DETERMINING THE LOAN PERIOD

It’s important to define the period of enrollment or loan period at the outset, because the length of the loan period will determine the timing and amount of disbursements. If your school uses academic terms (such as semester, trimester, quarter or nonstandard terms), the loan period must coincide with one or more of its academic terms. Loan periods for schools that do not use terms are generally based on the length of the program or academic year.

For programs using terms and credit hours, the **minimum** loan period is a single academic term. As an example, if a student enrolls in a fall semester to complete his/her requirements for graduation, you may certify a loan for that term alone. (Remember, however, that the loan amount must be based on reduced costs and EFC for that term, rather than for the full academic year.)

For a clock-hour school or a credit-hour school that does not use terms, the **minimum** period for which the school may certify a loan is the shortest of the following three periods:

- the academic year as defined by the school (but no less than 30 weeks of instruction providing 900 clock hours, 24 semester hours, or 36 quarter hours);

- the length of the student’s program at the school (see sidebar on minimum program length); or

- the remaining portion of the student’s program when the program exceeds the school’s academic year.

In the case of a student who has already completed some of the coursework to earn a degree or certificate (e.g., a transfer student or a student who is re-enrolling after withdrawing), you may certify the loan for the remaining period of study at your school.
The maximum loan period is generally the school's academic year but cannot exceed a 12-month period. It is possible, but not typical, to have more than one loan in an academic year.

ACADEMIC YEAR

As we’ve seen, the loan period is often equivalent to an academic year. Briefly, an academic year is a period that contains at least 30 weeks of instructional time during which a full-time student is expected to complete at least 24 semester or trimester hours or 36 quarter hours at a school measuring program length in credit hours, or at least 900 clock hours at a school measuring program length in clock hours. If you are establishing the academic year and payment periods for a new educational program at your school, please review Volume 2 of the FSA Handbook: Institutional Eligibility and Participation, which includes a more detailed treatment of the academic year, payment periods, and related program measurements (Chapters 1 and 2).

The academic year is also used when determining the student’s annual loan limits. The annual limit for Stafford Loans is based on an academic year rather than a calendar award year. Once the student has reached the annual loan limit, he or she cannot receive another Stafford Loan until he or she begins another academic year, or progresses to the next grade level. Note that the student must complete 30 weeks of instruction, as well as the clock/credit hours in the academic year, to receive a new Stafford Loan.

Two types of academic years for loans

There are two types of academic years a school can use in determining a period of enrollment or when another year will begin for the student: a scheduled academic year (SAY) or a borrower-based academic year (BBAY). Clock-hour and non-term credit-hour programs must use borrower-based academic years. Only term-based credit-hour programs can use SAYs. However, you may elect to use a borrower-based academic year for a term-based credit-hour program if the program’s academic year provides at least 30 weeks of instruction (unless the Department grants a waiver for an academic year of less than 30 weeks).

For a term-based credit-hour program, the school can use BBAYs for all its students or just for students enrolled in certain programs, or it may use BBAYs on a student-by-student basis. The school can even alternate BBAYs with SAYs for a student, but the academic years must not overlap. A school that has these choices for academic year standards must have a written policy that explains how it applies these options when calculating loan eligibility.

Scheduled Academic Year

An SAY is a fixed period of time that generally begins and ends at the same time each calendar year (for example, beginning on the first day of the fall semester and ending on the last day of the spring...
The SAY generally corresponds to the academic year or calendar that is published in the school’s catalog or other materials. An SAY must meet the statutory requirements of an academic year, as described in the FSA Handbook: Institutional Eligibility and Participation.

Treatment of summer terms as part of a Scheduled Academic Year

For a program that uses SAYs, a summer term may be part of the academic year that precedes that term (that is, it may be a “trailer”), or it may be part of the academic year that follows that term (that is, it may be a “header”). Your school can establish a policy that designates its summer term as either a trailer or header of the Scheduled Academic Year, or it can make different designations for different educational programs.

You may also designate the summer term as a trailer or header for each student on a case-by-case basis. However, if a student in a summer school session that overlaps two award years is also receiving campus-based aid, you must use the same EFC (from the same application year) for both the campus-based aid and the FFEL/DL loan.

The choice of the application year to be used for need analysis purposes can be different than the designation of the term as a header or trailer for purposes of establishing the academic year for the loan. For instance, you may have a policy that treats the summer term for 2002 as a header to the academic year for the loan, but you may make an exception and use the EFC from the 2001-2002 FAFSA to determine the student’s financial need.

Summer mini-sessions can be grouped together as a single trailer or header, or they can be treated separately and assigned to different SAYs. If the summer mini-sessions are grouped and treated as a single term, the summer cost of attendance cannot include costs for a mini-session for which the student was not enrolled.

Borrower-based Academic Year (BBAY)

As noted previously, a school must use BBAYs for clock-hour and non-term credit-hour programs; the school may use either type of academic year for term-based credit-hour programs where the academic year provides at least 30 weeks of instruction.

A BBAY is not a fixed period of calendar time like an SAY. Instead, the BBAY’s beginning and end dates depend on an individual student’s enrollment and progress. For example, a nonterm school that has new students beginning enrollment every month would use a BBAY for each student that begins in the month the student enrolls. A term-based school could opt to use a BBAY for a student attending the spring and summer terms, rather than using an SAY that always begins with the fall semester. Like an SAY, the BBAY must meet the minimum statutory requirements for an academic year (unless a summer term is included or the Department grants a waiver for a term-based credit-hour program).
In a program using terms and credit hours, the BBAY must include the same number of terms as the SAY the school would otherwise use (not including any summer session as a “trailer” or “header”). The BBAY may include terms the student does not attend if the student could have enrolled at least half time in those terms. However, unlike an SAY, the BBAY must begin with a term in which the student actually enrolled. Also, any mini-sessions (summer or otherwise) that run consecutively must be combined and treated as a single term.

For a clock-hour or nonterm program, the BBAY begins when the student enrolls. Because the BBAY must meet the minimum statutory requirements for an academic year, the BBAY must contain at least 30 weeks of instructional time and the appropriate number of credit or clock hours (24 semester or trimester hours, 36 quarter hours, or 900 clock hours). The BBAY does not end until the student has completed the number of weeks and the number of hours in the academic year. A student who is attending less than full time will take longer to complete the academic year than a full-time student.

