



## 2020-2021 Federal Direct Loan Request Packet

This instruction guide is for students requesting a Federal Direct Student Loan at one of the Peralta Community College institutions: Berkeley City College, College of Alameda, Laney College or Merritt College. First time Direct Loan borrower must complete this Federal Direct Loan Request packet. Continuing borrowers are not required, but are strongly encouraged to do so. Completing this packet will ensure that your home campus will have all the information needed to process your loan request without delay.

**Accepting a loan means accepting the responsibility for repaying the money you borrow including interest costs and fees.**

Please follow these steps carefully so your request will be considered in a timely manner.

- ☐ Complete a 2020-2021 Free Application for Federal Student Aid (FAFSA).
- ☐ Enroll in six (6) or more units towards your program of study/educational goal.
- ☐ Complete and submit the "2020-2021 Supplemental Loan Counseling Worksheet".
- ☐ Complete ☐ online loan counseling workshop section by visiting: <http://berkeleycitycollege.get-counseling.com/flag-session/1061+902+929+6255+6254+938> (Print out the email confirmation page and attach to this packet).

**Session 902:** Student Loan Overview

**Session 6254:** Comprehensive Student Loan Repayment

**Session 929:** Student Loan Basics

**Session 6255:** Essentials of Student Loan Repayment

**Session 938:** Fundamentals on Student Loans and Repayment

**Session 1061:** The Impact of the 150% Loan Limit Rule on Federal Direct Subsidized Loan Borrowers

5. Complete and pass an online "Entrance Counseling" session and quiz at [www.studentloans.gov](http://www.studentloans.gov) (Print the confirmation page and attach to this packet).

- ☐ Complete Master Promissory Note (eMPN) at [www.studentloans.gov](http://www.studentloans.gov) (Print the first page of the MPN and attach to this packet).

- ☐ We suggest that you complete the "Financial Awareness Counseling" session at [www.studentloans.gov](http://www.studentloans.gov).

Once all the steps above have been completed and you have been determined eligible, you will be asked to accept your requested loan amount via your Passport account. Your loan status and disbursements information can be viewed on your passport account.

**Loan Request Deadlines:** *Fall Loan Only—November 1, 2020; Fall and Spring Loans—May 2, 2021; Summer Loan—July 29, 2020*

### **Additional Information**

- First-time, first-year students must wait 30 days from the first day of the term before your first Direct Loan disbursement may be made.
- If you have earned a bachelor's degree (BA/BS), you will need to submit the **Graduate Student Educational Objective Statement** and an **Appeal form** to be considered for a student loan.
- Students must meet and continue to maintain Satisfactory Academic Progress in order to be eligible for a Federal Direct Loan. If you have failed to meet Satisfactory Academic Progress, you may submit a SAP appeal. If you have been denied a SAP appeal please review your appeal Letter for information on how you may regain eligibility.
- If your current student loan balance from prior student loan borrowing is excessive based on your educational goals and academic progress, you may be required to complete additional loan counseling with your home campus. We strongly recommend that you develop an Educational Plan with your Academic Counselor to ensure you understand how long it will take you to meet your educational goals.
- First-time student borrowers who borrows on or after July 1, 2013 may only receive Direct Subsidized Loans for 150% of the published length of your program (Example: A 2-year associate degree program would have a maximum period of 3 years, which is equivalent to 150% of 2 years). Students may review information in the Peralta catalog to determine the length of your program.
- Students may be required to submit academic transcripts from prior schools for evaluation upon request.

- Once the loan is granted, you are encouraged to complete and pass an online exit counseling session and quiz once a year through [www.studentloans.gov](http://www.studentloans.gov). **You must complete this counseling if you withdraw from school, do not return to school, or drop below 6 units.** Withdrawing from a term in which you have received a student loan may subject you to repay a portion of your Student Loan Disbursement. Students must notify the lender or current loan holder within ten (10) days of a leave of absence from school; dropping below half-time status; or a change in name, address, or phone number.
- A student who defaults on a Federal Student Loan loses eligibility for all Federal Student Aid – including student loans.
- Federal Direct Student Loans will be reported to the National Student Loan Data System (NSLDS) and will be accessible by guaranty agencies, lenders, and other institutions determined to be authorized by the Department of Education.
- Student may review the Peralta Financial Aid Webpage at <http://web.peralta.edu/financial-aid/> for further information about:
  - Cost of Attendance
  - Other sources of institutional, state, and federal grant aid
  - Student rights and responsibilities
  - Satisfactory Academic Progress standards

For further information and disclosures about Federal Direct Student Loans at Peralta see <http://web.peralta.edu/financial-aid/196-2/federal-direct-loans/>.

