



Harvard University  
Graduate School of Design

Financial Aid Handbook  
2009 - 2010

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# Introduction

The Harvard University Graduate School of Design (GSD) offers financial assistance in the form of grants, loans and work awards. A student's program and citizenship may determine the awards for which they are eligible. The GSD webpage describes the various types of assistance. The information in this handbook pertains mostly to students who are eligible for federal aid - US citizens and permanent residents. However, federal regulations require us to make this information available to all current and prospective students, even to those students who do not receive financial assistance.

This Financial Aid Handbook is generally distributed to all federally eligible admitted aid recipients with their initial award letter. This handbook should be used in conjunction with the GSD website, [www.gsd.harvard.edu](http://www.gsd.harvard.edu) and the GSD Student Handbook (distributed at fall or spring registration). Paper copies are also available upon request through the GSD Office of Student Services.

The GSD Office of Financial Assistance, as well as those of Admissions, Registrar, Career Services and Career Discovery are all part of the Office of Student Services located in Gund Hall, Room 422. Questions about financial aid can be directed to the Office of Financial Assistance at 617-495-5455 (phone) or 617-495-8949 (fax) or by email at [financial\\_aid@gsd.harvard.edu](mailto:financial_aid@gsd.harvard.edu). The Office of Financial Assistance staff includes Keith Gnoza, Director of Financial Assistance, and Maria Murphy, Financial Assistance and Registrar's Assistant. Office hours are Monday through Friday 10am to 5pm. Students with questions or issues may meet with someone from the Office of Financial Assistance on a walk-in basis by visiting the front desk in Room 422. Appointments may also be scheduled by phone or by email. Students are expected to check both their e-mail and GSD mailboxes for additional information distributed by the aid office throughout the year.

# Need Determination

The Office of Financial Assistance at the GSD determines financial awards for US citizens and permanent residents based on information that students provide on the Free Application for Federal Student Aid (FAFSA). Other supporting documentation may be requested throughout the year.

Once a student completes a FAFSA, The Department of Education uses that information to calculate what they believe a student can contribute towards their education. The school then subtracts the student contribution amount from the academic year budget (discussed later in this handbook), and the resulting figure is the student's need. That need figure serves as an assessment of the amount of need-based aid a student may receive.

From a federal standpoint, all graduate students are considered independent when federal need is calculated. However, a school may use its own criteria for awarding its own grant funds. At the GSD, grant is awarded on a two-tiered system. For Tier 1 grant consideration, only the student's financial information is considered. For the higher, Tier 2 grant the GSD considers the combined financial information of both the student and their parents. Based on our formula, more grant will be given to a student whose parents are financially unable to assist the student with their school costs. A parent's unwillingness to assist the student is, unfortunately, not factored into this consideration. While we realize that students at the graduate level may no longer be supported by their parents, the GSD uses this method to best award available grant to students with the greatest financial need.

To be considered for a Tier 2 grant, students must provide their parents' financial information on the FAFSA. Those students whose parents are divorced or separated, but wish to be considered for Tier 2 grant, can access the GSD Financial Aid webpage ([www.gsd.harvard.edu/admissions/financial\\_aid/usmasters.html](http://www.gsd.harvard.edu/admissions/financial_aid/usmasters.html)) to file parental information separately. Parental data will not be disclosed to the student unless written permission is given by the parent. In no way would the parental data decrease the amount of the Tier 1 grant, nor would the parent's information affect federal award eligibility.

## **Reconsideration of financial awards:**

There are usually a few students who feel their awards, specifically their grant, are not as high as they had hoped. We make every effort initially to award students accurately based on the information they submit to our office. We may also request additional documentation if we feel it is necessary evaluate the need. If you feel that there is some instance that may have been overlooked, please submit a written request for reconsideration to the Office of Financial Assistance, and any updated figures or additional information. Please be aware that we do not compete with other schools' financial aid packages.

# The Academic Year Budget

Each academic year, a standardized list of expenses is compiled to make up the student budget for the 9-month academic year (September to May). Tuition is only one of the costs. The budget is modest and is the basis for determining financial aid eligibility. A student's total financial aid cannot exceed the amount of the budget. Categories and amounts are listed below, as well as on the award letter. The entries with an asterisk will appear on the first Term Bill each semester. Expenses such as *Personal* or *Room and Board* will not appear on the Term Bill, but are handled by the student directly. However, Harvard University affiliated housing charges may appear on the Term Bill.

Tuition*	\$35,992
Health Insurance*	1,714
Activity Fee*	100
Health Service Fee*	1,126
Room and Board	11,406
Books and Supplies	2,528
Personal	2,992
Computer (optional)	0
<b>TOTAL</b>	<b>\$55,858</b>

The academic year budget for the **DDes program** is \$55,094, slightly lower than the master's budget because of different supply needs.

Students with families should contact the aid office to modify their budget. Generally, additional budget expenses will be allowed for children and spouse (unless the spouse is enrolled in school or employed full-time). Students who wish to have their budget increased must submit a written request to the Office of Financial Assistance. Requests must include the reason and the amount involved.

Generally, increases are granted when school-related costs exceed the budgeted amount. Reasons for increasing expenses to the student budget include, but are not limited to, academic supplies, printing/plotting charges, living expenses, and health-related costs not covered by insurance.

Expenses that will not be added to the budget include, but are not limited to, automobile expenses, credit card debt, travel, library fees and late fines. For additional help figuring specific budget needs, try using the Direct Loan Budget Calculator tool at [www.ed.gov/DirectLoan](http://www.ed.gov/DirectLoan).

Changes in enrollment status will affect the budget (see *Changes in Enrollment*).

