



STAFFORD LOAN PROGRAM FREQUENTLY ASKED QUESTIONS

What is a Stafford Loan?

A Stafford Loan is a low-interest loan which students may borrow while attending school and then pay back once they graduate or no longer meet eligibility requirements listed below.

What is the difference between Subsidized and Unsubsidized Stafford Loans?

A subsidized Federal Stafford Loan is a need based loan on which the federal government pays the interest while you are in school, in your grace period, and during authorized periods of deferment. An unsubsidized Federal Stafford Loan is a loan on which the borrower is responsible for paying all the interest.

What are the Stafford Loan eligibility requirements?

- Enrollment in a Degree or Certificate Program
- Registered in 6 or more hours in each semester for which you are requesting a loan disbursement
- Maintain a 2.0 or higher GPA
- Maintain Satisfactory Academic Progress (SAP) as follows:
 - Th.M. 16 Credit Hours*
 - M.A./BC 13 Credits Hours*
 - S.T.M. 12 Credit Hours*
 - M.A.(BS), M.A./CE, M.A./BEL, M.A./CM 10 Credit Hours*
 - C.G.S. 6 Credit Hours*

*Per academic year, defined as fall, spring and summer (Example: a Th.M. student must complete 16 or more credits in fall 08/spring 09/summer 09 to be eligible to borrow in the 2009/2010 academic year).

Do extension site students qualify for Stafford Loans?

Currently, Stafford Loans are only available at the Houston Extension Site (in addition to the Dallas Main Campus).

What is the interest rate of Stafford Loans?

Stafford Loans have a fixed interest rate of 6.80 percent.

What are the Stafford Loan borrowing maximums?

Eligible students may borrow up to \$8,500 a year and no more than \$22,000 total as a Dallas Seminary student. Based on data from the Placement Office and the Department of Education, our students should borrow no more than \$16,000 in undergraduate and graduate loans.

What is the Master Promissory Note (MPN)?

You should complete the MPN the first time you apply for a Stafford Loan at DTS. The same MPN can be used over a maximum ten year period. (You will NOT complete a new MPN every year. It is only required the first time you borrow at DTS as long as you use the same lender).

What are the deadlines to submit Stafford Loan paperwork/applications?

Student Financial Services must receive all documents, (SAR with verification if necessary, Loan Request Form, and MPN (if applicable)), by April 1 for the Summer semester, May 31 for the Fall semester, and November 1 for the Spring semester. If you miss these deadlines, you may still apply for a Stafford loan at any time throughout the year, however, you will need to make other arrangements for the payment deadline until the loan monies have arrived.

How will the loan monies be disbursed?

Your total guaranteed loan amount, minus any fees (most lenders are currently charging 1% to 3% in fees) will be disbursed to the school in one or more disbursements depending on the loan period that you select. Loans requested for one semester will come in one disbursement. Fall/Spring loans will be divided into two equal disbursements. Fall/Spring/Summer loans will be divided into three equal disbursements. If you chose a lender from the DTS common lender list, your disbursement will be sent to the school by Electronic Funds Transfer and will be automatically posted to your student receivable account. If you have a credit balance on your student account, a refund will be available to you about two weeks after the money posts to your account. Your refund (referred to as an excess check) will be sent directly to your student box or to the address on file if you are an online or extension student. If your lender does not send disbursements by EFT, a paper check will be sent to the school. You will receive a letter or email when your check has arrived with instructions on how to take care of the check.

When does repayment begin?

Loan repayment begins 6 months after you graduate, leave school, or drop below half-time status. The lender generally must allow you at least 5 years to repay the loan and may allow up to 10 years. The amount of each payment depends on the size of your debt and on the length of your repayment period. The minimum payment amount is at least \$50 per month or \$600 per year. Your lender will issue you a repayment schedule, which lets you know the due date of your first payment, and the number, frequency, and amount of all payments.

Under what circumstances must I contact my lender?