In many non-term programs, students are allowed to progress at an individual pace. Thus, one student might complete 900 clock hours in 26 weeks, another in 30 weeks, and a third student in 34 weeks. The 30-week academic year minimum is based on the length of time it normally takes a full-time student to complete the coursework for the academic year. Thus, if most of the full-time students take 30 weeks to complete a 900 clock hour program, you do not have to pro-rate the loan amount for the occasional student who completes the program in less than 30 weeks.
Borrower Based Academic Year Example — Nonterm

Springfield Academy also has an 1800 clock-hour extension program, and defines its academic year as 900 clock hours and 30 weeks. The BBAY always begins with the student’s actual enrollment date, whether programs start each month, quarter, etc. An enrolling student may receive two Federal Stafford Loans during the program (provided all eligibility criteria are met) because the program exceeds one academic year. The period of enrollment for the first loan would be the time it will take the student to complete 900 clock hours. The period for the second loan would be the time it takes to complete the final 900 hours. Note that the student cannot receive the second loan until he/she has completed the first 900 hours of the program AND 30 weeks of instruction.

BBAY Examples at Term Schools

The BBAY can also be used by credit-hour term programs—especially in cases where a student is enrolling in a different sequence of terms than the Scheduled Academic Year for that program.

For instance, in example 1a, the Fall and Spring term constitute the school’s Scheduled Academic Year. If the student attends summer session at the school, the aid administrator can elect to treat that term and the next Fall as a Borrower-Based Academic Year. In that case, the following Spring and Summer would also constitute a Borrower-Based Academic Year.

The maximum loan limit for an academic year applies to each of these academic years. If these were the first three years of study for a dependent student and the student progressed a grade level each academic year, he/she would be eligible for maximum Stafford amounts of $2,625, $3,500, and $5,500.

A student doesn’t have to attend all of the terms in a BBAY, but the BBAY cannot begin with a term that the student doesn’t attend. Thus, in example 1c, if the student does not attend a term that would have been the beginning of a BBAY, then the student’s next academic year (either SAY or BBAY) cannot begin until the next term. In examples 1a and 1b, the Summer session can be the beginning of Year 2 of a BBAY for the student.

The same concepts apply to quarter-term programs. For instance, in example 2, the Fall, Winter, and Spring terms constitute the school’s Scheduled Academic Year. If the student attends summer session at the school, it can be the first term of a Borrower-Based Academic Year that includes the following Fall and Winter terms.

**1. BBAY where 2 semesters = academic year**

1a.

<table>
<thead>
<tr>
<th>Fall</th>
<th>Spring</th>
<th>Summer</th>
<th>Fall</th>
<th>Spring</th>
<th>Summer</th>
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</thead>
<tbody>
<tr>
<td>Year 1: SAY</td>
<td>Year 2: BBAY</td>
<td>Year 3: BBAY</td>
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1b.

<table>
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<th>Spring</th>
<th>Summer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year 1: SAY</td>
<td>Year 2: BBAY</td>
<td>Year 3: BBAY</td>
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<td></td>
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</table>

1c.

<table>
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<th>Fall</th>
<th>Spring</th>
<th>Summer</th>
<th>Fall</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year 1: SAY</td>
<td>Year 2: BBAY</td>
<td>Year 3: BBAY</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**2. BBAY where 3 quarters = academic year**

<table>
<thead>
<tr>
<th>Fall</th>
<th>Winter</th>
<th>Spring</th>
<th>Summer</th>
<th>Fall</th>
<th>Winter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year 1: SAY</td>
<td>Year 2: BBAY</td>
<td></td>
<td></td>
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</tbody>
</table>
ANNUAL LOAN LIMITS

Stafford limits for dependent undergraduates

A dependent student enrolled in a program of study that is at least an academic year in length may borrow combined subsidized and unsubsidized loans not to exceed an annual total of:

- up to $2,625 for a first-year student,
- up to $3,500 for a second-year student, or
- up to $5,500 for a third-, fourth-, or fifth-year undergraduate, or a student who already has an associate or baccalaureate degree and who is enrolled in an undergraduate program that requires an associate or baccalaureate degree for admission.

These loan limits represent the total of all subsidized and unsubsidized Stafford Loans a dependent undergraduate student may borrow at each level of study. A dependent undergraduate student who takes out both subsidized and unsubsidized Stafford Loans must not exceed the annual and aggregate limits allowed under the Stafford Loan Program. An unsubsidized Stafford Loan is also limited to the difference between the borrower's COA for the loan period and the borrower's EFA (which includes any subsidized Stafford Loan amount he or she will receive).

Grade Level

As shown above, the annual loan limit for Stafford Loans increases as a student progresses in his/her studies. A student's grade level for loan limit purposes is set according to the school's standards for the time normally required to achieve that grade level. However, if the school determines a program normally can be completed in two years of full-time study, a student in that program can never receive more than the second-year annual loan limit of $3,500 in any given year, no matter how long it takes the student to finish.

A student who has already borrowed up to the annual limit within an academic year can receive additional loan funds if the annual limit increases because the student progresses to a grade level with a higher limit (or because his or her dependency status changes to independent).

For instance, if a dependent student was classified as a 2nd year student in the fall, he/she might have received as much as $1,750 in the first Stafford disbursement. If the student achieved 4th-year status based on the coursework completed in the fall semester, the student would now have be eligible for the $5,500 Stafford annual limit. If the student had sufficient financial need, you could disburse the difference between the amount the student already received and the new annual limit – $3,750 – in the spring term.
In all cases, the student may borrow the difference between the amount already borrowed within the academic year and the student’s new loan limit. Usually, the increase in the loan amount can be made as an adjustment to the student’s existing loan rather than making a new loan.

Note that for a nonterm program, the student will never progress to a higher grade level within an academic year and, thus, will only have a change in the loan limit if his or her dependency status changes. In a nonterm program that is longer than an academic year, the student moves to a higher grade level only when he or she completes the BBAY.

**Transfers & grade level**

An associate or bachelor’s degree gets counted towards the grade level, if it is a pre-requisite for enrolling in an eligible program. Thus, a student with an associate degree who enrolls in a 4-year school is eligible for 3rd year loan limits if the associate degree is required for entry into the eligible program. However, if your school does not require an associate’s degree for admission, the student would only be eligible for first-year loan limits.

