A Guide to
Alternative Financing
for USD Students

USD Office of Financial Aid
Many students attending the University of San Diego utilize some form of financial assistance to help them meet their educational costs. Some USD students qualify for need-based federal or state financial aid. Some students who feel they need assistance do not have "documented need" according to federal or state criteria. This guide consists of information that can be helpful to both types of students, but especially to those who do not qualify for need-based financial aid.

The *Guide to Alternative Financing* is updated annually and made available to USD students throughout the year. We hope you find the guide helpful as you plan toward meeting your educational costs at the University of San Diego.

Judith Lewis Logue  
Director of Financial Aid

2014-2015
# Alternative Financing Information

## Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scholarships</td>
<td>1</td>
</tr>
<tr>
<td>Military Programs</td>
<td>1-2</td>
</tr>
<tr>
<td>USD Monthly Tuition Payment Plan</td>
<td>2-3</td>
</tr>
<tr>
<td>Accelerating Graduation</td>
<td>3</td>
</tr>
<tr>
<td>Student Employment</td>
<td>3</td>
</tr>
<tr>
<td>Employer Paid Tuition Plans</td>
<td>3</td>
</tr>
<tr>
<td>Life Insurance and Pension Plans</td>
<td>3</td>
</tr>
<tr>
<td>Real Estate Options</td>
<td>3</td>
</tr>
<tr>
<td>State Financial Aid Programs</td>
<td>4</td>
</tr>
<tr>
<td>Private Loans (Non-Federal) Programs</td>
<td>4</td>
</tr>
<tr>
<td>Penalty-Free IRA Withdrawals</td>
<td>4</td>
</tr>
<tr>
<td>For More Information</td>
<td>4</td>
</tr>
</tbody>
</table>
Alternative Financing Information

There are several options available to students and parents in addition, or as an alternative, to the "need-based" sources of financial aid. This brief summary provides information regarding some of the resources available to assist in paying for college.

Scholarships
You may be eligible for a scholarship, grant, or fellowship that is not awarded directly by the University of San Diego. For example, many companies offer scholarships to the sons and daughters of their employees. Fraternal organizations, such as the Elks or Rotary International assist many students in meeting their educational costs. You may find local scholarship information on the internet by searching “scholarships in (your city).”

The USD Office of Financial Aid has prepared a guide to assist students in applying for outside/private sources of financial aid. A free copy of A Guide to Outside Resources of Financial Aid is available on the USD Financial Aid web site (www.sandiego.edu/financialaid) or upon request. The guide has information regarding references available on campus and explains how to initiate the process of applying for outside/private scholarships. It has an extended bibliography and is updated annually.

Current scholarship opportunities are posted outside the USD Office of Financial Aid as well as on the USD Financial Aid Web site. Additional scholarship sources and search programs can be found on the Internet. A good site for several sources is the Financial Aid Information Page at www.finaid.org.

Note that all outside scholarships (including ROTC funds) must be coordinated with need-based aid. Depending on donor criteria and the documented need of the student, outside scholarships can usually reduce the amount of loans or employment in a financial aid package.

Military Programs
Naval Reserve Officers Training Corps (NROTC)
There are two types of NROTC programs: the Scholarship Program and the College Program.
• The Scholarship program consists of a four year scholarship including tuition, fees, textbook stipend, and a monthly subsistence pay that varies based on your grade level. You can apply online at www.nrotc.navy.mil
• The College Program is designed for lower-classmen (frosh/soph) not selected for the scholarship but desire to compete for a two or three-year scholarship. Contact the NROTC unit Recruiting Officer at USD (Sacred Heart Hall, Room 112, (619) 260-4811, or email: freshmanoi@sandiego.edu) or any Navy-Marine Corps Recruiting Office for more information and application materials. Further information is available on the NROTC Unit Web site at www.sandiego.edu/nrotc.

