FINANCIAL AID 101 ---For Parents!

_Congratulations on selecting Hampton University!_

Your decision to help pay for your child’s education can be one of the most important decisions you’ll ever make. To assist 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.

**Ensure your child’s future with advance planning!**

By now, you’ve decided that you need additional financial assistance in order to pay your son or daughter’s college expenses for the next four to five years. Depending on the household expected family contribution, there are federal, need-based, programs available. 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 to help you with paying for child’s educational expenses.

**Tip 1.**

You must complete and file the FAFSA form, each year (in January) at: www.FAFSA.ed.gov. It is important to note that you can estimate your income and taxes paid on the FAFSA form. After April 15th, the U.S. Department of Education will send you a reminder notice (via email or by regular mail) which will allow you to make any changes to the FAFSA form. Remember this, your FAFSA form is not considered valid unless the U.S. Department of Education calculates your expected family contribution number.

You must use your assigned PIN number each time you update the form. Remember, you and the student must use your respective PIN numbers each time, or the form will be considered incomplete for processing. For your information, you can obtain your PIN number at www.PIN.ED.GOV.
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Tip 2.

You can find a wealth on the financial aid website, 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 during the school year 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, and 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 child (otherwise eligible) any additional aid, depending our funding availability, for all Student Aid Programs for which we participate. It is very important to note that we cannot guarantee additional need-based aid, but for the exception of the Federal Pell Grant (if otherwise eligible). The priority filing date is also important because we award institutional scholarships, and, we give preference to those students whose FAFSA forms are received by March 1st. **There are no exceptions to this requirement!**

Tip 4.

Most students lose out on additional aid simply because 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. However, it is your child’s primary responsibility to ask questions of their financial aid advisor. A slow response could indeed be costly!

Tip 5.

All financial aid awards are now online! You must ensure that your child’s keep their university PIN number activated at all times. By doing so, this will help them to review their financial aid status online—including the pre-registration, monitor their account balance, and much more!
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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 your child’s financial aid award.

Tip 7.

The number of the enrollment hours that your child is registered for can also 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. Depending on your Expected Family Contribution number, Pell grant recipients can be enrolled less than full-time and still receive a prorated award.

Additionally, your child must meet the Office of Financial Aid (OFA), Federal Standards of Academic Progress Policy (SAP). In short, the OFA SAP policy requires that students who are enrolled full-time, if receiving financial aid, must also maintain a cumulative grade point average of at least 2.0, and must successfully complete twenty credit hours each academic year.

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THE PLUS LOAN PROCESS AT HAMPTON UNIVERSITY

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 you understand how to apply for the PLUS Loan.

Understanding your credit report 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.
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Tip 8.

Before you can apply for a PLUS loan, you must first file the FAFSA form. No exceptions. Your eligibility to receive a PLUS loan also depends on your child’s eligibility to receive financial aid in general.

Tip 9.

First, your child must accept their financial aid award on-line, including “OFFER” for the PLUS Loan. In order to receive the PLUS Loan, you must successfully pass a credit check, each year. For your convenience, you can access the PLUS LOAN CREDIT LINK via our website. If your loan is approved, the amount will then be posted to your student’s account within generally seven business days. But, 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 child (must have their written consent) an additional unsubsidized loan up to $5000 (depending on their 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 child’s account. Also, your child can apply for a private education loan; however, these loans are credit-based. And depending on your child’s work background, chances are, they will probably need an endorser, as well. We will certify the private loan (if approved) up to the cost of attendance-minus any other aid awarded to the student. Whether you are applying for a PLUS LOAN or child is applying for a private education loan, you must apply early enough to avoid any last minute delays with processing the approved aid prior to the start of classes.

Tip 10.

Upon approval of your PLUS LOAN, American Student Assistance, our student loan guarantor, will send you a Master Promissory Note—which outlines your rights and responsibilities, including your repayment options. You also have the option of using E-SIGN feature to complete your promissory note. Remember, 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.
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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 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,

Martin Miles
Director