## Computers:

It is not required that all students own their own computer but it is almost a necessity. Please consult the GSD's Computer Resources website [www.gsd.harvard.edu/inside/computer\\_resources/manual/welcome](http://www.gsd.harvard.edu/inside/computer_resources/manual/welcome) for specifications before making your purchase. A student is allowed to add the computer expense to their budget **once** during their attendance at the GSD. The maximum budget increase/aid for computer costs is \$2,500. Since grant will not be awarded for computer costs, federal and/or private loans can help you with the computer expenses. Students are encouraged to spend/borrow as little as necessary for a computer. Those who choose to borrow money for their computer should determine loan eligibility with the aid office before purchasing their computer. The loan check may be given to the student before or after the purchase is made, but a receipt must be provided to the aid office after the sale has been completed. Incoming students may add the computer to their budget during the first year, but the money cannot be released until the student has officially registered for classes in the fall.

# The Award Letter

What should I do when I receive my financial aid award letter?

- ✓ Read your letter along with the contents of this handbook. Make sure you understand the terms of the awards offered.
- ✓ If the awards offered on your letter are not enough to cover your budget and you need additional assistance, please review the section of this handbook *When Aid Does Not Cover the Budget*.
- ✓ Check your award letter to see if you need to provide any additional documentation.
- ✓ Notify the Office of Financial Assistance of any outside scholarships you are awarded. Please review the *Outside Awards* page in this handbook for possible suggestions.
- ✓ Consider the amount of debt you may incur. Review *Loan Debt*.
- ✓ In order to accept your award package, return one copy of your financial aid award letter with your signature and date at the end of the letter. Students who wish to decline a portion of their aid should modify and initial their signed and dated award letter before returning it to the Office of Financial Assistance. In addition to confirming your desire to use the awards offered, a signed award letter also allows us to process and credit your awards. There is no official deadline for returning the signed letter, but we ask that you submit it as soon as possible so we may budget accordingly. If any future changes occur to your aid, we will provide you with an updated award letter.

## **Is there anything else I need to do?**

The Office of Financial Assistance will contact you regarding additional processes and paperwork. Please make sure you update any address, phone or email changes with the Admissions Office (if you are a newly admitted student) or the Registrar (if you are an enrolled student). Instructions for federal loan promissory notes, loan borrower's entrance interviews and all related loan requirements will be distributed to students during the summer after July 1<sup>st</sup>. Additionally, federal aid recipients are randomly chosen by the Department of Education as part of their Verification process. Those students who are selected for Verification may be asked to document, or clarify certain data submitted on their FAFSA.

Also see *Timeline of Events*.

# Awards

Anyone who is eligible for and has applied for financial aid will be notified of their award package along with notification of admission to the GSD. Descriptions of possible awards are listed below.

**GSD Grant:** These awards do not need to be repaid. Part of the pool of GSD grants include endowed funds that may sometimes be associated with the donor's name. Grants amounts are tied to enrollment, so a decrease in tuition will result in a decrease in grant amount (see *Changes in Enrollment*).

**Restricted Scholarships:** The Harvard University Committee on General Scholarships administers various grants and traveling fellowships that are available for students from across the university. Some of these are available for international students. A complete listing of these awards and the requirements can be found at <http://www.scholarship.harvard.edu/>. Generally, decisions are not made until early April for the following fall semester.

**Federal Perkins Loan:** The Perkins Loan is a federal loan and has a 5% interest rate and no loan fees. Interest assessment and payments do not begin until nine months after the student graduates, withdraws or falls below half-time status. This loan is processed through the Harvard University Student Loan Office. There is a limited amount of Perkins loan money each year, so some students may not receive this award. There is potential this loan may not be renewed from year to year.

**Federal Work-Study Program:** The Federal Work-Study Program (WS) is an award that uses federal money to supplement the amount of student earnings. For on-campus Work-Study jobs, the government pays 70% of the student's earnings. In order to receive money from this award, students must obtain a job during the academic year. The award is earned in the form of paychecks. A student's first semester is usually very busy, so some students wait until second semester to secure a job. See *Work-Study/Student Employment*.

**Federal Direct Subsidized/Unsubsidized Loans:** Officially called William D. Ford Direct Loans, they are issued directly from the federal government instead of a lending agency. The combined yearly maximum amount is \$20,500. For subsidized or unsubsidized loans authorized after July 1, 2009, a loan fee of 1.5% is deducted from the loan amount at disbursement, but an up-front rebate of 1.0% is added back to the loan amount borrowed. This 1.0% up-front rebate will be charged back to the borrower if any of the first twelve payments are not made on time. Payments do not begin until six months after the student graduates, withdraws or falls below half-time status. The interest rate is fixed at 6.8%. For the need-based subsidized loan, the maximum graduate student amount is \$8,500, and no interest will be charged to the student until repayment begins. For the unsubsidized loan, the standard amount is \$12,000. However, the student may borrow up to \$20,500 minus the amount of the subsidized portion. Since the unsubsidized loan is not need-based, a student who is not eligible for the full subsidized portion may take the remaining amount of the \$20,500 in an unsubsidized award. Interest begins to accrue on the unsubsidized loan after disbursement. Students can choose to pay the interest monthly as it accrues to avoid capitalization at the end of the grace period. For more information, visit the Direct Loans website at [www.ed.gov/directloan](http://www.ed.gov/directloan). Another Direct Loan option, the GradPLUS is considered an alternative loan.

**Alternative Loans:** In addition to the awards listed above, students also have the option to borrow "alternative" loans. More information about these programs is available later in this handbook (see *When Aid Does Not Cover the Budget*).

