

Money Matters

Student Financial Services
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A LETTER FROM THE DIRECTOR

Student Financial Services

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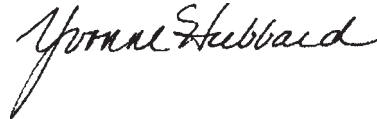
Dear Parents and Students:

We understand the financial challenges facing college students. The rising cost of college, combined with an increasingly broad range of available financing options, requires that today's college student expertly balance spending and saving, as well as understand how to use — and not abuse — available credit.

Learning how to achieve your financial goals is one of life's most important lessons; it is a lesson many people have to learn on their own, usually by trial and error. Student Financial Services at the University of Virginia has prepared this booklet to help students and parents **begin their dialogue** to find the best ways to manage money while at the University of Virginia. We are committed to providing you with the information you need to successfully manage your finances and improve the quality of your life, both now and in the future.

We wish you the very best for the coming year.

Sincerely,



Yvonne Hubbard
Director
Student Financial Services

STUDENT FINANCIAL SERVICES

Our Mission

Student Financial Services is dedicated to providing students, alumni and their families with efficient, courteous and responsible financial services, while complying with all federal, state and University policies. Our office provides financial assistance to students, many of whom might otherwise be unable to attend the University, and strives to ease their financial lives while they pursue their education.

Among its numerous responsibilities, Student Financial Services:

- Counsels prospective and enrolled students, their parents and alumni on managing the cost of higher education
- Administers and awards student loans, scholarship funds, grants, work-study jobs and refunds
- Bills and collects tuition, fees and other charges
- Answers questions on a wide range of financial topics
- Provides money for students who cannot attend the University without financial assistance
- Examines financing options for students with financial need
- Provides educational financial planning information to families not eligible for traditional, need-based financial aid programs
- Counsels students whose families have experienced financial difficulties
- Assists students with financial planning

Our Student Financial Services team guides students and their families as administrative and financial partners. Our team seeks to combine expertise and accountability with compassion and respect for families and students alike. We like to keep current with the most up-to-date technological tools to serve students more efficiently and expand access to information, while simultaneously cultivating each individual's sense of self-worth.

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“It is incumbent on every generation to pay its own debts as it goes. A principle which, if acted on, would save one-half the wars of the world.”

*— Thomas Jefferson (1743–1826)
Founder of the University of Virginia*



*Especially
for Parents*

“Light tomorrow with today.”
— Elizabeth Barrett Browning
19th century poet



A NOTE TO PARENTS

“Let us think of education as the means of developing our greatest abilities...in each of us there is a private hope and dream which, fulfilled, can be translated into benefit for everyone and greater strength for our nation.”
— John F. Kennedy

The time has finally arrived. You, as parents, are watching with excitement (and perhaps a little apprehension) about the plunge your child is about to make into the college world. Indeed, college is a place of exciting freedom and opportunity for your children. One of the gifts you can continue to give them is the guidance they need to become responsible and thoughtful with personal finances.

Parents are the most important source of financial education for their children. Over the years, you have no doubt imparted many lessons of life to your children. They watch and model the actions of their parents — including the value they see placed on budgeting and finances. For them, money is power, independence, maturity. You can help your children learn to budget and make the best uses of money before they enter college.

How do you help them learn? Communication is key. These tips may help in the process:

- Start with finding out if your child has particular financial concerns about college and budgeting.
- Explain why you want to have the conversation. Emphasize that you want to make it an equal exchange of ideas.
- Tell them that a lot of budgeting involves trial and error. Emphasize that some mistakes are good if they teach a lesson about what works and what doesn't.
- Ask plenty of questions, and listen carefully to the answers.
- Don't bring up old financial disagreements. Think of college as an opportunity to start with a clean slate.

Make sure your child knows she or he can always turn to you for financial advice or information.

BUDGETING: FRIEND OR FOE?

We know that budgeting may not be one of the first things your college-bound child wants to discuss with you. But with college comes the unmitigated accessibility of delivered pizza, movies, shopping trips and concerts — and that's not to mention the routine cable bills, groceries, school supplies, haircuts and so on. Getting the budgeting conversation going will likely be the hardest part. Equip yourself with a pen or pencil, a calculator and a few sheets of paper, and take a look at some topics that you might want to consider:

Budgeting Considerations

- What do you consider to be the student's responsibilities (i.e., phone, cable, books, activity fees, personal expenses)?
- What are the parents' responsibilities (i.e., tuition, room and board, insurance, student allowance)?
- What are the expected uses of the student's summer savings?
- Take a look at the whole school year.
- Take a look at each month.
- How much allowance is enough for the student?
- Make sure students know how much spending money they will need. This should include all the things they will actually want to buy, including dues to organizations that they may join, eating out, shopping, etc.
- Other topics:
 - Car insurance
 - Parking fees/parking fines
 - Groceries
 - Entertainment

Always remember to include those issues that might be unique to your family in your budgeting considerations.

*Especially
for Students*

*“The more you prepare,
the luckier you appear.”
— Terry Josephson
Motivational author*



IS BUDGETING THAT IMPORTANT RIGHT NOW?

Well, yes. We know that many of you will come on Grounds with a good understanding of money and finances, but it's possible that you won't have correctly anticipated all of the temptations that come with being an orange-and-blue Wahoo! So join us now in a little discussion of what it means to budget well, and think about how to devise a system that works for you.

A **budget** is an itemized summary of probable expenses and income for a given period. You have to know what you have and where it's going. Devising a budget that you can understand and maintain will help you prioritize your spending and avoid having to make the dreaded call home to ask Mom and Dad for a little help.

How to Begin

Stop for a moment and think about these two questions:

- Do you know how much money you have?
- Do you know how much money you need?

If you're like most people, you don't know exactly where all your money goes. You may have felt the fear before — that sharp, sinking feeling in the pit of your stomach when you realize after buying \$100 worth of groceries that your check will be bouncing more than a Cavalier basketball once it gets to the bank. It's not fun.

Luckily, it doesn't have to be that way. You can learn about your own spending habits by undertaking a little experiment. Jot down everything that you spend for the next few weeks. Beside each item, write down whether you paid for it with cash, check or credit card. It really adds up, and you will be able to see the patterns in your spending. It's likely you'll spot some unnecessary impulse buys and other areas where you can cut down without big sacrifices.

Keep your check register updated! You need a written record of your spending, regardless of whether your bank has a computerized system that keeps track of your balance or not. There's a delay, usually a few days, between the time when you write checks and when the bank pays those checks. It is also important to remember that the same holds true for debit cards. Most banks do not immediately take the funds out of your account when you use your debit card. They simply place a hold on those funds until the retail store requests payment. If you don't keep good records, you may be surprised to see funds removed from your account days after you have used your debit card — and days after you spent what you thought was “extra” money on something else.

IS BUDGETING THAT IMPORTANT RIGHT NOW?

(continued)

Wait, a Debit Card? What's a Debit Card?

Issued by banks and credit unions, debit cards that carry a credit card logo operate similarly to credit cards and are accepted at places that display the logo. The money is withdrawn from your checking account, so there are no interest charges, although some financial institutions may charge fees for debit card use. Just like an ATM card, a debit card also allows cardholders to withdraw cash from their checking accounts. If you choose to use a debit card, you must remember to record your transactions in your checkbook and track your account balance closely to prevent overdrafts. All account transactions will be listed on a monthly statement to help keep track of spending.

Okay, I Think I'm Ready to Budget. How Do I Start?

Thomas Jefferson had a motto: "Never put off till tomorrow what you can do today." Now that you're taking the time to "invest" yourself in budget making, we want to make it a little easier for you to be able to formulate your thoughts about it.

On the following pages of this booklet, you will find a budget sheet to guide you down the road to managing your money. Take this sheet and talk to your parents about your budgeting needs. Fill in the amount you want to budget weekly and monthly for each expense, and then the amount you actually spend. The variance is the difference between the two. When you see a variance on an expense, you may wish to adjust your budget, your spending or your income. During your first semester at UVA, you'll more than likely need to adjust your budget once or twice as you gain experience and deal with expenses that you may not have anticipated before you came to college.

Moneysavers — Budgeting Tips

1. Purchase a phone card instead of paying for long distance service. If you choose to get long distance or a cell phone, make your calls at off-peak hours or when you have cheaper (or more) minutes.
2. Buy used textbooks whenever possible. Shop around for cheap deals on the Internet and at local textbook shops.
3. Use coupons!
4. Get store discount cards at the customer service desk, and buy generic items when you can.
5. Ask if the merchant offers student discounts. Make sure to keep your student I.D. on hand, since you usually have to show it!
6. Go to movie matinees, not night features. Or wait until a new feature makes it to Cinematheque in Newcomb Hall or to the discount Jefferson Theater on the Downtown Mall.
7. Take the trolley downtown or park in garages that give you discount rates if you get the ticket validated.
8. If you live off Grounds, make sure to turn off computers and TVs whenever they're not in use.
9. Think about how busy you are and whether you really have time to watch all those cable movie channels. Do you really want to pay for something that you won't use?
10. Walk, bike or use the University bus system instead of driving your car.
11. Hand wash any clothes that you can. Also, consider hanging your clothes to dry instead of paying for dryers.
12. Buy clothes on sale, secondhand or off-season.
13. Shop with a list and stick to it. This will help prevent impulse buys.

These are some other tips that may help in the long run:

- Try to save some money each month for an emergency fund.
- Save up for long-term purchases.
- Recognize the temptations of denial! Don't talk yourself into purchases that you know realistically aren't the smartest idea.

And finally...