Credits awarded for “life experience” do not affect the grade level—only academic credits earned for coursework.

A student who is transferring from a certificate program always starts at the first-year level for Stafford, even if the second program requires completion of the other program for enrollment. For instance, if a school admits a transfer student from a certificate program and accepts 900 clock hours that the student earned towards its 1500-hour program, the student would only be eligible for the first-year loan limits, even if other students in the program are eligible for second-year loan limits after completing the first 900 hours of the program.

New regulatory language specifies that a school may not link separate, stand-alone programs to allow students to qualify for higher annual loan limits. For instance, your school may not designate a 900 clock-hour program as a prerequisite for another program to make students in the second program eligible for second-year loan limits. (However, a student enrolled in an 1800 clock-hour program would be eligible for second-year loan limits after completion of the first academic year. (See 34 CFR 682.204/685.203)

Note that the “Eligibility and Certification Approval Report” lists “1-year” as the highest educational program offered by the school if its longest program is 1 year or more, but less than two years in length. Students in programs longer than 1 year can be paid as 2nd year students even though the ECAR lists the school’s highest offering as “1-year.” For instance, if a student enrolled in a 1500-hour program, he/she would be eligible for the 2nd-year loan limits after completing 900 clock hours and 30 weeks of instruction. (However, the loan limit would have to prorated for the final 600 hours.)

**Grade level in non-term program is dependent on 30-weeks of instruction**

A student must complete 30 weeks of instruction, in addition to the academic credit, in order to advance to the next grade level in a non-term program. For instance, a student who earns 36 quarter-credits over 24 weeks could not progress to the next grade level until another 6 weeks of instruction are completed.

**More than one loan per grade level**

If the student is enrolled at the same grade level and a full academic year has elapsed, the student may be eligible for a new annual maximum amount. For instance, if the student maintains satisfactory academic progress, he or she could conceivably receive two $2,625 Stafford loans while completing the first year of the program. However, your school has the authority to set a limit on the number of times a student can receive the maximum annual loan amount at one grade level, provided that the policy is the same for all students in the program.

**NEW Remedial work & grade level**

Remedial coursework can be counted towards the student’s grade level progression, but only if the school’s written and officially approved academic grade level progression policy specifies that remedial coursework can be counted for this purpose. Example: School requires that the student complete 30 semester hours to progress to second-year grade level, and specifies that up to 10 of the hours may be in the form of remedial coursework.

**Students returning for second degree**

If a student with a baccalaureate degree enrolls in another baccalaureate program, his/her loan limits would be based on the amount of work that the school counts towards satisfying the requirements of the new program. For instance, if your school decides to accept 30 hours of a student’s work in her previous baccalaureate program towards the requirements for a BS in Chemistry at your school, then the student would be eligible for second-year undergraduate loan limits.
Increased Stafford limits for undergraduates without access to PLUS
FFEL—see 34 CFR 682.204(d) and 34 CFR 682.201(a)(3)
DL—see 34 CFR 685.203(c)

Independent undergraduate student example
Dottie is a first-year independent undergraduate student at Ferrar's Institute. Her COA is $9,500. Dottie qualifies for a subsidized Stafford Loan of $1,500. She may apply for an unsubsidized Stafford Loan of $5,125 ($1,125 remaining under her initial Stafford Loan limit, plus a $4,000 unsubsidized Stafford Loan). Her total loan limit for her subsidized Stafford Loan and her unsubsidized Stafford Loan is $6,625.

NEW Additional loan eligibility for dependent students
➔ A school that doesn’t participate in the PLUS program may not award additional Stafford unsubsidized loan funds to dependent students based on parents’ inability to get PLUS. (Effective for loan periods beginning on or after July 1, 2000.)
➔ A school can refuse to certify a dependent student for additional Stafford based on a PLUS loan denial if the parent could have gotten a loan from an FFEL lender but “shopped around” to find a lender who would refuse to make a loan.

Graduate and Professional Limits
See 34 CFR 682.204(a)(5), (c)(2) and 685.203(a)(5), (c)(2)(v)

Increased Stafford limits for independent students and students whose parents have been denied PLUS
Independent undergraduate students may borrow unsubsidized loans with additional loan limits. The additional loan limits also apply to dependent undergraduate students whose parents are unable to borrow PLUS loans due to exceptional circumstances. The regulations give several examples of possible exceptional circumstances affecting the parents’ ability to borrow—adverse credit history, incarceration, or income limited to public assistance and disability benefits. Another exceptional circumstance might be if the parents’ whereabouts are unknown. However, the parents’ refusal to take out a PLUS loan does not constitute an exceptional circumstance.

The following unsubsidized loan limits may be added to the borrower’s combined subsidized and unsubsidized loan limits. An independent undergraduate student enrolled in a program of study that is at least an academic year in length may borrow additional unsubsidized loan amounts not to exceed an annual total of—

- up to $4,000 for a first- or second-year student,
- up to $5,000 for a third-, fourth-, or fifth-year undergraduate (or a student who has an associate or baccalaureate degree that is required for admission into a program and who is not a graduate or professional student).

For instance, an independent student in the second year of study would be eligible to borrow a total of $7,500 in subsidized and unsubsidized loans.

Stafford Loan limits for graduate and professional students
The subsidized loan limit for a graduate or professional student is $8,500 per academic year. The additional unsubsidized loan limit for graduate or professional students is $10,000 per academic year. This sounds simple enough, but there are academic variations in some programs that may make it difficult to distinguish whether a student is eligible for the higher loan limits.

NEW The regulations define a graduate/professional student as a student who—
- is enrolled in a program that is above the baccalaureate level or leads to a first professional degree,
- has completed the equivalent of at least 3 academic years of full-time study at an institution of higher education, and
- is not receiving undergraduate aid as an undergraduate student for the period of enrollment. (34 CFR 682.200)
The school’s classification of the student for enrollment purposes is the first criteria: a student in an undergraduate program can’t get the graduate loan limits based on taking graduate coursework as a part of the undergraduate program.

On the other hand, graduate students who are taking some undergraduate coursework are eligible for the graduate loan limits if they are enrolled at least half-time in courses (either graduate or undergraduate) that can be applied to the graduate program requirements. However, the student must already be admitted into the graduate program—a student with a bachelor’s degree who is taking preparatory work for graduate school is not eligible for graduate loan limits.

