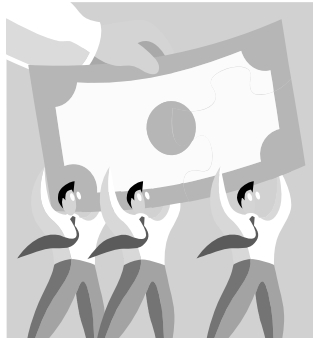


UNIVERSITY OF PITTSBURGH

SCHOOL OF EDUCATION

GRADUATE STUDENT
LOAN GUIDE



2006-2007

SCHOOL OF EDUCATION
STUDENT SERVICE CENTER
5500 WESLEY W. POSVAR HALL
PITTSBURGH, PA 15260
(412) 648-2230

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I NEED A STUDENT LOAN FOR GRADUATE SCHOOL – WHAT DO I DO?

Many federal and state aid programs available to undergraduates are not available to graduate students (Pell Grants, SEOG, as well as many state scholarships). Much of the aid received by graduate students is in the form of loans.

School of Education-Student Service Center

The School of Education Student Service Center can provide the information you need to get you started with the educational loan application process. Once all your paperwork has been completed and submitted, the University of Pittsburgh Office of Admissions and Financial Aid (OAFA) can assist you with questions about the status of your loan.

University Computing System

Upon your admittance to the University you will be assigned a University computing account. With your username and password, you can also log on to your personalized University of Pittsburgh Portal Account to check the status of your loan and view your student financial account. The portal address is my.pitt.edu.

WHO IS ELIGIBLE FOR A LOAN?

Generally, to be considered for an educational loan as a graduate student, you must meet all of the following criteria:

- Be a U.S. citizen, permanent resident, or other eligible non-citizen*
- Be enrolled in a degree or certificate program at the University**
- Be attending school at least part time (5 credits)
- Be registered with the selective service, if eligible
- Not owe a refund on a federal grant or be in default on a prior federal educational loan

**Check with the Office of Admissions and Financial Aid*

***In some cases, non-degree students enrolled in prerequisites courses for a certificate or degree program may be eligible. Contact the Student Service Center.*

FEDERAL STAFFORD LOANS

Federal funds are available to qualified borrowers by following the simple steps:

- Complete the Free Application for Federal Student Aid (FAFSA)
- Complete the Financial Aid Application Supplement (FAAS) (If married, your spouse must also sign this form).
- Participate in a Stafford Loan Entrance Interview

Many of these steps can be completed online. You can find the links to the entrance interview, the FAFSA and the FAAS forms on the University Financial Aid website at <http://www.pitt.edu/~oafa/gradaid.html>. However, if you prefer the paper forms, you can request them from the Student Service Center by emailing soeinfo@pitt.edu or by calling 412-648-2230.

Free Application for Federal Student Aid (FAFSA)

A FAFSA Form must be completed for each academic year (Fall, Spring, Summer) in which you apply for a Stafford Loan. If you are admitted into a program which begins in the Summer Term, you will have to file the prior year's FAFSA to be eligible for summer aid. (ex. If you are entering a program in the Summer 2006, you must complete the FAFSA for 2005-2006).

You can complete the FAFSA online at www.fafsa.ed.gov. First, you should register for a personal identification number (PIN) which will serve as your electronic signature. It takes approximately three days to receive your pin by email, or 7 to 10 days via the U.S. Postal Service. The PIN will allow you to view the status of your application online at the FAFSA web site. It also allows you to view a history of all your Federal Student Aid received on the National Student Loan Data System (NSLDS) Web site. A PIN can be obtained from the Department of Education's website at www.pin.ed.gov

To complete the FAFSA, you will need:

- Your social security number or your alien registration card if you are not a U.S. citizen
- Your driver's license
- Your (and your spouse's) previous year's income tax information

- Your current bank statements and investment records

When filling out the FAFSA, remember that::

- The University of Pittsburgh School Code: 008815
- You do not have to fill in parent information. As a graduate student you are deemed independent. However, if you are married, you must include your spouse's information.
- If you submit your FAFSA online and do not sign electronically, you can either print a signature page and mail it in, or the Department of Education will mail one to you. Both of these options will delay your application process slightly. It is strongly recommended you apply for a PIN to speed the process.

Once your FAFSA has been processed by the Department of Education, you will receive a Student Aid Report (SAR) within 6 weeks. The SAR should be checked carefully to ensure that there are no mistakes. Any corrections should be made on the form and returned to the Department of Education at the address given. Note: When you complete the FAFSA online, you will receive an email to view your SAR electronically.

