Loans Changing for 2012-2013

The Budget Control Act of 2011 recently passed by Congress impacts the entire Direct Loan program but particularly affects loans for graduate students. Please note the following:

1. Effective for loans made for enrollment beginning on or after July 1, 2012, graduate students are no longer eligible for Direct Subsidized Loans. Graduate students may still receive unsubsidized loans with a 6.8% interest rate.
2. Subsidized loans may be available to Graduate students for Summer 2012 when enrollment and application procedures are met.
3. Effective for all loans first disbursed on or after July 1, 2012, the 1% up-front interest rebate previously offered is eliminated. This rate reduction will be available when borrowers have payments electronically debited when in repayment. A total of 1.5% in fees will be deducted from the principal of the loan prior to disbursement.
4. These changes do not affect the interest rate or terms of loans made prior to July 1, 2012.

Feel free to contact the Alverno College Financial Aid Office at 414-382-6046 if you have questions about these changes.

Other changes for 2012-13

The duration of Pell Grant eligibility will be limited to 6 full-awards. Everyone will be subject to this criteria. Part-time Pell Grants will be calculated as a percentage of the full-time award.

The interest rate for subsidized loans disbursed after July 1, 2012 will be 6.8%. The grace period interest subsidy is eliminated. Interest will begin when enrollment ceases, however repayment does not begin for 6 months.

Changes in Verification

Copies of tax returns for verification are no longer acceptable. Applicants and parents must either complete the IRS Data Retrieval in the FAFSA or order a tax transcript from the IRS.

Documentation of food stamps (WI FoodShare, SNAP, etc.) will be required for those selected for verification.

Child support paid to non-custodial dependents must be documented by the payee on the Alverno Verification Form.