



November 2016

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Spring Important Dates:

Spring invoices mailed	Nov 22
Spring tuition due	Jan 6
Spring classes begin	Jan 16
Last day to withdraw with 100% tuition refund	Jan 20
Last day to withdraw with 75% tuition refund	Jan 27
Last day to withdraw with 50% tuition refund	Feb 3
Last day to withdraw with 25% tuition refund	Feb 10
Spring semester ends	May 4
Commencement	May 7

The Student Accounts office is located on the first floor of Waldschmidt Hall. We're the office that posts charges and payments to your student account, generates student invoices, processes refunds, and works with Tuition Management Systems (TMS) to provide a monthly payment option. If you need help understanding your student invoice, staff is available 8:30 am - 4:30 pm Monday-Friday to answer any questions or concerns you may have regarding your student account. ✂



Important Tax Information

In January of each year, the Student Accounts office provides students with Form 1098-T. This form is informational only and simply serves to alert students that they *may* be eligible for federal income tax education credits. Form 1098-T will provide the following information:

- The total amount of qualified tuition billed for the tax (calendar) year
- The total amount of scholarships and grants received for the calendar year
- If you attended at least half-time during the calendar year
- If you were a graduate student
- If some of the qualified tuition, scholarships and grants were from an adjustment from the previous reporting year



It's important to note that while it's a good starting point, Form 1098-T doesn't contain all the information you need to know if you qualify for an education tax credit. Schools are directed by IRS to report either payments received in Box 1 or amounts billed in Box 2, but not both. The University of Portland reports amounts billed (Box 2). Because of how we *continued on page 2*

report to the IRS, Box 1 labeled “Payments Received for Qualified Tuition and Related Expenses” will be left blank - but you may still qualify for a credit. If you do qualify, you’ll need to use sources other than Form 1098-T, such as your personal financial records to assist you in determining the amount of the education credit you’re entitled to claim. For instance, IRS Code Section

25A says taxpayers may claim education tax credits only if there are *paid* (not billed) qualified tuition and related expenses during the calendar year. Since Form 1098-T reports amounts billed, you’ll need to document what you’ve actually paid during the calendar year with receipts, cancelled checks, etc. And although Form 1098-T reports all transactions that flow through

your student account during the calendar year, students typically incur other expenses that qualify for tax credits or deductions that aren’t reflected -the most common example is textbooks. [IRS Publication 970 \[pdf\]](#) explains qualifying tuition & fees and payments, and can help you to determine your qualified expenses. ✕

Education Tax Benefits

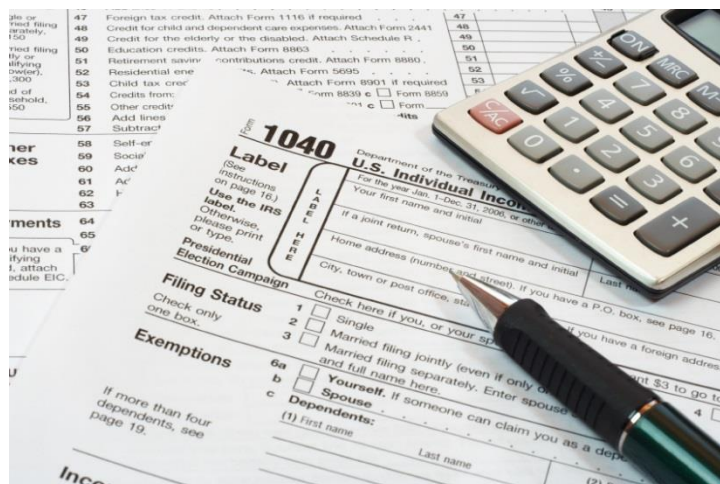
Most UP students qualify for one or more of the tax breaks available for educational expenses. If your parents claim you on their taxes as a dependent child, then they can use those breaks on their tax return. Only one filer can claim your education tax benefit each year, so if your parents use the education tax benefit on their return, you can’t use it on yours, and vice versa.

Education tax credits can help offset the expenses of education and help families meet the cost of a college education.

There are two education tax credits currently available:

The American Opportunity Credit is a tax credit of up to \$2,500 *per student* for qualified education expenses for the first four years of post-secondary education for students who are enrolled at least half-time in one academic period during the tax

year. It modified the Hope Scholarship to make the benefit available to a broader range of taxpayers, including many with higher incomes and those who owe no tax. It also added required course materials to the list of qualifying expenses.