Keep in mind the advice of Thomas Jefferson: **“Never spend money before you have it.”**

COLLEGE BUDGETING WORKSHEET

*(Track your monthly expenses
with a budget sheet like this one.)*

Monthly Expenses	Monthly Amount Budgeted	Amount Spent Week 1	Amount Spent Week 2	Amount Spent Week 3	Amount Spent Week 4	Total Monthly Expenditure
Tuition/Fees						
Rent						
Books/Supplies						
Transportation						
Telephone/Cable						
Food						
Clothes						
Laundry						
Entertainment						
Vacation						
Loan Payments						
Credit Card						
Insurance						
Savings						
Other						
Total						

Monthly Income	Work-Study	Part-Time Work	Money from Home	Other Income	Total Monthly Income
Fall Semester					
Spring Semester					
Summer					
Total					

OPENING A BANK ACCOUNT

If you don't have a checking or savings account already, you should definitely consider getting one now that you are in college. Everyone needs a good financial institution — not only for keeping your money safe, but also to provide a variety of services to manage your money, and to get good advice, help and support when you have a money question or a financial problem.

There are a couple of questions that you will need to ask yourself in seeking out a relationship with a financial institution. Think about these questions and add some of your own:

What types of financial institutions are available for my consideration?

Typically, consumers will choose to do business with either a bank or a credit union. Although the services may be similar there will be some differences in these institutions. A bank is a retail center typically owned by stockholders. It may be local, regional, national or even international in scope. Credit unions are non-profit organizations that are owned and managed by those who do business with them, usually called “members.” A local bank or a credit union will most likely offer more personalized services to their customers — they tend to pride themselves on that personal touch, such as knowing customers when they walk through the door. They also will limit the reach of their services to a fairly small and localized geographic area. If this is important to you, then a local bank or credit union may be the best financial partner for you. If you value a business with a more global approach and many more services that are available in many places around the country and the world, you may want to do business with a large regional, national or international banking institution.

What services will I be using and how frequently will I need access to those services?

If you work and live in a community and seldom travel outside that community for any length of time, you may want to give your business and support to a small hometown bank or a credit union affiliated with your place of employment or some other affiliate source. However, if you are looking for more products and services, such as highly developed online services, you may prefer a larger regional, national or international institution. These and other considerations will help you to choose the best financial partner for your lifestyle.

OPENING A BANK ACCOUNT

(continued)

The most basic service that a bank or credit union can offer to customers is a checking account, while probably the second most utilized basic service is some sort of savings account. Although savings is down in the US considerably over past times, financial institutions are getting very creative about ways to encourage you to begin with a basic savings program. Take for example a recent product/service of Bank of America in which you the consumer can round up expenditures to the next dollar and save the change and receive the matching amount into a savings account from Bank of America. What a unique and wonderful way to help young consumers start to get the “good feeling” that comes with knowing you are protecting yourself for that inevitable rainy day in the future! And don’t forget that most employers are delighted when you allow them to deposit your paycheck directly into your checking account — this saves them millions of dollars annually in writing and managing paper checks for employees.

If you’d like to practice working with checking and savings accounts, go to http://apps.nslp.org/creditanddebt/at_the_bank/index.html and try NSLP’s Money Management Counseling Website version of “At The Bank.” These interactive tools will allow you to play with how a real bank or credit union account might work and give you guidelines as to how to manage this important life relationship. Many other resources exist to help you navigate through choosing, using and wisely managing accounts with financial institutions. You can always learn more about topics such as this one at www.bankrate.com. Use your favorite search engine to find other valuable and helpful information on the web that will empower you to take control of your life and your money with financial partners.

The most important thing you can do to establish yourself well for a time when you will want to borrow money or get your own credit card is to manage your checking account in a responsible fashion. Who knows, the bank or credit union you choose to do business with may just be the first institution willing to grant you a credit card based on the wise and careful management of your account(s) with them.

INFORMATION ABOUT BORROWING

Everyone borrows money at one time or another in their life — and you will as well if you haven't already done so. Borrowing money for major purchases or to enhance your education by attending college is not a bad idea or a bad thing to do. The most important thing that you can do to be prepared to borrow money is to follow established guidelines for keeping your credit report and score in excellent condition. Five factors that influence your credit report and score will most likely also have the most influence over the level of terms and conditions under which you will (or will not) borrow the money that you want or need to make purchases in the future. Those five factors include: paying your bills on time every time (your past payment history), the amount of outstanding debt that you currently owe, how long you have had credit, the number of new applications you have made for credit and the mix of types of credit that you currently have.

No matter how you apply for a loan, all lending institutions will ask very similar kinds of questions of you and request that you provide information pertaining to your personal, residential, employment and financial background and current status. Typically you will need to provide your full legal name, address, social security number, telephone number and email address along with past/other names you have used, addresses where you have lived and former telephone numbers. You may also have to disclose gross (before taxes and other deductions) income, expenses for which you are responsible, other debts you owe, permission to access your credit reports and scores, current and past employers and similar information on co-borrowers should you choose or need to use such a person for added security on the loan/line of credit. All of this information will help the lending institution to correctly identify you and gain access to your credit reports and scores, and will also provide information that will help them to have confidence that you are a person they can trust to repay the money they may lend to you.

You will want to be in a position to put your best face forward when you apply to borrow money. Be sure all of your information is accurate and up-to-date. Look at your credit reports free every year (www.annualcreditreport.com) and be sure that the information in that report is correct and is indeed the story of your credit life. There are three credit reporting companies that creditors use, so be sure you have obtained your credit report from all three. They are: Equifax (www.equifax.com), TransUnion (www.transunion.com) and Experian (www.experian.com).

Use the same exact name every time you apply for a loan or credit — if you use your middle initial the first time, always use your middle initial. Taking care of small details such as this will ensure over time that you receive the very best deals, terms and conditions available every time you want or need to borrow money.

CREDIT CARDS: THE TRUTH ABOUT PLASTIC

You'll see them on Grounds all the time — different credit card promoters promising you a free T-shirt, a cold soda or a cool pen if you just apply for their particular card. The offers can be pretty enticing, but think twice before grabbing your new gift and an application. Credit cards can be a lifesaver, but they can also send you spiraling into debt.

Credit cards are different from debit cards. While a debit card removes money from your checking account each time you buy something, a credit card is essentially a loan. With card in hand, you can make purchases without any money immediately coming out of your bank account. Instead, you will receive a monthly statement showing the charges you have made during that particular billing cycle. But beware — since there is no registry where you can record the amount of each of your purchases, you may exceed your monthly budget and be unable to pay off the full amount of your credit card balance. And that's where it can get ugly — fast.

There's a little feature on credit cards called the **Annual Percentage Rate (APR)**. Here's what you need to know about the APR:

- The APR is a measure of how much credit will cost you on a yearly basis.
- The card issuer is required to disclose the APR before you become obligated to the account and to print it on your account statements.
- The issuer also has to disclose the “periodic rate,” which is the rate applied to your outstanding balance to figure the **finance charge** for each billing period.
- There are cards out there with variable **interest rates**, which means your APR can change when interest rates and other economic indexes change. These changes can raise or lower the finance charges on your account. If you get a variable rate card, the card issuer is required to explain that the rate may change, as well as how the rate is determined.
- **Bottom line:** Compare the APR on a variety of cards, and see what the best option is for you. A low APR is helpful if you plan to carry a balance over from month to month. Remember, low interest rates and low finance charges will help keep your outstanding balance from getting out of control each month.

The Beauty of the Grace or “Free” Period:

- Having a grace or free period is nice because it lets you avoid finance charges by paying your balance in full before the due date.
- Without a free period, a card issuer may be able to apply a finance charge from the date you use your card or the date the purchase posts to your account.
- Issuers who offer grace periods must mail your bill at least 14 days before the due date, so you’ll have enough time to get your check in the mail.
- Bottom line: Know how you plan to use your credit card. If you plan on spending carefully and can pay the card off in full each month, this free period can help save you money.

What’s All This About Fees?

Card issuers charge different kinds of fees to their cardholders. Here’s what you need to know:

- There are card issuers who offer low and no annual fees, which are basically like membership dues.
- Annual fees vary from card to card. They often range from \$0 to \$50, but some may charge hundreds of dollars.
- There may be transaction fees, too. These fees are incurred, for example, if you use your credit card for a cash advance, make a late payment or exceed your credit card limit.
- Bottom line: Shop around for cards that offer the lowest or no fees. Also, you have the authority to set your own credit card limit as opposed to the one the card issuer provides. Setting a lower one will obviously keep you from overstepping your budgetary bounds.

So What’s the Point of Having Plastic if It’s Such a Hazard to My Budget?

Credit cards are great for emergencies and for convenience while shopping. They can also help you pay off expensive purchases over time, such as a plane ticket home.

However, excessive credit card debt can permanently damage your credit history, and that can make it difficult to get loans for a car or house in the future. **Having no credit history is not much better than having bad credit history, though, because people can’t determine if you’re a reliable borrower or not.**

Eventually, you will need to get a credit card. They are great to have in your wallet if you pay attention to how you’re using them and have a plan of action for how to limit your spending.

CREDIT CARDS: THE TRUTH ABOUT PLASTIC

(continued)

Confused About Credit Cards?

Here's a glossary of credit terms that might help you navigate the waves of credit card offers that inevitably are heading your way:

Annual fee — A flat, yearly charge similar to a membership fee.

Annual percentage rate (APR) — A measure of the cost of credit expressed as a yearly rate. Many credit card plans charge different APRs for credit used in different ways — for example, one APR for purchases, another for cash advances and still another for balance transfers. Some plans may increase the APR if a payment is late.

Cash-advance fee — A fee charged if you obtain a cash advance. This fee is in addition to the interest rate charged on the amount of the advance.

