



FINANCIAL AID HANDBOOK

KELLOGG OFFICE OF ADMISSIONS AND FINANCIAL AID

<https://www.kellogg.northwestern.edu/financial-aid.aspx>

Table of Contents

Introduction.....	1
Student Contribution.....	1
Responding to the Award	1
<i>Responding to the Electronic Financial Aid Award Notice</i>	<i>1</i>
<i>Statement of Authorization</i>	<i>2</i>
Types of Financial Aid.....	2
<i>Kellogg Merit/Need-Based Scholarships (KSM Scholarship, KSM MMM Scholarship, KSM Diversity Scholarship)</i>	<i>2</i>
<i>Kellogg Merit Scholarships (Full-time MBA/MMM Program)</i>	<i>3</i>
<i>Kellogg MSMS and MD/MBA Scholarships</i>	<i>3</i>
<i>Outside Scholarships</i>	<i>3</i>
<i>Employer Tuition Reimbursement</i>	<i>3</i>
<i>Loans.....</i>	<i>3</i>
Veterans' Benefits (not reflected on the award letter)	5
Satisfactory Academic Progress	6
Applying for Federal Loans	6
Applying for Private Educational Loans.....	8
Cancellation or Reduction of Loans After Processing Completed by Kellogg Financial Aid	8
Fiscal Responsibility and Planning.....	8
APPEALS	9
Disbursement of Financial Aid, Payment of Charges, Late Fees, and Refunds	10
Billing Information for Those Receiving Post-9/11 GI Bill Benefits.....	11
Short Term Loans	11
Renewal of Financial Aid	12
Deferment of Prior Federal Educational Loans	12
Repaying Student Loans	13
Loan Forgiveness	13
Financial Aid Office Code of Conduct	14
Kellogg Financial Aid General Office Information	14
APPENDIX I Federal Student Loan Interest Rates and Origination Fees	15

Introduction

This handbook contains important information that will assist with a student's understanding of the financial aid resources available to fund a Kellogg education. This publication includes information about the components of the Financial Aid Award Notice, the loan application process, disbursement of financial aid loans, scholarships, billing, refunds, and loan repayment, among other topics.

Note that the cost of attendance for the specific program is itemized on the Financial Aid Award Notice and is included in the relevant budget worksheet which you can find online at <https://www.kellogg.northwestern.edu/financial-aid/budget-worksheets.aspx>.

Student Contribution

The Kellogg Financial Aid Office reviews aid application materials and considers any special circumstances to determine the student contribution. The expected contribution depends on the student's marital status, household size, taxable and non-taxable income, and assets.

If a student receiving any type of assistance, including federal and private loans, has a change in circumstances, he or she must notify the Kellogg Financial Aid Office of the change either in writing or via electronic mail. Failure to notify the office of any changes may jeopardize eligibility for assistance in the current and/or subsequent academic period(s). A change in circumstances can include, but is not limited to, the following:

- A change in marital status
- A change in expected earnings
- Receipt of, or change in, an outside scholarship or other monetary gift
- Receipt of employer tuition reimbursement
- A change in enrollment or registration status

The Kellogg Financial Aid Office will review the change in circumstances and will notify the student of any adjustment in financial aid eligibility.

Students must be enrolled at least half-time to qualify for financial assistance for any quarter during the academic year.

Responding to the Award

Responding to the Electronic Financial Aid Award Notice

A student can review the Financial Aid notice on CAESAR (<https://www.caesar.northwestern.edu>). The financial assistance offered is itemized in the Financial Aid Award Notice.

Instructions on how to respond to the financial aid offer are available at the Kellogg financial aid website at <https://www.kellogg.northwestern.edu/financial-aid.aspx>. Once the student is ready to sign and accept, reduce, or decline the aid offered, he or she should navigate to the “Accept/Decline Financial Aid” page on CAESAR.

A student should respond to the Financial Aid Award Notice as soon as possible after receiving it. If he or she fails to respond in a timely manner, the aid, including loans, may not be available to meet tuition and other charges on the first day of the quarter. Consequently, the student may incur a late payment fee.

Statement of Authorization

Federal regulations require that Northwestern University obtain authorization to use Title IV assistance (e.g., Federal Direct Stafford and Grad PLUS Loans) to pay charges incurred, other than tuition, allowable fees (orientation, student life, and activity fees), and room and board. (These other charges include, but are not limited to, health service fees, room damage charges, parking and library fines, and parking permit fees.)

