Section 1 – Packaging

1.1 What is packaging?

Packaging is the process of awarding aid without exceeding the student’s financial need. You will be emailed a document called a Financial Aid Package that will provide you with information on the aid that you are eligible for along with term and conditions and other information related to the loans that you are considering.
1.2 What funds can be packaged?

The University of Aberdeen can package the following loans:

- Federal Loans
  - Subsidized Direct Loans
  - Unsubsidized Direct Loans
  - Parent PLUS Loans
  - Graduate PLUS Loans
- Private Loans
  - Earnest Student Loans
  - Sallie Mae Student Loans

The above list of lenders offering private educational loans are commonly utilized by University of Aberdeen students. This is not a comprehensive list of all the private educational loans available to you. You are not required to select one of these lenders. Inclusion on this list is not an endorsement or recommendation by University of Aberdeen. If a parent or student has worked with a lender not listed above, and has received excellent benefits and quality service, please recommend this lender to us by emailing usaloans@abdn.ac.uk

More information regarding private loans can be found here –
- https://www.abdn.ac.uk/students/finance/us-federal-direct-loans.php#panel2208

Section 2 – Definitions

- CoA – Cost of Attendance
  - The CoA is an estimate of your education related costs for the academic year. The CoA will specify the maximum amount you may be eligible to borrow minus any other aid you may be receiving such as bursaries, scholarships or other loans.
  - It is based on average local costs.
  - Consists of 2 elements
    - Tuition Fees
    - Living Expenses
- CPS – Federal Central Processing System
- EFC – Expected Family Contribution
  - Determined by CPS using a single need analysis formula.
- EFA – Estimated Financial Assistance
  - Scholarships, bursaries, grants, other loans.
- FAFSA – Free Application for Federal Student Aid
  - Complete via https://studentaid.gov/
- Federal Student Aid
  - https://studentaid.gov/complete-aid-process/how-calculated
- SAR – Student Aid Report
  - This is the report that the University will receive based on your FAFSA.
Section 3 – Cost of Attendance

Cost of attendance is the University’s estimate of a student’s educational expense for the period of enrolment. Cost of attendance includes tuition and fees as well as an estimate of the living expenses a student will pay for other costs.

- Living expenses includes the following items. More detailed information can be found here – https://www.abdn.ac.uk/students/finance/us-federal-direct-loans.php#panel2228
  - Rent / Housing
  - Utilities (Gas / Electric / Internet)
  - Food
  - Local Travel Expenses
  - Personal Costs (detailed information is available on CoA link)
  - Books / Computer Equipment / Printing
  - Two Return Flights
  - Visa (1st year students only)
  - Healthcare surcharge (1st year students only for duration of programme)
  - Approximate Origination Fees (Federal Loans only)
  - Childcare or nursery cost (awarded on a case-by-case basis)

The University may not certify more financial aid than a student’s cost of attendance budget unless under professional judgement of special circumstances. See section 4.7 for information on professional judgement.

All costs are based on limitations to the amounts and other criteria set forth in the Federal Regulations.

Section 4 – Federal Title IV Loans

Any student or prospective student who wishes to be considered for Federal financial aid at the University of Aberdeen is required to compete a Free Application for Federal Student Aid (FAFSA) via https://studentaid.gov/ and either be currently studying at the University of Aberdeen or have applied to the University of Aberdeen.

If you have applied directly to the University or via UCAS we will be in contact in May / June with information regarding when to expect your Financial Aid Package. If you are a Common App applicant, you will need to accept your place at the University of Aberdeen before we can carry out your assessment as the package is specific to your degree/ situation.
4.1 Determining Financial Aid eligibility.

1. After a student submits their FAFSA to the Federal Student Aid website, CPS (Federal Central Processing System) utilizes a single need analysis formula (the Federal needs Analysis Methodology) to analyse the student’s FAFSA information and determine their EFC (Expected Family Contribution). More information can be found here: https://studentaid.gov/help-center/answers/article/what-is-efc

2. The Expected Family Contribution is the amount a family can reasonably be expected to contribute towards the cost of attending University and will determine the amount of subsidized Federal Student Aid the student qualifies for in an academic year. “Subsidized” aid includes Subsidized Student Loans.

