



California Institute of Integral Studies

CIIS

LOAN REQUEST FORM
INSTRUCTIONS
ACADEMIC YEAR:
AUGUST 2006 – AUGUST 2007

FEBRUARY 2006

Instructions for applying for a student loan

Please read this information carefully before you complete your Loan Request Form.

We continuously accept loan applications throughout the academic year, but remember, the earlier you apply the sooner your funds will arrive.

While attending college is an important investment in your career and personal growth, it is expensive and careful planning and budgeting are advised. While many students receive student loans, loans by themselves may not cover the full costs of education. And although there may be the temptation to want to concentrate solely on schoolwork and to not have a job, the reliance on loans to solve one's financial burden, without adequate planning and foresight, can be dangerous and costly. If you have a job, try to keep it; if you are unemployed even a part-time job can be helpful.

Before you decide to apply for a loan, be sure to consider all other options. For example, consult family and friends; search the internet or check with your employer regarding the availability of scholarships, grants and other forms of aid which do not have to be repaid. Sometimes grants are available from various private organizations, such as businesses, unions, civic groups, religious organizations, veterans groups, and ethnic associations.

If you find that you have to borrow to meet your educational goals, borrow intelligently: don't borrow more than you need, and don't borrow more than you can afford to repay. **Remember, Loans Must be Repaid!**

There are many sources of scholarship information online: Two popular websites are www.finaid.org and www.fastweb.com. EDFund, a subsidiary of the California Student Aid Commission, has an excellent site to help plan your academic budget at www.edwise.org.

If you haven't done so already, complete the 2006-2007 Free Application for Federal Student Aid (FAFSA). We strongly recommend that you use FAFSA on the web, which greatly reduces the processing time. The address is www.fafsa.ed.gov. This application is also available from our office.

Be sure to provide our federal aid school code – **012154**. If you already completed the FAFSA, but did not list our school code, please call 1-800-4FEDAID and ask that our school code to be added. NOTE: We cannot process any loan(s) without FAFSA results.

Should you need any other information, feel free to call the Financial Aid Office at 415-575-6122 or e-mail to finaid@ciis.edu.

Sincerely,

The Financial Aid Office staff at CIIS

California Institute of Integral Studies, 1453 Mission Street, San Francisco, CA 94103

FREQUENTLY ASKED FINANCIAL AID QUESTIONS

How do I become eligible for federal financial aid?

Students must meet the following general requirements to be eligible for financial aid at California Institute of Integral Studies:

- ◆ Be officially admitted to CIIS in a degree program. (**Important:** You don't need to be admitted to CIIS to begin applying for Financial Aid.)
- ◆ Maintain satisfactory academic progress towards degree completion as determined by the Financial Aid Office.
- ◆ Be a United States citizen or eligible non-citizen (e.g. permanent resident) with appropriate documentation.
- ◆ Provide proof of compliance with selective service regulations.
- ◆ Demonstrate the "Ability to Benefit" (BAC program only) by having a high school diploma, GED certificate, or 60 transferable units from a community college.
- ◆ Not be in default or owe a refund on any federal student aid.

How do I apply for a student loan?

When applying for admission to California Institute of Integral Studies, visit or call the Financial Aid Office for information on Federal Student Loans and obtain the necessary forms and application materials. Below are the steps for completing your financial aid application:

1. Submit FAFSA to Department of Education either electronically (FAFSA on the WEB at www.fafsa.ed.gov) or by mail. Allow 3-6 weeks for processing and delivery of your Student Aid Report (SAR). Our federal school code is **012154**.
2. Complete the CIIS Loan Request Form and other forms required by the Financial Aid Office.
3. Provide any additional information requested by the financial aid office.

When should I apply for financial aid?

You should apply as soon as possible. The entire process can take up to eight weeks. We suggest that you complete your financial aid application at the same time you apply for admission.

What is a Federal Stafford Loan?

IMPORTANT NOTE: As this form was being prepared, Congress passed (and the President signed) the Higher Education Act of 2005 (Title VIII of the Deficit Reduction Act of 2005). This legislation has made significant changes to federal financial aid, some of which take effect July 1, 2006; others take effect July 1, 2007. Some of the important changes for the 2006-07 year are:

- Effective July 1, 2006, the interest rate for all Stafford loans (disbursed on or after 7/1/2006) will be fixed at 6.8%. (Currently the interest rate is variable, capped at 8.25%, changing every July 1).
- A new (credit-based) federal loan program for graduate students (the details of which are currently unclear), modeled on the PLUS loan program is scheduled to be available after July 1, 2006.
- In-school consolidation will be eliminated after June 30, 2006.

The Financial Aid Office will have more information as it becomes available.

