

LOANS

Direct Unsubsidized Loan

This is a federally funded loan program available to any graduate student who has completed the FAFSA, is a matriculated student in an eligible academic program, is a US citizen or eligible non-citizen, has maintained Satisfactory Academic Progress and is not in default on a prior student loan; credit worthiness is not a requirement for a Direct Unsubsidized loan. For graduate students, the annual borrowing limit is \$20,500 and in combination with all other sources of aid cannot exceed the student's budgeted cost of attendance. The interest rate is fixed for the life of the loan at 4.30% for loans disbursed on or after July 1, 2020 and before June 30, 2021; interest begins to accrue when the loan is disbursed. Borrowers are charged, by the federal government, an up-front origination fee. For loans disbursed on or after October 1, 2020 the fee is 1.059%. Unsubsidized Loans are available during the regular academic year (i.e., fall and spring semesters) and may be available during the summer term; to access funds during the summer term, students must complete the University's Summer Financial Aid Application and must be registered for at least six credits during the course of the summer.

Student loan funds cannot be disbursed to the student's account until the student has completed a promissory note for the loan and fulfilled Entrance Counseling requirements. (Entrance Counseling is an online tutorial on the rights and responsibilities of student loan borrowers; this requirement may be waived if the student has had a Direct Loan in a prior academic year.) The Financial Aid Office will provide the student with a promissory note and Entrance Counseling materials. Once the student has completed both the Promissory note and the Entrance Counseling requirements, the funds will be electronically transferred to the student's account.

Direct PLUS Loan for Graduate Students

In addition to the general eligibility requirements noted for the Direct Unsubsidized loan, the student must also not have an adverse credit history. Students may borrow up to the cost of attendance, less other financial aid awarded. Students must also have applied for and utilized the annual loan maximum (i.e., \$20,500) in the Direct Unsubsidized Loan program before applying for a Direct PLUS Loan for Graduate Students. The interest rate is fixed for the life of the loan at 5.30% for loans disbursed on or after July 1, 2020 and before June 30, 2021; interest begins to accrue when the loan is disbursed. Borrowers are charged, by the federal government, an up-front origination fee. For loans disbursed on or after October 1, 2020, that fee is 4.236%. Unless the borrower requests an in-school deferment, the first payment is due sixty days after the loan is fully disbursed. Repayment lasts between ten and twenty-five years based on the total amount borrowed and the repayment option chosen. Students may apply online for a PLUS loan (<https://studentloans.gov/myDirectLoan/index.action/>). Graduate PLUS Loans are available during the regular academic year (i.e., fall and spring semesters) and may be available during the summer term; to access funds during the summer term, students must complete the University's Summer Financial Aid Application and must be registered for at least six credits during the course of the summer.

Monmouth University Loan Fund

This loan program is funded by Monmouth University. Awards are made at the discretion of the Director of Financial Aid and are not renewable; the amount of the award is also at the discretion of the

Director. Monmouth University Loan Funds may not be applied to costs associated with off-campus study (e.g., study abroad or study at the Washington Center). The terms and conditions of the loan are as follows:

- Interest on the loan is fixed at 7% for the life of the loan and begins to accrue nine (9) months after the student ceases at least half-time (i.e., six credits) enrollment. When the student ceases half-time enrollment, he or she enters repayment.
- While in repayment, the student is expected to make quarterly payments of principle and interest of at least \$120, although a minimum annual payment of 10% of the principle is required.
- The maximum repayment term is ten years and there is no penalty for prepayment.
- In order to accept the offer of a Monmouth University Loan, students must complete a promissory note and disclosure documents as prepared by the Financial Aid Office.

Nurse Faculty Loan Program (NFLP)

The U.S. Department of Health and Human Services has made funding available to the University to loan to master's degree students and doctoral candidates who intend to work as full-time nursing faculty. The program offers partial loan forgiveness for borrowers that graduate and serve as full-time nursing faculty. Awards are made by the University's Hess Chair in Nursing Education, in consultation with the Financial Aid Office, and are offered to eligible students on a first come, first served basis. Renewal of the award in subsequent academic years is made on a funds available basis and is conditional upon the recipient having maintained Satisfactory Academic Progress (i.e., having earned a cumulative grade point average of at least 3.0 for all coursework completed at Monmouth University). Award amounts will not exceed the per semester value of tuition, fees, and books less any other grant, scholarship, or assistantship funding; the amount awarded to a student is at the discretion of the Hess Chair. To be eligible for the loan, students must be a U.S. citizen or eligible non-citizen, enrolled as a student in good standing (i.e., registered for at least 3 credits per term) in the Nursing Education M.S.N. program or the D.N.P. program and must not have judgment liens against him/her based on the default of a federal debt. Once the award has been made, the student must complete a promissory note and, for each year in which the loan is awarded, an entrance counseling session; the Financial Aid Office will provide the student with the promissory note and entrance counseling materials.

The NFLP loan will accrue interest on the unpaid balance of the loan at the rate of 3% per annum, beginning three (3) months after the student graduates. In the event that the student fails to complete the program, interest will accrue at the prevailing market rate. The NFLP loan is repayable over a ten-year period beginning nine (9) months after the borrower completes the program, ceases to be enrolled, or ceases to be employed as full-time nurse faculty.

Once the student graduates, it is expected that they will be employed as a full-time faculty member at an accredited school of nursing, and upon completion of each of the first, second, and third consecutive years of employment 20% of the remaining principle and interest will be cancelled. Starting with FY2017, under NFLP, "Full-time" nurse faculty employment is defined as being employed as a full-time faculty member at an accredited school of nursing or being employed as a part-time faculty member at an accredited school of nursing in combination with another part-time faculty position or part-time clinical preceptor position affiliated with an accredited school of nursing that together equate to full-time employment.

Alternative Loans

Alternative financing sources are available from private lenders and are a financing option for students who either do not meet the eligibility criteria for the Direct Loan programs, or who have exceeded the borrowing limits for those programs. Generally, students may apply for a loan of up to the cost of education, as determined by the Financial Aid Office, less any other aid received. Alternative loans are not regulated by the federal government, and the terms and conditions of the loans may vary widely among lenders and, as such, students are encourage to carefully evaluate alternative loan options. Once you have chosen a lender, complete their recommended application process. The Financial Aid Office will then certify the loan, and once the semester begins, funds will be forwarded to the University and credited to the student's account.

Although alternative loans are generally not regulated by the U.S. Department of Education, the University is required to publish a Code of Conduct (http://catalog.monmouth.edu/graduate-catalog/financial-aid/loans/Code_of_Conduct.pdf) regarding loans.