



2011/2012 FEDERAL DIRECT STAFFORD LOAN FACT SHEET FOR GRADUATE STUDENTS

The Federal Direct Stafford Loan is a low-interest loan available to students for post secondary educational expenses. Most matriculated students are eligible for a Subsidized and/or Unsubsidized Direct Loan for 2011/2012 Academic Year. The interest rate is fixed at 6.8%.

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 2011/2012 Free Application for Federal Student Aid (FAFSA). Refer to #1 of this form to determine which federal form applies to you. Students who do not qualify for the maximum Subsidized Direct Loan may be approved for the difference in an Unsubsidized Direct Loan. The combination of the Subsidized and Unsubsidized Direct Loans may not exceed the annual and aggregate limits for loans under the Direct Loan Program

Subsidized Federal Direct Loan

You will not be charged interest until you begin repayment. Repayment begins six months after you cease to be enrolled at least half-time (6 credit hours).

Unsubsidized Federal Direct Loan

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

WHO IS ELIGIBLE TO APPLY?

Students are eligible to participate in the Direct 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 per semester 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 (SAP).

HOW MUCH MAY I BORROW?

The maximum loan amount for graduate and professional students is \$20,500 per academic year, of which no more than \$8,500 may be in subsidized loans. The maximum cumulative Federal Direct Stafford Loan amount is \$138,500, including any amount borrowed for undergraduate study. The academic year refers to the fall and spring semesters. An additional \$10,250 may be available for students attending during the summer semester and are enrolled at least part-time (6 credit hours).

SUBMIT YOUR APPLICATION EARLY

Loan eligibility cannot be determined until you are registered. It is important that your request be submitted as soon as possible **after registering** for your Fall classes.

HOW DO I APPLY?

1. Complete the Free Application for Federal Student Aid (FAFSA) online at www.fafsa.gov, if you have not already done so. Please list "Boston University" using Federal School Code Number **002130** as a recipient of your FAFSA data. Federal Student Aid Programs will process your FAFSA and forward the data to Boston University. After your FAFSA has been processed, you will receive a Student Aid Report (SAR) from the Department of Education. You should review this report for additional information regarding your aid eligibility, and make any corrections if necessary.
2. **You will be notified by mail if you need to sign a promissory note.** If you have already signed a Master Promissory Note during prior enrollment at Boston University, you may not need to sign another promissory note for the 2011/2012 Academic Year. First time borrowers will need to complete a **DIRECT LOAN MASTER PROMISSORY NOTE**. You can complete the promissory note online at <https://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 www.pin.ed.gov. Boston University will be notified within seven to ten 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. Please make sure that you have provided the Registrar's Office with your home address so that you will get your promissory note.
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 <https://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, funds will be credited to your account electronically within three to five business days; this will occur about a week before classes start (prior to this, your loans will appear on your account as pending status). A loan fee up to 1.0% will be deducted from the Subsidized and Unsubsidized Direct Loan prior to disbursement. In addition, borrowers will be given an up-front rebate up to 0.5% of the loan amount approved. The borrower retains the rebate by making the first 12 monthly payments on time. Overall, the amount available can be no more than 0.5% minus the loan amount approved. Disbursement will occur no earlier than 10 days before the start of the semester. *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.* **Student Accounting Services will begin distributing refund checks within a week after classes have begun.**

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 semester of attendance and (2) your school's academic office at Boston University. The completed Consortium Agreement should be forwarded to Boston University Financial Assistance with your Direct Loan Request Form. The consortium agreement must be submitted **at least 3 weeks** before the end of your Fall/Spring classes in order for Boston University to review your 2011/2012 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 Direct 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 loan. If they are unwilling, you may submit your request for a Fall/Spring loan to Boston University along with a Consortium Agreement completed by your home institution. Please be aware that Boston University will process your loan through the Direct Loan Program. Repayment may be more complicated if you also have Federal Stafford Loans from a bank or other lender.

2011/2012 FEDERAL DIRECT LOAN REQUEST FORM FOR METROPOLITAN COLLEGE GRADUATE STUDENTS

Maximum Direct Stafford Loan eligibility for the 2011/2012 Academic year:

Subsidized Direct Stafford Loan \$8,500
Unsubsidized Direct Stafford Loan \$12,000

Please complete the Loan Request form below and submit it to the Graduate Financial Aid Office.

2011/2012 DIRECT STAFFORD LOAN REQUEST (PLEASE PRINT)

Student Name: Last, First

Phone Number

BU Identification Number

Expected Graduation Date

Email Address

Date of Birth

Social Security Number

Program of Study

*Please initial here _____ to indicate you are United States citizen or permanent resident.

I wish to apply for a TOTAL Direct Loan in the amount of \$_____, which will be divided in equal installments for the Fall 11 and Spring 12 semesters. (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.)

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

- Number of credits: Fall 1 2011_____ Fall 2 2011_____
Spring 1 2012_____ Spring 2 2012_____
- Any funds anticipated for 2011/2012 from a source other than this loan (i.e. Tuition Reimbursement, Scholarship etc.)
Source_____ Amount \$_____
- Source_____ Amount \$_____

By my signature below I acknowledge that the above information is true and correct. I understand that I must notify the Office of 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.*** I have read the instructions on Pages 1-3.

Signature

Date

**FAX THIS PAGE ONLY TO (617) 353-4190 — COVER SHEET NOT NECESSARY
OR SCAN AND EMAIL TO finanaid@bu.edu.
EXPECT TO RECEIVE EMAIL CONFIRMATION OF RECEIPT WITHIN 3 BUSINESS DAYS.**

FOR OFFICE USE ONLY: _____ Degree _____ Half-time _____ SAP _____ Balance_____11/12 FAFSA
_____ ENTRN _____ DLNTE/MPN _____ Spreadsheet _____ Email Conf _____ Notes/FN26 _____ FN14