If a student authorizes the use of Title IV aid to pay the other charges (parking and parking fines, etc.), these will be paid when the Office of Student Accounts credits financial aid to the student account.

If a student **DOES NOT** authorize the use of Title IV aid to pay for these other charges (mentioned in the previous paragraph), and only tuition, allowable fees, and room and board are paid with this aid, the excess will be refunded. The student will be responsible for the payment of these charges once the refund of Title IV aid is received.

The student will be prompted to select “I Authorize” or “I do not Authorize” the use of Title IV funds when completing the online Financial Aid Award Notice.

A student may rescind authorization at any time by contacting the Office of Student Accounts via telephone at 847.491.5224 or email at studentaccounts-ev@northwestern.edu.

Types of Financial Aid

Kellogg Merit/Need-Based Scholarships (KSM Scholarship, KSM MMM Scholarship, KSM Diversity Scholarship)

Kellogg Merit/Need-Based Scholarship awards are offered to qualified U. S. citizens and permanent residents in the 1Y MBA, 2Y MBA, and the MMM programs who apply for financial assistance. (Those who file the institutional aid application and the Free Application for Federal Student Aid [FAFSA] are automatically considered for these awards: there is no special or additional application required.) These awards, based on financial need and merit, are made on a first-come, first-served basis and are renewed in the second year for students who receive them in the first year, provided they continue to demonstrate financial need, make satisfactory academic progress, AND complete the Free Application for Federal Student Aid (FAFSA) as well as the Kellogg financial aid application. Those students who do not receive one of these awards in the first year will not receive

this kind of funding in the second year. (Information about satisfactory academic progress is in this handbook in a section labeled “Satisfactory Academic Progress”.)

The name of the KSM Scholarship award may be updated to an endowed scholarship after the enrollment period begins. However, this will not affect the amount of the scholarship on the Financial Aid Award Notice. Endowed scholarship funding is provided to Kellogg by friends and alumni with an interest in helping students fund their business school studies. The Financial Aid Office will provide details of the fund(s) to the recipients in either the winter or the spring quarter.

Students who receive **employer tuition reimbursement** during the academic year are **not eligible** to receive a Kellogg Merit/Need-Based Scholarship funds.

Kellogg Merit Scholarships (Full-time MBA/MMM Program)

These scholarships are based strictly on merit and are awarded by the Office of Admissions typically at the time of admission. Among the several awards are the Frederick C. Austin, Kellogg Growth, Gottschall, Kellogg, and the Grohne Family Foundation Scholarships.

The Kellogg Office of Admissions does not make new awards to those entering the second year but those who receive merit scholarships at the time of admission can expect the same level of funding for the second year unless specified.

Kellogg MSMS and MD/MBA Scholarships

These scholarships are based on merit and or merit/financial-need and are awarded at the time of admission.

Outside Scholarships

Outside scholarships must be reported by the student to the financial aid office so that the appropriate adjustments can be made to the financial aid notice. Outside scholarships are seen as fully available financial resources and will be used to determine the amount a student is eligible to borrow either from federal or private sources.

Employer Tuition Reimbursement

Employer-provided tuition assistance must be reported by the student to the financial aid office so that the appropriate adjustments can be made to the financial aid notice. The **untaxed** amount listed on the student’s Kellogg aid application is seen as a resource and the student cannot borrow against it. The **taxed** amount is seen as income, is not considered a resource, and therefore is not reflected as such on the financial aid notice, and the student may borrow against it.

Loans

The following loans, Federal Direct Unsubsidized Stafford and Federal Direct Graduate PLUS (also known as GradPlus), are offered to Kellogg students who are U.S. citizens, permanent residents, or eligible non-citizens. Funds for these loans, which fall under the William D. Ford Federal Direct Loan Program, are appropriated by the U.S. Congress, administered by the Department of Education, and disbursed by the institution the student attends.

Both loans require a student to file the Free Application for Federal Student Aid (FAFSA) to establish eligibility and to enroll at least half-time (two units) and neither one requires the borrower to demonstrate financial need. The Department of Education assigns a servicer to the borrower when the funds are disbursed and that servicer sends quarterly interest statements to the borrower and can advise the borrower when interest will be capitalized. Further, neither loan program penalizes the borrower for early repayment.

Important Disclosure: Information regarding these loan programs is current as of the posting of this handbook. Note that the programs can change at any time due to federal legislation or regulations.

