

Student Aid Fact Sheet

What is a Federal Student Loan? It is a government funded program that allows students and their parents to borrow money to help pay for college. Federal student loans usually have low interest rates and offer attractive repayment terms, benefits, and options. At Tusculum College, we participate in the Federal Direct Stafford and Parent PLUS loan programs.

Direct Stafford Loans have low interest rates and are for undergraduate and graduate students. No credit check is required, and repayment begins six months after the student is no longer enrolled at least half-time. There are two types of Direct Stafford loans: subsidized and unsubsidized.

Direct Subsidized Stafford Loans are available to students who demonstrate financial need based on the FAFSA. The federal government pays the interest on these loans while in school and during the six months (grace period) after the student is no longer enrolled (at least half-time).

Direct Unsubsidized Stafford Loans are available to all students regardless of financial need (must file a FAFSA). The student is responsible for the interest, which accrues immediately. Interest only payments are available, or it will be added to the principal balance.

Direct Parent PLUS Loans are low interest loans that parents can obtain to help pay the cost of education for their children. PLUS loans require a credit check, and in some instances, an eligible endorser. Repayment of a PLUS loan begins following the final disbursement of the year. Parents may check with their loan servicer for deferment options.

Master Promissory Note (MPN) is your promise to the Department of Education that you will repay your loans.

Entrance Loan Counseling explains your rights and responsibilities as a student loan borrower.

First-Time, First-Year Borrowers: Loans are delayed 30 days from the beginning of the semester. Withdrawing from the institution prior to meeting the delayed disbursement rule will result in the loss of those funds.

One Semester Only Loans will be disbursed in two equal payments. Typically, this will be the beginning and at the mid-point of the semester. Disbursement dates are established on an individual basis by the Financial Aid Office.

Federal Perkins Loans are for undergraduate students and have a 5% fixed interest rate. Interest starts accruing upon repayment, which begins nine months after the student is no longer enrolled at least half-time. No credit check is required; however, a separate Master Promissory Note and Entrance Loan Counseling must be completed prior to disbursement of funds. You may download the MPN from this web address <http://www.ifap.ed.gov/dpccletters/attachments/CB0906Attach.pdf> and mail the original form to the Financial Aid Office.

Grants and Scholarships (Federal, State, Institutional, and Private) are funds that do not have to be repaid.

Aid Adjustments may be made in the following situations: Change in enrollment status, receipt of additional aid, non-attendance in any course, and withdrawal (official or unofficial) from the College.

For more information, please visit www.tusculum.edu/faid/ or refer to the Tusculum College Catalog.

Resources for students:

FAFSA—www.fafsa.gov
Student aid info—www.studentaid.ed.gov
Scholarship search engine—www.fastweb.com
National Student Loan Data System—www.nsls.ed.gov
TN Scholarships & Grants Info—www.tn.gov/CollegePays
Additional TN State Financial Aid—www.collegefortn.org/
Direct Loan Information—www.studentloans.gov

SATISFACTORY ACADEMIC PROGRESS: All continuing and transfer students must make satisfactory academic progress to be eligible for continued financial aid.

The Satisfactory Academic Progress Policy is available on our website at www.tusculum.edu/faid/. Progress will be checked each year when aid renewal eligibility is evaluated.

Estimated Monthly Payments (10 Year Term) - Minimum Monthly Payment is \$50

WORK-STUDY JOBS: Work-study awards are funds that **must be earned** through campus employment. If you accept a work-study award, it is assumed that you will **work**.

If you are a new student, or a displaced current student worker, you may apply for a position by using our online application process at www.tusculum.edu/Faid/.

Your application will create an email that is sent to the supervisor for that position. Once the supervisor informs the Work-Study Coordinator of their desire to hire you, you will receive an email notification.

An I-9, W-4 and Work-Study Responsibilities Contract Agreement must be completed before you can start working. Work-Study employees are paid monthly for the hours worked during the previous pay period.

Loan Amount	4.0%	5.0%	6.0%	7.0%	8.0%
\$ 1,000	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00
\$ 3,000	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00
\$ 5,000	\$50.62	\$53.03	\$55.51	\$58.05	\$60.66
\$ 6,000	\$60.75	\$63.64	\$66.61	\$69.67	\$72.80
\$ 7,000	\$70.87	\$74.25	\$77.71	\$81.28	\$84.93
\$ 9,000	\$91.12	\$95.46	\$99.92	\$104.50	\$109.19
\$ 10,000	\$101.25	\$106.07	\$111.02	\$116.11	\$121.33
\$ 15,000	\$151.87	\$159.10	\$166.53	\$174.16	\$181.99
\$ 20,000	\$202.49	\$212.13	\$222.04	\$232.22	\$242.66