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**HOWARD**  
**UNIVERSITY**



# Parents & Family Information Session

## 2026-2027

## Financial Aid 101

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**PRESENTED BY:**

**The Office of Financial Aid**

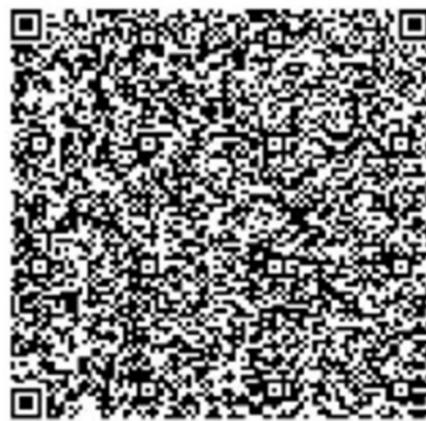
Schedule a Virtual Financial Aid Appointment or Open a Virtual Chat  
<https://financialservices.howard.edu/financial-aid>

EMAIL ADDRESS  
[finaid@howard.edu](mailto:finaid@howard.edu)

PHONE NUMBER  
202.806.3345

### MAILING ADDRESS

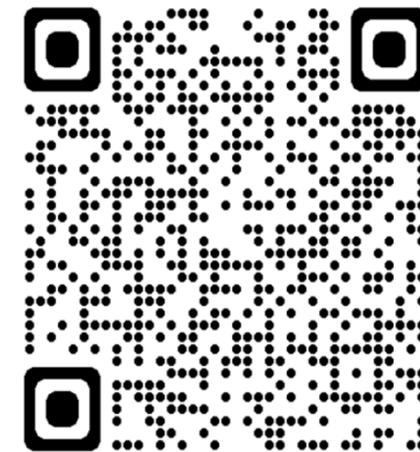
Howard University Office of Student Financial Aid  
Mordecai Johnson Administration Building 2400 6th St. NW, Suite 205  
Washington, DC 20059



VIRTUAL CHAT

SCAN ME

**CONTACT US!**



Schedule Virtual Appointment

# Agenda

- FAFSA
- FERPA
- Dependent vs. Independent
- Understanding Your Cost of Attendance Budget
- Types of Financial Aid
- Student Aid Index (SAI) & Need - *Formerly Expected Family Contribution (EFC)*
- Federal Loans & Eligibility
- BisonHub & How To Accept Your Awards
- Satisfactory Academic Progress (SAP)
- Avoiding the "Howard Shuffle"



# FAFSA

Complete the FAFSA prior to each academic year.

- 2026-2027 for the Fall 2026 and Spring 2027
- 2027-2028 for the Fall 2027 and Spring 2028
- Howard University's School Code: **001448**
- **Check your Student Aid Report (SAR) from FAFSA once it is processed.**
- If you are selected for Verification, check your email for notifications from **Inceptia** with instructions on how to complete this requirement.



# F.E.R.P.A.



- The Family Educational Rights and Privacy Act (FERPA) (20 U.S.C. § 1232g; 34 CFR Part 99) is a Federal law that protects the privacy of student education records.
- FERPA gives parents certain rights with respect to their children's education records. These rights transfer to the student when he or she reaches the age of 18 or attends a school beyond the high school level.



# Dependent vs. Independent

- 24 years or older (before Jan. 1, 2002)
- Graduate Student
- Married
- Legal Dependents (receiving more than half of their support from you)
- Active-Duty Military
- Veterans
- Legal guardianship (in the legal custody of someone not your parent or step-parent)
- Orphan/Ward of the Court/Legally Emancipated Minor
- Homeless/At Risk of Being Homeless

# Cost of Attendance

- The **Cost of Attendance (COA)** is an average estimate of what it costs a typical undergraduate student to attend Howard University for one academic year. Your cost of attendance estimate doesn't only include tuition. It also takes basic living and commuting expenses into account. The actual amount you pay, and the amount it costs you for one academic year will always differ from the cost of attendance.
- A student **CANNOT** receive financial aid in an amount that exceeds the cost of attendance

DIRECT COST ESTIMATE	ON CAMPUS
TUITION	\$37, 996
FEES	\$940
HOUSING AND MEALS	\$18,982
<b>SUBTOTAL</b>	<b>\$57,918</b>
INDIRECT COST ESTIMATE	
BOOKS & SUPPLIES	\$1,220
TRANSPORTATION	\$1,154
PERSONAL EXPENSES	\$2,494
<b>TOTAL</b>	<b>\$62,786</b>
LOAN FEES – FEDERAL DIRECT (If a family opts to take out a loan, federal fees are associated with doing so)	\$36
LOAN FEES – PLUS (If a family opts to take out a loan, federal fees are associated with doing so)	\$1,320
<b>COST OF ATTENDANCE</b>	<b>\$64, 142</b>



