

Stafford Loans

Federal Stafford Loans are the most common source of college financial aid loan funds. Students must be matriculated and at least ½ time (6 credits at Salem State) to be eligible to receive these loans. There are two types of Federal Stafford Loans:

- **Subsidized** Stafford Loans are need-based, and the government pays the interest on these loans while you are in school in at least half time credits, during a six-month grace period immediately preceding repayment, and during any authorized deferment.
- **Unsubsidized** Stafford Loans are **not** need-based, and you are responsible for all of the interest that accrues on the loan, including while you are in school. You may make arrangements with your lender to make "interest only" payments while you are enrolled in school.

Stafford Loan amounts offered depend on your grade level and dependency status.

Graduate students are awarded Stafford Loans up to the total cost of attendance. The amount of Subsidized versus Unsubsidized is dependent on your financial need. Eligible graduate students may receive up to \$ 8500 of their total Stafford Loan award in Subsidized Loan with the remainder offered in Unsubsidized Loans.

Dependant Undergrads may receive the following*:

(*Remember: Subsidized loans are need-based, if you are not eligible for full subsidized loan you will be awarded unsubsidized up to the maximum for your grade level)

Freshmen	Up to \$3500 Subsidized	\$2000 Minimum Unsubsidized	\$ 5500 Total Maximum - Sub & Unsubsidized combined
Sophomore	Up to \$4500 Subsidized	\$2000 Minimum Unsubsidized	\$ 6500 Total Maximum - Sub & Unsubsidized combined
Junior	Up to \$5500 Subsidized	\$2000 Minimum Unsubsidized	\$ 7500 Total Maximum - Sub & Unsubsidized combined

Senior	Up to \$5500 Subsidized	\$2000 Minimum Unsubsidized	\$ 7500 Total Maximum - Sub & Unsubsidized combined
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Independent Undergraduate Studentsare eligible for additional Unsubsidized amounts depending on their grade level:**

Independent Freshman & Sophomores	Up to \$4000.00 Additional Unsubsidized
Independent Juniors & Seniors	Up to \$5000.00 Additional Unsubsidized

The Federal Government has determined for financial aid purposes that a student may be considered **INDEPENDENT if they can answer "YES" to any of the following questions:

- Were you born before January 1, 1988?
- Are you married?
- Will you be working on a master's doctorate program (such as an MA, MBA, MD, JD, or Ph.D., etc.)?
- Do you have any children who get more than half of their support from you?
- Do you have any legal dependents that get more than half of their support from you?
- Are you on active duty or a veteran of the U.S. Armed Forces?
- At any time since you turned 13, were both your parents deceased?
- Were you in state appointed foster care or were you a ward of the court?
- Are you or were you an emancipated minor determined by a court?
- Was someone other than a biological parent appointed as your guardian by the court?
- Were you determined by a State or Federal agency to be either an unaccompanied youth or homeless or both?

If a student is estranged from his/her parents due to legal or for safety reasons they **MAY** be eligible for a dependency override. They will be required to produce a number of items of documentation of the situation. Please contact the office for details.

Please note that we do not grant dependency overrides on the basis of "*financial independence*"; a student living financially independently from his/her parents by choice, circumstance, student's employment or geography does not constitute independence by Federal Guidelines.