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Federal loans for US students 2018/2019

1 Introduction

Vrije Universiteit Amsterdam is an approved Title IV institution, which allows US students to access Direct loans and PLUS loans through the US Direct Loan Program. In this program, the U.S. Department of Education lends the money directly to students through the student's school. The following types of loans are available: Subsidized loans, Unsubsidized loans and Plus loans. Vrije Universiteit Amsterdam's students are not eligible for Pell grants, Perkins loans, or other types of US Federal financial aid.

1.1. Direct Loan types:

- Direct subsidized loans: for eligible undergraduate students who demonstrate financial need to help cover the costs of higher education at a college or career school.
- Direct Unsubsidized loans: for eligible undergraduate, graduate and professional students (no need to demonstrate financial need to be eligible for the loan).
- Plus Loans /Parent 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.

2 Applying for financial aid

Step 1: Apply for study programme at Vrije Universiteit Amsterdam

If you want to apply for a loan to study at Vrije Universiteit Amsterdam, you must be (conditionally) accepted for the study programme. On our [website](#), you can find all information about the study programs. It is not possible to use a loan for the following programs:

- Medicine
- Dentistry
- Exchange programs / Study abroad programs (For these programs, you can receive financial aid from your home school in the US.)

Step 2: Free Application for Federal Student Aid (FAFSA)

The first step in applying for a US Federal Loan is to complete the FAFSA online form: Free Application for Federal Student AID. You can do this at: www.fafsa.ed.gov.

The school code of Vrije Universiteit Amsterdam is: **G08376**.

An instruction video for the financial aid process can be found [here](#)!

To complete the FAFSA online, you must have a FSA ID. For more information, please check [here](#).

Completing the FAFSA is not a student loan application. It generates a Student Aid Report (SAR) that Vrije Universiteit Amsterdam uses to determine your eligibility for financial aid.

Step 3: Loan application and required documents

To apply for Federal Loans go to: <https://studentloans.gov/myDirectLoan/index.action> to complete the Loan Application. Depending on your situation, you will also need to fill out and submit other documents:

Master Promissory Note (MPN):

The MPN is the legal document through which you promise to repay your Direct Loans and any accrued interest and fees to the Department. It also explains the terms and conditions of your loans.

- If you apply for subsidized/Unsubsidized and Plus Loan, you must complete 2 separate MPN's.
- You will need to complete a new Direct Loan MPN each academic year that you receive a Direct Subsidized Loan and/or a Direct Unsubsidized Loan as well as for the Plus loan at our school

Entrance Counseling

You may complete Direct Loan Entrance Counseling online via the StudentLoans.gov website at <https://studentloans.gov/myDirectLoan/counselingInstructions.action>.

To complete Direct Loan Entrance Counseling online, you must use the FSA ID. This is the same ID you used to complete the FAFSA.

- If you are completing entrance counseling to borrow a loan as an undergraduate (bachelor) student, then the entrance counseling will fulfill counseling requirements for Direct Subsidized Loans and Direct Unsubsidized Loans.
- If you are completing entrance counseling to borrow a loan as a graduate (master) or professional (PhD) student, the entrance counseling will fulfill counseling requirements for Direct Subsidized Loans, Direct Unsubsidized Loans, and Direct PLUS Loans.

Credit check:

Credit check is only applicable for Plus loan applications: The credit check is to determine whether you have an adverse credit history.

Step 4: Questionnaire Vrije Universiteit Amsterdam

You must complete the questionnaire of Vrije Universiteit Amsterdam and e-mail this to: usloanprogram.dsz@vu.nl

You can find the questionnaire [here](#).

3 Financial information; Cost of attendance

The cost of attendance (COA) is the total tuition fees and living expenses determined by the University. The figures below include the average tuition fee, living costs and accommodation. The sum of your loans and other aid, such as scholarships and grants, cannot exceed the total COA. For the exact tuitions fees for bachelor and master programmes, please check [here](#).

You may choose how much you need to take out, you don't have to take the full amount. If you have a scholarship or are awaiting a decision, you should inform Vrije Universiteit.

Cost of Attendance	EURO
Tuition (average)	€ 14.000
Books and supplies	€ 1.000
Accommodation	€ 7.500

Living expenses	€ 6.000
Flights	€ 1.000
Transportation in Amsterdam	€ 600
Miscellaneous	€ 1.250
Total	€ 31.350

4 Federal Student Loans Direct Loan

The Direct Loan is made up of two parts; Subsidized and Unsubsidized, and is available to all students. Subsidized loan is only available for undergraduate (bachelor) programmes.

The Subsidized and Unsubsidized Loans do not enter into repayment until six months after you have completed the course, or dropped below 50% attendance.