Federal Direct Unsubsidized Stafford Loan

- A graduate student may borrow up to \$20,500 annually. The aggregate limit for this loan is \$138,500 including graduate **and** undergraduate debt.
- A credit check is **not** necessary to apply for this loan.
- The loan has a “fixed variable” interest rate, established each year by June 1st, effective on July 1st of that year. The rate, announced every spring by the Department of Education, is based on the 10-Year Treasury Bill, plus 3.60%. (A “fixed variable” rate means that a new interest rate will be set each year, but the rate will be fixed for the life of the loan for any loans first disbursed between July 1st of that year and June 30th of the next year. As a result, this may mean that upon graduation the borrower will have a set of fixed-rate loans, each with a different interest rate.)
- The student accrues interest while in-school and during the 6-month grace period after separation or if the student falls below half-time status.
- The student **can either pay the interest while in-school or allow it to accrue and capitalize on the principal loan amount when the loan goes into repayment** (which means that the interest will be added to the principal balance of the loan).
- Each loan includes an origination fee charged by the Department of Education. The origination fee is a percentage of the amount of the loan and is deducted at the time of each loan disbursement. The borrower is responsible for repaying the total sum borrowed.
- A borrower must complete an entrance counseling session the first time he or she borrows the funds as a Kellogg student.
- Repayment begins six months after the student graduates or when the student drops below half-time enrollment. The borrower who chooses the standard repayment plan must repay the loan within 10 years. (There are other repayment options/plans for this type of loan: extended, graduated, and income-driven. Information about repayment options is available at <https://studentaid.ed.gov/sa/repay-loans/understand/plans>.)

Federal Direct Graduate PLUS Loan

- A student may borrow up to the difference between the cost of attendance and other financial aid (including scholarships, employer-provided tuition reimbursement, the Federal Direct Unsubsidized Stafford Loan, and any other resources available to the student).
- Unlike the Federal Direct Stafford Loan, **a credit check is required** for this loan and the borrower cannot have adverse credit history although it is possible for someone with adverse credit history to borrow the funds with a qualified endorser (co-signer). It is

important to note that the endorser agrees to repay the loan if the borrower does not. (NOTE: This program does not use any kind of debt-to-income ratio or FICO score.)

- This loan has a “fixed variable” interest rate, just like the Federal Direct Unsubsidized Stafford Loan. The rate, however, is different. It is based on the 10-Year Treasury Bill plus **4.60%**.
- The student accrues interest while in-school and during the deferment periods.
- The student **can either pay the interest while in-school or allow it to accrue and capitalize on the principal loan amount when the loan goes into repayment** (which means that the interest will be added to the principal balance of the loan).
- Each loan includes an origination fee charged by the Department of Education. The origination fee is a percentage of the amount of the loan and is deducted at the time of each loan disbursement. The borrower is responsible for repaying the total sum borrowed.
- A borrower must complete an entrance counseling session the first time he or she borrows the funds as a Kellogg student.
- Repayment begins six months after the student graduates or when the student drops below half-time enrollment. The borrower who chooses the standard repayment plan must repay the loan within 10 years. (There are other repayment options/plans for this type of loan: extended, graduated, and income-driven. Information about repayment options is available at <https://studentaid.ed.gov/sa/repay-loans/understand/plans>.)

Veterans’ Benefits (not reflected on the award letter)

Some students are eligible to use their Montgomery GI Bill, Post-9/11 GI Bill benefits, including Yellow Ribbon Program benefits, or other veteran educational benefits. Students who are veterans and who believe they may be eligible for these benefits should contact the U.S. Department of Veteran Affairs (VA) at 1.888.GIBill1 or 1.888.442.4551 to determine eligibility and type of benefit option available. The VA web site has useful information for veterans seeking educational benefits: <http://www.benefits.va.gov/gibill/>).

The VA will send the Montgomery GI Bill benefits directly to the student after Northwestern University has confirmed enrollment.

The VA will send the Post-9/11 GI Bill tuition and mandatory fee benefit amounts directly to the institution and the student will receive the monthly housing allowance and the book stipend directly from the VA after Northwestern University has certified the student’s enrollment.

Kellogg, through the Yellow Ribbon Program, has committed to making funding available on a first-come, first-served basis to up to 50 students who are eligible for Post-9/11 GI Bill benefits at the maximum level (100%). For those students, first the VA will pay up to the private school cap and then the Yellow Ribbon benefits apply: Kellogg will pay up to \$15,000 per academic year and that amount will be matched by the VA, not to exceed tuition and mandatory fees. Please see further details:

<http://www.kellogg.northwestern.edu/programs/full-time-mba/tuition-financial-aid/gi-bill-veterans-benefits.aspx>

Students who are on active duty are not eligible to participate in the Yellow Ribbon Program.

