

# LOANS

RECENTLY ENACTED CHANGES TO THE HIGHER EDUCATION ACT OF 1965, AS AMENDED, MAY ALTER THE TERMS, AWARD AMOUNTS, ELIGIBILITY REQUIREMENTS, DEFERMENTS AND OTHER ASPECTS OF THE FEDERAL LOAN PROGRAMS SHOWN UNDER THIS SECTION. INFORMATION UNDER EACH FEDERAL LOAN PROGRAM IS SUBJECT TO CHANGE WITHOUT NOTICE.

A loan is a type of financial aid that is repaid per the terms of the promissory note. Loan applications requiring a separate application must be received by the Financial Aid Office no later than one week prior to the end of the semester so the application can be certified prior to the last day of the semester.

## Federal Perkins Loan

This loan program expired on September 30, 2017 and Congress has not extended the program. As a result, no further Perkins Loans can be offered to students.

## Creighton University Undergraduate Institutional Loan Program

This loan is funded by Creighton University and has an interest rate of six percent. No payment on the loan is due and no interest accrues while the student is enrolled in school at least half-time at Creighton University. Interest begins to accrue and repayment begins nine months after the student is no longer enrolled at least half-time at Creighton University.

Deferment and cancellation provisions for this loan program are listed on the promissory note.

Repayment of the loan is made to the Creighton University Business Office or through Heartland ECSI, Creighton's third party loan servicer. During repayment, the student will be billed on a monthly basis and must make a minimum monthly payment of \$50; students have a maximum repayment period of 10 years.

**Students must complete the online entrance interview and promissory note to receive Creighton Undergraduate Institutional Loan funds. The Business Office will provide information to recipients. Students must also complete an online exit interview prior to leaving Creighton University.**

## Federal Nursing Loan (FNL)

The Health Manpower Act of 1958 set up a loan fund for students seeking a degree in nursing. These loans are interest free as long as the student is enrolled as at least a half-time student in the College of Nursing. Simple interest at the rate of five percent and repayment of principal begin nine months after the student leaves the University or the College of Nursing; at that time he/she also enters the repayment period which extends for a maximum of 10 years. Repayment is deferred if the student reenters the same or another such school within the nine-month grace period, during periods of active service in the military or Peace Corps, and during periods spent as a full-time student pursuing advanced professional training in Nursing. Interest does not accrue during periods of deferment.

**The student must complete an exit interview online prior to leaving Creighton University.** Repayment is made to the Creighton University Student Loan Accounts Office. During repayment, students will be billed monthly and must make a minimum \$15 monthly payment. **Students**

**must complete the online entrance interview and promissory note to receive Federal Nursing Loan funds. The Business Office will provide information to recipients.**

## Federal Direct Subsidized Student Loan

Creighton University participates in the Federal Direct Loan Program, which means students are borrowing directly from the federal government. All students must demonstrate financial need to be eligible for the subsidized loan. The amount a student may borrow depends on the student's financial need but may not exceed the yearly limits. The Federal government pays interest on the loan while the student is in school. **Please refer to our webpage at [www.creighton.edu/financialaid](http://www.creighton.edu/financialaid) (<http://www.creighton.edu/financialaid/>) for the most recent terms, interest rates, conditions and annual amounts of this loan program.**

## Federal Direct Unsubsidized Loan

An unsubsidized loan is available to students not qualifying for a subsidized loan. Basic terms of the loan are identical except the borrower is responsible for interest while in school. The Federal government does not make interest payments. The sum of both subsidized and unsubsidized Stafford loans may not exceed the annual or aggregate dollar limits listed above for dependent students. For independent students, the maximum yearly limits are \$4,000 or \$5,000, depending on grade level.

Deferments are available for a variety of situations and are listed on the promissory note. It is the borrower's responsibility to secure, complete and submit deferment requests in a timely manner.

Information on how to apply for a Federal Direct Loan will be included with the award letter sent from Creighton's Financial Aid Office. The Master Promissory Note (MPN) is completed only by first-time borrowers at Creighton. Applications should be submitted by July 1 to ensure that funds are available at fall registration.

## Federal Direct Parent Loan (PLUS)

A parent of an undergraduate student may borrow the total cost of education less other aid and has no aggregate maximum. Proceeds will be disbursed in two installments and will be applied direct to the student's account at the Business Office. Repayment of principal and interest begin 60 days following the date of the second disbursement of loan proceeds or a parent borrower may request the loan payments be deferred while the student is enrolled at least half-time (up to four years).

Your enrollment status during any term or the length of the academic program may limit your eligibility for Federal loans.