The Lifetime Learning Credit is a tax credit of up to \$2,000 *per tax return*. This credit applies to eligible tuition and fees for undergraduate, graduate and continuing education course work taken to acquire or improve job skills. Unfortunately, you can't

take both the American Opportunity Credit and the Lifetime Learning Credit in the same year for the same student, and income limits and other restrictions apply. If you're eligible for both, choose whichever will give you greater benefits. In general, the American Opportunity Credit provides a bigger benefit if you qualify, but it's still *continued on page 3*

worth doing a little research to see which credit benefits you the most. Complete information on educational tax credits is provided in [IRS Publication 970 \[pdf\]](#). Additional information on the treatment of educational tax credits by the State of Oregon is available through the [Oregon Department of Revenue](#). You may also want to ask for advice from a qualified tax advisor because there are some circumstances that can affect your eligibility to claim an educational tax credit. If you or your parents don't qualify for a tax credit, you may still be eligible for a deduction for tuition and fees. Under the tuition and fees deduction, you're allowed to reduce your income by up to \$4,000 in

college expenses, depending on your income. Tax deductions aren't as valuable as credits because credits reduce your tax liability dollar for dollar, but a deduction only reduces the income on which your tax is calculated. So for instance, if you're in the 25% tax bracket, a \$1000 *credit* will give you \$1000 in tax savings, but a \$1000 *deduction* will only save you \$250. That being said, some people are better off by taking the tuition and fees deduction. For one thing, a deduction is available for expenses beyond the undergraduate level and also has a higher income threshold than the Lifetime Learning Credit, which makes it available to more taxpayers. ✕.

FERPA-For Everyone Requiring Parental Access

For Everyone Requiring Parental Access is not really what FERPA stands for, but it's a good indicator of what this article's about. FERPA actually stands for the **Family Educational Rights and Privacy Act**. FERPA was enacted in 1974, and gives students certain rights regarding their educational records; specifically, the right to have access to your education records, the right to seek to have the records amended, and the right to have some control over the disclosure of personally identifiable information from your education records. One effect of FERPA is that we need your permission to release any information from your educational records except for directory information. Here at UP, directory information is defined as:

- name
- address
- telephone number
- e-mail address
- name(s) and address(es) of parent(s)
- country of citizenship
- major field of study
- participation in recognized activities and sports
- weight and height of members of athletic teams
- photographs
- dates of attendance
- degrees, honors and awards received
- class-year in school
- previous educational institutions attended

All of the above information can be disclosed to a third party, and is published in various forms during the year. You can restrict the release of

Directory Information by notifying the Registrar's office in writing by the end of the first week of classes.

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Academic records such as your transcripts and GPA, personally identifiable information such as your SSN and race, and financial information such as financial aid applications and student account information is all non-directory information, and apart from a few exceptions, can't be released to anyone but you. Sounds good, right? We all want to have our privacy protected. But here's where we run into a problem. Let's just say your mom calls the Student Accounts office to find out how much you owe on your student account. She just wants to pay your balance, and I'd be willing to bet that you want her to pay your balance, too. Without your consent, we won't release that information to her. And as much fun as it is to play The Price is Right-type games ("Is it \$10,000?" "Lower!" "Is it \$5,000?" "Lower!" "Is it \$1,000?" "Higher!") this would still be a violation of FERPA.

A much easier solution is for you to authorize your parents to view certain portions of your student records by establishing a Proxy user account for them.

Proxy user accounts are created within [Self Serve](#) under the Proxy Access tab. You have the option of sharing information such as student account invoices, tax information, payment options, financial aid award and summary information, unofficial transcripts, class schedules, and contact information with your designated Proxy(s). You have complete control over who has access, what information the proxy user has access to, and the length of time the proxy has access. And you can grant proxy access to anyone you like; not just your parents as long as each proxy has their own valid email address.

