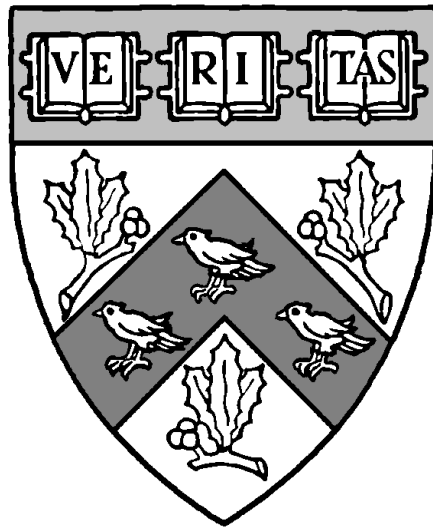


# FINANCIAL AID HANDBOOK

2021-22 ACADEMIC YEAR



HARVARD DIVINITY SCHOOL

OFFICE OF FINANCIAL AID

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## INTRODUCTION

Greetings from the Office of Financial Aid at Harvard Divinity School. This publication is designed to familiarize you with the programs and services offered through the financial aid office and to assist you in planning for your education. It explains the HDS financial aid program outlining both what you can expect and what is expected of you. Financial aid programs include institutional grants (both merit based and need based), low-interest federal loans, and the Federal Work-Study Program. You will find information regarding financial aid eligibility criteria, educational expenses, budgeting, and available sources of institutional, federal, and other outside financial assistance. This handbook also includes two worksheets for your on-going budget planning. The *Student Budget Planning Worksheet* is designed to help you calculate your own personal budget estimate during your time at HDS.

The financial aid office is committed to working with you as you plan the financing of your education. Our office should be used as a resource to assist with any aspect of financing your education. We recognize that students make a serious financial commitment when deciding to attend HDS. Please let us know if we can be of assistance during your program.

## OFFICE OF FINANCIAL AID CONTACT INFORMATION

### Office Phone Numbers, Addresses and Email Addresses

Financial Aid ..... 617.495.5772  
E-mail address..... [financial\\_aid@hds.harvard.edu](mailto:financial_aid@hds.harvard.edu)  
Web address ..... <https://hds.harvard.edu/admissions-aid/financial-aid>  
Mailing Address..... 45 Francis Avenue  
Cambridge, MA 02138

### Staff

Beth Flaherty..... Director of Financial Aid  
Julie Field..... Financial Aid Officer

## FINANCIAL AID CALENDAR 2021-22

- Mid-March 2021 ..... **Incoming students** – the financial aid office e-mails notification of awards within 1-2 business days of admissions decision to admitted incoming students who have fully completed their financial aid application requirements
- June 2021 ..... **Continuing students** – the financial aid office sends notification of awards being available via email message
- Mid-July 2021..... **All students** – fall e-bills available online (includes any outstanding balance from the previous year, any summer charges, fall term tuition and fees, and meal plan charges). Contact the Student Accounts Office for payment deadlines and for payment plan information (617.495.2739) <http://sfs.harvard.edu/>
- August 23, 2021 ..... International Student Orientation
- August 24, 2021 ..... **Incoming students** – Orientation begins
- September 1, 2021..... **All students** – HDS fall semester classes begin
- Mid-December 2021 ..... **All students** – spring e-bills available online (includes any outstanding balance from the previous semester including fall term tuition and fees, meal plan charges, and rent). Contact the Student Accounts Office for payment deadlines and for payment plan information (617.495.2739) <http://sfs.harvard.edu/>
- Mid-January 2022 ..... **All students** – deadline for payment of spring charges
- January 24, 2022 ..... **All students** – spring classes begin
- March 2022 ..... **Continuing students** – will receive instructions regarding the process for 2022-23 financial aid applications
- Mid-April 2022..... **Continuing students** – Deadline for submitting re-application
- May 14, 2022 ..... **All students** – end of the 2021-22 academic year.
- June 2022 ..... **Continuing students** – award letters sent out via email message

## CALCULATION OF INSTITUTIONAL FINANCIAL NEED

**Per Harvard Divinity School policy, students currently in default on a previous FFELP, William D. Ford, or Perkins Loan are not eligible to receive Federal or Institutional Need-Based Financial Aid.**

The goal of the Harvard Divinity School (HDS) financial aid program is to assist students in meeting basic expenses, (educational and living) incurred while pursuing their graduate studies. HDS is also conscious of the integral part that financial aid plays in a student's eventual enrollment decision. While every attempt is made to attract a highly qualified and diverse class, we are also committed to providing broad access to our programs. The HDS financial aid office provides available scholarship support to qualified candidates in the *Master of Divinity*, *Master of Theological Studies* programs. To make funding available to the widest range of students in entry-level programs, scholarship aid for master's degree candidates is awarded based on demonstrated financial need as well as academic merit. Individual need-based awards are not renewed automatically and may vary from year to year. This may be due to changes in a student's resources or expenses, changes to their academic program, increased overall demands on the financial aid budget, or changes in institutional or federal financial aid policy. **Master of Theology (ThM) and Master of Religion and Public Life (MRPL) students are not eligible for HDS grant support but may qualify for federal funds.**

Students may apply for need based financial aid by submitting the Free Application for Federal Student Aid ([FAFSA](#)) and the Harvard Divinity School Application for Financial Aid. **(Note: International students do not need to complete the FAFSA, as they are not eligible for United States federal funding.)** Each individual's financial need is calculated based on the information provided on these forms. Please note financial aid awards may be subject to change if supplementary documentation (tax transcripts, bank statements, etc.) indicate significant variation from the information originally reported on the form(s). The "student contribution" derived from this calculation is then used to package grant dollars from HDS. This formula has been designed to provide an equitable system for the awarding of available institutional funds.

