



Cooper Medical School  
of Rowan University

# **CMSRU FINANCIAL AID SERVICES HANDBOOK**



**STUDENT FINANCIAL AID HANDBOOK**

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### **INTRODUCTION**

The goal of CMSRU Financial Aid Services is to provide students with sufficient resources to meet their financial need and to distribute funds to eligible students in a fair and equitable manner upon the completion of the Financial Aid Application.

Every year, the U.S. Department of Education, the State of New Jersey and various other agencies allocate funds to the University. It is the responsibility of CMSRU Financial Aid Services to distribute these funds equitably. The amount awarded to each student will vary based on financial need, program regulations, and request.



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### **Chapter One**

#### **WHAT IS FINANCIAL AID?**

Financial aid at CMSRU consists of the following sources: loans, scholarships and/or grants:

- Loans are financial aid which must be repaid.
- Scholarships and/or grants are free financial aid funding that is gifted and does not have to be repaid.

At Rowan University, these types of financial aid come from a variety of sources: the U.S. Department of Education, the State of New Jersey, Cooper Medical School of Rowan University, and/or external agencies, organizations, and donors.

#### **SUMMARY OF FINANCIAL AID PROGRAMS**

##### **Federal Unsubsidized Direct Loan- (Graduate/Professional)**

- Department of Education Title IV Program.
- All graduate and professional level students are considered independent.
- Unsubsidized loans are not based on financial need; interest is charged from the date of disbursement until it is repaid in full.
- All first-time Direct Loan borrowers must complete a Master Promissory Note (MPN) online at <https://studentaid.gov>.
- Entrance and Exit Counseling Interviews are required online at <https://studentaid.gov>.
- The interest rate may change every July 1. Please verify current rates with CMSRU Financial Aid Services and/or read your MPN. The maximum award amount per academic year for professional level students is based on months of enrollment.
- Loan origination fees may be applied by the loan servicer to disburse loan funding to the institution. Please verify current rates with CMSRU Financial Aid Services and/or read your MPN.
- Consolidation: Eligible federal student loans can be combined into one Direct Loan Consolidation Loan.

##### **Federal Graduate PLUS Direct Loan (Graduate/Professional)**

- Department of Education Title IV Program.
- All graduate and professional level students are considered independent.
- PLUS loans help pay for education expenses up to the cost of attendance minus all other financial assistance. Interest is charged daily from the date of disbursement until it is repaid in full.
- The interest rate may change every July 1. Please verify current rates with CMSRU Financial Aid Services and/or read your MPN.
- Entrance and Exit Counseling Interviews are required online at <https://studentaid.gov>.
- Borrowers must complete a Master Promissory Note (MPN) online at <https://studentaid.gov>.
- When applying for a Grad PLUS Loan, the Department of Education will check your credit history. Eligibility to receive a Grad PLUS loan is based on credit. If you are determined to have an adverse credit history, you will be required to obtain an endorser who does not have an adverse credit history. You will also be required to complete PLUS loan credit counseling at <https://studentaid.gov>.



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- Loan origination fees may be applied by the loan servicer to disburse loan funding to the institution. The origination fees may change every October 1. Please verify current rates with CMSRU Financial Aid Services and/or read your MPN.
- Consolidation: Eligible federal student loans can be combined into one Direct Loan Consolidation Loan.

### **Federal Work Study (FWS)**

- Department of Education Title IV Program.
- Must file a Free Application for Federal Student Aid (FAFSA) in order to be considered.
- Must be eligible for federal financial aid and have financial need.
- Eligibility is determined by the main campus Financial Aid Office in Glassboro, NJ.
- Annual award amount is based on eligibility and the annual funding allocation.
- More information is available on the [CMSRU FWS webpage](#).

### **Educational Opportunity Fund (EOF)**

- A New Jersey state grant program.
- Grants up to \$4,500 per year for graduate/professional level students, not to exceed 5 years of eligibility.
- Must be a New Jersey resident for 12 consecutive months prior to the award period.
- Must demonstrate "historical poverty" as defined by EOF guidelines as well as adhere to family size and income cut-off.
- Determined by CMSRU Financial Aid Services using information provided on the FAFSA and supporting eligibility documents.
- The New Jersey Higher Education Student Assistance Authority (HESAA) has information on the Internet regarding the EOF Grant [eligibility guidelines](#).

