

What is a subsidized loan?

A subsidized stafford loan is the best, first choice for students looking to borrow money for education.

Benefits:

- o Fixed interest rate
- o No payments while in school at least half-time

What are the benefits of a subsidized Stafford loan?

- o Low fixed interest rate, as low as 5.60%
- o No payments while enrolled in school or in deferment
- o No interest while enrolled in school or in deferment
- o Acceptance not based on credit

Who is eligible for a subsidized stafford loan?

In order to be eligible for the subsidized Stafford loan, you must meet the following qualifications:

- o US Citizen or eligible non-citizen
- o Enrolled half-time or more in an accredited academic program
- o Have completed the FAFSA
- o Have completed high school or equivalent (e.g. GED)
- o Not in default or delinquent on any existing federal loan

Once you complete the FAFSA and receive the results, the Department of Education and your school will determine your final eligibility for the subsidized Stafford loan and what amount you may borrow, if any.

What is an unsubsidized Stafford loan?

An Unsubsidized Stafford Loan is a federally guaranteed loan that is not based on financial need. Interest will accrue from the time the loan is disbursed to the school. You do not have to make interest or principal payments until six months after graduation, or six months after you drop below a half time status.

Unsubsidized Stafford Loan Benefits

- o Increased limits - borrow up to \$2,000 more
 - o Fixed interest rate - 6.8%
 - o No payments required while enrolled in school
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What is FAFSA?

All students are expected to contribute towards the cost of their college education. How much you and your family will be expected to contribute depends on your financial situation—and is what is referred to as your Expected Family Contribution or EFC.

The Free Application for Federal Student Aid (FAFSA) is the form used by the U.S. Department of Education to determine your Expected Family Contribution (EFC) by conducting a “need analysis” based on financial information, such as income, assets and other household information, which you (and your parents if you are a dependent student) will be asked to provide. The form is submitted to, and processed by, a federal processor contracted by the U.S. Department of Education (ED), and the results are electronically transmitted to the financial aid offices of the schools that you list on your application.

FAFSA is the application used by nearly all colleges and universities to determine eligibility for federal, state, and college-sponsored financial aid, including grants, educational loans, and work-study programs.

Copied from <http://www.fafsa.com/Forms/Ajax/fafsa/what-is-fafsa.aspx>

What are the Eligibility Requirements for FAFSA?

Nearly every student is eligible for some form of financial aid, including low-interest Federal Stafford and/or parent PLUS loans, regardless of income or circumstances, provided that you:

- o are a U.S. citizen, a U.S. national or an eligible non-citizen
 - o have a valid Social Security Number
 - o have a high school diploma or GED
 - o are registered with the U.S. Selective Service (if you are a male aged 18-25)
 - o complete a FAFSA promising to use any federal aid for educational purposes
 - o do not owe refunds on any federal student grants
 - o are not in default on any student loans
 - o have not been found guilty of the sale or possession of illegal drugs during a period in which federal aid was being received
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What are the verification procedures for FAFSA?

Verification Procedures

A student's Free Application for Federal Student Aid may be selected for a random review either by the Federal Processor or by the Director of Financial Aid for "Verification."

If a student is selected, he/she will have to provide the following.

- o A copy of the student's Federal Income Tax Return or a letter indicating that he/ she was not required to file a Return
- o Verification of any untaxed income received by the student
- o Verification of the student's permanent residency status (if applicable)
- o Verification of enrollment of any household members who are enrolled at least half-time in other secondary educational institutions (if applicable)
- o Any additional documentation required to verify eligibility and complete your application for federal aid. The Financial Aid Office will notify the students as to what additional documents will be needed. The student will be notified if his/her award changes as a result of the verification.

The deadline for completing the verification process will be noted on the letter sent to the student. Federal aid will NOT be awarded until this process is complete.

What is the HEOA (Higher Education Opportunity Act) ?

The [Higher Education Opportunity Act of 2008 \(H.R. 4137\)](#) was signed into law on August 14, 2008. This Law mandates that we provide you with a significant amount of additional information in a variety of formats.

Schools must annually provide a notice to all enrolled student describing the availability of consumer information on a number of topics.

What other resources are available to support seminary study?

Students are also strongly urged to seek scholarship support through other outside agencies, including their own local church or denomination. Below you will find additional resources on the web.

Financial Resources on the Web

- o www.pcusa.org :This site is maintained by the General Assembly of the Presbyterian Church.
 - o www.fastweb.com : Regarded as the most complete financial assistance search siteopportunity on the Internet, with over 280,000 sources of assistance. By completing an online questionnaire, students' data will be compared to assistance resources and students will be notified electronically of potential matches. This is a free service.
 - o www.gbhem.org : Site of the General Board of Higher Education and Ministry of the United Methodist Church, providing information for UMC students.
 - o www.thefund.org : The Fund for Theological Education has provided gifted men and women with nearly 5,000 fellowships and generated innovative programs for theological and ministerial support.
 - o www.nationalministries.org : Information for students who are active members of an American Baptist Churches USA congregation, for at least one year prior to applying for aid.
 - o www.abwministries.org : American Baptist Womens' Ministries
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Are there any other questions you may have that this page does not answer? Then please contact:

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