

# Guide to Federal Direct Student Loans 2014–2015

## Pensacola State College

Office of Financial Aid/Veteran Services/Scholarships  
1000 College Blvd.  
Pensacola, FL 32504

### FEDERAL DIRECT LOAN PROGRAM 2014-2015

General information on the Federal Direct Loan Program (FDLP) and detailed instructions for completing the loan process at Pensacola State College are provided in this guide.

Some questions to consider before beginning this process and completing the loan request form are:

- What is my educational goal? Do I plan to transfer to a college or a university to complete a four-year degree? If so, will I have enough loan eligibility remaining when the costs are higher?
- How much can I expect to earn after graduation based on my career research? What does my future job market look like?
- Have I found and exhausted all other sources of financial assistance before requesting a loan and have I reported that assistance to the Financial Aid Office?
- Have I limited my enrollment to classes required for my declared program of study on file with the Pensacola State College Admissions and Records Office?

Answers to these questions will assist you to determine how much loan debt you want to have to repay. Educational loans are legally binding contracts for funds that result in debts that must be repaid. These funds and the interest must be repaid even if you do not graduate, are dissatisfied with the education or training you received, or if you are unable to find employment.

**Remember, your lifestyle may be adversely impacted by a large student loan debt!**

### PLANNING TODAY MEANS MORE MONEY FOR TOMORROW

#### WHAT IS A MANAGEABLE LEVEL OF DEBT?

Your ability or inability and/or willingness to repay your student loan will affect your creditworthiness and credit rating for years to come. Federal guidelines state that you, the student, should have repayment on student loans of no greater than 8% of your total yearly income. If your first year's total salary is \$28,000, for example, 8% equals \$2,240 per year or a \$187 monthly payment. A manageable level of debt is one that you must plan for in advance. Consider the amount you will have to pay back before you begin borrowing because loans are obligations that must be repaid. Students with prior loans, please go to [www.nslds.ed.gov](http://www.nslds.ed.gov) for outstanding loan information.

For information on Direct Loan repayment plans, please go to to <http://pensacolastate.financialaidtv.com/> and watch "Loan Repayment."

### THE FEDERAL DIRECT LOAN PROGRAM (FDLP) PROCESS AT PENSACOLA STATE COLLEGE

#### WHAT MUST I DO FIRST?

- **READ and follow the steps in this guide. Failure to complete each step in the order given will cause your loan to be delayed or denied.**
- You must file the 2014-2015 FAFSA at <https://FAFSA.ed.gov>
- Confirm that your 2014-2015 financial aid file is complete and correct with the College's Financial Aid Office.
- Complete the required (ELC) and (MPN) at <https://studentloans.gov>. Please be sure to have available your social security number and name, address, and telephone number of two (2) references not living at the same address with whom you will keep in contact with for the next five (5) years. You must select Pensacola State College's school code 001513 as the school you plan to attend.
- Computer access is available on each campus. (Career Connection, computer labs, kiosks, and libraries.)
- **Print, complete, and submit the "2014-2015 Federal Direct Loan Program (FDLP) Request Form" to one of the Financial Aid campus offices.**

## DEFERMENT OF TUITION

- Students who **need** to use loan awards to pay for tuition and fees for any given semester must visit a financial aid office and complete an FDLP tuition deferment promissory note prior to the due date of fee payment. Verify at your SpyGlass that loan monies have been certified for the semester; register for classes; bring your valid driver's license or valid government-issued ID to any campus financial aid office to complete the deferment process. Deferments may not exceed anticipated loan disbursement amounts. Students must maintain enrollment and academic eligibility requirements to receive scheduled loan disbursements.

### WHAT ARE THE ENROLLMENT REQUIREMENTS?

- It is recommended that you only enroll in courses required to complete your declared program of study. Enrollment in courses outside your declared program **WILL** be counted in your attempted credit calculation for maximum timeframe. Please consult with your FA representative to discuss how this may negatively impact your aid eligibility. Verify your current declared program and course requirements on your Spyglass Degree Audit.
- Your program of study must be Title IV-eligible to qualify for FDL.
- Enroll in 6 or more credits each semester.
- It is not recommended that students use Direct Loan funds to assist with college preparatory courses. Using the funds may negatively impact your eligibility later in your education pursuits.
- A student may attempt no more than 30 preparatory credits using federal financial aid of any type including FDLP.
- Eligibility for each disbursement will be determined, in part, by the student's official enrollment record and academic program as of the published last day of Schedule Adjustment for Session A, B, C or D.
- Failure to enroll appropriately each semester will result in cancellation of loan funds.

