

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 Stafford and UnSub Loans). Private loans are offered by private lenders. Eligibility for private student loans depends on your credit score.

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. These loans can cover the cost of a balance due, books and or living expenses. The Alternative Loan representative can determine the annual amount you are eligible to request on your loans.

Q: How is the annual amount determined?

A: The annual amount that you are eligible for is determined by your total amount of Tuition and Expenses 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.

Q: Am I guaranteed to get the loan 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. Your bank will determine your eligibility 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.

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:

You can use the same banks as your prior Stafford and/or UnSub Loans

If you have taken Alternative Loans previously, you can contact the same bank

You can contact the same bank as you do all your Personal Banking business, for your savings/checking accounts

A Federal Credit Union

Speak with other students to see who they have used in the past

The website www.Simpletuition.com/Private_student_loans on the right side of the page lists some banks you can apply to.

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

A: No, you would not. In fact you can risk the change of reducing your credit score as well as your co-signor's credit score by applying to multiple banks. This would then reduce the chance of obtaining a loan. It would be in your best interest to contact the banks by phone first to ask questions, select a bank which fits your needs and then apply only after you have decided which bank you want the loan through. Only apply to another bank if is necessary.

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

A: You do not have a limit of “Unmet Needs”. You can apply for as much as you need. However, approval of the loan will still be determined on Credit history

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.

Q: Once I have applied for the loan, what information do I need to give Dominican?

A: We ***require*** a copy (and copies only) of the application which can be printed off the website as you apply, copies of the “Self Certification Form” and a current phone number for contact.

Q: Why do I have to submit this information?

A: The bank requires that Dominican verifies various pieces of information in order to have them disburse the funds. In order to do so, we need to assure that we are verifying the same information you have on your application. This is called the “Certification process”.

Q: What would hold up the Certification to the bank?

A: There are a number of reasons why your loan would not be certified to the bank. The main reasons would be:
We have not received the copies of the application and Self Certification Form
We have been unable to contact you regarding questions about your loan
There was incorrect information given on the Self Certification Form.

Q: What would happen if the Certification was held up?

A: If the certification to the bank was held up, this will delay disbursement of your loans causing an issue with your bill with Dominican.

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, the bank will contact you by mail for you to accept the “Terms and Agreement” of the loan. Some banks will allow you to call to accept the Terms and Agreement over the phone or by email. Once you have done this, from the date that you have accepted the Terms and Agreement, we will receive the money within 10 business days. If you did not want to wait for the letter of Acceptance in the mail, you can be proactive and contact the Alternative Loan Representative to find out when the loan was Certified so that you can contact the bank by phone to accept the Terms and Agreement of the loan. This would be the quickest way to assure that your funds would be disbursed promptly.

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

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