which must be repaid. The parent borrower must be creditworthy, or have a creditworthy endorser. Parents may borrow up to the cost of attendance less any financial aid awarded. The PLUS loan interest rate is fixed at 7.60% for loans borrowed in 2019-2020. Repayment begins within 60 days after the loan has been fully disbursed; typically in March after the spring semester disbursement but can be deferred while the student is in school. Visit studentloans.gov for additional information and to apply for a Direct Parent PLUS Loan. Contact our office at 215-702-4245 if you need additional help.

Private Loans

Students needing additional funding to meet their educational costs may wish to borrow a private educational loan. Any private educational loan must be paid back.

Outside Scholarships

Please review the Cairn website for information related to the Cairn Church Match Scholarship, which can provide \$1,000 per year in addition to the amount contributed for your education by your church or parachurch organization.

Students are required to report the receipt of scholarships from all sources outside of Cairn University that are not listed on the award letter. These awards will first reduce unmet need before any reduction to other financial aid will occur.

Other Information about your financial aid at Cairn:

Satisfactory Academic Progress

A student's continued receipt of financial aid is contingent upon the student making satisfactory academic progress as outlined in Cairn University catalog. If a student fails to maintain satisfactory academic progress, financial aid eligibility for both federal and institutional sources will be suspended until minimum progress is attained.

Financial Aid Disbursements

All financial aid is disbursed directly to student accounts. Aid will be disbursed after the add/drop period each semester. Disbursements of financial aid are made only after the student's application file is complete and verified, if necessary.

Credit Balance Refunds

Cairn University Business Services Office will refund to students any financial aid proceeds that exceed charges on a student's account. Refund request forms are available in the Business Services Office.

Misinformation

Cairn University awards financial aid based on the information provided on financial aid forms and documents collected. If a student or parent knowingly and deliberately provides false information which misrepresents the family's financial situation, the aid award will be withdrawn and the student may be subject to disciplinary action by the University. The University may also report the student to the U.S. Department of Education, Office of Inspector General.

Verification

Each year the U.S. Department of Education selects a group of FAFSA applicants for verification. Verification is a process that requires the University to verify that information reported on your FAFSA application is correct. In addition, Cairn may also select students for verification. If selected, you will be notified and would then need to submit a verification worksheet along with financial information. Financial aid will be disbursed only after this process has been completed. Please refer to our website for additional information.

Appeals

Appeals of financial aid awards must be submitted in writing to the Financial Aid Office. An appeal will be reviewed only if it is based on a significant change to the information presented on a FAFSA. Reasons for reevaluation may include reduction of income due to loss of employment, disability, or excessive medical expenses. Contact the Financial Aid Office for additional information regarding the appeals process.

Return of Title IV Funds for Federal Financial Aid Recipients

Students who receive federal financial aid are entitled to a pro-rata adjustment of federal aid equal to the portion of the period of enrollment after the date of withdrawal until the 60% point in the semester in which the student withdraws or takes a leave of absence. Contact financial aid for more information about this policy.

Confidentiality

All information submitted in support of a financial aid application is considered to be confidential information and is not shared with anyone outside of the student's immediate family. In compliance with the Family Educational Rights and Privacy Act (FERPA), a written release to discuss aid application information with anyone other than the student or a parent of a dependent student is required. Additionally, under FERPA, a student may at any time request to review and/or change their financial aid records.

Study Abroad

Students may be eligible to receive federal and state financial aid for study abroad semesters provided the study abroad program has been approved by Cairn University. As of the 2020-2021 year students studying abroad will not be eligible for University financial aid.

Loan Deferment

Students who are currently in repayment on a federal student loan may qualify for an in-school deferment. The deferment is applicable only to the dates the student is enrolled at least half-time.

Reapplying for Financial Aid

Students must reapply for financial aid every year. The FAFSA is available annually to be completed after October 1 for the following fall semester. *Applications must be submitted by May 1 to receive full consideration for aid each year.*

Contact Information

The Financial Aid Office is open Mon-Fri, 8:00 a.m. to 4:30 p.m. Staff may be reached at 215-702-4245 and fnaid@cairn.edu.