

# Graduate Student Financial Aid Guide 2012-2013



**Carnegie Mellon University**  
Student Financial Aid Office

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## GRADUATE STUDENT CONTACT INFORMATION

For information on departmental scholarships, grants, stipends, assistantships, and fellowships, contact the academic department you plan to attend to find out what is available. The department will also be able to discuss the requirements of these programs.

### **The HUB**

Graduate Students (with the exception of The Heinz College and Tepper School of Business) should contact an Assistant Director in The HUB (go to [www.cmu.edu/hub/contacts.html](http://www.cmu.edu/hub/contacts.html) to find your college contact) for information regarding:

- financial aid application process
- financial need analysis determination
- financial aid programs
- student account balances
- students loans
- payment plans
- enrollment/financial aid questions
- academic and financial aid forms

The Assistant Directors are available Monday, Wednesday and Friday from 8:30 a.m. until 4:30 p.m. and Tuesday and Thursday from 10:30 a.m. until 4:30 p.m. to assist you with all of your enrollment needs. Visit us at The HUB, Warner Hall, Lower Level.

### **Mailing Address:**

The HUB  
5000 Forbes Avenue  
Pittsburgh, PA 15213-3890

**Telephone:** 412-268-8186

**Fax:** 412-268-8084

**E-Mail:** [thehub@andrew.cmu.edu](mailto:thehub@andrew.cmu.edu)

**Website:** [www.cmu.edu/hub](http://www.cmu.edu/hub)

## GRADUATE LOAN CERTIFICATION

Suggested Application Deadline: April 16, 2012

(There is no penalty applied for applying after April 16.)

\*Graduate loan certification will begin on or after May 18, 2012 and will continue until the end of the Spring 2013 Semester. Please refer to The HUB website ([www.cmu.edu/finaid/loans/summer](http://www.cmu.edu/finaid/loans/summer)) for summer financing options.

## FINANCIAL AID APPLICATION PROCESS

The following is a list of the information and documents that you will need in order to complete the financial aid application process at Carnegie Mellon. Please note that a completed application includes the completion of all five steps listed below:

### 1. 2012-2013 FAFSA ([www.fafsa.gov](http://www.fafsa.gov))

**The FAFSA must be submitted and processed before completing the remaining steps.** You are required to complete and submit a Free Application for Federal Student Aid (FAFSA) if you wish to apply for federal financial aid. Federal financial aid includes the Federal Perkins Loan, Federal Direct Student Loan, Federal Work-Study and Federal Direct Grad PLUS Loan. The Carnegie Mellon Federal School Code is 003242.

Prior to completing the FAFSA on the web, you need to request a Personal Identification Number (PIN) from the Department of Education. Request a PIN by visiting [www.pin.ed.gov](http://www.pin.ed.gov). If you already have a PIN, you do not need to request a new one. If you have lost or forgotten your PIN, you need to request that it be sent to you again. If you think someone knows your PIN, select the Change PIN option to request a new PIN combination. You may use your PIN for the duration of your school experience and beyond. The security of your PIN is important because it can be used to:

- Electronically sign Federal Student Aid documents
- Access your personal records
- Make binding legal obligations

**\*Verification Selection ONLY** - Once you receive your FAFSA results, please review your Student Aid Report (SAR) closely to determine if you have been selected for verification. If you have been selected for verification, you will see this message: **"171=YOUR FAFSA/APP HAS BEEN SELECTED FOR VERIFICATION, YOUR SCHOOL HAS AUTHORITY TO REQUEST COPIES OF CERTAIN FINANCIAL DOCUMENTS FROM YOU."**

(cont'd on next page)

If selected, please complete the required Federal Verification Form for Independent Students ([www.cmu.edu/finaid/docs/1213-verif-independent.pdf](http://www.cmu.edu/finaid/docs/1213-verif-independent.pdf)) and fax the signed form, along with your 2011 Federal Tax Return Transcript to 412-268-8084. Instructions for ordering an IRS Tax Return Transcript can be found at [www.cmu.edu/finaid/undergraduate/tax-transcript.html](http://www.cmu.edu/finaid/undergraduate/tax-transcript.html). **It is recommended that you request a transcript online.**

## **2. Completed 2012-2013 CMU Graduate Student Loan Form ([www.cmu.edu/finaid/docs/grad-loan.pdf](http://www.cmu.edu/finaid/docs/grad-loan.pdf))**

Complete, sign, date and fax the CMU Graduate Student Loan Form to 412-268-8084.