Establishing a Proxy user account is completed in three steps:

- Establish Proxy Access
- Complete the Proxy profile
- Authorize the information for Proxy view

Complete instructions for both students and parents describing how to establish accounts and authorizations are available at <http://up.edu/parents>

Please be aware that in order for Proxy(s) to have conversations with UP personnel concerning FERPA protected information a Passphrase must be established for each Proxy. The Passphrase enables university personnel to confirm the identity of the Proxy for verbal conversations. A Passphrase is needed even if a student has previously completed the PilotsUP Student Records Release form. The Passphrase option can be found on the Self Serve account by selecting the Proxy Access tab and then the Profile tab. There is currently no set format for the Passphrase, so students can use



whatever will be easy for their Proxy to remember, but the Proxy must know the Passphrase outright in order to discuss student information. The Proxy will not be prompted with a question as with the previous Student Records Release process. This makes it especially important to select E-Mail Passphrase during the creation process to notify the Proxy of his or her Passphrase

(Almost) Everything You Ever Wanted to Know About the Parent PLUS Loans (But Didn't Know Who to Ask)



You may have been awarded a Parent PLUS Loan in your financial aid package but need more information to know if this loan would be a good option to help finance your college expenses. If so, then you've come to the right place!

The Federal Parent PLUS is a loan borrowed by a parent on behalf of a child who is enrolled at least half time (6 credits) to help pay for tuition and school related expenses. You don't have to demonstrate financial need to qualify for a Parent PLUS loan, and you can be awarded up to the full cost of attendance after all other financial aid has been deducted. But even if you're awarded the Parent PLUS loan, that doesn't mean you qualify for it. Unlike Stafford loans, the Parent PLUS loan is subject to a modest financial back-

ground check that determines whether or not your parent has an adverse credit history. Adverse credit is defined as being more than 90 days late on any debt, having had federal education loan debt that's been written-off, or any of the following within the past five years: defaulting on Title IV debt, bankruptcy discharge, foreclosure, repossession, tax lien, or wage garnishment. The credit check is only valid for 90 days, so this is one case where it doesn't pay to be too early.

Under the Federal Direct Loan Program, all funding comes directly from the U.S. Department of Education (DOE). The 2015-16 Aid Year interest rate on a Parent PLUS loan is a fixed-rate 6.84% which is locked for the life of the loan. However, the interest rate for new loans can change from year to year. Parent PLUS loans are linked to the financial markets, specifically the 10-year U.S. Treasury index rate as of July 1st each year plus 4.6%. The interest rate is capped at 10.5%. So if you have loans for all 4 years you're in college it's possible

to have loans with 4 different interest rates.

The Parent PLUS loan is not subsidized by the federal government, which means that interest begins to accrue after disbursing to your student account. Repayment begins 60 days after the final disbursement for the academic year (mid March for most students here at UP), and the repayment term is up to 10 years. Payments can be deferred while the student is enrolled in school at least half time and for a six-month grace period after the student graduates or drops below half-time enrollment. Payments can also be deferred if the parents are themselves enrolled in college. If payments are deferred, the interest will capitalize. This means the interest will be added to the principal of the loan, increasing the size of the loan.

There is a 4.272% origination fee for 2015-16 Aid Year Parent PLUS loans, which is deducted from the loan before you receive any money. This *continued on page 6*

translates as a \$42 fee for every \$1000 borrowed. There are never any pre-payment penalties for Parent Plus loans. If the loan is paid in full your parent will not be responsible for any future interest, and won't be charged with any penalties. As a matter of fact, all or a part of your loan can be cancelled before the money is disbursed just by submitting a loan change form to the Financial Aid office. Even after your loan disburses you can still cancel all or part of your loan within certain timeframes, but you'll need to

contact the Financial Aid office for more details.

When you apply for aid the Financial Aid office will assume you'll attend both fall and spring semester. With this in mind, your loan funds will be disbursed to your student account half in the fall and half in the spring. Loan funds will first be used to pay for tuition, fees, room and board, and other eligible school charges. If a credit remains on your student account, a refund will be requested to help you pay other education expenses. The refund will go



to your parent unless he or she requested it go to you on the loan application. Just as an FYI, funds are almost always used to pay charges on your student account in chronological order. So, let's say, for instance, you have an account balance of \$18,435.00, and the following is paid to your student account:

Payment Type	Amount	Date
Scholarship	\$6,000.00	July 1 st
Parent PLUS loan	\$11,000.00	August 16 th
Subsidized Stafford Direct loan	\$2,226.00	August 19 th
Total Payments	\$19,226.00	

In this scenario, even though the bulk of the payment came from the Parent PLUS loan, the refund would go to you, the student, because the Stafford loan is the payment that created the credit on your account.

