



**CU  
NY**

# **FINANCIAL AID**

**Award Guide 2018-2019**

# Contents

I. Financial Aid Award Notice . . . . .	3
II. Evaluating College Costs and Financial Aid Packages . . . . .	4
III. Financial Aid Payments . . . . .	4
IV. Attendance and Credit Load . . . . .	5
V. Satisfactory Academic Progress. . . . .	6
VI. Description of Financial Aid Programs .	8
Federal Student Aid Grant Programs	
Federal Work-Study	
New York State Programs	
CUNY Programs	
External Scholarships	
VII. Student Loans . . . . .	14
Federal Direct Loans	
Federal PLUS Loans for Parents	
Federal PLUS Loans for Graduate and Professional Students	
Alternative Loans	
VIII. Determining Your Aid Eligibility . . . . .	19
Cost of Attendance	
Estimated Family Contribution (EFC)	
Independent Students	
Appealing Your Contribution/F.A. Award	
IX. Tax Benefits And Liability. . . . .	23

# Your Financial Aid Award at CUNY

## Introduction

This brochure explains your Financial Aid Award(s) and outlines your rights and responsibilities as a financial aid recipient at The City University of New York. Please read the entire brochure carefully and keep it handy for reference throughout the year. You are responsible for knowing the information in this brochure.

Additional information may be obtained by visiting [www.cuny.edu/financialaid](http://www.cuny.edu/financialaid). This information was the most accurate available at the time of publication and is subject to change at any time without notice due to the nature of federal, NY State and institutional guidelines affecting aid. You have the responsibility of informing CUNY of any change in your family's financial situation or any outside scholarships you may receive.

## ADDITIONAL IMPORTANT INFORMATION

Financial aid is awarded on an annual basis. You must reapply each year. It is always in your best interest to apply as early as possible.

Legal New York residents who did not submit the online TAP (Tuition Assistance Program) application after completing the FAFSA and wish to be considered for New York State aid may access the application at [www.tap.HESC.ny.gov/totw/](http://www.tap.HESC.ny.gov/totw/).

You cannot transfer campus-based aid offered to you by CUNY to any other school outside of the CUNY system. Campus-based aid offered by any other school cannot be transferred to CUNY. Campus-based aid at CUNY consists of Federal Supplemental Education Opportunity Grant (FSEOG), Federal Work Study and scholarships.

All financial information submitted by you and your parents will remain confidential and will not be released without your permission.

# SECTION I

## Financial Aid Award Notice

Your Financial Aid Award Notice details the financial aid package being offered to you for the 2018–2019 academic year. Award notices list the financial aid offered by an individual CUNY college. If this is not the CUNY college you plan to attend, your Pell, TAP and Excelsior Scholarship can be transferred to other CUNY schools although campus-based aid which includes Federal Work Study and SEOG may not be available at other CUNY schools.

If your chosen CUNY College was not originally listed on your FAFSA you may add the college by visiting [www.fafsa.gov](http://www.fafsa.gov). If you are a TAP recipient your award will be based on the first college you listed on your FAFSA. If that is not the college you will attend, you may submit an online college code change by logging on to [www.HESC.ny.gov](http://www.HESC.ny.gov) or call 1-888 NYS-HESC (1-888 697-4372).

You may be eligible for one type of aid or a combination of grant, loan, work-study employment and scholarship assistance. Your financial aid package is based on your financial need and your eligibility for various aid programs. We may have included outside funds not offered by CUNY in your package to inform you that we took them into account in considering your eligibility for other assistance. For all questions regarding your financial aid offer, contact the Financial Aid Office at the CUNY college you plan to attend. Your college's financial aid office contact information can be found by visiting [www.cuny.edu/financialaid](http://www.cuny.edu/financialaid) then click the link for *Financial Aid Contacts*.

### VIEW YOUR FINANCIAL AID AWARD ONLINE

To view your financial aid award on CUNYfirst:

- Sign into your CUNYfirst account
- Click on the **Student Center** tab
- Go to the **Finances** column (Below Academics)
- Select the **View Financial Aid** link
- Select the link for the year and college you would like to view

### OUTSIDE AID YOU MAY RECEIVE

Any outside aid you are receiving that is not listed on your electronic award notice must be reported to your college Financial Aid Office. This includes scholarships from all sources; teaching or research assistantships; fellowships; vocational rehabilitation support and all aid from outside sources. We may need to modify your aid package as a result of your receipt of this aid.

## SECTION II

### Evaluating College Costs and Financial Aid Packages

The most important consideration when selecting a college should be whether the school is going to meet your educational needs. However, you and your family must also consider costs associated with a college when deciding where to enroll. The goal is not to figure out the best “deal,” but to figure out if your educational choice is affordable.

There are two types of expenses involved in paying for college: fixed cost and variable cost. Fixed costs are usually paid at the beginning of each semester and they include tuition and fees. The variable costs are related to expenses incurred while attending classes—for example, books, supplies and transportation costs.

#### CUNY NET PRICE CALCULATOR

To assist you in determining the financial aid you may receive, you can use the CUNY Net Price Calculator at [www.cuny.edu/financialaid](http://www.cuny.edu/financialaid). This will calculate your estimated financial aid awards while attending a CUNY college and show your estimated cost of attendance. The CUNY Net Price Calculator can also help you compare costs at CUNY to other institutions so that you can determine which colleges are most affordable for you.