## **3. Master Promissory Note (MPN) & Federal Entrance Counseling**

First-time borrowers: To apply for Federal Direct Loans, go to [www.studentloans.gov](http://www.studentloans.gov) and complete the Master Promissory Note and required Entrance Counseling Session. You will need your PIN from your FAFSA to log onto this site.

## **4. Graduate PLUS Loan**

If you plan on utilizing a Federal Direct Graduate PLUS Loan, this is a two-part process and both parts must be completed in order for your Grad PLUS Loan to be originated. This can also be completed at [www.studentloans.gov](http://www.studentloans.gov). If you borrowed a Grad PLUS Loan last academic year, you are only required to complete the application portion of the process.

## **5. Attestations**

In order to finalize the application process, you will need to complete the attestations on Student Information Online (SIO) ([www.cmu.edu/hub/sio](http://www.cmu.edu/hub/sio)):

- Log onto SIO using your Andrew ID and password
- Hover over 'Finances' and click on 'Financial Aid Status/Award'
- Under the Miscellaneous category, click on 'Financial Aid Attestations' and complete the information

## **TEACHER CERTIFICATION**

Teacher certification students at the graduate level should be aware that federal regulations classify them as a grade level 5 undergraduate student for Federal Direct Loan purposes. Teacher certification students are, however, considered a graduate student by Carnegie Mellon for academic purposes.

## **HOW WE DETERMINE FINANCIAL AID**

### **Eligibility for Financial Aid**

Eligibility for federal aid programs is determined by using a Congressional formula called Federal Methodology. It uses your and/or your spouse's total taxable and untaxed 2011 income, current equity in assets which you were required to report on the FAFSA, and number enrolled in college at least half-time, to determine the amount you are expected to pay toward your education. This amount is called your Expected Family Contribution (EFC).

### **Federal Title IV Verification**

The Federal Department of Education requires that Federal Title IV applicants provide documentation to verify the accuracy of the information submitted on the Free Application for Federal Student Aid (FAFSA) each year. Federal regulations include verification as part of the Federal Student Aid (FSA) program requirements and it is required for applicants for most FSA programs with the exception of students receiving only a Direct Grad PLUS Loan or an unsubsidized Federal Direct Student Loan. Each university is required to have policies for verifying the reported information.

At Carnegie Mellon, federal verification is performed on all applicants selected by the Department of Education and any application that the university has reason to believe is incorrect or has conflicting documentation.

### **Cost of Attendance**

Cost of Attendance is the expected dollar amount you will need to attend Carnegie Mellon for an academic year. Please refer to the Tuition & Fees webpage ([www.cmu.edu/hub/tuition/graduate](http://www.cmu.edu/hub/tuition/graduate)) for cost of attendance information.

## **Maximum Graduate Loan Eligibility**

Using the cost of attendance, you can calculate your estimated loan eligibility. Cost of attendance will vary. You should refer to The HUB website ([www.cmu.edu/hub/tuition/graduate](http://www.cmu.edu/hub/tuition/graduate)).

### **MAXIMUM GRADUATE LOAN ELIGIBILITY**

Cost of Attendance

- Minus -

Scholarships, Fellowships, Tuition/Fee Stipends (untaxed only)

- Equals -

Unsubsidized Federal Direct Loan Eligibility (Maximum is \$20,500)

**Beginning with the 2012-2013 academic year, graduate students are no longer eligible to receive direct subsidized loans. Information regarding the Budget Control Act can be found at <http://ifap.ed.gov/dpccletters/GEN1116.html>.**

If students need additional funds after borrowing the Federal Direct Student Loan, they may wish to consider a Federal Direct Grad PLUS or private loan program.

View information on other funding options on The HUB website at [www.cmu.edu/finaid/graduate/options.html](http://www.cmu.edu/finaid/graduate/options.html).

## **Financial Aid Award Notifications**

Once your Financial Aid package has been determined, you will be sent an e-mail notifying you that your 2012-2013 Financial Aid Eligibility status is available on Student Information Online (SIO). We recommend that you print and keep a copy of your letter (and any revised letters) for your records. After you receive your e-mail notification, go to SIO ([www.cmu.edu/hub/sio](http://www.cmu.edu/hub/sio)) and sign in using your Andrew ID and password.

## **Financial Aid Alert E-mail**

If we are unable to process your financial aid package due to missing documents, you will receive a Financial Aid Alert E-mail. If you receive an e-mail, please remit all required documents by the date specified. If you do not complete the application process and submit all requested documents, we may be unable to complete your financial aid package for the academic year.

