



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 cease being full-time students.

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?

To be eligible, a student must be in a degree program, take at least six hours per semester, maintain a minimum 2.0 G.P.A, and make satisfactory academic progress (SAP). Students must satisfactorily complete a minimum number of hours per academic year based on his/her degree program. The academic year begins at the start of the fall semester and ends after summer school is completed. ThM students must complete 16 hours per academic year. MABC students must complete 13 hours per academic year. STM students must complete 12 hours per academic year. MABS, MACE, MABEL, or MACM students must complete 10 hours per academic year. For example, to determine if SAP requirements are met for the 2006-2007 school year, the hours completed for the 2005-2006 school year will be reviewed.

Do extension sites 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. You may borrow 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 borrow 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).

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 (if applicable) 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. Loans requested for Fall/Spring will be divided into two equal disbursements. Fall/Spring/Summer loans will be divided into three equal disbursements. If your lender is a preferred lender, your disbursement will be received by Electronic Funds Transfer (EFT). DTS will receive the funds electronically and will automatically post them 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 comes into the school. 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 extension student. If your lender does not send disbursements by EFT, your funds will arrive by physical check. You will receive a note 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. At minimum, you will have to pay at least \$50 per month or \$600 per year. Your lender must give you a repayment schedule, which lets you know the due date of your first payment, and the number, frequency, and amount of all payments.

Who should I notify when...?

You must notify your lender if you:

- Graduate, withdraw from the Seminary, or drop below half-time status (6 hrs per semester).
- 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 entrance and exit counseling?

Entrance and exit counseling is required by the Department of Education. It will provide you with important information regarding your Stafford Loan. You must complete Stafford Loan counseling with Student Financial Services before you can receive your first loan disbursement. Before you leave the Seminary, you must complete exit counseling. A hold will be placed on your account until the counseling requirements have been met. Group entrance and exit counseling dates (for Main Dallas Campus students) will be announced for new incoming and graduating borrowers. 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 make loans 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>. When your FAFSA information is processed, the Dept. of Ed. Will send you a Student Aid Report (SAR). You will need to confirm all the information is correct. Be sure to make all the necessary corrections (read the comments section of your SAR). DTS will receive a copy of your SAR electronically if you have entered our school code. However, the loan will not be processed if corrections are necessary.
- Loan Request Form: The form is available online at www.dts.edu (from the About DTS section, select departments, select Financial Aid, then Stafford Loan Program.) You may also pick a Loan Request Form at the DTS Financial Aid Office (2nd Floor Davidson Hall). The form must be returned to the Financial Aid office (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: Chose 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 in the DTS website – see above). READ all information included in the MPN (8 pages). Mail page 1 only to DTS. Keep the additional pages and a copy of page 1 for your records. You may pick up a hard copy MPN in our office. The form must be returned to the Financial Aid Office (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 certification at DTS. Certification is the process of determining your eligibility for subsidized and unsubsidized monies. You will notified by a letter sent to your student box once your Stafford Loan has been certified. You will also be notified once the funds arrive at DTS. For questions, contact Rebecca in the Student Financial Services Office at 214-841-3602.

Common Lenders

This is a list of lenders which Dallas Seminary students most commonly choose for their Stafford Loans. Any lender which identifies TGSLC as a guarantor which processes its student loans within the state of Texas can easily be used. You are not required to choose a lender from this list. You may use any lender that you wish. However, if you choose a lender that is not on this list, you will need to provide the lender's address in addition to the lender code on the Loan Request Form.

Chase (Bank One)
Sallie Mae Servicing
PO Box 59012
Panama City, FL 32412
Phone # 1-888-272-5543
Lender Code # 807807

Bank of America
Texas Applications- Student Loan Processing
PO Box 16319
Austin, Tx 78761-6319
Phone # 800-375-9208
Lender Code # 832733

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

Citibank Student Loans
PO Box 6128
Sioux Falls, SD 57117-6128
Phone # 800-967-2400
Lender Code # 826878

WoodForest National Bank
C/O Loanstar System Inc.
PO Box 4940
Bryan, Tx 77805
Phone # 800-347-3475
Lender Code # 833418

Bank of Texas
C/O NesCenter
6937 S. Lewis
Tulsa, OK 74136
Phone # 800-788-1881
Lender Code # 833305