

## US Federal Aid - How to Apply for Federal Aid Guide

### General eligibility conditions for financial aid

To receive aid, including Federal Direct and PLUS Loans, a student must meet the following eligibility requirements:

- Must be a student enrolled or accepted for enrolment in an eligible programme at an eligible institution.
- Must have a high school diploma or equivalent
- Must be enrolled at least half-time for the period for which the loan is originated
- Must comply with the University's satisfactory academic progress policy
- Must complete the Free Application for Federal Student Aid (FAFSA) each year
- Must not be in default on an educational loan and must not owe a repayment on an adjusted federal grant

You **cannot** receive US government loans if you attend any of the following:

- Any Distance Learning Programs
- Any Diploma Programs
- Any Certificate Programs
- In most cases where your program includes a period of study in the US above 25%
- Study Abroad with a school that is not approved for Title IV (Federal) Aid

The following University of Winchester programs are **ineligible** for US government loans:

- Any programs that are classified as 'non-degree'
- Any program delivered by telecommunications (unless allowed under COVID Exceptions)
- Nursing programs
- Programs that require an extended period (>25%) of study not at the University.

If you do want to study in the non-eligible areas or programs, you will need to look at your financial plan carefully. There are [private non-governmental loans](#), for U.S. citizens that may fund these programs.

### Types of Federal Direct Loans

As a foreign school University of Winchester is eligible to originate loan applications for Federal Direct Loans and PLUS loans.

### Federal Direct Subsidized Loan

A Federal Direct Subsidized Loan is awarded on the basis of financial need. The U.S. government pays interest on a subsidized loan while you are enrolled at university at least half-time and during deferment periods. Direct Subsidized loans for undergraduate students will have an interest rate of 3.73% (from 1st July 2021).

## **Federal Direct Unsubsidized Loans**

A Federal Direct Unsubsidized loan is awarded regardless of need. The interest rate for Federal Direct Unsubsidized loans is fixed at 3.73% (from 1st July 2021) for undergraduate borrowers and 5.28% (from 1st July 2021) for graduate borrowers.

You are not required to pay the interest on this loan while at university but we recommend that you do. You will be charged interest starting at disbursement until it is paid in full. If the interest accumulates, it will be added to the principal amount of the loan and increase the amount to be repaid.

**Fees:** A fee of 1.057% will be deducted from the gross amount of the loan you borrow, so you may wish to take this into consideration when determining the amount you need to borrow.

## **Federal Direct Parent PLUS Loan**

Parents of dependent undergraduate students can borrow a Federal Direct Parent PLUS Loan to help pay for educational expenses at the university.

Parents can borrow up to the total Estimated Cost of Attendance minus all other sources of financial aid their student receives.

PLUS loans are the financial responsibility of the parents and not the student.

A Parent PLUS loan borrower must meet the same citizenship and residency requirements as the student. The parent must not owe a refund on a Federal student financial aid grant or be in default on a Federal student loan.

A credit check is conducted when your parent begins the loan application process. Undergraduates whose parents do not qualify for a PLUS loan can borrow additional Federal Direct Unsubsidized loan funds.

The interest rate is fixed at 6.28% (from 1st July 2021) and repayment begins within 60 days after your loan is fully disbursed and lasts ten years.

**Fees:** Origination fees for Direct Parent PLUS loans are set at 4.228%.

## **Federal Direct Graduate PLUS Loan**

The Federal Direct Graduate PLUS Loan is a Federal loan that graduate students with good credit histories may borrow to help pay their educational expenses.

A graduate student may borrow up to the total Cost of Attendance less all other financial aid received by the student.

They also must have applied for their annual loan maximum eligibility under the Federal Unsubsidized Direct Loan Program before applying for a Graduate/Professional PLUS loan.

The interest rate is fixed at 6.28% (from 1st July 2021) and repayment begins within 60 days after your loan is fully disbursed and lasts ten years.

**Fees:** Origination fees for Direct Parent PLUS loans are set at 4.228%.

Repayment begins on the date of the last disbursement of the loan and the first payment is due within 60 days after the date the loan is fully disbursed. A Graduate PLUS borrower may receive a deferment while he or she is enrolled on at least a half-time basis at an eligible school. Upon dropping to less than half-time enrollment status, the borrower is not entitled to a grace period on his or her PLUS loans.

The amount in Federal Direct Loan funds that you are eligible to borrow each academic year is limited by your grade level; whether you are a dependent or an independent student; your financial need; and your cost of attendance.

You cannot borrow more than your financial need or the cost of attendance.