The following equation is used in determining financial aid eligibility:

- $Cost\ of\ Attendance\ (COA) - Estimated\ Family\ Contribution\ (EFC) = Financial\ Need$

**Cost of Attendance—(COA)** is an estimate of what it will cost to attend HDS. In determining this amount, both direct costs (those due the university) and indirect costs (living expenses assumed you will incur) are used. Included in the total are the following categories: tuition and fees, books and supplies, personal/miscellaneous expenses, and living expenses. Please keep in mind that this is an estimate and you should develop your own personal budget/cost of attendance. A budget worksheet, found on page 18, is a tool to help you determine your budget.

Eligibility for need based funding is determined through a congressionally mandated formula referred to as Federal Methodology. Financial need assessments are based on income (including spouse's income), assets, family size, number in college, and other factors. In addition to information provided on the FAFSA, we also use the HDS institutional application for aid (Application for Financial Aid) to obtain additional information on assets and home equity. After analysis of the financial data submitted, we can assess a reasonable contribution from the student toward educational expenses. This contribution is subtracted from the student budget and the remainder is considered the student's "financial need." *Due to limited funding, HDS cannot meet full need.*

## **MDIV/MTS INSTITUTIONAL GRANT ELIGIBILITY**

Master's degree candidates in the MDIV/MTS Programs may apply for grant support during the period in which they are being charged tuition. Students who extend their program beyond the necessary degree requirements are ineligible for institutional support. Students who extend their academic program but are still within the necessary degree requirements may still be eligible for grant support; however, students receiving stipend support should note that stipends are provided **only** for the duration of the traditional length of their program (two years for the MTS and three years for the MDiv). U.S. citizens and Permanent Residents of the U.S. may apply for federal funds to assist with the added costs of extending their program. If a student elects to change their degree program they should speak to the Office of Financial Aid to determine how their grant aid will be affected.

Most institutional grant aid is distributed on a need-based system. If a student demonstrates financial need, they are generally offered grant assistance ranging from seventy-five percent of tuition up to full tuition and a modest need-based stipend. It is important to understand that even students with the highest possible need may only receive this range of grant funding. Students will generally be eligible for the same level of grant support for the length of their program providing they remain in their original degree program and their financial need remains consistent.

HDS offers a small pool of merit only funding. Merit funding does not require a financial aid application and is based on the overall strength of your application for admissions. Merit awards are made by the admissions office at the time of admissions and are final. Merit awards generally consist of a full tuition scholarship and a modest stipend to assist with living expenses. Merit awards are guaranteed providing the student remains in their original program and continues to meet satisfactory academic progress. Given that merit funding is limited, all students were strongly encouraged to apply for need based financial aid consideration. Students who did not meet the Financial Aid deadline will need to contact the Office of Financial Aid to be placed on a wait list for possible funding.

Institutional Grant Support is not available to students in the Masters of Theology(ThM) or Master's or the Master of Religion and Public Life(MRPL).

**Packaging policies are subject to change.**

## **FEDERAL FINANCIAL AID PROGRAMS**

### **Eligibility Requirements**

**Per Harvard Divinity School policy, students currently in default on a previous FFELP, William D. Ford, or Perkins Loan are ineligible to receive Federal or Institutional Need Based Financial Aid.**

Harvard Divinity School currently participates in several federally funded self-help programs including the Federal Work-Study Program (FWSP) and the Ford Federal Direct Loan. These programs are available to citizens and permanent residents of the U.S. who demonstrate financial need in meeting the cost of their graduate study. Students who are not in degree programs or who are pursuing a less than half-time course of study are not eligible for federal financial assistance.

Applicants to any of these federal programs must file the Free Application for Federal Student Aid ([FAFSA](#)). Eligibility for federally funded programs is determined from the information provided on this form. Eligibility is based on financial need as stipulated by Federal Methodology; a method used to calculate a student's expected contribution. All graduate students are considered independent and therefore



parental financial information is not a factor in determining eligibility. **Please note: Students must re-apply for need based and federal financial aid each academic year.**

Since Federal Methodology does not allow for the living expenses of the spouse and/or dependents, a budget based on the standard living expenses for a single student is used. There are certain categories for which the regulations allow an increase to this budget, which include (but are not limited to):

- Medical/dental expenses not covered by insurance
- Certain childcare costs
- Dissertation expenses
- Computer purchase (may be used only once)
- Moving expenses (may be used only once)

Students applying for federal aid who believe they have allowable expenses which could be used to increase their budgets should document these expenses and request an appointment with an HDS financial aid officer. Please note that increases to the budget will not increase a student's eligibility for institutional aid.