Finance charge — The dollar amount you pay to use credit. Besides interest costs, the finance charge may include other charges, such as cash-advance fees.

Grace period — Also called a free period, this lasts about 25 days, during which you can pay your credit card bill without incurring a finance charge. Under nearly all credit card plans, the grace period applies only if you pay your balance in full each month. It does not apply if you carry a balance forward. Also, the grace period usually does not apply to cash advances, which may begin accruing interest from the day of the transaction.

Interest rate — A measure of the cost of credit, expressed as a percentage. The information on variable-rate credit card plans is listed above (see APR category). The interest rate on fixed-rate credit card plans is not explicitly tied to changes in other interest rates (like the variable-rate cards), but it can also change over time. The card issuer must notify you before the “fixed” interest rate is changed. A tiered interest rate means that different rates apply to different levels of the outstanding balance.

Late-payment charge — A charge imposed when your payment is late. If your payment arrives after the grace period, you may be charged both a finance charge (the interest on your outstanding balance) and a late-payment charge. Some card issuers may also impose a penalty rate if you have more than one late payment within several months.

Over-the-limit fee — A fee imposed when your charges exceed the credit limit set on your card.

Penalty rate — The rate that applies under specific circumstances set out by the card issuer. For example, if you make several late payments back-to-back, the card issuer may be able to raise your interest rate.

Periodic rate — The rate you are charged each billing period. For most credit card plans, the periodic rate is a monthly rate, calculated by dividing the APR by 12. For example, a credit card with an 18% APR has a monthly periodic rate of 1.5%.

And Finally, a Couple of Other Suggestions

1. Since you don't have a registry to record purchases like you do with a checkbook, record your credit card purchases in a notebook and keep your receipts until your bill comes in the mail. This method has two advantages. Not only will you have an easier time keeping track of your finances, but you also will be able to compare your receipts to the monthly statement to make sure there aren't any mistakes.
2. Don't forget that there are various types of financial software available to help you watch your spending. Office supply stores like Office Depot and Staples have a variety of budgeting sheets and ledgers that can help, too.
3. If you can't pay your credit card balance in full each month, you need to pay at least the minimum amount due, **on time**, each month. This is the best way to establish good credit. Make sure to allow 5–7 days for payments by mail.
4. If the due date on your credit card statement comes at an inconvenient time of the month (for example, right as your last paycheck has virtually vanished!), contact your creditor. Your billing cycle could be adjusted so it comes at a better time of the month for you. If not, you're going to have to discipline yourself to make sure you have enough money when the bill arrives.
5. Before you make any purchases, ask the merchants if they offer student discounts. Grocery stores like Harris Teeter and Kroger at Barracks Road Shopping Center offer student discounts on food, in addition to the stores' own discount cards.
6. **Finally** — **think before you charge!** When you slide your credit card out of your wallet, ask yourself how long it will take you to pay it back. If it's not a necessity, do you really need it?

POTPOURRI: MONEY MATTERS AT UVA

The Cavalier Advantage Debit Card Program

Cavalier Advantage is an account, accessible through your student I.D. card, that is activated once funds have been deposited with the University. Guests or visitors of the University may purchase Cavalier Advantage cards from cash deposit machines located in Clemons Library, Alderman Library, the Science & Engineering Library in Clark Hall, Fiske Kimball Library at the Architecture School, the Health Sciences Library and O-Hill Dining Hall.

Cavalier Advantage eliminates the need to carry coins and offers value to students on Grounds. Most of the copiers in our libraries accept only Cavalier Advantage. Other University service providers offer discounts such as 20% off copy machines, 25% off the Central Grounds Parking Garage and 10% off all merchandise at TJ's Locker.

How Do I Get “Cavalier Advantage?”

There are 3 ways to open or add to your Cavalier Advantage account:

1. Visit the Web site for Cavalier Advantage at <http://www.virginia.edu/cavalieradvantage>, where you can download and print out a Cavalier Advantage Deposit Form. Mail the form along with a check (made payable to the University of Virginia) or credit card information to:
UVA Business Operations
P.O. Box 400313
Charlottesville, VA 22904-4313
2. Call the Business Operations Office at 434.982.5735 to make a deposit using Visa® or MasterCard®.
3. Use the cash deposit machines located in Clemons Library, Alderman Library, the Science & Engineering Library in Clark Hall, Fiske Kimball Library at the Architecture School, the Health Sciences Library and O-Hill Dining Hall.

Remember... Cavalier Advantage funds roll forward until you graduate!

BANKING AT UVA

We've already suggested that selecting and opening account(s) at a bank are a good idea. A number of choices are available when it comes to selecting a bank for the first time. It is important to **select a bank that matches your needs**. Most people keep accounts with just one bank, as multiple banks are unnecessary.

Beyond bank accounts, you also have access to a variety of payment options that can help you track spending.

Using Your Account

Once you have a bank account, use it sensibly. Your bank will give you a monthly statement regarding your account. However, it is imperative to keep track of your account in your own checkbook register. Keeping track of your account may help you avoid overdrafts (i.e., writing checks for more money than you have). Overdrafts can result in serious charges from the bank, and in more extreme cases, severe punishment.

ATM Cards

An ATM (Automated Teller Machine) is a way to get money from your account quickly and at any hour. Most banks now provide an ATM card with checking or savings accounts, which allows you to withdraw money anytime and get an instant printed record of the transaction. It is important to keep track of all withdrawals and transaction fees in order to avoid overdrawing the account. A Personal Identification Number (PIN) provided to you restricts access to your account. To protect the account, do not share the PIN or carry the number with the ATM card.

All banks will give you an ATM card for the purpose of withdrawing money. Some ATM cards double as debit cards. In other words, you can use the ATM card like a "credit" card in stores, but the money is withdrawn from your account immediately. There may be fees associated with such transactions, so be sure to check with your bank.

BANKING AT UVA

(continued)

ATM Locations

Where Can I Find the ATMs?

Here are just a few locations where you can find ATMs on Grounds at UVA or within walking distance of Grounds:

Bank of America has ATMs at:

- UVA Bookstore
- University Hospital
 - West Complex - 1300 Jefferson Park Avenue
 - Main Hospital - 1215 Lee Street
- University Medical Center
 - 101 Hospital Drive
- Tree House (dining eatery located in the Alderman Road Residence Area)
- Scott Stadium (during football season)
- Branch on The Corner (across from the Lawn)
- Branch at Barracks Road Shopping Center
- University Law School
- John Paul Jones Arena – Massie Road

Wachovia has ATMs at:

- Branch on Ivy Road
- Branch in Barracks Road Shopping Center, Emmet Street
- Newcomb Hall — 2nd floor

University of Virginia Community Credit Union

has ATMs at:

- Alderman Library – 4th floor
- Branch on Arlington Boulevard (near Barracks Road Shopping Center)
- UVA Hospital Cafeteria – Lee Street (Cash Dispense Only)

Sun Trust Bank has ATMs at:

- Darden School
- Branch on Ivy Road

Virginia National Bank has ATMs at:

- The Corner (by Bodo's Bagels and Starbucks)
- Branch on the corner of Emmet Street and Arlington Boulevard

First Virginia Bank has ATMs at:

Ivy Road Branch

Barracks Road Branch – 2149 Barracks Road

Non-branded ATMs are at:

- Fontaine Research Park
- Law School

Checking Accounts at UVA

- **It is not necessary to establish a local checking account at UVA.** However, with your student I.D., some local banks may cash your personal check for a fee. Local merchants and the University will accept non-local checks with your student I.D. for payment of goods and services.
- If you are working while attending school, ask your employer whether your paychecks can be deposited into your bank account directly. If you are paid by UVA, you must have your University check sent to your bank by **direct deposit**, which is safe and convenient. Moreover, having direct deposit guarantees that your money will be in your bank exactly on payday instead of whenever it's convenient for you to go deposit the check at the bank.

The Bad Check Committee

- The Bad Check Committee is a subcommittee of the Honor Committee, which is overseen by the Vice Chair for Services.
- The members of the Bad Check Committee report to a staff person in the Dean of Students Office three times per week (Monday–Wednesday).
- The Dean of Students Office receives complaints from local merchants and University-related programs (i.e., Aramark — the company that runs the dining halls and, occasionally, fraternities and sororities) regarding bad checks they have received from students.
- The Dean of Students Office then passes the information on to the Support Officers of the Bad Check Committee to track down the student and have him/her pay the debt he/she owes due to writing a bad check.

BANKING AT UVA

(continued)

- Upon receiving a complaint, the Support Officer will send a letter to the student (at the student's local address at the University), informing the student that he/she has 7 days to take care of the matter with the local merchant, or action will be taken against him/her.
- If no action is taken by the student within 7 days, a second letter is sent to the student, letting the student know that he/she has 7 days to take care of the matter, or the Bad Check Committee will make a request to the Dean of Students Office that the student be **suspended** until the matter is taken care of (including not being allowed to use his/her student I.D. for certain University functions and having a registration block on ISIS).
- As a logistical matter, the Dean of Students Office almost always suspends the student upon request by the Bad Check Committee. Most students will clear up the matter in the first 14 days. However, if they do not, then they will be suspended until the matter is cleared.
- Technically, writing a bad check is an Honor offense (which could make an argument for lying or stealing), but it is treated differently from most Honor offenses because bad checks are mostly the result of mistakes, and therefore lack intent and, possibly, seriousness.
- The Bad Check Committee was established to foster a good relationship between local merchants and students, and to ensure that students can write checks at local stores.
- The Bad Check Committee continues to make it easier for local merchants to accept checks from students and to ensure a good relationship between students and merchants.
- Writing a bad check is generally not brought to the Honor System as an Honor violation, but if the Bad Check Committee has reason to believe that a student is deliberately writing bad checks, or a student writes bad checks on a regular basis, then the Vice Chair for Services can initiate an Honor case against that student.