Federal regulations require that a Parent PLUS notice letter go out after the Parent PLUS loan has disbursed to your account. This letter is sent to let your parent know that the PLUS loan has dis-

bursed, and gives choices if the loan creates a credit on your account. This is a good thing; it lets your parent know of their right to cancel all or a part of the loan. Here's the trouble; federal regulations also require that excess funds be refunded within 14 days. This means that if we wait to receive your parent's response to the Parent PLUS notice letter, it would put us dangerously close to being out of compliance with federal regulations. It would also delay the refund

which you probably need ASAP for books and/or other educational expenses. So unless your parent is exceptionally speedy, your refund will most likely be issued well before we receive your parent's response. The good news is that your parent still has the right to cancel all or a part of the loan by returning the funds within 14 calendar days. One other aspect that can be confusing is the Parent PLUS notice letter says the Parent PLUS loan *may* *continued on page 7*

create a credit on your student account. As explained above, even if you do have a credit on your account, depending on the timing of the payments, the credit may not be from the parent PLUS loan. And since federal regulations dictate that this letter go out to everyone who

receives a Parent PLUS loan regardless of if there's a credit or not, well, it's no wonder some folks are confused! So, what if your parent is denied the Parent PLUS loan, but you need additional aid to pay your tuition? Well, there are several options:

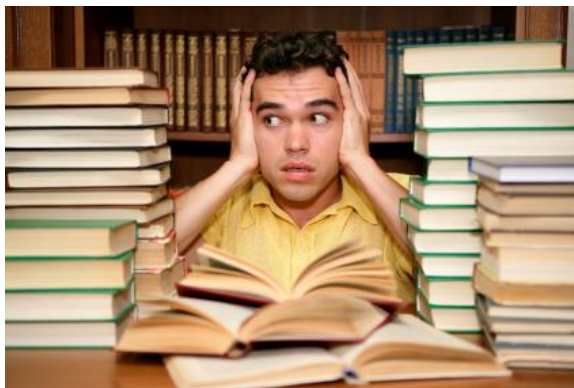
- Your parent can still borrow a PLUS loan if he or she finds an endorser (co-signer) who doesn't have an adverse credit history. A co-signer is someone who agrees to repay the loan if your parent doesn't. The co-signer can't be the student on whose behalf a parent obtains a PLUS loan.
- In some cases your parent may also be able to obtain a PLUS loan by documenting to the DOE's satisfaction that there are extenuating circumstances related to the adverse credit history.
- If your parent is denied the PLUS loan for credit reasons, but can't provide a co-signer, you may be eligible to receive an increased amount of Unsubsidized loans. The increased loan eligibility is \$4,000 for freshmen and sophomores and \$5,000 for juniors and seniors in addition to the annual federal student loan maximums.
- Another option is to apply for a private student loan. Some Parent PLUS applications are denied for reasons other than poor credit, and so you or your parent may still meet the private lender's loan criteria. Keep in mind though, that Parent PLUS loans offer certain advantages such as refinancing through a Federal Direct Consolidation Loan which may provide a range of flexible repayment options that private lenders are not required to provide. ✕

The Difference Between a Drop and a Withdrawal

Sometimes circumstances arise that make it difficult or impossible to successfully complete

your coursework as planned, and you may consider dropping or withdrawing from one or more of your courses. Dropping and/or withdrawing can have financial and academic implications; students are strongly advised to

consult with their advisor, instructor, and a financial aid counselor before making this decision. If you do decide to remove yourself from a course, it's important to know the difference between dropping and withdrawing, and the financial and academic impacts of both.



A course can only be "dropped" during the official add/drop period at the beginning of each

semester. Consult the University Bulletin or the Academic Calendar at www.up.edu/registrar for the official add/drop deadlines, but for most courses, the add/drop period runs through the first Friday of the semester. Dropped courses will not appear on

transcripts, so there are no academic consequences from this action. But, although tuition and fees associated with the course will be fully refunded, there may be financial aid repercussions if dropping a course causes you to fall below full-time status. After the initial add/drop
continued on page 8