**Stafford Loan limits for coursework required for teacher certification/other programs**

For students who have baccalaureate degrees and are completing coursework necessary for a professional credential or teacher certification (certification from a state that is required for employment as a teacher), the annual loan limits are $5,500 in subsidized Stafford Loans and $5,000 additional in unsubsidized Stafford Loans.

The law also sets annual loan limits for a course of study that is necessary for enrollment in an undergraduate degree or certificate program: $2,625 (subsidized) and $6,625 (total). The length of the course of study may not exceed 12 consecutive months.

**PLUS Loan limits**

A PLUS Loan may not exceed the student’s estimated COA minus other financial aid awarded for the period of enrollment. This is the only borrowing limit for PLUS Loans.
When and when not to prorate

You must prorate a Stafford Loan if the student is enrolled in a program shorter than an academic year, or if the remaining portion of the program is shorter than an academic year.

PRORATED ANNUAL LOAN LIMITS FOR STAFFORD LOANS

Generally, a dependent or independent undergraduate may borrow up to the annual limit applicable to the student’s year in school. However, the maximum amount an undergraduate student may borrow must be prorated, in certain situations. PLUS Loans and loans for graduate or professional students are not subject to proration.

There are two situations where you must prorate the annual limit for subsidized and unsubsidized Stafford Loans:

- when a borrower is enrolled in a program that is shorter than a full academic year, and
- when a borrower is enrolled in a program that is one academic year or more in length, but is in a remaining period of study that is shorter than a full academic year.

If a student drops or adds a course after you have originated a prorated loan, you may readjust the loan amount but you are not required to do so. Of course, a student who drops courses must still be enrolled at least half time to be eligible for any loan amount.

Please bear in mind that proration does not necessarily affect the amount of the loan. For instance, if a student’s prorated loan limit is $2,100, but the student was only eligible for a $2,000 subsidized Stafford Loan based on costs, EFC, and other aid, then the proration would not affect the amount of the subsidized Stafford Loan.

Prorating loans for programs of study shorter than a full academic year

When a student is enrolled in an academic program that is shorter than a full academic year in length, you must use a proportional proration that is based on the lesser of —

Number of semester, trimester, quarter or clock hours enrolled

or

Number of weeks enrolled

You may express the resulting fraction as a decimal to see more easily which is less or to calculate the prorated limit. The smaller fraction is then multiplied by the appropriate annual loan limit. The result is the prorated loan limit for the student.
Proration examples for programs shorter than an academic year

**Program = 400 clock hrs**

Jill is a dependent student enrolled in a 12-week program at Hancock Career College. HCC defines the academic year for this program as 900 clock hours providing 30 weeks of instruction. Measured in clock hours, Jill’s program is 400 clock hours long.

To determine the maximum loan amount she can borrow, convert the fractions based on weeks (12/30 = .40) and hours (400/900 = .44) to decimals. Multiply the smaller decimal (.40) by the first-year annual loan limit: $2,625 x .40 = $1,050.

The maximum combined subsidized and unsubsidized loan amount Jill can borrow for the program is $1,050.

**Program = 24 quarter hours**

Morgan is an independent student enrolled in a program at Hancock Career College that provides 24 quarter hours and 20 weeks of instruction. HCC defines the academic year for this program as 36 quarter hours providing 30 weeks of instruction.

To determine the maximum loan amount she can borrow, convert the fractions based on weeks (20/30 = .67) and quarter hours (24/36 = .67) to decimals. Multiply the smaller decimal (in this case, both are .67) by the first-year annual loan limits for subsidized and unsubsidized Stafford:

$6,625 x .67 = $4,439 total Stafford
$2,625 x .67 = $1,759 subsidized

The maximum combined subsidized and unsubsidized Stafford amount Morgan can borrow for the program is $4,439, with the subsidized loan amount limited to $1,759.
Prorating loans for remaining periods of study shorter than an academic year

You must also prorate loans for students enrolled in remaining periods of study shorter than an academic year. This situation arises when a student is enrolled in a program that is one academic year or more in length, but is in a remaining period of study that is shorter than an academic year.

Proportional proration is used in all cases of remaining periods of study less than a full academic year (see definition below) and is always based on:

\[
\text{Number of semester, trimester, quarter or clock hours enrolled} \\
\text{Number of semester, trimester, quarter or clock hours in the academic year}
\]

This fraction is multiplied by the appropriate annual loan limit to determine the prorated loan limit. There is no comparison of weeks and hours. Hours are always used.

At a term-based credit-hour school (where the academic year is measured in semesters, trimesters, quarters, or other terms), a remaining period of study is considered shorter than an academic year if the remaining period consists of fewer terms than the school’s scheduled academic year. For example, a student might have completed two academic years of study at a community college and received two Stafford Loans, but need to attend an additional quarter term to complete his/her program requirements. The final quarter term would fall in a new academic year, and thus the loan maximum would have to be prorated, because the remaining period of study is less than a full academic year. Terms within the same academic year as the student’s final term are considered part of the final period of study, even if separated from the final term by a term in which the student is not enrolled.

At a term-based clock-hour school (where the academic year is measured in semesters, trimesters, quarters, or other terms), a remaining period of study is considered shorter than an academic year if the final period consists of fewer terms than the school’s scheduled academic year or fewer clock hours than the minimum statutory requirement for a full academic year. As with credit-hour terms, all terms within the same academic year are considered part of the final period of study, even if separated from the final term by a term in which the student is not enrolled.

At a non-term school (where programs are measured only in clock or credit hours), a remaining period of study is considered less than an academic year if the remaining period consists of fewer clock or credit hours than the minimum statutory requirement for a full academic year.
Rudy has attended 6 quarters in a 2-year program at Beulah Community College, but to finish the program, he needs to attend an additional quarter as a half-time student (6 quarter hours). Rudy is a dependent undergraduate student, and BCC defines its academic year as 36 quarter hours and 30 weeks of instruction.

To determine the prorated Stafford loan limit, convert the fraction based on hours (6/36 = .17) to a decimal. Multiply this decimal by the second-year undergraduate annual loan limit: $3,500 x .17 = $595.

Rudy transfers to a BA program at Lacy Springs College. By taking 18 hours a semester, he will be able to graduate in the Fall term of his second year. Rudy is a dependent undergraduate student, and Lacy Springs defines its academic year as 24 credit hours providing a total of 30 weeks of instruction.