Students who are eligible to receive Yellow Ribbon benefits are not eligible for Kellogg Merit/Need-Based Scholarships (KSM Scholarship, KSM MMM Scholarship, KSM Diversity Scholarship). The Yellow Ribbon benefits will replace these scholarship funds.

Note that eligibility for VA educational benefits will not be reduced by the Federal Unsubsidized Direct Stafford or Graduate PLUS funds. Conversely, VA benefits will not reduce eligibility for the federal loan programs although it is recommended that a student consider the amount of VA funding received when determining the sum of federal loans to borrow.

As the VA is the last payer of tuition and mandatory fees, the following funds will reduce a veteran's eligibility for benefits:

- Waivers or reduction in tuition and fees by Northwestern University
- Grants and scholarships awarded by Northwestern University
- Scholarship funds awarded by private organizations
- Tuition reimbursement provided by employers and/or other sources
- Tuition rebates/reductions provided by Northwestern University to its employees

Satisfactory Academic Progress

Students can find the financial aid satisfactory academic progress policy for the relevant programs at <http://www.kellogg.northwestern.edu/financial-aid.aspx>.

It is important to note that the satisfactory academic progress policy applies to students who receive institutional as well as federal funds.

Applying for Federal Loans

In addition to accepting a loan on the online award letter, **a student must complete the promissory note for each program as well as online entrance counseling**. Students should refer to their "To Do Item History" on CAESAR to determine which required materials are missing.

The Kellogg Financial Aid Office will process only the loan amounts accepted on the online award letter.

While each loan requires a separate promissory note, the online entrance counseling, required for the federal loan programs, is combined for the Federal Direct unsubsidized Stafford and Graduate PLUS Loans. However, a Graduate PLUS borrower who has adverse credit history and satisfactorily has documented extenuating circumstances to the Department of Education or is borrowing the loan with an endorser must complete separate PLUS counseling, in addition to entrance counseling.

As the Federal Direct Graduate PLUS Loan is a credit-based loan, the borrower has to allow the Department of Education to make a credit decision on the loan. This step is part of the “Accept/Decline” process on CAESAR. If the borrower indicates “Yes,” the Department of Education will make a credit decision and will contact the borrower with the decision. If the borrower indicates “No,” the Kellogg Financial Aid Office will not process the loan and will contact the student to inquire about borrowing plans.

Borrowers who have questions about the Federal Graduate PLUS Loan credit decision or who believe that the decision was made in error should contact the Department of Education at 1-800-557-7394.

Applying for the Federal Direct Unsubsidized Stafford and Graduate PLUS Loans

1. Complete the Master Promissory Note (MPN), a multi-year document that does not need to be completed every year, **for each loan** at the Direct Loan website (<https://studentloans.gov/myDirectLoan/index.action>) using the FSA ID used to complete the FAFSA. (Those who filed the paper FAFSA and did not obtain the FSA ID may do so at <https://fsaid.ed.gov/npas/index.htm>.) On the website the borrower will be directed to select an institution (labeled “school” on the website). Kellogg students should select NORTHWESTERN UNIVERSITY – DLID: 01739, 633 CLARK STREET, EVANSTON, IL 602080001.” Note that the borrower will have to list the driver’s license number as well as information about two references on each MPN.

*First-year students who borrowed previously while attending either another institution or a program at Northwestern University must complete a Direct Stafford Loan MPN/Direct Graduate PLUS MPN for attendance at Kellogg. Second-year students who borrowed through Kellogg during the first year **do not** have to complete a second set of promissory notes.*

2. Complete the online entrance counseling session at: <https://studentloans.gov/myDirectLoan/index.action#> (“complete entrance counseling”). The appropriate academic level is “graduate/professional student” and the institution information is the same as that used to complete the MPN: NORTHWESTERN UNIVERSITY – DLID: 01739, 633 CLARK STREET, EVANSTON, IL 602080001.

*First-year students who previously completed entrance loan counseling while in attendance at another institution or at another program at Northwestern University must complete an online counseling session for Kellogg. Second-year students who borrowed through Kellogg during the first year **do not** have to complete another entrance counseling session.*

In addition to the information provided to students during the online entrance counseling session at the Department of Education federal student loan website (<https://studentloans.gov>), the Kellogg Financial Aid Office is providing information specific to students in the various programs. This information is available at <https://www.kellogg.northwestern.edu/financial-aid/online-entrance-counseling-session.aspx>.

