



FINANCIAL AID OFFICE
Room A-104

WILLIAM D. FORD FEDERAL DIRECT STUDENT LOAN (Subsidized, Unsubsidized and Parent loans)

2006- 2007 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 2006-2007 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. (New York state residents should also complete a TAP/APTS application.)
2. **Wait for a "Student Aid Report" (SAR).** Three to four weeks after you mail a paper FAFSA you will receive a blue SAR in the mail. If you filed a FAFSA online, you will receive a "SAR Acknowledgement" to your email address. 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 signed 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.ccnycuny.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. It is strongly recommended that first-time Federal Direct Loan borrowers attend an in-person counseling session. 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 for the semester's first check distribution.
5. **Sign, date and return your "Master Promissory Note" (MPN).** In five to ten business days, after your loan request is processed, you will receive loan information in the mail from the University Application Processing Center (UAPC). Read the letter thoroughly. First-time borrowers will be required to sign an MPN. An "electronic MPN" (eMPN), can be signed online with your federal PIN. If you do not sign an eMPN online, you will receive a paper MPN in the mail, (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 if you do not sign an eMPN on the internet.

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. Your loan check will be mailed to **the address on file with the FAO**. All address changes should be promptly submitted to the FAO and the Registrar's Office, Rm. A-102.

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.ccnycuny.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

- Every first-time borrower must complete a Master Promissory Note (MPN).
Note: Students with an approved Federal Direct Loan MPN on file with the US Department of Education will not be required to sign another one. Subsequent loans will be "linked" the previously approved MPN. An approved MPN is active for ten (10) years worth of loans received at any college or university in the United States.
- A student borrower will also receive a "Statement of Disclosure" from the US 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 in to each disbursement.
- Annual (academic year), loan limits are listed below and on the front of the City College loan request form and p.2 of the Entrance Counseling Guide.
- **The current interest rate (effective 7/1/05 to 6/30/06) is 4.70%.**
- 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 (checks).
- 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).
- A student who wants to use their Federal Direct loan to pay their City College tuition and fees should bring their bill to the Financial Aid Office.
- Please ask to speak with the Direct Loan Coordinator to answer any questions.

Academic Year Maximums:

	<u>Subsidized/Unsubsidized</u>	<u>Additional Unsubsidized (Indep. only)</u>
Undergraduate: 1st yr. (0-27 cr.)	\$2,625	\$4,000
2nd yr. (28-60 cr.)	\$3,500	\$4,000
3rd yr. or above (61+ cr.)	\$5,500	\$5,000
Graduate: (Automatically independent)	\$8,500	\$10,000