### **Alternative/Private Loans**

- Private loan sources are made available from a variety of lenders.
- Loan interest accrues daily while the borrower is in school from the point it disburses until it is repaid in full.
- Interest and principal payments may be deferred while the borrower is in school (verify with the lender you choose directly).
- Interest rates may vary by lender.
- Maximum award amounts are determined by your Cost of Attendance budget, minus other aid.
- Loans are credit based; borrower must have an acceptable credit history, as determined by the lender.
- Rowan University provides a [list of alternative loan lenders](#) as a service to its student body. Rowan University does not endorse any particular lender.

**NOTE:** Please view the Association of American Medical Colleges (AAMC) website for [things to consider](#) when deciding on borrowing federal vs. private/alternative loan funding.

## **SERVICE COMMITMENT PROGRAMS**

### **ARMED FORCES HEALTH PROFESSIONALS SCHOLARSHIPS (AFHPS)**

Scholarships are available to U.S. citizens enrolled in Medical, Dental or Osteopathic schools. In return for financial assistance, students must serve in the Armed Forces. In addition to paying for tuition, fees



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and required books & supplies, the scholarship pays a monthly living expense stipend. The expectation is that a student will serve year-for-year after graduation.

For additional information and/or an application, call or email any of the branches listed on the CMSRU [website](#).

### **NATIONAL HEALTH SERVICE CORPS (NHSC)**

The program is designed to recruit allopathic and osteopathic physicians/dentist, certified nurse midwives, family nurse practitioners and physician assistants to serve in areas designated by NHSC that have shortages of primary care health professionals.

#### **Eligibility Criteria**

Must be a U.S. citizen or eligible non-citizen and full-time in an accredited program/school.

#### **Terms and Conditions**

Program pays tuition and fees. Individuals chosen for the scholarship must agree to one year of service commitment in a Health Professional Shortage Area (HPSA) for each year of scholarship support, with a required minimum commitment of two years and maximum of four years.

Contact information is available on the CMSRU [website](#).

### **OUTSIDE PROGRAMS**

#### **NATIONAL MEDICAL FELLOWSHIPS (NMF)**

Need-based scholarships are offered primarily to first and second-year medical students, these scholarships are granted on the basis of financial need.

**Merit-based awards** recognize outstanding minority medical students, recommended by their medical schools, for extraordinary scholastic achievement, leadership, community services and the potential for outstanding contributions to medicine. Offered primarily to third and fourth-year medical students.

The **NMF Experienced-based Fellowship Program** provides special opportunities for students to work hands-on to enhance healthcare delivery in underrepresented communities in local, national and international settings. These programs match students with mentors, often eminent NMF alumni, and focus on areas of critical clinical/public health need.

**Application and Selection Criteria:** A rigorous application process ensures that assistance is provided to students with the greatest documented need.

For additional information, contact:  
National Medical Fellowships, Inc.  
Need Based Scholarship Program  
347 Fifth Avenue, Suite 510  
New York, N.Y. 10016  
Phone: 1-212-483-8880 Ext. 304



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Email: [infor@nmfonline.org](mailto:infor@nmfonline.org)

Website: [www.nmfonline.org](http://www.nmfonline.org)

### **INSTITUTIONAL SCHOLARSHIP FUNDING**

Cooper Medical School of Rowan University (CMSRU) offers institutional scholarship funding to its students. Most scholarships are based on financial need; however, some merit scholarships are available as well. All incoming and continuing students are provided with the procedures to apply for institutional funding. Finalized/complete parental income and assets are required on the FAFSA in order for students to be considered for institutional funding (unless the student is married). Unusual circumstances as to why parental income/assets cannot be provided on the FAFSA can be listed on the scholarship application and are reviewed on a case by case basis. The CMSRU Institutional Form (need based scholarship application) and essay are required along with a completed/finalized Free Application for Federal Student Aid (FAFSA) in order to be considered for need based institutional funding. A [timeline](#) is available on the CMSRU website.