## GSD Federal Loan Comparison Chart

				Alternative Loan
	Perkins Loan	Subsidized Loan	Unsubsidized Loan	GRADPlus
Maximum Amount:	\$8,000	\$8,500	\$12,000 or \$20,500 less sub. loan amount	Academic budget less aid
When Interest Begins:	End of grace period	End of grace period	At disbursement	At disbursement
Interest Rate:	5%	6.80%	6.80%	7.90%
Interest Rate Type:	Fixed	Fixed	Fixed	Fixed
Loan Type:	Federal	Federal	Federal	Federal
Repayment Terms (in years):	10	10 - 30	10 - 30	10 +
Grace Period (time between end of enrollment and beginning of repayment):	9 months	6 months	6 months	None
In-School Deferment Option:	Yes	Yes	Yes	Yes
Special Notes:	Limited fund, need-based	Need-based	Not need-based	Credit check involved
Behavioral Benefits:	None	Yes	Yes	Yes
<b>Cost of Borrowing</b>				
Origination Fee:	None	1.50%	1.50%	4.00%
Upfront Rebate to Lower Orig. Fee:	None	1.00%	1.00%	1.50%
Application Process:	FAFSA	FAFSA	FAFSA	<a href="http://www.gsd.harvard.edu/admissions/financial_aid/types.html">www.gsd.harvard.edu/admissions/financial_aid/types.html</a>

# Work-Study/Student Employment

Many students work at the GSD and surrounding communities during the year as well as over the summer. From an employer standpoint, U.S. students are either Work-Study (WS) or non-Work-Study. Jobs may be listed as “Work-Study only” or “Work-Study preferred” due to a limited budget; however, that is the only distinction between WS and non-WS positions. International students may apply for the International Employment Award which is a similar program. For on-campus WS jobs during the school year, the department pays 30% of WS wages, while the federal government pays the remaining 70%. Those students who have WS and want to use that for a job should review the questions and answers below.

## **Where can I find job listings?**

GSD students should check GSD bulletin boards throughout Gund Hall. Most jobs are posted closer to the beginning of and during the school year. The Harvard Student Employment Office also has information to help you find a job ([www.seo.harvard.edu](http://www.seo.harvard.edu)). Admitted students cannot use WS until they have registered, and are encouraged to acclimate to their schedule before securing a job.

## **Can I work off-campus?**

WS can be used off-campus with non-profit and appropriate for-profit agencies. For-profit agencies are those which are smaller, newly-formed organizations that would only be able to hire students with assistance such as Work-Study. Interested students should contact the Office of Financial Assistance for more details. The government percentage for off-campus WS jobs at for-profit or non-profit agencies may vary.

## **How much can I earn?**

The WS amount listed on the award letter is the maximum earning for that year. To track earnings, multiply hours-worked by the hourly rate (do not factor in percentages). While the WS amount on the award letter shows half for each semester, that amount can be earned anytime during the year. There is no penalty for unused WS money and you will be reconsidered each year. WS money does not carry over to the following year. Pay rates may be determined by the job complexity and student’s experience, and will also fall within the established wage rates.

## **When can I use Work-Study?**

Students with WS can begin to use the award as soon as they have registered for their first year. Students may continue to use WS as long as they are enrolled at least half time. In most cases, WS can be used during the summer. WS earnings up to June 30 will use funds from the prior award year while WS earnings after July 1 will use funds from the next academic year.

## **When CANT I use Work-Study?**

Students cannot use WS until they have officially registered for their first semester. Students who take a leave of absence cannot use WS. Students who have finished their final enrollment period are not able to use WS. Students who are approaching commencement may not use WS after the last day of the exam period. Students should confirm with the aid office or their payroll coordinator if they have questions about eligibility. Students who are not currently enrolled may continue to work at the GSD as long as they are paid with non-WS funds if approved ahead of time.

## **How much and how often can I work?**

The suggested maximum for hours per week is 20 during school and 40 during break periods. But if both the student and the supervisor approve, up to 40 hours may be worked during school.

## **Once I find a job, how do I sign up for payroll?**

During the summer, we will send information about the payroll process.

## **What happens when I reach my WS ceiling?**

Check with the Office of Financial Assistance to see if your WS can be increased. Otherwise, see if your employer is able to pay you non-WS wages.

## **If I do not have Work-Study, can I still work at Harvard?**

Many employers do hire students without WS. Individuals should check with prospective employers.

# When Aid Does Not Cover the Budget

The GSD Office of Financial Assistance awards aid based on both the student's need and our resources. In some cases, we may not be able to meet the full need of a student with federal loans and grants. Depending on your situation, there are several suggestions to help bridge the gap:

- Use savings or stocks/investments or family assistance.
- The Monthly Payment Plan allows you to pay the semester balance over four month's time. Contact the Student Billing Office at 617-495-2739. There is an application fee each semester for enrolling in the plan.
- Research outside award options– see *Outside Awards*.
- See if Work-Study can be used as a way of paying expenses.
- Consider borrowing alternative loans (see below).

## **Alternative Loans**

Alternative loans, sometimes referred to as private loans, are not awarded as part of the original aid package, but are initiated by the student in the event that the award package does not provide enough funds to cover the academic budget. During the past year, many alternative loan lenders have either altered their lending policy or discontinued their loans altogether in light of financial constraints. Many of the alternative loans from private lenders require a cosigner to apply with the student borrower. However, the GradPLUS Loan may be used by the student without a cosigner. If you have questions about an alternative loan you would like to use instead of GradPLUS, please contact the aid office.

## **Federal Direct GradPLUS Loan**

The Federal Direct GradPLUS loan is available to U.S. citizens or permanent residents. There is a 4% loan fee, but there is also an up-front rebate of 1.5%. The 1.5% will be charged back to the student if any of the first 12 monthly payments (during repayment) are late. There are also interest rate reductions for making on-time payments and signing up for auto-debit payments. There is no grace period, so students must begin making payments **immediately after graduation**. To qualify for the GradPLUS loan, applicants must not have an adverse credit history. Individuals who don't pass the credit check are eligible to obtain a co-signer and reapply. More information will be distributed during the summer, after July 1<sup>st</sup>.

# Outside Awards

An outside award is any grant, scholarship or loan not awarded by the GSD Office of Financial Assistance. Students are expected to notify the Financial Aid Office about any expected award from an outside source. All outside awards are added to the aid package. In the event of a significant outside award, or if it raises the aid total over the amount of the academic budget, we may need to adjust the existing awards. We try to reduce the loans first, but each person's file must be reviewed before that can be determined.

Almost everyone wants to know where to look for sources of outside scholarships, but there is no quick answer and there is no guaranteed source for grants.