To determine the prorated Stafford loan limit, convert the fraction based on hours (18/24 = .75) to decimal. Multiply this decimal by the fourth-year undergraduate annual loan limit: $5,500 x .75 = $4,125.

O’Donnell Institute has an academic year that consists of three quarters: fall, winter, and spring. Rosie will be enrolling in the fall and spring quarters, but not the winter quarter, and will graduate at the end of the spring quarter.

Because the fall quarter is in the same academic year as Rosie’s final quarter, it is part of the final period of study, even though there is a term between the final quarter and the fall quarter in which she will not enroll. Because the fall quarter is part of the final period of study, the loan Rosie receives in the fall must be prorated, just as her spring loan must be prorated.
Aggregate Loan Limits

34 CFR 682.204(b), (e) — FFELP
34 CFR 685.203(d), (e) — DL

Note that the Higher Education Amendments of 1998 provide that interest capitalized on unsubsidized Stafford Loans shall not be counted against the borrower’s aggregate loan limits.

NEW Change in student status for aggregate loan limit

In some cases, a student may qualify for higher loan limits, but then lose the eligibility for the higher limits. This could happen because the parents received a PLUS loan after having been denied in previous years, because the student reverted to dependent status, or because a student with a graduate degree entered an undergraduate degree.

In these cases, you only count the loan amounts that the student would have gotten as a dependent student toward the aggregate loan limit. For instance, if the parents were denied PLUS in the student’s first 3 years at your school, but were able to get PLUS in the last year, the student would be eligible for the following Stafford amounts:

1st year (independent) = $6,625
2nd year (independent) = $7,500
3rd year (independent) = $10,500
4th year (dependent) = $5,500

Only $11,625 of these loans are counted against the $23,000 aggregate loan limit for a dependent undergraduate student, so the student may receive the entire 4th-year maximum loan amount, even though it brings the overall loan total to $30,125.

AGGREGATE LOAN LIMITS

The maximum outstanding total subsidized and unsubsidized Stafford Loan debt is:

• $23,000 for a dependent undergraduate student,

• $46,000 for an independent undergraduate student (or a dependent undergraduate student whose parents do not qualify for PLUS loans). No more than $23,000 of this aggregate amount may be in the form of subsidized loans.

• $138,500 for a graduate or professional student (including loans for undergraduate study). No more than $65,500 of this aggregate amount may be in the form of subsidized loans.

These maximums include any amounts borrowed under the Direct Loan and FFEL programs (including Consolidation Loans), as well as under the discontinued Federal Supplemental Loans for Students program (SLS).

If a student at your school has FSA loans that were received at other schools, you may need to check the Web site for the National Student Loan Data System (NSLDS) to make sure the student still has remaining eligibility under the loan limits. (See the discussion on page 8-31 ff.)

If a student who previously received undergraduate and graduate degrees returns to school to complete a second undergraduate program, only the loans that the student received for the first undergraduate program are included in determining the student’s remaining loan eligibility for the second undergraduate program. If the total amount received for the first undergraduate program does not exceed the undergraduate aggregate loan limits, the student may receive additional funds for the second program, up to the undergraduate aggregate limits.

Although loans received for graduate study are not counted toward a student’s undergraduate aggregate loan limit, the combined loan amounts received for undergraduate and graduate programs may not exceed the total allowable aggregate loan limits.

A borrower who has reached his or her aggregate borrowing limit may not receive additional loans. Once the loans are repaid, in full or in part, the borrower may apply for additional Stafford Loans.
### Annual Limits for Stafford Loans

<table>
<thead>
<tr>
<th></th>
<th>Subsidized</th>
<th>Total (subsidized &amp; unsubsidized)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Dependent</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Undergraduates</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>First Year</td>
<td>$2,625</td>
<td>$2,625</td>
</tr>
<tr>
<td>Second Year</td>
<td>$3,500</td>
<td>$3,500</td>
</tr>
<tr>
<td>Third Year and Beyond</td>
<td>$5,500</td>
<td>$5,500</td>
</tr>
<tr>
<td><strong>Independent Undergraduates, &amp;tc.</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>First Year</td>
<td>$2,625</td>
<td>$6,625</td>
</tr>
<tr>
<td>Second Year</td>
<td>$3,500</td>
<td>$7,500</td>
</tr>
<tr>
<td>Third Year and Beyond</td>
<td>$5,500</td>
<td>$10,500</td>
</tr>
<tr>
<td><strong>Graduate &amp; Professional Students</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>All Years of Study</td>
<td>$8,500</td>
<td>$18,500</td>
</tr>
</tbody>
</table>

**Note:** All undergraduate annual loan amounts are subject to proration.

### Aggregate Limits for Stafford Loans

<table>
<thead>
<tr>
<th></th>
<th>Subsidized</th>
<th>Total (subsidized &amp; unsubsidized)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Dependent</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Undergraduates</td>
<td>$23,000</td>
<td>SAME</td>
</tr>
<tr>
<td><strong>Independent Undergraduates, &amp;tc.</strong></td>
<td>$23,000</td>
<td>$46,000</td>
</tr>
<tr>
<td><strong>Graduate &amp; Professional Students</strong></td>
<td>$65,500</td>
<td>$138,500</td>
</tr>
</tbody>
</table>

### Example: Combined Loan Limits

<table>
<thead>
<tr>
<th></th>
<th>First undergraduate program:</th>
<th>Graduate program:</th>
<th>Total:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>subsidized</strong></td>
<td>$20,500</td>
<td>$45,000</td>
<td>$65,500</td>
</tr>
<tr>
<td><strong>unsubsidized</strong></td>
<td>$10,000</td>
<td>$40,000</td>
<td>$50,000</td>
</tr>
</tbody>
</table>

An independent student receives the following loan amounts for a first undergraduate program and a graduate program:

The student has now enrolled in a second undergraduate program. Only the loans received for the first undergraduate program are counted toward the student’s undergraduate aggregate loan limit. Because the total amount received for the first undergraduate program ($30,500) does not exceed the aggregate loan limit for an independent undergraduate ($46,000, maximum $23,000 subsidized), the student has remaining loan eligibility of up to $15,500 for the second undergraduate program.

However, the loans received for the graduate program must be considered in determining whether the student has exceeded the total aggregate loan limits. In this case, the total subsidized amount already received ($65,500) is the maximum subsidized amount that a student may receive for undergraduate and graduate study combined. Therefore, the student may receive only unsubsidized loans for the second undergraduate program.