REFERENCE GUIDE: MONEY MATTERS AT UVA

1. Call 434.982.5735 to make a deposit using Visa® or MasterCard®.
2. Mail check or credit card information to UVA Business Operations.
3. Use cash deposit machines located in most libraries, as well as other buildings on Grounds.

Account	Type	To Add Funds	How It Can Be Used	Notes
Plus Dollars	Debit	<ol style="list-style-type: none"> 1. Buy Plus Dollars at Dining Services at O-Hill. 2. Fax or e-mail credit card information and desired amount to: 434.982.4995 or dining@virginia.edu 	<p>Plus Dollars can only be used for food purchases.</p> <p>Available to students on a University meal plan.</p> <p>Can be used for guests.</p>	<p>The Plus Dollars roll over between the two semesters of an academic year, as long as you remain on a meal plan.</p> <p>Plus Dollars are forfeited if not used before meal plan is completed or cancelled.</p>
Cavalier Advantage	Debit	<ol style="list-style-type: none"> 1. Call 434.982.5735 to make a deposit using Visa® or MasterCard®. 2. Mail check or credit card information to UVA Business Operations. 3. Use cash deposit machines located in most libraries, as well as other buildings on Grounds. 	<p>May be used for most University services:</p> <ol style="list-style-type: none"> 1. Food 2. Parking 3. TJ's Locker 4. Copiers 5. All libraries 6. Vending machines <p>Cannot be used to obtain cash or off University Grounds.</p>	<p>Many UVA vendors offer discounts using Cavalier Advantage.</p> <p>E-mail: cavadv@virginia.edu</p>
Student Accounts	Debit	<p>Because this credit is automatically extended to any current student, the total bill must be paid each month to avoid a hold being placed on the student's financial and academic records.</p>	<ol style="list-style-type: none"> 1. UVA tuition, room and board 2. Emergency loans 3. Telecommunications (long distance and cable) charges 4. \$1,000 credit limit at UVA Bookstore for any retail items 5. Cannot be used at Cavalier computers. 	<p>The Student Accounts Bill is sent to the student's home address monthly.</p> <p>Unpaid library, student health, housing and parking fines are also billed on the Student Account and are considered past due immediately.</p> <p>E-mail for further info: studentaccounts@virginia.edu</p>

FERPA Policy for Money Matters

The Family Educational Rights and Privacy Act of 1974 (FERPA), also known as the Buckley Amendment, governs the privacy of student records. The Act provides for the right to inspect and review educational records, the right to seek to amend those records, and the right to **limit disclosure of information from the records**. The intent of the legislation is to **protect the rights of students and parents** and to ensure the privacy and accuracy of educational records.

Student Financial Services, in compliance with the Family Educational Rights and Privacy Act, will only release financial aid and student accounts information to the student, unless specific consent has been given to release information to other parties. To give consent, the student must complete the **Authorization to Release Financial Information** form. Our office will not release information to anyone other than the student without this prior written consent.

To obtain this form, please visit our web site at <http://www.virginia.edu/financialaid/>. Click on the Forms link and then search in the current academic year for the **Authorization to Release Financial Information** form. Complete the form and return it to Student Financial Services by US Mail to the address on the form, or by fax to the number listed on the form.

If you wish to change the information on this form in any way, you must complete and return a new form to Student Financial Services. We will always use the most recently received form when determining with whom we may share your financial information.

STUDENT ACCOUNTS

Student Accounts mails billing statements on a regular basis to all students who are enrolled at the University and owe balances on their account. **All billing statements are mailed to the student's home or permanent address unless otherwise requested.** The initial billing statement for the fall semester is mailed in July and is due in August. The billing statement for the **spring** semester is mailed in December and is due in January. Under normal circumstances, financial aid recipients will have their financial aid awards credited on the billing statement for each semester.

Each semester's Student Accounts billing statement should include charges for tuition and fees. Room and board charges are also reflected if applicable to the student. Federal, state and institutional assistance is applied directly against the student charges if the financial aid applications are complete. Only the Federal Work-Study award is not credited to the account, since it is paid directly to the student based on the number of hours worked.

Methods of Payment

Payment of charges is due mid-August before the beginning of the **fall** semester and early January for the spring semester. Payment must be made by personal check, cashier's check, money order or cash. UVA does not accept credit cards for payment of student accounts bills. There are three ways to send payment to the University:

**Regular U.S. Mail
(bank lockbox):**
University of Virginia
P.O. Box 530294
Atlanta, GA 30353-0294

Express Mail:
University of Virginia
Attn: Cashiering
1001 N. Emmet Street
Charlottesville, VA 22903-4833

Wires:
Bank of America —
Richmond, VA
Account Name —
University of Virginia
Account Number —
004117975749
Routing Number —026009593

Some Frequently Asked Questions

Q: What happens if my payment is late?

A: Late payments may result in a charge of \$50 or 1.5% of the past-due amount (whichever is greater).

Q: Can payments be made with credit cards?

A: No. UVA does not accept credit card payments during the academic year.

Q: Is there a way for me to check the status of my account?

A: You can check the status of your student account online through our Web site: www.virginia.edu/isis.

Q: Is there any way to pay tuition, room and board over time?

A: Yes. The University works with Tuition Management Systems to offer a 10-month payment plan. See detailed information below.

Monthly Payment Plan

For an annual fee of \$60, the University offers an interest-free 10-month payment plan through **Tuition Management Systems (TMS)**. Student Financial Services recommends that families enroll in a payment plan only to cover direct University charges — tuition and fees, room and board. Scholarships and other financial aid should be deducted from your planned budget amount for the payment plan. Because the University does not receive all your money from TMS until the end of each semester, we will not refund any overpayments until we have reconciled our accounts. Fall semester refunds are processed in November and spring semester refunds are processed in April. To avoid having your funds held, you may adjust your budget with TMS if you determine that your payment through them will create a credit balance on your account.

More information about the payment plan is available at <http://www.afford.com> or by calling 1-800-722-4867.

YOUR STUDENT ACCOUNTS BILL

On the following page is a sample Student Accounts bill. Below are a few definitions to help you understand your bill.

Billhead — The billhead is the top portion of the bill. It is like your coupon. The original billhead must be returned with the payment to ensure the payment is applied to the correct account.

Bookstore — Student charges made at the bookstore to be billed home are shown here. Itemized receipts are given to the student at the time of purchase.

Due Date — Bills should be paid by this date to avoid late-payment fees, as well as registration, graduation and transcript blocks.

Referred Accounts — Charges listed here are past due, as the referring department has already billed the student for these charges. These include items such as library fines and parking tickets.

Regular Session — Tuition, fees and room and board are shown here. If you are on the payment plan, receiving loans, grants and aid, these credits to your account will also be shown here.

Telecommunications — You will be billed monthly for cable and long distance. You cannot prepay these charges. Details of long distance charges are sent via e-mail to each student.

Mail Payments to — This is a lockbox address. Please do not send correspondence, scholarship checks or express payments to this address, as we do not have a UVA representative here. Express mail received at this address may not be processed.

Note: If you send the payment without the billhead, your payment will be delayed.

Wire Payments to:

Bank of America — Richmond, Virginia

Account Name — University of Virginia

Account Number — 004117975749

Routing Number — 026009593

Mail Correspondence and Scholarship Checks to:

University of Virginia


P.O. Box 400204

Charlottesville, VA 22904-4204

Be sure to note that 2 things can happen if the bill is NOT paid on time:

- Registration blocks will occur.
- A late-payment charge of \$50 or 1.5% of the past-due amount (whichever is greater) may be added to your next bill.

Example of a Student Accounts Bill

UNIVERSITY OF VIRGINIA STUDENT FINANCIAL SERVICES BILLING STATEMENT			FOR OFFICE USE ONLY 000001									
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th>ID NUMBER</th> <th>STATEMENT DATE</th> <th>DUE DATE</th> </tr> <tr> <td>██████████</td> <td>02-13-04</td> <td>03-10-04</td> </tr> </table>			ID NUMBER	STATEMENT DATE	DUE DATE	██████████	02-13-04	03-10-04				
ID NUMBER	STATEMENT DATE	DUE DATE										
██████████	02-13-04	03-10-04										
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>BALANCE DUE ON 04-29-04</td> <td style="text-align: right;">5,728.28</td> </tr> </table>			BALANCE DUE ON 04-29-04	5,728.28								
BALANCE DUE ON 04-29-04	5,728.28											
LESS: PENDING FALL/SPRING AWARDS - _____			AMOUNT PAID									
NET PAYMENT _____			9899_ADD _____									
JOHN PATRICK PRESCOTT APT 46 CHARLOTTESVILLE VA 22903			*SEE INSTRUCTIONS ON THE REVERSE SIDE*									
			Z02062220210000 ██████████ JOHN P *									
***** PLEASE DETACH HERE AND RETURN TOP PORTION WITH YOUR PAYMENT *****												
UNIVERSITY OF VIRGINIA STUDENT FINANCIAL SERVICES BILLING STATEMENT												
PRESCOTT, JOHN PATRICK												
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th>ID NUMBER</th> <th>STATEMENT DATE</th> <th>DUE DATE</th> </tr> <tr> <td>██████████</td> <td>04-02-04</td> <td>04-29-04</td> </tr> </table>			ID NUMBER	STATEMENT DATE	DUE DATE	██████████	04-02-04	04-29-04	MAIL PAYMENTS TO University of Virginia P.O. Box 530294 Atlanta, GA 30353-0294 PHONE: (434) 982-6000			
ID NUMBER	STATEMENT DATE	DUE DATE										
██████████	04-02-04	04-29-04										
TRANS AS OF	TRANS CODE	DESCRIPTION	AMOUNT	TRANS AS OF	TRANS CODE	DESCRIPTION	AMOUNT					
		REGULAR SESSION										
07-08-91	01025	FALL REGD FEES CLAS	4,768.00									
07-08-91	00310	FALL ACTIVITY FEE CLAS	14.00									
08-15-91	00614	PENDING STAF'DRD/SLC/PLUS	.00									
08-30-91	00640	'00 REG.S SEMESTER PLUS 11	531.00									
		REGULAR SESSION	5,312.00									
		SUMMER SESSION										
05-18-91	03440	CARTER, HARRY L SCHLSHIP FL	600.00									
06-13-91	99999	PAYMENT RECEIVED ON ACCOUN	1,164.00									
08-17-91	04410	SUMMER SESSION TUITION N	1,092.00									
08-17-91	04418	SUMMER SESSION FEE	62.00									
		SUMMER SESSION	600.00									
		BOOKSTORE ACCOUNTS										
08-30-91	60000	NEWCOMB FALL BOOKSTORE	240.59									
09-01-91	60000	NEWCOMB FALL BOOKSTORE	152.72									
09-18-91	60000	NEWCOMB FALL BOOKSTORE	21.97									
		BOOKSTORE ACCOUNTS	415.28									
			5,728.28									
PAGE 1 OF 1			BALANCE DUE ON 04-29-04			5,728.28						

