Chat with Evening & Weekend Berkeley MBA Financial Aid Staff
Jamie Shrode, Assistant Director

Finaid_jamie: Welcome to the Evening & Weekend Berkeley MBA Financial Aid chat. My name is Jamie Shrode, Assistant Director of Financial Aid. I will be answering your questions today. This chat is moderated. Your questions are put into a cue to be answered, so do not be alarmed if I do not respond to you immediately. It is best if you send one question at a time and please do not resend your questions multiple times. They will not be answered more quickly and it may slow us down. Please send me your questions!

Lucia (Q): Hi Jamie thank you for taking the time to talk to us today! I'd love to know about financial aid options when one has already attended a graduate program and thus has exhausted the federal loan options.

Finaid_jamie (A): Hi Lucia, The Federal Graduate PLUS loan remains an option for you, as it does not have an aggregate limit. Additionally, you may also apply for private loans. There are not many lenders who are offering fixed rate loans. You may view our Private Loan Comparison Chart online at http://www.haas.berkeley.edu/EWMBA/finaid/documents/2012-13%20-%20GRADUATE%20BUSINESS%20-%207-24-12.pdf

Haas13 (Q): Given that student loans from the Government are first come first serve, is it a good idea to apply before getting an offer from Haas?

Finaid_jamie (A): Federal Loans are not awarded on a First Come First Served basis. All graduate students who are US Citizens or permanent residents are entitled to borrow up to $20,500 in an unsubsidized loan, as long as they have not exhausted the aggregate limit with prior undergrad or grad debt. You may also borrow the Federal Grad PLUS, but that is subject to a credit check. In short, you do not have to worry about these loans running out and there is more than enough time to apply once you have been admitted.

Chandra (Q): Hi Jamie, are students to evening MBA also eligible for loans?

Finaid_jamie (A): Hello Chandra, Yes, Evening & Weekend MBA students are eligible for both federal and private loans. The program is structured so that each term you are enrolled in a minimum of 6 units (half-time), which is the required unit load for borrowing loans.

KalyanP (Q): Do you need to have had a prior Fed loan to apply for one now? I am hoping to be a green card holder by the time I start my MBA or sometime during the same.

Finaid_jamie (A): No, you do not have had to borrow federal loans previously to obtain them during your time here at Haas. Once you receive your Green Card, you may apply.
Lucia (Q): Because of my existing debt, and because (as I know from experience) a graduate degree does not guarantee an increase over my current income, I’d like to avoid additional loans altogether. I’m aware of the scholarships offered and also my company contributes a small amount, but this still leaves tens of thousands short each year. I’m putting the Haas mandate to "question the status quo" into action here, in exploring alternate strategies. Have any students in the past come up with creative ways of financing their MBA outside of loans and smaller scholarships?

Finaid_jamie (A): The ways in which we see students funding their Evening & Weekend MBA is primarily through company sponsorship, scholarships and loans. This does not mean that others are not being more creative, but they are not necessarily sharing that information with our office. One option that students are starting to utilize more often is the idea of borrowing from their retirement account to pay for their tuition. The can be a more attractive concept to our students than private or federal loans, but would require some research on your part.

Matrika (Q): Hello Jamie, are the options for the federal loans the same for US permanent residents as for the citizens?

Finaid_jamie (A): Yes, they are the same. $20,500 in an unsubsidized loan and up to the cost of attendance in Graduate PLUS Loan for each academic year.

MBPaschich (Q): Hello: I am hoping to use this chat today to jumpstart my understanding of the graduate loan process. It may be the case that I should review some online resources first, and use a chat like this for more specific questions. Any primers you can point me to, or cover here, would be appreciated. Thank you

Finaid_jamie (A): The starting point for applying for Federal loans would be to complete the Free Application for Federal Student Aid (FAFSA). This may be done beginning January 1, 2013. However, I strongly urge all students to complete their tax returns prior to completing the FAFSA. If you will be applying for private loans, you should not do so until June or July, prior to the start of the fall term.

Sierra (Q): Hi! I have never applied for loans so would you mind give me a walk through regarding the steps I need to take in order to fully cover my MBA program? Thank you!

Finaid_jamie (A): Beginning in January, prioritized the completion of your 2012 tax returns and then complete the FAFSA for federal loans. Private loan applications are not to be completed until Jun. Scholarship applications are not made available until after you are admitted.

