

FAQ

TITLE IV STUDENT LOANS

How do I apply for a loan?

Please see our [Information on Affiliated Loan Programmes \(PDF\)](#) for a step-by-step guide

When should I apply for my loan and how long will it take to process?

We begin processing loans for the new academic year between May and July. We can normally process your loans in around two to three weeks, depending on individual circumstances; but cannot guarantee that applications will be approved within these timescales if there are outstanding matters related to the loan. It is your responsibility to ensure that a complete loan application is submitted in a timely manner. It is also possible to apply for or adjust your loans during the year; this is particularly useful for students who have not borrowed their full Cost of attendance and would like to apply for additional funding. Please see our How to apply section.

I received a US student loan at The Graduate Institute last year. Do I need to re-apply or will I automatically receive loans for each year of my course?

You must apply for your US loan each year. Please follow the instructions on our [Information on Affiliated Loan Programmes \(PDF\)](#) if you wish to submit an application for a loan this year, or for the next academic year.

I have completed my FAFSA but I haven't heard anything – what should I do?

As a foreign school, **we are not notified when you complete your FAFSA**. You must complete all of the steps on our [Information on Affiliated Loan Programmes \(PDF\)](#) in order to notify us that you are applying for a loan.

Why can't I receive my entire loan amount at the beginning of my studies and when will I receive my loan disbursements?

In order to control cases of fraud, the US department of Education allows schools to authorize only multiple disbursements. For more information, please see our [Information on Affiliated Loan Programmes \(PDF\)](#) and click on "Loan Disbursements" (table of contents 2.1 C).

How can I defer repayment on previous US student loans?

If you are taking US Federal loans, you will automatically be deferred for other loans as students need to be reported on the [NSLDS](#). If you are not taking federal loans, please contact us by email (externalloans@graduateinstitute.ch) and we will report you on the [NSLDS](#). You will need to provide your Social Security Number and date of birth so that we can add your details to the system, which is used by most guaranty agencies and federal loan servicers, as well as the US Department of Education, to check student enrolment information. Enrolment information is sent to loan servicers with NSLDS access on a weekly basis.

We can also complete paper deferment forms for private loans or federal loans students if the lender is not registered to use NSLDS.

What is Cost of attendance (COA)?

The Cost of attendance refers to the costs of completing your studies for one academic year. This, less any other financial aid you may be receiving, is used to calculate the level of US loan funds that you are eligible to borrow. These costs must relate only to you, the student, and include: course fees; living costs; transport expenses; child care when applicable; fieldwork costs; and loan origination fees.

The Cost of attendance cannot include costs for partners or children other than child care/nursery costs. Your COA can include one return flight to the US.

What exchange rate is used when calculating my Cost of attendance?

The exchange rate used at The Graduate Institute to calculate the COA in dollars is based on an average exchange over a 6 month period. However, the actual amount that you will receive in CHF will depend upon the exchange rate used at your bank on the date that the loan funds are disbursed.

How is my academic performance assessed once I have obtained the funding?

The Graduate Institute is required by US federal law to define and enforce standards of [satisfactory academic progress \(SAP\)](#) on students who wish to access US federal funds.

What happens if I fail to make satisfactory academic progress?

If you fail to make [satisfactory academic progress \(SAP\)](#), you will be placed on financial aid probation for six months. If you have been placed on probation and subsequently meet the requirements in the next semester, you will regain eligibility.

Students who have been placed on probation and do not meet the requirements applicable to their degree will be eliminated and, therefore, ineligible to receive aid.

Students who transfer to a new course will also transfer with any SAP warning or sanction and will still need to meet the specified criteria for their new course before regaining eligibility to receive financial aid.

What are my repayment options?

You will arrange repayment directly through your loan servicer. You can check who your loan servicer is on the [National Student Loan Data System \(NSLDS\)](#). You should always keep in contact with your loan servicer to make sure that you are up-to-date with loan repayment information.

It is your responsibility to:

- notify your loan servicer of anything that affects your ability to repay your loan;
- notify your loan servicer of any changes in your status, including graduation, and any changes to your name, address, or telephone number;
- notify your loan servicer if you fail to enroll for the period covered by your loan; and
- notify your loan servicer and college of any change in your address.

You can also make an early repayment directly to your loan servicer. If you make a repayment within 120 days of the loan disbursement, your lender will treat this as a partial or full cancellation, with the appropriate adjustment of the loan fee and interest.

