

**Glen Oaks Community College**  
**Student Loan Guide**  
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This guide is to assist you in applying for and understanding the Federal Direct Stafford Loan Program. The 2011-2012 Federal Direct Stafford Loan Request Form is attached.

**How To Apply**

1. Complete and submit the Free Application for Federal Student Aid (FAFSA).
2. Enroll and attend at least six (6) credit hours.

Students must enroll in a MINIMUM of 6 credits each semester. Students must do this in order to receive loan funding and use loan money for educational expenses for attendance at Glen Oaks Community College (GOCC). Your loan application will be processed based on the expected enrollment status you have provided. If your enrollment status changes for any reason, your loan may be reduced or canceled. If you drop below 6 credit hours, your future loan disbursement(s) will be cancelled. If you completely withdraw from all your classes, you will be subject to having to repay a portion of your loan funds immediately to GOCC. The amounts you have to repay will be determined in accordance to the U.S. Department of Education's return of Title IV funds policy.

3. Meet GOCC's Satisfactory Academic Progress Policy.

Students must be in Good Academic Standing. Students must be making satisfactory academic progress towards completing their GOCC degree or certificate program. Satisfactory academic progress means maintaining a minimum cumulative grade point average of 2.0 and completion of 67% of all attempted credits.

4. Complete a 2011-2012 Federal Direct Stafford Loan Request Form. The Federal Direct Stafford Loan Request form must be completed by all students wanting to apply for a Federal Direct Stafford Loan. This form is needed in addition to completing the FAFSA.
5. **First-time borrowers and student's with expired MPN's** - Complete a Direct Loan Master Promissory Note at [www.studentloans.gov](http://www.studentloans.gov). Direct Stafford loan borrowers must have a completed Direct Loan Master Promissory Note (MPN) in order to receive loan funds for the 2011-2012 academic year.

1. Look for the "Manage My Direct Loan" area on [www.studentloans.gov](http://www.studentloans.gov)
2. Sign In using your PIN number. Please note that your PIN number is the same one used to sign your FAFSA.
3. Choose **Sign Master Promissory Note**.

6. **First-time Borrowers Only** - Complete Entrance Loan Counseling at [www.studentloans.gov](http://www.studentloans.gov). Follow steps 1. And 2. from above, then choose **Entrance Counseling**.

The average processing time for a Federal Direct Stafford loan is 4 weeks. Processing time may exceed four weeks during peak times. The recommended deadlines to request a student loan and have it applied to your student account before the tuition due date and the last date to submit a loan request form are:

Semester	Preferred Submission Date	Last Day to Submit
Fall 2011	August 8, 2011	November 11, 2011
Winter 2012	December 16, 2011	April 2, 2012
Spring 2012	April 20, 2012	June 14, 2012

**After the deadline you may be required to pay your tuition with your own funds by the bill due date.**  
The student loan will reimburse you later in the semester.

### **Direct Loan Program**

The Direct Loan program provides low interest loans that are funded by the U.S. Department of Education.

The **Subsidized Loan** is for students with financial need as determined by federal regulations. No interest is charged while you are in school at least half-time, during the 6-month grace period after your stop attending college, and during eligible deferment periods. The interest rate for a subsidized loan made between July 1, 2011 and June 30, 2012 academic year is 3.4%.

The **Unsubsidized Loan** is a non-need base loan program. Unsubsidized means the Federal government does not pay the interest for the student. You are responsible for paying all interest that accrues on an unsubsidized loan while you are attending school, during the 6-month grace period, and once repayment has begun on the loan. For the 2011-2012 academic year, the fixed interest rate on unsubsidized loans is 6.8%.

Annual loan limits are the maximum amounts that a student is eligible to borrow in the Direct Loan Program during an academic year. The amounts are based on your grade level, financial need, cost of attendance, and whether you are considered dependent or independent by the U.S. Department of Education.

	<b>Maximum</b>	<b>Maximum</b>	<b>Maximum</b>
<b>Dependent Students</b>	<b>Subsidized</b>	<b>Unsubsidized</b>	<b>Total</b>
Freshman (up to 28 credits)	\$3,500	\$2,000	\$5,500
Sophomore (29 credits or more)	\$4,500	\$2,000	\$6,500

	<b>Maximum</b>	<b>Maximum</b>	<b>Maximum</b>
<b>Independent Students</b>	<b>Subsidized</b>	<b>Unsubsidized</b>	<b>Total</b>
Freshman (up to 28 credits)	\$3,500	\$6,000	\$9,500
Sophomore (29 credits or more)	\$4,500	\$6,000	\$10,500

### **What Happens Next?**

You will receive an award letter showing the amount and type of loan(s) you have been awarded after your Loan Request Form is processed.

### **Loan Disbursement**

All loan funds will be sent to GOCC. If your loan covers two academic semesters, your loan will be disbursed in two equal payments no earlier than fourteen (14) days after the start of each semester. If your loan covers one academic semester, the first disbursement will arrive no earlier than fourteen (14) days after the start of the semester and the second disbursement will be at the midpoint of the semester. ALL first time borrower's first disbursements will be no earlier than 30 days after the start of the semester. Loan funds remaining after all GOCC charges are paid will be mailed to the student.

### **Loan Fee**

There is a loan fee on all Direct Subsidized and Unsubsidized Loans. The loan fee is a percentage of the amount of each loan you receive. For loans first disbursed between July 1, 2011 and June 30, 2012 the loan fee is 1.0%. The loan fee will be deducted from each loan prior to disbursement.