



**2006-2007  
Graduate Student  
Financial  
Assistance Guide**

**Carnegie Mellon**

## Table of Contents

<b>GRADUATE STUDENT CONTACT INFORMATION</b>	<b>3</b>
<b>GRADUATE LOAN CERTIFICATION</b>	<b>4</b>
<b>FINANCIAL AID APPLICATION PROCESS</b>	<b>4</b>
<b>HOW WE DETERMINE FINANCIAL AID</b>	<b>6</b>
MAXIMUM GRADUATE LOAN ELIGIBILITY	7
FINANCIAL AID AWARD LETTERS	7
FINANCIAL AID ALERT LETTERS	7
<b>UPDATE ADDRESS INFORMATION</b>	<b>7</b>
<b>ACADEMIC PROGRESS INFORMATION</b>	<b>8</b>
<b>GRADUATE STUDENT FINANCING OPTIONS</b>	<b>8</b>
SCHOLARSHIPS	8
FELLOWSHIP RESOURCE & ADVISING CENTER (FRAC)	9
TMS - TUITION PAYMENT PLAN	9
FEDERAL PERKINS LOAN	10
FEDERAL STAFFORD LOAN	11
<b>CARNEGIE MELLON PREFERRED LENDERS</b>	<b>13</b>
<b>FEDERAL ENTRANCE LOAN COUNSELING</b>	<b>14</b>
<b>ALTERNATIVE LOANS</b>	<b>14</b>
<b>STUDENT EMPLOYMENT</b>	<b>14</b>
<b>TUITION REMISSION</b>	<b>14</b>
<b>PAYROLL DEDUCTION</b>	<b>15</b>
<b>FREQUENTLY ASKED QUESTIONS</b>	<b>15</b>
<b>OTHER BORROWING OPTIONS</b>	<b>16</b>
<b>STUDENT ACCOUNT</b>	<b>17</b>
<i>For complete Cost of Attendance information, see <a href="http://www.cmu.edu/hub/sa/sa_grad_tuition.html">www.cmu.edu/hub/sa/sa_grad_tuition.html</a></i>	
<b>USEFUL INTERNET RESOURCES</b>	<b>18</b>
<b>COLLEGE SAVING PLAN</b>	<b>19</b>
<b>TAX INFORMATION</b>	<b>19</b>

## **GRADUATE STUDENT CONTACT INFORMATION**

***For information on departmental scholarships, grants, stipends, assistantships, fellowships, federal work-study and community service, 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.***

### **Enrollment Services - The HUB**

Graduate Students (with the exception of The Heinz School and Tepper School of Business) should contact an Assistant Director of Enrollment Services in The HUB 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*
- *PlaidCa\$h accounts*
- *academic and financial aid forms*

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

### **Mailing Address:**

Carnegie Mellon University  
The HUB - Enrollment Services  
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)

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

## GRADUATE LOAN CERTIFICATION

*Suggested Application Deadline: July 1, 2006  
(There is no penalty applied for applying after July 1.)*

***\*Graduate loan certification will begin on or after July 3, 2006 and will continue until the end of the Spring 2007 Semester.*** Please refer to The HUB Website ([www.cmu.edu/hub](http://www.cmu.edu/hub)) 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 5 steps listed below:

### 1. 2005 Tax Documents or Employer/Income Information

- U.S. Federal Income Tax Return
- Student and/or Spouse W-2 Wage and Tax Statements
- Foreign Tax Documents, if necessary:

***Note:*** *If you are required to file a Federal Income Tax Return in a country other than the United States, you must provide us with a copy of your foreign tax return and provide tax information translated into U.S. dollars on a 2005 U.S. Federal Income Tax Return. This document must be signed by you and a tax accountant.*

- If you and/or your spouse are not required by the IRS to file a U.S. Federal Tax Return or to file a tax return in any other country, you are required to provide a list of employers and the source(s) of any additional income.

### 2. 2006-2007 FAFSA or Renewal FAFSA ([www.fafsa.ed.gov](http://www.fafsa.ed.gov))

You are required to complete and submit a Free Application for Federal Student Aid (FAFSA) or Renewal FAFSA if you wish to apply for federal financial aid. Federal financial aid includes the Federal Perkins Loan, Federal Stafford Loan, and Federal Work-Study.

