

## 2015-2016

### Student Loan Data Sheet for Federal Direct Loans

Jefferson College participates in the William D. Ford Federal Direct Loan (Direct Loan) Program. Students and parents who previously received loans through the Federal Family Education Loan (FFEL) Program will now borrow through the Direct Loan Program. The Direct Loan Program offers the same types of loans as the FFEL Program and Direct Loans generally have the same terms and conditions as FFEL Program loans, but instead of a bank lending the money, the U.S. Department of Education lends the money directly to students and parents through the student's school.

#### Subsidized Loans

For students with demonstrated financial need, as determined by federal regulations. No interest is charged while a student is in school at least half-time, during the grace period, and during deferment periods.

- ❖ **Time Limitation on Direct Subsidized Loan Eligibility:** For new borrowers after July 1, 2013, there is a limit on the maximum period of time (measured in academic years, not dollars borrowed) that you can receive subsidized loan funds. Students may not receive subsidized loans for more than 150% of the published length of their current program. After meeting the 150% limit, the student becomes responsible for interest accrued.

#### Unsubsidized Loans

Not based on financial need; interest is charged during all periods, even during the time a student is in school and during grace and deferment periods.

- ❖ Direct Loan interest rates are determined each June for new loans being made for the upcoming award year and posted online at [www.studentloans.gov](http://www.studentloans.gov).

#### Loan Terms

**Disbursement:** Direct student loans are disbursed in 2 payments and sent directly to your school. The school will verify that you are still enrolled and attending 6 or more credits and making satisfactory academic progress. The school will notify you when your loan proceeds are deposited into your student account.

**Loan Amounts:** The amount of loan you may request is based on your classification (freshman or sophomore) and your status (dependent or independent as determined by the FAFSA). It is recommended that you borrow only what is necessary. Also, a student cannot exceed his/her cost of attendance budget with aid from federal, state, institutional, and private sources, therefore Jefferson College may adjust loan amounts due to additional funding awarded to the student.

**Repayment:** Principal repayment begins automatically six months after you drop below 6 credit hours, withdraw, or graduate. If you received an unsubsidized loan and opted to have the interest deferred, any unpaid interest will be added to your principal balance at that time. You may prepay on your loan at any time. You will have a choice of repayment plans. Repayment plan options are listed online at [www.studentloans.gov](http://www.studentloans.gov).

**Fees:** There is an origination fee on Direct Subsidized Loans and Direct Unsubsidized Loans. The loan fee is an expense of borrowing one of these loans. The loan fee is a percentage of the amount of each loan the borrower receives, and is subtracted proportionately from each loan disbursement. Loan fees are established by the Department of Education and posted online at [www.studentloans.gov](http://www.studentloans.gov).

Grade Level	Dependent * Subsidized/Unsubsidized	Independent** Subsidized/Unsubsidized
Freshman (less than 30 credit hours)	\$5,500	\$9,500
Sophomore (30 or more credit hours)	\$6,500	\$10,500

\**Dependent:* Students who were required to use parent income tax information to complete the FAFSA

\*\**Independent:* Students who needed only their own and/or their spouses' income tax information to complete the FAFSA

## **How to Apply for a Loan**

**If you do not complete all required information listed below, your loan request will be rejected.**

- Complete the Free Application for the Federal Student Aid ([www.fafsa.gov](http://www.fafsa.gov)) and submit the required paperwork to the Student Financial Services Office.
- You must be enrolled and attending a minimum of 6 credit hours for the term the loan is requested. Any student currently in default status on any previous loan or on suspension at Jefferson College is not eligible for any additional funds until the issue is resolved.
- You must have a FSA ID and password to complete a Direct Loan MPN and Direct Loan Entrance Counseling. If you do not already have a FSA ID and/or password, visit [www.fsaaid.ed.gov](http://www.fsaaid.ed.gov) to apply for one.
- All first-time Federal Direct Student Loan borrowers must complete online Student Loan Entrance Counseling. This may be completed online at [www.studentloans.gov](http://www.studentloans.gov).
- All first-time Federal Direct Student Loan borrowers must complete a Federal Direct Loan Master Promissory Note (MPN) electronically at [www.studentloans.gov](http://www.studentloans.gov).
- Complete the attached Student Loan Data Sheet for Direct Loans and return it to the Office of Student Financial Services.