**Note:** Certain health professions students may qualify for higher annual & aggregate limits—see discussion at the end of this chapter.
Financial Aid History
Requirement & NSLDS
To ensure that a student doesn’t exceed the annual and aggregate Stafford Loan limits, the student’s FAFSA data is matched with the National Student Loan Data System and the student’s loan history is included in the ISIR. If a student transfers to your school, you must inform NSLDS so that it can begin the Transfer Student Monitoring process. More detailed information on how this requirement applies to all of the FSA programs can be found in Volume 1, Chapter 3 of the FSA Handbook.

NSLDS on the Web
You can review the complete student loan history for your students and generate reports on the NSLDS Web site for aid professionals: [link to NSLDS]

NSLDS guides & help center
Guides for Enrollment Reporting, Transfer Monitoring and other user documentation are currently posted on IFAP under “Current FSA Publications.” Also see NSLDS Newsletter #6 on IFAP for more specific information on how the OPB and Agg OPB are calculated in NSLDS.
Technical assistance for NSLDS is available by calling: 1-800-999-8219

Perkins and SLS Loans
Perkins loans may be included in the subsidized portion of a Consolidation Loan, but Perkins loans are not considered when determining Stafford loan limits. However, Supplemental Loans for Students/SLS (an earlier name for unsubsidized loans for students) are included when determining Stafford loan limits.

NSLDS status codes that indicate consolidation
PC—Paid in Full Through Consolidation Loan
PN—Non-defaulted; Paid in Full Through Consolidation Loan
DN—Defaulted, Paid in Full Through Consolidation Loan

Sometimes loans paid through consolidation are reported (improperly) as PF, or “Paid-in-Full.” You can find a list of status codes and their definitions by clicking on “?” located in the upper left-hand corner of the NSLDS screen.

Use the “Agg OPB” in NSLDS to determine student’s remaining aggregate Stafford eligibility
In most cases, you can rely on the NSLDS loan history data (provided on the ISIR, as well as the NSLDS Web site) and the Transfer Monitoring process to tell you if a student is about to exceed the aggregate Stafford loan limits. (See Volume 1, Chapter 3.) However, should you wish to review your student’s loan history on NSLDS, keep in mind that the loan amounts for any Stafford or SLS loans that were once in repayment status may include accrued interest, collection cost, fees, and/or capitalized interest. None of these charges should be included when you’re checking to see how much the student has borrowed against the aggregate limits for subsidized Stafford loans and total Stafford borrowing.

To avoid counting interest and other charges, use the aggregate outstanding principal balance (Agg OPB) shown in NSLDS for each of the student’s outstanding Stafford loans. For instance, if the student has been making payments on a $2,625 loan and the aggregate outstanding principal balance is now $2,100, count the $2,100 towards the student’s aggregate loan limit.

Identifying the “underlying” Stafford balances in a Consolidation Loan
The Agg OPB shown in NSLDS for a Consolidation Loan may include payoff amounts on the underlying loans that should not be counted toward the aggregate loan limits. If you’re planning to award a new Stafford loan to a student who is close to the aggregate loan limit and has an FFEL Consolidation Loan, you may need to find out how much of the Consolidation Loan is associated with previous subsidized Stafford Loans. You should use NSLDS (or loan records provided by the borrower) to identify the loans that the student paid off through consolidation, and whether they were subsidized or unsubsidized.

There are several status codes that indicate that the loans were paid in full through consolidation, particularly PC and PN, and sometimes “PF,” though the PF category is not meant to apply to loans that are consolidated. Status dates for loans included in the consolidation should be close to the date the Consolidation Loan was made. (See the example at the end of this chapter.) Once you’ve identified the underlying loans, add the Disbursed Amounts for the loans to determine the aggregate subsidized Stafford and unsubsidized Stafford amounts within the Consolidation Loan.

In some instances, because of timing or coding problems by the entities reporting to NSLDS, not all of the loans that made up a Consolidation Loan will be included in the NSLDS. *Schools are only responsible for data that is available in the NSLDS.* However, if you have doubts, it would be prudent to review the student’s Consolidation Loan paperwork to determine the portion of the consolidated loan that must be considered subsidized or unsubsidized. (Dear Colleague 96-13, Questions 54 and 55.)
**EFFECT OF OVERBORROWING**

If you determine that a student has borrowed more than the annual or aggregate Stafford loan limits, you cannot award any FSA funds until the overborrowing is resolved. The student can regain eligibility for aid from other FSA programs (such as Pell Grants) by making satisfactory arrangements with the Stafford lender (or the DL servicer) to repay the amount that exceeded the Stafford annual or aggregate loan limits.

Note that you cannot award further Stafford loan funds to the student until he or she has repaid enough of the previous loans to once again be eligible to borrow under the subsidized and total loan limits.

**Example: Resolving a case of “overborrowing”**

Beth, an undergraduate student, is applying for a Stafford loan for her fifth and final year of baccalaureate study at your college. At first, she appears to be within the aggregate limit for undergraduate subsidized Stafford loans.

However, you have recently become aware that Beth previously borrowed Stafford loans while attending a community college several years prior to coming to your college.

**STAFFORD LOANS**

Subsidized BANKONE 1991 .................................................. $2,625  
Subsidized BANKONE 1992 .................................................. $3,500  
Subsidized BANKTWO 1998 .................................................. $2,625  
Subsidized BANKTWO 1999 .................................................. $3,500  
Subsidized BANKTWO 2000 .................................................. $5,500  
Subsidized BANKTHREE 2001 ............................................... $5,500  

**TOTAL SUBSIDIZED .......................................................... $23,250**

In fact, your review of her NSLDS records indicates that Beth has borrowed $250 in subsidized Stafford loans in excess of the aggregate undergraduate limit. Because the loan made by BANKTHREE was the one that exceeded the loan limit, Beth needs to make arrangements with BANKTHREE to repay the amount for which she was not eligible.

When BANKTHREE has confirmed that Beth has made satisfactory arrangements to repay the excess loan amount, you may make other FSA awards to Beth.