### WHAT HAPPENS NEXT?

- You will receive an FDLP award letter listing tentative approved loan amounts and tentative semester disbursement dates.
- Your federal student loan award amounts will be listed on your Spyglass Financial Aid Awards.
- Loan funds for each of the three semesters (Fall, Spring, & Summer) are subject to a minimum 30-day delay before release to student accounts.
- No loan funds will be disbursed to your account until your enrollment indicates you are eligible. Students only enrolled for "C" session or "D" session first become eligible for their FDL funds after they begin attendance in "C" or "D" session. Their funds will be deposited in their college account on the first transfer of funds date after session "C" or "D" schedule adjustment ends.
- Loan funds are not available to purchase or rent books.
- The college will deduct all outstanding charges including tuition deferments prior to making your loan funds available to you.
- **You must activate your OneCard in order to receive your loan funds (Questions? Read the OneCard information at [www.pensacolastate.edu](http://www.pensacolastate.edu) or contact the Cashier's Office at 850-484-1782).**

### WHAT ARE MY RESPONSIBILITIES?

#### YOU MUST:

- Have and maintain an overall minimum 2.0 grade point average as listed on your Spyglass Degree Audit.
- Attend **ALL** of your classes for the entire semester.
- Maintain Financial Aid Satisfactory Academic Progress as described in this publication and the college catalog.
- Maintain a current mailing address with the Student Records office. All correspondence will be mailed to the address you have on file with that office or to your Pirate Mail account <https://piratemail.pensacolastate.edu/>  
**If mail sent to you is undeliverable, your loan disbursement will be cancelled.**
- Report to the FA Office any additional aid you receive during the school year for educational purposes and living expenses due to attending Pensacola State College. Examples of aid include, but are not limited to, scholarships, WIA, VA benefits, Vocational Rehabilitation funds, transportation assistance (bus passes, gas cards, fee waivers, and aid from any other donor agency).
- Contact the FA Office when changes occur in your enrollment (i.e., withdrawals, cancellations, new registrations).

## IMPORTANT LOAN INFORMATION

### CHANGES TO DIRECT LOANS

Effective July 1, 2013, **new borrowers** who will exceed 150% maximum timeframe are not eligible for Direct Loan Subsidized Loan.

Interest subsidies during the six month grace period are eliminated for new Stafford Direct Loans made on or after July 1, 2012. The repayment period still begins six months after the student is no longer enrolled at least half-time. Interest accrued during those six months will be payable by the student rather than subsidized by the federal government.

### MAXIMUM ACADEMIC SCHOOL YEAR FDLP LIMITS

- Credits used to determine grade levels for FDLP eligibility are those required for your declared program of study as listed on your Spyglass Degree Audit at [www.pensacolastate.edu](http://www.pensacolastate.edu).

Independent/Dependent Students	Base Amount
Grade Level 1 (0-30 CR)	Up to \$3,500
Grade Level 2 (31-60 CR)	Up to \$4,500
Grade Level 3 (61-89 CR)	Up to \$5,500
Grade Level 4 (90+ CR)	Up to \$5,500

- Independent students may borrow additional unsubsidized funds for documented childcare expenses, out-of-state fees, and additional documented program expenses. A "Request for Additional Loan Funds" form is required and must be attached to the FDLP Request Form with supporting documentation. Forms are available at all FA offices.
- For students pursuing a two year, or less, program, the **recommended** aggregate (total) loan limit for dependent and independent students attending the College is **\$12,000**. For students accepted into a four year program, the recommended aggregate (total) loan limit for dependent and independent students attending the College is **\$24,000**. This limit includes loans received from prior schools. The minimum Federal Direct Loan at the College is \$500. Students requesting loans in excess of the recommended aggregate amounts must meet with the loan specialist for loan counseling.

