FINANCIAL AID 101 ---For Parents!

_Congratulations on selecting Hampton University!

Your decision to help pay for your son or daughter’s education can be one of the most important decisions you will ever make. To assist in you in this ongoing effort, the Office of Financial Aid and Scholarships has prepared some useful tips designed exclusively for parents to help you better prepare to deal with the financial aid delivery process here at Hampton University.

_Engure your child’s future with advance planning!

By now, you’ve decided that you will need (in most cases) additional financial assistance in order to pay your son or daughter’s college expenses for the next four to five years. Although the student (in some cases) has a few more aid programs available to them, unfortunately, for the parent, the choice is narrowed to the Federal PLUS loan. Listed below are twelve useful tips that we strongly encourage you to follow each year so that your child will not miss out on any additional awards that they may qualify for.

_Tip 1._

You must complete and file the FAFSA form (early January) at: www.FAFSA.ed.gov—you must use your PIN number each time you update the form. Remember, both you and your son or daughter must use your PIN number each time. You can obtain your PIN number at www.PIN.ed.gov. Also, you can estimate your income and taxes paid on the FAFSA form. After April 15th, the U.S. Department of Education will notify you (via e-mail, or by regular mail) to make any changes to FAFSA form—should there be any variances. Remember this, your FAFSA form is not considered valid unless the U.S. Department of Education calculates your expected family contribution number (a.k.a. EFC).

_Tip 2._

Listed on the financial aid website is a wealth of information that explains our office procedures, processes and deadlines, and much more! Therefore, you should make every effort to review the website at least twice yearly for updates or enhancements to our delivery process.
Tip 3.

Our priority filing date is March 1. What this means is that if you apply for financial aid via the FAFSA form, providing that we receive your results via the U.S. Department of Education on or before March 1, we will make very effort to award your son or daughter (otherwise eligible) any additional aid, depending our funding levels for the federal aid programs that we participate. However, we cannot guarantee funding in any case, with the exception of the Federal Pell grant (otherwise eligible). The priority filing date is also important because we award institutional scholarships, and preference is given to those students whose FAFSA forms are received by the priority filing date. There are no exceptions to this requirement!

Tip 4.

Most students lose out on potential awards because they simply do not respond promptly to correspondence from either the U.S. Department of Education or via the university. It is imperative that you stay on top of this process by asking us questions concerning the status of your son or daughter’s financial aid award. Failure to do so could be costly!

Tip 5.

Financial aid goes online! This is very important! No more paper awards for our continuing students. You must ensure that your son or daughter keep their PIN number activated at all times. By doing so, this will help them to review their financial aid status online—including the pre-registration, and allows them to monitor their account balance, and much more!

Tip 6.

The financial aid office FIRST promise to our students is that they can expect to receive a financial aid award on or before July 15th --providing that they have filed the FAFSA by the priority filing date and are otherwise eligible to receive funding. If this is the case, you should make every effort to contact us on or after July 15, to check on the status of the financial aid award.
**Tip 7.**

The number of the enrollment hours that the student signs up for can affect the amount of financial aid they can receive. For all federal loans (Stafford and PLUS), a student must be enrolled (minimally) in six credit hours. For Pell grant recipients, in a few cases, a student can still receive a prorated amount, but they must be exceptionally needed, which is determined by the EFC number listed on the Student Aid Report (i.e. results of the FAFSA form.). Also, your student must meet the Federal Standards of Academic Progress Policy (SAP). In short, SAP policy requires a student who receive financial aid, must also maintain a cumulative grade point average of at least 2.0, and must also successfully complete twenty credit hours each academic year.

Applying for a Federal PLUS loan is not very complicated. Now that you understand the some basic information about our financial aid delivery process. The information listed below should help make this process a lot easier for you.

Understanding your credit history is perhaps the single most important concern you should have –especially if you’re contemplating on borrowing funds via the PLUS loan program.

Let’s get started! Listed below are a few tips for applying for the PLUS loan.

**Tip 8.**

Before you can apply for a PLUS loan, you must first file the FAFSA form. Your eligibility to receive the PLUS also depends on your son or daughter’s eligibility to receive financial aid in general.

**Tip 9.**

After accepting your financial aid award on-line, you MUST complete, sign and return the PLUS LOAN DATA form. Upon receipt of the form, we will run a credit check on you, and if your loan is approved, the amount will then be posted to your student’s account. However, if your loan is denied, you will have the option of seeking a credit worthy endorser. If you’re still unsuccessful in obtaining an endorser, by law, we can award your student (must have their consent) an additional unsubsidized loan (between $4,000 and $5,000, depending upon his/her year in school). Note that should you later decide to obtain a credit-worthy endorser; the additional unsubsidized Stafford will be canceled or retracted from the student’s account. Also, your son or daughter can apply for a private education loan (these loans are credit-based). We will certify the private loan (if approved) up to the cost of attendance-minus any other aid awarded to the student.
**Tip 10.**

American Student Assistance, our student loan guarantor, upon approval of your PLUS loan—will send you a Master Promissory Note—which outlines your rights and responsibilities, including your repayment options. You only need to sign this form once. The MPN is good for a period up to ten years. However, should you take out a second PLUS loan for a different student, you will need sign a new MPN.

**Tip 11.**

Should you fail to complete your paperwork prior to July 15, we cannot guarantee you that your funds will be approved before the payment deadline dates, as established by the Office of Student Accounts. Therefore, you must make other payment arrangements to ensure that your son or daughter is financially cleared. Again, financial clearance is solely the responsibility of the Office of Student Accounts.

**Tip 12.**

Should you ever need to contact us, please visit us on our website or you may call us directly at 1.800.624.3341 or local direct number at 757.727-5635. Also, at Hampton University, we have financial advisors assigned to each student which allows for a better communication and customer service.

With best wishes,

Marcia Boyd
Director