



## FINANCIAL AID FAQ

### HOW CAN I APPLY FOR A DIRECT GRADUATE PLUS (GRAD PLUS) LOAN AND COMPLETE A MASTER PROMISSORY NOTE (MPN)? \*You must follow both steps!

STEP 1 – Log into <https://studentloans.gov> Sign in and click on “*Request a PLUS loan*”, select the type of loan “*Graduate PLUS Loan*” and follow the instructions.

STEP 2 – Log into <https://studentloans.gov> Sign in and click on “*Complete Master Promissory Note*”, select the type of loan “*Graduate Plus Loan*” and follow the instructions Note: GRAD PLUS LOAN approval is based on credit history.

### CAN I STILL RECEIVE A DIRECT PLUS LOAN IF I HAVE AN ADVERSE CREDIT HISTORY?

A credit check will be performed during the application process. If you have an adverse credit history, you may still receive a Direct PLUS Loan by obtaining an endorser who does not have an adverse credit history or documenting to the U.S. Department of Education’s satisfaction extenuating circumstances relating to your adverse credit history.

### WHY SHOULD I TAKE OUT FEDERAL STUDENT LOANS?

Federal student loans are an investment in your future. You should not be afraid to take out federal student loans, but you should be smart about it. Federal student loans offer many benefits including:

- The interest rate on federal student loans is almost always lower than that on private loans—and much lower than that on a credit card.
- You don’t need a credit check or a cosigner to get most federal student loans.
- You don’t have to begin repaying your federal student loans until after you leave college or drop below half-time.
- Federal student loans offer flexible repayment plans and options to postpone your loan payments if you’re having trouble making payments.
- If you work in certain jobs, you may be eligible to have a portion of your federal student loans forgiven if you meet certain conditions.

### WHAT SHOULD I CONSIDER WHEN TAKING OUT FEDERAL STUDENT LOANS?

Before you take out a loan, it’s important to understand that a loan is a legal obligation that you will be responsible for repaying with interest. You may not have to begin repaying your federal student loans right away, but you don’t have to wait to understand your responsibilities as a borrower. Be a responsible borrower.

Keep track of how much you’re borrowing. Think about how the number of your loans will affect your future finances, and how much you can afford to repay. Your student loan payments should be only a small percentage of your salary after you graduate, so it’s important not to borrow more than you need for your school-related expenses.



Understand the terms of your loan and keep copies of your loan documents. When you sign your promissory note, you are agreeing to repay the loan according to the terms of the note even if you don't complete your education, can't get a job after you complete the program, or you didn't like the education you received.

Make payments on time. You are required to make payments on time even if you don't receive a bill, repayment notice, or a reminder. You must pay the full amount required by your repayment plan, as partial payments do not fulfill your obligation to repay your student loan on time.

Keep in touch with your loan servicer. Notify your loan servicer when you graduate; withdraw from school; drop below half-time status; transfer to another school; or change your name, address, or social security number. You also should contact your servicer if you're having trouble making your scheduled loan payments. Your servicer has several options available to help you keep your loan in good standing.

### **WHEN DO I BEGIN REPAYING MY FEDERAL STUDENT LOAN?**

You don't have to begin repaying most federal student loans until after you leave college or drop below half-time enrollment. However, PLUS loans enter repayment once your loan is fully disbursed (paid out).

Your loan servicer or lender must provide you with a loan repayment schedule that states when your first payment is due, the number and frequency of payments, and the amount of each payment. Keep in mind that your loan may have a grace period.

### **WHAT'S A GRACE PERIOD?**

The grace period is a set period of time after you graduate, leave school, or drop below half-time enrollment before you must begin repayment on your loan. The grace period gives you time to get financially settled and to select your repayment plan. Not all federal student loans have a grace period. Note that for most loans, interest will accrue during your grace period.

Direct Subsidized Loans, Direct Unsubsidized Loans, Subsidized Federal Stafford Loans, and Unsubsidized Federal Stafford Loans have a six-month grace period before payments are due. Deferment Contact your loan servicer for more information. Check with the school where you received your loan.

### **HOW MUCH WILL I NEED TO PAY?**

Your bill will tell you how much to pay. Your payment (usually made monthly) depends on:

1. The type of loan you received
2. How much money you borrowed
3. The interest rate on your loan
4. The repayment plan you choose



## HOW DO I MAKE MY PAYMENTS?

The U.S. Department of Education uses several loan servicers to handle the billing and other services on loans for the William D. Ford Federal Direct Loan Program and for loans that were made under the Federal Family Education Loan (FFEL) Program and that the department of education later purchased. You'll tell your loan servicer which repayment plan you'd like to choose.

## CAN I PAY MORE THAN MY REQUIRED MONTHLY PAYMENT?

You can make payments before they are due or pay more than the amount due each month. Contact your loan servicer to make sure the money is applied to your principal balance. Interest is charged on this amount. Paying a little extra each month can reduce the interest you pay and reduce your total cost of your loan over time.

## FINANCIAL AID FOR PHD DISSERTATION STUDENTS

Enrolled Ph.D. students have a maximum of 6 quarters (18 units) to complete their dissertation work. The normal completion time is expected to be within 6 quarters or 1.5 years of dissertation work. Students who have not completed their dissertation within the normal time period (6 quarters or 18 units) have the opportunity to be enrolled for up to four additional quarters (4-units total) in Dissertation Continuation Enrollment (DCE) status.

During these additional quarters, the student enrolls in 1-unit of continuation work per quarter, up to 4 quarters. DCE status ends:

- When a student completes their dissertation
- When a student chooses not to re-enroll in the continuation class;
- When the four-quarter limit of DCE eligibility has expired;
- When a student does not maintain continuous enrollment or does not make degree progress

DCE status was instituted to help students finish the Ph.D. by allowing them to remain in an enrolled status while they finish their degree requirements. To qualify for DCE status, students must have made satisfactory academic progress on their dissertation. Financial Aid is only available for the normal dissertation completion time (6 quarters) and is not available to students who enter into DCE status.