# Types of Financial Aid

## Scholarships

- Institutional Scholarships
- External Scholarships

## Grants

- Institutional Grants
- Federal Grants
- State Grants

## Loans

- Federal Loans -Eligibility

### Types-

- Subsidized Loan
- Unsubsidized Loan
- Parent PLUS loan
- Subsidized vs Unsubsidized
- Interest Rates & Origination Fees
- Annual & Aggregate Limits

- Federal Loans vs Private Education Loans

## Federal Work Study

## Student Aid Index (SAI)

- After submitting your FAFSA the Department of Education uses that information to determine your Student Aid Index (SAI).
- Your SAI is then used to determine how much a family can contribute towards the student's education. Howard will use the SAI to determine eligibility for need based funds as well as federal financial aid.
- Financial need is determined by your cost of attendance (total cost to attend Howard)-SAI=financial need.
- Ex: Student has 650 SAI and the Cost of Attendance is \$44,650; Financial Need=44,000



# Federal Loan Eligibility

## Federal Requirements

- U. S. Citizen or Eligible Non-Citizen
- Valid Social Security Number
- No Defaulted Federal Student Loans
- No Outstanding Federal Grants Repayments

## School-Related Requirements

- Enrolled in an Eligible Degree or Certificate Program
  - Halftime Enrollment
    - Minimum 6-credits/semester for Undergraduates
    - Minimum 4-credits/semester for Graduates
- Maintain Satisfactory Academic Progress (SAP)



# Types of Loans

## Federal Direct Subsidized

- Undergraduates Only
- Need-Based

## Federal Direct Unsubsidized

- Undergraduate and Graduates

## Federal Direct Parent PLUS

- Parents of Undergraduate Dependent Students Only
- Credit-Based

## Federal Direct Graduate PLUS

- Graduates Only
- Credit-Based

## Supplemental, Private, Non-Federal Student Loans

- Anyone (UG, GR)
- Credit-Based

# Subsidized vs. Unsubsidized

Subsidized Loans	Unsubsidized Loans
Must demonstrate financial need	Does not have to demonstrate financial need
Interest does not accrue while student is enrolled in at least 6 credit hours	Interest starts accruing at the time of disbursement
Interest Rate 6.53% for Undergraduate Students	
Loan Origination Fee 1.057%	
Repayment does not begin until 6 months after student graduates or enrollment falls below 6 credit hours	

This table provides interest rates for Direct Subsidized Loans, and Direct Unsubsidized Loans, first disbursed on or after July 1, 2024, and before July 1, 2025.

# Direct Loan & PLUS Loan Interest Rates

## What's new for 2026-2027:

Starting July 1, 2026, Parent PLUS loans will be capped at **\$20,000 annually** and a total of **\$65,000 per dependent student**. These changes, enacted by the One Big Beautiful Bill Act (OBBBA), represent a major shift from the prior uncapped borrowing structure. Existing Parent PLUS borrowers who took out loans before July 1, 2026, will be grandfathered into the previous limits for up to three additional years or until the student completes their program. [@](#)

### New Limits (Effective July 1, 2026)

- **Annual Cap:** Parents can borrow a maximum of \$20,000 per student each academic year.
- **Aggregate Cap:** A lifetime total of \$65,000 per dependent student from the Parent PLUS program. [@](#)

# Direct Loan & PLUS Loan Interest Rates

## What's new for 2026-2027:

### What This Means for Families

- **Reduced Borrowing Power:** The previous unlimited borrowing structure, which allowed parents to finance the full cost of attendance, is no longer in effect.
- **Increased Financial Planning:** Families will need to place more emphasis on financial planning, including exploring other funding sources and potentially increasing the use of scholarships and grants.
- **Impact on Middle-Income Families:** The new limits may significantly affect middle-income families who rely on these loans because they don't qualify for need-based aid. 

# Direct Loan & PLUS Loan Interest Rates

Loan Type	Borrower Type	Fixed Interest Rate
Direct Subsidized Loans and Direct Unsubsidized Loans	Undergraduate	6.39%
Direct Unsubsidized Loans	Graduate or Professional	7.94%
Direct PLUS Loans	Parents and Graduate or Professional Students	8.94%

All interest rates shown in the chart above are fixed rates. A fixed rate will not change for the life of the loan.

