
GRADUATE & PROFESSIONAL STUDENT LOAN PROGRAMS

FEDERAL STUDENT LOANS

All federal student loan programs require annual filing of the Free Application for Federal Student Aid (FAFSA) to determine eligibility. In general, a student must be degree seeking and enrolled at least half-time to be eligible to borrow federal student loans.

Federal Direct Loans: Up to \$20,500/year (\$138,500 aggregate limit including any qualifying undergraduate loan debt)

Students who meet general eligibility requirements may borrow Federal Direct Loans. Federal regulations limit the annual and aggregate loan amounts available. Direct loans have an origination fee of 1.073% thru 10/01/15 (1.068% thru 10/01/16) and a fixed interest rate of 6.21% thru 07/01/15 for graduate or professional students (5.84% thru 07/01/16). All graduate direct student loans are *Unsubsidized*, meaning they start to accumulate interest as soon as they are disbursed. Loans under this program have a 6 month grace period. A *grace period* is the amount of time students have after graduation or falling below half-time enrollment before they must begin repayment.

Federal Graduate PLUS Loans: Variable Award

This is an unsubsidized federal loan program to supplement the Unsubsidized Direct Loan aid graduate students are eligible to borrow each academic year. Graduate PLUS Loans have an origination fee of 4.292% thru 10/01/15 (4.272% thru 10/01/16), and a fixed interest rate of 7.21% thru 07/01/15 (6.84% thru 07/01/16). The Graduate PLUS loan requires a separate application (found at affordability.ku.edu/forms) and a credit check.

Federal Perkins Loans: Variable Award

This is a limited funded subsidized federal loan program with a fixed 5% interest rate and 9 month grace period aimed at the neediest of students. The program has not been renewed by Congress and is expected to wind down following the 2015-16 academic year.

Federal Health Professions Student Loan (HSPL) & Federal Loan for Disadvantaged Students (LDS): Variable Award

Graduate students pursuing the PharmD program on the KU Lawrence campus are eligible to apply for these are unsubsidized, 5% fixed interest rate loans with a 6 month grace period. Students in qualifying health programs may also be eligible for an increased aggregate federal loan limit.

For more details on all federal loan programs offered at KU, visit affordability.ku.edu/financialaid/loans/federal.

Federal Loan Repayment Information

While federal student loans are issued by the US Department of Education, your repayment will be managed by one of several loan servicer companies. To determine your loan servicer, visit studentaid.ed.gov to view information about all of the federal student loans you have received and to find contact information for the loan servicer or *lender* for your loans. Students may wish to request federal loan consolidation to combine all their federal loan debt (excluding Parent PLUS Loans) into a single loan to make managing repayment easier. For details, see studentaid.ed.gov/sa/repay-loans/consolidation. In the event of death or permanent disability of the student, all federal student loans are forgiven.

There are multiple repayment plans available to fit your income and living situation. Information on each of the plans is available at studentaid.ed.gov/sa/repay-loans/understand/repayment-plans. **To estimate your federal student loan repayment options, check out the Federal Student Aid Repayment Estimator** available at the website above. This tool estimates monthly payments based on the selected repayment plan and loan debt.

- Use real loan data. The Repayment Estimator will work best if you provide complete and accurate information, and the tool will calculate repayment information based on the type of loans you have borrowed, the amount of each loan, and the interest rate for each loan. There are two ways to do this:
 - Log in with your FSAID so that the Repayment Estimator can load that data.
 - Access your full student loan history by logging into the National Student Loan Database System (NSLDS).
- Use accurate income information. If you're entering income information without knowing exactly what your income will be after graduation, use resources such as the Bureau of Labor Statistics (bls.gov) to estimate your anticipated income realistically or take advantage of the University Career Center (career.ku.edu) to explore career options.
- Account for everything. If you've borrowed private loans, be sure to include them your plans. They won't be reflected in the borrowing history you access from the Department of Education.

