2011-12 FINANCIAL AID AWARD INFORMATION

GENERAL

Your financial aid award is based on information you submitted in the application materials (the FAFSA and the GCTS Financial Aid Form). The “Estimated Budget” items are based on the standard student budget figures established at Gordon-Conwell. It is your responsibility to notify the Financial Aid Office of any change in your family's circumstances. This includes the receipt of any additional funds not reported on your application. If such a change does take place, the Financial Aid Office will review and possibly revise your award. If a significant change occurs in your enrollment status, your level of eligibility for all awards may be affected and, therefore, you should consider an award as an estimate until your enrollment can be verified.

ELIGIBILITY REQUIREMENTS

You must be registered as a degree student with a minimum of half-time enrollment of 4.5 hours per term for loan eligibility. If you withdraw from school, have not registered for enough credits to be eligible or drop below half-time status during add/drop period, no loan may be disbursed to your account. Student loan eligibility is determined and based on only those courses for which you pay tuition and only the number of courses required in your degree program (30 courses for Master of Divinity, 20 courses for other Master of Arts).

Recipients of Federal Student Loan funds must be making satisfactory academic progress toward their degree (SAP). If your grade point average drops below the requirement for your degree program, the registration office will notify you that you have been placed on academic probation. You may receive funds for only one semester while on academic probation. Until your grades improve to the required GPA or above, you will not be eligible for Federal Student Loans. This is a Federal regulation.

If a loan recipient becomes ineligible for the award (i.e. second semester of academic probation or less than the minimum enrollment requirement for an award); the financial aid offer will be adjusted or withdrawn according to the Federal Guidelines and Regulations. You will be notified if a portion of a loan must be returned to the lender. The Financial Aid Office routinely reviews all requests for student account credit balance refunds so that any necessary adjustments can be made.

FEDERAL DIRECT STAFFORD LOAN PROGRAM (SUBSIDIZED AND UNSUBSIDIZED)

Students who are U.S. citizens or Permanent Residents and who are enrolled for six or more credits per term may apply to borrow up to $20,500 per year (but cannot exceed the cost of education less scholarships/grants received) through the Federal Direct Stafford Loan Program. The interest rate is fixed at 6.8%. Repayment of the loan extends up to 10 years, with deferments available during period of unemployment, economic hardship, or continued education. Subsidized Stafford Student loans based on financial need are subsidized by having the interest on the first $8,500 paid by the federal government while enrolled at least half-time, for a six-month grace period, and during deferment periods. Unsubsidized Stafford Student loans are available to students regardless of their financial need; however, the student is responsible for all interest that accrues on the loan. When completing the MPN, a student chooses whether they want to pay the interest monthly while attending school or to let it accrue adding on to the principal.
To apply for the Direct Stafford Loan, make sure you have submitted the FAFSA and GCTS financial aid application form. After both forms are submitted, an Award letter will be emailed to you letting you know what you are eligible for in loans. If you are a first time borrower at GCTS, you will need to complete and esign the Master Promissory Note (MPN) electronically at www.studentloans.gov and complete the Stafford Entrance Counseling tutorial (a printed copy of the Entrance Confirmation must be submitted to the Financial Aid Office). You will need your FAFSA pin# to access a personal account through the www.studentloans.gov website.

The Award Acceptance Statement (pg. 2 of the Award Letter) must also be submitted to let us know what you want to accept of your award. Your loan request will then be certified and submitted to the Department of Education by the Financial Aid Office. Disbursement of loans to student accounts occurs usually 2-3 weeks after classes begin for the semester. An email notice will be sent once posted.

LOAN DISBURSEMENT

Provided all documents required is received, registration is in order and the GPA acceptable, loan disbursements are posted to student accounts and an email notice is sent to the student. In general, for the FALL semester, funds are posted mid October. For the SPRING semester, posting is the first of March and a SUMMER loan is the second week in June.

FEDERAL DIRECT GRADUATE PLUS LOAN

The Federal Graduate PLUS Loan is available to graduate students. To borrow through this loan program, the student must be eligible for federal aid and must pass a basic credit check, performed by the lender. Students may borrow up to the cost of attendance less all other financial aid. Loan requests can be processed any time during the academic year. Loan proceeds are distributed in two equal portions; one disbursement to be applied to the fall semester charges and the second to the spring semester charges.

EDUCATIONAL TAX BENEFITS

The Taxpayer Relief Act of 1997 created new tax benefits to those paying for higher education. More information is available through the Internal Revenue Service (www.irs.gov) search for Publication 970, Tax Benefits for Education.

APPEAL PROCESS

If you feel the financial aid decision does not accurately reflect your need, you may request another review. Your request must be in writing and should clearly state your reasons for the appeal. An appeal does not guarantee additional assistance. Appeals are not reviewed until well after the semester begins. Therefore, your educational plans should be made on the basis of the original decision.