Here are a few suggestions for searching for scholarship sources:

- Check the GSD Financial Aid webpage for any outside award updates.
- Public and school libraries may carry scholarship guides such as *The Annual Register of Grant Support: A Directory of Funding Sources* that can list scholarships by classification.
- Local agencies may offer scholarships for local residents. Some of these options may work better in smaller cities. Sometimes obvious choices get overlooked. Try contacting a former employer, local organization or a local philanthropist to see if they would sponsor your education.
- Search the Internet, using keywords of discipline, family origin, nationality, gender, race or area of expertise.
- Before going through the application process, be sure to check deadlines and requirements thoroughly to avoid wasted effort. If your information is old, contact the sponsor to see if the scholarship is still being offered.

Be careful of any scholarship search offers that ask for money as part of the process. Some websites are good for gathering scholarship ideas into one website, but may ask many questions that can be used in marketing for other companies. Thorough searching on the web can produce many of the same results, but may take more time. Use your own judgment.

# Lower Expenses and Save Money

Because the disbursement method for financial aid is a relatively smooth process, it is easy to lose track of the debt you will incur (see *Loan Debt*). Eliminating even small expenses can save you money. When planning your living expenses, don't assume you need the full amount of the budget in your pocket. Plan your living expenses carefully. You may be able to live for less than the budgeted amount. Review *The Academic Year Budget*.

A good way to begin is to list every monthly expense you have and multiply the amount over a nine-month period. This may be easier once you have settled in at the GSD. Itemizing your expenses in this way can help you to see where you can cut costs. The Federal Direct Loan website includes a budget calculator ([www.ed.gov/DirectLoan](http://www.ed.gov/DirectLoan)) that may help you figure not only your expenses, but also possible areas in which you can reduce your spending. We have listed a few suggestions from students for lowering your expenses.

- Live with roommates in order to reduce the amount you pay in rent.
- Make sure your undergraduate loans are in deferment while you are back in school. Most education loans offer in-school deferment.
- Pay interest monthly when it accrues on unsubsidized loans and/or private loans whenever possible.
- Carefully consider not bringing a car when moving to the GSD community. Parking is hard to find, paid parking spots are very expensive and parking violations are costly as well. You may not need a car if you live close enough to the school or public transportation.
- When relatives are looking for birthday or holiday gift ideas, suggest tuition payments, loan payments, movie passes, gift certificates for Charrette, Shaw's grocery store, the Harvard Coop or any other store where you may regularly spend money. Compile a "wish list" and keep it handy.
- Return library books and registration forms on time to avoid fines. Avoid getting missed appointment fees doctor appointments. These add up quickly and are applied to your bill, so it's easy not to notice them.
- Pay with cash or your debit card. Avoid using credit cards whenever possible.
- Register your laptop with Harvard security to help prevent computer theft.

## Credit cards:

Whenever possible, stop using credit cards and pay down as much of the balance as you can before you enter school. Trends show a dramatic increase in student credit card debt. Credit card payments are not factored into your budget. Ideally, the credit cards should be saved for emergency purposes. If you find yourself using your credit card frequently for school supplies, reconsider educational loan options since they probably have lower rates and defer payment.

# Term Bill

Harvard University uses e-billing statements for tuition and school related charges. Students are now able to view and pay their term bill online. More information will be mailed to admitted students in early July. The student bill website is [www.termbill.harvard.edu](http://www.termbill.harvard.edu). Students will receive a PIN (personal information number) that will allow them to access their term bill information online.

Credits that may show on term bill include payments, aid disbursements, reversed fees or fines and tuition deposits. Until loans and/or grants are credited to the bill, the amount of the award will show as anticipated. Grants are anticipated until all requirements are met for the financial aid file, such as documentation requested by the financial aid office including loan entrance interviews and promissory notes. Loans will show as anticipated in the same way and cannot be disbursed until award letters and/or promissory notes are completed. All aid is deposited in the student's term bill account. Term bill charges include tuition, health fees, activity fees and in some cases, room and boarding fees. Other items that may show on term bill include library fines, printing and plotting charges, refunds and fees for late registration forms.

Term bill expenses are charged according to enrollment. If a student is attending for a full year, half of that amount will be charged each of the two semesters. Financial aid is also disbursed in semester increments unless otherwise noted. Remember that federal loan fees are deducted from the amount of the loan. Work-Study will not be reflected on term bill. Students whose aid exceeds their term bill charges will receive a refund after they have registered. Students whose aid does not cover their bill will have to pay the balance due before they can be cleared for registration. Please review *When Aid Does Not Cover the Budget*.

## The Term Bill

The billing statement for the approaching fall semester should include the following:

### Charges/expenses

- Tuition
- Health and Activity Fees
- Housing/Meal Plans (if Harvard affiliated)

### Credits/payments

- Tuition deposit
- Payments
- Anticipated aid (if applicable)

## What do I do with my Term Bill?

If you have a credit or a zero balance or if your anticipated aid covers your charges, you do not need to do anything. If you are awarded financial aid, the bill should subtract the aid from semester charges when factoring the amount due. If you have a balance due, it will indicate when the payment is due. Payments can be made through the e-billing system link [www.termbill.harvard.edu](http://www.termbill.harvard.edu). Those students who have a credit, or expected credit after aid is factored in, will be given a refund check for the credit. In the fall, checks are usually placed in the Registration packets. In the spring, refund checks will be mailed around registration day to the local address on file. Refunds will not be given out before registration. If you wish to sign up for the Monthly Payment Plan, you may do so by calling the Student Receivables Office at 617-495-2739.

## The Monthly Payment Plan

The terms of this plan allow you to pay any balance due over the four months of the fall semester with the first payment due in September and the final payment due in December. There is an application fee per semester and the amount will be added as a charge on your Term Bill if you decide to take advantage of this plan. Prior semester balances will not be incorporated into the payment plan and must be paid immediately. Aid is subtracted from the balance before the payments are calculated. If your aid will cover your balance due, you do not need the plan.