## SECTION III

### Financial Aid Payments

The financial aid offered to you in your award letter is based on full-time attendance and may be recalculated based on your actual enrollment status. Your enrollment status is finalized at the end of the 7th day from the start of classes or at the end of your college’s refund period depending on our school’s policy. It is a good idea to consult DegreeWorks ( CUNY’s online advisement system) or see an Academic Advisor to determine if the courses you have chosen are eligible for financial aid. If you fail to begin attendance in a class, that class will be excluded when calculating your enrollment status for aid eligibility. If your enrollment status changes, your financial aid may be reduced or cancelled and you may be required to return money already distributed to you. Any funds in excess of your tuition and fees will be disbursed to you.

A description of each financial aid program is included in this booklet in Section VI. You should read the description of each program discussed in this brochure to make sure that you are fulfilling the requirements of the programs from which you are receiving funds.

#### GRANTS

Grant funds will usually be credited to your student account once you have registered for classes each term. Different grant programs may have different credit requirements in order for you to receive those funds.

## FEDERAL DIRECT STAFFORD LOAN

Loan funds may also be credited to your student account once your loan has been processed and approved by the federal government. Please refer to Section VII for information on student loans.

## SCHOLARSHIPS

Most university and non-university scholarship funds will be automatically credited to your student account unless the outside agency has made arrangements either to give you the check directly or to send the check to the Bursar's Office at the college you will be attending. Remember, even if you are given the check directly, you are obligated to inform the Financial Aid Office of your receipt of these funds.

# SECTION IV

## Attendance and Credit Load

### NON-ATTENDANCE FIRST TERM

If you are offered aid for the full academic year (Fall and Spring semesters) and you will not be enrolling until the Spring term, you must notify the Financial Aid Office at your college as soon as possible. Certain scholarships may be lost if your term of entry into CUNY is not updated in the Admissions Office.

### ENROLLING FOR LESS THAN FULL-TIME

In computing your aid package, we have assumed that you are enrolling on a full-time basis (12 credits or more). If you will be enrolling for less than full-time, your aid may be recalculated to reflect your reduced costs, and enrollment status.

Your Pell Grant is based on your enrollment status at the time the award becomes payable. Other than Pell Grants which can be paid to undergraduate students enrolling for as little as one credit, students enrolling for less than six credits are not eligible for financial aid. Credits for which a student enrolls in an audit capacity do not count for financial aid purposes.

### REDUCING CREDIT LOAD

If you enroll for a full-time credit load (12 credits or more) but drop credits, your aid for the current or subsequent semesters may be effected. If you are employed in a work-study position you must terminate work-study employment if you reduce your credit load below half-time (six credits). You must be enrolled at least half-time at the time your loan is disbursed. Students who have received loans and drop to less than half-time (6 credits) or leaves school will begin their six month grace period and will be required to complete exit counseling.

## WITHDRAWAL

Students who completely withdraw from classes may be required to return all or part of the federal financial aid disbursed to them. The amount that must be returned is calculated based on the aid that the student could have received had they stayed enrolled and the date of withdrawal. In most cases, the funds are returned by the Bursar who then bills the student for the amount returned on their behalf. In the case where the Bursar has returned the funds, a hold is placed on the student's records until the student repays the college.

These "return of funds" regulations apply only if you withdraw before completing at least 60 percent of the term. However, even if you complete 60 percent of the term, you will still be subject to repaying any loans received according to the terms of the promissory note.

If you leave school during the semester without officially withdrawing, we will attempt to verify your last day of class attendance. We will then determine how much aid is to be repaid based on the documentation we receive from your instructor(s).

## ADDRESS AND EMAIL CHANGES

We may send correspondence to your mailing address and we may contact you at the email address you entered on your FAFSA. It is your responsibility to keep both addresses updated with your college.

# SECTION V

## Satisfactory Academic Progress

Undergraduate students must make satisfactory academic progress towards the completion of their degree in order to remain eligible for federal and NY State financial aid.

### SATISFACTORY ACADEMIC PROGRESS FOR FEDERAL FINANCIAL AID PROGRAMS

- To be in good academic standing you must earn a minimum GPA based on attempted credits as follows: for 0.5-12 credits a minimum GPA of 1.5, for 13-24 credits a minimum GPA of 1.75 and over 24 credits at minimum a GPA of 2.0.
- If enrolled in a program of more than two academic years a student must have a GPA of at least a "C" or the equivalent at the end of the second academic year. This means that a student must maintain a minimum 2.0 GPA after being at the school for four semester or six quarters without regard to enrollment status.
- The credits you attempt can be no more than 150 percent of the credits normally required for the degree. For example: if the degree requires 120 credits, you can attempt no more than 180 credits.

- Pace of Progression – You must successfully complete a certain percentage of the total number of credits that you attempt.

## SATISFACTORY ACADEMIC PROGRESS FOR NEW YORK STATE FINANCIAL AID PROGRAMS

- In calculating your enrollment status for TAP purposes, credits (coursework) must be applicable to your degree with the exception of equated credits assigned for remedial coursework. For your first semester of TAP, you must register for at least 3 degree credits and the remaining 9 credits may be equated for remedial coursework. For subsequent semesters, to qualify for TAP, you must register for at least 6 degree credits and the remaining 6 credits may be equated for remedial coursework.
- Students enrolled in remedial coursework are still required to be full-time including their remedial and degree coursework.
- You must attain a minimum GPA for each payment requested.
- If you repeat a course that you previously passed, you may not count the repeated course towards your full-time enrollment for TAP purposes unless your curriculum required a higher grade than you achieved. If you repeat a course that you previously failed, you may include that course towards full-time enrollment for TAP purposes.
- **APPEAL PROCESS:** If you become ineligible for financial aid under the above rules you may submit a one-time appeal in writing, explaining the factors that resulted in not meeting the GPA or completing the credit requirement. Contact the college you are attending to find out the exact procedures for appealing your financial aid ineligibility.



