

Five Reasons for Overspending

Whenever we spend more than our income, we are overspending. For some of us, overspending can be almost unconscious—you buy that latte and new sweatshirt and then go out to dinner without adding up the costs in your head, much less on paper. We're not even aware of the hole we've dug ourselves into until it's too late. But in order to meet our financial goals, we need to live within our means.

Following are five common reasons people overspend—if you recognize any of these, see if you can weed that behavior out of your financial life: (1.) Peer Pressure; (2.) Want to feel good NOW; (3.) Don't have, or ignore, financial goals; (4.) "Keeping up" with neighbors and friends; (5.) "Addictive Spending"

Go to <http://www.cashcourse.org/loyno/> for additional resources to help you manage your finances while in school.

CashCourse: "Define Your Finances, Define Your Future" —This Month's Topic: Identifying "Needs Versus Wants"

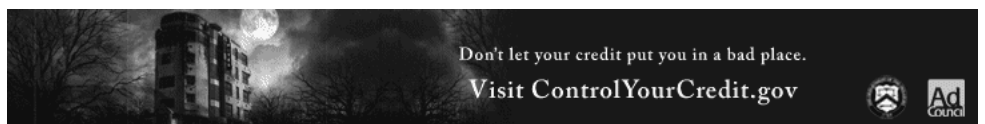
To save money and live on a budget, it helps to really understand the difference between needs and wants. And you probably do understand that, say, food is a need and a latte is a want. But some mornings, after cramming all night for a test or working late, a latte is sure to feel like a need. Maybe coffee is a need but gourmet coffee drinks are a want. Maybe a cell phone is a need for personal safety but custom ringtones are almost assuredly a want. When creating a spending plan and trying to live with limited funds, it's helpful to really consider what is a **need** and what is a **want**.

What you define as needs and wants does not have to remain static. For example, having an MP3 player could generally be defined as a want. But if you find that your roommates or noise in the library is too distracting for you to study, you might need background music to block out the other sounds

Use the **Needs vs. Wants Worksheet** available online at <http://www.cashcourse.org/loyno/articles/id/1754/identifying-needs-vs-wants> to write down some of your needs and wants-and then look carefully at what you've written down.

- Are the needs really needs, or can they be moved to the wants category?
- Now, review your list and think about what's really important to you and what has lasting value.
- Do you really need or want everything on your list? Put stars next to the items that are particularly important to you.
- Are some needs really wants? Cross off the least important wants.
- Decide if each item makes sense. If not, cross it off, or change it to something that is more reasonable.

More financial management tips are available on our web site. Go to <http://www.loyno.edu/financialaid/money-management-tools> for more information.



Remember that you must renew your FAFSA for 2012-2013

Students who are participating in federal and state financial aid programs must annually complete the “Free Application for Federal Student Aid” (or “FAFSA”).

We STRONGLY encourage students to complete the FAFSA online at www.fafsa.ed.gov

The 2012-2013 FAFSA application will be available online AFTER January 1, 2012.

Students also must be making Satisfactory Academic Progress “ in order to renew their aid eligibility for 2012-2013. Progress guidelines for undergraduate students are posted at <http://www.loyno.edu/financialaid/undergraduate-satisfactory-academic-progress-policy>

Renewal requirements for Louisiana’s TOPS Scholarship Program are posted at <http://www.loyno.edu/financialaid/renewal-requirements-tops-scholarships>

Thomas R. Pickering Foreign Affairs Fellowship Program

The **Pickering Foreign Affairs Fellowship** is funded by the U.S. Department of State and administered by the Woodrow Wilson National Fellowship Foundation. The fellowship award includes tuition, room, board, and mandatory fees during the junior and senior years of college and during the first year of graduate study, with reimbursement for books and for travel (one round trip per academic year, up to a set maximum amount). Fellows must commit to pursuing a graduate degree in international studies at one of the graduate schools participating in the program. Participating graduate schools provide financial support in the second year of graduate study based on need. Fellows meet annually in Washington, D.C., for a program orientation

Eligibility and Selection Criteria

Eligibility requirements include the following:

- Only individuals who are United States citizens at the time of application will be considered.
- Applicants must be in the junior year of undergraduate study.
- Applicants must have a cumulative grade point average of 3.2 or higher on a 4.0 scale at the time of application.
- A cumulative grade point average of 3.2 or higher on a 4.0 scale must be maintained throughout participation in the program.

Consideration will be given to qualified applicants who, in addition to outstanding leadership skills and academic achievement, demonstrate financial need. The number of fellowships will be determined by available funding.

The application deadline is **February 3, 2012**.

