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Financing Your Study Abroad Experience

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Have you ever thought, "I'm not sure if I can afford to study abroad" or "How can I finance my study abroad experience?"

This is a common concern. However, we have found that most students are able to afford a study abroad experience.

You may not know this, but federal loans, scholarships and grants can be used to study abroad. CEA has helped thousands of students at more than 800 schools obtain financial aid and scholarships. In fact, we work closely with your study abroad, international programs and financial aid offices to make this a smooth process for you. Because each school has its own set of regulations regarding study abroad, we find that keeping a close relationship with your school is beneficial. CEA is also here to assist you with any financial aid questions that may arise. The best part is that CEA awards more than \$25,000 in scholarship money to our students every year.

In the next few pages, we will guide you through the process of financing your study abroad experience. Should you need our assistance at any time, please feel free to call us at 800-266-4441 or email us at info@GoWithCEA.com.

Using Financial Aid for Study Abroad

Did you know that the U.S. Department of Education permits schools to release federal aid for payment toward a study abroad program as long as the program is approved for credit by your home institution and applies towards a degree? In fact, federal law also states that aid can cover all "reasonable" costs for a study abroad program, including: round-trip transportation, tuition and fees for the program, living costs, passport & visa fees and health insurance.

What steps should you take?

- Be enrolled in a degree program to receive federal and state aid.
- Be enrolled for a certain number of credit hours while you are receiving aid.
- Obtain approval from your study abroad office and your academic advisor at your home school so that the credit earned abroad is transferable to your home school. The credit does not have to satisfy major requirements, but you need to be able to use it for general education or elective credits.
- Be in school for 30 days before you receive your loan money (federal law requires this).

What information do your financial aid and study abroad offices need?

Once your home institution approves the program, your school and CEA may sign a written agreement called a "Consortium Agreement". CEA can submit this agreement to your college or university once you

are accepted into a program. We will also send your financial aid office a "budget" for your study abroad program so that they can review your CEA budget and determine the amount of financial aid that you'll be eligible to receive for your program.

Getting Started with Financial Aid

Are you eligible for financial aid?

There are some requirements that must be met to qualify for federal or state financial aid, including:

- Be a citizen or eligible non-citizen of the United States with a valid Social Security Card
- Have a high school diploma or a General Education Development (GED) certificate
- Be enrolled in an eligible program as a regular student seeking a degree or certificate
- If you are a male, be registered for SELECTIVE SERVICE
- Have a result of Eligible or Partially Eligible on Question 23 (Drug related conviction) of the Free Application for Federal Student Aid (FAFSA)

Why do you need a Free Application for Federal Student Aid (FAFSA)?

You must fill out the FAFSA form in order to apply for federal and state assistance. When the FAFSA form is submitted to the US Department of Education, the information is then forwarded to the and the school(s) you listed on the FAFSA form and to your home state's student assistance agency. An important note to keep in mind is that each state has a separate deadline date to have your FAFSA completed for the next academic year. Contact your financial aid office to see if you are close to a deadline date for your FAFSA application.

What info is needed to complete my FAFSA?

For information on how to complete a FAFSA, please contact your school's Financial Aid Office or go to the FAFSA website at www.fafsa.ed.gov.

Types of Available Aid

Federal and State Government Aid is funding from taxpayer dollars and government funding. Most often awarded on the basis of financial need, it can also be awarded based on the amount of credits assessed at the time of loan approval. The aid can be disbursed as a grant or loan. As long as your home institution pre-approves the credit(s) you may earn abroad, it is legal to use federal aid toward your study abroad program.

Campus-Based Aid is any funding provided by your educational institution. The aid is based on financial need and can be awarded as a scholarship, grant, Perkins Loan, or FSEOG (Federal Supplement Educational Opportunity Grant). However, the award might only be granted if you are both enrolled at the institution and intending to use the aid at your home campus. Therefore, it might not be available for a study abroad program.

Private Aid is financial assistance funded by a private source which is neither from the government or your institution. It is usually available as an alternative loan that is offered by private lenders. The loan funds are generally sent directly to the school. Private Aid may or may not be available for study abroad, depending on the restriction placed by the funding company and your school. Lenders provide different types of alternative loans, depending on your level of study and credit history.

Stafford Loan

A Stafford loan is a federal loan that students are eligible to receive. It is the Department of Education's major source of self-help aid. The loan can be part of the Federal Family Education Loan Program (FFELP) or the William D. Ford Federal Direct Loan Program. A FFELP Loan can originate from a bank, credit union or a student loan lending institution while a Direct Student Loan comes from the federal government. Stafford Loans are subsidized or unsubsidized loans. A subsidized loan is based on financial need and the government covers your interest payments while in school. On an unsubsidized loan, interest begins accruing once the loan is disbursed. You can pay the interest or allow it to accrue and be capitalized (which means interest is added to the principal amount of your loan).

How much will you be awarded in a Stafford Loan?

The amount of your loan is based on the number of credits you have achieved at a post secondary institution. Your school will determine your eligibility for subsidized and unsubsidized Stafford loans.

How can you apply for a Stafford Loan?