### **Satisfactory Academic Progress**

Government regulations require that students make satisfactory academic progress each year to be eligible for federal loans and/or work-study. Satisfactory progress guidelines are in the [HDS Handbook](#). If it is determined that a student is not making satisfactory academic progress, he/she/they may be placed on academic probation. Students on academic probation will be denied institutional and federal aid for the next academic year but will be given the opportunity to appeal the decision.

### **Verification**

Federal regulations require our office to verify a student's eligibility for federal financial aid. Verification is a process used to check the accuracy of the information provided by an applicant for federal financial aid. For 2021-22, Harvard University will comply with the Standard Verification Guidelines. To ensure compliance, additional documentation may be required of students. It is expected that any requests for additional information will be fulfilled. Failure to do so may result in the cancellation of federal aid.

### **Refund Policies**

#### **University Refund Policies**

Registered students who formally withdraw from Harvard Divinity School may be eligible for a partial refund (75, 50, or 25%). The amount of the refund, if any, is based on the date of registration cancellation. Please refer to the [Handbook for Students](#) for the exact dates of cancellation and refund amounts.

#### **Department of Education Refund and Repayment Distribution Policy**

According to federal regulations, a special refund and repayment policy applies to students who receive federal loan assistance toward tuition, fees, and/or room and board charges. In the following events, a refund of distributed money must be returned to the Department of Education:

- A student fails to register for the period of enrollment for which they were charged, and aid was awarded, or.
- A student withdraws, takes a leave of absence for a term, is expelled, or otherwise fails to complete the period of enrollment for which they were charged, and aid was awarded.

If a student meets any of the above conditions, then a repayment must be made. Please contact our office for specific details.

## Federal Work-Study Program (FWSP)

The Federal Work-Study Program, open to U.S. citizens and Permanent Residents, is a federally funded program that provides eligible students with subsidized employment earnings. Eligibility for work-study is based strictly on financial need. Student earnings are paid through Harvard University via a traditional paycheck or direct deposit (recommended).

Graduate students:

- ✓ Earn an hourly wage generally in the range of \$13.50 to \$20.00 (2020-21 rates) pay rates vary depending upon the type of job performed
- ✓ May work no more than 20 hours per week during the academic year
- ✓ May work no more than 40 hours per week during the summer and school vacation periods
- ✓ There is no compensation for legal or religious holidays or lunch hours
- ✓ Payments are made weekly to students for work they have performed in the previous week

A student may hold more than one work-study position if the combined total work-study income does not surpass the prescribed earnings limit. Earnings are monitored so total resources do not exceed the cost of education. It is the student's responsibility to report receipt of any financial resources not noted at the time that the original earnings limit was set.

**HDS does not pre-package Federal Work study. Based on our limited allotment, we want to ensure that we are offering work study funds to those students who truly want to participate in federal work-study. Students must request their eligibility for work-study funds by following the steps outlined below:**

- ✓ **Student:** complete and return all necessary paperwork as described in the eligibility and required certification section of this Handbook (e.g., FAFSA, HDS Application for Financial Aid, and any additional information requested by us)
- ✓ **Student:** Inquire with the financial aid office as to whether it appears you will have work study eligibility for the upcoming academic year. **Please note that while we will tell you the maximum amount you would qualify for the year, your actual allocation will be based on hourly rate and hours per week. In some cases, that may result in a smaller allocation than your maximum eligibility allows.**
- ✓ **Student:** Apply for work study positions. Students will have access to the Student Employment Office's Job [Database](#) after they receive their Harvard ID and Pin number(usually sometime in June)
- ✓ **Student:** submit a work-study request form (to the HDS Financial Aid Office) **in mid to late August** after you have been hired for a position.
- ✓ **HDS financial aid office:** will send an email outlining specific FWSP eligibility – the email will include a link to complete the On-Campus FWSP Referral Form electronically. The online form documents to the student's employer that the student has been awarded work-study funding. Upon completion, and its subsequent submission to the employer and the departmental payroll coordinator, the student will begin receiving a weekly paycheck.

The maximum allotment for academic year work-study for 2021-22 will be up to \$6,000 depending on individual student eligibility and the overall work-study budget. Students may work more than one work study position but the total allotment for all FWS jobs combined will not exceed \$6,000.

### **Using FWSP for Field Education**

Students interested in using work-study for a field education program must contact the Office of Ministry Studies (OMS). OMS will provide the Office of Financial Aid a listing of approved candidates. Work-study referrals are provided to OMS by our office for students who qualify. Once received, the student will begin to receive a paycheck. Students who are in field education placements usually don't start reporting hours until late September or early October.

The maximum allotment for academic year work-study for 2021-22 will be up to \$6,000 depending on individual student eligibility and the overall work-study budget. Students should check with the Office of Ministry Studies if they want to work another job in addition to their field education placement. The total allotment for all jobs combined will not exceed \$6,000.

### **Off Campus Employment Using FWSP**

Off campus employment is ordinarily with public or private nonprofit organizations whose work performance requirements are not political or sectarian in nature.

Students interested in obtaining an off-campus work-study job must first complete and return all the necessary paperwork as described in the eligibility and required certification sections so our office can determine if a student has "financial need." In addition, students must submit a work-study request form so our office may award interested students who show eligibility. Students who qualify will be sent an email requesting they submit an online referral and any other necessary documentation to the Student Employment Office. Once this process is complete; the student will begin receiving a paycheck.