For more information, go to http://www.woodrow.org/higher-education-fellowships/foreign_affairs/index.php

For additional information on other “outside scholarship” opportunities, go to <http://www.loyno.edu/financialaid/outside-scholarship-programs>

What Is A 1098-T Statement ?

The Taxpayer Relief Act of 1997 allows a tax credit to be claimed for out-of-pocket payments made to Loyola University New Orleans for the tax year for tuition and certain fees. The IRS requires that we provide the 1098-T statement to you for your use in completing IRS Form 8863. A detailed listing of charges, payments, grants and scholarships is available at our website through your LORA account at <http://www.loyno.edu/lora/>. We recommend that you refer to that information to assist in determining the amount of credit which may be claimed on your behalf. This information must not be construed as tax advice. The amounts and calculations used to determine the credit are the decision of the taxpayer after consideration of relevant IRS regulations, Form 8863, and, perhaps, the advice of a tax consultant.

For a list of “Frequently Asked Questions” About the 1098 Form, visit the Office of Student Finance’s web site at <http://www.loyno.edu/studentfinance/taxcreditsand1098t.html>

Federal Tax Credits for Educational Expenses

Under the American Recovery and Reinvestment Act (ARRA) signed into law by President Obama on February 17, 2009, textbook and other course material expenses incurred in 2009 and 2010 that are not covered by scholarship or grant aid may be counted towards the newly created tax credit called the **American Opportunity Tax Credit** on that year’s tax return.

According to the IRS, the new credit temporarily replaces and expands the previous Hope Credit for tax years 2009 and 2010, making the American Opportunity Tax Credit available to a broader range of taxpayers, including many with higher incomes and those who owe no tax. **The program has been extended through 2012.**

It also:

- Adds required **course materials** to the list of **qualifying expenses**
- Allows the credit to be claimed for the first **four** post-secondary education years instead of **two**

Many of those eligible will qualify for the maximum annual credit of **\$2,500** per student, which is more than \$700 higher than the old Hope Credit, and, **for the first time**, will provide a partial refund of up to **\$1,000**.

For more information, go to

<http://www.irs.gov/newsroom/article/0,,id=213044,00.html>

American Chemical Society Scholars Program

The American Chemical Society offers a scholarship program designed to encourage African-American, Hispanic/Latino and Native-American students to pursue undergraduate degrees in the chemical sciences and chemical technology. Several corporate partners offer summer research and other opportunities to scholars. Internships and mentors are an integral part of the ACS Scholars program.

Students who are interested in medicine and pharmacy are not eligible for this program.

The application deadline is **March 1, 2012.**

For additional information, go to [Http://chemistry.org/scholars](http://chemistry.org/scholars)

For additional information on outside scholarship opportunities, go to <http://www.loyno.edu/financialaid/outside-scholarship-programs>



Potential Changes to Federal Student Aid Programs for the 2012-2013 Academic Year

"Over and over again Catholic teaching stresses the responsibility of government for the local, national, and global common good and the duty to protect and lift up the poor and vulnerable. Such moral duties and responsibilities are now on the line in Washington. "

Economics or morality? When a budget is not an economics exercise by Fr. Fred Kammer, SJ [JustSouth E-Newsletter, February 2011]

President Obama signed the **Budget Control Act** into law on August 2, 2011. This legislation increased the federal debt ceiling and prevented the United States from defaulting on current financial obligations.

Effective for loans made for periods of enrollment (loan periods) beginning on or after **July 1, 2012**, graduate and professional students are no longer eligible to receive Federal Direct Subsidized Loans. The terms and conditions of Direct Subsidized Loans received by any student for loan periods beginning **before** July 1, 2012, for either graduate or undergraduate study, are not affected by this change.

As part of the 2012 Fiscal Year budget compromise, Congress eliminate the interest subsidy during the six-month grace period for new Federal Direct Stafford Loans for UNDERGRADUATE students that are made on or after July 1, 2012, and before July 1, 2014. The repayment period still begins 6 months after the student is no longer enrolled at least half-time, but interest that accrues during those six months will be payable by the student rather than be subsidized by the federal government.

For more information, go to <http://www.loyno.edu/financialaid/federal-student-loan-changes-2012-2013>



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NEW ORLEANS**

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Office/Program

Web Address

Student Finance Office	http://www.loyno.edu/studentfinance/
Bursar's Office	http://www.loyno.edu/bursar/
Career Development	http://studentaffairs.loyno.edu/careers
Dining Services	http://sdxcampuservices.com/loyno/
Residence Life	http://studentaffairs.loyno.edu/residential-life
TOPS Scholarships	http://www.osfa.state.la.us/
Federal Student Aid	http://studentaid.ed.gov/
National Student Loan Data System	http://www.nslds.ed.gov/nslds_SA/