**If you have previously filed a FAFSA, you should complete a Renewal FAFSA.**

Prior to completing the FAFSA or Renewal FAFSA on the web, you need to request a **Personal Identification Number (PIN)** from the Department of Education. Request a PIN by visiting

the U.S. Department of Education PIN Website at [www.fafsa.ed.gov](http://www.fafsa.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.

- Your PIN serves as an electronic identifier and allows you to electronically sign and immediately transmit the FAFSA.
- Your PIN provides access to personal records, guard it as you would your ATM PIN.

### **3. Completed 2006-2007 Carnegie Mellon Financial Aid Application ([www.cmu.edu/hub](http://www.cmu.edu/hub))**

There are 2 options for completing this application:

**A. 2006-2007 Electronic Carnegie Mellon Financial Aid Application** - *You **MUST** authenticate to SIO in order to access the application. We cannot provide you with the login information. On the Aid/Account page, select Financial Aid, change the aid year to 2006-2007 and then select Financial Aid Application at the bottom of the page.*

**B. PDF Version - 2006-2007 Carnegie Mellon Financial Aid Application** - *Must be mailed to: Carnegie Mellon, Enrollment Services - The HUB, 5000 Forbes Avenue, Pittsburgh, PA, 15213-3890.*

- The suggested application deadline for graduate students is July 3, 2006.
- The Carnegie Mellon Federal School Code is 003242.
- Adobe Acrobat Reader is required to complete the PDF form.

**4. Federal Stafford Master Promissory Note (MPN)** - If you previously borrowed a Federal Stafford Loan (FSL) and previously completed an FSL Master Promissory Note (MPN) at Carnegie Mellon, you do not need to complete another FSL MPN for each subsequent academic year.

*See page 11 for complete information.*

**5. Federal Student Loan Entrance Counseling ([www.cmu.edu/hub](http://www.cmu.edu/hub))** - Prior to Federal Stafford and/or Perkins Loan funds being credited, first-time borrowers at Carnegie Mellon are required to complete Federal Entrance Loan Counseling.

***NOTE: TEACHER CERTIFICATION:***

If you are a teacher certification student at the graduate level, you should be aware that federal regulations classify you as a grade level 5 undergraduate student for Federal Stafford Loan purposes. You are, however, considered a graduate student by Carnegie Mellon for academic purposes. For additional information, please visit our website at [www.cmu.edu/hub/fa/fa\\_teachercert.html](http://www.cmu.edu/hub/fa/fa_teachercert.html).

**HOW WE DETERMINE FINANCIAL AID**

**Eligibility for Financial Aid**

Eligibility for federal, state, Carnegie Mellon and most private aid programs is determined by using a Congressional formula called Federal Methodology. It uses your 2005 income and your spouse's 2005 income and current equity in assets, reported on the Free Application for Federal Student Aid (FAFSA), to determine the amount you are expected to pay toward your education. This amount is called your *Expected Family Contribution (EFC)*.

**Financial Need**

After we confirm your EFC, we calculate your financial need.

FINANCIAL NEED
Cost of Attendance Minus Expected Family Contribution

**Cost of Attendance** is the expected dollar amount you will need to attend Carnegie Mellon for an academic year which consists of tuition, fees, room, board, books and supplies, personal and miscellaneous and transportation allowances; please refer to the Tuition & Fees Information Page: [www.cmu.edu/hub/sa/sa\\_tuition.html](http://www.cmu.edu/hub/sa/sa_tuition.html).

### **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/sa/sa\\_grad\\_tuition.html](http://www.cmu.edu/hub/sa/sa_grad_tuition.html).

#### **MAXIMUM GRADUATE LOAN ELIGIBILITY**

Cost of Attendance  
Plus  
\$1000.00 Additional Allowance for Loan Fees  
Minus  
Untaxed Scholarships, Fellowships, Tuition/Fee  
Stipends  
Equals  
Maximum Stafford Loan Eligibility up to \$18,500

\*There are two types of Federal Stafford Loans, subsidized and unsubsidized. The amount of each type you receive will be calculated according to federal need calculations.

\*If you have unmet cost of attendance after completing the above calculations, you may wish to consider an alternative loan program. See Page 14 and the enclosed Alternative Loan Matrix for additional information.

### **Financial Aid Award Letters**

Once your financial aid package has been determined, Enrollment Services will mail a Financial Aid Award Letter to your permanent address. This letter contains important information and instructions regarding your financial aid package. If your financial aid package changes at any point throughout the academic year, you will receive a revised Financial Aid Letter.