# SECTION VI

## Description of Financial Aid Programs

Financial aid is provided by the federal government, New York State and CUNY. The types of financial assistance are:

**GRANTS:** Money that does not have to be repaid and is usually based on financial need.

**SCHOLARSHIPS:** Money that does not have to be repaid and is usually based on academic merit.

**LOANS:** Money for school that is borrowed and must be repaid with interest.

**WORK-STUDY:** Money earned from a job that is provided by the College Financial Aid Office.

### FEDERAL STUDENT AID GRANT PROGRAMS

The United States Department of Education offers federal financial assistance programs, which include: Federal Pell Grants, Federal Supplemental Educational Opportunity Grants (FSEOG), Federal Work-Study (FWS) and TEACH Grants. Each of these programs is discussed separately. The following are requirements and conditions students must meet to be eligible for these programs:

- Admission into a degree-seeking program.
- Register for at least six credit hours of study (except for Pell Grants which can be awarded if you are registered for as little as one credit).
- Be in good academic standing and making satisfactory progress toward completing a degree.
- Be a U.S. citizen or eligible non-citizen.
- Not be in default of a previous federal student loan or owe a refund of financial aid previously received.
- Provide documentation to verify the information on the FAFSA if it is requested.
- Have registered with the Selective Service (for males between the ages of 18–25).
- Not be convicted of possessing or selling illegal drugs while receiving financial aid.

### FEDERAL PELL GRANTS

In the 2018–2019 academic year, the maximum Pell Grant is \$6,095. Pell Grants are awarded to undergraduate students, who haven't earned a bachelor's or graduate degree or its equivalent. The federal government provides enough funding so that every student who is qualified for this program will receive funds.

Students will be limited to a maximum of 12 terms of full-time Pell payments or its equivalent for part-time study.

The Federal Pell Grant will Provide additional funding for students attending summer sessions on at least a half-time basis.

## FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS (FSEOG)

FSEOG is a federal, campus-based program. If you demonstrate exceptional financial need, CUNY could award you funds from the limited FSEOG fund. To receive FSEOG you must be registered for at least six credit hours, be Pell eligible, and have not completed a bachelor's degree.

## TEACH GRANT PROGRAM FOR GRADUATE STUDENTS

The Teacher Education Assistance for College and Higher Education (TEACH) Grant Program provides grants of up to \$4,000 per year to students who intend to teach in a public or private elementary or secondary school that serves students from low-income families. The TEACH Grants will be awarded to eligible graduate students at CUNY. The aggregate maximum amount is \$8,000 for graduate students.

Students who fail to meet the teaching obligation will have their Teach Grant converted to an Unsubsidized Direct Loan.

For more information on TEACH Grant including the conditions and requirements of the program visit [www.studentaid.ed.gov](http://www.studentaid.ed.gov).

## FEDERAL WORK-STUDY

The Federal Work-Study (FWS) program provides you with an opportunity to be placed in a part-time job that accommodates your academic schedule. If you are awarded Federal Work-Study, you must find an eligible work-study job, either on-campus or off-campus, to receive the funds. Each college's Financial Aid Office can help you find a Federal Work-Study job.

To receive FWS:

- You must be in good academic standing
- You must be registered for at least six credit hours.
- You must find an eligible part-time job. (Job listings are available in the financial aid office.)
- You must complete a Department of Homeland Security Form I-9. (This form documents that you are eligible to work in the United States.)
- You must complete IRS Form W-4, before being placed in a FWS job. (This form determines how much federal income tax should be withheld from your pay, if any.)

The amount of financial assistance we offer you in the form of a work-study job reflects the maximum amount of money you will be eligible to earn under the Federal Work-Study program. This does not necessarily mean that you will actually earn the entire amount during the academic year. Your earnings are determined by the rate of pay associated with your job and the number of hours you work per week. Students employed under Federal Work-Study are paid on a biweekly basis.

## Additional information on FWS:

- Earning the FWS award is contingent upon working sufficient hours that do not conflict with your classes. Awards do not extend beyond the end of the academic year, and you cannot be paid more work-study funds than you have been awarded by CUNY. You must keep track of your FWS earnings so that you do not exceed your award.
- Before working during an inter-session or vacation period you must contact the Financial Aid Office at your college to determine how many hours you may work.
- You must have FICA taxes withheld from your pay if you are employed off-campus or you work during the winter session.
- If you graduate or you will not be enrolled for at least six credit hours in the spring term, you must stop working the last day of the fall semester.
- If you receive prior permission from the Financial Aid Office at your college, you may use part or all of your FWS award during the summer term.

FWS earnings are considered taxable income and are treated just like any other employment when completing tax returns. However, work-study earnings are not considered as income for aid eligibility purposes when you reapply for financial aid next year.

If FWS is included in your aid package we will send you more information about it. Please keep in mind that if you decline work-study, funding limits may prevent us from reinstating it later if you change your mind. If you have questions about work-study, you should call the Financial Aid Office at the college you will be attending. Phone numbers and addresses are included at the end of this brochure.

## NON-FWS JOBS

Although work-study positions are limited to students who are eligible for funds from the Federal Work-Study program as part of their financial aid package, there are many other employment opportunities available through the career office at your college. You should contact them if you seek part-time employment.

