

University of Sussex

Borrower Eligibility

1. Types of Financial Aid

- 1.1 The University of Sussex participates in the William D. Ford Federal Direct Loan (Direct Loan) Program.
- 1.2 Students studying at the University of Sussex are not eligible for PELL Grants or Perkins Loans as these are not available to students studying outside of the United States.
- 1.3 Employment is not provided as part of the financial aid package at the University of Sussex.

2. Enrollment Status and Eligibility for Financial Aid

- 2.1 A student must have a secondary school completion credential or its equivalent to be eligible to receive federal financial aid. A student enrolled at the University of Sussex under the mature student provision (based on life and work experience rather than formal qualification) will not be eligible to receive federal financial aid.
- 2.2 A student must be enrolled at least half-time to receive aid from the Direct Subsidized/Unsubsidized and Direct PLUS Loan programs.
 - 2.2.1 To be enrolled half-time, a taught student must be taking at least half of the course load (credits) of a full-time student.
 - 2.2.2 A postgraduate research student with a pre-submission status is enrolled half-time.

3. Estimated Financial Assistance (EFA)

- 3.1 Other aid must be accounted for when awarding Direct Loans. Another aid that must be considered is called “estimated financial assistance” (EFA).
 - 3.1.1 In general, EFA refers to any educational benefits paid due to enrollment at the University, such as scholarships; grants; bursaries; studentships; stipends and Direct Loans. EFA includes assistance awarded by the University or by an individual or organisation outside the University.
 - 3.1.2 EFA is aid that the student will receive for the same period of enrollment as the Direct Loan.

- 3.1.3 Refer to the Federal Student Aid Handbook (Volume 3 - *Calculating Awards & Packaging*, Chapter 7 – *Packaging Aid*) for examples of educational benefits that do and do not count as EFA.
- 3.2 If a student is awarded a tuition fee waiver, the tuition fee for the course must be included in the student's COA calculation and the tuition fee waiver counted as EFA.
- 3.3 Total financial aid and other EFA must not exceed the student's COA.

4. Direct Subsidized Loans

- 4.1 Eligibility for Direct Subsidized Loans is limited to undergraduate students who have financial needs. Students are considered to have financial needs if their cost of attendance (COA) exceeds their expected family contribution (EFC).
 - 4.1.1 Direct Subsidized Loans are the first source of aid for undergraduate students with financial needs.
 - 4.1.2 A Direct Subsidized Loan can only be originated for the student's financial need – the student's COA, minus the student's EFC and estimated financial assistance (EFA).

5. Substituting for the EFC

- 5.1 Direct Unsubsidized Loans and Direct PLUS Loans may substitute for the student's EFC.
 - 5.1.1 Annual loan limits still apply, and the total aid received (including amounts used to replace the EFC) cannot exceed the COA.

6. Financial Aid Offer

- 6.1 The Financial Aid Office sends the student a financial aid offers once the student's FAFSA information has been received and their student aid eligibility has been calculated. The financial aid offer includes the student's cost of attendance, the loan type(s) and amount(s) they are eligible to borrow and details of how to apply.

7. Master Promissory Note (MPN)

- 7.1 At universities outside of the United States Master Promissory Notes (MPNs) are only valid for one award year. Borrowers will therefore need to complete new MPNs for each award year that they borrow Direct Loans at the University of Sussex.
- 7.2 Borrowers must complete an MPN for each type of loan they wish to borrow (Direct Subsidized / Unsubsidized Loan and Direct PLUS Loan).

8. Adverse Credit History

- 8.1 A borrower with an adverse credit history may still receive a Direct PLUS Loan by:

Obtaining an endorser who does not have an adverse credit history and complete PLUS Credit Counseling; or

Documenting to the satisfaction of the US Department of Education that extenuating circumstances exist and completing PLUS Credit Counseling.

9. Notification of Student Loan Letter

- 9.1 The Financial Aid Office originates Direct Loans in the Common Origination & Disbursement (COD) Website and issues a Notification of Student Loan Letter. The letter includes the loan period, loan type(s) net amount(s) and disbursement dates.

10. Loan Disbursements

- 10.1 Undergraduate students will receive their Direct Loan in two equal instalments (standard term and nonterm programs).
- 10.2 Graduate-taught students studying a degree program which includes a year-long module, or a module taught across semesters (nonterm program) will receive their Direct Loan in two equal instalments.
- 10.3 Graduate-taught students studying a degree program which does not include a year-long module, or a module taught across semesters (standard term program) will receive their Direct Loan in three equal instalments.
- 10.4 Graduate research students will receive their Direct Loan in two equal instalments (nonterm programs).

11. Denying a Federal Direct Loan

Authority: HEA Section 479A(c) and 34 CFR 685.301(a)(8)

- 11.1 Financial Aid Administrators may refuse to originate a Direct Loan.
- 11.2 Decisions must be made on a case-by-case basis and the reason for the decision documented and provided to the borrower in writing. Supporting documentation will be retained in the student's file.
- 11.3 Financial Aid Administrators must not engage in any pattern or practice that results in a denial of a borrower's access to Direct Loans because of the borrower's race, gender, colour, religion, national origin, age, disability status, or income.