

Clarkson

Financing Your Clarkson Education

FINANCING PLAN
INFORMATION PACKET

2023-24 Academic Year



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A Message to Students and Parents About Financing a Clarkson Education

We understand that financial aid can be confusing for parents and students. Inside this packet, you will find information to help you choose which financial aid options will best suit your needs to finance your Clarkson education. This packet contains information and instructions relating to several financing options.

Enclosed you will find information about Clarkson University's Payment Plan, the William D. Ford Federal Direct Student Loan Program (Federal Direct), the William D. Ford Federal Direct Parent PLUS Loan (Federal Direct PLUS) and alternative student loans.

The best way to limit your debt is to consider the interest-free monthly payment option offered by the Clarkson University Payment Plan. If the difference between your annual educational costs and available financial aid is greater than what you are able to pay on a monthly basis, there are several loan options that can be used to make up the difference. Financing all or some of your educational costs using the Clarkson University Payment Plan can result in limiting the amount borrowed, including interest charges, and maximizing the interest-free payment you make each month.

We ask that you read the enclosed information concerning each program, consider the amount of money that you can pay toward your educational costs and, if you believe that additional financing is required, follow the instructions and complete the application(s) that best meet(s) your needs. For your convenience, we have included instructions for finalizing a Federal Direct Student Loan, instructions for obtaining a Federal Direct Parent PLUS Loan and instructions for completing the University Payment Plan Application.

Information contained is accurate as of November 2022. As Congress finalizes the FY2023 budget, including sequestration, any information pertaining to Federal Student Aid is subject to change. We hope the information contained in this packet is helpful to you and your family. Please contact our office if you have any questions regarding financing options or if we may be of further assistance.



Clarkson™

Clarkson University, 8 Clarkson Avenue, Potsdam, NY 13699
clarkson.edu

New Students: 800-527-6577/315-268-6480 | Fax: 315-268-7647
Email: **newstudentfa@clarkson.edu**

Continuing Students: 315-268-6451 | Fax: 315-268-6452
Email: **sas@clarkson.edu**

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A Strategy for Financing Your Educational Expenses

There are many resources available to assist you in financing your Clarkson education. This packet will help you choose the options that best suit your needs.

Overall, if the Federal Direct Student Loan is included as part of your financial aid package, it offers the best repayment terms, deferment options and borrower benefits.

The balance left after this financial aid award is the amount that you will need for your educational expenses at Clarkson. You may pay the balance in full to Clarkson when you receive your actual eBill, or you may consider the Clarkson University Payment Plan.

Attractive Loans Complement Your Payment Strategy

There are also a variety of loans available from the federal government and other lenders that may assist you in strategically paying the cost of a Clarkson education. Using the best combination of these resources, along with current income and savings, can help establish or maintain a good credit rating and minimize costs. We hope you find the strategies and information provided to be helpful in determining what works best for you.

Paying Interest-Free Limits Debt

The Clarkson University Payment Plan allows you to spread your balance out for up to four months during each term for a small fee. There is no interest charged on the plan. With this option, you have the freedom to use your money to earn your own interest or investment income, while you pay in installments over the course of the year. For only \$30 per term, spreading the balance out interest-free for up to eight months each academic year is an option that pays for itself.

Highlights to the Clarkson University Payment Plan

- Interest-free repayment.
- Participation in the payment plan is extended to anyone with a U.S. address. This includes international students, provided they have a U.S. address.
- A minimum balance of \$1,000 is required to participate in the Payment Plan, but the amount can be as much as the total direct costs minus financial aid. Direct costs include tuition, fees, housing and meals.

What Is the Best Way to Finance Your Education?

The Clarkson University Payment Plan is recommended to help budget payment of your educational expenses and limit your debt.

If you find that these payments are too high, consider combining the interest-free payments that fit your monthly budget requirements with a low-interest Federal Direct Student Loan, Federal Direct Parent PLUS Loan and/or an alternative student loan.



If borrowing becomes necessary, we have provided information on certain loan programs that may meet the needs of your family. The following pages detail the loan terms, eligibility requirements and application procedures for these options.

We hope that you seriously consider the advantages to paying off some or all of your balances interest free as you go. This strategy is the most effective means to limit your debt.