## **Very Important Information**

- It is important to keep the Direct Loan Servicing Center informed of any changes in your status, so that your loan information is up-to-date. This is your responsibility.
- Dependent students who have reached an aggregate (total) amount of \$31,000 are not eligible for any additional funds.
- Independent students who have reached an aggregate (total) amount of \$57,500 maximum are not eligible for any additional loan funds.
- Loan funds are posted to the student account. Outstanding charges (tuition, fees, books, and supplies, etc.) are deducted prior to excess funds being released to the student.
- During your last semester you will receive notification regarding Exit Loan Counseling which you must complete prior to graduation. If you withdraw for any reason prior to graduation, you must contact the Student Financial Services Office and complete Exit Loan Counseling.
- Information regarding interest rates can be found at [www.studentloan.gov](http://www.studentloan.gov).
- The loan will be submitted to the National Student Loan Data System (NSLDS) and will be accessible by guaranty agencies, lenders, and institutions determined to be authorized users of the data system.

## **Benefits of the Direct Loan Program**

Direct Loans and FFEL Program loans have the same annual and aggregate loan limits, the same deferment and cancellation provisions, and most of the same repayment plans (Standard, Graduated, Extended, Income-Based). The interest rates for FFEL Program Stafford Loans and Direct Subsidized and Unsubsidized Loans are the same. Direct Loans also have some benefits that are available only in the Federal Direct Loan Program:

- Income Contingent Repayment Plan (in addition to the Income-Based Repayment Plan).
- Public Service Loan Forgiveness Program. Information at [www.studentloans.gov](http://www.studentloans.gov).
- No interest charged (for up to 60 months) during qualifying periods of active duty military services (for loans first disbursed on or after October 1, 2008).
- Have online access to your Direct Loan account information 24 hours a day, 7 days a week at Direct Loans on the Web at [www.studentloans.gov](http://www.studentloans.gov).
- The U.S. Department of Education's National Student Loan Data System (NSLDS) provides information on your federal loans including loan types, disbursed amounts, outstanding principal and interest, and the total amount of all your loans. To access NSLDS, go to [www.nsls.ed.gov](http://www.nsls.ed.gov).

## 2015-2016 Student Loan Data Sheet for Federal Direct Loans

Last Name: \_\_\_\_\_ First Name: \_\_\_\_\_ MI: \_\_\_\_\_

Student ID: \_\_\_\_\_ Date of Birth: \_\_\_\_/\_\_\_\_/\_\_\_\_ Phone Number: (\_\_\_\_) \_\_\_\_-\_\_\_\_  
MM DD YY

**Student Loan Repayment Plan** *(Complete the following tables)*

Previously Borrowed Student Loan Amounts	
<i>Visit <a href="http://www.nslds.ed.gov">www.nslds.ed.gov</a> to compute your previously borrowed amounts or enter "0" if you have no previous loans.</i>	
Federal Subsidized Direct Loans	\$
Federal Unsubsidized Direct Loans	\$
Consolidated/Perkins Loans (if applicable)	\$
<b>Total Debt including Interest accrued</b>	<b>\$</b>

Please indicate your requested loan amount below. The maximum amount you will be eligible to receive will be determined by the school's Cost of Attendance; your Expected Family Contribution; other grants, scholarships, and aid received; your academic program; and your prior borrowing history. If at any time your enrollment drops below 6 hours your loan will be canceled.

**Requested Loan Amount: \$** \_\_\_\_\_

Combined Amount of Student Loan Debt	
<i>To calculate, add your previously borrowed total and the requested loan amount together.</i>	
<b>New Total Debt including Interest accrued</b>	<b>\$</b>

Successful Repayment of Your Student Loans- Mapping Your Future	
<i>Visit <a href="http://mappingyourfuture.org/paying/standardcalculator.cfm">http://mappingyourfuture.org/paying/standardcalculator.cfm</a> and use the standard calculator to determine the minimum annual income needed for successful repayment of your previous and currently requested student loans.</i>	
Number of Monthly Payments	
Interest Rate	
Principal Amount of Loan (Total Debt Owed)	\$
Estimated Monthly Payment	\$
Total Interest Accrued Based on 120 months	\$
<b>Minimum Annual Income Needed to Handle Repayment</b>	<b>\$</b>

Name: \_\_\_\_\_

Student ID#: \_\_\_\_\_

**Fall/Spring Loan**

For students attending both semesters, loans are processed for Fall/Spring of the 2015-2016 award year.

The award amount will be split equally between semesters.

*(Recommended Loan Period)*

Fall & Spring Loan

*If requesting a Fall/Spring loan, SKIP the Single-Semester Loan Box.*

**Single-Semester Loan**

*(Read Carefully)*

Single-semester loans disburse in two equal installments within the semester.

- First Disbursement:
  - no sooner than the 30<sup>th</sup> day of the semester
- Second Disbursement:
  - no sooner than the midpoint of the semester.