- Subsidized: assessed on financial need, as determined by Federal regulations. No interest is accrued while you are in school at least halftime, during the grace period and during deferment periods. The interest rate on subsidized loans first disbursed to students between 1 July 2017 and 1 July 2018 is 5,05% for undergraduates. These figures may change, so you are encouraged to check interest rates when applying for your loans. Please note: during grace period, interest accrues for Subsidized Direct Loans.
- Unsubsidized: not based on financial need. Interest is accrued during the period of study and during the grace and deferment periods. The current interest rate is 5,05% for undergraduate students and 6,6 % for graduate students. These figures may change, so you are encouraged to check interest rates when applying for your loans.
- For an overview of loans disbursed before 1 July 2017, see <https://studentaid.ed.gov/sa/types/loans/interest-rates#interest-rate-factor>

4.1 Direct Subsidized and Unsubsidized loan amounts

The table below shows the amounts of Direct loan a student can borrow depending on the course and year of study. It depends also whether you have the status of Independent or Dependent.

Year of Course	Initial Subsidized	Additional Unsubsidized	Combined maximum levels
Dependent undergraduate			
Year 1	\$3,500	\$2,000	\$5,500
Year 2	\$4,500	\$2,000	\$6,500
Year 3	\$5,500	\$2,000	\$7,500
Independent Undergraduate			
Year 1	\$3,500	\$6.000	\$9.500
Year 2	\$4.500	\$6.000	\$10.500
Year 3	\$5.500	\$7.000	\$12.500
Graduate/Professional	\$0,00	\$20.500,00	\$20.500,00

As you can see from these amounts, the Direct Subsidized and Unsubsidized Loan is not enough to pay the full cost of your tuition for undergraduate courses and some postgraduate courses. Therefore, you will need to consider how you intend to pay the outstanding balance of your tuition fees and your living expenses. You can make up the difference with your own funds, a Direct PLUS Loan or a private student loan. (For information on Salliemae private loans, click [here](#))

SULA (Subsidized Usage limit applicable)

This rule limits the amount of time (measured in academic years) a student may receive Direct Subsidized Loans. This time limit does not apply to Direct Unsubsidized Loans or Direct PLUS Loans.

The regulation applies to students who are considered first-time borrowers on or after July 1, 2013. If this limit applies, you may not receive Direct Subsidized Loans for more than 150 percent of the published length of your program. This is called the “maximum eligibility period.” The maximum eligibility period is generally based on the published length of your current program. Students can usually find the published length of any program of study in the school’s catalogue.

For example, if you are enrolled in a four-year bachelor’s degree program, the maximum period for which you can receive Direct Subsidized Loans is six years (150 percent of 4 years = 6 years).

Because your maximum eligibility period is based on the length of your current program of study, your maximum eligibility period can change if you change to a program that has a different length. Also, if you receive Direct Subsidized Loans for one program and then change to another program, the Direct Subsidized Loans you received for the earlier program will generally count toward your new maximum eligibility period.

4.2 PLUS loan or Parents Plus loan

The PLUS Loan is available to the parents of dependent undergraduate students and graduate/professional students. The PLUS loan is not available to independent undergraduate students. The PLUS Loan is to help pay the cost of education up to the cost of attendance minus all other financial aid. Interest is accrued during the period of study. You are advised to check the interest rates when applying for your loans.

- Plus loan for Graduates: Students complete the application. A credit check is required for this loan. These loans are currently offered at a fixed rate of 7,6%. You can defer the repayment until six months after the completion date of the course or the date attendance you dropped below 50%. A credit check is required for this loan.
- Plus loan for Parents: the parent take out the loan of behalf of the student to cover education costs. In this case, the parent completes a Direct Loan Application. These loans are currently offered at a fixed rate of 7,6%. Parents can defer the repayment until six months after the completion date of the course or the date attendance you dropped below 50%. A credit check is required for this loan.
- For an overview of loans disbursed before 1 July 2017, see <https://studentaid.ed.gov/sa/types/loans/interest-rates>

4.3 Plus loan amounts

The maximum PLUS loan amount you can borrow is the Cost of Attendance of Vrije Universiteit Amsterdam minus other financial assistance, e.g. subsidized or unsubsidized loans.

4.4 Aggregate Loan limits

Students cannot borrow more than the lifetime aggregate loan limit. The student is responsible for not exceeding these limits. The student's aggregate amounts are detailed in the Student Aid Report. The lifetime aggregate limits for Direct Loans are listed below:

- Dependent student Undergraduate: Subsidized \$23,000; Subsidized and Unsubsidized: \$31,000.
- Independent student Undergraduate: Subsidized \$23,000; Subsidized and Unsubsidized: \$57,500.
- Graduate student: Subsidized \$65,500; Subsidized and Unsubsidized: \$138,500.
- PLUS: no lifetime aggregate.