The Clarkson University Payment Plan: General Information and Enrollment

- Participation in the payment plan is extended to any student with a U.S. address.
- You, the applicant, determine the amount to be financed.
 - The maximum amount financed can be your total charges less anticipated financial aid.
 - The minimum amount financed is \$1,000 per term.
 - Use the term's eBill to assist with calculating the amount of your payment plan.
 - Fall eBills are generated in early July, and spring eBills are generated mid-November.
 - If completing the payment plan application prior to receiving the term's eBill, use your Financial Aid Notification in conjunction with guidance from your Student Achievement Services specialist.
 - If using your Financial Aid Notification, keep in mind that this will be an estimate and your payment plan will most likely change.
 - Also note that financial aid is dependent upon academic standing, financial need and budget availability. You should compare the estimates used on this application to the actual charges and credits on your Nelnet account.

Payment Plan Schedules

Fall term:

- 1st payment is due by July 20.
- 2nd payment is due by August 20.
- 3rd payment is due by September 20.
- 4th (last) payment is due by October 20.

Spring term:

- 1st payment is due by November 20.
- 2nd payment is due by December 20.
- 3rd payment is due by January 20.
- 4th (last) payment is due by February 20.

- Payment plan schedules are the same for all students. With this being stated, students and parents looking to join the payment plan after the first (or first and second) payment due date has passed will need to catch up on any missed payments immediately upon enrollment in the payment plan.
- If you submit an application for the fall term, you will be automatically enrolled in the spring payment plan as long as there is not an outstanding balance on your student account at the end of the fall term.
- The application should be completed by the person who is financially responsible for payment.
 - The financially responsible person(s) agrees to pay the debt identified and incurred on the student's account

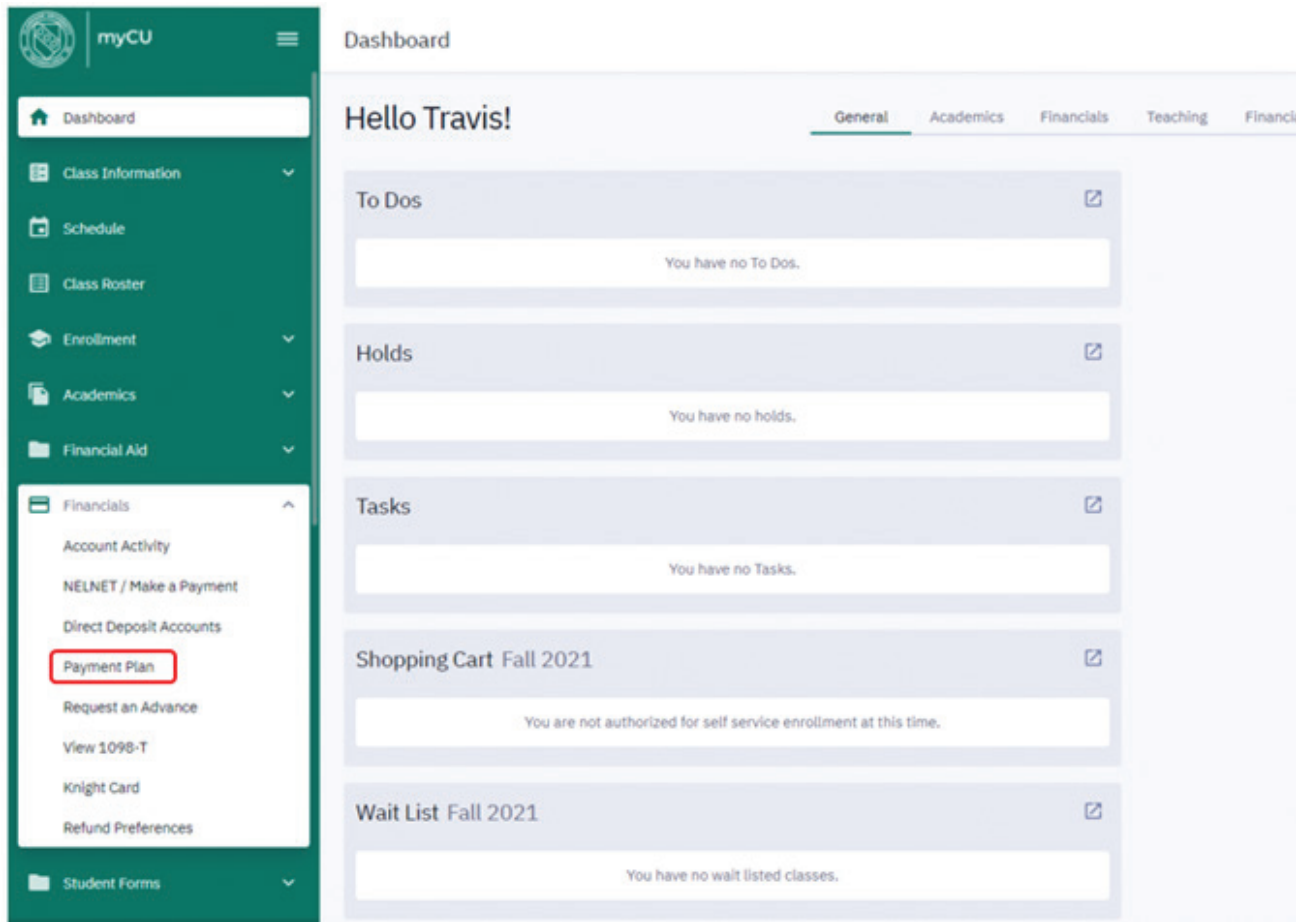
although they may not personally receive any goods and/or services.