## **ACADEMIC PROGRESS INFORMATION**

### **Federal Title IV**

The Federal Department of Education requires that Federal Title IV Financial Assistance recipients meet Satisfactory Academic Progress standards each year. Federal Title IV Financial Assistance includes the Federal Perkins Loan, Federal Work-Study, Federal Direct Student Loan and Federal Direct Grad PLUS Loan programs. Each university determines its own policy regarding sufficient progress standards.

Federal academic progress standards must include two elements: Cumulative QPA and cumulative units. At Carnegie Mellon, graduate students (excluding graduate students in Tepper School of Business and The Heinz College) must pass 80 percent of all cumulative units attempted at Carnegie Mellon and have at least a 2.00 cumulative QPA.

### **Appeal Process**

Carnegie Mellon realizes that extenuating circumstances may contribute to a student's inability to achieve satisfactory academic progress, and thus we encourage students to appeal after they receive notification of failure. Appeal examples include: extended illness, changes in major, difficult transition to first-year in college (academically and socially), recent diagnosis of learning disability or a recent death of a close family member.

Depending on the nature of the appeal, the student may also be required to develop and submit a Federal Financial Aid Academic Progress Improvement Plan.

## **CARNEGIE MELLON TUITION PAYMENT PLAN**

### **Carnegie Mellon Tuition Payment Plan**

The Carnegie Mellon Tuition Payment Plan allows students and families to pay amounts due to the university in manageable monthly installments and provides the convenience of enrolling and making payments online through Tuition Management Systems (TMS). Enroll in a TMS payment plan.

#### **Plan Summary**

- Annual and semester plans are available for a low enrollment fee. Students graduating in December or beginning in the spring semester may be charged a lower enrollment fee
- Families renewing a payment plan for a subsequent academic year have the option of paying over 12 months rather than the standard 10 months. Please log into your TMS account to renew your plan.

## Benefits

- Life insurance coverage for the bill payer's account.
- Families have the flexibility of reducing or increasing their annual/semester budgets accordingly if a balance is due to the university or if there is a credit balance on the CMU student account.
- CMU will communicate to students/payers via e-mail no less than twice each semester if their TMS plan requires adjustment.

### **Important Notice to Students Receiving Financial Aid**

**Graduate students and students supported by their academic department** also receiving financial aid in excess of their amount due to CMU **should not enroll in TMS for the Health Insurance Plan**, as health charges will be deducted from their financial aid.

## Important Information

- TMS representatives do not have access to specific CMU student account information due to FERPA regulations\*.
- The university only provides TMS with cost of attendance information ([www.cmu.edu/hub/tuition](http://www.cmu.edu/hub/tuition)).
- CMU receives TMS adjustment files every Tuesday. Changes made to a TMS budget plan on a Tuesday or later will NOT appear on the CMU student account until the following week.

## **Borrow Smart**

For families who need assistance in developing an education payment strategy, TMS offers BorrowSmart, a debt minimization service. Free BorrowSmart planning and counseling is available via e-mail ([service@afford.com](mailto:service@afford.com)) or phone at 888-216-4269 Monday through Friday from 8 a.m. to 10 p.m. and Saturdays from 9 a.m. to 3 p.m. For specific TMS plan inquiries and assistance with budget adjustments, please contact TMS directly at 888-722-4867.

**\*Student account information can only be provided by CMU staff to students due to the Family Educational Rights and Privacy Act of 1974.**

# GRADUATE STUDENT FINANCIAL AID OPTIONS

## Scholarships

Scholarships are awards that you do not have to repay. The HUB does not award grants or scholarships to graduate students. Graduate departments award these funds.

*\*For information on the availability of scholarships, grants, stipends, assistantships, and fellowships, contact the academic department you plan to attend.*

## **Fellowships and Scholarships Office (FSO)**

The Fellowships and Scholarships Office provides support to Carnegie Mellon graduate students who are interested in pursuing certain external scholarships (Fulbright and the UK Awards). The office works with students to help them develop competitive applications, identifies and supports faculty and staff representatives for a select number of prestigious scholarships and fellowships, maintains a website of external scholarship and fellowship opportunities, and manages campus selection processes.

### **FSO Contact Information:**

Fellowships and Scholarships Office  
Warner Hall, 5th floor, Cubicle 530G  
Pittsburgh, PA 15213  
phone 412-268-1969  
fax 412-268-6159  
[www.cmu.edu/fso](http://www.cmu.edu/fso)

## Student Loans

Student loans are self-help awards that must be repaid.

