

2009–2010 Federal Direct Stafford/PLUS Loans

Borrowing money for college is a serious financial obligation. In addition to the principal borrowed, interest is charged for your use of the funds. We strongly urge you to carefully consider the amount of debt you incur, and we strongly advise against borrowing more than you need. Once a loan has been determined/awarded, you may request only **one change** per academic year, whether it is to increase or decrease the amount, alter the loan period, add or delete a loan, etc.

Federal regulations require mandatory entrance counseling sessions for students in receipt of Federal Direct Stafford Loans. Therefore, all first-time borrowers at CFCC must complete entrance counseling prior to receiving their Federal Stafford Loan(s). This may be completed on the Internet at <https://www.dl.ed.gov> (then click on the hyperlink—*Entrance Counseling for Borrowers*). Contact the nearest Enrollment Services Center on each campus for assistance (if needed). Loan counseling should be completed as soon as possible in order to expedite the processing of your loan.

A Master Promissory Note (MPN) is also required for first-time CFCC borrowers to receive a loan. You will need your FAFSA PIN number to sign the promissory note located online at: <https://dlenote.ed.gov>. If you did not receive a PIN yet, please go to the PIN website (www.pin.ed.gov) and obtain a PIN number. It will take up to 72 hours to process. Completing a paper MPN is an option, but not recommended as the extra steps will increase processing and delay your aid.

If you have any questions about completing the online loan counseling session or the Master Promissory Note, please contact Rebecca Gillette at extension 1454 on the Ocala Campus. If you prefer to e-mail your questions, contact Rebecca Gillette at http://www.gilletter@cf.edu.

- ◆ **Federal Direct Stafford Loan (Subsidized):** A federal loan program in which the government pays the interest while the borrower is enrolled at least half time (six credit hours) at an eligible institution and during the grace period. Loan eligibility is based on the cost of education, less expected family contribution (EFC) as determined by the student aid report (SAR), other aid the borrower may receive and federal restrictions. Repayment may be deferred up to six months after the borrower graduates, leaves school or drops below six credit hours. Annual maximums are \$3,500 for freshmen and \$4,500 for sophomores. Total aggregate maximum is \$23,000. Interest rates are fixed at 6.8% and origination fees of 1.5% are charged at the time of each disbursement.
- ◆ **Federal Direct Stafford Loan (Unsubsidized):** A federal loan program in which loan eligibility is the same as Federal Direct Stafford Subsidized, except the unsubsidized loan does not use the EFC figure, and the borrower is responsible for paying all interest from the time of disbursement until the loan is paid in full. The annual maximum is the same as the subsidized Stafford Loan minus amounts borrowed under that program. Dependent students may borrow up to an additional \$2,000 in this program and independent students may borrow up to an additional \$6,000 in this program as long as they have need as determined by the federal formula. Total aggregate maximum is \$31,000 for dependent students and \$57,500 for independent students (these amounts include the \$23,000 subsidized maximum). Repayment may be deferred up to six months after graduation, withdrawal, or less than half-time enrollment. Interest rates are fixed at 6.8% and origination fees of 1.5% are charged at the time of each disbursement.
- ◆ **Federal Direct Parent Loan For Undergraduate Students (FDPLUS):** A federal loan program in which parents of dependent students may borrow for the students' education. Dependent students must be in a degree program or in an eligible certificate program. Parents may borrow up to the Cost of Attendance (Budget) minus other financial aid. This loan program does not use the EFC figure and students must be enrolled at least half time. The repayment period starts 60 days from the date of disbursement or may be deferred up to six months after the student is no longer enrolled at least half time. Interest rates are fixed at 7.9% and origination fees of 4.0% are charged at the time of each disbursement. Credit checks for parents are mandatory. Request and complete a "FDPLUS Request Form," if this loan is needed.

Federal Direct Stafford/PLUS: Important Dates for Application Acceptance and Processing

Semester	Last Accept Date	Loan Period
fall	10/15/2009	8/19/2009 – 12/4/2009
fall and spring	10/15/2009	8/19/2009 – 4/30/2010
spring	3/15/2010	1/6/2010 – 4/30/2010
spring and summer	3/15/2010	1/6/2010 – 8/11/2010
summer	5/12/2010	5/12/2010 – 8/11/2010

All borrowers must complete 1) loan entrance counseling; 2) direct loan master promissory note; 3) be enrolled in an eligible program (enrollment less than full time could result in loan amount adjustments or cancellations). Enrollment/attendance and eligibility will be verified before any loan disbursements are scheduled for release in the disbursement process. This verification process will begin after the add/drop period of each semester. Depending on the volume, the final review may take several weeks to complete.

