FINANCIAL AID GUIDE
2026-2027

UNIVERSITY OF
SOUTH DAKOTA

FEDERAL DIRECT LOANS

Federal student loan rules changed beginning July 1, 2026, under the One Big Beautful Bill Act (OBBBA). These changes affect undergraduate, graduate, and professional students, as well as parents who borrow Parent PLUS Loans. Changes include how enrollment affects federal loan eligibility, new Parent PLUS borrowing limits, changes for students nearing completion of their degree, new borrowering limits for graduate and professional students, and the elimination of Graduate PLUS Loans for new borrowers. Additional information can be found at **https://usd.edu/finaid.**

Federal Direct Loans are available through the William D. Ford Federal Direct Loan Program. Students must file the Free Application for Federal Student Aid (FAFSA) to determine eligibility. A Direct Loan can be either subsidized or unsubsidized.

A **subsidized loan** is awarded on the basis of financial need. The federal government subsidizes or pays for the interest on the loan while the student is enrolled at least half-time.

An **unsubsidized loan** is not awarded on the basis of need. The student is responsible for the interest on the loan from the time the loan is disbursed until the loan is paid in full. If you allow interest to accrue, it will be capitalized—that is, the interest will be added to the principal amount of the loan and additional interest will be based on the higher amount.

Interest rates will be determined each June for new loans being made for the upcoming award year, which runs from July 1 to the following June 30. Each loan will have a fixed interest rate for the life of the loan. The current interest rate for undergraduate Direct Loans is 6.39 percent through June 30, 2026. The current interest rate for graduate Direct Loans is 7.94 percent through June 30, 2026. Interest rates for loans disbursed after July 1, 2026 will be published at **https://studentaid.gov.**

Maximum annual loan amounts are as follows (subsidized and unsubsidized):

Freshmen	$5,500
Sophomores	$6,500
Juniors/Seniors	$7,500

If you are an independent student you may be able to borrow an additional Direct Unsubsidized Loan, $4,000 annually as a freshman or sophomore and $5,000 annually as a junior or senior. A student can never borrow more than the cost of attendance at the institution minus other financial aid. Students are encouraged to borrow only what they need to cover direct and indirect educational costs.

Graduate students are only eligible for unsubsidized loans with a maximum annual amount of $20,500 in most cases.

Most federal student loans have loan fees that are deducted proportionately from each loan disbursement you receive. This means the funds you receive will be less than the amount you actually borrow. You're responsible for repaying the entire amount you borrowed and not just the amount you received.

If you have been awarded a Direct Loan and are a new Direct Loan borrower, you must also complete a Direct Loan Master Promissory Note and entrance counseling in order to receive your loan.

usd.edu/Financial-Aid

Direct Plus Loan

Parent Loan for Undergraduate Students (PLUS) – PLUS Loans enable parents with good credit histories to borrow money to pay the educational expenses for their dependent undergraduate students who are enrolled at least half-time. PLUS loan eligibility is not based on need. The yearly limit on a PLUS Loan is equal to the student's cost of attendance minus any other financial aid received. The current interest rate for Parent Plus loans is 8.94 percent through June 30, 2026. Interest rates for loans disbursed after July 1, 2026 will be published at **https://studentaid.gov.** The loan funds are sent directly to the school and repayment begins within 60 days after the final loan is disbursed for the academic year. A FAFSA application is required before applying for a Direct Plus Loan.

Federal Pell Grants And Federal Supplemental Educational Opportunity Grants

Federal Pell Grants (FPG) and Federal Supplemental Educational Opportunity Grants (FSEOG) are "gift aid." You are not required to repay these funds. The amount of FPG reported on the Award Notification is an estimate and the actual amount which you will receive will be based on your enrollment status. Your Pell Grant will be adjusted if you are enrolled for less than 12 hours.