### **Federal Direct Student Loan**

1. A Federal Direct Student Loan is a loan provided by the Department of Education. **The 2012-2013 interest rate for an unsubsidized loan is fixed at 6.8% and there is a 1% origination fee.** The total for the unsubsidized Federal Direct Student Loan is **\$20,500** per academic year. The aggregate limit for unsubsidized Federal Direct Student Loans is **\$138,500**. *You can access your federal student loan borrowing history by visiting the financial aid review section [www.nsls.ed.gov](http://www.nsls.ed.gov).*

2. **Effective for Federal Direct Student Loans made for periods of enrollment beginning on or after July 1, 2012 (i.e., 2012-2013 academic year), graduate students are no longer eligible to receive subsidized direct loans.**

3. All graduate students planning on borrowing an unsubsidized Federal Direct Student Loan for the first time are required to complete a new Master Promissory Note and Federal Direct Loan Entrance Counseling. Specific instructions for applying and reapplying can be found on The HUB website ([www.cmu.edu/finaid/loans/direct.html](http://www.cmu.edu/finaid/loans/direct.html)).

4. You must be a U.S. Citizen or eligible non-citizen, be enrolled on at least on a half-time basis, complete the FAFSA, submit all other required documents, complete the CMU Graduate Student Loan Form, and complete your Federal Direct Student Loan MPN and Entrance Loan Counseling.

We recommend that you complete and submit all forms and applications no later than April 16, 2012. Applications may still be submitted after this date.

If you have been awarded a Federal Direct Student Loan, Carnegie Mellon will certify your loan upon the submission of all required documents. We will assume you are accepting the amount specified in your Award Letter, unless you specifically notify us to cancel your loan. You may cancel all or a portion of your federal loans at any time.

Your Federal Direct Student Loan funds will be electronically deposited into your student account at Carnegie Mellon on or about August 29, 2012 for the Fall 2012 semester, and on or about January 16, 2013 for the Spring 2013 semester. Therefore, 49.5% of the annual amount will appear on your student account each semester once the funds are disbursed.

### **Unsubsidized Federal Direct Student Loan**

An unsubsidized Federal Direct Student Loan is not based on financial need. You have the choice to pay the interest that accumulates on the unsubsidized loan every three months while you are in school or have the interest capitalized (instead of paying the interest every three months, it is added back to the principal at the time of repayment). If you choose to capitalize, this will increase the amount you have to repay. We suggest you pay the interest as it accumulates, as you'll repay less in the long run. The annual maximum you can borrow under this program is **\$20,500**. You may be eligible for additional unsubsidized Federal Direct Student Loan funds if you apply for a Federal Direct Grade PLUS Loan and are denied.

More information regarding Federal Direct Student Loans is available online at [www.cmu.edu/finaid/loans](http://www.cmu.edu/finaid/loans).

## Federal Direct Graduate PLUS Loan

Federal Direct Graduate PLUS Loans are available to graduate and professional students, allowing a graduate student to borrow on his/her own behalf up to the standard graduate cost of attendance less other aid received.

A Federal Direct Grad PLUS Loan is a non-need based loan provided by the Department of Education to creditworthy graduate students. The interest rate is fixed at 7.9%. Graduate and professional borrowers who are enrolled at least half-time qualify for an automatic in-school deferment. Interest will accrue during the in-school period. A 4% origination fee is assessed by the Department of Education.

The funds will be sent to Carnegie Mellon via electronic funds transfer (EFT) and will be electronically deposited into the student's account. These funds are disbursed no earlier than 10 days prior to the first day of class.

Learn more about applying for a Federal Direct PLUS Loan on The HUB website ([www.cmu.edu/finaid/docs/direct-plus-instructions.pdf](http://www.cmu.edu/finaid/docs/direct-plus-instructions.pdf).)

## FEDERAL ENTRANCE LOAN COUNSELING

All Federal Direct Loan **first-time borrowers are required** to complete an online entrance counseling session. The entrance counseling session provides information about borrower rights and responsibilities. After reading the information, the student will be quizzed on their knowledge.

Carnegie Mellon will be notified when a student has completed online entrance counseling. Funds will not be disbursed until the entrance counseling session has been completed.

Federal Direct Entrance Counseling instructions can be found on The HUB website ([www.cmu.edu/finaid/docs/entrance-instructions.pdf](http://www.cmu.edu/finaid/docs/entrance-instructions.pdf)). Complete your Entrance Counseling session at [www.studentloans.gov](http://www.studentloans.gov).