Financial Aid Application Supplement (FAAS)

The FAAS is a University of Pittsburgh financial aid form. The form is available from the Student Service Center, or online at

<http://www.pitt.edu/~oafa/PDF/0607gradFAAS.pdf>

Like the FAFSA, it must be completed for each academic year in which you are applying for a loan. Be sure that you:

- Do not complete parent information. If you are married, you must include your spouse's information
- Fill in answers to all questions, using 0 or N/A as appropriate
- Do not forget to sign, and if married, have your spouse also sign

Answers to question #9 are completed by the Financial Aid Representative in the School of Education Student Service Center. **The School of Education will forward the FAAS form to the University Office of Admissions and Financial Aid.**

Special Note Concerning the FAAS - Over Awards:

If you subsequently receive additional financial aid from other sources after the School of Education completes your FAAS, **it is your responsibility** to have the updated information forwarded to the Financial Aid Office. Other sources include, but are not limited to, tuition remission, GSA/GSRs, and other outside private grants and scholarships. If the total of your financial aid exceeds your demonstrated federal student aid eligibility (if your refunds exceed \$6595 in one semester), then the Office of Admissions and Financial Aid may be required to reduce your loans. To ensure that your loan application is processed properly, it is important that your scholarship amounts are accurately reported.

Income Verification/U.S. Income Tax Forms

Each year the U.S. Department of Education selects a percentage of students who complete the FAFSA to have their financial and other data verified by the Financial Aid Office. If you are selected you will be asked to send a signed copy of your **U.S. Income Tax Return** to the Office of Admissions and Financial Aid. Please comply with the request as quickly as possible. Once you are selected, no further action can be taken on your application until the requested tax documents are received by the Financial Aid Office.

The most common error made by students in completing the FAFSA is the question concerning **Taxes Paid**. Please pay particular attention in completing this question. Do not report **Taxes Withheld**, without considering any additional amount owed to you or any refund of an overpayment paid to you.

WHEN TO APPLY FOR A LOAN

Since it may take 4 to 6 weeks from the time you complete the paperwork until your loan is approved, the earlier the paperwork is completed, the more time there is to resolve any problems. Therefore, we highly recommend that you submit your completed loan application no later than eight weeks before the beginning of the term(s) for which you are seeking a loan.

However, if you did not apply early and later find that you need a loan, remember that the only final deadline for a Stafford Loan application is the last day of the term. As long as the loan application is certified by the University of Pittsburgh before the end of the term you can borrow for that term (even though the money itself may not be distributed until after the term ends).

HOW MUCH CAN A GRADUATE STUDENT BORROW?

A graduate student can borrow up to \$18,500 each academic year. As a graduate or professional student you can have a total outstanding debt of \$138,000 (with no more than \$65,000 in subsidized loans). The loan limits include any Stafford loans received for undergraduate study. Check with the Office of Admissions and Financial Aid to determine the amount for which you are eligible.

INTEREST RATES

On February 8, 2002, President Bush signed legislation changing the interest rates on education loans from variable rates to fixed rates for new loans issued after July 1, 2006. The interest rate on the Stafford Loan will be 6.8%. The federal government will pay the interest on all subsidized loans while the student is enrolled at least half-time (5 credits) in school. However, the student is responsible for all interest on unsubsidized loans while in school.

HOW SOON WILL YOU KNOW IF YOUR LOAN HAS BEEN APPROVED?

Once all loan forms are completed correctly and submitted, you should hear about your loan within 4 to 6 weeks. About one fourth of all applications are randomly selected for review by the Department of Education, which can also cause a slight delay. However, the biggest reason for delay is information that has been submitted incorrectly.

The University of Pittsburgh Office of Admissions and Financial Aid will notify you of the loan amount approved.

Master Promissory Note (MPN)

After the Office of Admissions and Financial Aid has certified your application, you will receive a Master Promissory Note automatically in the mail. You will receive the MPN only once, and unless you change lenders, it is good for a period of ten years. Some lenders provide for electronic signing of your promissory note. In this case, you will need a Department of Education PIN (www.pin.ed.gov). When complete, the MPN should be returned to the address listed in the Lender Section on the form, or to the address given in the directions that accompany the form. When selecting your lender, please keep in mind that some may charge origination fees. You will need to contact the

lender directly to determine if these fees apply. If you have any questions regarding your promissory note, please contact the Office of Admissions and Financial Aid.

Stafford Loan Entrance Interview

If you have never previously obtained a Federal Stafford Loan for attendance at the University of Pittsburgh, **this loan interview is mandatory.** The purpose is to ensure that borrowers understand their Stafford Loan obligations.

You can complete the loan interview in person at the University of Pittsburgh, or online at www.pheaa.org. On the web site, under “other Helpful Tools,” select “Exit and Entrance Counseling.” On the next screen, select “Federal Student Loan Entrance Counseling.” The online process takes between 15 and 20 minutes to complete. Once finished, the Pennsylvania Higher Education Assistance Agency (PHEAA) will notify the University of Pittsburgh Office of Admissions and Financial Aid that your entrance interview has been satisfactorily completed.

Your loan funds cannot be released to you unless you have completed this mandatory interview. Therefore, it is best to take care of this early.

Stafford Loan Recommended Lender List

PNC Education Loan Center	pncbank.com	800-762-1001
Citizens Bank	citizensbank.com	800-708-6684
National City	national-city.com	800-635-1859
Citibank	Citibank.com/student	800-967-2400
EDAMERICA	edamerica.net	800-337-6884
Fleet Bank	fleet.com	800-235-3385
Wachovia	educaid.com	800-338-2243
Dollar Bank	dollarbank.com	800-239-4376
Chase Bank	chasestudentloans.com	800-242-7324

ALTERNATIVE LOAN PROGRAMS

A number of alternative loan programs are available to assist graduate students. These programs are often offered by commercial banks and other lenders and are not funded by the state or the federal government. Terms of lending, maximum loan amount, repayment schedules, interest rates, and qualifications of borrowers are determined by each organization.