Halina (Q): Hi Jamie, I've moved to the USA a year ago, so although I have a good job, I do not have quite long credit history. Can I expect any issues (problems) during the process of financial aid and loan application? Do I need co-signers, etc? Thank you!

Finaid_jamie (A): If you are a permanent resident, your lack of credit history will not be a problem. Private loans may require a co-signer or you may be able to obtain a better rate if a co-signer is used.
Chandra (Q): Jamie- Is there any document that walks through the process of how to apply for the federal loans and what is the required documentation to get the loan?

Finaid_jamie (A): The only required documentation is a completed tax return and the completion of the Free Application for Federal Student Aid (FAFSA). This is not available for students entering fall 2013 until January 2013.

Haas13 (Q): Does it affect my chances of aid from the federal government if the employer covers part of my tuition?

Finaid_jamie (A): You may only borrow loans for up to the cost of attendance minus other aid. This means that if your cost of attendance is 70k and you are receiving 20k from your employer, then you are only eligible to receive federal loans in the amount of 50k.

KalyanP (Q): The website says that students enrolling in fall 2013 should expect tuition increases every year - Is the tuition not guaranteed through the end of the MBA anymore?

Finaid_jamie (A): As far as I know, tuition has increased with each academic year. I am not aware of a time when it remained the same.

Sierra (Q): And how can the private loans be accessed? Would you mind offering an internet address/contact info where I could read more about it?

Finaid_jamie (A): You would apply in June or July, prior to the start of fall classes for private loans. You will complete an application directly with your lender of choice. You may view our private loan comparison chart online at http://www.haas.berkeley.edu/EWMBA/finaid/documents/2012-13%20-%20GRADUATE%20BUSINESS%20-%207-24-12.pdf.

AC (Q): Hi just wonder before starting the FAFSA and Tax Return, is there any source we can find out whether we are eligible for any grant or loan based on tax return estimate at the moment?

Finaid_jamie (A): You will not be able to apply for any scholarships until after you have been admitted. Federal loan amounts are $20,500 in Unsubsidized Loans and Grad PLUS up to the cost of attendance. The federal government does not currently offer grants to graduate students.

Halina (Q): Jamie, could you please tell a little bit about medical insurance, that HAAS provides. 1. Is it complete regular insurance? 2. Could it be spread for the whole family (or only for a student)?

Finaid_jamie (A): You may find info on the Student Health Insurance Plan online at http://uhs.berkeley.edu/students/insurance/waive select.shtml.

KalyanP (Q): I noticed there is a significant difference in the program cost in the first year (just the fees alone) compared to the following years - Is there a specific reason for this? Are these fees guaranteed through completion?
Finaid_jamie (A): Fees are based on the number of units enrolled. You will be enrolled in 9 for each of the two terms during your first year and 6 for each term thereafter. Fees are subject to increase with each academic year.

AC (Q): I see, maybe a different question, is there any income restriction on receiving Federal Loans?

Finaid_jamie (A): No, federal loans are not need based.

Colin (Q): Hi Jamie, is there a website or source where we can find out about all available scholarships that are available to Evening and Weekend MBA program participants?

Finaid_jamie (A): Our scholarships for entering EWMBA students are listed online at http://ewmba.haas.berkeley.edu/admissions/finaid/scholarships.html.

sierra (Q): Would you mind telling us what are the eligibility criteria for obtaining federal loans, private loans and scholarships?

Finaid_jamie (A): The criteria for the various scholarships are listed online at http://ewmba.haas.berkeley.edu/admissions/finaid/scholarships.html. Federal loans require that you are a US citizen or permanent resident and that you are not currently in default on a federal student loan. Private loans often require that you are a permanent resident or that you have a US citizen cosigner. Private loan rate and eligibility are based on credit.

Colin (Q): Jamie, when applications are submitted for EWMBA program, are we considered for scholarship opportunities or do we need to go through a separate process to apply for scholarships? Any thoughts on deadlines?

Finaid_jamie (A): Once you are admitted, you will receive information on how and when to apply for scholarships. The process involves the completion of our online scholarship application.

KalyanP (Q): Follow-up to my earlier question about tuition increase - I thought the tuition was guaranteed to the same through completion once I enter the program i.e., the tuition I pay while entering in Fall 2013 is what I would pay throughout the course - or am I mistaken?