Repayment Plan	Monthly Payment	Time Frame	Quick Facts
Standard Repayment	Based on amount borrowed, at least \$50 per month.	Up to 10 years	Use this plan to pay the least interest on your total loan debt.
Graduated Repayment	Based on amount borrowed, payments start lower and then increased approx. every 2 years.	Up to 10 years	Lower initial payment, Higher interest costs than standard plan.
Extended Repayment	Based on amount borrowed, payments may be fixed or graduated.	Up to 25 years	Provides lower monthly payments, costs more overall due to interest charges.
Income Based Repayment (IBR)	Capped at 15% of discretionary income, requires a partial financial hardship, and must qualify for annually.	Up to 25 years	Any outstanding debt left after 25 years may be forgiven.
Pay as You Earn	Capped at 10% of discretionary income, payments change based on your annual income.	Up to 20 years	Only for new borrowers (as of 10.01.07) with loans disbursed on or after 10.01.11
Income Contingent Repayment (ICR)	Based on your annual income, payments change based on your annually reported income.	Up to 25 years	Any outstanding debt left after 25 years may be forgiven.

Always communicate with your servicer when facing financial trouble or if you are in need of assistance. If you are facing a financial hardship, you can apply for a forbearance to temporarily suspend repayment without going into collections or damaging your credit. If you're having trouble with your loan servicer, the Federal Student Aid Ombudsman may be able to help at studentaid.ed.gov/sa/repay-loans/disputes/prepare/contact-ombudsman.

Public Service Loan Forgiveness: The PSLF program is designed to reward students for electing to work in public benefit positions which may provide lower earning potential than similar roles available in the private sector. Students may qualify for forgiveness of the remaining balance of their Federal Direct student loans after making 120 qualifying payments while employed full-time by a government organization (including a federal, state, local, or tribal organization, agency, or entity; a public child or family service agency; or a tribal college or university) or non-profit 501(c)(3) organization. Other private, non-profit organizations (which are not a labor union or partisan political organization) may also qualify. *NOTE:* In general, only borrowers who are making reduced monthly payments through the Income Based Repayment, Pay As You Earn, or Income Contingent Repayment plans will have a remaining balance after making 120 payments. For full details: studentaid.ed.gov/repay-loans/forgiveness-cancellation/public-service.

KU ENDOWMENT ASSOCIATION LOANS

KUEA Loans, featuring a fixed 5% interest rate and 4 month grace period, are available exclusively to KU students through the KU Endowment Association. To be eligible, returning KU students must have a 2.0+ KU GPA, transfer students must have a 2.5+ transfer GPA. Student borrowers making less than \$25,000 per year must also have a co-signer, but no credit check is required. For details, see - affordability.ku.edu/document/23.

- **Hardship Forbearance:** Borrowers may apply for a one-time forbearance for up to six months. Interest will continue to accrue during the forbearance period.
- **Residency/Internship/Fellowship Deferment:** Borrowers may request deferment of their loan payments while participating in a qualifying residency, internship, or fellowship program. Interest will continue to accrue during the deferment period. *Deferment is not available for enrollment at another institution besides the University of Kansas.*
- **Reduced Payment Request:** Borrowers may apply for up to 12 months of reduced payment based on financial hardship.

For full details on all repayment, deferment, and forbearance options see visit kuendowment.org, select "student loans" via the top menu, and then "Already have a loan?" on the left menu.

PRIVATE / ALTERNATIVE LOANS

Borrower eligibility and repayment terms for private or alternative student loans vary widely from lender to lender. Most require student-borrowers to be credit-worthy (or have a credit-worthy co-signer) and at least half-time enrollment. Interest rates may be variable and the debt is often transferable upon death or disability of the borrower to the co-signer. In general, students are advised to exhaust their federal student loan and KU Endowment Association Loan eligibility before seeking alternative student loan aid.

Under federal law, KU Financial Aid and Scholarships staff are barred from advising students on using any particular private lender in preference to another. An information sheet on alternative loans which includes a list of private lenders previously used by KU students is available at affordability.ku.edu/forms.