YOUR STUDENT ACCOUNTS BILL

(continued)

Where to Send Tuition Payments and Scholarships

Always include the student's UVA I.D. number on every item.
Do not include any scholarship checks or other information when mailing your payment to the Atlanta address.
Only checks and the UVA billhead should be sent to our lockbox center.

TYPE OF DOCUMENT	WHERE DO I SEND IT?	WHAT DO I INCLUDE WITH IT?
<p>Tuition Payment I just want to send a check to pay my bill.</p>	<p>University of Virginia P.O. Box 530294 Atlanta, GA 30353-0294</p>	<ul style="list-style-type: none"> • UVA Billhead • Student's I.D. number on the check
<p>Scholarship Check My daughter/son has received a scholarship check and I need to send it to you.</p>	<p>University of Virginia Scholarship Office P.O. Box 400204</p>	<ul style="list-style-type: none"> • Correspondence from the donor with the student's I.D. number referenced on the check and correspondence
<p>Notification of Scholarship My daughter/son will be receiving a scholarship, but we have not yet received the check. Do I need to pay the entire bill?</p>	<p>Charlottesville, VA 22904-4204 University of Virginia Scholarship Office P.O. Box 400204</p>	<ul style="list-style-type: none"> • UVA Payment Delay Certification • Correspondence from the donor with the student's I.D. number referenced • You may deduct the amount of the scholarship* from the payment you send to the Atlanta address
<p>Notification of Participation in a State Prepaid Program We participate in our state's Prepaid Education Program. Do I need to pay the entire bill?</p>	<p>Charlottesville, VA 22904-4204 University of Virginia P.O. Box 400204 Charlottesville, VA 22904-4204</p>	<ul style="list-style-type: none"> • UVA Payment Delay Certification • Correspondence from the state program with the student's I.D. number referenced • Pay only the portion of the bill not covered by your program and send to the Atlanta address

* We will assume that scholarships received are for the entire academic year unless otherwise notified by the donor or student. Therefore, scholarship checks will be evenly distributed between fall and spring semester bills when received.

Financial Aid 101

A Crash Course for You and Your Parents



FINANCIAL AID 101

Types of Financial Aid Available

- Grants and Scholarships based on “need”
- Federal Student Loans
- College Work-Study
- Alternative Student Loans
- Parent Loans

Steps to Applying for Financial Aid

1. The FAFSA (Free Application for Federal Student Aid) is **required** for all federal, state and institutional programs. **Entering** students have a March 1st priority filing date, and **returning** undergraduates have a March 31st priority filing date. Students may apply for financial aid year round, including summer school.
2. Entering students are **required** to complete the University of Virginia Entering Undergraduate Financial Aid Application. Forms may be downloaded from our Web site.
3. Entering students are **required** to submit copies of their parents’ federal tax returns and W-2 forms as well as their own. **Returning students should not submit tax information unless requested by Student Financial Services.**

You must apply for financial aid every year!

The FAFSA federal code for the University of Virginia is 003745.

Please refer to the Office of Financial Aid Web site each year for updated information:
www.virginia.edu/financialaid.

What Is Financial Aid?

The financial aid “package” is determined by the individual financial “need” of the student and the availability of the various types of financial aid funds. Financial aid often is a combination of gift assistance, loan funds and employment.

Grants and Scholarships

Grants and scholarships are financial assistance that does not have to be repaid. An example is the Pell Grant.

A few notes on scholarships:

- Student Financial Services **does not** award merit-based scholarships.
- Federal regulations do not allow UVA to use need-based scholarships to cover a family's expected contribution.
- Awards from sources other than the University will reduce the amount of financial assistance from the University.
- The student is responsible for notifying the University of outside scholarships/awards and ensuring that the funds reach the student's University account.

Federal Loans

Federal loans are financial assistance in which the student borrows funds at a low interest rate through a federal program. These loans must be repaid by the student after graduation or separation from the University. Examples include the Perkins Loan, the Federal Stafford Subsidized and Federal Stafford Unsubsidized Loans, etc.

Work-Study

Students often choose to hold a job while in college. Students can seek employment through the University's Student Employment, the off-Grounds community or with the federal **work-study program** (for eligible students).

Work-Study Advantages

- Work-study is available to those students who qualify based on "need." It helps to reduce loan amounts that might otherwise be necessary if the student did not work.
- Students can work an average of 10 –15 hours per week on Grounds and are paid every two weeks at a rate ranging from \$5.35 to \$7.00 per hour.
- Students work an average of 30 weeks for the entire academic year and are encouraged to set up direct deposit so that checks are mailed directly to the bank.
- Some weekend hours are available.
- Work-study is not available during the summer session.

For those students not eligible for work-study, part-time jobs are available through the Human Resources Office at 914 N. Emmet Street (434.982.2821).

FINANCIAL AID 101

(continued)

When Should I Apply for Financial Aid?

- **March 31, 2006** is the priority filing date for **fall 2006** returning students. Check our Web site at www.virginia.edu/financialaid for up-to-date information on filing requirements.
- **Students must apply for financial aid each year they attend the University!**
- Reapplication information will be sent to returning students during the spring semester.
- Aid applications for **summer 2006** will be processed beginning in April.
- Loans can be made throughout the fall and spring semesters. So if circumstances change and you have financial need, contact us for help.
- Check for important deadlines regarding loans throughout the semester.

How Do I Get the Money?

- **Financial aid disbursements occur at the beginning of each semester.**
- Financial aid (including loans and grants) will be credited to the student's University account, and any refund money will be disbursed in check form or by **direct deposit** after final registration is completed.
- Students can sign up for the direct deposit option by completing the form available on the Student Accounts Web site: www.virginia.edu/studentaccounts. You must mail this form, with a voided check, to the Payroll Office (address is shown on the form).

Is There Financial Aid if I'm Studying Abroad?

- Financial aid funds are available to pay for study abroad as long as the program is preapproved by UVA.
- A consortium agreement is required between the program and UVA. The student is expected to inform Student Financial Services as soon as the agreement is reached.
- Financial aid for summer study is limited to a few approved programs. Please visit www.virginia.edu/iso/studyabroad/prosummer.html for approved programs.

FINANCIAL AID 101

(continued)

ACCESS UVA

A college degree has long been a launching pad to a better life. But increasingly, even middle-income students and their families worry that college debts will become a burden, limiting future career and educational opportunities. In response, the University has unveiled “ACCESS UVA,” an ambitious financial aid program — unprecedented among U.S. public institutions — designed to keep higher education affordable for all students who qualify for admission, regardless of economic circumstances.

Because access for every academically eligible student is a priority at the University of Virginia, the University has made an annual commitment of institutional funds for need-based grants for undergraduates.

ACCESS UVA replaces need-based loans with grants for families with the highest demonstrated need, caps need-based loan debt, meets 100% of demonstrated need and provides financial management education through four key components:

(Each component of the financial aid package applies to an eligible student's first eight semesters at the University, not including summer school or January Term.)

1. Replacing need-based loans with grants in the financial aid packages of low-income students.

In fall 2004, UVA began replacing all need-based loans with grants in the financial aid packages of eligible low-income students — those whose family income is equivalent to 200% of the federal poverty line or less.

2. Capping the amount of need-based loans offered to any student. Beginning fall 2005, UVA will cap the maximum amount of need-based loans for eligible students — in-state or out-of-state — at approximately 25% of the anticipated four-year cost of attendance for an in-state student, and will meet all need above that amount with grants.

3. Meeting 100% of demonstrated need for all undergraduate students. Fall 2004 marked the completion of a program launched three years prior to offer financial aid packages that meet 100% of the need for all undergraduate students who qualify for financial assistance.

4. Counseling on college financing and debt management. Student Financial Services offers additional one-on-one counseling to admitted students and their families, assisting them in the financial aid application process and presenting them with financial options outside of need-based financial aid.

ACCESS UVA: Questions and Answers

Q: How do students apply for ACCESS UVA?

A: The University considers all admitted students for ACCESS UVA awards based on their financial aid applications (Free Application for Federal Student Aid — FAFSA and the UVA financial aid form). No separate application is required.

