

Financing Your Graduate Education through Federal Loans

Graduate students at Princeton may borrow through the Federal Stafford and Perkins loan programs to help finance the cost of their graduate education. Federal loans are restricted to U.S. citizens or U.S. permanent residents; international students are ineligible for these loans. The Graduate School Office of Student Life determines a student's eligibility for federal loans according to a federal formula, which accounts for marital status, number of dependents, and expenses associated with living on- or off-campus. Generally speaking, the cost of education must be higher than the aid a student receives in order to qualify for federal loans:

- Cost of Education** (includes tuition, housing, food, books and expenses for one academic year)
- (-) **Expected Student Contribution** (based on information provided on the FAFSA)
- (-) **Aid from Princeton and other sources** (includes departmental prizes, fellowships, maintenance allowance, assistantships-in-instruction, and assistantships-in-research)
- (=) **FEDERAL ELIGIBILITY**

Students who demonstrate **federal eligibility** are considered for three types of loans. The Graduate School Office of Student Life awards loan funds based on eligibility and availability of funds, beginning with the most favorable loan program for which the student qualifies:

Subsidized Stafford Loan

- ◆ \$8,500 limit per academic year (dependent on eligibility)
- ◆ payments on both interest and principal deferred during enrollment
- ◆ six-month grace period after enrollment terminates
- ◆ funds disbursed through an outside bank

Unsubsidized Stafford Loan

- ◆ \$10,000 limit per academic year (dependent on eligibility)
- ◆ payments on loan principal deferred during enrollment, but interest accrues
- ◆ six-month grace period after enrollment terminates
- ◆ funds disbursed through an outside bank

Perkins Loan

- ◆ funds disbursed through the University from a limited pool
- ◆ \$6,000 limit per academic year (dependent on eligibility and availability of funds)
- ◆ payments on both interest and principal deferred during enrollment
- ◆ nine-month grace period after enrollment terminates

All federal loans are disbursed in installments (typically half during the fall semester and half in the spring). Most graduate students submit their applications over the summer or early in the fall semester, although students may apply for federal loans through April 30 of each academic year.

To apply for federal loans to finance your graduate education at Princeton, visit the Graduate School website at http://gso.princeton.edu/student/e480/financial_assistance.html