**The following annual and aggregate loan limits apply to Federal Direct Loans:**

Undergraduate Dependent Students

DEPENDENT STUDENT	BASE AMOUNT (SUBSIDIZED OR UNSUBSIDIZED)	ADDITIONAL UNSUBSIDIZED LOAN	TOTAL ANNUAL COMBINED MAXIMUM AMOUNT OF SUBSIDIZED & UNSUBSIDIZED LOANS
FIRST-YEAR UNDERGRADUATE	\$3,500	\$2,000	\$5,500
SECOND-YEAR UNDERGRADUATE	\$4,500	\$2,000	\$6,500
THIRD-YEAR AND BEYOND UNDERGRADUATE	\$5,500	\$2,000	\$7,500

Undergraduate Independent Students

INDEPENDENT STUDENT (AND DEPENDENT STUDENTS WHOSE PARENTS ARE DENIED A PLUS LOAN)	BASE AMOUNT (SUBSIDIZED OR UNSUBSIDIZED)	ADDITIONAL UNSUBSIDIZED LOAN	TOTAL ANNUAL COMBINED MAXIMUM AMOUNT OF SUBSIDIZED & UNSUBSIDIZED LOANS
FIRST-YEAR UNDERGRADUATE	\$3,500	\$6,000	\$9,500
SECOND-YEAR UNDERGRADUATE	\$4,500	\$6,000	\$10,500

<b>THIRD-YEAR AND BEYOND UNDERGRADUATE</b>	\$5,500	\$7,000	\$12,500
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Postgraduate Students

<b>POSTGRADUATE STUDENT</b>	<b>BASE AMOUNT (SUBSIDIZED)</b>	<b>ADDITIONAL UNSUBSIDIZED LOAN</b>	<b>TOTAL ANNUAL COMBINED MAXIMUM AMOUNT OF SUBSIDIZED &amp; UNSUBSIDIZED LOANS</b>
<b>YEARLY ELIGIBILITY</b>	n/a	\$20,500	\$20,500

**Direct Loan Aggregate Loan Limits**

	<b>SUBSIDIZED ONLY</b>	<b>TOTAL AGGREGATE (SUBSIDIZED AND UNSUBSIDIZED COMBINED)</b>
<b>DEPENDENT UNDERGRADUATES</b>	\$23,000	\$31,000
<b>INDEPENDENT UNDERGRADUATES</b>	\$23,000	\$57,500
<b>POSTGRADUATE STUDENTS</b>	\$65,500	\$138,500

How is my aid eligibility determined?

Federal Direct Subsidized and Unsubsidized Loans are available to eligible students who complete the Free Application for Federal Student Aid (FAFSA) on the Web. This Federal student aid is made available through the William D. Ford Federal Direct Loan Program to help pay for educational expenses.

For undergraduate students Direct Subsidized or Direct Unsubsidized Loan, or a combination of both loans, are based on your financial need.

The information you report on your FAFSA is used to determine your Expected Family Contribution (EFC), which is a calculated formula that allows the University to determine your financial need. To determine your financial need, your EFC is subtracted from your cost of attendance (COA) for need based awards. The University will also deduct any other aid paid to you or on your behalf for educational expenses. This is referred to as Estimated Financial Assistance (EFA).

How much can you borrow - Cost of Attendance?

Each academic year, the university establishes standard student budgets that use cost of attendance (COA) estimates for awarding financial aid funds.

The budgets reflect typical student expenses and consist of two basic components:

- Direct educational costs - tuition, fees, books and supplies
- Indirect (maintenance) costs - accommodation, board, travel, miscellaneous personal expenses
- Your living expenses reflect living for students in the U.K. during the academic year for your program

While your costs may vary depending on where you stay, we expect your cost of attendance to be roughly in line with our estimates. If you believe that the costs relating to your education are significantly higher than those we have estimated, you may contact the federal aid administrator [student.advice@winchester.ac.uk](mailto:student.advice@winchester.ac.uk) to review those costs.

### **Cost of attendance (COA)**

We use an excel file to calculate eligible COA, costs are shown below

<b>2. Weekly essential costs - University of Winchester maximum estimates</b>			
	<b>Category</b>	<b>Weekly</b>	<b>Monthly</b>
These are estimated figures based on an averaged assessment of local and national figures. These figures do not guarantee to represent the actual costs you may incur, and actual costs may be higher or lower than the figures shown.	Room - Rent	£170	£737
	Board - utility bills, food and living expenses	£30	£130
	Books and Copying	£15	£65
	Domestic travel allowance	£15	£65
	Personal allowance	£20	£87
	<b>Total</b>		<b>£250</b>
<b>3. Permissible one off costs for the year</b>			
	<b>Category</b>	<b>Allowance</b>	
One off costs include return travel home, costs towards a laptop in the first year of study and visa costs. They may include, for example, specialist medical care where supported by medical evidence.	Allowance for 2 return flights to home country	£2,000	
	Allowance towards computer	£1,500	
	Visa costs including Immigration Health Surcharge	£1,100	
	Other essential costs - <i>UoW use only</i> , enter in GBP	£0	
	Other essential costs - <i>UoW use only</i> , enter in GBP	£0	

<b>Total</b>	<b>£4,600</b>
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**4. Estimated final costs and maximum loan eligibility - you may choose to borrow less**

	<b>Converted CoA (rounded)</b>	<b>\$USD</b>
Categories here match US Federal Loan breakdowns. Converted figures are calculated from the answers and data above, the data given in the SAR, and the US Federal Loan permitted figures. Figures are converted using a standardised rate of exchange and may not represent the actual figure received, as the US Federal Government uses the rate on the day the money is transferred.	Tuition Fees	\$20,700.00
	Room	\$13,260.00
	Board	\$2,340.00
	Books	\$1,170.00
	Travel	\$1,170.00
	Personal	\$1,560.00
	Other Essential Costs	\$6,900.00
	<b>Total Cost of Attendance</b>	<b>\$47,100.00</b>
	Adjust for Sponsorship, Awards or other Aid	\$0.00
	<b>Total CoA in \$USD (rounded)</b>	<b>\$47,100.00</b>

**Private Student Loan Information**

A private alternative loan is a non-Federal education loan, provided by a private lender, typically in the student's name and requiring a co-signer.

