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Graduate Medical Sciences

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SUMMER 2019 FEDERAL STAFFORD LOAN FACT SHEET FOR GRADUATE STUDENTS

The Federal Unsubsidized Stafford Loan is offered to assist students with postsecondary educational expenses. During the 2018/2019 academic year, the interest rate was established at 6.60%, fixed for the life of the loan. Upon completion of your loan application, you will be sent a disclosure statement which confirms your interest rate and your loan amount. Interest accrues and must be paid by the borrower or is capitalized during periods of in-school enrollment, grace and/or deferment. Repayment begins six months after the borrower ceases to be enrolled at least half-time.

Students must meet federal eligibility criteria to qualify for the Unsubsidized Stafford loan. Eligibility is determined by a federally legislated analysis of family financial information provided on a 2018/2019 or 2019/2020 Free Application for Federal Student Aid (FAFSA). Refer to #1 on the back of this form to determine which federal form applies to you.

WHO IS ELIGIBLE TO APPLY?

Students are eligible to participate in the Unsubsidized Loan Program if they: (1) are U.S. citizens or permanent residents, (2) are enrolled in a degree program, (3) are registered for at least 6 credit hours which are accepted towards the degree program and are not repeat classes, (4) demonstrate financial eligibility as determined by federal regulations, (5) do not have an outstanding balance from a prior period of enrollment at Boston University, and (6) are making satisfactory academic progress.

HOW MUCH MAY I BORROW?

The maximum annual loan amount for graduate and professional students is $20,500. The maximum cumulative Federal Stafford Loan amount is $138,500, including any amount borrowed for undergraduate study.

SUBMIT YOUR APPLICATION EARLY

Loan eligibility cannot be determined until you are registered for the Summer Session. It is important that your request be submitted as soon as possible **after registering** for your summer classes. Your application will take approximately seven to ten business days to review.

HOW DO I APPLY?

1. Complete the Free Application for Federal Student Aid (FAFSA) online at *fafsa.gov*, if you have not already done so.

- Submit the 2019/2020 FAFSA if you are a NEW student, a student who has already borrowed the annual limit of $20,500 during the 2018/2019 academic year or a student who is enrolling in classes that begin on or after 7/1/19**.**
- Your 2018/2019 FAFSA information may be utilized if you are a current student and did not borrow up to the Stafford loan annual limit of $20,500 during the 2018/2019 academic year.

If you wish to be considered for non-federal summer financial aid, additional forms may be required. For information on requirements, graduate students should contact their individual school aid office regarding specific school funds and application processes.

2. If you have already completed a Master Promissory Note during the 2018/2019 academic year, you will not need to sign another promissory note for the summer term. First time borrowers will need to complete a **DIRECT LOAN MASTER PROMISSORY NOTE**. You can complete the promissory note online at *studentloans.gov* using your FSA ID. If you do not have a FSA ID, you can create one when logging in to *studentloans.gov*. Boston University will be notified within 3-5 business days that you have completed your promissory note online.

Failure to complete the promissory note requirement before the end of the summer loan period will result in cancellation of the loan.

3. **A first time borrower must complete an entrance counseling session**, which is required by the federal government prior to the crediting of your loan funds to your student account. You can complete this requirement online at *studentloans.gov* using your FSA ID. If you do not have a FSA ID, you can create one when logging in to *studentloans.gov*. Entrance Counseling must be completed before your loan eligibility can be finalized and before your loan can be used to settle the balance on your student account.

WHEN WILL THE LOAN FUNDS BE AVAILABLE?

Once your loan has been approved by the Direct Loan Center, disbursement of funds will be scheduled. A loan fee of 1.062% will be deducted from the Unsubsidized Loan prior to disbursement.

Your loan can be disbursed in up to 2 installments. The first installment will occur no earlier than 10 days before the start of your loan period and will be available to you no earlier than the first day of classes. The second installment will occur midway through the loan period. *For first time borrowers, funds cannot be disbursed until the Entrance Counseling and Promissory Note requirements have been fulfilled. You must also be registered for the appropriate number of credits for disbursement to take place.*

CONSORTIUM AGREEMENTS:

If you are enrolled in a degree program at Boston University and take classes at a different institution, you must have a **Consortium Agreement** completed by two parties: (1) Financial Aid Office at the institution you are attending during the summer and (2) your school's academic office at Boston University. The completed Consortium Agreement should be forwarded to Boston University Financial Assistance with your Stafford Loan Request Form. The consortium agreement must be submitted **at least 3 weeks** before the end of your summer classes in order for Boston University to review your summer loan request.

If you are enrolled in a degree program at another institution and take classes at Boston University, you may be eligible for a summer Stafford Loan. You should first check with your home institution (where you are matriculated as a degree candidate) to see if your home institution will process the summer loan. If they are unwilling, you may submit your request for a summer loan to Boston University along with a Consortium Agreement completed by your home institution.

SUMMER 2019 FEDERAL STAFFORD LOAN REQUEST FOR GRADUATE STUDENTS

Restrictions on Summer & Academic Year Direct Stafford Loan Borrowing:

The Federal Stafford annual loan borrowing limit is $20,500. You will be notified of your eligibility under separate cover. A disclosure statement listing your approved loan amount will be sent to you once Boston University has successfully processed your summer loan request with the Federal Processor.

Students who provide written documentation that they will complete their degree at the end of the Summer Term will be permitted to borrow up to the full annual amount if they meet other eligibility requirements (e.g. calculated financial eligibility). Exceptions may also be made to the policy outlined above if a student submits a written request and adequately documents that alternative sources of funding are available for the Fall 2019 semester and their Stafford Loan will not be required to pay for educational expenses.

SUMMER 2019 FEDERAL STAFFORD LOAN REQUEST (**PLEASE PRINT)**

Please PRINT and COMPLETE the Loan Request form below and submit it to your Graduate Financial Aid Office

_____ _____

Student Name: Last First Summer Phone Number

_____ _____ _____

BU Identification Number Expected Graduation Date E-mail Address

I wish to apply for a Stafford Loan for Summer 2019 in the amount of $_____.

I understand my responsibility to provide BU Financial Assistance with the following:

Number of credits:

Summer 19 Session 1_____ Summer 19 Session 2_____ Fall 19_____ Spring 20_____

Any funds anticipated for Summer 2019 from a source other than this loan:

Source_____ Amount $_____

Source_____ Amount $_____

Source_____ Amount $_____

By my signature below I acknowledge that the above information is true and correct. I understand that I must notify Boston University Financial Assistance regarding any and all changes to the above information. I understand that changing my enrollment may reduce or eliminate my eligibility for a Stafford Loan.

_____

Signature Date