3. Aid applications are processed in the University of Aberdeen US Loans team on an individual basis. All required elements and eligibility criteria are reviewed, and the appropriate funds are allocated to the student upon completion.

4. If you wish for professional judgement to be used for special or unusual circumstances, please see 4.7 Professional Judgement for more information.

4.2 Procedure for assessing eligibility.

A review of the following information is made prior to sending your financial aid package.

- Is there a C flag on your Student Aid Report? If so, what needs to be amended?
- If you are providing your Drivers Licence information, please ensure you either provide both number and state or you leave both questions empty.
- Citizenship status or permanent resident status
- Dependency status
- Aggregate loan award amounts
- Not in default or in repayment on any Title IV financial aid program
- Have a high school diploma or equivalent or by completing a high school education in a home-school setting approved under state law.
- Be enrolled or accepted for enrolment on an eligible degree programme.
- Your grade level and type of degree should match what you will be studying in the academic year you are being assessed for. If you are unsure, please email usaloans@abdn.ac.uk and we can let you know.
- The Federal School Code should read University of Aberdeen, Aberdeen, FC (G09368)
- Are you enrolled at least half time?
- Are you maintaining Satisfactory Academic Progress (if a returning student)?
4.3 Steps to packaging

- Determine a student’s Cost of Attendance budget and EFC.
  - CoA consists of tuition fees and living expenses budget.
  - Living expenses budget is determined by degree level, year of study and dependency status. Professional judgement amendments can be made on a case-by-case basis.
  - Determine EFC as stated on Student Aid Report.
- Identify if a student has any financial assistance (EFA).
- Identify aggregate loan limits for Subsidized and Unsubsidized loans previously awarded.
- Assess a students’ eligibility for Subsidized, Unsubsidized and Parent PLUS/ Grad PLUS / Private Loans.
- Student is emailed a Financial Aid Package for consideration.
- Student (and parent, if taking Parent Plus), should complete required supporting documents as stated in Financial Aid Package.
- Student (and parent, if taking Parent Plus), should sign and return package or notify of any amendments that are required.

4.4 Assessing Eligible Amounts

Undergraduate students can be assessed for both Subsidized and Unsubsidized as well as Parent PLUS/ Private loans. Postgraduate students can be assessed for Unsubsidized and Grad Plus/ Private loans.

- Identify maximum sub / unsub loan values based on aggregate limits set by Federal Government and previous loans taken by student.
- To determine if student is eligible for Subsidized loan value –
  - CoA Budget minus EFC minus EFA = Sub Initial Amount
  - If Sub Initial Amount is less than $0, student is not eligible for Subsidized loans.
  - If Sub Initial Amount is more than $0, student is eligible for Subsidized loans.
- To determine eligible value of Sub Loans –
  - If the maximum sub loan value is less than the Sub Initial Amount, sub loan value is Maximum Sub loan value.
  - If the maximum sub loan value is more than the Sub Initial Amount, sub loan value is Sub Initial Amount.
- To determine if student is eligible for Unsubsidized loan value –
  - CoA Budget minus (EFA + Eligible Sub Loan value) = Unsub Initial Amount
  - If Unsub Initial Amount is less than $0, student is not eligible for Unsubsidized loans.
  - If Unsub Initial Amount is more than $0, student is eligible for Unsubsidized loans.
- To determine the maximum unsubsidized value –
  - Maximum combined yearly aggregate for programme & year of study minus eligible Subsidized amount = Maximum Unsubsidized Amount
- To determine eligible value of Unsub Loans –
  - If the maximum Unsub loan value is less than the Unsub Initial Amount, Unsub loan value is Maximum Unsub loan value.
  - If the maximum Unsub loan value is more than the Unsub Initial Amount, Unsub loan value is Unsub Initial Amount.
• To determine eligible value for Parent PLUS/ Grad PLUS/ Private Loan
  o PLUS EFA = Sub EFA + Sub Eligible Amount + Unsub Eligible Amount
  o If CoA Budget minus PLUS EFA is less than $0, student is not eligible for PLUS or additional Private Loans.
  o If CoA Budget minus PLUS EFA is more than $0, student is eligible for PLUS or additional Private Loans.