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### Chapter Two

### FINANCIAL AID-APPLICATION PROCESS

To apply for federal aid, students must annually file the Free Application for Federal Student Aid (FAFSA) along with federal tax returns, if applicable, by logging onto <https://studentaid.gov>.

#### **Step 1:**

File your federal tax return prior to completing the Free Application for Federal Student Aid (FAFSA).

- **It is recommended that students consent for their Federal Tax Information (FTI) to be retrieved directly from the Internal Revenue Service (IRS), if applicable. Not doing so will require extra verification steps, which will slow down the processing of your aid package. NOTE:** effective during the 2024-2025 academic year, parental income/asset information is no longer gathered on the FAFSA.

#### **Step 2:**

File your Free Application for Federal Student Aid (FAFSA) at <https://studentaid.gov>. **The Rowan University Federal School Code is 002609.**

**NOTE:** A Federal Student Aid (FSA) ID is required to electronically sign the FAFSA. If you do not already have your FSA ID or you cannot remember it, log onto <http://fsaid.ed.gov> before you complete your electronic application. Be sure to keep the FSA ID in a safe location for future reference.

#### **Step 3:**

Complete the online Federal Direct Loan Entrance Counseling Session at <https://studentaid.gov>.

#### **Step 4:**

Complete the Federal Direct Loan Master Promissory Note (MPN) at <https://studentaid.gov>.

**NOTE:** Step 3 and Step 4 are for **NEW LOAN BORROWERS** at Rowan University and those students who have **NOT PREVIOUSLY PARTICIPATED** in the William D. Ford Federal Direct Loan Program.





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### Chapter Three

### WHAT DOCUMENTS WILL I RECEIVE AFTER APPLYING FOR AID?

You will receive an email notification from the Central Processor with instructions on how to access your electronic SAR (Student Aid Report) if your FAFSA was processed successfully. If you do not have an email address, or you submitted a paper FAFSA, you will receive a paper copy of the SAR.

You can print a copy of your SAR for your records by visiting <https://studentaid.gov> and request one by electing print "SAR" from the navigation bar. **NOTE:** you will need your FSA ID to access this request form.

The FAFSA is forwarded electronically to the academic institutions indicated, by you, on the FAFSA. In some instances, additional documents may be requested by CMSRU Financial Aid Services. Some documents may be requested for reference, others may be required to determine your level of eligibility or required to disburse financial aid.

### FORMS AND CORRESPONDENCE

**Incoming Students:** If additional items are required to complete the financial aid application, students will be notified via email.

All requested documents must be forwarded to *CMSRU Financial Aid Services* at [financialaid@coopermed.rowan.edu](mailto:financialaid@coopermed.rowan.edu).

After applicants receive their Rowan email address, they are advised to visit their Rowan Self-Service account to view and determine if additional items are missing.

Upon complete review of a student's financial aid file, CMSRU Financial Aid Services will finalize the packaging and awarding process. A financial aid award offer letter will be emailed to the student.

**Continuing Students:** Must log into the Rowan Self-Service portal to view their financial aid status. If additional items are required, students will be notified via email.

All requested documents must be forwarded to *CMSRU Financial Aid Services* at [financialaid@coopermed.rowan.edu](mailto:financialaid@coopermed.rowan.edu).

Upon complete review of a student's financial aid file, CMSRU Financial Aid Services will finalize the packaging and awarding process. A financial aid offer will be available for each student to review online via Rowan Self-Service.



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### **Chapter Four**

#### **HOW IS ELIGIBILITY DETERMINED**

Various guidelines are utilized to determine financial aid eligibility. The predominant one is financial need, as demonstrated on the FAFSA. All graduate and professional school students are **considered independent**. However, students who want to be considered for institutional funding, other types of federal funding (outside of the Federal Unsubsidized Direct Loan) as well as state and/or other outside grant and scholarship programs may need to provide parental information to CMSRU Financial Aid Services.