### **Financial Aid Alert Letters**

If we are unable to process your financial aid package due to missing documents, you will receive a Financial Aid Alert Letter at your permanent address. If you receive this information, please remit all required documents by the date specified.

### **Update Address Information**

Because we mail financial aid information to your permanent address, it is imperative that you update your address information on Student Information Online (SIO) as soon as possible when you move or change addresses.

## **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 Stafford Loan and Federal Graduate 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 School) 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 receipt of progress failure notification.

## **GRADUATE STUDENT FINANCING OPTIONS**

### **Scholarships:**

Scholarships are awards that you do not have to repay. Enrollment Services does not award grants or scholarships to graduate students.

*\*For information on the availability of scholarships, grants, stipends, assistantships, fellowships, work study and community service, contact the academic department you plan to attend. The department will also be able to discuss the requirements of these programs.*

We also recommend that you contact Carnegie Mellon University's *Fellowship Resource Advising Center (FRAC)* for additional assistance with scholarship resources.

### **Fellowship Resource Advising Center (FRAC)**

The FRAC (Fellowship Resource Advising Center) goal is to make your scholarship search as simple and as successful as possible. FRAC supports you in every step, from recommendations to applications, whether you're interested in the prestigious Rhodes or a lesser-known local scholarship. Your major or class level is no obstacle – from first-year to postdoctoral, from biomedical engineering to drama, there are scholarship opportunities available to you. All you need is ambition, desire, and a commitment to learn a little about your options – and a lot about yourself.

### **FRAC Contact Information:**

Fellowship Resource Advising Center  
Warner Hall 5th floor, cubicle 530G  
Carnegie Mellon  
Pittsburgh, PA 15213  
phone 412-268-1969  
fax 412-268-6159  
[www.cmu.edu/frac/](http://www.cmu.edu/frac/)

**Janet Stocks**, Assistant Vice Provost for Education  
412-268-5566,  
[stocks@cmu.edu](mailto:stocks@cmu.edu)

**Judy Zang**, Scholarship Coordinator  
412-268-1969,  
[jzang@cmu.edu](mailto:jzang@cmu.edu)  
Office Hours (by appointment only):  
M, T, Th, F 10:00 a.m.-4:00 p.m.

*You may also refer to Enrollment Services' additional online recommended outside scholarship sites at [www.cmu.edu/hub/fa/fa\\_grad\\_links.html](http://www.cmu.edu/hub/fa/fa_grad_links.html).*

### **The Carnegie Mellon Tuition Payment Plan:**

The Carnegie Mellon Tuition Payment Plan administered by Tuition Management Systems (TMS) is recommended to help you budget payment of your educational expenses and limit your debt.

The Carnegie Mellon Tuition Payment Plan allows you to spread your payments out over 10 months. There is no interest charged on the plan, and a variety of other benefits, including Life Insurance, are provided, all paid for with a single low annual enrollment fee. A semester option at a lower fee is available for those graduating in December or beginning their enrollment in the spring semester.

### **Benefits:**

- Interest-free payments
- Life insurance coverage for the bill payer
- Toll-free, top-rated telephone service during extended personal service hours at 800-895-9061
- Affordability counseling with friendly and professional Education Payment Counselors
- A wide variety of payment methods include personal checks, money orders, credit cards, Western Union by wire or check, and automated payments from a checking or savings account
- 24-hour access to account information at [www.afford.com](http://www.afford.com)
- 24-hour access to account information in a toll-free Info Line

We hope that you seriously consider the advantages of paying some or all of your balance interest-free. This strategy is the most effective means of limiting your debt. Feel free to contact Tuition Management Systems for Affordability Counseling at 800-895-9601 from 8 a.m. to 10 p.m. weekdays, and 9 a.m. to 3 p.m. on Saturdays.

The Carnegie Mellon Tuition Payment Plan allows you the convenience to investigate, enroll and pay on-line. If you set up a monthly payment plan with TMS, one half of your contracted amount will be credited to your fall invoice, the remainder to the other semesters contracted. If you still have a balance once your contracted amount is credited on the invoice and after deducting the amount of your approved loans, you will either need to increase your contract with TMS, OR send the balance due on your student account to Carnegie Mellon.