The maximum allotment for academic year work-study for 2021-22 will be up to \$6,000 depending on individual student eligibility and the overall work-study budget. Students may work more than one work study position but the total allotment for all jobs combined will not exceed \$6,000.

### **Non-Work-study Student Employment**

Students, **including international students**, who do not qualify for federal work study, may still work on campus. Students will have access to the Student Employment Office's [Job Database](#) after they receive their Harvard ID and Pin number (usually sometime in June) and can search for positions that do not require work study eligibility. Pay rates are the same as the FWSP and students are limited to 20 hours per week when school is in session.

## **FEDERAL LOANS**

Harvard Divinity School participates in government loan programs to make funds available to eligible candidates. Under this program, students may borrow from the William D. Ford Federal Direct Loan Program. First-time borrowers to any federal loan program must complete entrance counseling (typically completed online along with the Master Promissory Note) prior to the first disbursement of the loan. The counseling explains the borrower's rights and responsibilities as well as the consequences of default.

Upon receipt of a degree, approval of a leave of absence, or withdrawal from HDS, a loan exit interview is required. In this financial aid office session, students will receive specific information on repayment options, indebtedness levels, and other general loan information.

The Office of Financial Aid encourages all students to be thoughtful in determining how much loan eligibility is needed for each year. Our policy is to package students with \$8500 in unsubsidized loan eligibility (pending eligibility). We do this so that students have a chance to determine their living costs and to prepare their budgets so that they can determine the additional funds they might need to borrow. Over the summer students will be sent an e-mail with instructions on how to request additional unsubsidized eligibility.

### **William D. Ford Federal Direct Student Loan Program**

The terms and conditions of the William D. Ford Federal Direct Loan Program are very similar to the Federal Family Education Loan Program that had been used in the past. The major differences lie in the simplification of the borrowing process; the elimination of the commercial lender; more flexible repayment options; and the Department of Education acting as lender (rather than a bank).

Please note that beginning with the 2012-13 academic year the Subsidized Stafford Loan has been eliminated for graduate students.

### **Direct Unsubsidized Stafford Loan**

Eligible students may borrow a maximum of \$20,500 per year (pending eligibility) up to a lifetime total of \$138,500 (including undergraduate and graduate indebtedness under the William D. Ford Federal Direct Loan Program and the Federal Stafford Loan Program). Interest on the unsubsidized loan begins accruing at disbursement. This loan has a variable interest rate not to exceed 9.50%. The 2020-21 interest rate is 4.30%. Interest rates change on July 1 of every year. For loans disbursed after October 1, 2020, a 1.057% loan origination fee will be deducted from the face value of the direct loan; the remaining proceeds will be disbursed in two equal parts to the student's e-bill. The borrower may choose to begin payment on interest while still enrolled at HDS (thereby reducing the accrued interest liability of the loan).

No loan application is necessary. However, an on-line electronic Master Promissory Note will be required. Students who have signed a Direct Loan Master Promissory Note prior to attending HDS may be excused of this requirement. The borrower must complete and sign this note, which requires two references. This process must be completed prior to registration in September. First time borrowers will also be required to complete entrance counseling.

**Repayment** for Federal Stafford Loans begins six months after a student's degree is granted, enrollment is terminated, a leave of absence is approved, or enrollment drops below half-time. The student will always make payments to the same Direct Loan servicer, even if they receive Direct Loans at different schools. Direct Loans will not be sold and students who have received Direct Loans while at different schools will not have to send deferments or forbearances to multiple lenders and/or guaranty agencies.

A borrower may choose any of the available repayment plans:

- *Standard Plan* - fixed annual repayment amount with a minimum payment of \$50 per month over a fixed period (not to exceed ten years)
- *Extended Plan* - assumes a fixed annual repayment amount 25 years.
- *Graduated Plan* - Payments start out low at first and then will increase, usually every two years. You must repay your loan in full within 10 years.
- **Income Driven Repayment (IDR)** – Under IDR, the required monthly payment is capped at an

amount that is intended to be affordable based on family income and size. You are eligible for IDR if the monthly payment amount under IDR will be less than the monthly amount calculated under a 10-year standard repayment plan. Please visit [www.studentaid.ed.gov](http://www.studentaid.ed.gov) for more information on income-based repayment.

- *The Pay As You Earn Repayment Plan* - helps keep your monthly student loan payments affordable, and usually has the lowest monthly payment amount of the repayment plans that are based on your income. If you need to make lower monthly payments, this plan may be for you. Only certain loans qualify for this payment option so please visit [www.studentaid.ed.gov](http://www.studentaid.ed.gov) for more information.

**Deferments** are granted for at least half-time study at a post-secondary institution; enrollment in an approved graduate fellowship program; participation in a rehabilitation training program for the disabled; unemployment (up to three years); or economic hardship (up to three years).