Q: What is the difference between need-based loans and non-need-based loans? Does ACCESS UVA cap the amount for both types of loans?

A: During the financial aid award process, a family's expected contribution toward the cost of attendance is calculated, based on the income and assets of the family as stated in the FAFSA application. "Need" is the difference between the cost of attendance at UVA and the family's expected contribution. As part of the financial aid package, UVA awards loans, both "need-based" and "non-need-based."

All students can qualify for federal loans. Whether they are need-based (federal subsidized or Perkins loans) or non-need-based (federal unsubsidized or alternative loans) is determined by the family's need calculated from the FAFSA. ACCESS UVA provides funding to cap need-based loans.

Q: What is the cost-of-attendance figure and what items are included?

A: The cost-of-attendance figure includes tuition and fees, books and supplies, housing, meals, personal expenses and travel to and from home. For the 2006-07 school year, the cost is calculated as \$16,714 in-state and \$33,414 out-of-state.

Q: Does receipt of outside scholarships affect students' ability to receive financial aid?

A: Scholarships will be considered as a resource to students during the assessment of financial aid eligibility. It is critical that all scholarships be reported at the time of application to ensure that proper aid is awarded.

Q: How do students apply for financial aid?

A: To apply for financial aid a student must complete a Free Application for Federal Student Aid (FAFSA) and the UVA financial aid form. For additional information on the financial aid process, see the Financial Aid Web site.

FINANCIAL AID 101

(continued)

Q: What is the deadline for filing for financial aid?

A: Financial aid applicants have priority filing dates, not deadlines. For new and transfer students, the priority filing date is March 1. For returning students, the priority filing date is March 31. Applications received after these priority dates will still be processed. Your award letter may be delayed if you apply after the filing date, but the actual aid you receive should not be affected.

Q: What other services are available to ACCESS UVA students?

A: ACCESS UVA students, like all students, come to the University with a strong track record of academic excellence, but that doesn't mean there won't be challenges adapting to the rigors of academics or the newness of college life. In addition to the availability of ongoing financial counseling services available through ACCESS UVA, the University of Virginia provides a wide variety of support services to ensure that every student has the opportunity for success in and out of the classroom. The University offers tutoring programs in all areas of academics as well as a wide range of student services, support organizations, programs and assistance across Grounds.

MORE INFORMATION ABOUT STUDENT LOANS

Graduating from college with student loan debt is common today. Your student loans are serious commitments, and you need to be sure you pay them on schedule. But if your loan has an attractive interest rate, don't be in a hurry to pay it off early — you might be better off making the regular payments and using the additional money to build your personal savings or to pay off other high-interest debts. If you have more than one loan, consolidation of those loans at graduation may save you money. Visit our Web site at www.virginia.edu/financialaid for the most up-to-date information about loan consolidation.

Types of Loans

Below are summaries of the various types of loans available at UVA. As the name implies, these forms of aid must be repaid. Repayment terms vary depending on the loan. If you have any questions about your responsibilities when taking out a loan, please contact Student Financial Services.

Federal Loans

Stafford Loans and Perkins/Nursing Loans are in the student's name and must be repaid after graduation, or if the student falls below half-time enrollment.

Stafford Loan Programs — Through the Federal Stafford Loan Programs (subsidized/unsubsidized), students may borrow up to the following amounts: First Year, \$2,625; Second Year, \$3,500; Third, Fourth and Fifth Years, \$5,500 each. Students may borrow no more than \$23,000 for all undergraduate years. UVA participates in the Federal Family Education Loan Program. The Loan Program offers low-interest Stafford Loans to dependent and independent, undergraduate and graduate students enrolled in school at least half-time (minimum of six credit hours per semester). The Office of Student Financial Services certifies the loans; funds come from the lending financial institution. UVA has established Bank of America as its preferred lender for all Stafford Loans. Although students may choose to use any lender, the rates available through Bank of America may save borrowers money through the life of their loan.

MORE INFORMATION ABOUT STUDENT LOANS

(continued)

Subsidized Loans: Students who demonstrate financial need may borrow these funds. The federal government will pay the interest while the student remains in college at least half-time (six credit hours per semester). Repayment begins six months after the student leaves school (upon graduation or enrollment of less than six credit hours). At that time, interest will begin to accrue at a variable rate not to exceed 8.25% each year.

Unsubsidized Loans: Students who do not demonstrate financial need may still borrow these funds, but interest will accrue while the student is in school, at a variable rate that will not exceed 8.25%. Repayment of the interest on the unsubsidized loans begins 60 days after disbursement unless you choose to defer payment of the interest. If you select this option, the interest will be “capitalized,” or accrued quarterly and added to the principal when you begin repayment. Capitalized interest becomes part of the principal of the loan, therefore increasing the total cost of repaying the loan.

Perkins Loan Program — The Federal Perkins Loan is financial aid that is based on financial need and must be repaid. The Perkins Loan is awarded to students who demonstrate the greatest financial need, and preference is given to students who are eligible for the Federal Pell Grant. Annual award amounts range from \$500 to \$4,000 a year. The aggregate maximum limit an undergraduate student may borrow is \$20,000. Repayment begins nine months after students leave school or drop below half-time (at least six credit hours per semester). Payments on these loans are made to the University of Virginia.

Federal Parent Loan for Undergraduate Students (PLUS) — The Federal PLUS Program is a low-interest loan made to parents or legal guardians of dependent undergraduate students enrolled in school at least half-time (at least six credit hours per semester). Parents may borrow up to the cost of attendance less any financial assistance. The interest rate is variable but cannot exceed 9%, and repayment begins 60 days after the full disbursement of the loan. UVA has established Bank of America as its preferred lender for PLUS loans. Although parents may choose to use any lender, the rates available through Bank of America may save borrowers money through the life of their loan.

Private Loan Programs

Many private lending institutions offer credit-based loan programs to parents of dependent students or to dependent students with a creditworthy cosigner. Families should carefully consider the interest rates, loan fees and terms of the program before making a selection.

Student Financial Services can assist families in understanding the basic terms of various loan programs and how the process works. UVA has established Bank of America as its preferred lender for private loans. Although students may choose to use any lender, the rates available through the Bank of America GATE loan program may save borrowers money through the life of their loan.

Remember... When you sign a promissory note, you become responsible for the loan!

University Lee Emergency Loan — Under the terms of the Lee Emergency Loan, admitted students enrolled in any of the University schools (except the Continuing Education Program) may be eligible to receive **two** Lee Loans (**one per semester**) of \$500 each for the academic year. The loan is interest free. Students must apply in person at Student Financial Services and are required to show a valid student I.D.

Ivey F. Lewis Honor Loan — The Ivey F. Lewis Honor Loan Fund is a fund established to aid full-time University students in meeting their small, short-term financial needs by issuing interest-free loans for a maximum of \$600. Contact the Dean of Students Office at 434.924.7133 for more information or to set an appointment to request a loan.

University Brewer Loan — Under the terms of the Brewer Loan, students enrolled in any of the University schools may borrow up to 33% of their current Ledger 1 (tuition, fees, room and board) charges until December in the fall and until April in the spring. Brewer Loans are interest free and available during final registration week of each semester. The loan is applied directly to the student's account and must be repaid by the end of each semester. Students may not receive a Brewer Loan to pay off a prior Brewer Loan, and these loans are not available during the summer sessions. Students must apply in person at Student Financial Services for a Brewer Loan.

GRANTS AND SCHOLARSHIPS

The University offers a number of privately endowed need-based scholarship and grant funds, administered by Student Financial Services. Most of these awards were established by individuals or foundations and are intended for students who meet specific criteria.

In order to qualify for any University-endowed or restricted scholarships, students must have financial need, demonstrate appropriate academic achievement and meet all federal and University eligibility requirements. Students do not need to complete a separate application form to be considered for this type of aid. All financial aid applicants are automatically considered. **Remember that Student Financial Services deals with need-based forms of financial aid and does not award merit-based scholarships.**

Other University Scholarships

Additional scholarship opportunities may be available from various offices and departments throughout the University. Students are encouraged to investigate merit scholarships within their department. Students should contact individual schools, departments and offices for more information.

Non-University Scholarships

There are many scholarships available that come from organizations outside the University. It is important to understand what will happen once we receive your scholarship information and when we receive your scholarship check.

Please be aware that all scholarships are applied to students' accounts based on University policy. If the donors advise us specifically in writing that the amount they are sending is just one semester's allotment, we will abide by their instructions. Otherwise, we will always assume that the donors intend for the award to be for the entire academic year and, therefore, will apply half of the scholarship amount per semester.

For Financial Aid recipients, it is critical that you inform us of any scholarships you will be receiving from outside the University. During the process of determining your financial aid eligibility, we take into account outside scholarships. If we do not know about them, there is a potential your financial aid award will be incorrect. If this happens, your financial aid could be lowered by the amount of your scholarship. Depending on the time that we learn of the scholarship, there is the possibility that you could owe the University money if we had previously refunded excess funds to you. For further explanation of the effects of outside Scholarships, please contact Student Financial Services.