If your loan was disbursed before July 1, 2025, you likely have a different interest rate.

The U.S. Department of Education's office of Federal Student Aid provides more than \$120 billion in financial aid to help pay for college or career school each year.

[Create Account](#)

### Considering School

*I'm thinking about going to college or a career school.*

### In School

*I'm in the process of earning a degree or certificate.*

### Parent

*I want to help my child pay for college.*

### In Repayment

*I have loans I need to repay.*

## We'll share useful info and walk you through the PLUS loan process.

We have resources for parents looking to save for college and learn about financial aid. We also make loans to eligible parents to help pay for their child's undergraduate education

#### POPULAR TOPICS

[Apply for a Parent PLUS Loan](#)

[Complete a Master Promissory Note \(MPN\) for a Parent PLUS Loan](#)

[Complete the Annual Student Loan Acknowledgment](#)

[Complete PLUS Credit Counseling](#)



## I am a Parent of an Undergraduate Student

William D. Ford Federal Direct Loan Program: Federal Direct PLUS Loan Request for Supplemental Information

When you apply for a Direct PLUS Loan as a parent, you can authorize the school to use your loan funds to satisfy your student's other educational related charges after tuition and fees, and room and board (for on-campus students) have been paid. You are not required to provide this authorization.



As a parent borrower, you can also use the Direct PLUS Loan Application to:

- designate whether the school pays any credit balance to the student or to you.
- request a deferment while the student is in school, and for an additional deferment for six months after the student ceases to be enrolled at least half time, and
- request a change to the loan amount specified in a previously submitted application.

[Preview a read-only version](#)

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Federal Student **Aid**

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## Log In

**FSA ID Username, Email, or Mobile Phone**



[Forgot My Username](#)

**Password**

Show Password



[Forgot My Password](#)

**Log In**

or

**Create an Account**

# Direct PLUS Loan Application for Parents

STEP 1 OF 5

Student Info >

*Warning: Any person who knowingly makes a false statement or misrepresentation on this form will be subject to penalties which may include fines, imprisonment, or both, under the U.S. Criminal Code and 20 U.S.C. 1097.*

## Select an Award Year

Award Year

2026-2027 

## Student's Information



# Direct PLUS Loans

Parent responsible for repayment of a Parent Plus Loan

Student responsible for repayment of a Graduate Plus Loan

May borrow up to the cost of the attendance after all other aids considered

Repayment can begin within 60-days of disbursement unless deferred

Credit-based: No specific score but no adverse history

Higher interest rates and processing fees

Separate application on <https://studentaid.gov>

**Direct Subsidized Loan:** Does NOT accrue interest while the student is enrolled in school at least half-time (6 credits), for the first 6 months after a student leaves school whether for graduation or breaks in enrollment, and during a period of deferment.

**Direct Unsubsidized Loan:** Begins to accrue interest immediately after the disbursement occurs.

Year	Dependent Students (except students whose parents are unable to obtain PLUS Loans)	Independent Students (and dependent undergraduate students whose parents are unable to obtain PLUS Loans)
First-Year Undergraduate Annual Loan Limit	\$5,500-No more than \$3,500 of this amount may be in subsidized loans.	\$9,500-No more than \$3,500 of this amount may be in subsidized loans.
Second-Year Undergraduate Annual Loan Limit	\$6,500-No more than \$4,500 of this amount may be in subsidized loans.	\$10,500-No more than \$4,500 of this amount may be in subsidized loans.
Third Year and Beyond Undergraduate Annual Loan Limit	\$7,500 per year-No more than \$5,500 of this amount may be in subsidized loans.	\$12,500-No more than \$5,500 of this amount may be in subsidized loans.
Graduate or Professional Student Annual Loan Limit	Not Applicable (all graduate and professional degree students are considered independent).	\$20,500 (unsubsidized only).
Subsidized and Unsubsidized Aggregate Loan Limit	\$31,000-No more than \$23,000 of this amount may be in subsidized	\$57,500 for undergraduates-No more than \$23,000 of this amount may be in subsidized loans.