The Student Aid Index (SAI) represents an estimate of the ability of the student and, if applicable, the student's family to contribute to the education costs. A detailed explanation is available [here](#).

The Student Expense Budget is a reflection of the cost of the student's educational program for an academic year. It is referred to as the "Cost of Attendance" (COA). It takes into account tuition, required fees, required books, supplies, estimated food and housing, miscellaneous, personal and transportation costs. The student expense budget covers expenses for only the period of enrollment. Financial Aid can be awarded up to the Cost of Attendance. For example, first year students in the standard medical program are typically enrolled for ten months. Financial aid covers living expenses only for those ten months. Periods of continuous non-enrollment are not included and are not funded. Therefore, personal budgeting of financial aid and living expenses is crucial. Estimates of housing, food, personal, and transportation expenses are based on surveys of former students and/or the Bureau of Labor Statistics budget expenditure figures.

The cost of pursuing a professional education is very high. For most students, paying for their education will depend upon planning and resourcefulness. We urge you to investigate every opportunity to complement your aid package. Look into private outside sources such as employers, parents' employers, unions, civic, religious, and cultural organizations.

#### **DEFAULT**

There are certain academic and financial requirements you must fulfill in order to receive aid. Students in default on their education loans, or owing a refund from an undergraduate program of study on a Federal Pell Grant, or Federal Supplemental Educational Opportunity Grant (FSEOG) will be ineligible to receive financial aid until those obligations are satisfied.

#### **SATISFACTORY ACADEMIC PROGRESS**

In order to receive federal financial aid, students must demonstrate Satisfactory Academic Progress (SAP) toward the attainment of their medical degree. If a student is not in good academic standing as outlined in the [Student Handbook](#), the Academic Standing Committee will inform CMRU Financial Aid Services about the student's academic standing.

SAP will be reviewed at the end of every academic year. If a student is not meeting SAP guidelines at the end of an academic year, federal aid will be revoked going forward until the student is back in good



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academic standing. Or, the student can [appeal](#), and if approved, the student can be placed on financial aid PROBATION for the upcoming academic year.

CMSRU Financial Aid Services will determine whether or not the student is granted PROBATION with another academic year of federal aid. If the student is placed on an academic plan by the Academic Standing Committee, the student can continue to receive federal aid as long as the student follows the academic plan set forth by the Academic Standing Committee. The academic plan is determined by the Academic Standing Committee on a case by case basis.

CMSRU Financial Aid Services must follow all SAP guidelines as set forth by federal regulations.



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### **Chapter Five**

#### **WHEN IS FINANCIAL AID DISBURSED**

Funds are electronically wired to the University and posted to your student account for programs such as the William D. Ford Direct Loan Program and most private/alternative loans. Funds, for which the University receives allocations are posted to student accounts through the University's automated system.

Funds typically disburse 50% at the start of the fall term and 50% at the start of the spring term. Some programs have specialized payment procedures such as the Armed Forces Scholarship. Document of these programs must be submitted to the Military Services Office, Savitz Hall, 201 Mullica Hill Road, Glassboro, NJ 08028.

NJ National Guard Tuition Waivers must be submitted to the [Military Services Office](#), Savitz Hall, 201 Mullica Hill Road, Glassboro, NJ 08028.

All disbursed funds are applied to tuition and fees first. Remaining balances not needed to satisfy university charges will be refunded for living expenses. Refunds are processed by the Office of the Bursar by check or direct deposit to the student's account.

Federal and State guidelines are followed for the disbursement of financial aid. Once your financial aid requirements are satisfied, disbursement of funds can occur 10 days prior to the start of your academic term. Please allow time for processing through the Office of the Bursar.