The Stafford Loan program is a federal financial aid program that offers low-interest rate loans for undergraduate and graduate students. These loans come in two types: subsidized and unsubsidized. The U.S government pays the interest on **subsidized** loans during the period you are in school. You are responsible for the interest accrued on **unsubsidized** loans while you are in school. You can choose to pay the interest (which will be approximately \$57/month on a \$10,000 unsubsidized loan, based on 6.8%), or you can choose to capitalize the interest. Capitalization is the process by which the accrued interest becomes part of the capital or principal amount of your original loan.

Annual Federal Loan Limits

Dependent Undergraduates	Subsidized	Total (Subsidized & Unsubsidized)
< 60 transfer units (sophomore)	\$3,500	\$3,500
60 – 89 units (junior)	\$5,500	\$5,500
90+ units (senior)	\$5,500	\$5,500
Independent Undergraduates (and dependents whose parents are unable to borrow under the PLUS Program)		
< 60 transfer units (sophomore)	\$3,500	\$7,500
60 – 89 units (junior)	\$5,500	\$10,500
90+ units (senior)	\$5,500	\$10,500
Graduate Students (MA & Ph.D.)	\$8,500	\$18,500
Psychology (Psy.D.)	\$8,500	\$31,000

What happens next?

After we complete your award, we will send you notification (i.e., an award letter). If this is your first loan at CIIS (or if you have changed lenders) you will need to complete a new "Master Promissory Note" (MPN). The Financial Aid Office will send you information on how you can complete the MPN electronically.

In addition, if this is your first loan at CIIS, you will also need to complete "Entrance Counseling". This can be done either in person with the Financial Aid Office staff, or on-line at www.edfund.org, and clicking the EdTeSt icon.

How do I receive my loan?

Your loan will be electronically disbursed to your student account at the beginning of each semester for which you requested funds and are enrolled at least half-time. After your tuition and other charges are paid, any remaining funds will be refunded to you in the form of a check from CIIS.

WHAT CONSTITUTES FULL TIME AND HALF TIME AT CIIS?

The following definitions are used by the Financial Aid Office and the Registrar's Office for the purposes of verifying financial aid eligibility and enrollment status:

	Graduate Students*		Undergraduate Students
	Fall & Spring	Summer	Fall & Spring & Summer
Full-Time	9 units coursework	6 units coursework	12 units per term
Half-Time	6 units coursework	3 units coursework	6 units per term

*Graduate students should contact the Registrar or Financial Aid Office for definitions for post-coursework enrollment (e.g., thesis/dissertation, internships, practicum.)

HOW MUCH SHOULD I BORROW?

When applying for a student loan, keep in mind that you will have to repay the loan(s). Try to borrow as little as possible, and then, if possible, use your loans primarily for direct educational costs. The amount you need may vary by program, degree, and by how quickly you complete your program.

In order to help you plan your future, the following chart shows the average federal loan debt of CIIS students graduating between January 1, 2002 and December 31, 2005 (i.e., 4 recent years). In addition, estimated monthly payment amounts are shown.

The standard repayment is 10 years. Students can also consolidate their loans and extend their payment period (up to 30 years), thereby lowering their monthly payment. The downside is that, because you are paying over a longer period of time, the total interest you pay will be more. But, there is no prepayment penalty; if you can afford to pay more than the minimum monthly payment, have your lender apply the excess to your outstanding principal. This can greatly improve your savings in the long-term.

Currently, the interest rate is 5.3% for loans in repayment (for loans disbursed after 07/01/06, the interest rate will be fixed at 6.8%).

		Estimated Monthly Payment		
		6.8%		
PROGRAM	Average DEBT	10 Years	20 Years	30 Years
MA SCT	\$ 36,386	\$ 419	\$ 278	n/a
Ph.D. SCT	\$ 66,348	\$ 764	\$ 506	\$ 433
MA SPP	\$ 46,726	\$ 538	\$ 366	n/a
Psychology (Psy.D)	\$ 75,364	\$ 867	\$ 575	\$ 491

		6.8%	
		Average DEBT	10 Years
BA Completion Program	\$ 10,578	\$ 132	\$ 94

NOTES:

1. Includes only debt incurred (i.e., disbursed) for specific degree. Students with more than one degree are listed separately for each degree completed; total debt was allocated to each degree as appropriate.
2. Includes only FEDERAL (i.e., FFELP) student loans; does not include any private/alternative debt.
3. Includes only debt incurred at CIIS; does not include any additional debt incurred while attending other schools.
4. Does not include any capitalized interest on UNSUBSIDIZED Stafford loans.

WHICH LENDER SHOULD I CHOOSE?