More detailed information on alternative loan programs are available at http://www.pitt.edu/~oafa/loan_list.html

Graduate PLUS Loan

The Graduate PLUS loan is now available to graduate students. It requires students to have completed the FAFSA and have exhausted the maximum annual amount in Stafford loan funds. The PLUS loan also requires that students be creditworthy. The interest rate on these loans is fixed at 8.5%. For more information, or to apply online, visit the American Education Services website at www.aessuccess.org

The Educational Resources Institute (TERI)

TERI is a non-profit organization that offers loans based on good credit, with no income limitations, for elementary and secondary, undergraduate, graduate and continuing education studies. TERI loans are flexible, low-cost and easy to apply for. For more information, or to apply online, visit their web site at www.teri.org

WHEN YOUR LOAN FUNDING ARRIVES

If your loan application was submitted well in advance of the term, your first disbursement will arrive at the University of Pittsburgh Student Payment Center no earlier than 10 days before the beginning of the term. The second disbursement will be made approximately 10 days before the beginning of the second term.

It is very important that you be registered for the term when your loan funding arrives at the Student Payment Center. If you are not registered, there is a possibility that your loan funds will be returned to the bank. This problem can take a great deal of time and effort to correct. This can also delay your refund.

If your loan funding comes in electronically (EFT), the Student Payment Center deducts the amount needed to cover your tuition and fees and automatically sends you a refund for any remaining credit balance. **You do not have to apply for this refund.** Remember, you can check the status of your student account, including your loan disbursements and refunds on the Pitt Portal at my.pitt.edu.

Direct Deposit Option

Students now have the option to have their refunds deposited directly into the bank account they designate. The eRefund will be deposited two business days following the refund transaction's posting on your student account and available instantly.

To sign up for eRefunds in PittPay:

- Log onto the Portal, <https://my.pitt.edu>, select My Communities>Student Services>View and Pay My eBill in PittPay
- Select Direct Deposit on the PittPay Menu and follow the instructions to sign up for eRefunds. Your direct deposit account will be activated the following business day.

FEDERAL STAFFORD LOAN EXIT INTERVIEW

All students who have borrowed through the Stafford Loan Program are required to attend an exit interview before they graduate or drop below half time. The interview informs the student of his or her rights and responsibilities as a borrower. This interview can be completed online at www.pheaa.org. On the web site, under “other Helpful Tools,” select “Exit and Entrance Counseling.” On the next screen, select “Federal Student Loan Exit Counseling.” The online process takes between 15 and 20 minutes to complete. Once finished, the Pennsylvania Higher Education Assistance Agency (PHEAA) will notify the University of Pittsburgh Office of Admissions and Financial Aid that your exit interview has been satisfactorily completed.

FEDERAL TEACHER LOAN FORGIVENESS PROGRAM

This program is intended to encourage individuals to enter and continue in the teaching profession. Under this program, individuals who teach full-time for five consecutive complete academic years in certain elementary and secondary schools that serve low-income families, and meet other qualifications, may be eligible for forgiveness of up to \$5,000, and in some cases up to \$17,500, in principal and interest of their Federal Stafford Loans, Federal Direct Stafford/Ford Loans, and that portion of a Consolidation loan that was used to pay off a Stafford or Direct Stafford/Ford loan.

For definitions and eligibility requirements, visit www.aessuccess.org

HELPFUL HINTS

We suggest that you keep photocopies of all forms you complete before mailing them. Note the date and the address to which you mailed them.

Any time you make a phone call regarding your financial aid, get into the habit of asking for the name of the person with whom you spoke. You, or the School of Education may have to follow up with that person later. Please be proactive and check the status of your financial aid regularly.

**UNIVERSITY OF PITTSBURGH
SCHOOL OF EDUCATION
Financial Aid Resources**

If you have a question about financial aid that is not answered in this booklet, please feel free to contact the School of Education Student Service Center at 412-648-2230.

When you have filled out your FAAS, return it to:

**School of Education Student Service Center
5500 Wesley W. Posvar Hall
Pittsburgh, PA 15260
FAX: 412-648-1899**

After your financial aid forms have all been submitted, if you have a question about your loan application status, please contact:

**Office of Admissions and Financial Aid
University of Pittsburgh
Alumni Hall
Phone: 412-624-PITT (7488)
FAX: 412-624-5400**

If you have a question about receipt or disbursement of loan funds, contact:

**Student Payment Center
G7 Thackeray Hall
Phone: 412-624-7520**



CHECK THE STATUS OF YOUR
FINANCIAL AID AND STUDENT
ACCOUNT AT

MY.PITT.EDU

CLICK ON "STUDENT SERVICES"
THEN "STUDENT INFO"

SCHOOL OF EDUCATION