



Graduate Student Financial Aid Guidelines

How Financial Aid is Awarded at JMU

Federal regulations require all students to complete a Free Application for Federal Student Aid (FAFSA) to apply for federal financial aid funds. Please see the Financial Aid Office website <http://www.jmu.edu/finaid/> for more information on filing the FAFSA.

One factor used in determining financial aid is **Full-time status (enrollment level)**. All initial financial aid awards are based on the assumption that students will be enrolled full-time in the fall and spring semesters. If you will not be full-time, aid will be recalculated based on the lesser enrollment. You *cannot* receive financial aid for less than half-time enrollment.

- Full-time = 9 credit hours or more
 - Half-time = 5-8 credit hours
- Coursework **must** apply toward the graduate program of study.

TYPES OF AID AVAILABLE TO GRADUATE STUDENTS

Subsidized Federal Direct Loan

Subsidized Federal Direct Loans are long-term, need-based loans available to students enrolled in a degree program. The federal government pays the interest on these loans while the borrower is in school, during the borrower's grace period and during authorized periods of deferment. Repayment begins six months after you drop below half time

enrollment. The basic repayment period for Stafford loans is ten years. You will need to contact your lender or loan servicer to discuss extending a ten year repayment period. For more information, please visit the Financial Aid Office web site at <http://www.jmu.edu/finaid/aidprog.shtml>.

Unsubsidized Federal Direct Loan

Unsubsidized Federal Direct Loans are long-term, non need-based loans available to students enrolled in a degree program. Students who do not qualify for the need-based Subsidized Direct Loan often qualify for this type of loan.

Although these loans are not based on financial need, you must complete a FAFSA or Renewal FAFSA to determine your eligibility. The terms for Unsubsidized Direct Loans are the same as the terms for subsidized loans, except the federal government does not pay the interest. For more detailed information, please contact the Financial Aid Office or visit their web site at <http://www.jmu.edu/finaid/aidprog.shtml>.

Federal Grad PLUS Direct Loan

- A Grad PLUS borrower must not have an adverse credit history. This is determined by a credit check conducted by the lender.
- The repayment period for a Grad PLUS begins on the date of the final disbursement of the loan, and the first payment is due within 60 days after the date the loan is fully disbursed.

- A Grad PLUS borrower may request to receive a deferment while he or she is enrolled at an eligible school. Contact the lender for details regarding this provision.
- Grad PLUS borrowers may borrow up to the Cost of Attendance (COA) for the period of enrollment, minus other estimated financial assistance.
- Students must meet the same general eligibility requirements for federal financial aid that must be met in order to receive a Federal Sub/Unsub Direct Loan.

Sub/Unsub Direct Loan Application Process

Students applying for a Stafford Loan for the **first** time at JMU need to complete the following documents:

1. **FAFSA**. You must complete this so JMU can determine your eligibility for loans from this federal program. If you received a Financial Aid Award Notice, then the FAFSA has been completed.
2. **Stafford Loan Application**. Instructions for doing this will be on the Financial Aid Award Notice.
3. **Entrance Loan Counseling**. Instructions for doing this will be on the Financial Aid Award Notice.
4. **Master Loan Promissory Note**. Instructions for doing this will be on the Financial Aid Award Notice.

Students applying for a **subsequent** Sub/Unsub Direct Loan at JMU should visit the Financial Aid Office website for more information.

Grad PLUS Application Process

Students applying for a Grad PLUS Loan for the **first** time at JMU need to complete the following documents:

1. FAFSA. If you received a Financial Aid Award Notice, the FAFSA has been completed.
2. Grad PLUS Loan Application. Instructions for doing this will be on the Financial Aid Award Notice.
3. Grad PLUS Loan Entrance Counseling. Instructions for doing this will be on the Financial Aid Award Notice.
4. Grad PLUS Loan Promissory Note. Instructions for doing this will be on the Financial Aid Award Notice.

Students applying for a **subsequent** Grad PLUS Loan at JMU should visit the Financial Aid Office website for more information.

Sub/Unsub/Grad PLUS Acknowledgements

Students will receive notice from the lender's guaranty agency when the Sub/Unsub or Grad PLUS Direct Loan is approved. The University Business Office will notify the student by electronic mail when the loan funds have been credited to the student account each semester. Students have 14 days from the time a Stafford or Grad PLUS loan has been credited to request it to be cancelled.

Stafford/Grad PLUS Disbursements

Most students apply for a Stafford loan in the fall to cover expenses during the fall and spring terms. Under the terms of this

loan, half of the loan is disbursed in the fall and half is disbursed in the spring. See the *Financial Aid, Disbursements, Your Bill, and Refunds* section in the *JMU Terms and Conditions for Financial Aid* document (found online at <http://www.jmu.edu/finaid/prospect.shtml>) for information on financial aid disbursements.

Sub/Unsub/Grad PLUS Origination Fees and Interest Rates

All Grad PLUS and Sub/Unsub Direct Loans are subject to up front fees, which the lender takes out of the loan before it is sent to JMU. The interest rate for all Sub/Unsub and Grad PLUS loans disbursed *on or after* July 1, 2006 is fixed. The Stafford rate is 6.8% and the Grad PLUS rate is 7.9%.

Sub/Unsub Annual (yearly) Loan Limits

The federal government has set a maximum on how much Stafford loan money a student can receive during an award year. An award at JMU consists of the summer, fall, and spring terms, in that order. The amounts below are the federal mandated maximums. It is important to note that not all students will be eligible for the maximum amount, as there are many other factors that go into determining a student's eligibility.

- Graduate student annual limits are:
- \$8,500 base Sub/Unsub Direct Loan(s)
 - \$12,000 Additional Unsubsidized Direct Loan
 - Total of \$20,500

Students will be considered for graduate loan limits when they are:

1. Admitted into a graduate program for the term aid is being awarded
2. Registered for classes under the graduate career for that term
3. Enrolled at least half-time in courses that apply toward the graduate degree
4. Not simultaneously taking classes as an undergraduate
5. Not taking prerequisite courses for the graduate program*

***Graduate students who are admitted into the graduate program but are required to complete prerequisite courses are not eligible for graduate level Sub/Unsub Direct Loans during the term(s) in which they are taking prerequisite courses.** Students who have undergraduate prerequisite courses are eligible for undergraduate senior level Sub/Unsub direct Loans during the term in which they take those courses. Please contact Brad Barnett or Shari Arehart in the Financial Aid Office if you have questions about the effect prerequisite courses have on your financial aid eligibility.

Questions? Contact the Office of Financial Aid and Scholarships at <http://www.jmu.edu/finaid>, 540-568-7820, or fin_aid@jmu.edu.