



FAQ's on Paying for Graduate School

What type of loans am I eligible to borrow at MTSA?

The Direct Loan Program is the largest federal student loan program.

- **Direct Unsubsidized Loans** are made to eligible graduate students. Students do not have to demonstrate financial need.
- **Direct Graduate PLUS Loans** are made to graduate students to help pay expenses not covered by other financial assistance.

Private Education Loans, or alternative loans, are offered by private lenders. These loans are credit based and offer both variable and fixed interest rate options which will be based on the good credit of the borrower/co-signer.



How do I know how much money I'll need?

Prepare a budget each year that accurately reflects your income and expenses you'll expect for your first year in school. Add up your tuition, books and other school costs you will expect to need. Whatever the gap is, should be your estimated level for borrowing.

Who can get Direct Loans?

Graduate school students who are U.S. citizens, legal permanent residents, or eligible noncitizens who have been accepted at a U.S. school can be eligible for Unsubsidized Direct loans. Students cannot have defaulted on other federal student loans in the past and must attend school at least half time to qualify.

How do I apply for education loans? Will I reapply for financial aid every year?

MTSA students must complete the Free Application for Federal Student Aid (FAFSA) found online at www.fafsa.gov, or by downloading the MyStudentAid app on a mobile device. MTSA's school code is 007783. The FAFSA is completed each year to renew eligibility for financial assistance.

How much can I borrow of the Unsubsidized Loan?

Graduate students can borrow up to \$20,500 a year in an Unsubsidized Direct loan, and up to an aggregate total of \$138,500 for their studies, including any Federal Direct Loans taken out for undergraduate studies.



What if I have bad credit?

You can be eligible for a Federal unsubsidized loan even if your credit is less than superior. The federal government does not check credit for the Federal Direct Unsubsidized Loans. It only rejects applicants who have defaulted on federal education loans. You may opt for a co-signer for the credit-based loans.

What if I need more money than the unsubsidized loan maximums?

You can borrow up to your full cost of attendance from the Federal Graduate PLUS program or the Private loan option. Check the interest rates and fees on these loans prior to making a decision on where/what to borrow. And, both loans will require good credit from the borrower or a credit worthy co-signer to be eligible.

What is the full cost of attendance?

The Financial Aid Office must create a cost of attendance (COA) budget for their financial aid recipients which includes tuition and fees, an estimation of room and board, books and supplies, transportation, miscellaneous and personnel expenses. This budget serves as the foundation for determining the amount of aid that can be awarded to the student. If you need to borrow the total amount of what the school set as the COA budget, then it is said you are borrowing the "full" cost of attendance.

Will I have enough financial assistance to cover my tuition charges my first year

Remember the tuition charges for your first semester will be \$4000 less (because you paid a deposit up front that is applied towards your tuition) than the remainder of your semesters. Whatever you elect to receive in the way of financial assistance, if it is over the first semester's tuition charge, then you will be receiving a larger credit balance refund, more than any other semester. You can hold on to this for your next 2 semesters for the year or sign an authorization to have MTSA hold funds on your student account to apply to the remainder of your tuition charges for the year. It is up to the student to request this from the Business Office.

Do I have to accept the loan(s) offered to me?

At MTSA, you're required to confirm your awards and amounts with the Financial Aid Office prior to each enrollment period. You make the choice of what amount you borrow and from what loan program(s). You may decline loan awards or reduce amounts – in order to borrow just what you need.

When do I have to start repaying my education loans?

For the federal loans you borrow at MTSA, the first bill comes due six months after you've left school, whether that's after graduation or ceased attendance early. Check with your private lender on when their loans will come due for students who graduate. This does not mean interest is not accruing, just that billing has stopped.