## How much can I borrow?

**Loan Maximums:** At Peralta Community College District (PCCD), you must have completed 30 college level units toward your program of study to be considered a second year student. If you do not have 30 units at PCCD but have units elsewhere, your transcript(s) from other schools must be evaluated by the academic counselor BEFORE your loan is processed.

Dependent Student			
Grade Level	Base Amount	Additional Unsubsidized	Total
1 <sup>st</sup> year student	\$3,500	\$2,000	\$5,500
2 <sup>nd</sup> Year student	\$4,500	\$2,000	\$6,500
Undergraduate Aggregate Loan Limit \$31,000 (no more than \$23,000 may be subsidized)			

Independent Student			
Grade Level	Base Amount	Additional Unsubscribed	Total
1 <sup>st</sup> year student	\$3,500	\$6,000	\$9,500
2 <sup>nd</sup> year student	\$4,500	\$6,000	\$10,500
Undergraduate Aggregate Loan Limit \$57,500 (no more than \$23,000 may be subsidized)			

For further information about Federal Denied Credit Decision, or have questions about receipt of MPN, the following help is available:

**Federal Student Aid at [www.studentloans.gov](http://www.studentloans.gov)**

Provides information about student loans and repayment options

**Direct Loan Application Services**

Phone Number: 1-800-557-7394; Fax Number: 1-877-623-5082 Email: [codsupport@acs-inc.com](mailto:codsupport@acs-inc.com)

**Electronic Master Promissory Note (eMPN) services:**

Phone Number: 1-800-557-7394; Fax Number: 1-301-470-1244 Website: [www.studentloans.gov](http://www.studentloans.gov);

**Repayment questions and services:**

Phone Number: 1-800-848-0979 Website: [www.myedaccount.com](http://www.myedaccount.com)

**Direct Loan Consolidation Services:**

Phone Number: 1-800.557.7392 [TDD 1-800-557-7395] Website: [www.loanconsolidation.ed.gov](http://www.loanconsolidation.ed.gov)



## 2019-2020 Federal Direct Loan Request Worksheet

**Note: Students with unclear/unrealistic borrowing plans may experience delays in processing.**

The Peralta Community College District Financial Aid Department is dedicated to supporting student success, and continuing your education is a major investment in your future. A Student loan is a long-term financial obligation **that must be repaid**. Typically, a student who invests in their education is making a good investment in their future. However, many students enter into debt without a clear picture of how it will ultimately affect them. We hope the following Loan Counseling Worksheet for Student Borrowers will assist you in making an informed decision about borrowing a student loan.

Complete the following:

Name: \_\_\_\_\_ Social Security # (Last Four): \_\_\_\_\_ Student ID #: \_\_\_\_\_

Date of Birth: \_\_\_\_\_ Home Phone#: \_\_\_\_\_ Cell Phone#: \_\_\_\_\_

Current Address: \_\_\_\_\_  
(Street, Apt. #) (City, State, and Zip Code)

Personal Email Address: \_\_\_\_\_

Driver's License # or State Issued Identification #: \_\_\_\_\_ State: \_\_\_\_\_

1. Have you applied for Federal Financial Aid for 2019-2020?  YES  NO  
(If you answered NO, you must apply, wait until your file is completed before you submit your loan request).
2. I am requesting a loan for:  Fall/Spring 2019-20  Fall 2019 only  Spring 2020 only  Summer 2020
3. How much do you wish to borrow in Subsidized and Unsubsidized loan for the 2019-20 academic year?  
**Subsidized \$** \_\_\_\_\_ **Unsubsidized \$** \_\_\_\_\_ **Total \$** \_\_\_\_\_

Remember, you are responsible for paying the interest on Direct unsubsidized loans while in school.

**Maximum subsidized** loan limit per academic year for Dependent and/or Independent student: \$3,500 first year/ \$4,500 Second year.