If you completed a Federal Entrance Counseling session in 2011-2012, you do not have to complete one for 2012-2013.

## PRIVATE LOANS

Private loan programs offer competitive interest rates and borrower benefits. To increase your chances of approval and possibly improve the rate you receive, you are strongly recommended to apply with a creditworthy co-signer. Some lenders require you to apply with a co-signer regardless of your income or credit rating. You'll need to look at each loan program for these requirements. Private loans also may enable students to share in the borrowing responsibility and develop a credit history.

### Tips:

- We encourage students to pay interest while in school to reduce overall indebtedness.
- Before applying for your private loan, we recommend that you obtain a free copy of your credit report at [www.annualcreditreport.com](http://www.annualcreditreport.com) and resolve any errors that may be listed.
- Compare the interest rates, fees and repayment terms of all student loan products to determine which are best suited to your needs.
- Only borrow the amount you need to meet your educational costs.

### Pennsylvania Private Loan Marketplace

Carnegie Mellon believes that it is important for us to help students navigate the complex task of choosing a private loan provider, which is why we are participating in the Pennsylvania Private Loan Marketplace. Once you and your family have considered all financial aid and have utilized the BorrowSmart counseling tool, you can use the marketplace.

The marketplace provides the borrower with detailed, real time information about each loan offered to the student. The figures presented to you for interest rates, fees and other loan details are not just averages, or ranges, but the actual terms of the loan that will be offered. Loan products from local and national lenders side-by-side, complete with details of APR's, interest rates, total costs, monthly payments, borrower benefits, fees and repayment options.

Your credit report will be pulled by the marketplace in order to instantly simulate the actual rates you could expect to receive were you to apply directly with each lender, saving you lots of time. A credit check is marketplace and also by each lender. There is only one hit to your FICO score, as long as you price shop for student loans within 30 days.

If you find a product that you feel is a good fit, remember to select that product in the marketplace. You will be immediately linked to that lender's website where you should complete the lender's entire loan application. Remember that only by completing the lender's application can you be sure to receive the product rate and terms you select in the marketplace.

Interest does accrue on private/alternative loans and may be deferred while in school, or depending upon the lender, may be required to be paid while in school. We recommend, when possible, that you pay any accrued interest while you are in school and during the grace period.

Carnegie Mellon does not endorse any lender on the Pennsylvania Private Loan Marketplace or any lender listed on our website. You have the right to choose any lender for your private loan.

Note: The Pennsylvania Private Loan Marketplace is available to all Carnegie Mellon students regardless of their state of residence.

Carnegie Mellon does not accept any revenue sharing funds from any lender. We understand that participating lenders pay fees to Overture Technologies for completed promissory notes and that these lenders receive them through the Pennsylvania Private Loan Marketplace. Neither Overture Technologies nor any participating lender pays fees or provides any other compensation or incentive to Carnegie Mellon University for referring students to Overture's Pennsylvania Private Loan Marketplace.

## **TRUTH-IN-LENDING ACT (TILA)**

Regulations in the Higher Education Opportunity Act (HEOA) impact private student loan borrowers, lenders and schools. These regulations changed the disclosure requirements for the Truth-In-Lending Act (TILA). However, these requirements do not impact the availability of private student loans, only the loan origination process.

Private loan lenders are required to provide disclosures to borrowers at different stages of the private loan application process:

- Application and Solicitation Disclosure
- Loan Approval Disclosure
- Final Disclosure

Please be aware that potential delays in loan processing and disbursement of loan funds may occur as a result of these additional disclosures. We encourage you to submit all of the required financial aid documents and any private student loan for the 2012-2013 academic year by June 1, 2012 in order for your loan funds to be disbursed to your student account in a timely manner.

In addition, all students interested in borrowing a private student loan will be required to complete a Private Education Loan Applicant Self-Certification Form. This document, created by the Department of Education, is intended to educate borrowers about financial aid availability and encourage borrowers to seek advice from the financial aid office about other aid before taking out a private education loan. It is also designed to provide information to your lender about your educational expenses and other aid. You must complete this form, sign it and send it to your lender in order for your loan funds to be disbursed. This form is available on The HUB website ([www.cmu.edu/hub/forms.html](http://www.cmu.edu/hub/forms.html)).

If you have been notified of your financial aid award, you can obtain your cost of attendance on The HUB website ([www.cmu.edu/hub/tuition](http://www.cmu.edu/hub/tuition)) and any financial aid offered from your financial aid award letter.