Federal Work-Study

The Federal Work-Study (FWS) Program provides jobs for undergraduate and graduate students with financial need, allowing them to earn money to help pay educational expenses. Funding for FWS is provided through the federal government with matching contributions from USD. The amount of FWS you are eligible to earn is shown on your USD Financial Aid Award Notification. Your FWS wages will be at least the current federal minimum wage but may be higher depending on the type of work you do and the skills required. FWS is awarded to USD students based on the FAFSA receipt date. FWS positions are available in departments and offices throughout the university as well as off-campus. Off-campus positions include community service jobs such as tutoring elementary students through the public library.

Private Loan

Changes to federal student loan eligibility and borrowing limits may mean that federal loans do not fully cover your educational costs. If you need additional funding, a private student loan may be the option to consider.

Private loans are not federal loans and typically:

- Are based on credit history.
- May require a co-signer.
- Have different interest rates, repayment terms and borrower protections.

We provide a **preferred lender list** to help students compare private loan options. You are not required to borrow from lenders on this list and may choose any lender that meets your needs.

INSTRUCTIONS FOR COMPLETING THE MASTER PROMISSORY NOTE (MPN)

If you have already completed a Direct Loan MPN, you do not need to complete another one. If you have not completed a Direct Loan MPN, see the instructions below:

You must complete the MPN electronically. To do so, you will need a Department of Education FSA ID and password.

Go to **https://studentaid.gov** and select Master Promissory Note. Follow the instructions for completing the MPN. The site will advise you if you have successfully completed and submitted the MPN at the end of the process.

ENTRANCE COUNSELING

If you are a student borrowing a Direct Subsidized/Unsubsidized or Direct Graduate Plus Loan for the first time at USD you must complete entrance counseling on line at **https://studentaid.gov** by selecting Direct Loan Entrance Counseling. Follow the instructions for completing the Entrance Counseling.

WHAT HAPPENS NEXT?

Your loan will be processed. Direct Loan Servicing will send a disclosure statement at or before the time of the first disbursement of each loan. The disclosure statement tells you the amount of the loan and additional terms of the loan. Your loan funds and all other financial aid will be disbursed electronically to your tuition and fee account provided you are eligible to receive the funds (this includes registration). If the amount of your financial aid exceeds your university charges, a refund will be generated. Direct Deposit is the preferred method for student refunds. This program allows you to have your Student Account Refund deposited directly into your personal checking or savings account. You may sign up for Direct Deposit of your refund checks through Self-Service. Click on the "Direct Deposit Refunds" link. If you do not want direct deposit click on "Student Personal Information" and enter a student refund address to where you want your check mailed.(In order to have your financial aid credited and your refund available, you must have met all eligibility requirements no later than August 1 for the fall term and December 1 for the spring term.)

TERMS AND CONDITIONS OF YOUR AID AWARDS

Your acceptance of the financial aid offer for the 2026-2027 school year indicates that you understand the following:

- You must maintain satisfactory academic progress according to university standards.
- You must comply with the established rules and regulations of the University of South Dakota.
- You agree to repay upon request to the University of South Dakota any overpayment which may occur because:
    1. your residency status was changed
    2. you dropped credit hours or withdrew from courses
    3. you changed your living arrangements
    4. your award changed due to verification or as a result of updated information
    5. your award was miscalculated by the Financial Aid Office
    6. you received additional aid
    7. there was a mistake in crediting your university account, or
    8. for any other reason unknown to the Financial Aid Office at the time of disbursement

CHANGING DATA ON THE FINANCIAL AID APPLICATION AND FAFSA SUBMISSION SUMMARY:

We advise you to consult the Office of Financial Aid before changing data on your FAFSA Submission Summary.

GENERAL INFORMATION

To be eligible to receive financial aid you must:

1. be admitted to USD as a regular student in a degree-granting program
2. be registered for at least 6 degree applicable credit hours (5 degree applicable credit hours for graduate students) each semester
3. meet satisfactory academic progress standards in accordance with Financial Aid Office policies
4. not be in default on any educational loans, or owe repayment on any educational grants

You MUST notify the Financial Aid Office in writing if you are enrolled in an exchange program or any other unusual arrangement. You must be prepared to provide proof of your registration in order to receive financial aid. Your aid will not be properly credited or disbursed if you fail to notify us of your status.