You cannot make a Stafford loan to Beth until she has repaid the $250 that exceeds the aggregate subsidized Stafford loan limit and further repaid enough of her outstanding balance to be eligible for the Stafford amount that you intend to award to her. (For instance, you could not award her a new $5,500 Stafford Loan until she has reduced her outstanding balance to $17,500.)
Example: Consolidation Loan & Stafford Loan Limits

An independent undergraduate student transfers to your school to complete her fourth year of baccalaureate study. She applies for a Stafford Loan and has financial need for the maximum annual loan amount ($5,500 in subsidized Stafford and $5,000 in unsubsidized Stafford). Her NSLDS record indicates that she has an Agg OPB of $24,625 on a Consolidation Loan made by a FFEL lender. Because the undergraduate aggregate subsidized limit is $23,000, you cannot disburse any subsidized loan funds unless you can determine that the total amount of subsidized Stafford loans represented in the consolidation amount is less than $23,000.

The student’s loan record shows that her Consolidation Loan was made on August 30, 2000. She previously had three subsidized loans that were paid through consolidation (PC) earlier in July and August. The Disbursed Amounts for her loans are: $2,625 for her first-year loan, $3,500 in her second year, and $5,500 in her third year. The NSLDS record also shows two unsubsidized loans, paid-in-full in July and August, which she received in her second and third years, when she qualified as an independent student.

<table>
<thead>
<tr>
<th>STAFFORD LOANS (CONSOLIDATED)</th>
<th>STAFFORD LIMIT</th>
<th>REMAINING ELIGIBILITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsidized ...................... $2,625</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subsidized ...................... $3,500</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subsidized ...................... $5,500</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL SUBSIDIZED .............. $11,625</td>
<td>$23,000</td>
<td>$11,375</td>
</tr>
<tr>
<td>Unsubsidized ................... $4,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unsubsidized ................... $5,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL SUB + UNSUB ........... $20,625</td>
<td>$46,000</td>
<td>$25,375</td>
</tr>
</tbody>
</table>

Adding the loans up, we can see that the student has received a total of $11,625 in subsidized Stafford and an overall total of $20,625 in Stafford funds.* Therefore, you may pay the student her full loan amounts ($5,500 subsidized and $5,000 unsubsidized) without exceeding the aggregate Stafford loan limits for an independent undergraduate.

*There are several possible reasons why the $25,000 Consolidation Loan is greater than the total Stafford borrowed ($20,625)—the Consolidation amount may include Perkins or health loans that have been consolidated, and it may include capitalized interest or other charges.
### How it looks on NSLDS ...

You can locate the student’s information by going to the NSLDS main menu, entering the student’s first name, SSN, and date of birth, and clicking on “Loan History.” Scroll down to the “Loan Summary.”

- In this example, NSLDS shows that an “FFEL Consolidated” loan was made on August 30, 2000 (the word “default” does not mean that the loan is in default).

Looking at the loan record, we can see five Stafford Loans that were paid through consolidation (PC or PN, though sometimes a loan that has been consolidated will be erroneously coded PF) in the previous month, indicating that they were part of the Consolidation loan made on 08/30/2000.

Because the underlying loans have all been purchased through consolidation the Outstanding Principal Balance (OPB) and Aggregate OPB on each loan is $0.

To determine the total that the student has borrowed, add up the Disbursed Amounts shown for the underlying loans. The sum for all five loans is $20,625, and the sum for the three subsidized loans is $11,625.

Since the OPB and Agg OPB on the Consolidation Loan are greater than the sum of the Stafford Loans, the consolidation loan may contain health loans, which are not reported to NSLDS. The Disbursed Amount of the Consolidation Loan will frequently be greater than the Agg OPB because of capitalized interest and/or fees assessed on the underlying loans.

<table>
<thead>
<tr>
<th>Status: RP as of 08/30/2000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Guaranteed Amt: $25,828 Disbursed Amt: $25,000 OPB: $24,625 Agg OPB: $24,625</td>
</tr>
<tr>
<td>Loan Date: 08/30/2000 Sep. Loan Ind: A Loan Period: N/A - N/A</td>
</tr>
<tr>
<td>Last Disbursement Date: 08/30/2000 Acad Lv:</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Status: PC as of 07/25/2000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Guaranteed Amt: $5,500 Disbursed Amt: $5,500 OPB: $0 Agg OPB: $0</td>
</tr>
<tr>
<td>Loan Date: 09/17/1999 Sep. Loan Ind: A Loan Period: N/A - N/A</td>
</tr>
<tr>
<td>Last Disbursement Date: 01/26/2000 Acad Lv:</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Status: PC as of 07/25/2000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Guaranteed Amt: $5,000 Disbursed Amt: $2,750 OPB: $0 Agg OPB: $0</td>
</tr>
<tr>
<td>Loan Date: 09/17/1999 Sep. Loan Ind: A Loan Period: N/A - N/A</td>
</tr>
<tr>
<td>Last Disbursement Date: 01/26/2000 Acad Lv:</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Status: PC as of 08/20/2000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Guaranteed Amt: $3,500 Disbursed Amt: $1,750 OPB: $0 Agg OPB: $0</td>
</tr>
<tr>
<td>Loan Date: 09/05/1998 Sep. Loan Ind: A Loan Period: N/A - N/A</td>
</tr>
<tr>
<td>Last Disbursement Date: 01/12/1999 Acad Lv:</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Status: PC as of 08/20/2000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Guaranteed Amt: $4,000 Disbursed Amt: $2,000 OPB: $0 Agg OPB: $0</td>
</tr>
<tr>
<td>Loan Date: 09/12/1998 Sep. Loan Ind: A Loan Period: N/A - N/A</td>
</tr>
<tr>
<td>Last Disbursement Date: 01/12/1999 Acad Lv:</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Status: PC as of 08/30/2000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Guaranteed Amt: $2,625 Disbursed Amt: $1,312 OPB: $0 Agg OPB: $0</td>
</tr>
<tr>
<td>Loan Date: 09/06/1997 Sep. Loan Ind: A Loan Period: N/A - N/A</td>
</tr>
<tr>
<td>Last Disbursement Date: 01/12/1999 Acad Lv:</td>
</tr>
</tbody>
</table>
Increased Eligibility for Health Professions Students

The Health Education Assistance Loan (HEAL) Program, a loan program for health professions students administered by the Department of Health and Human Services, was gradually phased out beginning in 1995. The phaseout has now been completed, and no further HEAL Program loans are being made. To replace loan funds that otherwise would have been available under the HEAL Program, certain health professions students may borrow increased unsubsidized Stafford Loan amounts.