[StudentLoans.gov](#) is a very useful website and offers optional financial awareness counselling which provides tools and information to help you understand your financial aid and assist you in managing your finances.

Please note that this financial awareness counselling is not the same as the compulsory [entrance and exit counselling](#) which you will need to complete.

Your student loan must be repaid – you will risk going into default if you do not make your loan payments as required by your loan servicer. [Federal Student Aid](#) offers full guidance on understanding default.

Is the Graduate Institute eligible for the US Department of Veterans Affairs Funding? (GI Bill or Post 9/11 Bill.)

Yes, The Graduate institute can process Veterans Affairs (VA) funding and this is managed by the US loans administrators. For more information, please see our [Information on Affiliated Loan Programmes \(PDF\)](#).

What happens if I withdraw from a course or become ineligible for federal student aid, but have already received US federal loans?

If you withdraw from your course, suspend status, drop below half-time enrolment, or otherwise become ineligible for US federal loans, please contact us by email (externalloans@graduateinstitute.ch) immediately.

Under US federal law, the Graduate Institute is required to report any changes to your enrolment as soon as possible and, if necessary, to complete a Return to Title IV ([R2T4](#)) form and arrange for any 'unearned' loan funds to be returned to the US Department of Education. You may also be required to return unearned funds.

Key elements to keep in mind:

The US loans administrators will calculate the amount of Title IV program assistance that has been earned, using a formula provided by the US Department of Education.

Once you have completed more than 60% of the payment period, all the assistance that you were scheduled to receive for that period is considered to have been earned. As an example, if you complete 30% of the payment period, you have earned 30% of the assistance you were originally scheduled to receive within that loan period. If you have completed 60% of the payment period, you have earned 100% of the assistance you were scheduled to receive.

If you received more assistance than was earned, the excess funds must be returned to the US Department of Education by you and/or the Graduate Institute. If you received less assistance than the amount earned, you may be able to receive those additional funds as a post-withdrawal disbursement (PWD).

Under specific conditions, a leave of absence (LOA or suspension of studies) for less than 180 days in a 12 month period may qualify as an 'approved' leave of absence. If you are granted an 'approved' LOA, you are not considered to have withdrawn, and no Return calculation is required. However, during the LOA, your financial need will not increase and you will not be eligible for any disbursements of federal student aid. If you are granted an approved LOA you will maintain in-school status for Title IV loan repayment purposes.

If you do not attend even initial lectures or seminars you are ineligible to receive any Title IV funds and all loan proceeds will be returned to the US Department of Education. You will be liable for any fees or outstanding balances owed to the college or University.

How do I increase / decrease / cancel my loan, mid-year?

For more information, please see our [Information on Affiliated Loan Programmes \(PDF\)](#) and click on "How to Apply for US Direct Loans" (table of contents 2.1 B).

What is the EFC?

EFC stands for 'expected family contribution' and is shown on your Student Aid Report (SAR) which is generated once you complete your FAFSA (Free Application for Federal Student Aid). However, this

amount is irrelevant for graduate students as you may still borrow up to the full Cost of attendance, even if you have a high EFC

What is an origination fee?

This is the fee charged by the US Department of Education to cover initial administrative charges related to your loan. For more information, please see our [Information on Affiliated Loan Programmes \(PDF\)](#) and click on “US Loans – Direct Loans Information” (table of contents 2.1 A).

What are the entrance and exit counselling?

Entrance and exit counselling are short online courses which will help you understand the responsibilities and obligations associated with a student loan. It is a US Department of Education requirement that you undertake entrance and exit counselling (accessed at StudentLoans.gov) at the start and end of your studies for which you receive loans. The counselling informs you about loan repayment, money management, your responsibilities as a borrower and it outlines the terms and conditions of your loan. The US loans administrators will request that you complete exit counselling towards the end of each academic year or if you withdraw, suspend or cancel your loan.

What is a Guarantor?

This is an organisation approved by the US Department of Education to guarantee Direct loans; generally a state-operated organisation or non-profit agency. They are required to maintain a reserve to cover defaulted loans, and to conduct default prevention activity. Guarantors also serve as the security or collateral on these loans, so students are not required to obtain co-borrowers. You can check your guarantor details at StudentLoans.gov.

How do I obtain proof of funding for visa purposes?

Once your federal loans have been processed, the US loans administrators will send you an award letter by email. A scanned version can be available upon request. This letter can be used as a proof of funding.

How do I contact the US loans Administrators and the Financial Aid Office?

Please send an Email to:

externalloans@graduateinstitute.ch