



## FINANCIAL AID INFORMATION

**Now that you have been accepted, the next question is what options are available to help pay for the GEM Program?** GEM students are eligible to receive Stafford, Graduate Plus and private student loans to cover the cost of tuition and educational expenses. Below, you will find detailed information about what student loans are available and how to apply for them.

**Mary Morales** ([mary.morales@ucdenver.edu](mailto:mary.morales@ucdenver.edu) or 303.315.1848) **in the Office of Financial Aid is the financial aid advisor for GEM students.** We strongly encourage all GEM students to only work with Ms. Morales as she is well versed in the GEM program. Our courses are delivered on a different schedule than the main university calendar; thus, speaking to another individual in financial aid may result in you receiving information that does not pertain to GEM. **You can also contact Michele Cooper, Associate Director for the GEM Program, for your financial aid questions** ([michele.cooper@ucdenver.edu](mailto:michele.cooper@ucdenver.edu)).

If you are interested in applying for financial aid please follow the steps below:

1. FAFSA (fill out online) – [www.fafsa.gov](http://www.fafsa.gov)
2. Entrance Counseling and Master Promissory Note (fill out online) – <https://studentloans.gov>
3. Accept Award (on Portal) – <https://portal.cusys.edu/UCDAccessFedAuthLogin.html>

During your tenure in the GEM program, you will need to apply for financial aid two times. For those who start in January, you will need to complete the financial aid application process before your January start date and then again in June of that calendar year. If you start in July, you will complete this process before your July start date and then again in January of the next calendar year. We recommend that you complete the FAFSA application as soon as possible.

### ***Federal Stafford Loan Information***

The U.S. Department of Education offers low-interest student loans, called Stafford Loans, on an academic year basis. A free federal application is required to qualify and can be completed online. These loans are not based on a student's credit rating; however, students are required to meet federal eligibility requirements, which include:

- U.S. citizenship, U.S. National or U.S. Permanent Resident with a valid Social Security Number
- Compliance with Selective Service Registration if you are a male born on or after Jan. 1, 1960
- Half-time (or greater) enrollment in an eligible school/program
- Satisfactory academic progress as set by the postsecondary institution

- Certify that you are not in default on a previous federal student loan or grant
- Federal student aid may not be granted if you've been convicted under federal or state law of selling or possessing illegal drugs.

GEM students are eligible for a maximum of \$20,500 in Stafford Loans per academic year or \$41,000 during the GEM program. You are not required to borrow the maximum amount each year; you can borrow a lesser amount to meet your needs.

If you would like to borrow more than \$20,500 per year, there are other private loans available through alternative lenders or you can choose the Federal Graduate PLUS Loan program. Please note that private loans and Graduate PLUS Loans are subject to a student's credit rating to be guaranteed, unlike Stafford Loans, which are guaranteed as long as you meet the eligibility requirements.

Stafford Loan interest rates are usually subject to change each academic year, based on Federal Reserve activity, and are confirmed each July 1st. For loans disbursed between July 1, 2020 and June 30, 2021 the interest rate will be fixed at 4.30% for the life of the loan. The interest rates for federal student loans are determined by federal law. Stafford Loan rates will never exceed 8.25%.

For graduate level students, only "Unsubsidized" loans are available. An unsubsidized loan is a loan in which the borrower is fully responsible for paying the interest regardless of the loan status. Interest on unsubsidized loans accrues from the date of disbursement and continues throughout the life of the loan.

Repayment of Stafford Loans begins 6 months after a student is no longer enrolled or enrolled less than half-time. This can be due to graduation or withdrawal from an educational program. The repayment period is 10 years, and many lenders offer repayment benefits such as interest rate reductions for on-time consecutive payments. Student loan interest payments may also be tax deductible according to IRS Education Tax Credit standards.

### ***Private/Alternative Loans***

Many banks also offer private loans, or "alternative" education loans. Much like "shopping" for a car loan, credit card, or a home mortgage, there are many options.

All of the private lender's guidelines and application processes apply, and rates/terms/repayment (while competitive) will vary from lender to lender and will be determined based upon the student's credit rating. Most private loans do offer rates lower than traditional credit cards.

The University of Colorado recommends several alternative lenders including: Key Bank, US Bank, and Citibank. Again, this type of loan can act as your only form of aid or it can supplement one of the previously explained federal loan packages. There is an annual maximum of total loan funds that can be borrowed.

### ***Other Types of Funding***

Students often ask if there are any other avenues to fund their education.

- Employer Educational Programs
  - Your employer may help sponsor your educational costs.
- Military Educational Programs
  - Program such as the GI Bill may be used to help fund the GEM program. Check with your military branch or talk to the CU Office of Veteran's Affairs at 303-556-2630
- Self-directed Scholarship Search
  - Minority and professional or personal affiliations may have scholarship opportunities. Use the web to research various ties you may have and scholarships you may qualify for.
- Home Equity Loans or Additional Mortgages\*
  - Interest on these loans may be low depending on market conditions and the interest may be tax deductible. They will require credit approval and are likely to have closing costs
- 401K Loans\*
  - No credit check is required and the interest you pay goes back into your account. Typically you must pay this loan back within five years or it's considered taxable income subject to penalty and taxes. Also if you leave your current employer, the loan may come due in full immediately. Contact your 401K organization for more information.
- Savings Accounts and CDs\*
  - May also be a good source but consider whether it's better to keep the interest coming in on these savings.
- Selling Assets\*

\*Selling stocks, bonds or other investments could have broad implications. You may be earning more on assets than you would spend on a loan. Selling assets may also create tax liabilities. Also selling assets may add to your income this year, which could reduce the amount of aid you are eligible for the next year.