

2015-2016 GRADUATE FEDERAL DIRECT PLUS FACT SHEET FOR GRADUATE STUDENTS

The Graduate Federal Direct PLUS is a federal credit-based loan, which is available to assist students with the costs of higher education. The student borrower must pass the Graduate Federal Direct PLUS credit check review and cannot have an adverse credit history. The student borrower must be a citizen, permanent resident or eligible non-citizen of the United States. Eligible graduate loan borrowers are those who are enrolled at least half-time (six credit hours) per semester in a graduate or professional degree program, do not have an outstanding balance from a prior period of enrollment and are making satisfactory progress per school guidelines.

What is the interest rate?

For current interest rates, loan fees and terms for the **Graduate Federal Direct PLUS**, please visit the U.S. Department of Education (DOE) website at <http://studentaid.ed.gov/types/loans/plus>. Interest begins to accrue on the date of the first loan disbursement, and it continues to be charged during periods of deferment and forbearance. You may either pay the interest as it accrues (the loan servicer will send quarterly interest statements) or you may allow the interest to be capitalized (added to your loan principal balance) at the end of the deferment or forbearance. Capitalization increases the total loan amount that you must repay.

When does repayment begin?

The repayment period for the Graduate Federal PLUS loan begins on the date after the final disbursement is made, and the first payment is due within 60 days after the date the loan is fully disbursed. However, if you are enrolled in school on at least half-time basis, you are eligible for an in-school deferment that allows you to postpone payments until you graduate or drop below half-time status. Upon dropping to less than half-time enrollment status, you can get a six month post enrollment deferment. The first payment will be due within 45 days after the deferment end date. The loan servicer will notify you 60 days before the deferment ends.

How much can I borrow?

You may annually borrow a Graduate Federal Direct PLUS up to the cost of your education less any financial aid you are receiving though there is no aggregate limit. However, you are strongly urged to borrow no more than you are able to repay.

An origination fee is deducted from the loan proceeds. Overall, the amount available will be minus the fee. Be sure to consider this when deciding how much to borrow. **Remember, if you need to borrow for two semesters, be sure to include the amounts you would like to request for both semesters in the total loan amount requested.**

Before deciding on an amount to borrow, you should first consider the **Federal Direct Loan (DL)**, a loan for which you are the borrower. The maximum borrowing limit on the DL, depending on discipline and class year, is up to \$47,167. For current interest rates, loan fees and terms for the DL, please visit <http://studentaid.ed.gov/types/loans/subsidized-unsubsidized#what-are-the-current>. To begin the application process for a DL, you should complete the Free Application for Federal Student Aid (FAFSA) and a 2015-2016 William D. Ford DL Request Form. If you have any questions regarding the DL Program, contact Student Financial Services (SFS).

When will the loan funds be available?

The Graduate Federal Direct PLUS record will be sent to the Direct Loan Origination Center (DLOC) for a credit review. If you pass the credit review and all requirements are met, Boston University (BU) will receive electronic notification that the loan has been credit approved. Once approved and all loan requirements have been completed, funds will credit to your BU account 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. If you do not pass the credit review, you may appeal the decision or request re-evaluation with a co-signer (endorser). Instructions regarding the appeal or endorser will be sent to you with your credit decision. BU requests that you contact SFS within one month to notify us of any re-evaluation request made to the DLOC. Failure to notify our office will result in the cancellation of your loan application one month after the initial denial notification and you will be required to start the process over. If there is a credit balance on your account after the loan funds are credited, you may request a refund with SFS.

How do I apply?

In order to review eligibility, please note that there are FOUR steps.

- 1) Complete a FAFSA at www.fafsa.gov listing BU and using Federal School Code Number 002130. The Federal Student Aid Program will process your FAFSA and forward your data to BU. After your FAFSA has been processed, you will receive a Student Aid Report (SAR) from the U.S. Department of Education (ED). You should review this report for additional information regarding your aid eligibility, and make any corrections if necessary.
- 2) Complete the Graduate Federal Direct PLUS Request Form on page 3 to authorize ED to perform a credit review. The form may be submitted to Student Financial Services, 72 East Concord Street, Room A303, Boston, MA 02118-2526.
- 3) All first-time borrowers or borrowers who borrowed with an endorser in 2014-2015 must complete the Graduate Federal Direct PLUS Master Promissory Note (MPN) at www.studentloans.gov. All other borrowers will not need to complete the MPN. The borrower will be required to use their FSA ID, which is made up of a username and password. If you do not already have a FSA ID, you can create one when logging into www.studentloans.gov. It may take one to three business days to obtain the FSA ID. The Graduate Federal Direct PLUS cannot be used in the settlement of the student account until the promissory note has been completed.
- 4) Borrowers must complete entrance counseling, which can be done at www.studentloans.gov, for the Graduate Federal Direct PLUS. Entrance counseling must be completed before loan eligibility can be finalized and before funds can be disbursed to Boston University. Special loan counseling is required for any student who has an adverse credit history but qualifies for the Graduate PLUS loan through the reconsideration process or by obtaining an endorser for the loan. The loan counseling requirement must be completed online at www.studentloans.gov. The student will be notified by the DOE if the student needs to complete special loan counseling.

