

J-Term Financial Aid Options and Instructions For Students Interested in Studying Off-Campus

The Center for Global Learning has informed us of your interest in studying off-campus during J-Term. The following information is designed to help you think through the options available to you for funding your off-campus experience, particularly with respect to loan options.

In most cases, loans are available only for Luther-sponsored international and domestic off-campus programs, not for programs offered through other providers or programs. The following guidelines apply:

- Financial aid specific to January term is limited to **Federal Direct Parent Loans (PLUS Loans)** and **private-lender loan options**, unless you chose earlier not to take advantage of the full Stafford Loan offered to you as part of your fall and spring financial aid. Additionally, you may be offered study abroad scholarships you could use any travel grants offered at the time of admission to Luther College.
- Most private loans either require a **co-signer** or encourage the use of a co-signer for more favorable interest rates. We recommend the use of a co-signer if one is available.
- If you've previously applied for a private-lender loan, we would recommend that you stay with the same source, if that source is still available. If you've not previously used a private-lender option, please see information on some of those options at <http://finaid.luther.edu> choosing "**Current Students**," then "**Loans**."
- Information on the **Federal PLUS Loan** program, which is a loan where your parent is the borrower, is also available on our website. **The PLUS Loan application is applied for online now at studentaid.gov.** Funds are borrowed from the U.S. Department of Education.

If you would like to apply for a J-Term loan, please follow these steps:

1. You may apply for a J-term loan on your own by following these steps. If you need assistance with the process and/or would like to speak with a financial aid counselor about loan options, please call 563-387-1018 or email finaid@luther.edu to arrange an appointment as soon as possible.
2. ****You should initiate your J-Term loan in early September as a separate loan. If you initiated a loan as a full-year loan, with intentions of including funding for J-Term, we may need to make adjustments in disbursements. Please make contact with Financial Aid if you haven't already done so.**
3. If you choose to take out a **private loan**, use a loan period of **Fall through January Term**. Please notify the Financial Aid Office **once you've applied**, giving us the amount applied for and the lender, as well as the name of your J-Term program.
4. If you choose to take out a **PLUS Loan**, select a loan period that includes fall through J-Term. **We recommend that the parent borrower authorize the refund to the student so that they can request the transfer explained below**.**
5. If you initiate a loan and the trip is canceled or you decide not to participate, **you must notify the Financial Aid Office.**

IMPORTANT: In order to have your loan funds credited to your J-term trip costs, you must do the following:

Stop in the **Office for Financial Services** to complete a **Student Receivable Refund/Transfer Request** for loan funds to be transferred to your trip account, **up to the amount of the trip itself**, (and for any excess to be refunded to you if you borrowed additional for needed food while abroad.) Charges for a J-Term off-campus course do not show on your fall Statement of Account. The charges and payments are handled separately in trip accounts in the Office for Financial Services. The Refund Transfer form is your way of saying what to do with those loan funds.

If you have set up a **Work Study Payment Plan** or **Monthly Payment Plan** with the Office for Financial Services for fall semester, please visit with **Financial Services** regarding how that will affect J-Term fund availability toward your J-Term off-campus course. Previous balances due will also need to be paid.

Don't forget that if you're applying work-study checks to your account, missing J-Term work at Luther will affect payments to your Spring Semester account. You will probably need to increase work hours during February through April to satisfy your contract. Likewise, missing J-Term R.A. duties will affect eligibility for your stipend.