### IMPORTANT LOAN DATES

Deadlines to Submit a Federal Direct Student Loan Request for All Sessions	
<b>FALL SEMESTER</b>	November 3, 2014
<b>SPRING SEMESTER</b>	March 9, 2015
<b>SUMMER SEMESTER</b>	June 19, 2015

## FINANCIAL AID SATISFACTORY ACADEMIC PROGRESS

Financial Aid Satisfactory Academic Progress (FASAP) will be monitored at the end of each semester of enrollment. To be eligible to receive Federal and State financial aid, including Federal Direct Loans, students must maintain Financial Aid Satisfactory Academic Progress (FASAP). FASAP will be evaluated prior to awarding all financial aid and each semester after end-of-term reports are finalized on the following standards:

- **Students must have an overall grade point average (GPA) of 2.0 for FDLP eligibility.**
- Students must complete a minimum of 67% of **ALL** credit hours attempted including preparatory courses.
- A maximum time frame exists during which a student may be eligible for financial aid, including FDL. Maximum time frame includes all credits attempted at Pensacola State College and all prior colleges.
- The maximum time frame limit is 150% of the students' program length. See the following examples:

Program Type	Length of Program	Maximum Hours Attempted
Two-year Degree	60 credit hours	90
One-year certificate	45 credit hours	68
Bachelor's Degree	120 credit hours	180

## REGARDLESS OF YOUR FASAP

**ALL STUDENTS, INCLUDING TRANSFER STUDENTS, AND/OR THOSE ON AN APPROVED APPEAL, MUST HAVE A MINIMUM OVERALL 2.0 GPA TO BE CONSIDERED FOR A FDL. NO EXCEPTIONS. (Check the left side of your Degree Audit page on Spyglass.)**

**TRANSFER STUDENTS MUST HAVE A MINIMUM 67% COMPLETION RATE ON THEIR PRIOR TRANSFER CREDITS TO APPLY FOR A FEDERAL DIRECT STUDENT LOAN. NO EXCEPTIONS.**

### **Students with previously defaulted federal student loans:**

- If your loans were repaid or rehabilitated with volunteer payments, you must provide a written explanation of the circumstances which resulted in the defaulted status of your prior loans with your completed Pensacola State College Direct Loan Request Form. The Director of Financial Aid will review each student on a case-by-case basis. Providing a statement does not automatically result in an approved loan request.
- If your loans were repaid through a means that demonstrated an unwillingness to repay your loans, such as wage garnishment or repayment by income tax refund, you will not initially be approved for federal Direct Loan consideration.

At such time as you successfully complete 12 credit hours with an FASAP "OK" status, you may request a FDL. You will need to attach to your completed, signed loan Request Form the following:

1. A statement that you have successfully completed 12 credits and are maintaining an FASAP "OK" status.
2. Go to "CASH COURSE" found at <http://cashcourse.org/pensacolastate>.
  - a. Register and then select: Financial Tools; Worksheets; Monthly Budget: complete the 3-page **Budget Worksheet**. Print off your completed budget.
  - b. Select Financial Tools: Financial Calculators; **How Long Until My Loan is Paid Off**. Be sure to input the correct information and your expected Direct Loan interest rate. Follow the instructions and print off a copy of the calculated information on the screen. Include your prior loans if unpaid.
  - c. Click on **What Would My Loan Payments Be?** Follow the instructions and print off a copy of the calculated information.
  - d. Use the following link to access Financial Aid TV. Watch the video on **Paying for College**: <http://pensacolastate.financialaidtv.com/>. Write a brief summary of the video.
  - e. Use the following link to access Financial Aid TV. Watch the video on **Repaying Student Loans**: <http://pensacolastate.financialaidtv.com/>. Write a brief summary of the video **and** indicate the repayment plan you will choose.

Failure to attach the above signed documents to your loan request form will result in denial of Direct Loan eligibility at Pensacola State College.

**All students must maintain a minimum overall 2.0 GPA each semester to receive FDL funds. NO EXCEPTIONS. (Check the left side of your Degree Audit page on Spyglass.)**

### Pensacola State College Financial Aid Campus Offices

Milton Campus	484-4412	Student Services, Building 4200
Pensacola Campus	484-1680	Registration Center, Building 2
Warrington Campus	484-2349	Student Affairs, Building 3600



[pensacolastate.edu](http://pensacolastate.edu)

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