

A New Look for Your Student's Online Financial Aid Records

PowerFAIDS is a powerful, flexible, and easy-to-use Windows-based program, developed by experts at the [College Board](#). More than 500 postsecondary institutions use PowerFAIDS in their financial aid departments.

The Office of Scholarships and Financial Aid is converting all processing over to **PowerFAIDS** effective for the 2010-2011 academic year.

Currently enrolled students (and parents) can continue to sign on to LORA to access the full range on online services. Once PowerFAIDS is "live" we will be sending you additional information on how to sign on to the system and navigating the new screens.

We will be posting information on the conversion process at <http://www.loyno.edu/financialaid/powerfaids>

Loan Processing Changes for 2010-2011 Academic Year

Loyola University New Orleans currently participates in the Federal Family Education Loan Program (FFELP), which allows students to borrow funds for school from private lenders (usually banks or credit unions). We will be withdrawing from the FFELP lending program and begin participating exclusively in the William D. Ford Federal Direct lending program (DL) for the 2010-2011 aid year.

Since 2005 the U.S. Congress has made significant changes in the student loan programs; including major cuts in the subsidies it pays lenders for their participation in the FFELP. Combined with the freezing of the credit and secondary markets in 2008, the profitability of the student loan programs for these lenders has eroded and many have left the FFELP altogether. Some lenders, such as Sallie Mae, remain in the market only because they can sell their loans to U.S. Department of Education. By the end of the 2008-2009 academic year, the Department of Education purchased 78% of loans made by FFELP lenders. Those lenders that stayed have cut their sales and customer services forces to minimal levels. Additionally, to maximize profits, they have restricted their loans to specific schools and abandoned commonly used processing systems in favor of their in-house systems.

Finally, the United States Congress is currently considering the [Student Aid and Fiscal Responsibility Act \("SAFRA"\)](#). This legislation, if passed, **requires** all schools to exclusively participate in the William D. Ford Direct Loan Program.

In the Federal Direct Loan Program ("DL"), students borrow directly from the U.S. Department of Education through their school. The government sells Treasury Bills to fund the program. DL Subsidized, Unsubsidized and Grad PLUS loans operate in essentially the same manner as in the FFELP program, except that there are no subsidies paid to lenders. Students receive the same basic interest rates (except Grad PLUS, which is lower) and have similar repayment options. Payments are sent directly to the U.S. Department of Education's servicer.

We will be sending additional information to all current borrowers as soon as the Department of Education unveils the new Direct Loan website .

We are posting information about the transition at <http://www.loyno.edu/financialaid/william-d-ford-direct-loan-program>

American Opportunity Tax Credit

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.**

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>

Federal Income Tax Information



Free File is the fast, easy, and free way to prepare and e-file your **federal** taxes online

The Free File program provides free federal income tax preparation and electronic filing for eligible taxpayers through a partnership between the Internal Revenue Service and the Free File Alliance LLC, a group of private sector tax software companies. Many companies offer free or paid state tax preparation and e-filing services. Some companies may not offer state tax preparation and e-file services for all states.

With all Free File options you can:

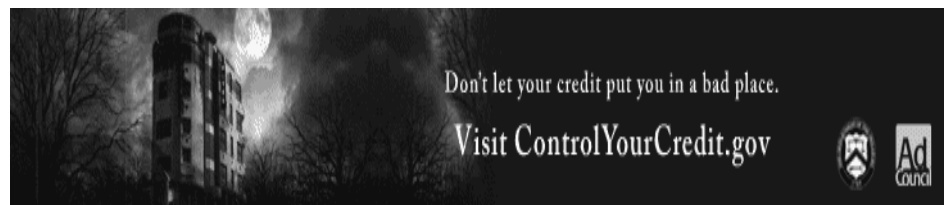
- File your taxes any hour of the day or night.
- Know that your return is safe and secure.
- Receive a quick IRS confirmation, within 48 hours, that your return was received.
- Get your refund in a few as 10 days with Direct Deposit.
- File a free federal **extension**.