You must notify your lender if you:

- Graduate or withdraw from the Seminary, or drop below half-time (6 hrs. per semester) status.
- Transfer to another school.
- Fail to enroll in the Seminary during the period for which the loan was intended.
- Change your name or address.

What is Stafford Loan entrance and exit counseling? (Also known as entrance and exit interviews)

Entrance and exit counseling is required by the Department of Education and provides you with important information regarding your Stafford Loan. You must complete entrance counseling before you can receive your first loan disbursement and exit counseling before you can receive your diploma upon graduating. In addition, exit counseling must be completed if you take a leave of absence, drop below half-time status or withdraw. Group entrance and exit counseling dates (for Main Dallas Campus students) will be announced for new incoming and graduating borrowers. A hold will be placed on your account until the counseling requirements have been met. Additional information regarding how to meet your entrance counseling requirements will be provided with your Stafford Loan award letter.

What lender can I choose?

You may select any lender that you like provided that they are willing to lend Stafford funds to students attending DTS. A listing of common lenders is below. NOTE: If you do not select a lender from the common lender list, you must specify your lender's address as well as Lender ID on the Loan Request Form. Be aware that some lenders do not accept electronic certification which may substantially increase the time required to process your Stafford Loan.

To apply, use the following checklist:

- Complete a Free Application for Free Student Aid (FAFSA). The school code for Dallas Seminary is G03562. You may apply on-line at <http://www.fafsa.ed.gov>. A Student Aid Report (SAR) is generated upon completion of the FAFSA. Be sure to make all the necessary corrections (as applies according to the comments section of your SAR). DTS will receive a copy of your SAR electronically if you have submitted our school code. Your loan can not be processed until all specified corrections are made.
- Loan Request Form: The form is available online at www.dts.edu: Select departments/Financial Aid/ Stafford Loan Program. The form is also available at the DTS Student Financial Services Office (2nd Floor Davidson Hall). The form must be returned to Student Financial Services (mailing address: Dallas Theological Seminary/ Attn: Financial Aid/ 3909 Swiss Avenue/ Dallas, TX 75204).
- If this is the first time you are borrowing through the Stafford Loan Program while at DTS: Choose a lender and complete a Master Promissory Note (MPN). The MPN is available online at http://www.tgslc.org/pdf/staf_mpn_tg.pdf (the link is also included on the DTS website – see above). READ ALL INFORMATION included in the MPN (8 pages). Mail **page 1 only** to DTS. Keep the remaining pages and a copy of page 1 for your records. The MPN must be returned to Student Financial Services (see mailing address above). **Please note: a faxed copy of the MPN cannot be accepted.**

When your SAR and Loan Request Form (and MPN if new borrower) are received (complete with no required corrections), your loan will be ready for DTS certification. Certification is the process of determining your eligibility for subsidized and/or unsubsidized monies. You will be notified by letter when your Stafford Loan has been certified. You will also be notified by letter when the funds arrive at DTS. For questions, contact the Student Financial Services Office at 214-841-3602.

Common Lenders

Following is a list of lenders which Dallas Seminary students commonly choose for their Stafford Loans. Any lender which identifies TGSLC (Texas Guaranteed Student Loan Corp) as a guarantor for processing its' student loans within the state of Texas can easily be used. You are not required to choose a lender from this list, however if you choose a lender not on the list you must provide DTS with your lender's address, phone number and lender code number.

Chase Education Finance
Priority Processing
1 E. Ohio St, IN1-0104
Indianapolis, IN 46277
Phone # 800-487-4404
Lender Code # 803000

Bank of America
ACS – Attention Loan Origination
2277 E. 220th Street
Long Beach, CA 90810
Phone # 800-835-4611
Lender Code # 832733

Wells Fargo
Educational Financial Services
301 E 58th N
Sioux Falls, SD 57104
Phone # 800-658-3567
Lender Code # 807176

Edamerica
P.O. Box 36014
Knoxville, TN 37930
Phone # 800-337-6884
Lender Code # 831453

(Student Loans is all they do-not a bank- top lender nationwide)

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