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### Chapter Six

### BURSAR/BILLING OFFICE-TUITION AND FEES -INSTALLMENT PAYMENT PLANS

#### TUITION AND FEE NOTICES

Prior to the start of the academic year, an electronic bill is sent to all students from the Office of the Bursar to your Rowan University student email account. All bills are paperless and can be accessed via Rowan Self-Service ([www.rowan.edu/selfservice](http://www.rowan.edu/selfservice)). **Bills are typically due around the first week of every term.** Tuition and fee obligations must be met prior to receiving refunds. Refunds are processed by the Office of the Bursar. Late fees will be assessed if obligations are not met by the bill due date. **NOTE:** A \$50.00 late fee per month will be assessed until the account balance is paid in full. Students are responsible for all charges in excess of actual financial aid.

**Two billing statements will be issued:** the first balance will be due at the beginning of the fall term and the second balance will be due at the beginning of the spring term.

**Two financial aid disbursements will be issued:** half of your financial aid award package will disburse (minus any applicable loan processing fees) for the fall term and the other half during the spring term. Fall term funding will disburse 10 days before the fall term begins and spring term funding will disburse 10 days before the fall term begins. Applicable student refunds will be processed once funding is received.

Your financial aid is first used to pay your tuition, fees and other expenses to the University (ex: Rowan University health insurance). Any remaining funds will be issued as a refund.

#### HOW TO MAKE A PAYMENT

All payment options are detailed on the Office of the Bursar site. If you wish to **mail a payment**, the information is below:

- Make check or money order payable to: "Cooper Medical School of Rowan University."
- Please indicate the student's nine-digit Rowan ID number on all payments and remit payment to:  
Rowan University  
Office of the Bursar (Savitz Hall)  
201 Mullica Hill Road  
Glassboro, NJ 08028

#### INSTALLMENT PAYMENT PLAN

Students can make arrangements with the Bursar's Office for an installment plan as students who are not receiving any financial aid or as students receiving financial aid that is less than the total cost of tuition and fees. **An enrollment fee for this plan per term will be applied to the student's account each term.** Eligibility for participation will be determined by the Office of the Bursar. Please see the Bursar's Office website for specifics.

A deferred payment plan allows students to pay their total term bill in five (5) installments throughout each term. Payment plan requests must be received one week prior to the start of class. Students on the payment plan will be required to adhere to the following schedule:



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- Pay one-fifth of the amount due (minus the net of financial aid, private scholarships, loans, etc.) plus an enrollment fee on or before the indicated due date. **NOTE:** students must pay the enrollment fee each semester/term they plan to enroll in the deferred payment plan.
- The remaining monthly installments will be billed via e-mail to the student's Rowan e-mail address during the semester.

Any student who elects to use the deferred payment plan and finds it impossible to meet this obligation must contact the Office of the Bursar immediately to make alternate arrangements. Lacking these arrangements, students will be unable to register for the following academic period. No degree will be awarded to any student until all financial obligations to the school have been satisfied.

### AUTHORIZED USER

Students can setup individuals (ex: parents) to be authorized users via Rowan Self-Service. Log onto [www.rowan.edu/epay](http://www.rowan.edu/epay) with your Student ID# (Rowan/Banner ID#) and password, and then select "Authorized Users" at the top of the page. **NOTE:** if a student sets up an individual to be an authorized user, that individual will receive **one** notification email. An authorized user notification email is not a bill, but it is an email statement informing the authorized user that a bill is ready to be viewed. The authorized user must login to view/pay the bill once he/she receives the email notification.

### STUDENT FINANCIAL AID REFUND OPTIONS

#### Via ACH/Direct Deposit

In order to better serve the Rowan University student community and streamline the refund process, **it is recommended for students to setup direct deposit** instead of awaiting a paper refund check.

Students with United States checking or savings accounts may sign up for Direct Deposit by logging onto [www.rowan.edu/epay](http://www.rowan.edu/epay) with their Student ID# (Rowan/Banner ID#) and password, and then select "eRefunds" at the top of the page. Once the form is completed, it will typically take five (5) business days before your account is active and able to receive direct deposits.

All students who do not have direct deposit will receive a paper refund check via mail. Refunds are explained here: <https://sites.rowan.edu/bursar/refunds/>.



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### **Chapter Seven**

### **REFUND POLICY**

#### **Tuition Refund Policy**

Please refer to the [CMSRU Student Handbook](#) for the specific refund policy.