For More Information On the Free File Program:

<http://www.irs.gov/efile/article/0,,id=118986,00.html>

Additional Information on Other Tax Topics:

<http://www.loyno.edu/financialaid/federal-tax-issues>



Financial Management Tips for Undergraduates

<http://www.loyno.edu/financialaid/money-management-undergraduates>

Parent Loans for Undergraduates

Parents can borrow a PLUS Loan to help pay education expenses for their dependent undergraduate students enrolled at least half time in an eligible program at an eligible school.

Starting with the 2010-2011 academic year, all PLUS Loans will be processed through the William D. Ford Federal Direct Loan (Direct Loan) Program. Parent borrowers must have an acceptable credit history (see sidebar).

What's the interest rate?

For PLUS Loans disbursed on or after July 1, 2006, the interest rate is fixed (at 7.90 for Direct PLUS Loans).

Other than interest, is there a charge to get a PLUS Loan?

Your parents will pay a fee of up to 4 percent of the loan, deducted proportionately each time a loan disbursement is made. For a Direct PLUS Loan, the entire fee goes to the government to help reduce the cost of the loans. Also, parents will be charged collection costs and late fees if they don't make their loan payments when scheduled.

How much can I borrow?

The yearly limit on a PLUS Loan is equal to the cost of attendance for the loan period minus any other financial aid your student will receive. If the cost of attendance is \$6,000, for example, and you student will receive \$4,000 in other financial aid, you can borrow up to \$2,000.

When do my I begin repaying the loan?

For PLUS loans made to parents that are first disbursed on or after July 1, 2008, the borrower has the option of beginning repayment on the PLUS loan either 60 days after the loan is fully disbursed or wait until six months after the dependent student on whose behalf the parent borrowed ceases to be enrolled on at least a half-time basis.

For More Information:

- **Federal Student Aid On the Web -**
<http://studentaid.ed.gov/PORTALSWebApp/students/english/parentloans.jsp>
- **PLUS Processing at Loyola University**
<http://www.loyno.edu/financialaid/plus-loans>



Credit Issues and Parent Loans

Parents generally will be required to pass a credit check. If you don't pass the credit check, you might still be able to receive a loan if someone, such as a relative or friend who is able to pass the credit check, agrees to endorse the loan. An endorser promises to repay the loan if you fail to do so. You might also qualify for a loan without passing the credit check if you can demonstrate that extenuating circumstances exist. You must also meet other general eligibility requirements for federal student financial aid.

For more information about "FICO", credit scores go to <http://www.myfico.com/CreditEducation/CreditScores.aspx>

For suggestions on how to improve your FICO score, go to <http://www.myfico.com/CreditEducation/ImproveYourScore.aspx>

For more information about credit scores, go to <http://www.loyno.edu/financialaid/why-your-credit-score-important>

Important Dates: 2009-2010 Academic Year

- **March 5, 2010** - Midnight Deadline for Posting Mid-term Grades
- **March 15, 2010** - Early Registration Advising Begins
- **March 22, 2010** - Summer / Fall 2010 Registration begins

- **March 29 – April 5, 2010** - Easter Holidays for Undergraduate Students

- **April 28, 2010** - Last day of classes for Undergraduate Students
- **April 30 – May 6, 2010** - Day Division Final Examinations

- **May 1, 2010** - Priority Deadline for Currently Enrolled Students to Submit the *2010-2011 Free Application for Federal Student Aid* (“FAFSA”). For more information, go to <http://www.loyno.edu/financialaid/completing-fafsa>

- **May 7, 2010** - University Baccalaureate Mass
- **May 8, 2010** - Graduation
- **May 10, 2010** - Midnight Deadline for posting grades

- **May 24, 2010** - First 5 week session of summer school begins
- **May 25, 2010** - Last day for registration for first 5 week summer session.
Last day to drop and receive a 100% tuition refund
- **May 31, 2010** - University Holiday
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Office /Program

Web Address

Student Finance

<http://www.loyno.edu/studentfinance/>

Bursar

<http://www.loyno.edu/bursar/>

Student Records Office

<http://www.loyno.edu/records/>

TOPS Scholarships

<http://www.osfa.state.la.us/>

SALLIE MAE (loan info)

<http://www.salliemae.com>

Loyola Calendars

<http://www.loyno.edu/calendar/>

Loyola Emergency

<http://www.loyno.edu/emergency>

City of New Orleans –Emergency

<http://www.cityofno.com/>