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Student Loans Available Now, Scholarship Applications Open

NASHVILLE, Tenn.(GBHEM/FYI) - College students who find they need additional funds for the semester beginning in January can apply for a United Methodist Student loan.

"We are accepting applications for loans for the winter/spring semester right now," said James Harding, assistant executive director for loans administration and operations for the General Board of Higher Education and Ministry. "Often, students find that they get to the spring semester and the money they thought would cover everything they needed doesn't go quite as far as they thought it would."

About \$2 million is available for student loans in 2007 through the Office of Loans and Scholarships of GBHEM.

A college student who has been a member of a United Methodist Church for one year is eligible to borrow up to \$2,500 in any calendar year at a 6 percent interest rate, lower than the current federal Stafford Loan rate of 6.8 percent or ParentPlus at 8.5 percent, Harding said. A student who wants to borrow must be attending an accredited degree program full time and have a 2.0 (C average). Since loans are based on a calendar year, even a student who borrowed the maximum \$2,500 in fall 2006 is eligible for another loan. However, a student who borrows \$2,500 for the winter/spring semester would be unable to borrow again for fall 2007.

Another advantage of the United Methodist student loans is that the money can be used for any college-related expenses - child care, transportation, meals - not just direct costs such as tuition and books, Harding said.

In 2006, GBHEM's Office of Loans and Scholarships loaned nearly \$1 million to college students. Harding said since 2000, about \$13.8 million has been loaned to 5,671 United Methodists attending college. To learn more about applying for a loan or scholarship, visit www.gbhem.org/gbhem/loans2.html. Students can request an application for a loan or scholarship online.

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While scholarships for the winter/spring 2007 semester have already been awarded, applications are now being taken for fall 2007, Harding said. United Methodist scholarships and requirements are listed on the Web site.

Last year, the General Board of Higher Education and Ministry awarded \$3.5 million in scholarships to 2,800 students.

Much of the money for both loans and scholarships is collected through special offerings like United Methodist Student Day on the last Sunday in November each year. Ninety percent of collections go to the Board's scholarship programs, while 10 percent is for student loans. Each United Methodist-related college gets money from the offering for scholarships, and each participating annual conference gets 10 percent of Student Day receipts to award to merit scholars.

To learn more about United Methodist loans and scholarships, visit www.gbhem.org/gbhem/loans2.html. To contact the Office of Loans and Scholarships by telephone, call 615-340-7346. To request information or an application by e-mail, e-mail umloans@gbhem.org or umscholar@gbhem.org.