Note: Although you are required to complete the self-certification form, the Student Financial Aid Office at Carnegie Mellon must certify/process your private loan before any loan funds are disbursed.

## **TUITION REMISSION**

Carnegie Mellon Staff Tuition Remission is a benefit offered by the university for employees. A tuition remission form must be completed each semester. Contact Human Resources for information (<https://hr.web.cmu.edu>).

## **PAYROLL DEDUCTION**

Funding for graduate students by payroll deduction is determined by the individual department and reflected accordingly within your monthly paycheck and via your student account. You are responsible for any charges not covered by your payroll deduction amount by the published due dates.

It is imperative that you look closely at your pay statement each pay period. In order to see a copy of your pay statement, payment records, and have the ability to update your contact information, e-mail address and phone number, you must register for iPay at [https://www.cmu.edu/finance/forms/payroll/files/adp\\_ipay\\_instructions.pdf](https://www.cmu.edu/finance/forms/payroll/files/adp_ipay_instructions.pdf). If you have any questions about registering for iPay, please contact Payroll Services at 412-268-2097 or [payroll@andrew.cmu.edu](mailto:payroll@andrew.cmu.edu).

If your pay statement does not list the appropriate deductions (e.g.: Payroll Deduction - Tuition, Payroll Deduction - Fees), then the deduction has not been established. It is your responsibility to contact your Business Manager or e-mail [mmenis@andrew.cmu.edu](mailto:mmenis@andrew.cmu.edu) to make any necessary corrections.

***NOTE: Federal regulation requires Carnegie Mellon to treat untaxed tuition and fee stipends as a financial aid resource in the determination of eligibility for federal need-based student loans.***

## **FREQUENTLY ASKED QUESTIONS**

**Is it possible to calculate my maximum eligibility for Federal Direct Student Loan funds prior to receiving official notification?**

Yes. By using the Cost of Attendance, you can calculate your estimated loan eligibility. Cost of Attendance will vary, and the information is available at [www.cmu.edu/hub/tuition/graduate](http://www.cmu.edu/hub/tuition/graduate).

Estimated Cost of Education for Fall and Spring  
- minus -  
Scholarships, Fellowships, Tuition/Fee Stipends (untaxed only)  
- equals -  
Your Unsubsidized Federal Direct Loan Eligibility  
(Maximum is \$20,500)

**When will I be notified of the Federal Direct Student Loan and Grad PLUS Loan amounts for which I am eligible?**

Once your eligibility has been calculated, you will be sent an Award Letter notification e-mail with instructions on how to view your award letter on SIO ([www.cmu.edu/hub/sio](http://www.cmu.edu/hub/sio)).

**How and when can I receive a refund of the excess credit balance from my student account?**

We encourage you to sign up for E-Refund on SIO. This program is open to all enrolled students, and allows your student account refund to be deposited into a U.S. checking or savings account. To sign up, go to SIO ([www.cmu.edu/hub/sio](http://www.cmu.edu/hub/sio)) and sign in using your Andrew ID and password.

**What if I haven't submitted all the documents needed to complete my loan?**

An e-mail will be sent to you requesting the missing documents. You may also view your financial information via SIO.

## **Can enrolling part-time affect my financial aid package?**

Yes. Your financial aid package is based on full-time (36 units or more per semester) enrollment. If you are enrolled part-time, your financial aid package will be revised on the 10<sup>th</sup> day of classes to reflect your part-time status.

## **Can I borrow loans to pay for my living expenses in addition to covering my tuition?**

Yes. We use a standard cost of attendance that includes a standard housing and room allowance. The graduate cost of attendance information is available on The HUB website ([www.cmu.edu/hub/tuition/graduate](http://www.cmu.edu/hub/tuition/graduate)).

## **I am an international student, am I eligible for student loans?**

You are not eligible for federal loan programs. You may be eligible for some private loan programs, open to international students who have U.S. co-signers. Visit [www.cmu.edu/finaid/loans/private.html](http://www.cmu.edu/finaid/loans/private.html) for information about private loans.

## **OTHER BORROWING OPTIONS**

If you're thinking about using a 401(k), home equity loan or other investments to finance a student's education, here are a few things you should contemplate, and discuss with a financial advisor.

### **401(k)**

You may be able to borrow against your 401(k) and pay yourself back with interest this way. This may affect the money you will need for retirement. Another important thing to remember is that the contributions you made to your 401(k) were in pretax dollars. If you take out a loan, you'll be paying yourself back in after-tax dollars. Also be aware that some plans require an employee who loses his/her job to pay back the 401(k) loan immediately.