Other ROTC Programs
Through an agreement with the Air Force and Army ROTC and San Diego State University (SDSU), qualified students at USD may participate in the Air Force or Army ROTC program at SDSU. For qualified students, AFROTC offers two to four year scholarships that may be applied toward tuition, various laboratory textbooks and incidental fees plus a monthly non-taxable allowance based on your grade level during the academic year. For more information, contact the AFROTC unit at SDSU at (619) 594-5545 or the Army ROTC unit at SDSU at (619) 594-4943 ext. 1236.
Other Military Programs
If you want to go to college, there are a variety of financial aid programs to choose from. The most popular are the Post 9/11 GI Bill, Montgomery G.I. Bill. The University of San Diego has participated in the Post 9/11 Yellow Ribbon Scholarship Program since its inception in the beginning of 2009-2010. A full-time student serving part-time in the Army Reserve can earn college financial assistance depending on the length of enlistment. The College Loan Repayment Program can help you pay your existing Perkins, Stafford or any other federally insured college loan when you enlist. For information on the above scholarships or loans, access www.goarmy.com or contact GoArmy@usarec.army.mil. You can also receive funding from the Navy College Fund in addition to the GI Bill. For more information, go to www.navy.com. The U.S. Coast Guard also offers scholarships. To find out about them, go to www.uscg.mil.

USD Monthly Tuition Payment Plan
USD offers a monthly payment plan to allow for payment in five (per semester) payments, subject to adjustments, covering actual expenses per semester. If you had a prior contract plan, your eligibility is subject to verification. The Monthly Payment Plan operates according to the following guidelines:

- The student's account balance with the University must not be delinquent and prior semester charges must have been paid on a current basis to be considered for the Monthly Payment Plan.
- To sign up for the monthly payment plan, you will need to log in to your MySanDiego portal account and go to the Student Accounts channel on the One Stop Services tab. Tuition and fees must already be billed for you to enroll online.
- Payments begin on August 1 for the Fall semester and on January 1 for the Spring semester plan.
- Adjustments are made to remaining contract payments as charges and/or credits occur. Charges for various fines, citations or other non-contractual charges are payable immediately and are not deferred over any remaining Payment period.
- In the event of a contract default, USD may refuse the student or contract buyer a subsequent Monthly Payment Plan.
- All payments, which are due on the first of the month (not postmarked) throughout the contract life, must be current. If a student's Payment plan is not kept current, the University reserves the right to cancel the student's class reservation and room and meal plan arrangements. If payments are not current at the time of the Fall and/or Spring semester fee payment/registration deadlines, the $150 late payment/registration fee must be paid.
- If delinquent, your account may be removed from the monthly payment plan and be assessed monthly interest on the outstanding account balance.
- A $50 processing fee must be paid when signing up for each semester. The processing fee is charged per semester and is nonrefundable.
• Tuition payments received are refundable in accordance with the University's published refund policy. Please consult the Undergraduate or Graduate Bulletin.

• Monthly payment plans are not available for Study Abroad Programs, Summer Sessions or Intersession.

• The University reserves the right to change the terms of the monthly payment plan, including enrollment fee amount and number of payments, prior to the start of any given semester.

Additional information regarding the payment plans is available at the One Stop Student Center, located in UC-126 or at (619) 260-2700 and at www.sandiego.edu/sfs/student_accounts/.

Accelerating Graduation
Students who complete Advanced Placement Tests (AP), International Baccalaureate exams (IB), or the College-Level Examination Program (CLEP) with acceptable scores may receive college credit from the University. Refer to the Admission web site for more specific information on this option (http://www.sandiego.edu/cas/academics/approved_exam_credits.php).

Also, you may want to enroll in Summer Session(s), Intersession, or a heavier course load during the Fall/Spring Semesters in order to graduate in less time. Tuition costs at USD are the same for 12 – 18 units for undergraduate students. A separate financial aid application is required to be considered for Summer or Intersession financial aid.

Student Employment
USD offers a limited number of on campus part-time job opportunities for students who do not qualify for the Federal Work-Study Program. Approximately 400-500 of these positions exist during an academic year, primarily in Dining Services, Banquets and Catering, Telefunding and the USD Torero Store. In addition, the University assists USD students in finding off-campus employment within the San Diego metropolitan area. Contact the USD Student Employment Center (Hughes Center Rm. 313 or 619-260-4801) for more information regarding these work opportunities which do not require documented need.