## NEW YORK STATE PROGRAMS

### TUITION ASSISTANCE PROGRAM (TAP)

New York State's Tuition Assistance Program (TAP) provides grants to undergraduate students to assist them in paying tuition. Families with New York State Net Taxable Income (gross income less deductions and allowances for exemptions) of \$80,000 or less qualify to receive TAP grants. The TAP program is administered by the NY State Higher Education Services Corporation (HESC).

Undergraduate TAP awards range from \$500 to \$5,165 annually. If there is a TAP award on your CUNY financial aid award letter, note that the amount of the award is an estimate. Go to [www.HESC.ny.gov](http://www.HESC.ny.gov) to check the status of your award.

The requirements and conditions for TAP eligibility are as follows:

- You must be a New York State resident.
- You must submit the FAFSA and the TAP application before June 30, 2019.

- You must be admitted into a degree program.
- You must register for a minimum of 12 credits which (with the exception of remedial or equated credits) must be applicable to your degree.
- To receive your first TAP payment, you must take at least 3 degree credits and the remaining credits may be remedial or equated. After the first payment, you must take a minimum of 6 degree credits and remaining credits may be remedial or equated credits. If you are unsure if the courses you have chosen will allow you to qualify for financial aid, please consult DegreeWorks or an academic advisor.
- In addition to the semester credit requirements, you must also make progress towards completing your degree. The minimum academic requirements are available from the Financial Aid Office at your college and are published in your college's catalog.
- Higher Education Services Corporation (HESC), the agency which administers the TAP program, will verify the income tax information on your TAP application with the New York State Department of Taxation and Finance.
- Disabled students (as defined by the ADA) may be eligible to receive TAP when taking a less than full-time course load (contact your college for more information).
- You must have graduated from high school in the U.S., earned a GED or passed a federally approved Ability-to-Benefit test as defined by the Commissioner of the State Education Department, within the first 3 weeks of the semester you are requesting TAP.
- You must maintain at least a 2.0 GPA or a "C" average after receiving four semesters of TAP payments.
- You are allowed a total of eight full-time semesters of TAP payments (or its equivalent for part-time study) for your entire undergraduate degree. You may receive up to six semesters as an associate degree student. For some special programs you can earn up to 10 semesters.

#### AID FOR PART-TIME STUDY (APTS)

APTS is a grant from New York State for students pursuing a degree as a part-time undergraduate student. The amount of the grant is determined by CUNY, and is based upon the availability of funds from New York State. To be considered for APTS you must have completed the FAFSA, TAP application and the CUNY Financial Aid Supplement.

You must meet the same eligibility requirements as the TAP program, although you must be registered for at least six credits, but fewer than 12, of which at least three must be non-remedial credits.

#### PART-TIME TAP

Part-time TAP allows for partial TAP payments for students taking 6–11 credits. To be eligible for part-time TAP, students must have earned 12 credits or more in each of two consecutive semesters, prior to dropping to part-time (6–11 credits). In addition, students must maintain a "C" average.

## SEEK AND CD

SEEK (Search for Education, Elevation and Knowledge) is a New York State program available at CUNY's four-year and comprehensive colleges and designed to assist students who are both academically and financially disadvantaged. CD (College Discovery) is the companion program, funded by the City of New York, at community colleges. To receive funds from SEEK or CD you must complete both the FAFSA and TAP applications and you must register as a full-time student.

Admission into the SEEK or CD program is part of the CUNY admissions process; there is no separate application. Admission is based on both your financial situation and your academic background. If you are a new CUNY student and have been admitted into the SEEK or CD program, your SEEK or CD funding will not appear on your financial aid award letter until you have submitted all the financial documents required to prove economic eligibility for these programs.

## EXCELSIOR SCHOLARSHIP

The Excelsior Scholarship, in combination with other student financial aid programs, allows students to attend CUNY tuition-free. The scholarship will be applied to tuition after all grants and scholarships are applied.

To be eligible an applicant must:

- be a resident of NYS and have resided in NYS for 12 continuous months prior to the beginning of the term;
- be a U.S. citizen or eligible non-citizen;
- have either graduated from high school in the United States, earned a high school equivalency diploma, or passed a federally approved "Ability to Benefit" test, as defined by the Commissioner of the State Education Department;
- have a combined federal adjusted gross income of \$110,000 or less for the 18-19 academic year;
- be pursuing an undergraduate degree at CUNY
- be enrolled in at least 12 credits per term and complete at least 30 credits each year (successively), applicable toward his or her degree program;
- if attended college prior to the 2018-19 academic year, have earned at least 30 credits each year (successively), applicable toward his or her degree program prior to applying for an Excelsior Scholarship;
- be in a non-default status on a student loan made under any NYS or federal education loan program or on the repayment of any NYS award;
- be in compliance with the terms of the service condition(s) imposed by a NYS award that you have previously received; and
- execute a Contract agreeing to reside in NYS for the length of time the award was received, and, if employed during such time, be employed in NYS.

## OTHER NEW YORK STATE SCHOLARSHIPS AND AWARDS

New York State offers a number of special scholarships for students who excelled in high school or who may be pursuing particular academic objectives. Information about these scholarships is available from the New York State Higher Education Services Corporation at [www.HESC.ny.gov](http://www.HESC.ny.gov).

## CUNY PROGRAMS

### COLLEGE SCHOLARSHIPS

Many CUNY colleges have scholarship programs available to their students. Information about these scholarships can be found online at [www.cuny.edu/scholarships](http://www.cuny.edu/scholarships). In addition, each college Financial Aid Office can provide you with information about the various scholarships they have available.

Scholarships are usually awarded based upon academic achievement, but some require both academic achievement and financial need. Most scholarship recipients at CUNY are selected by the various colleges or departments within the University.