4.5 Fees US Government

The US government will deduct fees from the loan amounts. This fee is subject to change: Starting from 1 October 2017, the following fees are applicable:

- For Direct Subsidized and Unsubsidized loan: an origination fee of 1.066% of the loan is deducted from each loan disbursement. (\$218 on a \$20.000 loan)
- For Direct Plus Loan: an origination fee of 4.264% of the loan is deducted from each loan disbursement. (\$427 on a \$10.000 loan)

5 Next procedures at Vrije Universiteit Amsterdam:

5.1. Eligibility for financial aid

After receiving your questionnaire and reviewing your Student Aid Report (SAR) report we will send you a Cost of attendance. We also will calculate the amounts you can take out. The eligibility depends on your:

- Expected Family Contribution (EFC):
For need-based aid the eligibility depends on your Expected Family Contribution. The EFC is subtracted from the COA to determine the financial need. Subsidized loans are considered need-based loans. [Expected Family Contribution \(EFC\)](#)
More information about EFC can be found [here](#).
- Other financial aid (e.g. Scholarships)
For non-need-based aid, the amounts are based on the COA minus the financial aid that has already been awarded. Unsubsidized loans and Plus loans are considered non-need-based. If a scholarship is awarded to you, you must inform us about this. The awarded amount can influence your loan.
- The year in school (undergraduate students): see paragraph [4.1](#).

- The enrollment status: students must be enrolled as least at half-time.
- The cost of attendance: here you can see how much what one year of study at Vrije Universiteit will cost. This includes tuition and fees, living costs and other allowances, see paragraph [3](#).
- SULA rules, see paragraph [4.1](#). (Only subsidized loans)

Please note:

- If a scholarship is awarded to you, you must inform us about this. The awarded amount can influence your loan.

5.2 Award letter

If you agree to the conditions of the SAR, we will send you an Award Letter with details of the loan(s). You will need to sign it and return it to us, before we can originate the loans. Please be aware that we are unable to process the loan if there are missing documents. If you do not complete the application process and submit all requested documents, we may be unable to complete your financial aid package for the academic year.

5.4 Deadlines Vrije Universiteit Amsterdam

The deadline for new students for sending all documents is 1 July. Late applications are possible, but the payments of the loans may be delayed.

It is also possible to apply for a (extra) loan during the academic year.

5.5 When and how will you receive your loan?

You will receive your loans once you have arrived at the university and completed registration. The loan is paid into your Dutch bank account, which you will to open after arrival.

The balance after tuition fees have been deducted will be paid into your Dutch bank account. US Government regulations state that your loan has to be disbursed over two semesters. Payment of your loan will be made at the start of each term. Please ensure you have sufficient funds to cover about 1 months living costs at the start of the academic year.

Disbursement dates for 2018/2019:

- First semester: 10 September
- Second semester: 11 February

6 Satisfactory Academic Progress

All students applying for or receiving US Federal Aid (subsidized, unsubsidized and PLUS /Parent) must progress satisfactory towards completion of the study programme at Vrije Universiteit to remain eligible for federal financial aid. Please check the complete regulation [here](#).

Satisfactory academic progress will be checked before any loan proceeds are paid to a student. If the student does not meet the criteria for satisfactory academic progress, the student may lose their entitlement to US loan support. Please read the complete regulation on our website: www.vu.nl/financial-aid.

7 Exit Counselling

A student Direct Loan borrower who is graduating, leaving school, or dropping below half-time enrolment is required to complete exit counselling

You will have to complete Exit Counselling before you complete /quit your course to ensure that you understand the repayment terms of your loan.

You can complete the counselling session online through:

<https://studentloans.gov/myDirectLoan/counselingInstructions.action>

8 In-School Deferment Request

You may be able to defer repayments on previous Federal loans and Private Education loans while you are enrolled at least half time at Vrije Universiteit Amsterdam. To do so please contact your lender for the In-School Deferment Request form.

9 Repayment Period

The Direct Loan Program offers loan repayment plans designed to meet the needs of borrowers and allows you to choose your repayment plan. These loans can be repaid within a period of 10 to 25 years depending on which repayment plan you choose. Repayments of your Direct Loans normally start six months after completion of your course, withdrawing or dropping below 50% attendance. You can find out more about repayment options before receiving a Direct Loan by going to: <https://studentaid.ed.gov/sa/repay-loans> or you can contact the Federal Student Aid Center on 001 800 4 FED AID (001 800 433 3243).

10 Refund policy

If you receive Federal financial aid and decide to withdraw from your course, interrupt your studies or study less than half time please inform the Student Funding Office as soon as possible. The University is required by Federal Law to recalculate your Financial Aid eligibility based on the period of attendance. As a result you may be required to pay back money to the US Federal Government from the Federal Direct subsidized and unsubsidized or Direct PLUS loans you have received according to the terms of the Master Promissory Note.

