

FINANCING OPTIONS, TERMS AND DEFINITIONS



EDUCATION FINANCING OPTIONS »

Loans

Unsubsidized Loan – If an unsubsidized loan was not included in the financial aid package, we may be able to offer an unsubsidized loan.

- Unsubsidized loans accrue interest while the student is in college.
- Repayment begins 6 months after graduation, enrollment of less than 6 credits, or if the student is no longer enrolled in classes.
- Student loans assist in paying balances and establishing credit.

Parent PLUS Loan – A loan for which parent(s) may apply. The loan is in the parent's name but is taken on behalf of the student and must be credit approved.

- Parent(s) may apply for this loan at **studentaid.gov** after May 1 for the upcoming academic year.
- Parent(s) will need an FSAID, which is the username and password used to electronically sign the FAFSA.
- Parent(s) may defer repayment until after the student graduates.

Private Loans – Can be used to pay for college costs, but they originate with a bank, credit union or online lender. A student and/or parent may apply for a private loan.

- ELM Select – This easy-to-use comparison tool allows you to browse a list of private lenders most used by Stetson students and apply for loans as desired.
- Always check with the financial institution with whom you do business to see what loan products are available to you as an existing customer.
- Students who are not meeting the requirements of Satisfactory Academic Progress (SAP) will need to check eligibility requirements for each loan, as some lenders will not approve loans if the student borrower does not meet SAP.
- <https://www.elmselect.com/v4/school/862/program-select>

Payment Plans

Stetson Monthly Payment Plans (MPP) – Stetson bills by semester, and each semester a new 4- or 5-month installment plan payment option is made available. This is available for each fall and spring semester only.

- There is a \$75 set-up charge when an MPP is established.
- If you have questions about MPPs, please contact the Bursar's Office.
- stetson.edu/mpp

529 Plans – Stetson University accepts payments from all 529 Plans.

Florida Prepaid – Stetson University accepts Florida Prepaid plans. Contact Florida Prepaid at myfloridaprepaid.com or 800-552-4723.

- Florida Prepaid is paid at a state tuition rate per credit hour.

Scholarships

Outside Scholarships – Stetson University accepts outside scholarships earned by students.

- **Fastweb.com** and **Scholarships.com** are great resources to search for and apply for outside scholarships.
- Think about researching outside scholarships at local charitable, professional, or religious organizations. In addition, check out organizations and companies who work in careers you plan to enter.
- Don't forget Corporate Scholarships.

International Student Aid

- **Financial Aid for International Students** – MPOWER Financing has loan and scholarship opportunities available to international students studying in the U.S. Scholarship applications are typically available beginning in the second year of undergraduate study. Visit www.mpowerfinancing.com.

See reverse for terms and definitions.

FINANCIAL AID TERMS AND DEFINITIONS »

Annual Interest Rate – The interest rate is the cost you pay each year to borrow the money expressed as a percentage. The interest rate does not include the fees charged for the loan.

Annual Percentage Rate (APR) – The cost you pay each year to borrow money, including fees, expressed as a percentage. The APR is a broader measure of the cost to you of borrowing money since it reflects not only the interest but also the fees that you have to pay to get the loan.

Compound Interest – Interest that is compounded is added to the principal balance of a loan at specified terms (daily, monthly, annually) and will also accrue interest in the next compound cycle. Compound interest is calculated on the principal amount of the loan plus the accumulated interest of previous periods.

Cost of Attendance – The estimated total cost of attending an institution for one academic year. This amount may include tuition, fees, housing or housing allowance, food or food allowance, books and supply allowance, transportation allowance and personal expense allowance. If a student incurs additional education-related costs required for their program of study, please contact a Financial Aid Administrator to discuss a COA Appeal.

Enrollment Status – Academic workload (or course load) as defined by the institution for a defined academic period. Undergraduate students must enroll in at least 12 credits per term to be considered full-time. Most undergraduate aid requires full-time enrollment. Graduate students must be enrolled at least half-time (3 credits or more) to be eligible for federal student loan consideration.

Financial Need – The calculation of need is the Cost of Attendance minus the Student Aid Index minus any other entitlement aid such as merit- or talent-based scholarships.

Free Application for Federal Student Aid (FAFSA) – A Federal application to apply for all federal financial aid. FAFSA is also used by institutions to determine financial need for their institutional need-based aid. Also, some states require the FAFSA for determination of eligibility for need-based state grants and scholarships.

Net Price – Amount of direct and indirect costs remaining after all gift aid is applied. Net price can be covered through a variety of sources including savings, income, and education loans.

Origination Fee – An origination fee is an upfront charge by the lender when obtaining the loan. The fee covers the cost of processing the loan application. Federal Direct Loans have origination fees which vary, and the rate of the origination fee is set each year by the U.S. Department of Education.

Principal – A sum of money lent or invested on which interest is paid.

Private Loan – A student or parent loan from a commercial or state-affiliated lender is used to pay for educational costs up to the cost of attendance. Private loans are subject to approved credit. Terms and repayment will vary depending on the lender and the credit worthiness of the borrower(s). Repayment generally begins immediately after disbursement.

Request for Review (appeal) – Families that have had a significant change in their financial situation since filing FAFSA, or who have paid a significant amount of medical or dental expenses out of pocket, may appeal for additional consideration. For information, contact a Financial Aid Administrator to discuss the appeal process.

Self-help – An institution's expectation that a student contributes toward their education using a combination of loans, student employment such as Federal Work Study and/or summer savings.

Simple Interest – Simple interest is an interest charge that borrowers pay lenders for a loan. It does not compound and become part of the principal. Simple interest is calculated on the original principal amount of the loan only.

Student Aid Index (SAI) – An eligibility index calculated by information provided on the FAFSA. The SAI is also used for determination of Federal Pell Grant eligibility.

Variable interest rate – Variable interest rates adjust or fluctuate at specified periods over time and is based on an underlying benchmark index that changes periodically such as treasury bills.

Verification – A federally-mandated process to confirm the accuracy of data provided on the FAFSA by selected applicants. To complete the verification process, a school may request additional documentation and income verification. All federal and need-based aid eligibility is pending and will not disburse until verification is completed.