• To determine eligible value of PLUS or additional Private Loans –
  o CoA Budget minus PLUS EFA = PLUS or additional Private Loan amount.

4.5 Working Example

• Undergraduate Year 1 student (4-year programme)
• Never taken loans before
• Annual Loan Limits
  o Subsidized = $3,500
  o Unsubsidized = $2,000
  o Combined limit = $5,500
• Tuition Fees = £24,000 ($31,200)
• Maximum Living Expenses = £20,330 ($26,430)
• Total CoA Budget = $57,630
• EFC according to Student Aid Report = $14,638
• EFA = £2000 scholarship ($2,600)

Calculate Eligible Subsidized Loan Value

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<tr>
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<td>EFA</td>
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<td>Maximum Sub Amount</td>
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Calculate Eligible Unsubsidized Loan Value

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<td>Eligible Unsub Loan</td>
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Calculate Eligible Parent PLUS Loan Value

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<td>EFA</td>
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4.6 Supporting Documents

Once you return your signed Financial Aid Package and/or proof of scholarships, bursaries or other education-related loans or awards, we will determine if a reassessment is required. If so, you will be sent a new Financial Aid Package for consideration.

After your signed Financial Aid Package is returned, we will download your required supporting documents, providing they have been completed. If you are missing any documents, we will email you to advise what documents we still require you to complete. Please note that the financial aid processes will be delayed until all required documents have been received.

Details of required supporting documents for the various Federal Direct Title IV loans can be found here: [https://www.abdn.ac.uk/students/finance/us-federal-direct-loans.php#panel2229](https://www.abdn.ac.uk/students/finance/us-federal-direct-loans.php#panel2229) and will also be noted within your Financial Aid Package.

Subsidized and Unsubsidized Direct Loans—If a student indicates that they are interested in Direct Loans, and meets the eligibility requirements for a student loan, then loans are automatically packaged. The University’s US Loan Office checks the student’s FAFSA and the National Student Loan Data System (NSLS) to ensure the student is not in default and has not exceeded loan limits.

If a student is in default on a previous loan, federal aid (including a Stafford or Direct Loan) will not be awarded until the University of Aberdeen US Loan Office receives a letter from a qualifying agency attesting that the student is no longer in default, or until the NSLDS indicates that the student is no longer in default.

4.7 Professional Judgement

In special or unusual circumstances, students can request amendments to their EFC, dependency status or their Cost of Attendance. Students who wish to request a professional judgement decision are required to provide documentation supporting their request to usaloans@abdn.ac.uk for a decision to be made.

Exercising professional judgement is a school’s choice and is not guaranteed to be approved. Decisions are made on a case-by-case basis and will not be discriminatory. You will be notified by email with the outcome of your request. Professional judgement decisions are not eligible for appeal. The details of your professional judgement request and outcome will be available to our auditors, if requested.
Section 5 – Private Loans

Private loans can be used for all or part of your CoA Budget.

If using a private loan to fund your CoA Budget, the budget will be amended to remove the value included for origination fees.

The values used for approximate origination fees can be found here:

https://www.abdn.ac.uk/students/finance/us-federal-direct-loans.php#panel2228

You can use private loans alongside subsidized and unsubsidized loans. If you wish to do this, please let us know when you return your financial aid package, and we will amend as required before returning to you for approval.

If you wish to take private loans only and do not wish to submit a FAFSA, we can certify your loan with the loan service provider up to the value stated in your financial aid package for your private loan.