Finaid_jamie (A): Fees do not remain the same during your time in the program. You will pay one per unit price during your first year and a different for each of the following two years.

Sierra (Q): Do the residents of California have a preferred status?

Finaid_jamie (A): CA residents do not have a preferred status.

AC (Q): Thanks Jamie, is there any way to find out whether we have depleted Federal Loans with previous degree? Thanks

Finaid_jamie (A): You may view your federal loan history online at www.nslds.ed.gov
JamesW (Q): Hi Jamie, I noticed that some of the references for loans amounts didn't clarify eligibility for a part-time (EVW MBA) program. Can we still max out the $20,500 + PLUS loans in order to finance the entirety of the cost on loans if we need to?

Finaid_jamie (A): yes, the formula is the same regardless of the program. As long as you are enrolled in at least half-time, you are eligible for $20,500 in Unsub + Grad PLUS up to the cost of attendance for each academic year.

Chandra (Q): Hi Jamie, related question. Do you know if the loan interest is tax deductible?

Finaid_jamie (A): You may deduct the interest paid on student loans, but not the interest that is simply accruing.

Haas13 (Q): Hi Jamie, Will you publish the chat transcript?

Finaid_jamie (A): Yes

Colin (Q): Jamie, any statistics on what's the percentage of students receiving scholarship in the EW MBA?

Finaid_jamie (A): Approximately 25% of those who apply for our scholarships receive one.

Matrika (Q): I've heard that some students take out money from their 401K plan to pay for the tuition. Do you have a better understanding of this? I believe at some point one would be responsible for putting the money taken out of 401K back into the plan. This may be helpful while a student is in school, but I wanted to find out if you have more information on this.

Finaid_jamie (A): Yes, this is a more ideal option for some of our students. I do not know the specifics and would advise you to contact whomever you have your retirement accounts with, but in general, you would borrow to pay tuition and are required to repay the funds borrowed with interest, typically at an interest rate lower than what some might receive on federal or private loans.

Sierra (Q): I read online that if admitted we need to pay $2000 by April 2013. If this is correct, can this amount be covered by Federal loans or not?

Finaid_jamie (A): You will be responsible for paying the deposit out of pocket. Once you are billed for fall fees at the end of July, you will see that your fees have been reduced by the deposit amount.

JamesW (Q): Are there any guiding documents or web pages on Haas’ site for prospective students to leverage in requesting company sponsorship for some of the cost?

Finaid_jamie (A): We do not have any guidelines for this. It can vary greatly from one company to the next. You may want to speak with the program office for further guidance.

Sierra (Q): What percent of the students who apply for Federal loans receive the full amount needed to cover the cost of the evening MBA program?
Finaid_jamie (A): Federal loan amounts are guaranteed as long as you are not in default on a federal student loan, have not reached the aggregate limit on the subsidized/unsubsidized Direct loans and pass the credit check for the Federal Grad PLUS loan. If these are not an issue for you, you can receive $20,500 in unsubsidized loans as well as the Grad PLUS up to the cost of attendance for each academic year.

Matrika (Q): Thank you for your time Jamie! This chat definitely did cover all of my concerns.

Finaid_jamie (A): Great! I'm happy to help and that you were able to join us today.

Colin (Q): Jamie, are scholarships awarded on need basis or purely on merit basis?

Finaid_jamie (A): Our scholarships are awarded based on a variety of criteria. Please visit our website for more details on the individual scholarships http://ewmba.haas.berkeley.edu/admissions/finaid/scholarships.html.

Sierra (Q): If we have additional questions, is there an email address we can access?

Finaid_jamie (A): You can email any questions to finaid@haas.berkeley.edu

KalyanP (Q) Do you have a deferred payment plan for the tuition during the semester of enrollment?

Finaid_jamie (A) Yes, you may find info on the Deferred Payment Plan (DPP) online at http://studentbilling.berkeley.edu/deferredPay.htm.

sierra (Q): Thank you, Jamie. This session has been very helpful!

Finaid_jamie (A): Great! So happy to have had you join us today.

Finaid_jamie: Thank you for joining us. The chat will be wrapping up in a few minutes. I greatly appreciate your questions, and apologize for not getting to everyone. The EW MBA admissions office will be emailing everyone a transcript of today’s chat within the next week. I will continue to address some questions already in the cue, but may not get to all remaining questions.