Applying for Private Educational Loans

A number of private organizations lend to Northwestern University students. Information about private lenders is available on the Northwestern University Student Financial Services (SFS) website: http://www.northwestern.edu/sfs/loan_instruc_info/private_loans.html. The Kellogg Financial Aid Office does not endorse or promote any private lender and will process a private loan application from any lender selected as long as the student is eligible for the loan.

The Kellogg Financial Aid Office suggests that students who plan to borrow private loans carefully compare these to the federal loans as the latter provide fixed rates of interest, multiple repayment options, cancellation provisions, deferments, and forbearances.

The maximum a student may borrow from a private lender is the difference between the cost of attendance, as reflected on the Financial Aid Award Notice, and financial assistance, including scholarship and federal loan funds that the student has accepted.

Application procedures vary by lender. But, all lenders will require the borrower to complete a Private Education Loan Applicant Self-Certification Form. The lender may provide you the form with pre-populated information. For those whom do not, Kellogg students can use the form found at http://undergradaid.northwestern.edu/docs/Self_Certification.pdf.

Students who decide to borrow private loans must notify the Kellogg Financial Aid Office in writing or via email of pending applications with particular lenders. Notification reduces the processing time, particularly for those who submit applications to multiple lenders.

Cancellation or Reduction of Loans After Processing Completed by Kellogg Financial Aid

At times students may decide that they would rather not borrow particular loans or to borrow less than the sums accepted on CAESAR and processed by the Kellogg Financial Aid Office. In those instances, students should notify the aid office, either in writing or via email, of their decision to reduce or cancel the particular loans. The Kellogg Financial Aid Office will return the relevant funds and/or notify the lenders to reduce or cancel subsequent disbursements.

Fiscal Responsibility and Planning

Credit Monitoring: Students should monitor their credit, as adverse credit history can affect student loan eligibility and employment. Individuals can request a free credit report annually from each of the three major credit bureaus at www.annualcreditreport.com. The free reports are part of a national program to help consumers protect their identity and personal information. Individuals are also entitled to a free copy of their credit report if they have been denied credit, employment, or insurance within the past 60 days.

Major National Credit Reporting Agencies

TRANS UNION Corp.	EQUIFAX	EXPERIAN
(877) 322 – 8228	(800) 685 – 1111	(888) 397 – 3742
www.transunion.com	www.equifax.com	www.experian.com

APPEALS

The Kellogg Financial Aid Office will review requests for additional funding. However, given limited resources, in all cases no scholarship funds will be awarded for any type of appeal. If an appeal is approved, the student's budget (cost of attendance) will be increased as will the sum the student will be permitted to borrow.

Typically, there are **three situations** in which the Kellogg Financial Aid Office is able to adjust a student's financial aid decision: acute medical emergency expenses not covered by health insurance that must be paid immediately; dependent care costs; and enrollment in a Global Initiatives in Management (GIM) or Tech Ventures Course for the winter quarter.

In these cases, the Kellogg Financial Aid Office adjusts the aid decision because the situation relates directly to the student's ability to remain enrolled and to complete the degree program.

Those who have emergency medical costs not covered by their current health insurance and who wish to appeal will be required to submit the following items to the Kellogg Financial Aid Office with their request for additional loan funds:

- a written explanation of the medical emergency and the prescribed treatment;
- documentation from the health care provider certifying that the prescribed treatment, including all medications, is or was required to continue enrollment in Kellogg;
- documentation of actual costs of the prescribed treatments and/or medications; and
- documentation showing to what extent these expenses were not covered by health insurance

(Note that it may not always be possible to offer loan assistance to cover all of the relevant costs.)

Students who have dependents for whom they are responsible may appeal for additional assistance to meet day care and child care expenses. The appeal for assistance must include documentation of actual expenses. Any allowance made will be based on actual costs and the maximum allowance will be \$720 per month.

Those who enroll in a **GIM, or Tech Venture** course may be eligible to apply for additional loan funds to assist in financing this portion of the curriculum. In November, after the bidding for these courses is completed, the relevant students will receive information about how to apply for additional loan funds to cover the required trip expenses.

Disbursement of Financial Aid, Payment of Charges, Late Fees, and Refunds

The Office of Student Accounts, a unit within Student Financial Services (SFS), disburses aid (scholarships and loans) to the student account equally over the period of enrollment, as reflected on the Financial Aid Award Notice. Therefore, the billing statement will reflect scholarship and loan credits for the quarter.