- The financially responsible person(s) may be sued for payment even if the person who has received the goods and/or services is able to pay.
- Miscellaneous charges, such as parking tickets, residence hall damages, ID replacements and fire safety violations (to name a few), are not to be calculated in the payment plan. With this being stated, you will need to review your Nelnet account frequently for these charges so that they can be paid in a timely fashion.
 - Clarkson University partners with Nelnet to provide services such as eBilling and online payments. Your Nelnet account is where you will be able to review your student account transactions and make online payments.
- Payment options include in person, by mail and online.
 - In-person payments can be made at the Student Achievement Services Office (in TAC 208 on the Potsdam campus) and include cash, checks and money orders as options.
 - Checks and money orders can be mailed to:
 - Student Achievement Services
Clarkson University
Box 5548
Potsdam, NY 13699-5548
 - Please allow ample time for postal delivery when you mail your payment.
 - Please do not postdate checks as all payments are deposited the day that they are received.
 - There is a \$20 charge for any checks returned to us by the bank.
 - Online payments such as ACH (electronic check) and credit card can be made through Nelnet.
 - ACH payments can only be accepted on U.S. bank accounts and must be from a standard checking or savings account. There are no fees associated with making an ACH payment; save the cost of a stamp!
 - Credit cards that are accepted are VISA, MasterCard, American Express and Discover.
 - There is a service fee of 2.75% of the payment amount associated with credit card payments. This service fee also pertains to debit cards.
 - Nelnet also offers the ability to authorize parties, such as parents, who will receive their own access to view their student's eBill and financial transactions and to make online ACH and credit card payments.

Payment Plan Instructions

The payment plan application is electronic and can be found in your myCU account.

Once in myCU, go to the Student Center Dashboard. On the left-hand navigation there is a Financials icon; the application can be found by clicking on the Payment Plan link.



Payment Plan Terms and Conditions

1. Clarkson University reserves the right to review all applications for acceptance into the payment plan based upon previous payment history and information provided on the application.
2. A continuing student's prior term balance **MUST** be paid in full before an application will be processed and/or approved.
3. Payment plans will be canceled if two consecutive payments are outstanding.
4. Future term enrollments will be held if all payments for the payment plan are not current.
6. Subsequent participation in a payment plan will be denied to anyone who knowingly misrepresents information on his/her application.
7. In the event the student withdraws from the University prior to registration, payments made under the payment plan will be refunded to the student after all outstanding financial obligations have been met.
 - a. Refunds will not be given until 30 days from the date on which the University has received official notification of the student's withdrawal.
8. In the event this agreement is referred to an attorney for collection, the student shall pay attorney fees, reasonable collection costs and charges necessary for the collection of any unpaid amount.
9. This agreement is subject to and subordinate to other documents signed involving a contractual relationship with Clarkson University. If any portion of this document shall be held to be inconsistent with those documents or illegal, such portions of this agreement shall be void, but all remaining provisions shall remain in full force and effect.