### **Investments**

Cashing in investments may seem more attractive than borrowing. This may increase your income tax liability with additional capital gains. By cashing in investments, you lose any future returns on that money, which in turn may affect the money you will need for retirement.

## **Home Equity Loan**

Approval for a home equity loan is based on several factors including credit history, debt-to-income ratio and equity in your home. The interest on this loan may be tax-deductible. Be sure to compare this interest rate to the interest rate you qualify for if you apply for a private loan. And does this leave you with any funds for emergencies or other opportunities? The amount borrowed is limited only by the amount of equity in the applicant's home, debt-to-income ratio, and credit-worthiness. Another important thing to remember is that there are no deferments available during unemployment or economic hardships.

## **STUDENT ACCOUNT**

### **Student Account Invoices**

Student account invoices are produced for you on the last calendar day of each month. The invoice includes both current activity and future semester charges and credits when they are available. Carnegie Mellon will notify you electronically when an invoice is produced and ready to be viewed. Carnegie Mellon does not mail paper invoices. You can authorize parents or other individuals to receive your invoices by e-mail through SIO ([www.cmu.edu/hub/sio](http://www.cmu.edu/hub/sio)). Log onto SIO, go to 'My Info' and click on 'Update Parent/Guardian Info'. Complete the fields and check the 'Receive Invoice' box. Authorized individuals will receive a separate email with a PDF attachment of the invoice.

For more billing information, visit [www.cmu.edu/hub/billing](http://www.cmu.edu/hub/billing).

### **Charges**

Your invoice may contain charges for tuition, housing, dining, health insurance and administrative fees. Visit [www.cmu.edu/hub/tuition/graduate](http://www.cmu.edu/hub/tuition/graduate) to view cost of attendance information.

*Note: Books, supplies, transportation and personal expenses do not appear on the invoice.*

### **Financial Aid Credits**

With the exception of outside scholarships, one-half of your annual financial aid will be applied as a credit to your student account each semester.

Federal loans will not automatically be reflected as a credit to your student account until the loan proceeds have been electronically disbursed through electronic funds transfer (EFT) to Carnegie Mellon. You must apply for these loans.

Reminder: Because of the lender's origination fee, 49.5% of the annual amount of a Federal Direct Student Loan and 48% of the annual amount of a Federal Grad PLUS Loan will appear on your student account each semester once the funds are disbursed.

## **TAX INFORMATION**

### **Tax Benefits for Education**

There are two tax credits available to help you offset the costs of higher education by reducing the amount of your income tax. They are the American Opportunity Credit and the Lifetime Learning Credit.

#### **American Opportunity Credit**

You may be able to claim an American Opportunity Credit of up to \$2,500 for qualified education expenses paid for each eligible student. Your allowable credit may be limited by the amount of your income. Also, the nonrefundable part of the credit may be limited by the amount of your tax.

#### **Lifetime Learning Credit**

You may also be able to claim a Lifetime Learning Credit of up to \$2,000 for qualified education expenses paid for all eligible students. There is no limit on the number of years this credit can be claimed for each student. Your allowable credit may be limited by the amount of your income and the amount of your tax.

### **Tuition and Fees Deduction**

You may be able to deduct qualified tuition and related expenses paid during the year for yourself or your spouse. You cannot claim this deduction if your filing status is married filing separately or if another person is entitled to claim an exemption for you as a dependent on his or her tax return. The tuition and expenses must be for higher education. This deduction can reduce the amount of your taxable income by up to \$4,000. This deduction is taken as an adjustment to income even if you do not itemize deductions.

### **Student Loan Interest Deduction**

Generally, student loan interest is interest you paid during the year on a loan (such as a Federal Direct Student Loan or PLUS Loan) you borrowed to pay qualified higher education expenses.

More information and eligibility requirements about these tax credits and deductions can be found by visiting the National Association of Student Financial Aid Administrators website at [www.nasfaa.org/advocacy/Students/tax\\_Breaks\\_for\\_Higher\\_education.aspx](http://www.nasfaa.org/advocacy/Students/tax_Breaks_for_Higher_education.aspx).