## Aid Disbursement Schedule

Generally, financial aid is not disbursed until after each semester registration. We allow that time for completion of promissory notes, missing documents and changes in aid. Grants will not be disbursed until all documents are received. Federal loans are not disbursed until all related documents have been received. In the meantime, all aid is included on the Term Bill as anticipated to allow the student to calculate what is owed. After the February bill, all anticipated aid will be removed. The student will be responsible for any balance due. It is expected that all requirements and paperwork will be resolved by that time.

# Loan Debt

The good news is that federal loans are available to help most domestic students pay for their education. But the amount of debt you will incur to attend the GSD should be carefully considered. It's a simple statement but true: loans must be repaid. Current credit card debt as well as undergraduate loans should also be taken into consideration. Before committing to loans, students need to understand the impact they will have in the future.

Debt averages can vary, especially in light of varying program lengths. The average debt (weighted, from all programs) for students who graduated in academic year 2007-2008 was \$65,560.

When deciding to attend the GSD, students often will consider the amount of debt they will incur. To estimate your potential debt, you can use the figures from your financial aid award letter. Once your aid has been finalized, and you have considered the amount of federal and alternative loans you will need during your first year, you can multiply that amount by the number of years in your program. The website [www.ed.gov/DirectLoan](http://www.ed.gov/DirectLoan) has a tool for calculating loan repayment and also explains the various repayment plans. The Direct Loan Program repayment options are flexible, but the longer the repayment schedule, the more interest will accrue and the greater the total amount to be repaid.

## **Loan Pre-payments/Interest Payments**

Both federal and private loans can be pre-paid, in part or in full, at any time without penalty. Pre-paying the interest or even the principal can lower the interest over the life of the loan. When pre-paying, most borrowers target their loans in the following order: alternative loans, Direct GradPLUS, Direct unsubsidized, Direct subsidized and Federal Perkins. Each borrower should consider the strategy that best suits their specific situation.

## **Deferments for Prior Education Loans**

Students who are attending the GSD at least half-time are usually eligible to have any prior education loans put into deferment to stop payments (and interest charges on subsidized loans). The GSD Catalog and the GSD Registrar's Office can answer specific questions about enrollment status. Please also consult your individual lender. If you are eligible for a deferment, please submit your deferment form, complete with your name, social security number, signature, change-of-address if applicable, and lender's mailing address to the GSD Registrar's Office. A deferment cannot be completed until the student has officially registered. Once completed, the Registrar's Office will mail your form directly to the lender and a copy will be placed in your file. Be aware that deferment policies can vary between lenders and new forms may be required each year of enrollment. Remember to follow-up with your lender to see if all requirements have been met.

## **Loan Aggregate Maximums**

The Department of Education has established maximum lifetime borrowing caps on federal loans. Only a rare number of students have come close to exhausting their federal loan resources before reaching the GSD, but it is something to be aware of if you already have student debt. In the unlikely event that a student has reached their maximum limit in federal/private loans the GSD will not be able to compensate with grant funding. Please contact the GSD aid office if you may be approaching loan maximums.

You can review your current federal loan debt at [www.nslds.ed.gov/](http://www.nslds.ed.gov/).

# Changes in Enrollment

Commencement, withdrawal, decreasing/increasing number of credits, and leave of absence are all situations that would cause a change in enrollment. All students who are expecting or planning a change in standard enrollment must get permission from the Registrar, and should contact the GSD Financial Aid Office (if they are receiving financial aid). Because aid is based on tuition charges and enrollment status, failure to notify both the Registrar and the Financial Aid Office may result in disproportionate awards. A change in enrollment may also affect the start of education loan repayment. Be sure you know the effects of your change before finalizing any related plans. The GSD Student Handbook has additional information about dates and enrollment.

## **The final semester for MArch, MLA II, and MDES program degree candidates**

For any of these programs, students end their time at the GSD with one semester (instead of a full school year). During that final semester, students will complete either studio or thesis requirements (except for MDes). There is an option for those students to either complete the requirements in one semester or “split” the requirements of that final semester over a period of one full year (fall and spring). Questions about credits/courses should be directed to the GSD Registrar’s Office. Both the academic year budget and available financial aid will vary depending on the student’s choice (see below). Aid related questions should be directed to the Office of Financial Assistance. Please review the following descriptions.

### **Split-semester Option**

Students who choose this option must receive approval from the GSD Registrar in March prior to the final semester. If approval is granted, and the aid requirements are still being met, students are still eligible for federal aid and grant. For split-semester option, only half of one year’s tuition is charged, but all of the other costs for a full year are included in the budget. The lower budget still limits the amount of aid. Grants are usually half of the normal amount the student receives for a full year. The policy for international students may vary slightly because of visa requirements; those students should speak with the Registrar about the financial ramifications of splitting.

### **One Semester Only**

For one semester only, the student budget is generally half the amount of a full year, depending on course load. The lower budget still limits the amount of aid. Loans are still available, as is grant, though half of the normal amount the student receives.

### **Part-time Status**

When a student’s enrollment falls below half-time, financial aid is no longer available. In addition, loan grace periods or repayment periods may begin at that point. Generally, the GSD does not allow students to enroll as less-than-half time.

### **Additional Responsibilities**

With regard to financial aid, any student withdrawing, taking a leave of absence, or graduating should consider the following information:

- ✓ The student should fully understand how the leave would affect both the degree requirements and their aid.
- ✓ Make sure you have notified the Registrar regarding necessary approval. For graduating students, you will be contacted by your department to verify your degree requirements.
- ✓ Whether or not you are leaving temporarily or permanently, you need to complete a Loan Borrower’s Exit Interview. This informational session will help you understand your rights and responsibilities for loan repayment and related topics. Shortly after your enrollment has changed and you have notified the Registrar, an on-line Exit Interview Session will be available at [www.ecsi.net/exitK4](http://www.ecsi.net/exitK4). Additional information is also available at the Direct Loan website [www.ed.gov/DirectLoan](http://www.ed.gov/DirectLoan).
- ✓ Be aware of repayment information for any alternative/private loans that you may have borrowed as they may differ in repayment policies from the federal loans.
- ✓ Notify the GSD Registrar’s Office of address changes ([registrar@gsd.harvard.edu](mailto:registrar@gsd.harvard.edu))
- ✓ Resolve any balances or credits on your term bill.
- ✓ For leave of absence, be sure you know when financial applications are due for the semester you will be returning.