Loan Comparison Quick Reference 2023-24

The following pages contain information about applying for various educational loans. Use this comparison chart as a quick, convenient reference guide to the features, terms and repayment details for Federal Direct Student Loans, Federal Direct Parent PLUS Loans and alternative loans. Direct loan interest rates are fixed, and loans for each year may have new rates.

Federal Direct Loans do not automatically renew each aid year. You must file a FAFSA annually.

Graduate Direct Loans currently have different interest rates.

Federal Direct Undergrad Student Subsidized Loan	Federal Direct Undergrad Student Unsubsidized Loan	Federal Direct Parent PLUS Loan	Alternative Loan
Currently 4.99% fixed	Currently 4.99% fixed	Currently 7.54% fixed	Variable and fixed, varies by lender
No credit check	No credit check	Must be creditworthy	Must be creditworthy
Only student loan borrower responsible for repayment; no cosigner needed	Only student loan borrower responsible for repayment; no cosigner needed	Only parent borrower responsible for repayment; no student responsibility	Student loan borrower responsible; most lenders require a creditworthy cosigner
Loan limits	Loan limits	Loan limits	Varies by lender
Death/disability benefit	Death/disability benefit	Death/disability benefit	Some lenders offer death/disability benefit; varies by lender
Deferment/forbearance eligibility	Deferment/forbearance eligibility	Deferment/forbearance eligibility	Possible deferment/forbearance eligibility
Federally guaranteed	Federally guaranteed	Federally guaranteed	Not federally guaranteed
Can be consolidated with other federal guaranteed loans through federal guarantee agency	Can be consolidated with other federal guaranteed loans through federal guarantee agency	Can be consolidated with other federal guaranteed loans through federal guarantee agency	Cannot be consolidated with other federal guaranteed loans through federal guarantee agency
Generally, no interest is charged on subsidized loans while you are in school at least half time, during the grace period and during deferment periods.	Interest is charged on your loan from the time the loan is disbursed to the school. You can make payments or capitalize (defer) interest until leaving school.	Interest is charged on your loan from the time the loan is disbursed to the school.	Interest is charged on your loan from the time the loan is disbursed.

Federal Direct Student Loan Program: The First Choice for Students

Subsidized	Unsubsidized
A subsidized loan is based on financial need. In general, the federal government will pay the interest on the loan while you are enrolled at least half time in school, during the grace period and during deferment periods.	An unsubsidized loan is not based on financial need. You must either pay the interest monthly/quarterly, or have the interest capitalized (added to the principal loan amount). Payments on both the interest and principal must begin six months after the student graduates, leaves school or drops below half-time enrollment.

The following are the federally set limits on Federal Direct Student Loan amounts based on the student's class standing (number of credit hours earned) and at least half-time enrollment.

Class	Earned Hours Year Loan Limit	Dependent Student Year Loan Limit	Independent Student Year Loan Limit	Additional Unsubsidized Loan – dependent
Freshman	0-23	\$5,500	\$9,500	\$4,000
Sophomore	24-53	\$6,500	\$10,500	\$4,000
Junior	54-83	\$7,500	\$12,500	\$5,000
Senior	84+	\$7,500	\$12,500	\$5,000

Disbursements

There are two disbursements per year, usually at the beginning of each term. Disbursements of these funds will be done automatically into the student's account when all required documentation is received, the U.S. Department of Education approves the loan, and the student has accepted the federal loan(s), completed the federally mandated entrance counseling requirement and has a signed Master Promissory Note (MPN) on file.

Fees

For loans first disbursed October 1, 2022-September 30, 2023, the federal government charges a loan fee of 1.057%. The amount disbursed to your student account will reflect the deduction of this fee from your loan amount.

Interest

For undergraduates, the federal government pays the interest during your in-school and deferment periods for subsidized borrowers. Since interest accrues from the disbursement date on unsubsidized loans, it is highly recommended that borrowers contact their servicer to make payments of this interest while enrolled. Unpaid interest is capitalized at the end of the grace period.

Interest Rates for Undergraduate Students

Currently, the interest rate on both subsidized and unsubsidized federal direct loans is 4.99% fixed. This is the rate for loans disbursed during the current academic period, until further notice.

Grace Period

Federal Direct Student Loan borrowers are not required to make repayment of principal during the six-month period that occurs after graduating, withdrawing or dropping below half-time enrollment.