### **TUITION AND FEE REQUIREMENTS FOR DEGREE CANDIDATES**

- ✓ *MTS candidates* are required to pay full tuition for two years
- ✓ *MDiv candidates* are required to pay full tuition for three years
- ✓ *MRPL candidates* are required to pay full tuition for one year
- ✓ *ThM candidates* are required to pay full tuition for one year
- ✓ *ThD candidates* are required to pay full tuition for years one and two; a reduced rate for years three and four; and for candidates remaining in the Boston area for years five (plus) will be charged a facilities fee until the ThD degree is granted. (Candidates living outside of the Boston area for years five (plus) will be charged an Active File Fee.)

### **Health Fee Requirements for Degree Candidates**

In addition to University Health Services coverage, resident students are required to maintain individual medical insurance. To cover this requirement, Blue Cross/Blue Shield is offered through the University at the rate of \$4,040 per year for single students. Blue Cross/Blue Shield can be waived if the student is covered under another plan. In that case, the cost of the Blue Cross/Blue Shield is deducted from the student's cost of attendance. Married students or those with dependents may also arrange for coverage through Blue Cross/Blue Shield for their families. Rates vary depending on the number of dependents to be covered. Please contact the [University Health Services](#) for details on the plans and resulting rates for coverage (617.495.2008).

Students are also required to take the University Health Services Fee of \$1,242 per year which cannot be waived. This fee is so that a student can visit the university health services center in case of illness or emergency.

All international students are required to enroll in Harvard's student health plan. As of September 1, 1994, all J-1 exchange visitors and their J-2 dependents must have health insurance coverage to maintain legal status in the U.S. Students may waive the Blue Cross/Blue Shield insurance if they can verify to the [Student Insurance Office](#) that they have an equivalent medical insurance with another U.S.-based provider. Documentation of coverage must be presented to the [Student Insurance Office](#) before these charges will be deducted from the e-bill.

The [Harvard Student Dental Plan](#) is available to all Harvard students. Spouses and eligible family members may also join as dependents if a student chooses the appropriate membership plan. This is a voluntary, prepaid dental plan and **is not included** in the Blue Cross/Blue Shield medical fee. Fees for the

dental plan are paid annually and are based on the type of benefit plan selected (Individual, or Family).

**2021-22 Tuition and Health Insurance Rates**

	<b>MTS/MDIV</b>
Full Tuition	\$ 30,472
Reduced Tuition	N/A
Facilities Fee	N/A
Active File Fee	N/A
Activities Fee	\$70
UHS Fee	\$1,242
Blue Cross/Blue Shield	\$4,040
<b>Total Masters Tuition/Fees</b>	<b>\$ 35,824</b>

**2021-22 Standard Living Budgets**

Estimating expenses and formulating realistic budgets are important tasks. A careful assessment of total resources measured against total costs is the cornerstone of sound financial planning. The following budget is based on a moderate cost of living in the Cambridge area. The housing portion of the budget assumes shared occupancy of a two-bedroom unit in the surrounding community. Although actual living expenses will depend on lifestyles, these standardized budgets are used to determine aid eligibility.

The cost of tuition and fees is added to the standard living expense budget to determine a student's total cost of education. These funds are not intended to supplement the expenses of the other family members; however, there are some exceptions that can be made to increase the budget including dependent care costs and rent. Please contact the financial aid office for more information. Please note that eligibility for institutional and federal funds requires that a single student budget be used, as federal funds are generally reserved for expenses that the individual student incurs for his or her educational program.

**Nine Month Budget (September to May)**

Food	\$ 4,903
Housing	\$ 14,247
Books	\$ 1,006
Miscellaneous/Personal	<u>\$ 5,072</u>
<b>Total Living Expenses</b>	<b><u>\$ 25,228</u></b>

## **FINANCIAL AID AWARD LETTERS, GRANT DISBURSEMENT, STIPENDS AND E-BILL PROCEDURES**

### **Financial Aid Award Letters**

Students who have completed the application for financial aid, have met the deadlines, and who have demonstrated financial need or have been awarded merit aid will receive notification that their financial aid award is ready to view shortly after they are notified of their acceptance to the program. Award letters will reflect institutional grant aid, and up to \$8,500 of Unsubsidized Stafford Loan eligibility for which the student qualifies. **Please note that we do not pre-package the full eligibility for Federal Unsubsidized Stafford loans or Federal Work-Study.** Information will be sent to you in mid-July regarding the process for requesting those additional funds. Your financial aid award is calculated specially for you based on your financial need as determined by the FAFSA and the HDS Financial Aid Application Although loans are an option for students, you are strongly encouraged to only borrow what is needed—and to set a budget you can live by.

Students who have consented to receiving electronic notifications when filling out their HDS Institutional Application for Financial Aid will receive an e-mail to view their financial aid award letter via our on-line system. Students who have not consented to receiving electronic notifications when filling out their HDS Institutional Application for Financial Aid will receive their award letters via US mail. Newly admitted students' letters will be mailed to the address listed on their admissions application. Returning students will have theirs mailed to the address in My.Harvard. When viewing your online award letter, you will notice that your institutional grant and any confirmed outside scholarships that you informed our office of have been accepted for you. Any loans listed will need to be accepted or declined. If you would like to accept a smaller portion of the loans listed, you may do that by changing the dollar amount and then accepting the loan. If you accept a loan and then change your mind you will need to submit a written request to the financial aid office. If you are receiving outside scholarships or awards, please send us written correspondence along with a copy of the award letter from the organization offering the funding.

