



SUMMER 2015 FEDERAL STAFFORD LOAN FACT SHEET FOR UNDERGRADUATE STUDENTS

The Federal Stafford Loan is offered to assist students with postsecondary educational expenses. During the 2014/2015 academic year, the interest rate was established at 4.66%, 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.

Students must demonstrate financial eligibility to qualify for subsidized loans. Financial eligibility is determined by a federally legislated analysis of family financial information provided on a 2014/2015 or 2015/2016 Free Application for Federal Student Aid (FAFSA). Refer to #1 on the back of this form to determine which federal form applies to you. Students who do not qualify for the maximum Subsidized Stafford Loan may be approved for the difference in an Unsubsidized Stafford Loan. The combination of the Subsidized and Unsubsidized Stafford Loans may not exceed the annual and aggregate limits for loans under the Direct Loan Program.

Subsidized Stafford Loan

You will not be charged interest while you are enrolled at least half-time and, for loans disbursed after July 1, 2013, as long as 150% of the program length (6 years for a 4 year program) has not expired. Repayment begins six months after you cease to be enrolled at least half-time.

Unsubsidized Stafford Loan

The government will not pay interest while you are in school as it does for the Subsidized Stafford Loan. Interest accrues and must be paid by the borrower or is capitalized during periods of in-school enrollment, grace and/or deferment.

ELIGIBILITY CRITERIA

The annual base amount allowed for subsidized and unsubsidized programs, singularly and combined is \$3,500 for freshmen, \$4,500 for sophomores and \$5,500 for juniors and seniors. Further, most students are eligible for an additional \$2,000 of unsubsidized loan beyond those annual base amounts. The maximum cumulative Federal Stafford Loan amount is \$31,000 of which no more than \$23,000 may be subsidized. Independent students and dependent students with a parent who has been credit denied on a Federal PLUS loan may be eligible for additional (Fr/So: \$4000, Jr/Sr: \$5000) unsubsidized loan funding. However, for new borrowers on or after 7/1/13, eligibility for subsidized loans is limited to 150 percent of the length of the student's academic program.

A student may be eligible to borrow the Stafford Loan for Summer Term 2015 if the student did not borrow all of his/her annual loan limit during the 2014/2015 academic year or will not be borrowing the annual limit for the 2015/2016 academic term due to attendance for one semester. In addition, a student is eligible to borrow if Summer Term 2015 is the student's final enrollment period (graduating in September 2015).

A student must also meet the following criteria to participate in the Direct Stafford Loan Program: Student (1) is a U.S. citizen or permanent resident, (2) is enrolled in a degree program, (3) is registered for at least 6 credit hours which are accepted towards the degree program, (4) demonstrates financial eligibility as determined by federal regulations, (5) does not have an outstanding balance from a prior period of enrollment at Boston University, and (6) is making satisfactory academic progress. Academic progress standards require full-time students to have satisfactorily completed at least 12 credits per semester during the previous academic year. Sophomores must also have a minimum Grade Point Average (G.P.A.) of 1.70; juniors and seniors must have a cumulative G.P.A. of at least 2.00.

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 all of your summer classes. Your application will take approximately seven to ten business days to review.

HOW DO I APPLY?

1. For NEW students, students who received a loan during Summer Term 2014, students graduating in September 2015 or students who are enrolled in classes that begin on or after 7/1/15: Submit a 2015/2016 Free Application for Federal Student Aid (FAFSA) if you are applying solely for federal loan(s). The FAFSA form can be completed online at fafsa.gov. For current students, if you received aid for the 2014/2015 academic year and wish to apply for summer loan(s), your 2014/2015 information may be utilized. If you wish to be considered for non-federal summer financial aid, additional forms may be required. For information on requirements, students should contact Boston University Financial Assistance at 881 Commonwealth Ave., 5th floor, Boston, MA 02215, 617-353-2965 or by e-mail at finaid@bu.edu.
2. If you have already signed a Master Promissory Note during the 2014/2015 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. You will need your federal personal identification number (PIN). If you do not have a PIN or cannot recall it, you can request a duplicate PIN at pin.ed.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 loan period will result in cancellation of the loan.

3. **First time borrowers must complete an entrance counseling session**, which is required by the federal government prior to the crediting of your loan funds. You may complete this requirement online at studentloans.gov. You will need your federal personal identification number (PIN). If you do not have a PIN or cannot recall it, you can request a duplicate PIN at pin.ed.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 1.073% will be deducted from the 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 enrollment period and will be available to you on or after the first day of class. The second installment will occur midway through the enrollment 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 three parties: (1) Financial Aid Office at the institution you are attending during the summer, (2) your school's academic office at Boston University and, (3) Boston University International Programs. The completed Consortium Agreement should be forwarded to Boston University Financial Assistance with your Federal 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 Federal 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 2015 FEDERAL STAFFORD LOAN REQUEST FOR UNDERGRADUATE STUDENTS

The annual base amount allowed for subsidized and unsubsidized programs, singularly and combined is \$3,500 for freshmen, \$4,500 for sophomores and \$5,500 for juniors and seniors. Further, most students are eligible for an additional \$2,000 of unsubsidized loan beyond those annual base amounts. Independent students and dependent students with a parent who has been credit denied on a Federal PLUS loan may be eligible for additional (Fr/So: \$4000, Jr/Sr: \$5000) unsubsidized loan funding. However, for new borrowers on or after 7/1/13, eligibility for subsidized loans is limited to 150 percent of the length of the student's academic program.

A student may be eligible to borrow the Stafford Loan for Summer Term 2015 if the student did not borrow all of his/her annual loan limit during the 2014/2015 academic year or will not be borrowing the annual limit for the 2015/2016 academic term due to attendance for one semester.

In addition, a student is eligible to borrow if Summer Term 2015 is the student's final enrollment period (graduating in September 2015).

The summer loan amount will be calculated based two factors: the number of credit hours registered for summer and the amount that was previously borrowed during the 14/15 academic year. Overall the summer loan amount cannot exceed the annual amounts listed above.

NOTE: Undergraduate students may be eligible for a Federal Pell Grant during Summer Term 2015. You will be notified of your eligibility, if any, under separate cover. Contact BU Financial Assistance at 617-353-2965 if you have questions.

SUMMER 2015 DIRECT STAFFORD LOAN REQUEST

PLEASE PRINT and MAIL or FAX this request form to
Boston University Financial Assistance, 881 Commonwealth Ave., 5th Floor, Boston, MA 02215, Fax 617-353-8200

Student Name: Last	First	Summer Phone Number
BU Identification Number	Expected Graduation Date	E-mail Address

I wish to apply for a TOTAL Direct Loan in the amount of \$_____.

If you do not qualify for the total maximum in a SUBSIDIZED loan, you may be eligible to borrow the remaining amount in an UNSUBSIDIZED loan. If no amount is listed, you will be awarded the maximum allowed.

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

- Number of credits: Summer Session 1_____ Summer Session 2_____
- Any funds anticipated for Summer 2015 from a source other than this loan:
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 Direct Loan.

Signature	Date
-----------	------