



One Stop – Financial Aid
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2011/2012 THINGS YOU NEED TO KNOW – Graduate

The following information should help you as you review your 2011/2012 Financial Aid Offer

THINGS YOU NEED TO DO

- ✓ Most portions of your financial aid offer (in particular, loan programs) may require your online acceptance or denial. Please log on to Student Self-Services through USFConnect to view your financial aid award. If you are required to accept or deny any part of your award, please do so promptly.

- ✓ **Complete a one-time Entrance Counseling workshop if you are planning to borrow Federal Student loans for the first time at USF in the 2011-12 school year. This is a Federal requirement for ALL graduate students, even if you have received a prior loan disbursement without completing this requirement. The workshop must be completed before we can pay your 2011-12 loans to your USF account.** Please visit <http://www.studentloans.gov/> and follow the instructions for loan entrance counseling. ****If you completed this requirement previously as an undergraduate or graduate student at USF, you do not need to complete the workshop again****

COST OF ATTENDANCE (COA)

The Cost of Attendance for the 9-month academic year includes both direct expenses (tuition & fees) and indirect expenses (books, supplies, transportation, personal expenses and room & board for off-campus students). **For most graduate students, tuition expenses included in the COA used to determine your eligibility for aid are based on an average tuition cost of full-time enrollment. These figures are not meant to represent your specific tuition or charges for the academic year but it is an average cost against which we measure your resources to determine your eligibility for aid.** If you anticipate borrowing more than the \$20,500 available from the Subsidized and Unsubsidized Federal Direct Loan Programs per award period, you may want to apply for a Graduate PLUS loan. To do so, you will need to complete and submit the Graduate Loan Pre-Application form and provide us with information on the number of units for which you will enroll on the Graduate Award Notice Change Form (available together on our web page). You can also use the form to tell us if you will be enrolled for a term during 2011-2012 for which you have not been offered aid. **Please note: To be eligible for Federal financial aid, you must be enrolled at least half-time in each semester you are requesting financial aid.**

Half-time enrollment for Graduate Online Degree Program students is defined as 3 units per term.

STUDENT AID PROGRAMS

If you receive aid, such as grants, scholarships or other assistance from your degree program or any outside agency, that aid will be considered when determining your remaining financial aid eligibility. The aid being offered to you by the Financial Aid Office comes from one or more of the following programs. Be sure to read all of this information before you accept the benefits and obligations of the aid programs.

FEDERAL LOANS

The William D. Ford Federal Direct Stafford Loans, Subsidized and Unsubsidized:

The Subsidized Direct loan is a deferred interest, deferred payment loan. Interest at 6.8% is paid by the federal government while the borrower is in school. Repayment of interest and principal begins 6 months after the borrower graduates, withdraws or drops below half-time enrollment. To participate in the Subsidized loan program, applicants must demonstrate need. The annual loan limit is \$8,500 for Graduate/Professional students. In no case may a borrower's Subsidized loan amount exceed his or her demonstrated need.

Graduate aid applicants with limited or no eligibility for the Subsidized loan may borrow from the Unsubsidized Direct Loan program. In addition, graduate student borrowers may request an Unsubsidized loan to supplement their Subsidized Direct Loan eligibility. Terms and conditions are identical to those of the Subsidized program except that interest begins to accrue at the time of disbursement and it is the student borrower's responsibility to pay interest while in school. Payment of interest and principal may be deferred until after the borrower graduates, withdraws or drops below half-time enrollment. If interest payments are deferred, they are added to the principal borrowed and increase the amount on which future interest is calculated. The annual combined loan limit for Subsidized and Unsubsidized loans is \$20,500.

The Department of Education charges the borrower a loan origination fee of 1% of the principal amount of each Stafford loan, but also applies an up-front rebate reduction of 0.5%. Because of this rebate, the net loan origination fee deducted upon disbursement will be 0.5%.

Budget Control Act of 2011

Effective for loans made on or after July 1, 2012, graduate and professional students are no longer eligible to receive Federal Direct Subsidized Loans. The terms and conditions of Direct Subsidized Loans received by any student for loan periods beginning before July 1, 2012, for either graduate or undergraduate study, are not affected by this change. The annual loan limit for graduate and professional students remains unchanged at \$20,500, but this amount will now be limited to Direct Unsubsidized Loans.

