



Boston University School of Social Work

FEDERAL DIRECT UNSUBSIDIZED LOAN 2025/2026 FACT SHEET

The unsubsidized Federal Direct Unsubsidized Loan is a low-interest loan available to students for post-secondary educational expenses. Most matriculated students are eligible for an unsubsidized Direct Loan. The loan is made to the student who is then responsible for repayment of the loan. The 2025/2026 interest rate is 7.94% (on or after July 1, 2025), fixed for the life of the loan. Interest is charged while the student is enrolled in school, beginning after the loan is disbursed. Students may elect to pay the interest or have it capitalized (added to the principal) and pay it during the repayment period.

Eligibility is determined by a federally legislated analysis of family financial information provided on the 2025/2026 Free Application for Federal Student Aid (FAFSA) which must be completed to apply for the loan. The unsubsidized Federal Direct Stafford Loan may not exceed the annual and aggregate limits for the loan under the Direct Loan Program.

WHO IS ELIGIBLE TO APPLY?

Students are eligible to participate in the Federal Direct Loan Program if they:

- 1 are U.S. citizens or permanent residents;
- 2 are enrolled in a degree program;
- 3 are registered for a minimum of 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 any outstanding balance from a prior period of enrollment at Boston University, and
- 6 are making satisfactory academic progress. Information about it can be found online at: (<https://www.bu.edu/ssw/files/2025/04/SAP-Policy-BUSSW.pdf>).

HOW MUCH MAY I BORROW?

The maximum *annual (i.e. summer, fall and spring) loan amount for graduate and professional students is \$20,500. The maximum cumulative Federal Direct Stafford Loan amount is **\$138,500** for graduate and professional students, including any amount borrowed for undergraduate study.

***Please note:** If a Summer 2025 loan is processed for you using 2025/2026 FAFSA data, the amount will be deducted from your \$20,500 annual loan eligibility. The amount remaining from the Summer 2025 loan will then be available to split equally between Fall 2025 and Spring 2026.

HOW DO I APPLY?

1. Complete a **FREE APPLICATION FOR FEDERAL STUDENT AID (FAFSA)** on-line at <https://studentaid.gov/h/apply-for-aid/fafsa>. The Boston University School Code is 002130. If you wish consideration for non-federal financial aid, additional forms are required. For information on requirements, you should contact the SSW Office of Financial Assistance.
2. In order for Boston University to receive your FAFSA data, we must have your Social Security Number on file. If you did not indicate your Social Security Number on your admissions application, you will need to provide it to the Financial Aid Office.
3. If you have already signed a Master Promissory Note, you may not need to sign another promissory note. First time borrowers at Boston University will need to complete a **DIRECT LOAN MASTER PROMISSORY NOTE**. You can complete the promissory note on-line at <https://studentaid.gov/mpn/grad/landing>. You will need your FSA ID. If you do not have an FSA ID, you can request one at <https://studentaid.gov/fsa-id/create-account/launch>. Boston University will be notified within 7-10 business days that you have completed your promissory note on-line.

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

4. **If you are a first-time borrower at Boston University, you must complete an entrance counseling session**, which is required by the federal government prior to the crediting of loan funds to your student account. You may complete this requirement on-line at <https://studentaid.gov/entrance-counseling/>. 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 TO ME?

Once classes begin for the semester and your loan has been approved by the Direct Loan Center, the funds will be credited to your student account electronically. An origination fee is deducted automatically from the amounts you borrowed. The net result is that the loan amount disbursed is less than the loan amount approved. The origination fee for loans with the 1st disbursement date on/after 7/1/25 is 1.057%.

Your loan will be disbursed in two installments, one installment each 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.* Once the semester begins, if there is a credit balance on your account after the loan funds are credited, you may request a refund by completing a refund request at <https://www.bu.edu/studentaccountingservices/resources/refunds/>.

Kindly note that this information is subject to change.