**It is a student's responsibility to notify the financial aid office of any changes to the student's financial aid application (change in marital status, change in household size, receipt of outside gifts or awards, etc.). These changes may result in an adjustment to a student's award.**

### **General Provisions**

Upon completion of the necessary paperwork, Harvard Divinity School tuition grants are credited directly to the student's e-bill in two equal installments (fall and spring), unless otherwise indicated. Prior to disbursing a grant, our office must receive all documents that were requested.

### **Outside Awards**

Outside awards (non-Harvard funding) received after the initial financial package has been determined do not necessarily mean a dollar for dollar exchange from the Harvard Divinity School grant. Outside funding will be applied to any outstanding tuition and fee amount due. Any amount that would bring the student over the cost of attendance would be reduced dollar for dollar.

Harvard University has several restricted scholarship funds that students self-identify for on the HDS Institutional Application for aid. These scholarships are open to all Harvard students and are very competitive and vary in dollar amounts. In the event an HDS student is awarded one of these funds it will replace your HDS grant and/or stipend dollar for dollar.

## **Stipends**

Masters students who are awarded stipends will receive their funding in nine payments (September-May). The first stipend check will be available in early September. Students will be notified via e-mail when the check is ready to be picked up.

All students are **strongly encouraged** to sign-up for direct deposit. The directions for signing up will be attached to your first check. Continuing students who have previously signed up for direct deposit do not need to sign up again. Those who have elected not to have direct deposit will have their checks mailed to your address on record in My.Harvard. As most students have not updated their addresses prior to classes beginning, it is quite possible that your check could be mailed to an address that is no longer current. It takes two weeks before a stop payment can be issued so we strongly encourage all students to avoid this possibility by signing up for direct deposit.

Stipends will not be reduced if a student enrolls part-time (permission required by the MTS or MDiv Program Committee) as stipends are designed to assist students with living expenses and not tuition and fees. It is important to note, that additional stipend support will not be available to those students who extend their program beyond the traditional length of the degree program. If a student receiving a stipend petitions to change their degree program their stipend will not be transferred to the new program.

To maintain eligibility for stipend support a student must maintain satisfactory academic progress. Guidelines are in the HDS Handbook. If it is determined that a student is not making satisfactory academic progress, they may be placed on academic probation. Students on academic probation will be denied federal or institutional financial aid. However, the student will be given the opportunity to appeal the decision.

Stipends are considered taxable income. Please visit the IRS website at [www.irs.gov](http://www.irs.gov) for more information. Please note that domestic students will not receive a W-2 or a Form 1099 for their stipend. International students will receive a W-2.

## **Course Registration**

In accepting the financial aid offer, it is assumed that the award recipient will register for full-time enrollment each semester. Awards given with this assumption are ordinarily rescinded or reduced to reflect a leave of absence or change in enrollment status. The Registrar provides course registration information to the financial aid office after the add/drop period has ended. Students who do not enroll full-time each semester will have their tuition charges reduced by the Registrar on a per course basis. These changes are sent to the Student Receivables Office and will appear on the student's next e-bill.

Students taking three to five courses per semester are charged full-time tuition. Part-time enrollment is only allowed on a case-by-case basis. To be granted part-time enrollment the student must submit a petition to the registrar's office that is then reviewed by the appropriate Program Committee. If the petition is granted the student will be charged tuition on a per course basis.

Students who wish to participate in federal programs must maintain at least half-time status (two courses per semester) and demonstrate eligibility. This requirement is also necessary to maintain institutional funding and loan deferment status.



## **E-Bill Payment**

In mid-summer, all students will receive an electronic bill from the University indicating current and previous charges. This bill is continually available on-line and reflects changes in credits and/or charges (student activity fee, Harvard University rent, athletic fees, pharmacy charges, etc. made during the previous month). Loan disbursements and/or outside awards will appear on the e-bill as "anticipated credits" until the loan promissory notes are signed or outside award checks arrive. Students are responsible for the balance due (charges minus pending aid) and this must be paid **before the student will be allowed to register**. Students unable to pay this amount in full must contact the Student Accounts Office regarding the Monthly Payment Plan. This plan allows for the semester balance of tuition and health fees to be paid in four equal monthly payments (there is a modest \$35 charge per semester for this service). Previous semester balances and rent will not be included in this monthly payment plan. These charges must be paid in full when billed.

Students who live in Harvard Real Estate must be sure to be current on their rent. Students who arrive for registration and owe a balance for previous rent will not be allowed to register until the balance is paid in full. **It is also important to note that your current years financial aid cannot be used to cover rent or other charges from a previous year.**

Students who have a credit balance because of grant, loan, outside fellowship disbursement, or overpayment may request to have these funds returned to them. Students receiving federal loans must complete an e-Title-IV Consent Form which will be sent to students with federal loans in late summer. Checks may not be requested until all necessary paperwork has been submitted for disbursement of aid, and in the case of loans, until the promissory note(s) has been signed. In general, checks are processed within ten business days. Students expecting to use this money for living expenses should prepare for this delay and plan accordingly. If a student does not request the release of excess cash, these excess funds will remain as a credit on their account.