In addition, the BCA terminates the authority of the Department of Education to offer any repayment incentives to Direct Loan borrowers to encourage on-time repayment of loans, including any reduction in interest rate or origination fee, effective for loans first disbursed on or after July 1, 2012. As a result, the up-front interest rebate that has been provided to Direct Loan borrowers at the time of their loan disbursement will no longer be offered on any Direct Loan program loan with a first disbursement date that is on or after July 1, 2012.

The law continues to authorize the Department to offer interest rate reductions to Direct Loan borrowers who agree to have payments automatically electronically debited from a bank account.

Graduate Federal PLUS Loans:

Graduate and professional students may also borrow from the Federal Direct Graduate Student PLUS program. The loan limit for Grad PLUS is the borrower's COA less any other aid the borrower has accepted for the loan period. To be eligible, a student must be enrolled at least half-time, must apply first for Federal Direct Stafford loans by filling out the 2011-2012 FAFSA and must also complete and submit the Graduate PLUS Loan Pre-Application form to the Financial Aid Office. To be eligible for the maximum amount of Grad PLUS loan funds, you should be sure that your COA reflects your actual tuition charges and not an average. To do so, complete the Graduate Award Notice Change Form and submit it to the Financial Aid Office at the same time that you submit your Grad PLUS application.

Approval of a Grad PLUS loan is not based on credit score, but may be denied for any adverse credit items on your credit report. It requires a separate Master Promissory Note (MPN) and Loan Entrance Counseling workshop from the one that is used for the Federal Direct Subsidized and Unsubsidized loan programs. The Grad PLUS loan features a fixed 7.9% interest rate, fixed monthly payments, choice of payment plans from a variety of options beginning with a standard 10 year repayment, and the ability to consolidate PLUS with other federal student loans. The Department of Education charges the borrower a loan origination fee of 4% of the principal amount of each Direct PLUS loan, but also applies an up-front rebate reduction of 1.5%. Because of this rebate, the net loan origination fee deducted upon disbursement will be 2.5%.

Grad PLUS loans are eligible for an automatic in-school deferment. This allows a borrower who is enrolled at least half-time to postpone payments until after the borrower graduates or drops below half-time status. There is no grace period for Grad PLUS loans. Your first payment will be due within 45 days after your in-school deferment ends. Borrowers who are unable to make payments in their Direct PLUS loan after their in-school deferment ends may request from the Direct Loan Servicing Center a one-time forbearance that allows temporary postponement of payments.

Privately Funded Education Loans:

A student with additional or unmet financial need who **does not intend to borrow from the Direct Graduate PLUS Loan program** may want to consider applying for a private loan. These loans are funded through private companies and are available to graduate students who are enrolled in at least one class, or on a half-time basis, depending on the lender's requirements. **The maximum loan amount cannot exceed the total COA minus other financial aid.** The USF Financial Aid Office offers an online private loan option list that lists banks and lenders that USF students have borrowed from over the previous five years.

****If you would like USF to cancel or reduce an accepted federal or private loan, you must make a written request to the Financial Aid Office before the loan disburses or no later than 14 calendar days after disbursement of the loan to your USF Student Account.** You may still be responsible for any accrued interest and fees charged by your lender. If you receive a loan refund from USF, you may be required to return sufficient funds to your USF account before your loan reduction or cancellation request can be processed. You may also make early loan payments directly to your lender or loan servicer at any time with no pre-payment penalty**

FEDERAL STUDENT FINANCIAL AID (TITLE IV) POLICY

The Higher Education Amendments of 1998 require that the University calculate pro-rated student aid eligibility for students who withdraw completely from classes and do not provide written documentation regarding their anticipated return semester. Students who withdraw from classes and plan to return in a future semester are encouraged to complete the appropriate Registrar form to avoid this return of funds.

Aid awarded to the student and not earned at the time of the effective date of withdrawal will be returned to the Federal Title IV Student Aid programs. The Title IV Programs include the Subsidized and Unsubsidized Direct Student loan and Federal Graduate PLUS loan programs. Federal regulations require that the amount of unearned Federal financial aid be calculated by measuring the number of days the student completed against the number of days in the term in which the student withdraws. The Office of Student Accounts must return any unearned aid they accepted in payment of charges and must notify the student if his/her responsibility for returning any unearned aid received as a refund after all charges had been paid. Unsubsidized Federal Direct Loan funds will be returned before Subsidized funds. The Office of Student Accounts and the Financial Aid Office have information on this policy for students admitted to and enrolled in the University's degree programs. Examples of repayment calculations are available.