### TUITION PAYMENT PLAN

CUNY uses a tuition payment plan to help parents and students budget tuition and fee expenses during the year. Tuition payment plans are installment plans which split your tuition into equal monthly payments. For more information contact Nelnet at 1-888-470-6014 or the Bursar's Office at your CUNY college.

### NEW YORK CITY SCHOLARSHIP

New York City council Merit scholarship

The New York City Council Merit Scholarship rewards New York City high school graduates who have proven their ability to succeed academically while they were in high school. Students may receive \$800 per year (\$400 per semester). Actual Scholarship amounts are subject to change and contingent upon funding for each academic year. There is no separate application for the scholarship. Students are automatically considered for the award when they apply for admission to CUNY.

To qualify you must:

- be a U.S. citizen or eligible non-citizen
- be a Resident of New York City
- graduate from a New York City high school with at least an 80(C) College Academic Average (CAA) average
- pass at least twelve college preparatory courses in high school
- enroll at a CUNY college as a full-time student within one year of graduating from high school

- register as a full-time student each semester (except summer) and maintain at least a 3.0 cumulative GPA
- attend CUNY before attending any other post secondary institution
- students must graduate high school beginning June 2014

### Pursuit and Progress

- You must maintain continuous full-time (12 credits) enrollment within the City University of New York system
- You must maintain a cumulative GPA of 3.0 or higher
- Students pursuing an associate's degree may receive the NYC Council Merit Scholarship for a maximum of six semesters. Those seeking a bachelor's degree are limited to eight semesters of eligibility
- The award is not restored once it has been lost

### EXTERNAL SCHOLARSHIPS

Information on non-university scholarships can be found by researching in libraries and on the Internet. External scholarships are awarded based on a wide range of criteria, including special skills, community activities and organizational affiliations. Examples of scholarship websites are [www.fastweb.com](http://www.fastweb.com) and [www.collegeboard.com](http://www.collegeboard.com). Sometimes the acceptance of a scholarship will reduce or eliminate other financial aid. If your cost of attendance has not been met, your scholarship will probably have little or no effect on your aid package. However, if the aid you accepted is equal to your need, we will reduce your aid package (usually loans or federal work-study) by the amount of your scholarship. If necessary, we will also reduce any gift aid to ensure the total amount of aid you receive, including the scholarship, does not exceed your cost of attendance.

## SECTION VII

### Student Loans

If you find that you will need to borrow money to pay for college education costs, there are federal loans available to you. Each loan program has specific eligibility criteria, repayment, grace periods, cancellation and/or deferment options. All student loans will require you to sign a promissory note. CUNY participates in the Federal Direct Stafford Loan program, also referred to as Federal Direct Loans, where students borrow directly from the federal government. Just like any other loan, these loans are repaid with interest. If you are an undergraduate student and have financial need, you may be eligible for a subsidized Direct Loan. With

subsidized Direct Loans, no interest accrues as long as you maintain at least half-time enrollment (6 credits). The unsubsidized Direct Loan is available to students who do not show financial need, or who want to borrow more than the subsidized limits allow. With this loan interest begins to accrue from the date the loan is dispersed.

While student loans can be a good way to help finance an education, it is important to understand your responsibilities as a student loan borrower. If you fail to meet the terms of the loan, it will affect your ability to borrow for a car, a home and other future purchases. If you have questions about the terms of a loan, you should not sign the promissory note until these questions are answered to your satisfaction.

Keep copies of all documents concerning your loan: award notice letters, application/promissory notes, correspondence from the college Financial Aid Office, letters from your Direct Loan Servicer, etc.

## **FEDERAL DIRECT LOANS (DIRECT LOANS)**

You do not need a cosigner to borrow a Federal Direct Loan, and there is no credit check for undergraduate Direct Student Loans. Most CUNY colleges do not automatically award Direct Loans although some colleges may automatically award loans to graduate students.

To Request a loan you must fill out a Federal Direct Loan Request Form. A loan request form is generally found on CUNYfirst or your college's financial aid website. Contact the Financial Aid Office for information on requesting a loan.

Prior to your first Federal Direct Loan you must complete Entrance Counseling and a Master Promissory note (MPN). The links to electronically complete these are available on your college's website. If you are a continuing student who had completed an MPN within the last ten years your loan request may be processed without any additional paperwork. Most loans are paid to you in two disbursements. If your loan is certified before your tuition and fees are due, your loan will show as a credit to your account. Otherwise the loan proceeds will be sent directly to you if you have no outstanding charges to be paid. Loans are paid to students based on a predetermined schedule.



## ANNUAL LIMITS FOR FEDERAL DIRECT LOANS

The maximum amount you may qualify for is based on your dependency status and year in college as illustrated in the following chart.

### Annual Limits for Federal Direct Loans for the 2018–2019 Academic Year

	Subsidized	Total (subsidized & unsubsidized)
<b>Dependent Undergraduate</b>		
First Year	\$3,500	\$5,500
Second Year	\$4,500	\$6,500
Third Year and Beyond	\$5,500	\$7,500
<b>Independent Undergraduate</b>		
First Year	\$3,500	\$9,500
Second Year	\$4,500	\$10,500
Third Year and Beyond	\$5,500	\$12,500
<b>Graduate and Professional</b>		
All Years of Study	N/A	\$20,500

The aggregate maximum of subsidized and unsubsidized combined for a dependent undergraduate is \$31,000 (\$23,000 maximum in subsidized) while the maximum for an independent undergraduate is \$57,000 (\$23,000 maximum in subsidized). Graduate and professional students' combined maximum is \$138,500.