HELPFUL TIPS

- **Keep your address information current.** Any time you move, it is critical that you inform the University about your change of address. Changes can be made directly online at www.virginia.edu/isis or in the Registrar's Office in Carruthers Hall.
- **Read your UVA e-mail often.** Much of our office's information will be sent to students via e-mail. It is essential that students read their UVA e-mail on a regular basis to ensure they have the most current information. For example, if you owe a balance and we are going to block your account, we will send an e-mail to notify you before it happens.
- **Once it's in the Student's ISIS account, it's the student's money.** Regardless of who pays the bills, if a student's account has a credit on it, a refund will be sent to the student for the credit balance. If the account is overpaid, the student, not the parents, can expect to receive the refund of the overage. Refunds are processed daily during the month following final registration, then twice per week through the end of the semester. Parents should keep the lines of communication open as to what they want their son or daughter to do if this happens. (Note: If parents have taken out a PLUS loan and requested that any refunds be sent to them, we will do this only if the PLUS loan amount is greater than the total cost of tuition, fees and room and board. Contact Student Financial Services for a further explanation if you have any questions.)
- **Students must reapply for financial aid each year.** Each year, a family's financial situation can change. Therefore, financial aid is only awarded for one academic year. Go to our Web site early each spring semester to obtain the most current information and forms: www.virginia.edu/financialaid.
- **Neither student nor parent tax information should be submitted unless requested by the University.** We don't need your tax information after your first year in school unless we request it. Please wait until you receive a request from us before you send any tax information.
- **Living in Virginia while going to school does not make you a Virginia resident.** For more information about residency laws, please contact the Office of Virginia Status at 434.982.3391.

HELPFUL TIPS

(Continued)

- **Most undergraduate students are considered dependent.** You are only considered **independent** if you are over 24 years old or a veteran of the U.S. military, a ward of the court, married or have a child for whom you provide at least 50% support.
- **Emergency loans are available from Student Financial Services and the Office of the Dean of Students.** If you are ever in a situation where you need some extra cash, please contact Student Financial Services and the Dean of Students Office. We have emergency loan funds for just that — emergencies. Don't be afraid to ask for help! It won't cost you a thing.
- **Undergraduate students must be registered for at least 12 semester hours to qualify for financial aid.** Students who are not registered for, or drop below, at least 12 semester hours may be ineligible to receive financial aid. Before you drop below 12 hours, please contact Student Financial Services to determine what will happen to your aid.
- **Students who choose to live off Grounds after their first year will still get financial aid for housing.** Even if you choose to live off Grounds after your first year at UVA, your financial aid budget will continue to include a housing allowance. If you are not living on Grounds, and you qualify for aid, you will receive a refund from your financial aid award after classes begin to help with your housing costs. However, each semester you must come prepared to pay for at least one month's rent, since your refund will not be processed until classes begin. Please plan ahead.
- **Books and personal/living expenses are considered part of the cost of attendance when financial aid is awarded.**
- **Work-study awards can be deferred from fall to spring.** Students who don't want to work during the fall semester can defer their college work-study until the spring semester.

- **Students must maintain satisfactory academic progress in order to receive financial aid funds.** Federal and institutional regulations require that students receiving financial aid maintain a certain level of academic progress. If you ever fall below the satisfactory level, you will be notified.
- **Financial aid awards may be reviewed if family circumstances change.** If the student's family experiences a financial hardship after their award was determined, they can ask for a review. You must complete a request for a review form, available at our Web site at www.virginia.edu/financialaid/forms2006-2007.html. Please note that **requests will not be reviewed for the fall semester until August.** You must make other arrangements to pay the bill until your review has been completed.
- **Students applying to graduate school are considered independent for financial aid purposes.** Graduate students should not have their parents complete the FAFSA.
- **Financial aid is available for summer school.**
- **Financial aid is available for approved study-abroad programs during the academic year.**
- **Contacting us:** When communicating with our office, it is helpful to have the student I.D. number handy so that we can look up the appropriate account. However, when sending e-mail questions to our office, please do not include the student's full I.D. number. We ask that you include the student's full name (including middle name) and just the last four digits of their I.D. number. This will protect your identity from outside sources. Also, please identify all parties who may have access to your account in the "next of kin" section of your ISIS address. We will not divulge any specific information to anyone who is not listed.

*Increasing Your
Financial Literacy*



MANAGING YOUR LOANS AND OTHER FINANCIAL TIPS

Any time you decide to borrow money to achieve a goal, you must first take an inventory of your current state of financial affairs. It is always a good idea to assess your current expenditures, think about the possibility of any unexpected things that might come up and to think about a plan of action should the proverbial “rainy day” come along. Take time to list every expense you have, whether monthly or periodically, list every debt you now owe and the monthly obligation on each of them and make allowances for expenses or surprises that do not normally come along. Only borrow what you absolutely need. If you need assistance with drawing up a monthly spending plan, there are counselors available in the Student Financial Services who can assist with that. The important thing to remember is that borrowed money, whether to buy a car or finance your education, always has to be repaid. Consider the fact that your budget and spending plan will need to be a habit that you will have to develop and continue all of your life. When it comes time to pay back the money you borrowed, there will be other wants and needs to fund as well. Educational financing is one of the best financial decisions you can make; however, it is still a loan and has to be repaid at some point in time. Thinking carefully and realistically up front about the impact of that repayment period and amount will put you in a good position when the time comes to repay the loan.

You will be wise to already have a spending plan worked out before your student loans are actually distributed to you. Once you have the money in your hands, you will know exactly how you need and plan to spend that money. Don't make your spending plan so tight that you can't have any fun...if you do that, you will most likely set yourself up for failure at getting through the school year on what is allotted.

Pay as you go...do not use credit cards to extend your income while in college. If it is more important now to keep life simple by using a credit card to make purchases while in school, be sure you start early the habit of paying those cards off entirely every single month. That way you won't be paying costly interest and finance charges — and you won't establish a bad habit of relying on credit to extend your income for a lifetime. Here's an interesting fact — did you know that every American spends \$1.21 for every dollar he/she earns? This is a sign of our times. You can stop this trend by setting your priorities early in your life.

MANAGING YOUR LOANS AND OTHER FINANCIAL TIPS

(Continued)

One way to assure that you will have a handle on your finances is to keep your paperwork and bill information organized. Did you know that most identity theft is perpetrated by people who know you and have easy access to your personal information? Be sure to keep your records in a private, preferably locked or secure, place and always put forms, papers, receipts, bill notices, etc. in this place to avoid any problems. You can start getting organized by making a folder for each month of the year. Every day as you bring home receipts (keep them, by the way and don't ever toss them in the trash at home or away from home — they are an identity thief's best friend!), put all of your receipts, payment stubs or other personal or financial paperwork into the file for that month. Set aside a small amount of time at the end of each month to go through and sort your papers by category. Check to be sure you stayed within the guidelines you set for yourself on your spending plan. This is a quick and easy way to 1) assure that you stay on task with your budget; 2) have receipts available in case of a problem or return with an item; or 3) have a good, safe and organized place to take care of all of your personal business.

Records such as your student loan information are critical to maintain in case there is ever a question about them and it may also help to have them readily available when tax time comes around. Every month, after going through your paperwork, keep records you will need for taxes or other follow-up kinds of activities (bank statements, student loan and other loan records, credit card pin numbers and privacy statements/contracts, etc). If you have any receipts that need to be thrown away, shred them. It's best to keep these documents out of other people's hands. If you want more ideas about getting and staying organized, you can check out articles with great ideas at www.bankrate.com. Search for articles pertaining to organizing your financial records and you will find all kinds of expert advice that will serve you well once you follow it.

CONSUMER RIGHTS AND RESPONSIBILITIES

Consumers tend not to pay much attention to our rights and responsibilities and local, state and federal laws that govern consumer issues until the moment that we need to know about them. Recently, an executive of a training program for financial counselors reflected that consumers, more than anything, need assistance in making good financial decisions **at the point of need**. So it is much more important for you to know where to find the appropriate resources when you have a question or concern rather than to try to learn the many laws that apply to consumer issues. Through the years, consumers have not always had enough protection in the form of laws to govern how we are treated when we engage in financial business. A good example of that is the recent passing of laws that make it mandatory for the three major credit reporting agencies to provide every American with a free copy of his/her credit report annually. To demonstrate how short sighted these laws sometimes are, note that the law did not specify that you also receive the free credit score along with the free credit report. So, in reality, consumers only won half the battle to have access to critical information that affects how financial partners will view requests to borrow money. It appears that it's all about awareness — when you have a concern or run into a consumer issue or question that you cannot understand, dig and find out if there are laws or regulations that might protect you in the situation. The following resources may provide you with valuable resources in your time of need:

www.nclc.org — National Consumer Law Center

www.bankrate.com — Articles on many consumer topics

www.naca.net — National Association of Consumer Advocates

www.ftc.gov — Federal Trade Commission

www.clarkhoward.com — Syndicated consumer advocacy

CONSUMER RIGHTS AND RESPONSIBILITIES

(Continued)

There are probably a few laws that you as a college student might want to pay attention to before the time of need arises. These laws are very broad in nature and affect your very basic rights as a consumer. By keeping information about these few laws bookmarked for quick access (and by adding others as they become pertinent to your life and situation), you will help yourself and possibly your friends and family members as well. The laws that might be most important for your awareness today are as follows:

Fair Credit Reporting Act — this law regulates how items can be reported on your credit report and how to receive assistance should erroneous information be placed on that report;

FACT Act — this law made it mandatory for the three major credit reporting agencies to provide every American consumer with a free copy of his/her credit report annually;

Fair Debt Collection Act — this act assures that you will be treated correctly and as the law directs when you fail to pay a debt and a collector is working to obtain payment on the debt;

Truth In Lending — this law mandates financial partners to give you all of the necessary information when you seek to borrow money so that you can make the wisest choices and decisions.

Become a good advocate for yourself and other consumers by asking lots of good questions and seeking out your rights and responsibilities **before** you make important decisions that affect your financial well-being.