### **Student Loans**

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

#### **Federal Perkins Loan**

A Federal Perkins Loan is a low-interest (5 percent) federal loan administered by Carnegie Mellon. Carnegie Mellon offers this loan to students who have exceptional financial need as determined by Federal Methodology and Carnegie Mellon. You receive consideration for a Federal Perkins Loan if you complete a FAFSA and a Carnegie Mellon 2006-2007 Financial Aid Application. No separate application is

necessary. Not all graduate academic departments offer this loan. If you are interested, you must check with your department for eligibility information. Enrollment Services will automatically credit the loan to your student account (one-half in the fall, one-half in the spring).

If you are offered a Federal Perkins Loan, Enrollment Services will contact you via email to come to The HUB, lower level of Warner Hall regarding the signing of your Perkins Master Promissory Note. You must sign and return your Perkins MPN to Enrollment Services. If you do not return a signed Perkins MPN, your Federal Perkins Loan will be cancelled.

Repayment of both principal and interest does not begin until nine months after you graduate or are no longer enrolled at least half-time (18 units per semester). No interest accrues on the loan until you begin repayment.

#### **Federal Stafford Loan**

A Federal Stafford Loan (FSL) is a loan given by a private lender (e.g., bank, credit union, or other financial institution) to students. The interest rate will be fixed at 6.8% as of July 1, 2006. There are two types of Federal Stafford Loans - subsidized and unsubsidized. **Only one Master Promissory Note (MPN) needs to be completed to obtain both subsidized and unsubsidized consideration.** The combined total for the subsidized and unsubsidized FSL is **\$18,500** per academic year. The aggregate limit for Subsidized and Unsubsidized FSL's together (including undergraduate and graduate borrowing) is **\$138,500**. *You can access your student loan borrowing history by visiting the financial aid review section [www.nsls.ed.gov](http://www.nsls.ed.gov).*

If you borrowed a Federal Stafford Loan (FSL) and completed a Master Promissory Note (MPN) previously, you do not need to complete another MPN for each subsequent academic year. Your FAFSA will serve as your application. If you are attending Carnegie Mellon for the first time or have never submitted an MPN, you must complete an MPN online by visiting the AES website: [www.aessuccess.org](http://www.aessuccess.org). Complete instructions are available on The HUB Website: [www.cmu.edu/hub/fa/fa\\_stafford\\_mpn.html](http://www.cmu.edu/hub/fa/fa_stafford_mpn.html).

You must be a U.S. Citizen or eligible non-citizen, be enrolled on at least a half-time basis, and complete

the FAFSA, the Carnegie Mellon Financial Aid Application (tax returns and W-2's must be submitted with this form), Federal Entrance Loan Counseling and the Federal Stafford Loan Master Promissory Note. We recommend that you complete and return the applications no later than July 1, 2006. Applications may still be completed after this date, but it may delay the receipt of your funds.

Your FSL funds will be electronically deposited into your student account at Carnegie Mellon on or about **September 1, 2006** for the fall semester and on or about **January 2, 2007** for the spring semester. In some cases you may be required to sign your FSL check in The HUB before the loan proceeds can be credited to your student account.

No fees will be deducted from your loan if you are borrowing from a KeystoneBEST Lender. Our preferred KeystoneBEST Lenders are Citizens Bank and PNC Bank. Federal Stafford Loan disbursements are sent directly to the university. Your loan will not appear as a credit on your bill until we receive the funds electronically or you endorse the loan check(s). These funds are disbursed no earlier than ten days prior to the first class day. If your loan has been approved but it hasn't been deducted from your student account invoice, you may subtract half of the annual amount from your last invoice.

#### **Subsidized Federal Stafford Loan**

You must demonstrate financial need to qualify for a Subsidized Federal Stafford Loan. As a graduate student, you may borrow a maximum of **\$8,500** in Subsidized FSL funds per academic year. The Subsidized FSL is limited to the cost of education, minus the Expected Family Contribution and any financial aid you will receive. The aggregate limit for the Subsidized FSL (including undergraduate and graduate borrowing) is **\$65,500**. You do not begin to repay the loan and interest until six months after you graduate or after you cease half-time enrollment. You will have up to ten years to repay the loan.

#### **Unsubsidized Federal Stafford Loan**

In addition to the Subsidized FSL, the Federal Government also has an Unsubsidized Federal Stafford Loan Program. The annual maximum you can borrow under this program is **\$10,000 plus any of the \$8,500** Subsidized FSL for which you do not qualify. The Unsubsidized FSL is limited to the cost of

education minus any financial aid you will receive. The terms and conditions of the Unsubsidized FSL are the same as for the Subsidized FSL, such as length of repayment, deferments and interest rates. You will be required to pay the interest for any in-school and deferment periods. Interest is automatically added to your principal unless you mark box 12 on the MPN, indicating that you want to pay interest while in school. Our recommendation is that you pay the interest while in school.