Term

Repayment normally may extend up to 10 years; flexible extended repayment plans may be available. A minimum payment of \$50 per month is required while in repayment.

Repayment

Repayment begins after the grace period. It may be delayed by deferment options available to borrowers.

Maximum Eligibility Period

You may not receive Direct Subsidized Loans for more than 150% of the published length of your program. Additional information at: studentaid.ed.gov/sa/types/loans/subsidized-unsubsidized#eligibility-time-limit

How to Complete the Entrance Counseling Session

Before receiving a Federal Direct Student Loan, student borrowers must complete an Entrance Counseling Session. Once you do this, it will carry over to future years at Clarkson. This loan will not disburse to your student account until an Entrance Counseling Session is completed.

The student completes the entrance counseling requirement at the following website: **StudentLoans.gov**.

You will need your FSA ID to sign in. This is the same FSA ID you created when filing the FAFSA. Sign in by clicking on the "Log In" button. Once signed in, go to "Complete Loan Counseling," and then choose "Entrance/Counseling."

Confirmation of your completion of this requirement is automatically sent to the school.

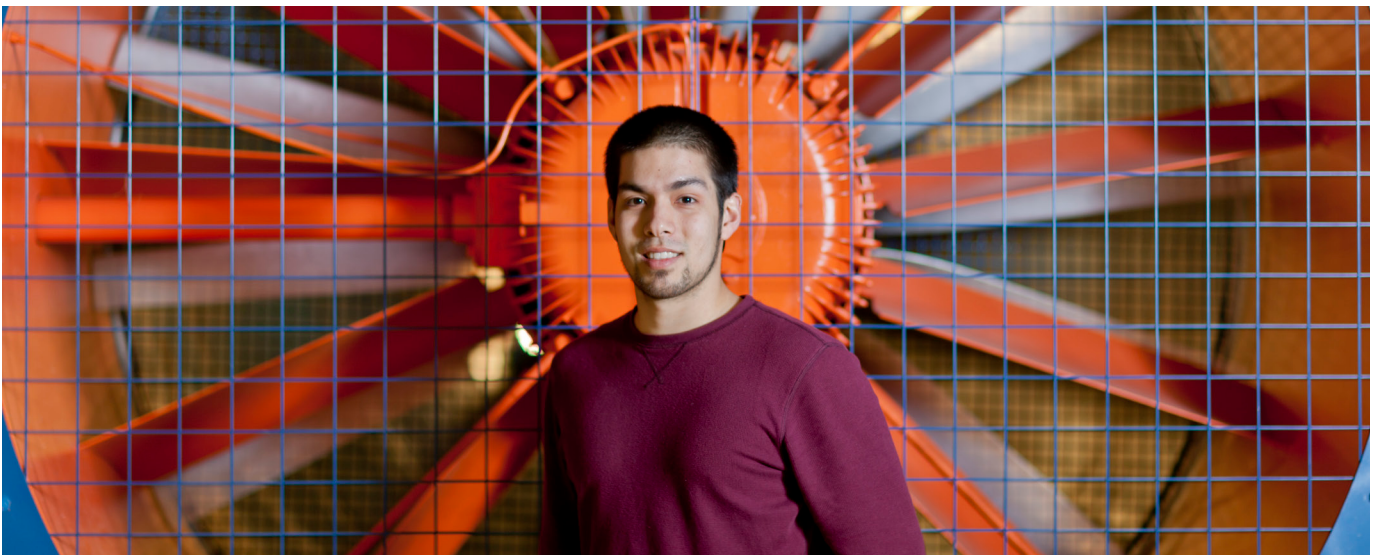
How to Complete an Electronic Master Promissory Note for Federal Direct Student Loans (subsidized and unsubsidized)

The Master Promissory Note (MPN) is completed only once to cover all student Federal Direct Student Loans, for up to 10 years of study. Students must actively confirm with Clarkson acceptance of federal loans each year.