Students must apply for the Graduate Federal Direct PLUS as well as complete the MPN at least three weeks before the end of the academic period. Federal legislation prohibits Boston University from certifying a federal loan after the academic period has ended.

Failure to complete the MPN before the end of the loan period will result in cancellation of the loan.

(PLEASE KEEP THESE INSTRUCTION PAGES FOR YOUR REFERENCE.)

Boston University Medical Campus
Student Financial Services

Graduate Federal Direct PLUS (2015-2016 Request Form)

(Please Print)

I, the **student borrower**, authorize the U.S. Department of Education to check my credit history for the purpose of determining my eligibility for the Graduate Federal PLUS loan for the 2015-2016 academic year and to report information about my loan eligibility to persons and organizations permitted by law to receive that information. I understand that I will be notified via email of the results of the credit review with respect to my loan application.

Default Certification: If you are in default of any loan received under the Direct Loan Program, the Federal Family Education Loan or the Federal Perkins Loan Program (including the National Direct Student Loan Program), you are not eligible to receive a Graduate PLUS Loan unless you have made satisfactory repayment arrangements with the loan holder to repay the amount owed. Check the box below to certify that you meet this requirement.

I am not in default on a loan received under the programs listed above, or if I am in default, I have made satisfactory arrangements with the loan holder to repay the amount owed.

Loan Amount Requested: \$ _____, which will be divided in equal installments for the fall 2015 and spring 2016 semesters.

I, the student borrower, understand my responsibility to provide SFS with the following:

| |
|---|
| Check If Full-Time for Fall <input type="checkbox"/> and/or Spring <input type="checkbox"/> |
| OTHERWISE |
| List Credit Hours for Fall ____ and/or Spring ____ |

| |
|--|
| Any funds anticipated from outside Boston University for 2015-2016 from a source other than this loan. |
| Source _____ Amount \$ _____ |

Please Print Full Legal Name Exactly As It Appears On Your Master Promissory Note.

| | | | |
|--|--|--|--------------------|
| _____-_____-_____ Student's Social Security # | _____-_____-_____ Student's First Name | _____ Middle Initial | _____ Last Name |
| _____-_____-_____ Student's BU ID # | _____-_____-_____ Student's Date of Birth (mm/dd/yyyy) | U.S. Citizenship Status (check one) (1) ____ U.S. Citizen or National (2) ____ Permanent Resident/Other Eligible Non-Citizen If (2), Alien Registration No. _____ | |

| | | | | |
|--|--------|---------------|----------------|-------------------|
| _____ Permanent Address – Street (On Student Link) | Apt. # | _____ City | _____ State | _____ Zip Code |
|--|--------|---------------|----------------|-------------------|

| | |
|--|----------------------------|
| _____ Home Telephone # (On Student Link) | _____ BU E-Mail Address |
|--|----------------------------|

By my signature below I acknowledge that the above information is true and correct. I understand that I must notify Student Financial Services regarding any and all changes to the above information. I understand that changing my enrollment may reduce or eliminate my eligibility for a Graduate Federal Direct PLUS.

| | |
|------------------------------|---------------|
| _____ Student's Signature | _____ Date |
|------------------------------|---------------|

Student Financial Services
Boston University Medical Campus
72 East Concord Street A303
Boston, MA 02118-2526

Boston University
Student Accounting Services
881 Commonwealth Avenue
Boston, MA 02215-1390

Student Name: _____
Address: _____

B.U. ID# _____-____-_____

Federal Financial Aid Credit Authorization

Boston University records indicate that you may be eligible for a refund due to financial aid in excess of your tuition, fees and residence charges, based on your current aid eligibility and enrollment status. Under federal regulations, you may authorize Boston University to hold these excess funds and pay other charges that may be assessed to your student account and/or pay a prior or future semester balance. If you do not authorize Boston University to use your excess funds to pay a prior or future semester balance and/or other billed charges, (e.g. medical insurance, sports pass, convenience points, library fines), you will be issued a refund of the excess, by mail, after all funds have been received by the University and applied to your student account. If you are issued a refund, all outstanding charges made to your student account must be paid to remain in good standing.

I have read the above statement and I authorize Boston University to hold the excess funds to pay other charges that may be assessed to my student account and/or pay a prior or future semester balance. I understand that any excess funds which have not been applied to other charges will be refunded at the end of the academic period.

Signature

Date

You may rescind your authorization, in writing, any time prior to incurring such charges; otherwise the authorization is valid for both the current and future academic periods. Please return the signed and dated authorization immediately to: Student Accounting Services, 881 Commonwealth Avenue, Boston, MA 02215-1390.

Federal Financial Aid includes the following: Perkins Loan, Pell Grant, Supplemental Educational Opportunity Grant (SEOG), Parental Loan for Undergraduate Student (PLUS), and Federal Direct Subsidized and Unsubsidized Stafford Loan.