## INTEREST RATES AND FEES

Rates on direct loans may be adjusted on July 1, every year. Undergraduate subsidized and unsubsidized loans taken during the 2017–2018 academic year are being charged an interest rate of 4.45 percent. Graduate students are charged an interest rate of 6.00 percent for unsubsidized loans. The repayment on both subsidized and unsubsidized loans begins six months after you graduate, leave school or drop below six credits.

The federal government charges all borrowers an origination fee at the time the loan is disbursed which is deducted from your loan amount. This is in addition to interest charges that may accrue.

## ADDITIONAL INFORMATION ON DIRECT LOANS

- Federal Direct Loan borrowers taking their first loan on or after July 1, 2013 may qualify for a subsidized Direct Loan for a maximum of 150% of the length of their academic program. Students will be limited to receiving subsidized loans for 3 years in a 2-year program or 6 years in a 4-year program. Students reaching this limitation could receive unsubsidized loans if eligible. Additionally, borrowers who reached the 150% limitation will have their interest subsidy end for all outstanding subsidized loans.
- The funds are paid in two equal disbursements based on the period of the loan.

- Information on your student loan debt is available through NSLDS (National Student Loan Data System) at [www.NSLDS.ed.gov](http://www.NSLDS.ed.gov).
- If you request a Direct Loan and later decide you do not need the funds, you may decline the loan by notifying your Financial Aid Office, before the loan is disbursed or within 30 days of disbursement.
- A Federal Student Loan Ombudsman office is available for assistance with loan problems at 1(877) 557-2575 or visit [www.studentaid.gov](http://www.studentaid.gov).

You may also write them at: U.S. Department of Education, FSA Ombudsman, 830 First Street NE, 4th Floor, Washington, DC 20202-5144.

## REPAYMENT

The Department of Education pays the interest on subsidized direct loans as long as you are enrolled on at least a half-time basis (6 credits) or during approved periods of deferment (a postponement of loan payments) or forbearance. There is a 6 month grace period after you leave school or drop below half-time enrollment. Although your loan will not enter repayment during the grace period, interest will accrue on Subsidized Loans disbursed on or after July 1, 2012. Subsidized loans disbursed prior to July 1, 2012 will not accrue interest during the grace period.

Interest will begin to accrue on an unsubsidized loan from the time it is disbursed until it is paid in full. You may pay the interest as it accrues or you can allow the interest to be capitalized. If the interest is capitalized it will be added to the outstanding principal balance and will increase the total amount that you have to repay because you will be charged interest on the higher principal amount.

Your Direct Loan Servicer will send you information about repayment and you will be notified of the date repayment begins. However, you are responsible for beginning repayment on time, even if you do not receive this information.

The chart below displays the approximate repayment information for various loan amounts. Information is based on an interest rate of 4.45 percent and assumes the standard repayment term of 10 years.

Amount Borrowed	Monthly Loan Payment	Total Payment after 10 Years
5,000	51.70	6,204
10,000	103.40	12,408
15,000	155.10	18,612
20,000	206.80	24,816
25,000	258.49	31,018
30,000	310.19	37,222
35,000	361.89	43,426
40,000	413.59	49,630

For further information about student loan repayment provisions, deferments and cancellation visit the CUNY website at [www.cuny.edu/financialaid](http://www.cuny.edu/financialaid), select *Student Loans* and then select *Postponing Payments*.

## FEDERAL PLUS LOANS FOR PARENTS

If you are considered to be a dependent student, one of your parents may be eligible to apply for a federal loan to help pay your college expenses. Federal PLUS Loans for Parents is different from the Direct Loan for students in several ways. PLUS Loan borrowers are subject to a credit check and repayment of the PLUS Loan begins when the loan is fully disbursed. The first payment is due 60 days after the final disbursement. The borrower may defer repayment while the student is enrolled at least half-time (six credits) and for an additional six months after the student ceases to be enrolled at least half-time. The interest rate for new loans is determined on July 1, each year. In 2017–2018 PLUS Loan borrowers were charged 7.00 percent fixed interest.

If you and your parents are interested in this program, you should contact the Financial Aid Office at your school. To receive a PLUS Loan you must:

- Request the loan from your Financial Aid Office.
- Be able to pass a credit check (parents only).

## FEDERAL PLUS LOANS FOR GRADUATE AND PROFESSIONAL STUDENTS

Graduate or professional students are eligible to borrow under the PLUS Loan Program up to their cost of attendance minus any other financial assistance the student receives. The terms and conditions applicable to Parent PLUS Loans also apply to Graduate/Professional PLUS Loans. In the 2017-2018 academic year the interest rate of these loans was a fixed rate of 7.00 percent. The rate on new loans may be adjusted every year on July 1st. Applicants must fill out a FAFSA and should exhaust their annual maximum loan eligibility under the Federal Unsubsidized Direct Loan Program before applying for a Graduate/Professional PLUS Loan.

The repayment period for a Direct PLUS Loan made to a graduate or professional student begins on the date of the final disbursement of the loan and the first payment is due within 60 days after the loan is fully disbursed. A Graduate PLUS borrower may receive a deferment while enrolled at least half-time at an eligible school. Upon dropping to less than half-time enrollment status, the borrower may defer repayment for an additional six months.