**Maximum unsubsidized** loan limit per academic year for Dependent student: \$2,000. For Independent: \$6,000.

4. Please list the career goal/type of work you plan to do after completing your educational goal (including transfer if applicable): \_\_\_\_\_
  - The month and year I expect to complete my educational goal at Peralta: Month \_\_\_\_\_ Year \_\_\_\_\_
  - The month and year I expect to complete my educational goal (including transfer work I need to complete at another campus, if applicable): Month \_\_\_\_\_ Year \_\_\_\_\_
  - I have developed a Student Educational Plan through the end of my educational goal at Peralta Colleges.  
 YES  NO

*(Having a clear understanding of how to meet your educational goals will help you avoid unnecessary borrowing. We strongly recommend that you meet with a Counselor to develop a Student Educational Plan for your goal so you know the courses you need to take to meet your goals.)*

### Multi-year Borrowing Plan

1. I currently owe \$ \_\_\_\_\_ from prior student loans.
2. I plan to borrow \$ \_\_\_\_\_ this 2019-2020 academic year at PCCD.
3. After this year I will need to borrow a total of \$ \_\_\_\_\_ to complete my educational goal at PCCD (talking with your counselor will help you decide how long you need to complete your educational goal).
4. I expect my total student loan debt to be \$ \_\_\_\_\_ upon completing my educational goal (including transfer if applicable).
5. I expect my annual starting salary in my profession will be \$ \_\_\_\_\_. Starting salary information may be found at: <http://www.salary.com>
6. On a standard 10-year payment plan, my approximate loan payment will be \$ \_\_\_\_\_ per month. A loan repayment calculator may be found at <http://www.finaid.org/calculators/loanpayments.phtml>.

**A general guideline is that your student loan payment should be no more than 15% of your income, or you may be at risk of defaulting on your loan(s).**

### Loan Disclosure and Terms

- I understand that Peralta CCD has the responsibility to 1) evaluate all loan requests case-by-case and 2) reduce or deny loan requests for students that, in our professional judgment, are at serious risk for default. High levels of indebtedness (including loans from other colleges), coupled with a small amount of progress in an academic program, is a common indicator of high risk for default. Therefore, your loan request may be denied or reduced if you:
  - Have an undeclared major or undecided educational goal.
  - Are not enrolled in a Title IV eligible program of study (16 or more units in length).
  - Are not making steady progress in an eligible program or are not currently meeting PCCD Satisfactory Academic Progress standards.
  - Appear to be or have been default or delinquent on financial obligations.
  - Have already borrowed to a maximum appropriate for the earning potential of PCCD program.
  - Have a change in planned borrowing from previous year(s).

### Obligations and Responsibilities of Student Borrowers.

- Federal Loans are not grants. I understand that I must repay this debt.
- I understand that the interest rate is 2.75% for new loans taken out between July 1, 2020 and June 30th, 2021
- I understand that an origination fee will be deducted from each loan. Origination fee is 1.059% for loans disbursed on or after October 1, 2019 and before October 1, 2020. Origination fee is 1.057 for loans disbursed on or after October 1, 2020 and before October 1, 2021.
- I must pay the interest on Unsubsidized Loans while I am in college, or I may have it added to the principal (this increases the amount I must repay later).
- I understand that interest on Subsidized Loans is paid by the taxpayers while I am in college.
- I must begin repaying the loan six months after I graduate, withdraw, or drop below half-time status.
- I do not have a disability that will prevent me from obtaining gainful employment in my program of study.
- I do not have a criminal conviction that will prevent me from obtaining gainful employment in my program of study.
- My awards cannot exceed my cost of attendance (budget). If additional grants, awards or scholarships are added after a loan has been approved, my loan amounts will be reduced to accommodate the new awards (for example: EOPS grants and vouchers, PCCD Foundation scholarships, Federal Work Study and/or CalWORKS Work Study, etc.)

*I have read and understand all of the PCCD loan terms and eligibility requirements. I understand that the completion of this form does not automatically guarantee my eligibility for a student loan. I understand this form is not a loan application and the school is not the guarantor or the lender. I understand that if my address or any other information is incorrect or is incomplete, my loan cannot be processed. By signing this form, I agree that the information provided above is accurate.*

Signature: \_\_\_\_\_

Date: \_\_\_\_\_