Clarkson University does not print an MPN for Direct Loans. If you have never before completed an MPN, you must go to the following Department of Education website: **StudentLoans.gov** and sign in by clicking on the "Log In" button. Once signed in, go to "Complete Loan Agreement" and click on "Start" to the right of "MPN for Subsidized/Unsubsidized Loans." It is estimated that it will take 30 minutes to complete this electronic process. The MPN process must be completed in a single session, so be sure you have sufficient time to finish. You will need to enter personal data, including the name, address and phone numbers for two personal references. Be sure to continue the process to the end; you should receive an e-mail in response, once you have successfully completed a master promissory note. If you decide not to take a Federal Direct Student Loan, you may cancel this process at any time before submitting your electronic MPN. You may also notify SAS that you do not want the loan, anytime up to 10 days after disbursement.

Direct Loan Servicing

Federal Direct Loans are now serviced by one of many servicers. Borrowers will receive notification informing them of which servicer they have. This information can also be found by signing in to **nslds.ed.gov**.



Federal Direct Parent PLUS Loan

Sometimes the Federal Direct Student Loan eligibility does not cover total costs. Therefore, many families look to other loans to pay the bill. When compared to alternative loans, the Federal Direct Parent PLUS Loan is typically the most cost-effective choice for families, offering federal protection and more repayment options. The choice is yours to make; we hope the information in this packet will help you make an informed one.

Eligible parents may borrow a Federal Direct Parent PLUS Loan for each dependent undergraduate student who is enrolled at least half time. Your student must file a Free Application for Federal Student Aid (FAFSA) before your application can be processed. A FAFSA must be submitted each academic year.

The Federal Direct Parent PLUS Loan is a credit-based loan. Family income is not a factor in the approval of a PLUS loan. However, the lender will access the borrower's credit report in order to make its decision.

To ensure timely processing before the due date of the fall invoice, we encourage you to submit an application by July 15. Parents who are not approved for the Federal Direct Parent PLUS Loan will have the option of appealing the credit decision or securing a creditworthy co-borrower to help them become PLUS eligible through the Endorser Addendum Option. Online loan counseling is required for PLUS applicants who were approved through the extenuating circumstances and for approved applicants with endorsers. In addition, voluntary PLUS loan counseling is available online.

Loan Periods and Amounts

Parents may borrow up to the cost of attendance at Clarkson University, less any financial aid received. The cost of attendance includes tuition, housing, meals, fees, books, personal expenses and transportation. Financial aid includes grants, scholarships, Federal Work-Study and other loans. Parents may indicate "maximum" for the loan amount. The loan would then be processed for the amount of unmet need.

Students enrolled in both the fall and the spring semesters will have a loan period from August 30, 2022-May 10, 2023. The loan amount will be divided equally between the fall and spring semesters. When deciding how much you wish to borrow, be sure to include both semesters and consider the loan origination fee deduction.

Borrower Repayment Incentives

Electronic payments will reduce the interest rate by 0.25%.

Application Process

This is required each year.

1. You can apply online for a Federal Direct PLUS Loan at **StudentAid.gov**. The parent borrower will need to sign in using their FSA ID. This is the same parent FSA ID created when the student filed the FAFSA. If you are not the parent who signed the FAFSA you will need to create an FSA ID. Choose "Apply for a Direct PLUS Loan," then choose "Direct PLUS Loan Application for Parents." The U.S. Department of Education will run a credit check as part of the application.
2. Also at **StudentAid.gov**, new borrowers will also need to complete a PLUS Master Promissory Note, by selecting "Complete" under the Master Promissory note heading, and then choose "Loan Agreement PLUS, MPN for Parents."

Interest Rates

The Federal Direct Parent PLUS has a fixed interest rate of 7.54% for loans disbursed between July 1, 2022-June 30, 2023.

Fees

The Federal Direct Parent PLUS has a fee of 4.228%, for loans first disbursed from October 1, 2022 to September 30, 2023, until further notice. This fee is deducted from the loan disbursement amount.

Disbursements

A Federal Direct PLUS Loan is disbursed in two equal installments — at the beginning of each semester.

Repayment

The parent is responsible for repayment of a Parent PLUS Loan. Depending on the amount borrowed, the repayment term can be up to 10 years. The minimum monthly payment is \$50, and there are also extended and graduated plans to help make repayment affordable. Repayment on PLUS loans begins approximately 60 days after the loan is fully disbursed unless the parent borrower contacts their servicer after the loan is fully disbursed to request deferment of repayment while the student is in school. This is not an automatic deferment and must be requested; not all borrowers will qualify. Borrowers will receive notification of servicer contact information or may log in at **nslds.ed.gov** to obtain servicer information.