***Funds for future semesters may be limited.***

ONLY check the following IF requesting a single-semester loan.

Check **ONLY One Box:**

- Fall ONLY Loan
- Spring ONLY Loan
- Summer ONLY Loan

***If requesting a Fall/Spring loan, do NOT check anything in this box.***

**Signature**

I certify that I have read and understand the Jefferson College Student Loan Data Sheet and I have completed all requirements indicated on this form. I understand that this loan request will be rejected if I have not completed all of the requirements.

\_\_\_\_\_  
Student's Signature

\_\_\_\_\_  
Date

***FOR OFFICE USE ONLY***

Loan Period \_\_\_\_\_ NSLDS \_\_\_\_\_ Amount Requested \$ \_\_\_\_\_ RNASL16 \_\_\_\_\_ Ind or Dep \_\_\_\_\_

ROASTAT \_\_\_\_\_ RHACOMM \_\_\_\_\_ SHATERM \_\_\_\_\_ GPA \_\_\_\_\_ Grade Level (GL) \_\_\_\_\_

RNANA16 Bach \_\_\_\_\_ GL \_\_\_\_\_ SFAREGS \_\_\_\_\_ Major \_\_\_\_\_ RBAABUD Loan fee \_\_\_\_\_ GL \_\_\_\_\_

RNASL16 Sub \_\_\_\_\_ Unsub \_\_\_\_\_ Certified Loan Amount(s) Sub \_\_\_\_\_ Unsub \_\_\_\_\_

Date Completed \_\_\_\_\_ By \_\_\_\_\_

Check off each box once you understand each statement.

***I understand that:***

- even though I may be approved for other financial aid resources (PELL, JTPA, etc.) my tuition, fees and other charges may be deducted from my loan funds. Student charges are paid in the order the financial aid funds are received.
- my classes will be held for me and that if I choose not to attend, **I MUST drop my courses and cancel my loan with the Office of Student Financial Services.**
- if I am a first time student loan borrower and have accumulated less than 12 credit hours, my loan will be held for 30 days from the start of the semester.
- if I am on financial aid probation or approved appeal my loan will be held for 30 days from the start of the semester.
- if I withdraw from all courses or discontinue attendance prior to the 60% point in the semester, I may be required to repay a portion of my loan disbursement immediately.
- The Office of Student Financial Services is allowed up to three business days to disburse loan funds to my student account; the Business Office may take up to 14 additional days to prepare a check for the remaining amount of the disbursement. Checks will be mailed directly to my home address.
- my borrowing limit may be restricted based upon my level of enrollment and academic progress.

***I understand that I have a right to***

- notification in writing, if my loan is sold or transferred, showing the name address and phone number of the new holder. I must direct all future correspondence to that new holder.
- deferment of repayment for defined period.
- request a forbearance from my lender if I don't qualify for a deferment and if I'm unable to make payments on my loan.
- a minimum monthly loan payment of \$50, which can be more depending on the amount I borrow OR which can be less with a graduated or income-sensitive repayment option.
- a six-month grace period but that I am permitted only one grace period during the life of the loan.
- prepay all or any part of the amount I owe without penalty.
- a maximum of ten years to repay this loan, unless my loans are consolidated, which may extend my repayment terms and increase my overall debt.
  - subsidized and unsubsidized Direct Loan: following a six-month grace period,
  - PLUS loan: within 60 days of the last disbursement, unless a deferment has been approved.
- a copy of my promissory note (either before or at the time my loan is made), on which my interest rate is specified.

***I understand I MUST***

- repay my loan and all accrued and/or capitalized interest and fees according to the established repayment schedule, even if I drop out of school, can't find a job, or am dissatisfied with the education I received.
- Notify the school and holder(s) if I:
  - move or change my address
  - change my name
  - change my phone number
  - change my Social Security Number
  - withdraw from school
  - drop below half-time attendance
  - transfer to another school
- If I fail to repay my loan, I will be considered in default and the following may result:
  - My loan will be reported to national credit bureaus and will have a negative effect on my credit rating for at least 7 years.
  - My federal and state income tax refunds may be withheld.
  - My wages may be garnished
  - I may be ineligible to receive any additional federal or state financial aid funds.
  - My loan may be referred to a collection agency, and I will be liable for all collection costs.
  - I may be sued by the holder of my loans for all amounts owed, including attorney fees.

***I have read and understand all of the above information, as well as the Borrower's Rights and Responsibilities section contained on my promissory note. I also understand that my student loans are not dischargeable through bankruptcy.***

\_\_\_\_\_  
Student's Signature

\_\_\_\_\_  
Date