# How Enrollment Changes Affect Aid

If an aid recipient takes a leave of absence, withdraws or drops below half-time status, their enrollment will end along with their aid eligibility.

## **Leaves of Absence/Withdrawals**

Students who are taking a leave of absence and have received federal or alternative loans will enter their grace period and/or possibly repayment depending on prior enrollment history. It is the student's responsibility to contact the Financial Aid office before taking their leave, in order to understand loan implications. For federal aid borrowers who leave during the semester, a calculation will be performed to determine how much federal loan money the student is entitled to keep. The number of days in the semester is compared to the number of days completed before the leave. For example, a student who has completed 17% of the days in a semester can maintain 17% of the federal loans disbursed (or set to disburse) for that semester. The Financial Aid Office will perform a calculation and advise the student. The student always has the option to cancel all of their loans. For the purposes of the federal aid calculation, the date of the leave/withdrawal is the date the student signed the Petition for Leave/Withdrawal (petitions will only be accepted if all required signatures are provided). The official end of the enrollment date may be different from the federal calculation date. If a student does not complete the Leave petition, then we will use the date of any written correspondence or the date of meetings with faculty to discuss the leave.

When a student leaves at the end of or between semesters, or at an early point during the semester when they are refunded full tuition, their date of separation is considered the last day of the semester in which they were enrolled at least half-time. Federal Direct and most private loans have one grace period (a period of no payments after enrollment ends). Students who take a leave will enter into their grace period on their loans. If a grace period is completely used up during the leave, the student will not have another grace period but will be able to defer their loans after they return as a half-time or greater student. However, after students return and then graduate, those loans will go directly into repayment. The only exception to that is the Perkins Loan which will always have a post graduation period (6 months if a grace period is already used). Deferment and forbearance options are available for students for various reasons, including economic hardship.

# Aid Application Procedures

## **First-time applicants**

Applicants who are applying for admission and wish to be considered for Financial Assistance should review the GSD webpage for specific instructions and dates. Aid applications are usually due in early February. Instructions may change from year to year.

## **Continuing students**

Continuing students need to apply each year to be reconsidered for financial assistance. Applications and instructions will be distributed to students during the spring semester. The financial aid application deadline for continuing students is in April. Continuing student applications for aid will be placed in student mailboxes in the spring. Continuing student award letters are mailed on a rolling basis during the spring and summer.

## **Late Applications**

Students who apply after the deadline will still be considered for aid. However, depending on when an application is received, the amount of aid awarded may be affected. Those instances will be handled on a case-by-case basis.

## **Standard Application for US citizens and permanent residents**

The FAFSA is generally available at most schools and libraries. The Harvard University Design School also carries paper copies of the FAFSA. Make sure you are completing the form for the correct academic year. You may complete the FAFSA online at [www.fafsa.ed.gov](http://www.fafsa.ed.gov). When applying online make sure to submit the electronic signature! Be sure to use the GSD school code of E00212.

## **Eligibility requirements**

In order to be eligible for, and to maintain aid, you must:

- ✓ Maintain satisfactory grades.
- ✓ Satisfy academic degree requirements.
- ✓ Attend at least half-time.
- ✓ Not be in default on a federal student loan.
- ✓ Not have withdrawn from at least 50% of credits attempted and must have completed requirements for graduation within 150% of the normal time allotted for students in the same program.
- ✓ Comply with all requests related to federal verification for quality controls.
- ✓ Promptly provide required aid documentation, including tax returns, etc. as requested.
- ✓ Participate in Loan Borrower Entrance and Exit Interview sessions.

In the event that a student is making unsatisfactory progress, but is allowed to continue taking classes, the student will not be able to take advantage of federal awards. That student's grant eligibility will be determined on a case-by-case basis.

Students who lose their eligibility due to unsatisfactory progress may reapply for federal aid once it is demonstrated that they have improved their academic standing. After one semester of grades has been reviewed, and the student's standing is deemed "satisfactory", the student may then again request federal aid for that next semester. Students with questions about the specifics of this policy can contact the Office of Financial Assistance.

# Timeline of Financial Aid-related Events

This timeline is approximate for events related to financial aid recipients. Date and month variations may change from year to year.

<b>April</b>	Open House for admitted students Deadline for admitted students to decide to attend GSD Tax return filing deadline Aid application deadline for continuing students
<b>May</b>	June graduates complete Loan Exit Interview sessions Upcoming year financial aid award letters mailed to current students End of spring enrollment Commencement
<b>July</b>	Student bills ready for upcoming academic year
<b>August</b>	Aid Office follow-up missing aid documentation from student aid files Fall Orientation and Registration Refund checks for aid distributed in registration packets Classes begin for fall semester
<b>September</b>	Students are hard at work
<b>November</b>	Open House for prospective students
<b>December</b>	Student bills ready for upcoming spring semester
<b>January</b>	Aid recipients may get contacted by the Department of Education informing them that the FAFSA may be completed for the upcoming academic year March graduates complete Loan Exit Interview sessions Classes begin for spring semester Refund checks for aid mailed to current students (close to the start of classes)
<b>February</b>	Applications due for students who are applying for admission for the following year
<b>March</b>	Admissions decisions and financial aid letters are mailed out to admitted students

# Tax Information

## **Tax Advice**

The Office of Financial Assistance staff is not qualified to provide thorough advice relating to taxes and tax form procedures. Any questions should be presented to a tax professional, but we have compiled some information that may be helpful.

