Federal Student Aid Available: The Federal Work Study Program and Direct Loans

Federal College Work-Study Program

Students may be eligible for part-time, on-campus and off-campus (community service) employment. Students can work up to 5 hours per week. Limited funding is available. Requirements: Submission of the **FAFSA**, student must meet Satisfactory Academic Progress and be enrolled at least half-time. Applications are available at the financial aid office; proof of employment eligibility is required.

Loans: A type of financial aid award that must be repaid and accrues interest. Student loans are designed to help students pay for tuition, books and living expenses, and carry low interest rates.

William D. Ford Federal Direct Unsubsidized Stafford Loan

Students do not have to demonstrate need for unsubsidized loans. These loans do accrue interest during the in-school period. Repayment generally begins six months after graduation or a student falls below half-time enrollment status. These loans may be consolidated upon graduation. Submission of the **FAFSA** is required to be reviewed for eligibility.

Effective July 1, 2015, this loan has an origination fee of 1.073% and the interest rate is 5.84%.

*** This loan will be submitted to the **National Student Loan Data System** (NSLDS) and will be accessible by guaranty agencies, lenders, and schools determined to be authorized users of the data system

Federal Graduate PLUS Loan (Grad PLUS)

Graduate/Professional students are allowed to borrow additional federal funds that do not affect their Federal Stafford Loan aggregate limit. The maximum amount a student can borrow for this program is the cost of attendance minus other forms of financial aid. The Grad Plus loan is credit based and it accrues interest during the in-school period. Your first payment is due within 60 days of the final disbursement of the loan, however, students can defer repayment while enrolled at least half-time in school. Apply for the Grad PLUS online at **www.studentloans.gov**.

Effective July 1, 2015, this loan has an origination fee of 4.292% and the interest rate is 6.84%

*** This loan will be submitted to the **National Student Loan Data System** (NSLDS) and will be accessible by guaranty agencies, lenders, and schools determined to be authorized users of the data system

Federal Perkins Loan

This is a school-based loan program for eligible students with exceptional financial need. You may qualify for a Perkins Loan of up to $8,000.00 each award year (July-June) depending on your financial

need, the amount of other aid you receive, and the availability of funds. The current interest rate for this loan is 5% and it does not accrue interest during the in-school period or during the 9 month grace period. Student is obligated to pay the principal and the interest that accrues over a period beginning 9 months after the date the student ceases to be a half-time student and ending 10 years later.

*** This loan will be submitted to the **National Student Loan Data System** (NSLDS) and will be accessible by guaranty agencies, lenders, and schools determined to be authorized users of the data system

Non Federal Student loans

Private Loans

There are key differences between federal loans and private loans. Federal student loans offer several repayment plans, including an option to tie your monthly payment to your income. Learn more about the differences between federal and private student loans at:
https://studentaid.ed.gov/types/loans/federal-vs-private

Private educational loans may be an important funding source for students who need more loan funds than the federal programs can provide. Terms of private loans vary significantly. These loans can be more expensive than federal loans because the federal government does not guarantee them. They require a credit check and/or debt-to-income ratio on the borrower and/or co-borrower. A co-borrower may be required; lower interest rates may be available to students who choose to have a co-borrower; interest rates and fees are variable and repayment begins six months after the student graduates or falls below half-time status. Each time a student wishes to borrow a private loan, a new loan application is required by the lender.

Private Educational Loan Application Process:

1. You must initiate the loan application process by selecting a private student loan lender of your choice. You may choose to use any of the private loan lenders listed below. Apply online at the lender's website, or contact the lender by phone. It is a good idea to apply early as processing may take several weeks. However, keep in mind that credit approvals are only good for 90 to 150 days.

2. Once the borrower and/or co-borrower's credit is approved, Sherman College will receive a request from the lender to certify the loan. We will certify the loan for the lesser of the amount you request on your application or the maximum amount allowed by your cost of attendance minus other financial aid awarded.

3. Funds received at Sherman College will be applied first to your student account, and in the event of a credit balance, a refund will be issued to you.

To assist you in this process, we have compiled a list of lenders. We recommend these lenders based on the quality of products and services they provide to students and families. We have carefully

considered our selections in order to provide you with the best possible list of suggested lenders. However, if you wish to use another lender that is not on the list, you have the right to do so. Reasons for selecting a particular lender will vary from person to person, so this list should only be used as a guide or starting point for analysis. Some choose a lender based on name recognition, immediate benefit of lower origination fees, or the long-term advantage of repayment savings programs, like an interest rate reduction as a reward for making payments on time. **Please note that you are not required to use any of these lenders – the choice of lender is yours.** The Office of Financial Aid will process your loan with any lender you choose. Further, the list of lenders is not in any order of preference. For a lender list click here