If you withdraw from the university you may be required to repay a portion of your financial aid. In addition, you may be in jeopardy of losing aid for subsequent terms. Please contact our office for details if you plan to withdraw.

The information contained in this student guide is the most accurate information available at the time of publication and is subject to change depending on availability of funds and policies (Federal, State and Institutional).

FINANCIAL AID BUDGETS AND STUDENT AID INDEX

A student's financial aid cost of attendance, includes items such as tuition and fees, housing and food, books, course materials, supplies and equipment, personal expenses and transportation expenses. Students are awarded financial aid based on full-time status (9 credits for graduate students and 12 credits for undergraduate students). Students that enroll at less than full-time status will have their aid and budgets adjusted based on their actual enrollment status. Budget items, such as housing, food and personal expenses vary depending on whether the student lives on-campus, off-campus or with parents.

The Student Aid Index (SAI) is an eligibility index number that financial aid offices use to determine how much federal student aid the student may receive. The SAI is calculated from information provided by the student on the Free Application for Federal Student Aid (FAFSA). The student's financial aid budget minus their SAI equals the student's need. The types and amounts of financial aid a student receives are based on this need. Students may not receive aid in excess of their calculated need.

2026–2027 SCHOLARSHIP/AWARD POLICY

Limit of University Scholarship/Award Funding to Individual Students

A student's USD funds (gift, scholarships and guarantee awards) may not exceed in-state direct costs (tuition, fees, housing and meals). If the student also receives non-USD funds (including all forms of federal, state and external assistance), the total of all funds cannot exceed the total direct and indirect costs of education. Indirect costs include allowances for personal expenses and transportation. All USD financial commitments may be adjusted to ensure that total gift and need-based assistance does not exceed total cost as defined for federal student aid purposes.

Coyote Beginnings Scholarship Program

The Coyote Beginnings Scholarship Program offers students a guaranteed annual dollar amount predicated on meeting the required credentials. Funding the Coyote Beginnings includes awards distributed by various departmental award programs. In some years, Coyote Beginnings may be funded through departmental funding. Coyote Beginnings recipients must be enrolled full-time on the Vermillion campus only.

Scholarship Acceptance And Terms

Acceptance of an individual scholarship award is an agreement to the terms and conditions of that award as well as all policies governing USD scholarships. Every student's financial award package (scholarships, gift and need-based assistance) is subject to audit with the final determination of scholarships and other forms of assistance to be made by the USD Financial Aid Office in compliance with federal aid regulations.

USD reserves the right to adjust individual scholarship awards after letters have been accepted to ensure effective use of federal, state and university dollars.

Full-time enrollment is required for all USD scholarship recipients.

The University's full scholarship policy is available online at **usd.edu/Scholarship-Award-Policy**

Student Athletes

Student-athletes are subject to all NCAA regulations and guidelines. Individual scholarships may be adjusted to ensure compliance with these rules and regulations.

Study Abroad

For USD Exchange/Partnership programs and for USD-Sponsored programs, students may apply certain select USD scholarships to the cost of participation. This includes Mickelson, Presidential-Alumni, and Coyote Beginnings awards (including all departmental awards that comprise these scholarships). Students must be enrolled full-time and may use these scholarships for up to two semesters of study away participation.

If students elect to participate in non-USD Sponsored programs, they will not be eligible to apply USD scholarships to the study away term and will lose that semester of award eligibility.

South Dakota Opportunity Scholarships

The South Dakota Opportunity Scholarship (SDOS) is available to South Dakota residents who meet certain eligibility criteria/requirements. Eligibility and renewal are established under South Dakota law. Questions regarding this award should be directed to the USD Financial Aid Office.

REVIEW OF YOUR FINANCIAL AID

You may request a review of your financial aid award, although revisions are not always possible. Increases may be granted only if there has been an error in evaluation or if there is a marked reduction in financial resources available to you (special circumstances), which you must document and substantiate. Examples of special circumstances include non-discretionary loss of employment, divorce or separation, death in the family, etc.