**CARNEGIE MELLON UNIVERSITY DOES NOT PROVIDE TAX ADVICE.  
PLEASE CONSULT YOUR TAX ADVISOR FOR TAX ADVICE.**

## Important Dates 2012-2013 Academic Year (Tentative)

Initial Financial Aid Award Letters Mailed	
Graduate Students .....	May 2012
First-Time Borrowers Apply for a Federal Direct Student Loan .....	June 1, 2012
Enroll in Carnegie Mellon/TMS Monthly Payment Plan.....	July 1, 2012
Fall 2012 Invoices Distributed .....	July 2012
Fall 2012 Payment Deadline * .....	Aug. 15, 2012
Fall 2012 First Day of Classes .....	Aug. 27, 2012
Thanksgiving Break .....	Nov. 21-23, 2012
Fall 2012 Last Day of Classes.....	Dec. 7, 2012
Fall 2012 Last Day of Final Exams.....	Dec. 20, 2011
Spring 2013 Invoices Distributed .....	December 2012
Spring 2013 First Day of Classes.....	Jan. 14, 2013
Spring 2013 Payment Deadline * .....	Jan. 15, 2013
Spring Break .....	March 11-15, 2013
2013-2014 Financial Aid Materials Due .....	April 15, 2013
Spring 2013 Last Day of Classes .....	May 3, 2013
Spring 2013 Last Day of Final Exams.....	May 14, 2013
Commencement .....	May 19, 2013

\* Past due accounts are subject to a 1.5% penalty charge each month until the balance is paid in full.

We hope this information will be helpful to you and your family. If you have any questions regarding these materials or if we may be of any further assistance, please contact The HUB at [thehub@andrew.cmu.edu](mailto:thehub@andrew.cmu.edu) or 412-268-8186.

## USEFUL INTERNET RESOURCES

**FastWeb**  
[www.fastweb.com](http://www.fastweb.com)

**The SmartStudent Guide to Financial Aid**  
[www.finaid.org](http://www.finaid.org)

**Student Gateway to the U.S. Government**  
[www.students.gov](http://www.students.gov)

**You Can Deal With It**  
[www.youcandealwithit.com](http://www.youcandealwithit.com)

**FAFSA**  
[www.fafsa.gov](http://www.fafsa.gov)

**Tuition Management Systems**  
[www.afford.com](http://www.afford.com)

**Federal Tax Credit Information**  
[www.irs.treas.gov](http://www.irs.treas.gov)

**Fellowships & Scholarships Office**  
[www.cmu.edu/fso](http://www.cmu.edu/fso)

**National Student Loan Data System**  
[www.nsls.ed.gov](http://www.nsls.ed.gov)

**Selective Service**  
[www.sss.gov](http://www.sss.gov)

### STATEMENT OF ASSURANCE

Carnegie Mellon University does not discriminate and Carnegie Mellon University is required not to discriminate in admission, employment, or administration of its programs or activities on the basis of race, color, national origin, sex or handicap in violation of Title VI of the Civil Rights Act of 1964, Title IX of the Educational Amendments of 1972 and Section 504 of the Rehabilitation Act of 1973 or other federal, state, or local laws or executive orders.

In addition, Carnegie Mellon University does not discriminate in admission, employment or administration of its programs on the basis of religion, creed, ancestry, belief, age, veteran status, sexual orientation or gender identity. Carnegie Mellon does not discriminate in violation of federal, state, or local laws or executive orders. However, in the judgment of the Carnegie Mellon Human Relations Commission, the Presidential Executive Order directing the Department of Defense to follow a policy of, "Don't ask, don't tell, don't pursue," excludes openly gay, lesbian and bisexual students from receiving ROTC scholarships or serving in the military. Nevertheless, all ROTC classes at Carnegie Mellon University are available to all students.

Inquiries concerning application of these statements should be directed to the Provost, Carnegie Mellon University, 5000 Forbes Avenue, Pittsburgh, PA 15213, telephone 412-268-6684 or the Vice President for Campus Affairs, Carnegie Mellon University, 5000 Forbes Avenue, Pittsburgh, PA 15213, telephone 412-268-2057.

Carnegie Mellon University publishes an annual campus security report describing the university's security, alcohol and drug, and sexual assault policies and containing statistics about the number and type of crimes committed on the campus during the preceding three years. You can obtain a copy by contacting the Carnegie Mellon Police Department at 412-268-2323. The security report is available online at [www.cmu.edu/police/statistics.htm](http://www.cmu.edu/police/statistics.htm).

Carnegie Mellon University makes every effort to provide accessible facilities and programs for individuals with disabilities. For accommodations/services please contact the Equal Opportunity Services Office at 412-268-2012.

Obtain general information about Carnegie Mellon University by calling 412-268-2000.

**All information contained within this brochure is accurate as of April 2012.**