With the complete phaseout of HEAL, the Department has removed the earlier restrictions that limited participation to schools that had disbursed HEAL loans in fiscal year 1995 and to students who, as of October 1, 1995, were not HEAL borrowers.

Increased unsubsidized amounts

For any loan period beginning on or after May 1, 1999, schools may award the increased unsubsidized amounts to students who are enrolled full-time in a health professions discipline that (1) was eligible under the HEAL Program and (2) is accredited by an approved accrediting agency. (See “Dear Partner” Letter GEN-99-21.) The disciplines that were eligible under the HEAL Program and the approved accrediting agencies for these disciplines are shown in the loan limit chart on the next page for the increased unsubsidized amounts. Note that the HEAL Program required a need analysis test, while need analysis (represented by the EFC) is not required for unsubsidized Stafford loans.

Increased annual loan limits

Because the increased annual unsubsidized Stafford Loan limits are intended to replace funds that would have been available previously under the HEAL Program, the annual loan limits for the increased unsubsidized amounts are the same as the HEAL Program annual loan limits. The chart on the next page shows the annual loan limits for the increased unsubsidized amounts, which vary by discipline and academic year (AY) length, as well as the approved accrediting agency for each discipline.

Increased aggregate loan limits

**Graduate and Professional.** The combined subsidized/unsubsidized aggregate loan limit for graduate and professional health professions students who are eligible to receive the increased unsubsidized amounts is $189,125 (not more than $65,500 of this amount may be in subsidized loans).

This increased aggregate loan limit would permit a student to receive the current maximum Stafford annual loan limits for four years of undergraduate study ($6,625 + $7,500 + $10,500 + $10,500) and four years of graduate/professional study ($18,500 x 4), plus the maximum increased unsubsidized loan limit for a 9-month academic year for four years of graduate/professional study ($20,000 x 4).

**Undergraduate.** The combined subsidized/unsubsidized aggregate loan limit for undergraduate health profession students (Bachelor of Science in Pharmacology) who are eligible to receive the increased unsubsidized amounts is $70,625 (not more than $23,000 of this amount may be in subsidized loans).

This increased aggregate loan limit would permit a student to receive the current maximum Stafford annual loan limits for five years of undergraduate study ($6,625 + $7,500 + $10,500 + $10,500 + $10,500), plus the maximum increased unsubsidized loan limit for a 9-month academic year for the fourth and fifth years of undergraduate study ($12,500 x 2).

Effect of transfer to non-health profession program of study

**NEW** If a student receives the additional Stafford loan amounts on the basis of study in a health profession program, but then leaves that program and enters a program in a different field, the student is no longer eligible for the increased Stafford loan limits. However, the additional loan amounts received on the basis of health professions study are not counted toward the aggregate Stafford loan limit for that student.
### Programs Eligible for:

**Additional $20,000 in Unsubsidized Loans for a 9-month Academic Year**  
**Additional $26,667 in Unsubsidized Loans for a 12-month Academic Year**

<table>
<thead>
<tr>
<th>Program</th>
<th>Accreditation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Doctor of Allopathic Medicine</td>
<td>Liaison Committee on Medical Education</td>
</tr>
<tr>
<td>Doctor of Osteopathic Medicine</td>
<td>American Osteopathic Association, Bureau of Professional Education</td>
</tr>
<tr>
<td>Doctor of Dentistry</td>
<td>American Dental Association, Commission on Dental Accreditation</td>
</tr>
<tr>
<td>Doctor of Veterinary Medicine</td>
<td>American Veterinary Medical Association, Council on Education</td>
</tr>
<tr>
<td>Doctor of Optometry</td>
<td>American Optometric Association, Council on Optometric Education</td>
</tr>
<tr>
<td>Doctor of Podiatric Medicine</td>
<td>American Podiatric Medical Association, Council on Podiatric Medical Education</td>
</tr>
</tbody>
</table>

**Additional $12,500 in Unsubsidized Loans for a 9-month Academic Year**  
**Additional $16,667 in Unsubsidized Loans for a 12-month Academic Year**

<table>
<thead>
<tr>
<th>Program</th>
<th>Accreditation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Master of Science in Pharmacology</td>
<td>American Council on Pharmaceutical Education</td>
</tr>
<tr>
<td>(also 4th &amp; 5th yr. Bachelor’s &amp; some Doctorate students)*</td>
<td></td>
</tr>
<tr>
<td>Graduate in Public Health</td>
<td>Council on Education for Public Health</td>
</tr>
<tr>
<td>Doctor of Chiropractic</td>
<td>Council on Chiropractic Education, Commission on Accreditation</td>
</tr>
<tr>
<td>Doctoral Degree in Clinical Psychology</td>
<td>American Psychological Association, Committee on Accreditation</td>
</tr>
<tr>
<td>Masters or Doctoral Degree in Health Administration</td>
<td>Accrediting Commission on Education for Health Services Administration</td>
</tr>
</tbody>
</table>

**EXAMPLE OF ANNUAL LOAN LIMIT:** The increased unsubsidized amounts that an eligible health professions student may receive are in addition to the regular Stafford annual loan limits. For example, a student enrolled in a 9-month Doctor of Dentistry program is eligible for the regular Stafford subsidized/unsubsidized annual loan maximum for a graduate/professional student ($18,500, not more than $8,500 of which may be subsidized), plus the maximum increased unsubsidized amount of $20,000, for a total Stafford loan maximum of $38,500.

* Consistent with HEAL's rules, students enrolled in a Doctor of Pharmacology program may receive the increased unsubsidized amounts only if they are not required to have a Bachelor or Master of Science in Pharmacology as a prerequisite for the Doctorate degree. A Pharmacology doctorate student who meets this condition is eligible for the same annual loan limits as students enrolled in a Bachelor or Masters of Pharmacology program.

Only one undergraduate program (Bachelor of Science in Pharmacology) was eligible under the HEAL Program. In accordance with HEAL Program rules, a student enrolled in a Bachelor of Science in Pharmacology program may receive the increased unsubsidized amounts only for the fourth and fifth years of the program. In addition (consistent with general FSA requirements), a dependent undergraduate may receive the increased unsubsidized amounts only if the student's parent is unable to borrow a PLUS loan.