Below is a list of lenders recommended for their superior service to CIIS students. Please note the following:

- Students should review the benefits for each lender via their website, since benefits may change. In addition, the benefits for different lenders generally require that students maintain consistent and timely payments. Benefits may be lost if you are delinquent or miss a payment.
- When you consolidate, you essentially get a new loan; the benefits under the new loan may not be the same as for the loans that were included in the consolidation.
- All of the lenders below offer an interest reduction for signing up for ACH (i.e., automatic payments from your bank account).
- Note that some benefits start at different times (for example, at disbursement, or after completing a specific number of payments) and may be in the form of an interest reduction or a principal balance reduction; the timing of a benefit can sometimes be more advantageous than the percentage.
- If you previously had a different lender (even if it doesn't appear on this list), you can stay with that lender or choose another lender. **Note: If you choose a different lender, you will have to do a new Master Promissory Note (MPN) with that lender.**
- The Financial Aid Office will not choose a lender for you. If you do not choose a lender (and this is your first loan at CIIS) the form will be returned to you.

Please indicate the lender of your choice in section 2 the Loan Request Form.

Wells Fargo
www.wellsfargo.com/student/loans
 800-658-3567

Nelnet
www.nelnet.net
 (includes ASAP and Education Solutions)
 877-272-7828

Wachovia/Educaid
www.educaid.com
 800-338-2243

Bank of America
www.bankofamerica.com/studentbanking
 800-344-8382

GRADUATE STUDENTS: TWO SEMESTERS OR THREE SEMESTERS?

Graduate students can have their loans delivered in 2 disbursements (e.g. fall and spring) or 3 disbursements (e.g., fall, spring and summer); the amount you borrow will be divided into equal amounts according to your loan period. You should check to make sure you have enough funds to cover tuition and fees and any associated costs for each term. (Undergraduates have their loans allocated according to federal guidelines.)

For example, if you request a loan for all three terms of the academic year, the amount of your loan will be divided equally to coincide with each academic term. In some cases, depending upon the number of classes you take each term, the amount of your federal loans may not cover your tuition for that term.

Example 1:

The following shows an example of a Ph.D. student requesting \$18,500 for 3 terms and registering full-time (9 units, 05-06 tuition rates):

Category	One Semester
Estimated Tuition & Fees	\$7,900
Estimated Loan (assumes no loan fees)	<u>\$6,167</u>
Difference	<u>(\$1,733)</u>

*Student still owes
\$1,733 for tuition!*

These loans will be disbursed in 3 equal installments and the student will have loan funds available for each of 3 semesters.

Example 2:

The following show an example of a Ph.D. student requesting \$18,500 for 2 terms and registering full-time (9 units, 05-06 tuition rates):

Category	One Semester
Estimated Tuition & Fees	\$7,900
Estimated Loan (assumes no loan fees)	<u>\$9,250</u>
Difference	<u>\$1,350</u>

*Tuition is paid
and student gets
back \$1,350*

These loans will be disbursed in 2 equal installments but the student will not have loan funds available for taking summer classes.

What should you do?

- 1.) Stay focused on your goals!
- 2.) Plan ahead.
- 3.) Determine how much money you need for each semester. Look at your tuition cost and determine if you need more student loans to cover tuition or if you have other resources (e.g., savings, a part-time job) that will help make up the short fall.
- 4.) If you need additional loan funds, you might consider applying for a private loan through the Financial Aid Office.

When you complete you loan request form, the Financial Aid Office will use the information you provide to determine your loan disbursements. Although changes can be made after the loans have been certified, it is easier to not have to go back and recalculate students' financial aid, (especially at the beginning of a semester when many students have questions and need assistance).

It is always advisable to borrow as little as possible. Remember, **LOANS MUST BE REPAID!**

WHAT IF I NEED MORE MONEY?

NOTE: As of July 1, 2006, there will be a new Federal loan program for graduate students (similar to the PLUS loan program for undergraduate students). The details for this new program (currently referred to as "Grad PLUS") are not yet fully known. We will post information (and forms) on the CIIS Financial Aid Office webpage as they become available.

In addition to the Federal Student Loan program, there are several alternative loan programs available to students at CIIS who need to borrow more than the annual federal loan limits. Typically these programs have higher interest rates (usually based on "Prime") and higher fees. In addition, because these are not government sponsored loans, there are no interest "subsidy" benefits; consequently the overall costs of these loans can be much higher than the Federal Stafford (Subsidized and Unsubsidized) Loans. Some alternative loans may also require a co-signer.

General Eligibility Requirements:

- Students enrolled at least half-time.
- Credit worthy (good credit history) or credit ready (no credit history and adhere to cumulative debt limits).
- Sufficient monthly income to repay the loan.
- Stable Residence and employment history
- US Citizen or permanent resident

Students may request further information on these alternative loan programs from the Financial Aid Office.

Contact information

1453 Mission Street, San Francisco, CA 94103 • Phone: (415) 575-6100 • www.ciis.edu

Financial Aid Office
Phone: (415) 575-6122
Fax: (415) 575-1268
email: finaid@ciis.edu

Registrar's Office
Phone: (415) 575-6126
Fax: (415) 575-1267
email: registrar@ciis.edu

Business Office
Phone: (415) 575-6132
Fax: (415) 575-1267
email: businessoffice@ciis.edu

Questions on how to complete the FAFSA: (800) 4-FEDAID

