



FINANCIAL AID OFFICE  
Room A-104

## WILLIAM D. FORD FEDERAL DIRECT STUDENT LOAN

(Subsidized, Unsubsidized and Parent loans)

### 2005 - 2006 FILING PROCEDURES

#### **WHO MAY APPLY:**

- You must: 1) be a U.S. citizen or Permanent Resident/Refugee  
2) be enrolled in a degree/certificate granting program  
3) be enrolled for a minimum of six credits(or equivalent credit hours)  
4) not be in default of any previous educational loans\*  
5) not owe a repayment of any previous federal student aid awards

#### **HOW TO APPLY:**

- 1. File a 2005-2006 FAFSA** (Free Application for Federal Student Aid). The FAFSA is also used to apply for a Federal PELL grant and you may request Federal College Work-Study and/or Federal Perkins Loan. When you list a CUNY college on your FAFSA you will be automatically considered for TAP (Tuition Assistance Program) or APTS (Aid for Part -Time Study), if you are a New York State resident. Students who receive a CUNY/TAP Supplemental application in the mail must complete it and return it in the envelope provided. (Both the FAFSA and TAP/APTS applications can be filed via the internet.)
- 2. Wait for a "Student Aid Report" (SAR).** Three to four weeks after you file a FAFSA by mail (or five days if you file via the internet), you will receive a green SAR in the mail (or a "SAR acknowledgement" to your email address if you applied online). Be sure to read the "Comments" page of your SAR, you may be required to submit certain documents to the Financial Aid Office, (FAO). (All documents submitted must be photocopies, the FAO must keep them on file.)
- 3. Complete a Federal Direct Loan request form.** The loan request form is available at the FAO. It can also be downloaded and printed from the Financial Aid section at [www.cuny.cuny.edu](http://www.cuny.cuny.edu). First-time borrowers, (including students with no previous Direct Loans at City College), must attend a pre-loan "Entrance Counseling" session or complete Entrance Counseling via the internet. If you have never had a Federal Direct Student Loan it is strongly recommended that you attend one of the in-person counseling sessions. Ask for the Entrance Counseling schedule and/or the [Online Entrance Counseling](#) procedures.
- 4. Keep the receipt for your loan request.** When you submit your loan request form you will be given a receipt. Your loan application will be reviewed and electronically transmitted to the Federal processor for approval.  
**Note:** Loan applications submitted during registration can be used to "pay" a student's bill. These applications, however, will not actually be processed until registration is over. Loan checks for these applications will not be available until later in the semester.
- 5. Sign, date and return your "Master Promissory Note" (MPN).** In five to ten business days, after your loan request is transmitted you will receive your loan information in the mail from the University Application Processing Center (UAPC). Read the enclosed instructions thoroughly. You will have the option of "signing" an Electronic Master Promissory Note, (eMPN). You will use your Federal PIN to sign an eMPN on the internet. If you do not sign an eMPN online you will receive a set of paper Master Promissory Notes approximately two weeks after you receive your notice from UAPC. You must sign, date and return one paper MPN and keep the other copy for your records.  
**Note:** Only first-time borrowers are required to complete either an eMPN or MPN. One approved MPN is valid for ten subsequent years of Federal direct loans.

**HOW ARE LOAN CHECKS DISBURSED?:** When the eMPN or MPN has been accepted by the federal processor your loan check will be generated on the next scheduled City College check distribution date. (The Bursar will automatically deduct any unpaid tuition and/or fees.) There are two check distributions each month. The Bursar will mail your loan check to **the address on file with the FAO**. All address changes should be promptly submitted to the FAO and the Registrar's Office, Rm. A101.

**Important Note:** **Direct deposit** is a safe, convenient way to receive your financial aid funds. The form is available at the Bursar's Office, Rm. A-103, or online at: [www.cuny.cuny.edu](http://www.cuny.cuny.edu) in the Financial Aid section.

*\*If you have been granted "Renewed Eligibility" for Financial Aid it will be indicated in the "Comments" section of your SAR. If not, you may have to submit documentation to verify the current status of your defaulted loan(s).*

(See other side for additional information.)

## IMPORTANT INFORMATION

- A student borrower will receive a “Statement of Disclosure” from the Department of Education in the mail. It will indicate the approved loan amounts and the anticipated dates of disbursement. A loan fee of 3% will be deducted from each disbursement. An interest rebate of 1.5% will be added back into each disbursement.
- Annual (academic year), loan limits are listed below as well as on the front of the City College Federal Direct Loan request form.
- The current interest rate is 4.7%. (Effective 7/1/05 to 6/30/06.)
- The average total loan debt for City College Direct Loan borrowers is \$18,408.
- A student is always awarded their maximum eligibility for a subsidized loan before an unsubsidized loan is awarded.
- All loans are paid in at least two disbursements.
- A student’s loan may have to be reduced if additional financial aid is awarded after the loan has been processed. A loan may also be reduced or cancelled if a student drops below half-time or withdraws from school.
- A student must attach a photocopy of an ID (that shows their name and signature) to the paper MPN if his/her legal signature is illegible (cannot be read).
- If a Federal Direct loan does not appear on a student's tuition bill and he/she has no other financial aid he/she should bring their bill to the Financial Aid Office.
- The Direct Loan Coordinator is available to answer questions.

### Academic Year Loan Maximums:

#### Undergraduate - Dep. or Indep. (Subsidized and/or Unsubsidized)

- 1<sup>st</sup> yr. - \$2,625 (0-27 earned cr.)
- 2<sup>nd</sup> yr. - \$3,500 (28-60 earned cr.)
- 3<sup>rd</sup> yr. or above - \$5,500 (61+ earned cr.)

#### Undergraduate - Independent (Additional Unsubsidized)

- 1<sup>st</sup> yr. - \$4,000
- 2<sup>nd</sup> yr. - \$4,000
- 3<sup>rd</sup> yr. & above = \$5,000

#### Graduate (Indep.)

- Subsidized: \$8,500
- Unsubsidized: \$10,000