Students who expect a credit balance because of transactions for the next semester cannot receive these funds until after the first day of registration for that term. In keeping with compliance of federal and institutional guidelines, early release of these funds to the student for expenses that they may incur during a current semester is not possible.

## **Information Regarding Federal and State Tax**

It is important to understand the implication that tax laws have on certain awards and on the student's e-bill. *Gift aid awarded above the amount of tuition and required fees is taxable.* The cost of books, supplies, and equipment required for the course of study may be deductible. Students should keep all receipts of these expenses to enable the proper and appropriate deduction at the end of the tax year. The exact amount of tax owed will vary according to total income from all sources, dependency status, treaty status for foreign students, and individual circumstances. (Please check with your tax advisor for specific advice applicable to your individual situation.)

The University is not required to withhold tax on stipends paid to U.S. citizens. Each student will be responsible for reporting stipends and for making (if applicable) estimated tax payments during the year. Research Assistantships and Teaching Fellowships are subject to withholding and to tax at the federal and state level. This tax change was enacted by the Tax Reform Act of 1986.

International students receiving grants paid through Harvard will be subject to a 14% withholding tax on awards that exceed tuition and health fees (UHS and Blue Cross/Blue Shield). For international students

receiving stipend support, this tax is automatically deducted from the stipend. Students who are Permanent Residents must complete Form 1078 at the Student Accounts Office or they will also be subject to withholding. These charges will be deducted from the student's stipend. Certain countries have a "treaty" with the United States that exempts their students from paying this tax. International students must check to see if their country has such an arrangement. If the country of origin has such a treaty, students must complete Form 1001 to avoid being taxed. Without completion of this form, even students from countries with a treaty may be charged withholding. Form 1001 is valid for three calendar years and should be completed as soon as possible.

Government regulations require that all F and J visa holders (and their dependents) file U.S. Income Tax Return 1040NR (Federal Tax Return for Non-Residents) even if they have no income. All students are responsible for their own taxes. Some materials and resources are available through the University for students who need filing assistance but legally we cannot give individual tax advice. International students should contact the International Office in Holyoke Center for information on these materials. All U.S. citizens and/or international students with specific tax questions may also contact an accountant or tax preparation organization for answers to more specific questions.

## **OTHER SOURCES OF SUPPORT**

All students are encouraged to seek support from outside scholarship sources. Information about available scholarships is available for prospective students/applicants through links on our [website](#) and through the student portal of the [HDS Intranet](#) for current students. You may also refer to the [Internet Resources](#) section of this handbook for a list.

Our office maintains only a fraction of the material available on finding outside scholarship support. Many students find their local libraries contain written and computerized listings of organizations offering varying fellowship possibilities. The HDS population may also find that, in addition to the traditional civic and community organizations that allocate funding to graduate students, the student's denomination or church may act as a possible financing source.

### **Additional Loan Sources**

#### **Graduate Plus Program**

Beginning July 1, 2006, a new federal supplemental loan program became available for domestic graduate students called the Graduate PLUS Loan. This new loan program serves the function of a private loan, and adds the benefits of a federal loan program, such as deferment, forbearance, consolidation, and death and disability cancellation. It is important to note that unlike the Federal Stafford or Perkins loan programs, the Graduate PLUS loan requires a credit check. Details in a credit report that will disqualify you as a borrower may include, but are not limited to:

- Current delinquency of 90 days or more
- Any of the following within the last five years of a credit check date:
  - Default
  - Bankruptcy
  - Discharge
  - Foreclosure
  - Repossession
  - Tax lien
  - Wage garnishment

- Title IV debt write off
- Open collection

Since Harvard University is a participant in the Direct Loan Program, you may borrow this loan through the Department of Education's Direct Loan program. More information about each program is listed below. **Debt management counseling is a prerequisite before a loan will be certified. For more information, please contact the HDS financial aid office.**

### **Direct Loan Graduate PLUS**

The Grad PLUS loan is a federal loan with a variable interest rate not to exceed 10.50%. The 2020-21 interest rate is 5.30%. Interest rates will change on July 1 of each year. For loans disbursed after October 1, 2020 there is also a 4.236% federal guarantee fee. Grad PLUS loans are federal loans which qualify for deferment, forbearance, forgiveness, consolidation, and several different repayment plans. Deferments include unlimited in-school deferment, and up to 3 years of deferment for financial hardship and unemployment. Grad PLUS loans also qualify for up to 3 years of forbearance. Repayment plan options include the 10-year standard plan, as well as an extended plan that will allow the borrower to reduce monthly payments by lengthening repayment to up to 25 years. There is also an income-based repayment plan.

### **Alternative Student Loans for Domestic Students**

Students requiring additional funding after institutional and Federal aid have been exhausted may need to consider borrowing an alternative loan to cover those costs. Harvard Divinity School does not currently recommend a lender and students are free to choose the provider of their choice. Please keep in mind that you should make every effort to keep borrowing to a minimum. Students wishing to pursue these additional funds should contact the financial aid office for suggestions on the types of questions they should be asking when deciding on an alternative loan lender. Almost all alternative loans require a credit check, and, in some cases, students may find themselves needing a co-borrower to qualify. **Debt management counseling is a prerequisite before a loan will be certified. For more information, please contact the HDS financial aid office.**

### **Alternative Student Loans for International Students**

HDS does not participate in any loan programs that would allow an international student to apply for a loan without a U.S. co-signer. International students can apply for private loans if they have a US based, credit worthy co-signer. If the student is approved by the lender, information will be sent to the HDS financial aid office to certify the student's eligibility for the loan funds.

