

Alternative Loan FAQs:

Q: What is an Alternative Loan?

A: Private Education Loans, also known as Alternative Education Loans, help bridge the gap/difference between the actual cost of your education and the amount the government allows you to borrow in its program (which includes Subsidized and Un-Subsidized Loans). Private loans are offered by private lenders/banks. Eligibility for private student loans depends on your credit score and the amount of your Federal Budget/Cost of attendance per term.

Q: How much would I need to take out?

A: The amount of your loan depends on your needs for a specific academic year; if you need to cover the difference of your tuition/Fees and/or your living expenses. The Alternative Loan representative can determine the annual amount you are eligible to request on your loans or [ELMSELECT.com](http://elmselect.com) offers an [option to complete their Financial Fundamentals to assist you.](#)

Q: How is the annual amount determined and can I receive the full amount of the loan in one term?

A: The annual amount in which you are eligible is determined by your total amount of Tuition and Expenses Budget (based on Federal guidelines) less the total annual amount of Financial Aid you are receiving for the Academic Year. This difference is called “Unmet needs”. This is the amount you would be eligible to *request* from the bank for a loan. The loan amount would then be divided equally between the registered terms, because, the disbursement amount is also based on your cost of attendance for the loan period in which the loan has been requested. *In the event that one term disbursement requires more funds than the budget allows, documentation from the student will be required.*

Q: Am I guaranteed to receive loan from the bank for the full annual “Unmet Needs” amount if I request it?

A: No, you are not. The “Unmet Needs” amount is a guide of what is available to you in your Financial Aid Budget. Your bank will determine your eligibility for the loan based on you and/or your co-signor’s credit history.

Q: Will the school apply to the banks for me?

A: No, **you** have to contact and apply to the bank. The school does NOT submit any applications to any banks for Alternative Loans on your behalf.

Q: How do I know which bank to apply to? Does the school have a list of banks?

A: No, we do not provide a list of banks. However, you can try the following options:

- The website <http://elmselect.com> . Once you have decided on the bank program, you will be able to connect and apply to the bank from this website .
- If you have taken Alternative Loans previously, you can contact the same bank.
- You can contact your personal bank that services your savings/checking accounts
- A Federal Credit Union

Q: What happens if I do not have Financial Aid?

A: Your loan would be determined based on the Total Cost of Attendance for the year and the registered term

Q: Would I have better chances of getting loan if I applied to several banks on line at once?

A: Not necessarily. If you applied to some banks within 30 day period, it may not affect your credit score. But in order to increase the chance of being approved for the loan we always suggest obtaining a credit worthy co-signor. Also, it maybe in your best interest to contact the banks by phone first to ask questions, select a bank which fits your needs and then apply after you have decided which bank is best for you. Only apply to another bank if is necessary.

Q: Can I take out the loan for the entire year?

A: Yes, ***IF*** you are taking the loan in the BEGINNING of the academic year (which would be the Fall Semester). Dominican's Academic year begins 8/25. However, if, you are taking classes in the summer and the following fall and require loans, you would then need to take the loans for two separate academic years and would need to apply to the bank twice. **Keep in mind, the loan will be divided evenly between the registered terms.**

Q: What do you mean by "Certification"?

This is the process the Financial Aid Alternative Loan Representative follows to verify information back to the bank based on certain criteria. Such as the following examples:

- In most cases, to assure that we have received a complete Federal FAFSA application
- Student must be registered for the term in which the loan is requested.
- The loan amount **does NOT** exceed the Total cost of Attendance for the year and/or a specific term

Q: What would hold up the Certification to the bank? What would happen to my disbursement?

A: There are a number of reasons why your loan would not be certified to the bank. Most common are:

- Not being a registered student for the loan period.
- We have not your Federal FAFSA application
- We have been unable to contact you regarding questions about your loan

This can hold up the disbursement of your loan funds.

Q: Once the Certification has been completed, how long will it take for the funds to be applied to my account?

A: Once the Certification has been sent to the bank, you will receive an email from the Financial Aid Certifying representative to accept the "Terms and Conditions" of the loan. In some instants you will have already completed this process at the time you signed your application. For those banks that you have not completed this step, you may be able to complete the process by phone, fax or online. Funds are *generally* disbursed within 10 business days from the date of certification.

Q: Who should I contact with any questions on Alternative Loans once I have applied?

A: **You can contact Lisa Meyers in the Financial Aid Office as 845-848-7829.**