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### **Chapter Eight**

### **ENTRANCE / EXIT INTERVIEWS**

#### **ENTRANCE INTERVIEW**

If you are borrowing through the William D. Ford Direct Loan, you are required to complete an entrance interview on-line. The entrance interview can be accessed by logging onto <https://studentaid.gov>.

The purpose of the entrance interview is to advise you of your rights and responsibilities and to provide information on the repayment schedules, deferment and forbearance options available.

#### **EXIT INTERVIEW**

If you received financial aid in the form of any loan program, you are required to complete an Exit Interview on-line at <https://studentaid.gov> as well as with CMSRU Financial Aid Services.

The purpose of the exit interview is to help you organize your repayment schedule and to answer any questions you may have concerning your rights and responsibilities. The exit interview will provide you with a summary of the loans borrowed during your education at Cooper Medical School of Rowan University, information on deferment, forbearance, repayment and an estimate of your monthly payments.





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### **Chapter Nine**

### **DELIQUENCY AND DEFAULT**

Repayment of your student loans should be given top priority when planning your post-education finances. Educational loans carry the same weight as consumer loans, such as a mortgage or car loan. Failure to meet responsibilities could have a devastating effect on your credit rating and have serious legal repercussions.

#### **Student's Responsibilities**

As outlined within the promissory note(s), staying current and not being delinquent or going into major reasons for default:

- Deferments were not filed.
- Address changes were not reported.
- Loan was not repaid.
- Borrower did not respond to mail.

#### **Preventive Measures**

Student loans may be sold and resold at any time. Borrowers should be notified by their original lender/servicer(s) when this occurs. Borrowers must pay special attention to where their accounts are held to ensure payments are received by the appropriate lender. A delinquency status can occur simply by mailing payments to the original lender as opposed to the new lender or servicing center that currently holds the loans. Information on who is holding your loan(s) can be located through the Student Aid website at <https://studentaid.gov>.

- If you are unable to pay your student loans, submit deferment or forbearance requests each year and keep copies of the forms you submit with your loan servicer for your records. If using your parent's address, and/or another address other than your own residence, check for mail at least every two weeks.
- Send all correspondence to the current lender/servicer by certified mail and always keep a copy for your records.
- Check to see if electronic communication with your lender/servicer is a viable option.
- Stay in touch with the lender/servicer. Document your conversation and include the date, time and name of the person to whom you spoke.
- After a missed payment, the lender should be in touch; however, this is not required according to the promissory note. Payments are the borrower's responsibility.

Once your loan enters default status, it is too late. You may be required to repay the entire amount immediately plus fees. Therefore, it is imperative that you keep track of your status at all times.

#### **CONSEQUENCES OF DEFAULT**

Any student delinquent or in default on any prior educational loan may not receive financial aid at Cooper Medical School of Rowan University until the delinquency or default status has been rectified.



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CMSRU Financial Aid Services will be able to counsel you in the resolution of such problems. Be aware that the following can happen:

- Nationwide credit bureaus will be notified.
- SOIL (State Offset Income Liability) – the borrower's name will be sent to the State. State income tax refunds will be withheld.
- Federal Offset Income Tax – federal refund will be withheld.
- Rowan University records will be withheld.
- Litigation will be initiated.
- Wages will be garnished.
- Liens will be placed on property and/or business.
- Licenses may be suspended.

**REPAYMENT OF STUDENT LOANS SHOULD BE GIVEN TOP PRIORITY WHEN PLANNING YOUR FINANCES. THEY HAVE THE SAME WEIGHT AS ANY CONSUMER LOAN SUCH AS A MORTGAGE OR CAR LOAN.**

**Chapter Ten**

**YOU AND YOUR CREDIT**

Eligibility for Federal Graduate PLUS and other private/alternative educational loan programs that can be utilized by students are based upon credit worthiness. A credit score is used to initially determine the general status of an applicant's credit history and used in conjunction with the review of the credit report.