period has passed, you can "withdraw" from a class within a certain timeline. Once again, specific information can be found in the University Bulletin or the Academic Calendar, but the withdrawal deadline is generally the 12th Friday of the semester. After the withdrawal deadline, it still may be possible to withdraw from one or more classes by requesting an academic exception. Or, you can cancel your registration (which means you would be withdrawing from all of your classes), but only if you contact the Registrar's office before the semester ends. Unlike dropped courses, withdrawn courses will appear on your transcript with a letter grade of "W". You'll be responsible for all fees, and depending on when you're officially withdrawn from the course, you'll also be responsible for all or a portion of the tuition associated with the course. Students often view withdrawal as a preventive measure to avoid damaging their grade point average (GPA), but in addition to considering the impact of withdrawing on your GPA, you should also consider the implications withdrawing may have on the time required to graduate as well as financial aid eligibility and repayment. Withdrawing from a course or courses is an important decision -it's always a good idea to consult with your academic advisor and financial aid counselor before completing a withdrawal.

If you drop or withdraw from a course, you may have to repay some or all of your financial aid. Whether or not your financial aid is affected depends on if your enrollment stays at the same status you indicated on your financial aid application. For example, if you indicated you were a full-time student, you're expected to maintain full-time status through at least 60% of the semester. If dropping or withdrawing from a course causes you to fall below full-time status during the first 60% of the semester,

you'll probably be expected to repay some of the aid you received. If you drop or withdraw from all of your courses within the first 60% of the semester, you'll probably need to repay at least half, if not all of your aid. Another consideration is that you must make Satisfactory Academic Progress (SAP) to maintain eligibility for both federal and state financial aid. Once again, the best thing to do is talk to a financial aid counselor so they can advise you on the financial aid repercussions of dropping or withdrawing from courses.

Academically, you may wonder about what the consequences might be for having "W"s on your transcripts. If you plan to go on to graduate or professional school after graduation, having one or two "W"s on your transcript may not be a big deal, but multiple "W"s on your transcript may lead some admission counselors to question your ability to complete a rigorous and demanding curriculum. You may consider checking with the graduate/professional school you anticipate attending to make sure a "W" on your transcript will not negatively impact your admissions application. Some employers request a copy of your transcript and evaluate it before offering you a job. Having a lot of "W"s on your transcript may add doubt to your ability and determination. Again, be careful about using course withdrawal as a GPA management strategy.

One last word- it's a very serious mistake to just stop attending a course - you risk receiving a failing grade unless you go through the proper steps. In order to be dropped or withdrawn, you must complete an add/drop form at the Registrar's Office. By completing the form and submitting it to the Registrar you're telling the University that you no longer intend to participate in the class. ✕

Refunds

Woohoo! Not only are your tuition and fees paid, but they've been overpaid and there's a credit on your student account. When can you expect a refund? In most cases, refunds for students with Direct Deposit will be initiated twice a week, typically on the Tuesday or Friday after the credit appears on the student account.

Once the request has been generated it will be deposited in your bank account within 5 business days. Students will receive an email to their up.edu email account after the direct deposit refund is fully processed. Refunds for students who have not signed up for Direct Deposit will be initiated once a week, and may take up to 8 days for the refund to be fully processed and mailed. If you have a credit on your account, but haven't received your refund, there are a couple of common reasons that refunds can be delayed:

- Financial aid is sometimes posted to your account before the semester begins, but refunds aren't processed until after the semester has started. The earliest refunds are direct deposited or mailed the first Friday of the semester
- Checks and online payments that overpay your account are held for two weeks before a refund is processed
- A refund is usually only processed if your overall account balance is a credit. This means your credit could have been applied to charges for a future or past term.
- If the credit is from a Parent Plus loan, the refund may have gone to your parent
- If you have a monthly payment plan, you won't be eligible for a refund until all your Tuition Management System payments are paid in full
- If you're not signed up for direct deposit, check your Self Serve account to make sure your address is updated. During fall and spring semester, checks are mailed first to your billing address. If you don't have a billing address, it goes to your mailing address, then to your campus address, and after that to your local address. If you don't have any of those address types in the system, the refund is mailed to your permanent address.
- The first week or two of the semester the volume of refunds is very, very high, and unfortunately there may be a delay in receiving your refund. We do our best to get your refund to you as quickly as possible, but during high volume periods it can take up to two weeks to receive your refund



Remember, receipt of a refund doesn't mean that all your student account charges have been paid. You're strongly encouraged to carefully review the charges, payments, and other activity on your account even if you've received a refund. ✂



How to Contact Us

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503.943.7125
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