Students enrolled in the 1YR MBA program, MSMS, MD/MBA, and first year MMM students are billed for the summer quarter tuition, fees, and other relevant charges (housing, for example) in June. All other students are billed for fall, winter, and spring quarters in the months of August, December, and March.

The Office of Student Accounts delivers bills electronically, viewable via CAESAR. That office will send an email notice to the student's Kellogg email address when each new bill is posted online. However, the bill itself is not sent via email.

The first billing statement of each quarter reflects the scholarships awarded and the loan funds the student **is expected** to receive for the quarter. The purpose of showing these **anticipated credits** is to allow the student to determine how much is owed for the quarter beyond financial aid. However, the presence of loan credits does not mean that the loan process has been completed for each of the relevant loans.

Anticipated loan credits are removed from the student account automatically when the actual loan funds are applied. These will also be removed if the student fails to complete the application process in a timely manner. The Office of Student Accounts may assess a late payment fee when the anticipated loan credits are removed and no actual loan funds are available to replace those.

The Office of Student Accounts assesses late fees when account balances are not paid in full by the due date on the billing statement. (The "Student Financial Regulations Handbook," which will be sent to students during the summer months, has a schedule of late fees and other charges for the degree program.) If a late fee is assessed because the financial aid has not yet been disbursed to the student account (for reasons beyond the student's control), and the pending financial aid would eliminate the balance due in full, the student can request a late fee waiver **after** the relevant financial aid has been applied and the account balance is paid in full. This request should be made to the Kellogg Financial Aid Office via email, telephone, or in person.

If the student financial aid funds disbursed are greater than the charges assessed on a student's account, the student is eligible for a **refund** to cover living and other education-related expenses. Refunds will be sent either via the U.S. postal system or directly to the bank selected by the student, if direct deposit has been set up. (Instructions for setting up direct deposit are available at www.northwestern.edu/ses/students/financial-services/setting-up-direct-deposit.html.) Refunds will become available a few days prior to the start of each quarter for those who have no outstanding financial aid issues. Students who have outstanding financial aid issues, like incomplete loan applications or entrance interviews not completed, will have to wait until those are resolved before receiving their refunds.

Information about paying the balance due, refunds, setting up direct deposit for refunds, setting up electronic payments (ePay), enrolling in an extended payment plan (9PAY), and other financial information is available on the Student Financial Services (SFS) website at www.northwestern.edu/sfs/.

Questions about the billing statement and late fees should be directed to the Office of Student Accounts either via telephone (847.491.5224) or email at studentaccounts-ev@northwestern.edu. That office is located on the first floor of 555 Clark Street and is open between 8:30 a.m. and 5 p.m. from Monday through Friday.

Billing Information for Those Receiving Post-9/11 GI Bill Benefits

Once Northwestern University submits the enrollment certification to the VA, that agency will process the certification and issue payment to the University. The VA does not provide a timeline for payment so those who have questions regarding the timing of payments should contact the GI Bill hotline at 888-GIBILL1 (1-888-442-4551).

Tuition and fee payments will be issued directly to Northwestern University and will be credited to the student account. The amount of tuition and fees that will be paid is determined by the VA and may not cover the full cost of tuition and fees.

The Financial Aid Office will place an "anticipated credit" on the student account for the portion of the tuition and fees that will be received by the VA until tuition and fee payments are received. Thus the veteran will not be required to pay the funds expected from the VA and will not be issued late fees for that amount.

The anticipated credit is the sum the University expects the veteran to receive in a tuition and fee payment based on the certificate of eligibility and enrollment for the academic term. If the actual payment received by the VA is less than the sum estimated for the anticipated credit, the veteran will be responsible for paying the difference out of pocket or through financial aid, including loans.

Yellow Ribbon payments from the VA (if the student is eligible) will be issued directly to Northwestern University and will be credited to the student account.

The Yellow Ribbon match provided by Kellogg (if the student is eligible) will be credited to the student account at the same time the VA Yellow Ribbon payment is credited.

Short Term Loans

The University has two short-term loan programs available to matriculated students: **loans for short-term emergencies and cash advances** against anticipated financial aid credits.

Following are the eligibility criteria for both types of short-term loans:

- The student must be enrolled at least-half time (two units).

- The student must have a valid Northwestern University student identification card (the “NU WildCARD”) at the time of application.
- The academic quarter must be in session. Emergency loans or cash advances cannot be processed before the start or after the end of an academic quarter for the particular program of study.

