WILLIAM D. FORD FEDERAL DIRECT STUDENT LOAN

ONLINE ENTRANCE COUNSELING PROCEDURES

➢ All City College students must complete “Entrance Counseling” in order to obtain their first Federal Direct Student Loan at City College. (Allow approximately thirty (30) minutes to complete Entrance Counseling”.)

➢ A student must fulfill the “Entrance Counseling” requirement via the internet by following the procedures given below.

➢ Please ask for a copy of the “Direct Loan Filing Procedures” for additional information. Also, see additional information on the other side of these instructions.

ONLINE ENTRANCE COUNSELING PROCEDURE:


2. Sign in under: “Manage My Direct Loan”. (Your FSA ID is required.)

3. Click on: “Complete Entrance Counseling”.

4. Click on: “New York” and “City College of New York – CUNY” from the lists shown.

5. Read & Answer: Read the federal student loan information and answer the review questions.

6. Print: The “Completed Counseling Forms” page.


8. Ask for: 1) a Direct Loan application, 2) the Entrance Counseling Guide.

9. Complete: The City College Direct loan application and submit it with your printout.

Note: Online counseling is required for Grad PLUS borrowers but not for Parent PLUS borrowers. Graduate students should apply for an Unsubsidized student loan before applying for a Grad PLUS loan.
IMPORTANT FEDERAL DIRECT LOAN INFORMATION

Every first-time borrower must complete a federal Master Promissory Note (MPN). After entrance counseling is completed click on “Complete MPN” on the left side of the webpage. Follow the instructions and be sure to print a copy of your MPN for your records.

**Note:** Students with an approved Federal Direct Loan MPN already on file will not have to submit another one. One approved MPN will enable loans to be certified and "linked" to the original MPN for up to ten (10) years 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.
- Federal loan origination fees will be deducted from each disbursement:
  
  First disbursement on or after 10/1/2015 and before 10/1/2016 – 1.068% (PLUS loans = 4.272%)
  
  First disbursement on or after 10/1/2016 and before 10/1/2017 – 1.069% (PLUS loans = 4.276%)

- Interest rates as of 7/1/2016: Undergraduate - Subsidized & Unsubsidized: 3.76%
  
  Graduate or Professional Unsubsidized: 5.31%
  
  Parent & Graduate PLUS loans – 6.31%

- A student will always be certified for their Subsidized loan maximum before being certified for an Unsubsidized loan.

- Most loans will be 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.

- Parent PLUS loan applications are available for dependent students. Parent PLUS loan requests are subject to credit approval. Parents may borrow up to the student’s CUNY “cost of attendance”.

- Once a loan request is processed, it will be posted to a student’s CUNYfirst account as “Anticipated Aid”. A loan will be used toward a student’s bill after all other financial aid, (i.e. Pell, TAP, CUNY Tuition Waiver, CUSTA, SEEK awards and SEOG), has been applied.

- Grad PLUS loan maximums are based on CUNY “cost of attendance” less all other financial aid.

- City College students who borrow federal direct loans have an average indebtedness of $14,387.

- Please ask to speak a financial aid counselor, if you have any questions.

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**Academic Year Loan Maximums:**

<table>
<thead>
<tr>
<th>Undergraduate – Dependent</th>
<th>Undergraduate – Independent</th>
<th>Graduate Independent</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Subsidized and/or Unsubsidized)</td>
<td>(Subsidized and/or Unsubsidized)</td>
<td>Unsubsidized: $20,500</td>
</tr>
<tr>
<td>1st yr. - $3,500 + $2,000 Unsub.</td>
<td>1st yr. - $3,500 + $6,000 Unsub.</td>
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<tr>
<td>2nd yr. - $4,500 + $2,000 Unsub.</td>
<td>2nd yr. - $4,500 + $6,000 Unsub.</td>
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<tr>
<td>3rd yr. or more - $5,500 + $2,000 Unsub.</td>
<td>3rd yr. or more - $5,500 + $7,000 Unsub.</td>
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</tbody>
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(Parent PLUS & Grad PLUS loan maximums = CUNY “cost of attendance” minus all other financial aid.)

Updated 6/7/16