Employer Paid Tuition Plans
There are employers who provide Tuition Refund Plans to assist employees in obtaining an advanced degree. These plans often provide reimbursement of tuition costs and fees. The employer may require that the course be job related, and pre-approval by a manager or supervisor may be required. Some employers provide flexible work schedules for the student/employee. Check with your employer's Human Resources/Benefits office.

Life Insurance and Pension Plans
In some instances, you and/or your parents may want to borrow on life insurance policies or on accumulations in retirement plans. Check your policies for the details on repayment and qualifications. The interest rates may be low and repayment terms may be flexible.

Real Estate Options
You or your parents may want to consider a second mortgage, trust deed, or home equity line on your home or other real estate. Check with reputable lenders for exact interest rates and qualifications. Under the Tax Reform Act, interest on such loans may be 100% tax deductible, unlike consumer loans. In the case of 15-30 year loans, monthly payments may be quite manageable.
**State Financial Aid Programs**

Many states have their own financial aid programs for eligible students. Contact the State Educational Agency in your state of permanent residence for more information. Some states have allowed their residents to use state-funded grants in California (e.g., Pennsylvania, Rhode Island, and Vermont).

**Private Loans (Non-Federal) Programs**

In addition to loans from the William D. Ford Federal Direct Loan Program(DL), Federal Direct Subsidized and Unsubsidized Stafford and Federal Direct PLUS Loans – Parent PLUS & Grad PLUS), there are Private Loan Programs available to students and parents who can demonstrate credit worthiness.

Generally, the interest rates can vary based on the student’s credit worthiness and whether a credit worthy co-signer is used. Occasionally, the Private Loan interest rate can be less than for loans available under the Federal Direct Parent and Grad PLUS Loan Program. Interest rates can be adjusted monthly, quarterly or capitalized once at the end of the loan period. Most lenders offer a variety of repayment options, grace periods; as well as a long repayment period (e.g., up to 15 or 20 years) and Private Loan Consolidation.

The Federal guidelines implemented as part of Regulation Z of the Higher Education Opportunity Act (HEOA), require the lender to send three different Truth In-Lending Disclosures. An Application Disclosure, an Approval Disclosure and a Final Disclosure, are sent to the borrower throughout the loan application process. In addition, the lender will send the borrower an “Applicant Self-Certification Form”. Borrowers will need to review, complete and return the signed “Applicant Self-certification Form” to the lender in a timely manner to ensure the disbursement of their loan funds. Failure to return the “Applicant Self-Certification Form” will delay the disbursement of their loan funds.

For more detailed information and the Private Loan lender list, please go to www.sandiego.edu/financial_aid/loans/ and click on the “Private/Non Federal Loan Application Process and Information” link.

**Penalty-Free IRA Withdrawals**

Individuals may withdraw funds from IRAs to pay for tuition, fees, books, and if enrolled at least half-time, room and board without facing the 10 percent penalty for early (before age 59 1/2) withdrawals. Taxpayers may use these funds for their education expenses or for those of their spouses, children, and grandchildren. Taxpayers making withdrawals from traditional before-tax or rollover IRAs would have to pay income tax on the full amounts withdrawn, but no penalty tax.

**FOR MORE INFORMATION**

**A Guide to Outside Resources of Financial Aid**

This may be printed from the OFA web site at: www.sandiego.edu/financialaid/documents/1415GuidetoOutsideResources.pdf

Comparative Information Regarding **Private (Alternative) Loan Programs** and the **Federal Direct PLUS Loan Programs** is online at www.sandiego.edu/financialaid/loans/loan_comparison.php

**USD Monthly Tuition Payment Plan**

Contact the USD One Stop Student Center at (619) 260-2700 or at www.sandiego.edu/finance/student_financial_services/student_accounts/payments/monthly_plan.php