The first step in applying for a loan is to complete the FAFSA form (Free Application for Federal Student Aid). Once this is completed, your school will review the information and better educate you on what options are available. If you are eligible to obtain a Stafford Loan, your school will have you complete a Master Promissory Note (MPN) to submit to the lender. Again, it is always a good idea to check with your financial aid office for specific requirements. Your home institution may have some additional forms for you to complete which are not required by the federal government.

Master Promissory Note

The Master Promissory Note (MPN) is also known as the Federal Stafford Loan application. The MPN is good for ten years at the same lending institution. Some schools have agreements with lending institutions, so it is a good idea to check with your Financial Aid office

for lending information. This may save you some money in origination fees. Please make sure the MPN is filled out completely. If not completed, this will hold up the approval process and delay the release of your Stafford Loan funds

How will you receive the funds?

The lender will usually release the funds twice a year directly to your school. The amount approved will be split into two disbursements for a semester school, or three disbursements for a quarter school. If you are a first time borrower, the school will hold your funds for a full 30 days from disbursement. This is to ensure that you are still enrolled in school.

PLUS Loan (Parent Loans)

A PLUS loan is a federal loan that can be taken out for a student by his/her parent or legal guardian. The loan is used to supplement funds you may not be eligible to receive or in addition to the other types of financial assistance.

How do your parents apply?

Information regarding how to obtain a PLUS Loan can often be found on your school's financial aid office website. To be eligible to apply for a PLUS loan, your parent(s) will be required to pass a credit check. Your parent cannot be turned down for lack of credit, only for adverse credit history.

If your parent does not pass the credit check, they may use a relative or friend as a co-signer. This co-signer (endorser) will promise to pay back the loan if your parent has financial difficulty.

How much can your parent borrow?

The annual limit of a PLUS loan is determined by the cost of attendance of your home school minus the amount of aid that you receive. This is important to remember when requesting financial aid from the home institution. Depending on your institution, a study abroad program could be higher in cost than the cost of attendance at the home institution. If this should occur, it's important to inform the financial aid office of the higher cost. This knowledge will allow the financial aid office to request a higher amount for loans and grants. The loans will be disbursed directly to your school. Your parent will need to contact the school to find out how the funds will be sent in order to pay for your study abroad program.

When does repayment begin on the PLUS loan?

The first payment is generally due within sixty (60) days after the second disbursement of the year has been released. In accordance with the terms of a PLUS Loan, a grace period is not offered. The interest on the loan will begin to accrue from the initial date of the first disbursement.



Perkins Loan

A Federal Perkins Loan is a low-interest loan for both undergraduate and graduate students. This is a need-based loan and is usually awarded to a student with exceptional financial need. The program is in conjunction with your school and the federal government. The school will act as the lender of the loan with federal government backing. This is a loan that will need to be paid back to the school.

How much can you receive?

As an undergraduate student, you may be able to borrow up to \$5,500 per year, with a maximum limit of \$27,500. The actual amount that you will receive will be based on your need, your Expected Family Contribution, and your cost of attendance for the study abroad program. Each school has a set limit and they decide who receives the loan.

When will you receive the funds?

The loan will be disbursed from the school. If you are attending a semester school, the disbursement will come twice a year. If attending a quarter school, it will be split into three disbursements.

Pell Grant

The government offers a need-based grant, called the Federal Pell Grant, which does not have to be repaid. The grants are awarded to undergraduate students who have yet to earn their Bachelor's degree.

How can you receive a Pell Grant?

The government awards Pell Grants based on need. When you complete your FAFSA and forward it to your school, they will be able to determine the grant amount based on your Expected Family Contribution (EFC). As a general note, the lower your EFC the more Pell Grant you will receive. There are other factors that can allow for Pell approval, so it is always best to speak with your financial aid advisor for additional information.

When will you receive your grant?

The government will release the Pell Grant funds to your school at least once per term. As with the loan disbursements, it will be based on the type of school you are attending. If you attend a semester school, the funds will be released twice a year. If you attend a quarter school, the funds will be released three times during the school year.

Federal Supplemental Educational Opportunity Grant (FSEOG)

The FSEOG grant is offered by schools to students who have exceptional financial need. The award amount may not be less than

\$100 and may not exceed \$4,000 for a full academic year.

When will you receive your funds?

The school will divide the total FSEOG award by the number of payment periods (disbursements) of the academic year. In a semester calendar system, your first disbursement will be during fall semester and the second disbursement during spring semester. On the quarter calendar system, your first disbursement will be during fall quarter, the second disbursement during winter quarter, and the third disbursement during spring quarter.

Scholarships

CEA Scholarship Awards

The purpose of the CEA Scholarship Program is to promote international understanding among students by subsidizing the cost to study abroad. CEA takes pride and pleasure in providing students enrolling in CEA study abroad programs with scholarships and other awards. Students should apply for a scholarship with the selection criteria best suited to their qualifications.