### **CARNEGIE MELLON PREFERRED LENDERS**

Carnegie Mellon has designated Citizens Bank and PNC Bank as our preferred lenders for this program. Both lenders participate in the KeystoneBEST Program and offer repayment incentives and interest rate reductions. This represents the following additional savings to the borrower

#### **KeystoneBEST Benefits:**

- 0% up-front fees. This may be subject to change based on recent regulatory changes.
- \*NEW\* 1% graduation credit upon completion of education.
- 2% interest rate reduction after 36 consecutive, on-time payments.
- 0.25% interest rate reduction for automatic direct debit of payment.
- Flexibility of combined or separate billing for multiple loans.
- Single point of contact for customer service for the life of the loan.
- Easy on-line application process (see AES website at [www.aessuccess.org](http://www.aessuccess.org)).
- Easy on-line access to your loan account (see AES website at [www.aessuccess.org](http://www.aessuccess.org)).

#### **Interest:**

The interest rate will be fixed at 6.8% as of July 1, 2006.

### **Federal Graduate PLUS loan**

#### ***\*NEW THIS YEAR!\****

Please see the enclosed insert for information on the Federal Graduate PLUS Loan Program.

### FEDERAL ENTRANCE LOAN COUNSELING

Federal regulations require that all first-time federal student loan borrowers complete an entrance counseling session prior to the Federal Student Loan funds being credited to their student accounts. During the entrance counseling session, you will be informed of your rights and responsibilities as a borrower. ***CARNEGIE MELLON WILL NOT PROCESS YOUR FEDERAL STUDENT LOAN UNTIL YOU COMPLETE THE ENTRANCE COUNSELING SESSION.*** You complete the loan counseling requirements electronically on our Federal Entrance Loan Counseling Website [www.cmu.edu/hub/exit.html](http://www.cmu.edu/hub/exit.html).

### ALTERNATIVE LOANS

Alternative loans are private loans offered by different lenders. These loans **usually** require that the student and the co-borrower (if applicable) be a U.S. Citizen or permanent resident. Please refer to the Alternative Loan Matrix and International Alternative Loan Matrix on The HUB Website [www.cmu.edu/hub](http://www.cmu.edu/hub).

### STUDENT EMPLOYMENT

#### **Federal Work-Study and Community Service**

Federal Work-Study (FWS) is a need based self-help award. If you have been awarded FWS, your FWS award is the total that you can earn during the academic year through Federal Work-Study funds. Students who are awarded Federal Work-Study are eligible to use their award to work off-campus for one of our Federal Community Service Employers. There is no separate application for FWS or Community Service, but you must check with your department for eligibility information. Funds awarded are paid bi-weekly and **DO NOT post to your student account.**

#### **TUITION REMISSION**

Carnegie Mellon Staff Tuition Remission is a benefit offered by the university for employees. A tuition remission form must be completed. Contact Human Resources on the web at <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.

It is imperative that you pick up your paycheck and look closely at the pay stub each pay period. If your stub 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 [lr0g@andrew.cmu.edu](mailto:lr0g@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 aid.***

## **FREQUENTLY ASKED QUESTIONS**

### **When will I be notified of the amount I have been approved for in a Federal Stafford Loan?**

Graduate loan certification will begin approximately July 3, 2006. When your loan is certified, you will be sent an award letter. If you have a valid Andrew UserID, you may also view this information via Student Information On-line (SIO): [www.cmu.edu/hub](http://www.cmu.edu/hub).

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

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/sa/sa\\_grad\\_tuition.html](http://www.cmu.edu/hub/sa/sa_grad_tuition.html).

Estimated Cost of Education for Fall and Spring  
+ Additional Allowance for Loan Fees  
- Untaxed Scholarships, Fellowships, Tuition/Fee Stipends  
= Maximum Stafford Loan Eligibility up to \$18,500

There are two types of Federal Stafford Loans, subsidized and unsubsidized. The amount of each type you receive will be calculated according to federal need calculations.

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

We encourage you to sign up for the E-Refund Program through Student Information On-Line. This program is open to all enrolled students, and allows you to request that your student account refund is deposited into a U.S. checking or savings account.