10.1 Refund Policy in case of withdrawal: what happens if you withdraw from Vrije Universiteit Amsterdam?

If a student, who receives Federal financial aid withdraws from their course or interrupts for more than 180 days or drops below half time attendance, Vrije Universiteit Amsterdam will follow the requirements of returning funds determined by the US Department of Education.

Vrije Universiteit Amsterdam must determine how much of your financial aid (subsidized, unsubsidized and PLUS) must be returned tot the Federal Government. Students must inform the US loan contact person at the university before your withdrawal.

10.2 Returning financial aid, calculation

Students 'earn' financial aid on a daily basis. If a student withdraws all 'unearned' aid for that payment period must be returned to the lender. The amount the school and the student need to return is calculated using the worksheets (R2T4) provided by the US Department of Education.

The assistance that you have earned is determined on a pro-rated manner on a per daily basis up to the 60% point in the semester. After this point in time Title IV is viewed as 100% earned.

If unearned funds have to be refunded a cheque will be sent to the lender and the student notified. If the student is notified that there are loan funds that must be returned by the student, the student should repay in accordance with the terms of the promissory note.

Loans are returned in the following order:

- Direct Unsubsidized
- Direct Subsidized
- PLUS (Graduate or Parent)

If a student plans to withdraw, interrupt or study part time it is important that they speak to the US loan contact person at Vrije Universiteit Amsterdam in order to receive financial aid advice and to complete Exit counselling [here](#).

10.3 Repayments to Vrije Universiteit Amsterdam and / or US department of Education

If a student earned less aid than was disbursed, the institution would be required to return portion of the funds and the student would be required to return a portion of the funds. Keep in mind that when Title IV funds are returned, the student borrower may owe a debit balance to the institution.

In the R2T4 worksheet, it is explained in detail the amount of unearned aid for which the student is responsible and the amount of unearned aid the Vrije Universiteit is responsible for. After this has been determined, the US Department will be notified about both amounts.

The contact person of US loans of the Vrije Universiteit Amsterdam will pay the University's portion back to the US Department of Education within 30 days after the University has been informed about the withdrawal. It is the responsibility of the student to repay his or her own part of unearned aid.

Let it be noted that the R2T4 requirements for Title IV program funds are separate from any refund policy that the Vrije Universiteit has. Therefore, the University will charge you for any Title IV program funds that the University was required to return. Also, you may still owe funds to the Vrije Universiteit to cover unpaid institutional charges.

Note on Leave of Absence

An Approved Leave of Absence can last for 180 days before a student goes into repayment or has to return funds. If the student does not return after 180 days the last date of actual attendance will be used to calculate the 'earned' loan amount and the date a student enters repayment.

First year undergraduate

A first year undergraduate, receiving Federal loans for the first time that withdraws within the first 30 days of a programme will be deemed not to have earned any aid.

Officially withdrawing via Studielink

After you have informed the US loan contact and you decided to terminate your enrolment, you must submit this information via Studielink. In Studielink, click on 'My enrolments' and then click on 'Request to terminate enrolment'. Only then you will officially be deregistered from Vrije Universiteit Amsterdam.

Your withdrawal date is:

- The date of withdrawal in the administrative system of Vrije Universiteit Amsterdam (always the last day of a month).

Questions about refunds

If you have questions about your Title IV program funds, you can call the Federal Student Aid Information Center at 1-800-4 FED AID. You may also go to www.studentaid.ed.gov.

11 Alcohol and Drugs

The US Department of Education provides information on the [penalties associated with drug-related offences](#) under the US Higher Education Act. Students who lose eligibility for US student loan as a result of these penalties, will receive from Vrije Universiteit a written notice which notifies the loss of eligibility and advise to regain eligibility.

Vrije Universiteit Amsterdam, drugs and alcohol policy

- All rights and responsibilities of students studying at Vrije Universiteit Amsterdam are outlined in the [Student Charter](#).
- Students that are found guilty within the legal jurisdictions of the Netherlands during their period of study will lose their eligibility for Federal Student Aid.

Drugs policy in the Netherlands

In the Netherlands, the Opium Act sets out the rules pertaining to drugs. Read all information about the Dutch drug policy, drug prevention, drug law [here](#).

Alcohol policy in the Netherlands

The Dutch government tries to prevent alcohol abuse and alcoholism through laws and public and awareness. There are several laws governing alcohol. Find more information [here](#).

Counselling and information Services in the Netherlands / Amsterdam

- Alcoholics Anonymous: Offers help to recover from Alcoholism: telephone: +3120625 60 57
- Narcotics Anonymous: Offers help to recover from Drug addiction. Telephone: +31622341050
- National emergency number: 112
- GPA: 088-0030600 (24/7)
- Dutch Association of mental health and addiction care (GGZ): Amsterdam: +31 20 788 5333