## **DEBT MANAGEMENT AND YOUR CREDIT HISTORY**

It is important for students to have a strong awareness of their debt and credit history to manage their financial futures. You should be sure that you have a good understanding of your debt load before coming to campus.

In addition to keeping track of your debt, it is very important to be aware of your credit history. Individuals establish a credit history by borrowing money or charging retail purchases. Financial institutions and major retail stores report their customers' credit information to national credit bureaus, which in turn, compile the information in the form of a credit report. A credit report is a record of every credit card, retail account, student and personal loan, and other credit accounts made or established in your name. Establishing and maintaining good credit is important to your financial future.

If you are unsure about the status of your credit, you should request a copy of your credit report from a credit bureau. You may contact a local credit bureau in your area, or one of the three national credit bureaus listed below.

- [Equifax](#)
- [Experian](#)
- [TransUnion](#)

Please note that in some states you are entitled, upon request, to one free copy of your credit report per calendar year. Once you have received your credit report, check it for accuracy. If the information on your report is incorrect, contact the credit agency and request that the information be investigated. It is also advisable to contact the company that reported you to that credit agency.

If the information on your report is correct but you do have credit problems, it is imperative that you try to resolve these as soon as possible. It may take several weeks to receive a credit report and several months to correct a credit problem. Contact the company that has reported you to the credit agency and discuss the steps necessary to clear up your credit problem. If you succeed in clearing up your credit, request the results in writing from the reporting company and subsequently submit this information to the credit agency.

## **Identity Theft**

It is important to use proper safeguards to secure your personal information.

- ✓ Memorize your Social Security number and passwords
- ✓ Do not record your password on papers you carry with you
- ✓ Do not use your date of birth as a password
- ✓ Shred pre-approved credit applications and other financial documents before discarding them
- ✓ Order credit reports every year from each of the major credit reporting agencies
- ✓ Never give personal or financial information over the phone or over unsecured internet connections
- ✓ Report lost or stolen cards immediately
- ✓ Check your monthly credit card and bank statements for unusual activity

## Money Saving Tips for HDS Students

- \$ Determine what you can afford to pay for rent **prior** to signing a lease. Many students make the mistake of choosing the apartment first and figuring out how to pay for it second.
- \$ Pay off your credit cards before you begin at HDS and then limit your credit card use to emergencies only. Then be sure to pay them off each month to avoid paying high interest rates. Establish and maintain a strong credit history for the future.
- \$ Don't bring a car with you to HDS unless you know you are absolutely going to need it. Maintaining and parking a car in Cambridge is expensive. Public transportation is very accessible and affordable and can take you almost anywhere in the Boston area.
- \$ Figure out a monthly budget and stick to it! Spending just an extra \$10 or \$20 each week can add up quickly and you may find yourself running out of money if you haven't budgeted accordingly. Keep accurate, organized records of your finances to help you plan and budget.
- \$ Borrow as little as possible and know the differences between your loans. Not all loans are alike.
- \$ Be sure to explore all the grants, fellowships, and scholarships available to you.
- \$ Be realistic about the amount of money you will earn once you have graduated.
- \$ Course packs and books are a large expense. Before purchasing books, check the course syllabus to see if the books are available in the library. Used books are also an option.
- \$ Housing in Harvard Square is expensive. Look to the surrounding Cambridge communities such as Arlington, Boston, Medford, Somerville, or Watertown. Also, consider having a roommate. While this is not an option for everyone, this choice can significantly cut your housing costs.
- \$ Return your library books on time. Sure, it sounds easy enough, but you would be astounded by the amount of library fees students can accumulate over the course of a semester. We have seen students waste hundreds of dollars on unnecessary late fees that could have been used for other needs.





## OTHER RESOURCES

### Internet Resources

#### Free Application for Federal Student Aid (FAFSA)

<http://www.fafsa.ed.gov/>

#### William D. Ford Federal Direct Loan Program

When you need information about your Direct Loans (Subsidized and Unsubsidized)

<https://studentaid.ed.gov/sa/types/loans>

(800) 848-0979

800) 848-0983 (TDD)

### Scholarship Search Engines

#### College Board Online Scholarship Search

[http://apps.collegeboard.com/cbsearch\\_ss/welcome.jsp](http://apps.collegeboard.com/cbsearch_ss/welcome.jsp)

#### FinAid – The Financial Aid Information Page

<https://finaid.org/scholarships/>

#### The Forum for Theological Education

<https://fteleaders.org/fundfinder>

### Employment

#### Harvard University Student Employment Office

<http://www.seo.harvard.edu>

### Loan Repayment Calculator

#### Direct Loan Repayment Estimator

<https://studentaid.ed.gov/sa/repay-loans/understand/plans#estimator>

#### FinAid Loan Calculator

<http://www.finaid.org/calculators/>