## GENERAL INFORMATION ABOUT LOANS

- You can view your loan information online by visiting [www.nslds.ed.gov](http://www.nslds.ed.gov) and [www.studentloans.gov](http://www.studentloans.gov).
- You are responsible for notifying your Direct Loan Servicer when you leave school or are no longer enrolled at least half-time, and whenever your address changes.
- Before receiving either a Federal Direct Loan or a Federal Perkins Loan you must complete an Entrance Counseling which will provide you with information regarding your rights and responsibilities as a borrower.
- If you receive a Federal Direct Loan or a Federal Perkins Loan and you drop below half-time status, you must contact your college Financial Aid Office to arrange for an Exit Interview.

- You may prepay all or any part of the unpaid balance on your loans at any time without penalty. This will decrease the amount of interest that you pay over the life of the loan.
- If you are unable to make your loan payments, contact your Direct Loan Servicer to inquire about alternate arrangements for repayment.
- If you make your payments on time, your credit record will reflect this. Late payments and defaults on your student loan are reported to all national credit bureaus.
- You will be considered in default and may have charges assessed if you fail to (1) make installment payments when due; (2) submit deferment/cancellation forms in a timely manner; or (3) comply with other terms of the promissory note.
- Defaulted student loans could prevent you from being approved for educational and commercial loans in addition to other types of financial aid in the future.

## PRIVATE EDUCATIONAL LOANS

Alternative Loans are offered through private lenders and are meant to provide additional educational funding only after a student and his/her family has exhausted all other sources of funding such as federal and state aid. These loans are not guaranteed by the federal government and may carry high interest rates and origination fees. All alternative loans require a credit check and most will require a cosigner if the borrower has little or negative credit history.

CUNY does not recommend any specific lender/programs. Contact the lender of your choice for details about their program and application process.

# SECTION VIII

## Determining Your Aid Eligibility

This section will explain how your financial aid eligibility was determined. If after reviewing this information you still have questions, please contact the Financial Aid Office at the CUNY college you will be attending. The basic formula used to determine your financial need is:

***Cost of Attendance - Estimated Family Contribution = Financial Need***

If your financial need is greater than zero you may be eligible for grants, work-study employment and/or subsidized Direct Loans. If your financial need is zero you are eligible for only non-need-based loans, such as an unsubsidized Direct Loan.

Each year the cost of attendance estimates are revised by CUNY using current student cost surveys. The formula used by the Federal Student Aid Programs to determine the estimated family contribution is used in all post-secondary institutions.

## COST OF ATTENDANCE

In the 2017–2018 academic year undergraduate full-time in-state tuition at the community colleges, which offer two-year associate programs, is \$2,400 per term and at the four-year colleges, which offer four-year baccalaureate programs, is \$3,265 per term. Tuition for part-time students is \$285 per credit at a four-year college and \$210 per credit at a community college.

In the 2017–2018 academic year full-time tuition for out-of-state students is \$320 per credit at the community colleges and \$580 per credit at the four-year colleges. Fees at the various CUNY colleges range from approximately \$150 to \$240 per term.

The cost of your education, whether it is at CUNY or any other college, includes more than tuition. When we calculate your eligibility for financial aid, we assign you a “Cost of Attendance Budget.” This budget includes allowances for the cost of books, supplies, transportation and miscellaneous personal expenses.

These budgets are updated yearly based on the Federal Bureau of Labor Statistics figures of increased costs. The CUNY student expense budget could be described as “modest but adequate.”

On the following page is the estimated budgets for your variable costs (in addition to tuition and fees) for students living at home and away from home. Your estimated cost of attendance is listed on your award letter.

### 2018–2019 NINE MONTH BUDGET

#### Students Living at Home

Books and Supplies	\$1,364
MetroCard during the academic year	\$1,088
Lunch	\$1,232
Personal Expenses	\$1,796
Room and Board at home	\$4,390
<b>Total Variable Costs</b>	<b>\$9,870</b>

#### Students Living Away From Home

Books and Supplies	\$1,364
MetroCard during the academic year	\$1,088
Lunch	\$1,232
Food at home	\$2,170
Personal Expenses	\$4,387
Housing	\$11,422
<b>Total Variable Costs</b>	<b>\$21,663</b>

### ESTIMATED FAMILY CONTRIBUTION (EFC)

Using a formula provided by the federal government, financial aid programs use your Estimated Family Contribution (EFC) to determine if you are eligible for assistance. The answers you provided on the FAFSA are used to measure your, and your family's, ability to pay for a college education.

It is a basic premise of financial aid that the primary responsibility for paying for college belongs to the student and the student's parents to the extent that they are able to do so. The analysis of your parents' financial strength includes consideration of their income, certain assets, family size, number of family members in post-secondary education and other related factors.

The analysis of student resources used in computing the EFC includes savings, student and spouse income and certain assets and other benefits. As directed by federal rules, we usually use a student's previous year's income in calculating the EFC for the following academic year.

## INDEPENDENT STUDENTS

In certain cases, students may be considered financially independent of their parents for the purpose of federal student aid.

For the 2018–2019 academic year, you are an independent student if any one of the following applies to you:

- Born before January 1, 1995.
- Are a veteran of the U.S. Armed Forces.
- Are a graduate or professional student.
- Are married.
- Have legal dependents other than a spouse.
- As of age 13 or older, you are an orphan and you were in foster care or a ward of the court.
- You are an emancipated minor as determined by your state of legal residence.
- You are in legal guardianship as determined by your state of legal residence.
- After July 1, 2016, you were determined to be an unaccompanied youth who is homeless or were self-supporting and at risk of being homeless.
- Document unusual circumstances that prevent the student from providing family information.