To be considered, CEA requires the following:

- Be accepted into a CEA program.
- Meet the requirements for the scholarship to which they are applying.
- Be currently enrolled as an undergraduate at a US or Canadian college or university.
- Have a minimum 3.0 cumulative GPA, unless otherwise specified.
- Complete an original essay of 400-500 words.
- Adhere to the CEA Code of Conduct. CEA reserves the right to revoke a scholarship if the recipient fails to adhere to the CEA Code of Conduct.
- Turn in a completed scholarship application with the required documents postmarked by the following dates: Spring: November 1; Summer: March 31; Fall: May 1

CEA provides scholarships for \$2,000 and \$3,000 for trimester/semester/academic year programs and \$750 and \$1,500 for summer programs.

Selection Process

Candidates who meet the scholarship criteria and program requirements will have their application and documents judged by an independent selection committee. Students may only apply for one scholarship per term. If multiple entries are submitted, the first application received will be reviewed, all others discarded.



Scholarship Websites, Books and Organizations

For a list of scholarship resources including websites, books and organizations, please click on the "Resources" link on our website at www.GoWithCEA.com/finance.

Available Scholarships

Applying is easy... Just review the application procedure and apply today for the study abroad scholarship with the selection criteria best suited to your qualifications.

Trimester/Semester/Academic Year Scholarships

- Chris Towns France Scholarship
- Foreign Language Scholarship
- Global Education Scholarship
- Academic Excellence Scholarship
- CEA Financial Need Grant

Summer Scholarships

- CEA Summer Scholarship

To download a CEA Scholarship Application, visit www.GoWithCEA.com/scholarships

Academic Credit

It is not difficult to arrange transfer credit towards a US degree, since CEA courses are offered at recognized international institutions. **The student's home institution** must approve the amount of credits that are transferred. At the end of every program all participants will receive an official host institution transcript. In addition CEA provides course descriptions for programs to help evaluate transfer credits. CEA does not issue the transcripts instead they will come from our partner institution where you studied at or from our university of record for GlobalCampus courses.

How many credits can you earn?

The number of credits awarded depends on the total contact/classroom hours achieved. Beside each program, you will see an "Estimated Semester Credits" notation. This estimate is based on the standard conversion used by most schools on a Semester system. Schools on a Trimester/ Quarter schedule will have different

conversions, and it is solely up to your home institution to award credits for your program.

Based on CEA's current program catalog, we recommend 15 classroom hours per credit.

The programs typically break down as follows:

- A quarter program typically equals 10 to 12 semester credits
- A semester program typically equals 12 to 16 semester credits
- A summer program typically equals 3 to 10 semester credits

You will have your credits approved prior to leaving for your study abroad experience. If your school requires a minimum amount of credits earned to maintain financial aid or a full-time status, they should let you know. It is a good idea to keep this in mind when meeting with your study abroad and financial aid departments. The school may require you to take an additional class to meet your home school requirements.

*Please see website for most updated transfer credit information at www.GoWithCEA.com/credit

Learning Abroad

While you are studying abroad there are a few more items to think about so that your credits will be accepted by your home institution.

- Keep your grades up
- Please keep all books, syllabi, exams and papers to show your work to your home institution
- Communicate with your study abroad and academic advisors regarding any changes in courses, dropped classes, or additional classes not originally approved
- Attend class
- Pay close attention to attendance policies of the home institution
- Enjoy your experience

How do your credits transfer?

When CEA receives your transcript release form indicating where you would like your official transcript sent, CEA will mail your transcript along with any necessary packet of information to assist the credit evaluator at your home school. The packet will include one or more of the following if necessary, a cover letter stating your program name, course descriptions with credit and contact hours, grading equivalences and a sample translated transcript. Every school has a different policy with regard to evaluating credits. It will be up to you to work with your home school to determine exactly how your grades and credits will transfer.

Also, if there is an outstanding balance due to CEA upon completion of your program, your transcripts will be held until the account is paid in full. If your home institution's advisor should have any questions or concerns regarding the transcripts, please feel free to contact CEA at 800-266-4441 or transcripts@GoWithCEA.com.



How do you receive your transcript?

When you complete your application, you will be asked if you want your transcript to be sent to your home institution. If your transcript will not be sent to your home institution, you can submit a transcript release form indicating the address where you want your transcript to be sent.

How long will it take to receive your transcript?

A transcript from a foreign university can take between two to three months to arrive at the CEA office. Please keep this in mind for credit requirements with your home institution.

If you are using the credits earned at the study abroad institution to advance in the next semester's schedule this may hold up your ability to schedule classes. Official transcripts will be sent to your home institution directly from CEA. We recommend this process because most schools will not accept official transcripts from students. CEA can provide you with an unofficial transcript for your records. Additional official transcripts are available for \$50.00 for each additional official transcript processed and \$25.00 for each additional unofficial transcript.

If you have an outstanding balance due to CEA at the time your transcripts are set to be released, your transcript will be held until that account is paid in full.

How can CEA help with credit transfer?

Remember, we are here to assist you in any way possible to achieve your dream of studying abroad. The staff at CEA has experienced how exciting studying abroad can be. Our common goal is to make sure your study abroad experience will leave you with positive and lasting memories. Should you have questions or concerns at anytime, please feel free to contact our office at 800-266-4441.