## **Taxable Financial Aid**

The amount of a scholarship that exceeds tuition and fees (health service, health insurance and the activity fee) is taxable. This instance happens infrequently, but when it does the amount over tuition and fees will be paid in the form of a stipend. A stipend is simply a check for the amount of grant that exceeds tuition and fees. The stipend amount may be labeled for a certain purpose or can be used for living expenses or additional Term Bill charges. Since the amount of grant that exceeds tuition and fees is taxable, it should be reported as such on both your tax return and your FAFSA. Generally, any time you receive an award in the form of a check, it is subject to tax (not including refunds). Stipend recipients should keep their award letters for tax purposes. Because financial aid personnel are not trained in tax regulations, all tax questions should be directed to a professional consultant.

## **Student Aid and Taxes**

Students should review the IRS website for up-to-date tax incentives for students on aid, at [www.irs.gov](http://www.irs.gov).

The Harvard University Financial Services webpage carries an explanation of recent tax incentives for education expenses ([http://vpf-web.harvard.edu/ofs/tax\\_services/stu\\_1098.shtml](http://vpf-web.harvard.edu/ofs/tax_services/stu_1098.shtml)). Publication 970 on the website for the Internal Revenue Service (IRS) ([www.irs.gov/publications/p970/index.html](http://www.irs.gov/publications/p970/index.html)) will have more specific information and tax forms concerning the taxability of various types of educational assistance, including scholarships, fellowships, and tuition reductions.

## **Tax forms and publications**

IRS forms and publications can be downloaded from their website. Local libraries sometimes carry tax forms during tax season.

# Information Security

With identity theft on the rise, all individuals should be careful to protect their personal identification information. In many cases it is the linking of several personal identifiers that leads to the ability for someone to steal your identity, such as your name AND your date of birth.

Some of the key pieces of information that you should protect:

- Social security number
- Harvard University identification number and PIN
- Drivers license number
- Picture identifications, such as drivers license, Harvard ID cards, passports
- Date of birth
- Mother's maiden name
- Bank account numbers
- Credit card numbers

Here are some suggestions of Do's and Don'ts that may help you protect yourself:

- ✓ Never respond to an unsolicited email which asks you to update your personal information. If you need to email someone at the GSD, please just include you name *without* another identifier such as your Harvard ID #. In most cases, your information can be identified by your name.
- ✓ In a safe place (not your wallet or purse), keep a list of your credit cards, bank debit cards and other identification, along with the phone numbers you would use to report a lost or stolen card. In the event that your wallet or purse is stolen, you have the information available to quickly report the lost or stolen cards.
- ✓ Don't leave your computer unattended while you are logged in. Set up a login password for your computer. Activate the option to request password after your computer has been inactive for a period of time.
- ✓ Shred or destroy, rather than discard, any materials with your name and other identifiers.
- ✓ If someone calls you on the phone, claiming to be from an agency with which you do business, be sure they can verify their identity. If in doubt, ask for a number where you can call them back and verify that it is valid working phone number.
- ✓ Avoid emailing personal information, or attachments that contain personal information.
- ✓ Soon after you receive them, review your credit card statements for any suspicious activity.
- ✓ Review your credit report once a year – See *Websites and Telephone Numbers* on the next page.
- ✓ Review the GSD Computer Resources manual for computer-related protection information.

For additional information, please review Harvard's statement on information Security and Privacy at [www.security.harvard.edu/](http://www.security.harvard.edu/).

# Websites and Telephone Numbers

## **GSD contacts**

Financial Aid Office 617-495-5455  
Registrar 617-496-1237  
Student Services/Admissions Office 617-495-5453  
Student Services FAX 617-495-8949

## **Harvard University**

Central University Operator 617-495-1000

## **Perkins Loans**

Harvard University Loan Office 800-315-7192

## **Direct Loans**

[www.ed.gov/DirectLoan](http://www.ed.gov/DirectLoan)

Direct Loan Borrower Service 800-848-0979  
TDD for hearing impaired 800-557-7359

Applicant Services 800-557-7394  
TDD for hearing impaired 800-848-0983

## **Federal Loan Information**

National Student Loan Data System (NSLDS) – Access to federal loan details and totals [www.nslds.ed.gov/](http://www.nslds.ed.gov/)

## **Billing**

Student Billing Information 617-495-2739  
Student Health Insurance 617-495-2008  
Monthly Payment Plan 617-495-2739

**Student Employment** [www.seo.harvard.edu](http://www.seo.harvard.edu)

## **Credit rating information**

You may obtain a credit report, one free per year, at one of the credit reporting agencies:

Experian: [www.experian.com](http://www.experian.com)  
Equifax: [www.equifax.com](http://www.equifax.com)  
Transunion: [www.transunion.com](http://www.transunion.com)

# Frequently Asked Questions

## **Will my financial aid be affected by the economy?**

Despite the recent changes in the economy, the GSD plans to maintain our level of grant funding. While some federal loan lenders have altered their lending practice in past year, that has not affected the federal loans at the GSD. We are a Direct Lending School which means our loans are processed directly from the government. However, some alternative loans are no longer offered. More information about that situation is covered in the earlier sections of this handbook.

## **I received my financial aid letter, but are there any other grants I can apply for?**

All of the grant opportunities that we offer we list on our webpage according to citizenship eligibility. We also have a section on our webpage of outside awards of which we are aware.

## **I'm married and significantly older. Why do I need to provide my parent's information?**

The current policy of the Design School is to consider the potential family contribution when evaluating Tier 2 grant eligibility. This policy has been established in order for us to best meet the needs of our student population. This does not assume that you will be receiving any parental funding, but instead may be an indication of prior parental educational contributions.

## **Could my parents' information have hurt my Tier 1 grant eligibility?**

No. Without parental information, a student is only considered for the Tier 1 grant. If a student submits their parents' information and it makes them ineligible for the Tier 2 grant, we will discard the parents' information and evaluate the student for a Tier 1 grant only.

## **My awards do not seem to be enough to cover my costs. Do I have any recourse?**

Yes and no. Assuming that the information on the application is correct, the aid package will not change. The awards are based solely on need and the amount of funds we have to use. We do not "compete" with other school offers, nor are we holding out to see if students ask for more money. However, if a student's situation has changed or there is an issue that needs further explanation, we will reexamine the aid package. If additional funding is needed, alternative loans are available.