The **emergency loan** typically is not related to the financial aid award or with direct costs associated with enrollment at Northwestern University. A student may borrow one emergency loan per quarter of no more than \$500, regardless of the billing account status, and the loan must be repaid within 60 days or by the end of the quarter, whichever is first.

A student may be eligible for a **cash advance** if he or she has submitted loan applications for all the loans accepted and has an anticipated credit balance on the student account. A cash advance will be denied if the student has not fulfilled all the required steps to receive all the financial aid accepted. (For example, the request will be denied if a student accepted a Graduate PLUS Loan on CAESAR but has not completed the appropriate MPN.) The maximum a student can receive in a cash advance is \$3,000 per day or the current anticipated credit balance on the account, whichever is lower.

Cash advances are automatically repaid when the anticipated funds being advanced are credited to the student account. There are no finance charges or fees associated with the advance provided the anticipated funds are received and credited to the student account. If the anticipated funds are not received, the student is responsible for repaying the advance from other sources and may be assessed a late payment fee.

A student with a valid NU WildCARD may apply for an emergency loan or cash advance in the Kellogg Financial Aid Office. Note that only the student may apply for and pick up an emergency loan or a cash advance.

Renewal of Financial Aid

During the spring quarter of the first year, the Kellogg Financial Aid Office will send aid reapplication instructions via email to students in the 2Y MBA and MMM Programs. These instructions will also be posted online at <https://www.kellogg.northwestern.edu/financial-aid/applying-for-financial-aid.aspx>.

Deferment of Prior Federal Educational Loans

A student is eligible to defer prior federal educational loans while enrolled full-time at Kellogg.

Those who have previously borrowed **Federal Direct or Federal Family Education Loans** should contact the lenders for a deferment form. The completed forms should be submitted to the Kellogg Registrar’s Office (2001 Sheridan Road, first floor, Evanston, IL 60208). That office will complete the forms and send those to the lenders beginning on the first day of full-time classes.

On the fifth day of the month (or the following Monday if that day falls on a weekend), the University will update the National Student Clearinghouse with the names of currently enrolled students and that information will be reported to the National Student Loan Data System (NSLDS) within three days.

As the prior college or university is the lender for the **Federal Perkins Loan**, previous borrowers of this loan should contact that institution for the appropriate deferment form. The borrower should complete the student section of the form, submit it to the Kellogg Registrar's Office, and that office will send the completed form to the lender. The borrower should contact the previous Federal Perkins Loan lender approximately six to eight weeks after submitting the form to the Kellogg Registrar's Office or after the relevant quarter has begun, whichever is later, to verify that the deferment has been activated.

Previous borrowers of federal student loans should continue to pay their loans until the deferment forms have been received by the lenders.

It is the borrower's responsibility to notify the lenders of any changes in circumstances (change in address, telephone number, name, enrollment status, for example) that might affect the deferment. The borrower should contact the lender immediately if the lender continues to send payment requests after the quarter has begun and/or after submission of a deferment form to the Kellogg Registrar's Office. The Registrar may need to send an enrollment history record to the lender to verify eligibility for the student deferment.

Repaying Student Loans

Those who are borrowing federal loans should visit the Department of Education website to review the repayment calculator and repayment options: <https://studentaid.ed.gov/sa/repay-loans/understand/plans>. Note that currently there are standard, graduated, extended, income-driven, and income-sensitive repayment plans available. There are four income-driven plans: Income Contingent Repayment (ICR), Income-Based Repayment (IBR), Pay As You Earn Repayment (PAYE), and Revised Pay As You Earn Repayment (REPAYE).

Loan Forgiveness

The Collins Family Loan Assistance Program (LAP) provides loan repayment funds to Kellogg graduates working in the public or nonprofit sectors who demonstrate financial need and who have borrowed U.S. recognized need-based financial aid loans (Stafford, Perkins, NU, Graduate PLUS, etc.). The program pays a portion of a graduate's Kellogg-related education loan debt for the duration of his or her full-time employment in low-salaried positions in the public or nonprofit sector up to 10 years after graduation.

The eligibility criteria and other information about LAP can be found online at <http://www.kellogg.northwestern.edu/social-impact/career/funding-and-resources/upon-graduation.aspx>. Those who have questions about the program can direct those to nonprofit@kellogg.northwestern.edu.