As such, the following list represents a GENERAL example of credit criteria that have been used by the majority of private lending programs to establish one's eligibility for a private loan. We strongly recommend to each prospective borrower that you contact the appropriate national credit bureau for your area of the country and request a copy of a current credit report before applying for financial aid. Erroneous data or "bad" credit issues can be addressed immediately and will likely prevent delays in loan approval. A free credit report can be obtained annually by logging onto [www.annualcreditreport.com](http://www.annualcreditreport.com).

**CREDIT CRITERIA**

There are many credit reporting agencies or credit bureaus, who rate the credit reports for judging the creditworthiness of consumers. Usually, a credit report contains information regarding the borrower's credit history, payment history, regularity of payments, credit account inquiries, social security number, contact address, and details of the credit account.

The credit rating criteria may differ from one credit account to another. Credit report rating is done to check whether the loan amount can be paid back by the borrower.

There are many factors that affect a credit rating. Once the credit report rating has been carried out, it generates a result, which is in the form of a numerical value. This score determines whether an individual is eligible for a loan, employment, or lower interest rates.

There are five factors affecting the credit rating or credit rating criteria followed by the various credit rating agencies. They are summarized as follows:

- **History of payments made:** Every credit rating has a score. History of payments made, encompasses 35% of the rating score. In the event there are late payments or the credit report has a registered delinquent payment, this information is recorded in the credit report. The report also has details of bankruptcy, if applicable.
- **Amount outstanding:** 30% of the credit score evaluates the outstanding debt amount. When the outstanding amount is close to the amount of the credit limit, this can negatively affect the score.
- **Duration of credit history:** 15% of the credit score relates to the duration of the credit history. If the duration of a particular credit account is long and if the credit account is held with one particular financial service institution, this can have a positive effect on the credit score.

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- **Types of credit used:** the type of loan available by a consumer is one of the credit rating criteria. If an individual has availed a loan from a finance company, this affects the score in a negative manner. 10% of the credit rating score is based on these credit rating criteria.
- **Credit account inquires:** opening several new credit accounts is a negative qualification on the consumer's part. 10% of the score is determined by these credit rating criteria.
- If the credit report has a negative scoring, one can opt for credit report repair by adopting several means. The Fair Credit Reporting Act (FCRA) has made it obligatory for the important credit bureaus to furnish details of your credit report once a year. By reviewing credit report scores, one can be prevented from the hassles of debt settlement and declaring bankruptcy. Keeping a track of the score is vital for maintaining a good credit history.

### **KEY WORDS**

#### **CREDIT**

The granting of a loan and the creation of debt. It is a form of deferred payment.

#### **CREDIT SCORE**

A credit score is a numerical expression based on a statistical analysis of a person's credit files, to represent the creditworthiness of that person. A credit score is primarily based on credit report information typically sourced from credit bureaus.

#### **CREDIT HISTORY**

A record of an individual's past borrowing and repayment behavior. It will list personal information such as: number and types of credit accounts, how long each account has been open, amounts owed, amount of available credit used, whether bills are paid on time, and number of recent credit inquires. It also contains information regarding whether the consumer has any bankruptcies, liens, judgments or collections. This information is all contained on a consumer's credit report.

#### **CREDIT WORTHINESS**

An assessment of the likelihood that a borrower will default on his or her debt obligations. It is based upon factors, such as a borrower's history of repayment and their credit score. Lending institutions also consider the availability of assets and extent of liabilities to determine the probability of default.

#### **CREDIT REPORT**

Your credit report has information that affects whether you can get a loan – and how much you will have to pay to borrow money. You want a copy of your credit report to:

- make sure the information is accurate, complete, and up-to-date before you apply for any loan.
- help guard against identity theft. Identity theft is when someone uses your personal information-like your name, your Social Security number, or your credit card number to commit fraud. Identity thieves may use your information to open a new credit card account in your name. Then, when they do not pay the bills, the delinquent account is reported on your credit

report. Inaccurate information like that could affect your ability to get credit, insurance, or even a job. The burden of proof is on you to correct these errors even though you may not be the one that incurred the debt.