STANDARD FOR SATISFACTORY ACADEMIC PROGRESS (SAP)

To be eligible to receive financial aid, a student must demonstrate that he/she is making satisfactory progress toward a degree. For aid eligibility, satisfactory progress is defined as achieving a 3.0 GPA and above for Graduate students and progressing at a normal pace. Graduate students progressing at a normal pace will have at least a 75% cumulative completion rate (completed units/attempted units must equal 75% or more) towards successful completion of a degree program. Additionally, Graduate students cannot exceed 150% of their program units (attempted units/completed units must equal 150% or less). An "attempted" class is defined as any registered class that was not dropped before the tuition refund deadline.

Please note that half-time enrollment is required to receive most financial aid. If you withdraw from a course, receive an incomplete for a course, or repeat a course for which you have already received credit more than one time (e.g. taking a class more than once to improve a grade of D- or above) or enroll in a non-credit remedial course, such a course will not be considered when determining the number of units earned for SAP. A "completed" class is defined as any class that earns credit toward a degree program.

A student who fails for one semester to meet the SAP requirements will be placed on "Financial Aid Warning" status for the following semester. This student can continue to receive financial aid while on Warning status.

A student who fails to meet the SAP requirements after their Financial Aid Warning semester will become ineligible for further Federal or State financial aid. A student found academically ineligible for financial aid may request that the decision be reviewed by the Office of Financial Aid by writing a letter of appeal and submitting it, along with any pertinent supporting documentation, to the Financial Aid Office. The appeal letter must include why the student failed to meet SAP and what has changed that will allow them to meet the requirements by the end of the next semester. The student should also include a plan of action that will be implemented to

achieve this goal, as well as a Supporting Statement. The Supporting Statement is a detailed statement from someone (preferably in a professional capacity) familiar with those circumstances described in the appeal. Statements from doctors, counselors, teachers, advisors, etc. are acceptable. Statements from roommates, family members, and/or friends are usually inadequate for appeal. Appeals without accompanying statements will not be accepted.

If the appeal is approved, the student is re-instated and placed on Financial Aid Probation status for one semester. The student can receive aid while on probation. The student must meet the SAP requirements by the end of the semester in order to be removed from Probationary status and continue to remain eligible for Federal and State financial aid.

FREQUENTLY ASKED QUESTIONS ODP GRADUATE STUDENTS

Will my accepted Financial Aid be credited towards my charges on my bill before it is paid to my student account?

Financial Aid that has been accepted will be credited to your bill only when all necessary requirements for those funds have been completed. We recommend that all students regularly review their "Unsatisfied Requirements" in the Financial Aid Status section of their USFConnect account to ensure that their financial aid will be properly credited towards charges and paid to their student account.

My Financial Aid Award Offer says that I have unmet eligibility. Is that what I will owe USF?

No. Compare your accepted financial aid to your tuition (tuition = anticipated yearly units multiplied by per unit rate **or** use your fixed cohort rate, if applicable). If your aid is less than the tuition, then the difference is the amount you owe.

Is my Financial Aid Offer also a bill? If not, when will I receive a bill from USF?

No, the Financial Aid Offer is **NOT** a bill and does not indicate actual charges owed. You will not receive a bill until after you are registered for classes. Once you are registered for classes, tuition is due. **You will not receive a paper bill.** The billing statement will be sent to your USFConnect email account. USF students can create Authorized Payer profiles (usernames and passwords) through Ebill & Epay in USFconnect which allows parents, spouses, and others to receive bill notifications, view bills and make payments online.

When is my financial aid going to be paid to my account?

At the beginning of each semester and once you have met all the requirements for disbursement, your aid will be paid to your USF Student account. Requirements include returning your award notice, completing verification, enrolling for the number of units you anticipated when you applied for aid and completing the Loan Entrance Counseling workshop. In addition, any specific information or documentation requested from you must be provided before disbursement can take place.

I'm expecting to receive a refund from my financial aid. How will I receive these funds?

Credit balances created by federal student aid are refunded by check unless a student's Direct Deposit information is provided on the completed Credit Balance Refund Authorization Form which is submitted by the student to Student Accounts. In general, your refund will be available within 14 days of disbursement of financial aid into your student account.

When do I apply for financial aid for the next academic year?

If you will be enrolled in Fall 2012, Spring 2013, and/or Summer 2013, beginning January 1, 2012 you may complete a 2012/2013 renewal FAFSA at www.fafsa.gov to be considered for financial aid for the 2012/2013 academic year.

Additional questions?

Contact the One Stop Office at (415) 422-2020 or email onestop@usfca.edu.