DEBT MANAGEMENT

As we have discussed previously, borrowing money and debt are a fact of the American way of life. However, debt does not have to impose an undue hardship on families and individuals if it is managed wisely. The very first thing that you must do is to take stock of what you owe. Maybe now you are borrowing to go to college and do not have significant debt otherwise. If you are not yet repaying your student loans, then you may have credit cards, possibly a car payment and potentially some other debts that you have gathered. Make a list of all debts that you owe (do not include monthly living expenses such as cell phone bills, insurance payments, groceries or rent). List each creditor along with their mailing address, phone numbers, website addresses, the total amount you owe, the interest rate or finance charge being assessed monthly and the amount of monthly payment that you are expected to pay. As was suggested earlier, you may want to make a separate folder for each creditor you owe so that you can keep important papers and only the recent statements to assure that you are being charged correctly and that you have up-to-date information close at hand and easy to locate when you want/need it. Once you have made this list, you may want to go back to your monthly expenses list or spending plan and total the amount that you have for routine and periodic expenses on a monthly basis and add to it the monthly obligations to your creditors. If this total amount of monthly expenses matches or is less than your income, you are in terrific shape and potentially have some left over for savings for emergencies or for other forms of savings/investment. If your income falls short of covering all of your expenses and debt payments, you may have to consider some options to rectify that situation quickly.

DEBT MANAGEMENT

(Continued)

When consumers are in debt and cannot make all monthly obligations required of them, there are always options and alternatives to consider. This is not a time to decide to leave school or take on so much extra outside work that your school work begins to deteriorate. There are basically two broad categories of remedy when you find yourself getting over your head in debt. You may want to consider the following ideas:

Decrease expenses

- Take in a roommate or additional roommates to share on rent.
- Begin to shop with coupons to save on groceries — plan meals at home/apartment and buy only what is needed for those meals.
- Shop for clothing at discount or second hand shops.
- Find easy and practical ways to reduce usage of energy resources such as gas for your auto, electricity and gas to warm and cool your house, water (try using a web search engine to learn new ways to save major bucks on energy resources).
- Buy used books for your classes.
- Carry a lunch or snack to classes with you rather than purchasing them in machines or at fast food restaurants.
- There are MANY creative ways to save a few dollars here and there that really add up over time!

Increase income

- Take on a part-time job or add just a few hours to a job you are already doing — be very careful not to overload yourself and jeopardize your studies.
- Look into a work-study program.
- Use some special skill or talent you may have to earn a bit of extra money — babysit, clean houses or apartments on weekends, make crafts or other items to sell, do some computer repair around grounds and town, think creatively about things you can do to earn some additional cash.
- Clean out the closets and have a yard sale — it is amazing what money you might have hidden in your closets.

If you ever do find yourself overwhelmed by your debt situation, immediately pick up the phone and call all of your creditors. Remember, if they have to pay someone's salary to hunt you down to get your payments made, the creditors are most likely already not very happy with you. Even if you think you may not be able to make your payments on time, call them and ask them to note your concerns and situation in their records and promise to follow up — and do follow up as needed. Do NOT ignore your creditors for any reason. Remember that when you decide to take on debt, whether it is student loans, credit cards, a car payment or a cell phone contract, you are committing yourself to repay that debt as originally agreed. Anything less than that is cause for the creditors to take action against you as defined in your original agreement with them. Talk to your creditors...they are there to be sure you understand the options available to you. Regardless of what you may think, they do not want you to fail — failure on your part means difficulty for them as well. If you are in such serious financial trouble and have debts that are totally overwhelming you, seek out the help of a professional credit counselor. You can find someone who is trained and ready to help you — find a local non-profit service by looking at www.nfcc.org or www.aiccca.org. It could be that, with some professional help, you could find remedies you had not considered or thought about. Sometimes a formal plan of repayment is necessary. If so, this is not the end of the world and you will gain control again and feel much better about yourself for having paid off debts rather than to borrow more and dig a deeper hole. Non-profit credit counselors are highly trained and skilled at working with you and your creditors to work out a fair and reasonable plan of repayment for you. If you can repay your debts on your own without a formal plan carried out by a credit counseling organization, you are far better off to do so. Decide to either pay off the lowest balance first and then move to the next lowest until debts are totally gone, or start with the creditor with the highest interest rate and get rid of that debt first.

Debt management can be troubling if you try to do it all alone. Certified credit counselors are now available in the Student Financial Service office to assist you. Don't feel like you have to do it all on your own!

SUMMING IT UP

Your college years are an ideal time to organize your financial life. It is a perfect opportunity to clarify your financial goals and make your plans. You probably haven't made any financial mistakes yet. If you can get this part of your life in shape now, you'll be years ahead of someone who waits "until I make more money" or "until I get a little saved up."

And remember, you may think you don't have enough money for it to make any difference, but this is a misconception! Just start saving a dollar a day and you'll make a big leap toward financial freedom, thanks to the power of time and compounding. You can add more when you're able, but at least start now with something. Your investment will grow quickly if you are resolute in building it. Slow and steady can actually win the financial race.

As you make plans for managing the expense of college, Student Financial Services is here to help. The purpose of student financial aid at the University of Virginia is to provide money for students who cannot attend the University without financial assistance. Additionally, we assist students in the following areas:

- Examining financing options for students with financial need.
- Providing educational financial planning information to families not eligible for traditional need-based financial aid programs.
- Counseling students whose families have experienced financial difficulties.

Our staff is here to help you with any questions or concerns that you may have. We encourage you to examine all the financing options open to you and to take advantage of the services we offer.

HELPFUL WEB SITES

“You are not here merely to make a living. You are here in order to enable the world to live more amply, with greater vision, with a finer spirit of hope and achievement. You are here to enrich the world, and you impoverish yourself if you forget the errand.”
— Woodrow Wilson,
U.S. President and
UVA alumnus

Student Financial Assistance
<http://www.studentaid.ed.gov>

FAFSA (Free Application for Federal Student Aid) Online Application
<http://www.fafsa.ed.gov>

PIN Registration and Information
<http://pin.ed.gov>

AmeriCorps
<http://www.cns.gov>

Stafford Loans for Students
<http://www.virginia.edu/financialaid/loans.html>

Internal Revenue Service
<http://www.irs.gov>

Selective Service System
<http://www.sss.gov>

Social Security Administration
<http://www.ssa.gov>

Tuition Management Systems
<http://www.afford.com>

U.S. Immigration
<http://www.uscis.gov>

Veterans Administration
<http://www.va.gov>

College Board
<http://www.collegeboard.com>

FastWeb Scholarship Search
<http://www.fastweb.com>

FinAid
<http://www.finaid.org>

Scholarship Resource Network Express
<http://www.srnexpress.com>

Gates Millennium Scholars
<http://www.gatesfoundation.org/education/scholarships>

Hispanic Scholarship Fund
<http://www.hsf.net>

Scholarship America
<http://www.scholarshipamerica.org>

GLOSSARY FOR QUICK REFERENCE

Annual Fee — The yearly cost to use a credit card. Not all credit cards have an annual fee.

Annual Percentage Rate (APR) — The cost of carrying a balance on a loan, expressed as an annual percentage. To calculate the amount owed in interest each month, divide the APR by 12. For example, if the APR is 18%, the monthly rate is 1.5%.

Available Credit — The unused portion of a credit line. Available credit is the credit limit minus the current balance.

Average Daily Balance — The average daily balance is a method used to calculate finance charges. It is calculated by adding the outstanding balance on each day in the billing period and dividing that total by the number of days in the billing period. The calculation includes new purchases and payments.

Balance Transfer — Moving outstanding balances from one credit card to another.

Billing Cycle — The number of days between the last statement date and the current statement date.

Billing Statement — The monthly bill from a credit card issuer that describes and summarizes the activity on an account. A billing statement includes the outstanding balance, purchases, payments, credits, finance charges and other transactions for the month.

Cash Advance — An instant loan from a credit card account. The card company will charge interest from the day the advance is taken until the day it is paid off. A transaction fee may also be charged based on the amount of the withdrawal.

Cash Advance Fee — A one-time fee for cash advances in addition to normal interest charges. This fee is usually a percentage of the advance amount.

CCCS – Consumer Credit Counseling Service — A nonprofit organization that provides free or low-cost counseling and guidance to people experiencing financial difficulty. CCCS can be reached by calling 1.800.388.CCCS.

Credit Limit — The maximum amount a person may owe on a credit card, including purchases, cash advances, finance charges and fees.

Credit Line — A revolving amount of credit. Any amount up to the limit on the credit line may be borrowed to make purchases or cash advances. The cost of the purchase, plus interest, is then paid off over a period of time. As the outstanding balance is paid off, credit becomes available again to use for another purchase or cash advance.

Debit Card — A card that allows purchases to be paid for with funds that are immediately deducted from the purchaser's financial account (e.g., checking account).

Finance Charges — The total dollar amount paid to use credit. Finance charges include interest, service and transaction fees, premiums paid for credit life insurance and so forth.

Fixed Expenses — Expenses that must be paid every month. These are expenses that really can't be changed, like a mortgage, rent, car payment or student loan payments.

ISIS — Integrated Student Information System.

Principal — Principal is the portion of a loan that represents the actual amount of money borrowed. Principal is separate from interest. In terms of credit cards, principal represents the price of purchased items or the amount of a cash advance.

Transaction Fee — A charge for various credit activities, such as using an ATM or receiving a cash advance.

Variable Expenses — Expenses that can change from month to month. Variable expenses include necessities that can be decreased (e.g., food, utilities) and nonessentials that can be eliminated (e.g., long distance charges, cable/television, magazine subscriptions, etc.). Reducing these expenses is the simplest step in getting control of finances.

Zero Balance — When the total outstanding balance is paid and there are no new charges or cash advances during a billing cycle. **Financial Success.**

*“The future belongs to those who
believe in their dreams.”
— Eleanor Roosevelt*



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bankofamerica.com/studentbanking
1.800.344.8382