PLUS Credit Denied Policy

If a parent is denied a PLUS loan and does not wish to obtain an endorser or appeal the credit decision, the student may request an additional unsubsidized Federal Direct Student Loan of \$4,000 per year for freshmen and sophomores and \$5,000 for junior and senior year. The parent must also submit written notification that they will not appeal the credit decision and want the PLUS loan canceled.

Alternative/Private Student Loan Programs

Alternative (or private) loans are credit-based loans that are not funded by the federal government and are approved based on the good credit history of the student and/or a cosigner. Most lenders require a credit-worthy cosigner. The cosigner does not need to be a parent. Applicants with better credit will be offered a lower interest rate.

You should exhaust all of your scholarship, grant and federal student loan options before looking toward any alternative loan program. Although lower interest rates may be found on an alternative loan, often these rates are variable. Alternative loans cannot be part of a Federal Loan Consolidation and also may have fewer deferment options and borrower benefits.

For students considering an alternative loan, you have the right to select the alternative loan lender of your choice and will not be penalized by Clarkson University for choosing a particular lender. Since alternative loans are funded and administered by private lenders, each has its own unique terms and conditions. Clarkson University does not recommend any particular alternative loan lender and does not have a preferred lender list. Elm Select is a resource for additional information and assistance on alternative loan programs. Elm Select has no affiliations with any student loan lenders. We encourage you to visit their website at www.elmselect.com/v4/school/843/program-select.



All alternative loan borrowers are required to complete a "Private Education Loan Applicant Self-Certification" form. This form is available from your lender and can also be obtained from **intranet.clarkson.edu/sas/financial-aid-forms**. After the loan is certified by the school, disbursement of the alternative loan will not occur prior to the borrower's acceptance of the terms via the lender's website.

Questions to Consider When Choosing an Alternative Loan

- What, if any, are the origination fees?
- What interest rate am I eligible for?
- Is there a grace period on the loan? When is the first payment due?
- Are any payments required while in school?
- Where will I be sending the payments? Will the loan be sold?
- Are there any deferment options?
- Are there any incentives? For example, reduced interest rates for a certain number of on-time payments or for participating in auto debiting?
- What is the repayment period? Depending on the amount borrowed, I may need 15-20 years to repay the loan.
- Are there co-borrower release options after a certain number of payments have been made on time? Does this release have to be requested, and is it subject to a new credit approval?
- Many alternative student loans offer a choice of a fixed or variable interest rate. How is this rate calculated? How often does the variable change? Is there a cap on the variable interest rate?

Secure Your Financial Aid: Next Steps

Checklist

Before depositing:

- ☐ Review financial aid notice.
- ☐ Read this guide.
- ☐ Compare financial aid packages.
- ☐ Ask questions; contact your counselor.
- ☐ Make a final visit to Clarkson.
- ☐ Submit the \$500 admission deposit.
 - If Early Decision, within two weeks of receiving financial aid offer.
 - If Regular Decision, by May 1.

After depositing:

- ☐ Activate your myCU Account.
- ☐ Look for new To-Do Items via your App Status Page.
- ☐ Start researching how to pay/finance any estimated balance not covered by financial aid by exploring the options included, as well as those not included, in this brochure.
- ☐ If “Estimated NYS TAP Award” is listed on your financial aid notice, apply at **hesc.ny.gov** if you have not already done so.

Student Responsibilities

To ensure you receive financial aid while a student at Clarkson, you must:

- ☐ Complete To-Do Items by deadlines.
- ☐ Submit any requested additional information.
- ☐ Submit the FAFSA each year.
- ☐ Remain enrolled full time.
- ☐ Maintain SAP (satisfactory academic progress).
- ☐ Notify us of any changes.



Clarkson™

New Students

Undergraduate Admissions

Holcroft House 800-527-6577
Box 5605 315-268-6480
8 Clarkson Avenue 315-268-7647 (fax)
Potsdam, NY 13699 USA newstudentfa@clarkson.edu

clarkson.edu/admissions

Current Students

Student Achievement Services

Technology Advancement 315-268-6451
Center 208 315-268-6452 (fax)
Box 5575 sas@clarkson.edu
8 Clarkson Avenue
Potsdam, NY 13699 USA

clarkson.edu/sas