### **CREDIT BUREAU**

A credit bureau or consumer reporting agency is a company that collects information from various sources and provides consumer credit information on individual consumers for a variety of uses. It is an organization providing information on individuals' borrowing and bill paying habits. Most U.S. consumer credit information is collected and kept by the three national credit reporting agencies: Equifax, TransUnion, and Experian.

The Fair Credit Reporting Act (FCRA) requires each of the nationwide consumer reporting companies- Equifax, Experian and TransUnion- to provide you with a free copy of your credit report, at your request, once every 12 months. This free credit file can be requested through [www.annualcreditreport.com](http://www.annualcreditreport.com) by phone or by mail.

The three nationwide consumer reporting companies have set up a central website, a toll-free telephone number, and a mailing address through which you can order your free annual report.

You can order your free annual credit report online at [www.annualcreditreport.com](http://www.annualcreditreport.com) or by calling 1-877-322-8228, or by completing the Annual Credit Report Request Form and mailing it to: Annual Credit Report Request Service, PO Box 105281, Atlanta, GA 30348-5281.

When you order, you need to provide your name, address, Social Security number, and date of birth. To verify your identity, you may need to provide some information that only you would know, like the amount of your monthly mortgage payment.



## STUDENT FINANCIAL AID HANDBOOK

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### Chapter Eleven

### SATISFACTORY ACADEMIC PROGRESS

Federal regulation mandates that continuing eligibility for financial aid is contingent upon *Satisfactory Academic Progress* (SAP) according to the standards and practices of the institution and individual schools.

In order to receive federal financial aid, students must demonstrate Satisfactory Academic Progress (SAP) toward the attainment of their medical degree. If a student is not in good academic standing as outlined in the [Student Handbook](#), the Academic Standing Committee will inform CMSRU Financial Aid Services about the student's academic standing.

***Satisfactory Academic Progress (SAP) is defined as the successful progression through the curriculum to obtain degree requirements within the maximum degree completion timeframe/pace of six distinct academic years (150% requirement).***

SAP will be reviewed at the end of every academic year. If a student is not meeting SAP guidelines at the end of an academic year, federal aid will be revoked going forward until the student is back in good academic standing. Or, the student can [appeal](#), and if approved, the student can be placed on financial aid PROBATION for the upcoming academic year.

CMSRU Financial Aid Services will determine whether or not the student is granted PROBATION with another academic year of federal aid. If the student is placed on an academic plan by the Academic Standing Committee, the student can continue to receive federal aid as long as the student follows the academic plan set forth by the Academic Standing Committee. The academic plan is determined by the Academic Standing Committee on a case by case basis.

CMSRU Financial Aid Services must follow all SAP guidelines as set forth by federal regulations.



## **STUDENT FINANCIAL AID HANDBOOK**

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### **Chapter Twelve**

### **CONSUMER INFORMATION FOR FINANCIAL AID APPLICANTS**

#### **STUDENT RIGHTS**

- You have the right to know what financial aid programs are available at your school.
- You have the right to know the deadlines for submitting applications for each of the financial aid program available.
- You have the right to know how financial aid will be distributed, how decisions on that distribution are made, and the basis for these decisions.
- You have the right to know how your financial need was determined. This includes how costs for tuition and fees, housing and food, required books and supplies, personal miscellaneous expenses are considered in your budget.
- You have the right to know what resources were considered in the calculation of your need.
- You have the right to request an explanation of the various programs in your financial aid offer.
- You have the right to know your school's refund policy.
- You have the right to know what portion of the aid awarded is loan funding that must be repaid, and what portion is grant and/or scholarship funding. As a loan recipient, you have the right to know what the interest rate is, the total amount that must be repaid, the payback procedures, the length of time you have to repay the loan, and when repayment is to begin.
- You have the right to know how the school determines whether you are making satisfactory academic progress and what happens if you are not.
- You have the right to appeal your financial aid offer to CMSRU Financial Aid Services in writing. Appeals are reviewed on a case by case basis. Federal and State guideline compliance is strictly adhered to.