



FINANCIAL AID
Wille Admin. Bldg
RM. A-104
(212) 650 - 6656

ONLINE ENTRANCE COUNSELING PROCEDURES

WILLIAM D. FORD FEDERAL DIRECT STUDENT LOAN

- All City College students must complete entrance counseling in order to obtain their first Federal Direct Student Loan at City College.
- A student must fulfill the “Entrance Counseling” requirement on the internet by following the procedures given below.
- Please ask for a copy of the “Direct Loan Filing Procedures” for additional information.

ONLINE ENTRANCE COUNSELING PROCEDURE:

1. **SIGN ON** to <http://www.dl.ed.gov>
2. **CLICK** on: “Entrance & Exit Counseling”.
3. **CLICK** on: Complete the “Entrance Counseling” session.
3. **READ** the Direct loan information carefully, page by page.
4. **TAKE THE QUIZ** (You must pass!) and click on “Proceed”.
5. **PRINT** the “Borrowers Rights and Responsibilities” (BRR), statement.
6. **BRING** the signed and dated statement to the Financial Aid office.
7. **ASK** for 1) a Direct Loan application, 2) the Entrance Counseling Guide.
8. **COMPLETE** the loan application and submit it with the BRR.

Notes: Online counseling is required for Grad PLUS borrowers but not for Parent PLUS borrowers.

Graduate students should apply Subsidized and Unsubsidized student loans before applying for a Grad PLUS loan.

IMPORTANT INFORMATION

- Every first-time borrower must complete a federal Master Promissory Note (MPN). After a loan request has been processed by the Financial Aid office students will receive MPN instructions from CUNY in the mail. Students may use their federal PIN to electronically "sign" their MPN via the internet or wait to receive a paper MPN in the mail.

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 Department of Education in the mail. It will indicate the approved loan amounts and the anticipated dates of disbursement. A loan origination fee of 1.5% will be deducted from each disbursement. An interest rebate of 1.0% will be added back into each disbursement.
- Annual (academic year), loan limits are listed below and on the front of the City College loan request form.
- Interest rates as of 7/1/2009: Subsidized – 5.6%
Unsubsidized - 6.8%
PLUS loans - 7.9%
- The average total loan debt for City College Direct Loan borrowers, who graduated, was \$15,669 as of June 2008.
- 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 students "cost of attendance".
- Students who wish to use their Federal Direct student loan to pay their tuition bill must bring their bill to the Financial Aid Office. A loan can only be used to pay a student's bill after all other financial aid, (i.e. Pell, TAP, CUSTA and SEOG), has been applied.
- Parent PLUS or Grad PLUS loan maximums are based on "cost of attendance" less all other financial aid.
- Please ask to speak with Ms. Shellye Belton, the Direct Loan coordinator, if you have any questions.

Academic Year Loan Maximums (as of 7/1/09):

Undergraduate – Dependent

(Subsidized and/or Unsubsidized)

1st yr. - \$3,500 + \$2,000 Unsub.

2nd yr. - \$4,500 + \$2,000 Unsub.

3rd or more - \$5,500 + \$2,000 Unsub.

Undergraduate – Independent

(Subsidized and/or Unsubsidized)

1st yr. - \$3,500 + \$6,000 Unsub.

2nd yr. - \$4,500 + \$6,000 Unsub.

3rd or more - \$5,500 + \$7,000 Unsub.

Graduate (Indep.)

Subsidized: **\$8,500**

Unsubsidized: **\$12,000**