

# FEDERAL PROGRAMS

## Federal Work-Study (FWS)

### What is FWS?

Federal Work-Study is a federally assisted employment program that offers qualified students a chance to earn money to help pay for educational expenses. These funds are paid directly to students for job assignments and are not deductible from the student tuition bill.

### Application Procedures

All students must submit the FAFSA before a determination of eligibility will be made. Student Financial Services will notify eligible candidates of job assignments and required forms before initiating employment.

### Selection of Recipients and Allocation of Awards

The applicant must be enrolled full-time (9 credits per semester) at Pratt. Pratt makes employment reasonably available to all eligible students who demonstrate need as per federal guidelines. In the event that more students are eligible for FWS than there are funds available, preference is given to students who have greater financial need and who must earn a part of their educational expenses.

### Schedule

Pratt arranges jobs on campus, for up to 20 hours per week. Factors considered by Student Financial Services in determining whether the applicant may work under this program are financial need, class schedule, academic progress, and specific skills. Level of salary must be at least the minimum wage; maximum wage is dependent on the nature of the job and the applicant's qualifications. Students may work for only one department each semester.

### Rights and Responsibilities of Recipients

Satisfactory academic progress must be maintained. Students must not owe any refunds on Federal Pell Grants or any other awards paid, and not be in default on any student loan. Students are responsible for submitting signed timesheets electronically to the Center for Career and Professional Development. Employment forms such as the W4, I-9, and Employment Authorization Form must be submitted prior to working.

## Federal Unsubsidized Stafford Loans

These loans have the same terms and conditions as Stafford Loans, except that the borrower is responsible for interest that accrues during deferment periods (including in-school) and during the six-month grace period. Interest may be deferred while in school but interest will be capitalized if the student requests a deferment.

The program is open to students who may not qualify for Subsidized Federal Stafford Loans. (Combined total cannot exceed Stafford limits.)

### Loan Schedule

Annual Loan Limit: \$20,500—graduate and professional students (unsubsidized). The annual loan limits for students enrolled in a program of study for less than one academic year in length are prorated.

Aggregate Loan Limits: \$138,500—undergraduate and graduate combined.

1. All student loans will be disbursed in two installments, one each semester.

2. A percentage (approximately 1 percent) of the loan amount will be deducted from each disbursement as an origination fee.

### Loan Fees

Borrowers pay an origination fee of 1.057 percent on or after October 1, 2022, and before September 30, 2023. Interest rate is fixed at 6.54 percent, but may change July 1.

### Rights and Responsibilities of Recipients

All borrowers are required to submit a Master Promissory Note (MPN) to apply for a Federal Direct Loan (unsubsidized). The MPN is an application for the Stafford Loan programs and is valid for 10 years from the time that you originally submit. Please keep in mind that you will still have to submit the Free Application for Federal Student Aid (FAFSA) each year by February 1.

Student Financial Services will notify you of loan eligibility via your electronic financial aid award letter. If any changes are made to your financial aid, a new letter with the most current information will be emailed to your Pratt email address. You should keep all the letters you receive from Student Financial Services in order to keep track of any award revisions.

Along with your electronic award letter, you will be able to gain access to an electronic Master Promissory Note (MPN). Prior borrowers may have different interest and repayment terms based on when they borrowed their first loan.

All borrowers must attend school at least part-time to be eligible to borrow any type of loan. Students who are registered for Thesis in Progress (TIP) also have a minimum attendance requirement and are considered full-time for financial aid purposes only.

Six months after ceasing to be at least a part-time student, the borrower must make formal arrangements with the Department of Education to begin repayment. The following regulations apply:

1. The minimum monthly payment will be \$50 plus interest.
2. The maximum repayment period is 10 years.
3. The maximum period of a loan from the date of the original note may not exceed 15 years, excluding authorized deferments of payments.
4. Repayment in whole or part may be made at any time without penalty.

### Sources of Outside Scholarships

Student Financial Services has lists of agencies to which you may also apply.