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

A letter will be mailed to your permanent address requesting the missing documents. You may also view your financial information via Student Information On-Line.

**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 at [www.cmu.edu/hub/grad.html](http://www.cmu.edu/hub/grad.html).

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

Yes. However, you are not eligible for the Federal Stafford or Perkins Loan programs. You are eligible for some alternative loan programs, open to international students who have U.S. cosigners. See the International Loan Matrix on The HUB Website [www.cmu.edu/hub](http://www.cmu.edu/hub).

**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 tenth day of classes to reflect your part-time status.

**OTHER BORROWING OPTIONS**

If you have a 401(k) or other investments or you're considering a home equity loan, here are a few things you should contemplate, and discuss with a financial advisor.

**Home Equity Loan**

The interest on this loan may be tax-deductible, but is the rate low enough? And does this leave you with any funds for emergencies or other opportunities?

### **Investments**

Cashing in investments may seem more attractive than borrowing. This may increase your income tax liability with additional capital gains.

### **STUDENT ACCOUNT**

#### **Student Account Invoices**

Fall 2006 invoices will be mailed in July by Enrollment Services. Payment for the Fall semester is due no later than Friday, August 18, 2006. Spring 2007 invoices will be mailed in December. Payment for the Spring semester is due no later than Friday, January 5, 2007. You may also receive a monthly invoice reflecting recent activity on your student account. Unpaid balances may be assessed a monthly penalty fee. Remember, your financial aid award letter is not an invoice. You will receive a Billing Guide with the Fall 2006 invoice. It will provide you with detailed instructions on how to pay your account balance. Please keep the Billing Guide as a reference for the entire academic year.

#### **Charges**

Your invoice may contain charges for tuition, housing, dining and administrative fees.

NOTE: Books, supplies, transportation and personal expenses do not appear on the invoice. You pay these expenses separately.

#### **Financial Aid Credits**

With the exception of Federal Work-Study and outside scholarships, one-half of your annual financial aid will be applied as a credit to your student account each semester. A Federal Stafford Loan or a Federal PLUS Loan or an Alternative loan will not automatically be reflected as a credit to your student account unless the loan proceeds have either been electronically disbursed through electronic funds transfer (EFT) to Carnegie Mellon, or the loan check(s) have been endorsed by you. You must apply for loans.

Reminder: You should subtract approximately one-half of your annual Federal Stafford Loan amount from the balance due appearing on your Fall and Spring invoices.

All first-time federal student loan borrowers must complete a Stafford Master Promissory Note. If you previously borrowed a Federal Stafford Loan (FSL) and completed a Stafford Master Promissory Note,

you do not need to complete another Stafford MPN for each subsequent academic year. Your FAFSA will serve as your application. Remember, all first-time federal student loan borrowers must complete an entrance counseling session prior to their federal loan funds being credited to their student account.

#### **USEFUL INTERNET RESOURCES**

##### **Fellowship Resource Advising Center**

[www.cmu.edu/frac](http://www.cmu.edu/frac)

##### **FastWeb**

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

##### **American Education Services**

[www.aessuccess.org](http://www.aessuccess.org)

##### **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.ed.gov](http://www.fafsa.ed.gov)

##### **Tuition Management Systems**

[www.afford.com](http://www.afford.com)

##### **Federal Tax Credit Information**

[www.irs.treas.gov](http://www.irs.treas.gov)

##### **National Student Loan Data System**

[www.nsls.ed.gov](http://www.nsls.ed.gov)

##### **Loan Locator**

[www.loanlocator.org](http://www.loanlocator.org)

## **TAX INFORMATION**

### **Tax Benefits for Education**

Several tax benefits are available to help families meet the cost of postsecondary education.

### **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 Stafford or PLUS Loan) you borrowed to pay qualified higher education expenses. For more information on these tax benefits for education, please contact a tax advisor, or visit [www.irs.gov/pub/irs-pdf/p970.pdf](http://www.irs.gov/pub/irs-pdf/p970.pdf) and view Publication 970, Tax Benefits for Education.

CARNEGIE MELLON UNIVERSITY DOES NOT PROVIDE TAX ADVICE. PLEASE CONSULT YOUR TAX ADVISOR FOR TAX ADVICE ON THE MATTERS CONTAINED IN THIS BROCHURE.



*ALL INFORMATION CONTAINED WITHIN THIS BROCHURE IS  
ACCURATE AS OF MAY 31, 2006. PUBLISHED JUNE 2006.*