Approval and interest rates are based on a credit assessment of the borrower and cosigner. Each alternative lender has different eligibility requirements, loan rates, terms, and conditions.

Students who are eligible for Federal student aid should complete the FAFSA and exhaust all Federal loans and scholarship opportunities, before applying for a private alternative loan. Federal student loans generally have more favourable terms and conditions than private loans. University of Winchester recommends that you utilize all Federal loan eligibility before turning to private loans.

The University is willing to work with any lender who offers alternative educational loans to students enrolled at Foreign Institutions.

Currently, University of Winchester is aware of only one such lender, Sallie Mae, but students are advised to explore all options available to them and can opt to use any lender.

[More information about Sallie Mae's programs](#)

The federal Truth in Lending Act requires a lender to obtain a self-certification signed by the applicant before disbursing a private education loan. The university is required upon request to provide the form or the required information only for students admitted or enrolled at the university.

Instructions: Submit the signed Self-Certification form to your private lender.

To apply for a private loan, you must be an American student enrolled in a degree-granting program at University of Winchester.

## How to Apply

### 1. Complete your FAFSA

The first step in applying for a US Federal Direct Loan is to complete a FAFSA (Free Application for Federal Student Aid). The Federal School Code for University of Winchester is 021497. To apply electronically, you must have an FSA ID. [Start the application process.](#)

As soon as you have submitted your FAFSA, please inform us about your application by emailing your full name to International Student Support, email [student.advice@winchester.ac.uk](mailto:student.advice@winchester.ac.uk)

### 2. Student Aid Report is generated

Once your FAFSA is completed and processed, it will generate a Student Aid Report (SAR). This is used by University of Winchester to determine your eligibility for a loan as stipulated by the U.S. Department of Education.

### 3. Award Letter is sent to you

After the University receives your SAR, you will receive an Award Letter approximately two months before the beginning of the semester. The letter details the amount of loans you may be eligible for based on such elements as your Cost of Attendance, your year of study, need and other financial assistance.

You will be required to sign and return an Award Acceptance Form before any loan disbursements can be made.

### 4. Complete your Master Promissory Note (MPN).

Once you have accepted and returned your Award Letter, you can go on to complete the applicable Master Promissory Notes (MPN). The MPN is a legal document in which you promise to repay your loans and any accrued interest and fees to the US Department of Education. It also explains the terms and conditions of your loans.

The MPN is a binding legal document that you must sign when you get a federal student loan. It lists the terms and conditions under which you agree to repay the loan and explains your rights and responsibilities as a borrower. It is important to read and save your MPN because you'll need to

refer to it later when you begin repaying your loan or at other times when you need information about provisions of the loan, such as deferments or forbearances.

### Complete MPN

#### 5. Complete your Entrance Counselling

Except for parent Direct PLUS Loan borrowers, if you have not previously received a loan, you must complete entrance counselling before University of Winchester can make the first disbursement of your loan. This helps you to understand your responsibilities regarding your loan. You will be able to complete your entrance counselling online.

### Complete Entrance Counselling

#### **Loan Disbursement**

According to US regulations, University of Winchester is required to disburse your loan funds in multiple installments that coincide with scheduled semester start dates. If your loan period is based on enrolment for two semesters, you will receive two disbursements, one at the start of each semester.

If you have not already paid your tuition fee once the University has received the amount of the disbursement from the US Federal Government, this will be deducted before any surplus is forwarded to you.

Generally, the loans cannot be disbursed until the semester has officially started.

#### **Entrance Counselling and Exit Counselling**

##### **Entrance Counselling**

Before your loan application can be completed, you must complete Entrance Counselling. This ensures that you understand the terms and conditions of your loan and your rights and responsibilities.

### Entrance Counselling

##### **Exit Counselling**

Before you withdraw, graduate, or drop below half-time attendance (regardless if you plan to transfer to another school), regulations require that you complete an exit counselling session for your Direct Subsidized and Unsubsidized Loans. The counselling session provides information about how to manage your student loans.

### Begin exit counseling.

#### **All US Federal Aid Policies can be accessed via our Policies website below**

<https://winchester.ac.uk/about-us/leadership-and-governance/policies-and-procedures/>, see

- US Federal Aid – Satisfactory Academic progress
- US Federal Aid – Return to Title IV Policy
- US Federal Aid – Consumer Disclosure Information
- US Federal Aid – How to Apply Guide