## **Can I suspend payments from my prior education loans while I am attending the Harvard Design School?**

In most cases, yes. You should contact your specific lender. Federal loans can go into deferment status as long as a student is registered at least half-time. During a deferment, students are not charged interest on subsidized loans. Deferment forms with student's name and mailing address can be submitted to the GSD Registrar's Office. Once a student has officially registered, these forms will be mailed out and copies will be placed in the student's file.

## **What happens after I decide to accept admission and my award package?**

Return a signed copy of your award letter along with any required documentation. There will be informational mailings explaining the other financial aid requirements, such as promissory notes and Entrance Interviews.

## **Does the GSD offer Teaching Assistantships or Research Assistantships?**

For masters degree candidates, the GSD does not offer TA or RA awards. Instead, those kind of positions are done as hourly pay jobs as described in *Work-Study/Student Employment*.

# Federal Consumer Information

As a lender of federal aid, Harvard is required to provide certain information to all students on a yearly basis. That information is explained in the GSD Student Handbook, the GSD webpage [www.gsd.harvard.edu](http://www.gsd.harvard.edu), the Harvard University webpage [www.harvard.edu](http://www.harvard.edu) and this Financial Aid Handbook (also available at [www.gsd.harvard.edu/admissions/financial\\_aid/handbook.html](http://www.gsd.harvard.edu/admissions/financial_aid/handbook.html)). Some other sources of related information are [www.students.gov](http://www.students.gov) (general student information from the US government), and [www.hupd.harvard.edu/](http://www.hupd.harvard.edu/) (The Harvard University Police). The following text is taken directly from the Federal Student Aid Handbook and lists some of the information we are required to provide. Please contact the Office of Student Services if there is information you are unable to locate.

## Financial Aid Information

At a minimum, the following information must be provided about financial assistance available at a school:

- the need-based and non-need-based federal financial aid that is available to students;
- the need-based and non-need-based state and local aid programs, school aid programs, and other private aid programs that are available;
- how students apply for aid and how eligibility is determined;
- how the school distributes aid among students;
- the rights and responsibilities of students receiving aid;
- how and when financial aid will be disbursed;
- the terms and conditions of any employment that is part of the financial aid package;
- the terms of, the schedules for, and the necessity of loan repayment and required loan exit counseling; and
- the criteria for measuring satisfactory academic progress, and how a student who has failed to maintain satisfactory progress may reestablish eligibility for federal financial aid.

## General information about the school

The school must provide the following minimum information about itself:

- the names of associations, agencies, and/or governmental bodies that accredit, approve, or license the school and its programs, and the procedures by which a student may receive a copy for review of the school's accreditation, licensure, or approval;
- special facilities and services available to disabled students;
- the costs of attending the school (tuition and fees, books and supplies, room and board, and applicable transportation costs, such as commuting) and any additional costs of the program in which the student is enrolled or has expressed an interest;
- a statement of the requirements for the return of FSA program funds when a student withdraws from school, information about any refund policy with which the school must comply, and the requirements for officially withdrawing from the school.
- the degree programs, training, and other education offered;
- the availability of a GED program, if the school admits students who do not have a high school diploma or equivalent;
- the instructional, laboratory, and other physical plant facilities associated with the academic programs;
- a list of the faculty and other instructional personnel;
- whom to contact for information on student financial assistance and whom for general institutional issues;
- the terms and conditions under which students receiving federal education loans may obtain deferments;
- information regarding the availability of FSA program funds for study abroad programs.

# Exiting Student Loan Repayment Information

A student's separation date determines when a loan's grace period/deferment/repayment begins. All students who graduate, take a leave (even temporarily) or withdraw have a date when they were officially separated from the university. Generally, it is the end of the last day of the semester which you completed. However, if you take a leave of absence, the date will be determined by the timing of your leave. Separation may also occur from a loan standpoint if a student's enrollment drops below half-time status. Harvard participates in a Clearinghouse system that updates federal loan lenders of any change in status for students with federal loans.

Near the time of the end of your enrollment/leave, the Office of Financial Assistance will contact you about completing an Exit Interview - an online review of your loans and responsibilities. This is required of all borrowers leaving the GSD. Additional help or answers to questions will be provided by the aid office upon request of the student.

All students may access the National Student Loan Database [www.nslds.ed.gov/](http://www.nslds.ed.gov/) to review their federal loans. All federal loans are reported at this site, even loans from undergraduate or other graduate schools. Private loans, such as the Citibank CitiAssist Loan, etc. are not reported to this site – you will need to contact that lending agency.

## Loan Types Used at the GSD

### Federal Direct Loans

These include William D. Ford Subsidized, Unsubsidized and GradPLUS Loans. They are initiated by Harvard, but are serviced by the Direct Loan Servicing Center.

- Interest does not begin to be assessed on the Subsidized Loan until the end of the grace period.
- Interest on the unsubsidized loan and GradPLUS Loan begins at disbursement, and gets capitalized at the end of the grace period.
- After repayment begins, capitalization may occur at any future change of status, such as deferment or forbearance.
- As of July 1, 2006, the fixed interest rate for subsidized/unsubsidized loans is 6.8%. For GradPLUS loans, fixed interest rate as of July 1, 2006 is 7.9%.
- Grace Period: 6 months for subsidized/unsubsidized. The grace period is used only once. Students who take a leave of absence and use their grace period and then return to school will NOT have a grace period at the time of commencement. There is no grace period for GradPLUS, only deferment and forbearance options.
- Repayment: Students are expected to choose a repayment option during their grace period: Standard, Graduated, Extended and Income Contingent.

### Federal Perkins Loan

This loan is serviced by the Harvard University Student Loan Office.

- Interest Rate is 5%.
- Interest begins at the end of the grace period.
- Grace Period: 9 months. If the 9 month grace period is used or started during a leave of absence, there will be a 6 month post-graduation grace period.
- Repayment is 10 years depending on minimum monthly payment.