Disbursement of Loans: Two-semester loans will have a disbursement scheduled at the beginning of each semester as listed above. One-semester loans will be disbursed at the beginning of the semester as listed above. Summer disbursements will be scheduled for release after the add/drop period of the “B” session and enrollment/attendance is confirmed.

Expected Enrollment Status: Students must maintain a minimum enrollment of at least six credit hours **for each semester** of the loan period. If your loan period is less than an academic year (fall/spring), funds may be prorated (reduced) according to federal regulation. The most common loan period is fall/spring. If your loan period does not include summer, you may take the summer off without penalty. If the loan (e.g. a pending disbursement) is canceled or your enrollment drops below half time, exit counseling is required and your one-time six-month grace period may be used.

Loan Denial: The institution reserves the right to refuse to certify or originate a loan for a borrower. Similarly, the institution may certify or originate a loan for an amount less than the borrower’s requested amount. Reasons for a loan denial and/or reduction of loan amounts include, but are not limited to, previous default history, excessive loan debt, and amount borrowed in relation to the expected degree completion date of the student.

Sample Loan Repayment Chart

Loan Amt	5% Interest Rate Payment—Months	6% Interest Rate Payment—Months	7% Interest Rate Payment—Months	8% Interest Rate Payment—Months
\$ 3,500	\$ 50.00 – 83	\$ 50.00 – 87	\$ 50.00 – 91	\$ 50.00 – 95
\$ 4,000	\$ 50.00 – 98	\$ 50.00 – 103	\$ 50.00 – 109	\$ 50.00 – 115
\$ 4,500	\$ 50.00 – 114	\$ 50.00 – 120	\$ 52.25 – 120	\$ 54.60 – 120
\$ 7,500	\$ 79.55 – 120	\$ 83.27 – 120	\$ 87.08 – 120	\$ 91.00 – 120
\$ 8,000	\$ 84.85 – 120	\$ 88.82 – 120	\$ 92.89 – 120	\$ 97.06 – 120
\$ 8,500	\$ 90.16 – 120	\$ 94.37 – 120	\$ 98.69 – 120	\$103.13 – 120
\$10,000	\$106.07 – 120	\$111.02 – 120	\$116.11 – 120	\$121.33 – 120
\$16,000	\$169.70 – 120	\$177.63 – 120	\$185.77 – 120	\$194.12 – 120

2009–2010 Federal Direct Stafford Loan Request Form

Printed Name: _____ Student ID# _____ SSN: _____

All first-time borrowers at CFCC must complete a Master Promissory Note (MPN) and entrance counseling before any loan funds can be disbursed. Failure to complete all requirements will result in a cancellation of your loan(s).

Once a loan has been determined/awarded, you may request **only one change** per academic year whether it is to increase or decrease the amount, alter the loan period, add or delete a loan, etc. Any change is your **one change**—not one per category. Failure to complete all requirements will result in a cancellation of your loan(s).

I request loans under the following program(s). **Select only ONE option!** Check for the maximum amount allowed or indicate the loan amount not to be exceeded.

maximum available amount

OR an amount not to exceed

\$ _____ Federal Direct Subsidized Stafford Loan
Maximums: \$3,500 - Freshman \$4,500 - Sophomore

\$ _____ Federal Direct Subsidized and/or Unsubsidized Stafford Loans
Maximums: \$5,500 - Freshman/Dependent \$ 9,500 - Freshman/Independent
\$6,500 - Sophomore/Dependent \$10,500 - Sophomore/Independent

You must be enrolled at least half-time (six hours) for each semester of the loan period. Select only ONE option! If you check one semester, your loan will be prorated not to exceed half the annual maximum amount. In some cases a one-semester loan will not be processed unless you are graduating in that semester. One-semester loans are also subject to prorations according to USDOE regulations.

Check the semester category for which you request these loans during the 2009–10 academic year.

___ fall ___ fall & spring ___ spring ___ spring & summer ___ summer
8/09–12/09 8/09–4/10 1/10–4/10 1/10–8/10 4/10–8/10

Indicate the last semester and year you expect to be enrolled at CFCC:

fall spring summer / _____ AND/OR Anticipated Graduation Date: _____
(circle one semester) year

You are required to report any additional resources to the Office of Financial Aid, even if they are received after receiving financial aid. Please include any aid which does not appear on your award notice or MyCFCC Portal. Include VA benefits, fee waivers, scholarships, Vocational Rehabilitation, One Stop Career Center funding, and any aid such as child care, books, transportation, etc. from any other source donor or agency. Attach additional sheet, if necessary.

Source: _____ Amount: \$ _____ Source: _____ Amount: \$ _____

I have read and understood the information contained in this packet, and I understand that I must meet all federal student loan eligibility criteria to receive a loan disbursement.

Signature

Date