The regulations for independent status are different for New York State financial aid. Students are not automatically considered to be independent for the purpose of the TAP program until they reach the age of 35. To be considered an independent student for TAP, APTS or Part-Time TAP during the 2018–2019 year a student must meet all of the following conditions:

- Did not and will not live in the parents home or a building owned or leased by the parents in 2017, 2018 or 2019, even if he/she paid rent.
- Is or will not be listed as a dependent of the parents on the 2017 or 2018 tax return.
- Did not and will not receive more than \$750 in financial assistance (loans, gifts, etc.) from either or both parents in 2017, 2018 or 2019.

- If the student answers yes to any of the dependency questions on the TAP application, and is under the age of 35, he/she must provide parent financial information to be considered for TAP.

If a student is under 22 years old by June 30, 2018, the student must meet the basic conditions for independent status plus one of the following special conditions:

- The student's parents are deceased or are totally and permanently disabled or have been declared incompetent by judicial action.
- The student is a ward of the court. This does not include incarcerated students.
- The student is receiving public assistance under his/her own name. This does not include food stamps or unemployment insurance.
- The student has been rendered financially independent due to the involuntary dissolution of his/her family resulting in the relinquishment of his/her parents' responsibility and control.
- The student is a veteran and has been honorably discharged from the armed services.

If the student answers all the independent questions on the TAP application "no" and is under the age of 22, he/she must document that one of these special conditions has been met. HESC will send the student a Financial Independence Supplement form when they receive and process the student's online TAP application at **[www.HESC.ny.gov](http://www.HESC.ny.gov)**.

#### WAIVER OF SPECIAL CONDITIONS

The student does not have to meet the special conditions (but must still meet the basic conditions) if he/she was married on or before December 31, 2017, or received TAP as an independent student in the prior award year (2017–2018).

#### APPEALING YOUR CONTRIBUTION / FINANCIAL AID AWARD

Your family contribution for federal financial aid (Pell, FSEOG, FWS) was calculated based on the information you provided on your FAFSA. If something has changed in your family situation such as one of your parents losing a job or having major medical expenses that we may not have taken into account, you can appeal your family contribution. You must provide your CUNY college Financial Aid Office with an appeal letter explaining the change in circumstances and any documentation that supports this change (unemployment checks, medical bills, etc.) The Financial Aid Office will evaluate your application and may recalculate your family contribution which could change your Pell eligibility. CUNY colleges will conduct this re-evaluation only if there have been major changes in your family's financial situation.

CUNY awards virtually all of the federal financial aid that it has available for students when initial financial aid packages are produced. Some colleges have raised additional scholarship funds which they make available to students. These

college scholarships can be researched on the individual CUNY college websites. Additional FSEOG or FWS funds are awarded only to students in the most disadvantaged situations. If you feel that you may qualify for additional funding, contact the Financial Aid Office at the CUNY college you will be attending.

Appeals of New York State awards are handled differently. Rather than your college making the determination of your change in economic circumstances, the Higher Education Services Corporation (HESC) makes those decisions.

## SECTION IX

### Tax Benefits and Liability

The federal government has provided several ways in which your income tax burden can be reduced when you, or your family, pay for a college education. Detailed information regarding these benefits can be found in the IRS publication 970. It can be found online on the IRS website **[www.irs.gov](http://www.irs.gov)** or by calling (800)TAX-1040.

In addition to providing tax breaks, some forms of financial aid are considered taxable income. Federal Work-Study earnings are taxable. Grants and scholarships can also be taxable income. You should save all your receipts for tuition, fees, books and supplies and consult a tax advisor to determine your tax liability.

#### UNIVERSITY REPORTING

CUNY is required to send information to you and to the Internal Revenue Service (IRS) about your tuition charges, grants and scholarships on Form 1098T which you should receive by the end of January. It is your responsibility to use this information as well as your own records to fill out your tax return.

#### NEW YORK STATE TAX BENEFITS

New York State provides for a tax credit or deduction against income for college tuition payments. More information about this program can be found at

**[www.tax.ny.gov](http://www.tax.ny.gov)**. For additional tax information go to [www.cuny.edu/financialaid](http://www.cuny.edu/financialaid) and choose Tax Benefits.

NOTICE: INFORMATION IN THIS BOOKLET IS  
ACCURATE AT THE TIME OF PUBLICATION.



# Useful Websites and Phone Numbers

## **CITY UNIVERSITY OF NEW YORK (CUNY)**

### **Financial Aid Information**

[www.cuny.edu/financialaid](http://www.cuny.edu/financialaid)

### **General Information**

[www.cuny.edu](http://www.cuny.edu)

### **Scholarship Information**

[www.cuny.edu/scholarships](http://www.cuny.edu/scholarships)

## **NEW YORK STATE RESOURCES**

### **Higher Education Services Corporation (HESC)**

#### **TAP Information**

1 (888) NYS-HESC (697-4372)

[www.HESC.ny.gov](http://www.HESC.ny.gov)

#### **TAP Coach - N.Y. State Financial Aid Information**

[www.HESC.ny.gov/content.nsf/CA/TAP\\_Coach](http://www.HESC.ny.gov/content.nsf/CA/TAP_Coach)

## **FEDERAL GOVERNMENT RESOURCES**

### **Federal Student Aid Application**

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

### **Federal Student Aid Information**

1 (800) 4-FED-AID (433-3243)

[www.studentaid.gov](http://www.studentaid.gov)

### **Student Loan Services**

[www.studentloans.gov](http://www.studentloans.gov)

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

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

### **Selective Service System**

1 (847) 688-6888

[www.sss.gov](http://www.sss.gov)



Office of Student Financial Assistance  
[www.cuny.edu/financialaid](http://www.cuny.edu/financialaid)