Financial Aid Office Code of Conduct

Northwestern University's financial aid offices, including the Kellogg Financial Aid Office, all adhere to the Code of Conduct established by the Higher Education Opportunity Act (HEOA) as well as the National Association of Student Financial Aid Administrators' (NASFAA) Statement of Ethical Principles and Code of Conduct for Institutional Financial Aid Professionals. You can find the policy online at:

http://www.northwestern.edu/sfs/documents/publications_and_forms/Financial_Aid_Code_of_Conduct.pdf

Kellogg Financial Aid General Office Information

An appointment is not necessary to see a financial aid advisor. Advisors are available to assist students during these walk-in hours:

Monday, Tuesday, Wednesday, and Friday: 8:30 a.m. to 4:30 p.m.

Thursday: 8:30 a.m. to 12:00 p.m.

Those who wish to see a particular advisor may schedule either a telephone or a walk-in appointment:

Office of Admission and Financial Aid
Kellogg School of Management
Northwestern University
2211 Campus Drive
Evanston, IL 60208-2001
Telephone: 847.491.3308
Fax: 847.467.3720
Email address: finaid@kellogg.northwestern.edu
Website: <https://www.kellogg.northwestern.edu/financial-aid.aspx>

APPENDIX I FEDERAL STUDENT LOAN INTEREST RATES AND ORIGINATION FEES

Federal Direct Stafford Loan

Beginning on July 1, 2013, the Federal Stafford Loan interest rate became a “fixed variable” one but, unlike other loans with variable rates, these loans have a locked rate of interest for the life of the loan. On July 1 of each year, the interest rate of the graduate unsubsidized Federal Stafford Loan is set at the 10-year Treasury index rate plus 3.6% and is capped at 9.50%. (This means that any unsubsidized Federal Stafford Loan disbursed between July 1st of one year through June 30th of the following year will have an interest rate that is fixed for the entire life of the loan. As a result, at graduation a borrower could have several fixed rate loans, each with a different interest rate.

First Disbursed When?	Graduate Unsubsidized Stafford Loan
On or after July 1, 2017 and before July 1, 2018	Fixed at 6.00%
On or after July 1, 2016, and before July 1, 2017	Fixed at 5.31%
On or after July 1, 2015, and before July 1, 2016	Fixed at 5.84%
On or after July 1, 2014, and before July 1, 2015	Fixed at 6.21%
On or after July 1, 2013, and before July 1, 2014	Fixed at 5.41%
On or after July 1, 2006, and before July 1, 2013	Fixed at 6.8%

Federal PLUS Loan

Beginning on July 1, 2013, the Federal Grad PLUS interest rate became a “fixed variable” one but, unlike other loans with variable rates, these loans have a locked rate of interest for the life of the loan. On July 1 of each year, the interest rate of the Federal Grad PLU is set at the 10-year Treasury index rate plus 4.6% and is capped at 10.50%. (This means that any unsubsidized Federal Stafford Loan disbursed between July 1st of one year through June 30th of the following year will have an interest rate that is fixed for the entire life of the loan. As a result, at graduation a borrower could have several fixed rate loans, each with a different interest rate.

First Disbursed When?	Graduate PLUS Loan
On or after July 1, 2017 and before July 1, 2018	Fixed at 7.00%
On or after July 1, 2016, and before July 1, 2017	Fixed at 6.31%
On or after July 1, 2015, and before July 1, 2016	Fixed at 6.84%
On or after July 1, 2014, and before July 1, 2015	Fixed at 7.21%
On or after July 1, 2013, and before July 1, 2014	Fixed at 6.41%
On or after July 1, 2006, and before July 1, 2013	Fixed at 7.9%

Loan Origination Fees

Most federal student loans have loan fees that are deducted proportionately from each loan disbursement. This means the money received is less than the amount actually borrowed. The borrower is responsible for repaying the entire amount borrowed and not just the amount received.

The table below reflects the origination fee percentages based on the first disbursement date for Direct Subsidized Loan, Direct Unsubsidized Loan, and Direct PLUS Loan awards:

For any loan disbursement for a loan where the first disbursement is/will be...	The origination fee percentage for Direct Subsidized and Direct Unsubsidized Loans is...	The origination fee percentage for Direct PLUS Loans is...
On or after 10/1/2017 and before 10/1/2018	1.066%	4.264%
On or after 10/1/2016 and before 10/1/2017	1.069%	4.276%
On or after 10/1/2015 and before 10/1/2016	1.068%	4.272%
On or after 10/1/2014 and before 10/1/2015	1.073%	4.292%
On or after 7/1/2013 and before 10/1/2014	1.072%	4.288%
On or after 7/1/2013 and before 12/1/2013	1.051%	4.204%
Before 7/1/2013	1.0%	4.0%