

## **FINANCIAL ASSISTANCE**

Taylor Business Institute is approved by the U.S. Department of Education as eligible to participate in several programs offering federal financial assistance to students. Eligibility of the college means that based on individual qualifications or need, TBI students may be eligible to receive financial assistance through one or more of the federal programs.

### **Entrance and Exit Counseling for Federal Student Loans**

You must complete both entrance and exit counseling as a condition of receiving any federal loan awards. Information on these processes is available from the Financial Aid Administrator.

### **Responsible Borrowing**

Taylor Business Institute feels that access to federal financial aid is a privilege that enables eligible students to begin or continue their education. The college further feels that this privilege should never be abused as abuse could lead to unnecessary indebtedness for the borrower and potentially jeopardize the privilege for other students seeking to attend Taylor Business Institute. It is in this spirit of both privilege and responsibility that Taylor Business Institute encourages its students to borrow responsibly and use only the aid required. Please remember, students are requested to not add unnecessarily to their debt burden. Loans are not gifts and must be repaid with interest.

### **Repayment of Federal Student Loans – Don't Default**

If you are a federal student loan recipient, there are two key points to remember:

1. The interest you pay is low because the federal government subsidizes the rate.
2. If you are a student borrower, you don't have to begin repaying your Stafford Loans until you leave school or become less than a half-time student.

As favorable as these terms are, you shouldn't forget that you must repay your loans. Failure to do so will result in your loans being declared delinquent or in default. This will have a negative impact on your financial status and creditworthiness.

Defaulting on your federal student loans can have serious consequences. Please visit the following website to learn more about the risks and repayment options:

<http://studentaid.ed.gov/PORTALSWebApp/students/english/repaying.jsp>

A student's first step in seeking any type of federal student financial aid is to complete the Free Application for Federal Student Aid (FAFSA). Information provided by the student is used to determine which federal aid programs the student is eligible for, and in some cases, how much aid is available to the student.

Students may visit the college's Financial Aid Office to complete a FAFSA, or may access these forms online at [www.fafsa.ed.gov](http://www.fafsa.ed.gov). There is no charge for completing or submitting a FAFSA.

### **Federal Student Aid Categories**

There are three categories of federal student aid for which students may qualify:

- Grants: provide financial aid which does not have to be repaid.

- Loans: provide borrowed money that must be repaid with interest.
- Work-study: allows students to earn money while enrolled to help pay for education expenses.

## **Federal Student Aid Programs<sup>12</sup>**

Students with demonstrated need may be able to combine awards from one or more of the following aid programs based on the alignment of their personal circumstances with the terms and purposes of the awards.

### *Federal Pell Grants*

Federal Pell Grants are need-based grants available only to undergraduate students. The amount of a Pell Grant award varies with the student's expected family contribution and the cost of attending the college. Students may not receive Federal Pell Grant funds from more than one educational college at a time.

### *Stafford Loans (Direct Loans)*

Stafford Loans are available for undergraduate and graduate or professional students who are enrolled at least half-time. Funds for Direct Loans come from the U.S. Department of Education and are delivered to students through their school. Students repay these loans to the Department of Education or designated servicers.

While the principal for Stafford Loans must be repaid by the student, the amount and schedule of the student's interest obligation depends on whether the loan is subsidized or unsubsidized.

Subsidized Direct Stafford Loans are available to students who can demonstrate financial need. The federal government will pay the interest on a subsidized loan while the student is in school or during grace and deferment periods.

Unsubsidized Direct Stafford Loans are available to all students, regardless of need. Students who receive unsubsidized Stafford Loans are responsible for all interest, although payment is deferred until after graduation.

### *Federal Direct PLUS Loans*

Federal PLUS Loans are unsubsidized loans made to parents. Direct PLUS Loan funds are provided by the federal government through the school. The PLUS Loan interest rate is at a fixed rate of 6.41%.

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<sup>1</sup> The availability of state or federal assistance does not imply that the federal or any state government or any of their agencies guarantee the quality of instruction, nor guarantee the truth or accuracy of any representation contained herein. For additional information on any federal student financial aid programs, students may call the Federal Student Aid Information Center (FSAIC) at 1-800-4-FED-AID (1-800-433-3243) toll free, or 1-800-730-8913 (TTY) toll free for the hearing impaired.

<sup>2</sup> NOTE: The regulations governing all financial assistance programs are subject to change, and students should contact the College's Financial Aid Office for the latest information about these and other loan or financial assistance programs. Students are encouraged to seek traditional loans when their credit strength is sufficient to do so.

Students who are financially independent, and dependent students who are enrolled at least half time, are eligible to borrow additional Direct Stafford Loan funds if their parents are unable to obtain a Direct PLUS Loan.

#### *Federal Supplemental Educational Opportunity Grant (FSEOG) Program*

Federal Supplemental Educational Opportunity Grants are available to students who can demonstrate substantial need. Students do not need to repay FSEOG awards, which range in amount from \$100 to \$4,000.

#### *Federal Work-Study Program*

Federal Work-Study is a campus-based program awarded through the college in the form of part-time employment to help students pay education expenses. Students who participate in this program generally work from 10 to 20 hours per week and are paid minimum wage or above. Employment may take place at the college or at off-campus locations. Funds for the program are provided by the Federal Government and may be matched by the participating organizations. Federal Work-Study Funds are based on financial need; however, each institute receives a specific level of funding which limits the number of students who can participate in the program.

### **Scholarships**

Taylor Business Institute participates in scholarship programs through the Level Playing Field Foundation. Level Playing Field is a not-for-profit organization dedicated to helping needy, deserving students “level the playing field of opportunity for a career-based education.” These scholarships are targeted primarily to non-traditional students attending TBI who are experiencing economic hardship while attempting to balance college, jobs, and families. Students interested in applying for Level Playing Field scholarships should contact Executive Assistant to the President, Director of Financial Aid or refer to the Level Playing Field display on the third floor. Students also are encouraged to research other scholarship opportunities that may be available.

### **Other Scholarships**

Students are given a listing of scholarship sources and invited to attend a workshop in an effort to investigate other scholarship opportunities for which they may be eligible.