# Federal Loans vs. Private Loans

Federal Student Loans	Private Student Loans
Subject to Annual Loan Limits based on grade level (freshman, sophomore, junior, senior) and academic level (Undergraduate vs. Graduate)	Subject to Cost of Attendance budget minus all other financial aid resources
Subsidized and Unsubsidized loans are not credit-based	Based on Credit and lender requirements
Federal loans can be consolidated into a Direct Consolidation Loan	Cannot be consolidated with federal student loans
Lower fixed interest rates <i>For 2024-2025: 6.53% for Undergraduates students; 8.08% for Graduate students</i>	Rates can be Fixed or Variable, depending on lender and credit score of you (and co-signer if applicable); rates may be significantly higher than federal student loans
Must be enrolled at least half-time; Satisfactory Academic Progress Required	Some lenders allow for less than half-time enrollment; some do not require Satisfactory Academic Progress; Some allow for assistance with past due balances

# Where to Start

**Complete the FAFSA first!** Completing the FAFSA for each academic year ensures your eligibility for federal aid programs is determined first.

**Accept your Offered Federal Direct Student Loans before applying for private loans:** This can save you money in the long run by using the available federal loans that carry lower fixed interest rates.

**Do your research:** Use the ELM Select Online Tool to help you research some private loan options and compare the details, requirements and terms of each lender to select the best fit for you: <https://www.elmselect.com/v4/school/929/program-select>

**Apply directly through your selected lender:** The Office of Financial Aid receives a Private Loan Certification Request from your lender. We certify that the student borrower meets the lenders requirements (minimum enrollment, Satisfactory Academic Progress) and we make sure the amount certified is within your cost of attendance budget minus all other financial aid resources.

# *What is* **FEDERAL WORK-STUDY?**

*It's a way for students to earn money to pay for school through part-time on-campus (and sometimes off-campus) jobs.*

## **What is Federal Work Study?**

- Higher Education Act of 1965, as amended, Title IV, Part C; 42 U. S. C. 2751-2756b.
- The FWS Program provides funds for part-time employment to help needy students to finance the costs of postsecondary education. Students may be employed by the institution itself; a federal, state, or local public agency; a private nonprofit organization; or a private for-profit organization.



# How Can Federal Work Study Be Used



**Will Federal Work Study apply directly to my institution's bill?**

**How will I receive payment for my time worked?**

- The student will be paid directly for the hours he or she works and the amount he or she earns cannot exceed the total amount awarded by the school for the award year.
- It can be used towards direct and indirect costs for the academic year.
- Federal Work Study is not offered during Summer semester.

# Satisfactory Academic Progress (SAP)

- 2.0 Cumulative GPA
- 70% Minimum Completion Rate
  - Ex. Attempt 30 credits, Must pass 21 of those 30 credit;  $21/30 = .7 \times 100 = 70\%$
  - Grades that negatively impact the completion Ratio are AU, F, I, NR, TW, U, UW, and W.
- Maximum Timeframe
  - Students are eligible for Financial aid for up to 150% of the student's published Academic Program Length, which includes all attempted cumulative credit hours.
  - Ex. Degree requires 120 credits, eligible for federal financial aid up to 180 credits;  $120 \times 1.5 = 180$



# Effectively Navigating Howard



## Financial Aid

- FAFSA/ISFAA
- Authorization of Aid
- HU Scholarship Questions
- Seeking Additional Aid
- Questions about Requirements as listed in BisonHub
- Loans

## Bursar Office

Billing Questions

Refunds

Delinquent Holds

Payment Plans

Health Insurance Fee

1098Ts

Payments

Outside Scholarship Checks or wire transfers

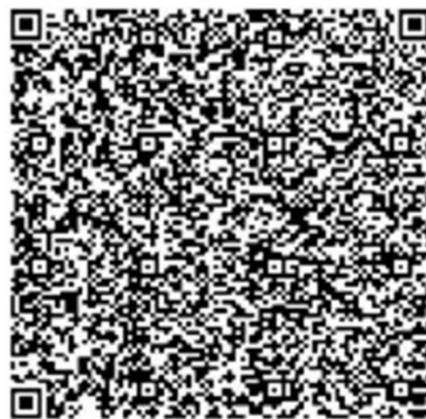
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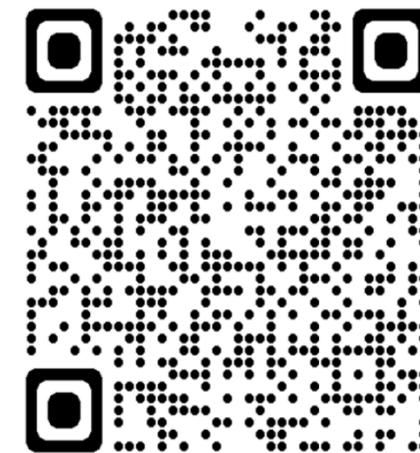
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*In Truth and Service*