AWARDED AID AND ARE NOT ENROLLED

If you are awarded aid for the 2026-2027 academic year (fall & spring semesters) and you are not enrolled for the fall semester, your aid for both the fall and spring semesters will be cancelled after the last day to drop/add classes without a penalty. You will not be notified of this cancellation.

If you do not enroll for the fall semester, it is imperative that you notify our office of your planned enrollment in writing immediately after the fall semester begins. Campus-based aid (SEOG, FWS), if available, will be awarded at the time you notify us that you plan to attend the spring semester.

STUDY ABROAD

Students may be eligible to use Federal Financial Aid and their USD scholarships on certain approved programs. For further information, please contact the Office of Financial Aid. You may also learn more on the USD Financial Aid website.

SATISFACTORY ACADEMIC PROGRESS

Monitoring Progress

A student's progress will be monitored at the end of the spring semester or the last semester attended. The assessment will be based on the student's entire academic record, including all transfer credit hours accepted.

Admission to the University of South Dakota or academic standing as defined by the Office of the Registrar does not necessarily constitute maintaining satisfactory academic progress for financial aid.

Completion Rate

Students must satisfactorily complete 67 percent of all credits attempted. Satisfactory grades are "A", "B", "C", "D", "S" and "RS." Unsatisfactory grades are "F", "I", "U", "RI", "RU", "IP", "SP", "NP" and "W."

Minimum Cumulative Grade-Point Average

- Undergraduate Students: The minimum cumulative GPA requirement for an undergraduate student is 2.0 or higher.
- Graduate Students: The minimum cumulative GPA requirement for an graduate student is 3.0 or higher.

Maximum Time Frame

The university's standards include a reasonable length of time for students receiving Federal Student Aid to complete their educational objectives. Transfer credits, which are accepted by USD, will be included in the total credit hours. The maximum number of attempted credit hours eligible to receive Federal Student Aid for an undergraduate degree is listed below:

Associate of Arts Degree in General Studies 90

Bachelor of Arts/Science Degree. 80

The maximum number of credit hours eligible to receive financial aid for a graduate degree is:

Masters Degree. 45

Specialist Degree 90

Doctor of Philosophy Degree. 126

Doctoral Degree. 135

Unsatisfactory Status

A student whose status is determined to be unsatisfactory is not eligible to receive Federal Financial Aid until he/she meets one of the following conditions:

- Continues to attend USD at his/her own expense and returns to full compliance with all parts of the Satisfactory Academic Progress Policy.
- Demonstrates special circumstances to justify appeal consideration.

Right To Appeal

Students who have had their Federal Student Aid suspended due to unsatisfactory academic progress may appeal to the Office of Financial Aid. The appeal must be submitted through Docusign and specifically explain circumstances that were beyond their control and adversely affected their ability to be academically successful at USD. Such circumstances would include an injury or illness, the death of a relative or other special circumstances. The appeal must explain why the student failed to make satisfactory progress and what has changed in their situation that will allow the student to make satisfactory progress at the next evaluation. The appeal form will need to be accompanied by all relevant 3rd party documentation regarding the specific circumstances. The student must explain changes that have occurred so that the same circumstances will not hinder future progress. The appeal will also require an outline describing the student's plan to improve their academic program and allow the student to meet the Satisfactory Academic Progress requirements in the future. To ensure a timely review, appeals should be submitted within 30 days of notification of the unsatisfactory status and must be accompanied by all relevant required documentation at the time the appeal is sent to the Office of Financial Aid. Please allow 4–6 weeks to receive a decision regarding the appeal. Appeals submitted after that will be reviewed as soon as possible; however we cannot assure that financial aid will be available by the fee payment deadline. As a result, students MUST make arrangements to pay their bill without Federal Financial Aid.

The University's full Satisfactory Academic Progress policy is available online at **usd.edu/Satisfactory-Academic-Progress**

UNIVERSITY OF
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