

# Federal Financial Assistance

The U.S. Department of Education offers a variety of federal grants and loans to students attending, career schools.

## Grants

**Federal Pell Grant** A *Federal Pell Grant*, **unlike a loan, does not have to be repaid. Federal Pell Grants usually are awarded only to undergraduate students who have not earned a bachelor's or a professional degree.** To get a PELL, you must fill out the *Free Application for Federal Student Aid (FAFSA®)*. The grants are generally awarded to undergraduate Students and the award amounts can change yearly. For the 2017–18 award year (July 1, 2017, to June 30, 2018), the maximum award is \$5920. The amount you get, though, will depend on cost of attendance, expected family contribution, enrollment status (full or part-time), and whether you cross over award year(s).\* For more information visit: <https://studentaid.ed.gov/sa/types/grants-scholarships/pell>. \*Year –round Pell has been approved please ask for more .

## **Federal Supplemental Educational Opportunity Grants (FSEOG)**

To get an FSEOG, you must fill out the *Free Application for Federal Student Aid (FAFSA®)* so your college can determine how much *financial need* you have. Students who will receive **Federal Pell Grants** and have the most financial need will receive FSEOGs first. The FSEOG does not need to be repaid. The FSEOG program is administered directly by the *financial aid office* at each participating school and is therefore called “campus-based” aid. This is awarded to undergraduate Students with exceptional financial need – those with the lowest Expected Family Contribution (EFC). Federal Pell Grant recipients receive priority for FSEOG awards which range from \$100 to \$1200 per award. The amount of the award will be determined by the school’s Financial Assistance Office. For additional information visit: <https://studentaid.ed.gov/sa/types/grants-scholarships/fseog>

## Loans

The U.S. Department of Education has two federal student loan programs:

The *William D. Ford Federal Direct Loan (Direct Loan) Program* is the largest federal student loan program. Under this program, the U.S. Department of Education is your *lender*. There are four types of Direct Loans available:

**Direct Subsidized Loans** are loans made to eligible undergraduate students who demonstrate *financial need* to help cover the costs of higher education at a college or career school. Department of Education pays the interest while you’re in school at least half-time and during the grace period. The amount of the loan cannot exceed a student’s financial need or the annual loan limit. The fixed interest rate for 2017-2018 for new borrowers is 4.45 %. There is a loan fee on all Direct Loans. The loan fee is a percentage of the loan amount and is proportionately deducted from each loan *disbursement*. The percentage varies depending on when the loan is first disbursed, as shown below.

### Loan Fees for Direct Subsidized Loans and Direct Unsubsidized Loans

First Disbursement Date	Loan Fee
On or after Oct. 1, 2016, and before Oct. 1, 2017	1.069%
On or after Oct. 1, 2017, and before Oct. 1, 2018	1.066%

## **Financial Assistance (continued)**

### **Federal Loans (continued)**

- **Direct Unsubsidized Loans** are loans made to eligible undergraduate, graduate, and professional students, but in this case, the student does not have to demonstrate financial need to be eligible for the loan. A Student can borrow this type of loan up to the annual loan limit to cover some or all of their school expenses. The U.S. Department of Education does not pay interest on unsubsidized loans. The Student is responsible for paying the interest that accrues on the loan from the time the loan is disbursed until it's paid in full. The fixed interest rate of 4.45 percent can be paid while attending school, during period of deferment or forbearance, or it can be accrued and the interest added to the principle amount of the loan.

- **Direct PLUS Loans** are loans made to graduate or professional students and parents of dependent undergraduate students to help pay for education expenses not covered by other financial aid. The terms and conditions of this type of loan include a requirement that the applicant have a favorable credit history, a repayment period that begins on the date of the last disbursement of the loan, and a fixed interest rate of 7 percent.

**Direct Consolidation Loans** allow you to combine all of your eligible federal student loans into a single loan with a single loan servicer. For more information visit: <https://studentaid.ed.gov/sa/types/loans>.

According to the United States Department of Education website:

<https://studentaid.ed.gov/sa/types/loans>: "If you decide to take out a loan, make sure you understand who is making the loan and the terms and conditions of the loan. Student loans can come from the federal government or from private sources such as a bank or financial institution. Loans made by the federal government, called federal student loans, usually offer borrowers lower interest rates and have more flexible repayment options than loans from banks or other private sources. Learn more about the differences between federal and private student loans at this

Website: <https://studentaid.ed.gov/sa/types/loans/federal-vs-private>

- Please see information on the Mansfield Beauty Schools' In School Tuition Payment Plan.

### **Additional Financial Aid**

#### **Veterans Education Benefits**

Mansfield Beauty Schools is approved for Veteran's Educational Benefits for Veterans, eligible dependents of deceased or disabled veterans, and active status National Guard and Reserve personnel. Any Student interested in this type of benefit must verify with the school representative that the school is eligible for the student's benefits. Students eligible for VA Benefits should provide Mansfield Beauty Schools a copy of the Student's VA certificate of eligibility letter or entitlement information from "eBenefits". You may apply online at [www.gibill.va.gov](http://www.gibill.va.gov) . This process should be completed prior to enrollment in order to be assured of receiving the Benefits.