



ICC-Financial Assistance Office
1 College Drive
East Peoria, IL 61635-0001
Phone: (309) 694-5311
Fax: (309) 694-5160

2019-2020

Federal Direct Stafford Loan Acceptance Form

Loan applications may be completed after your financial aid has been awarded and you are registered for a minimum of 6 eligible credit hours for the applicable semester. When applying for a student loan you need to understand that this is a loan that must be repaid to the federal government.

ELIGIBILITY:

Students must be enrolled in an eligible certificate or degree program and be registered for at least 6 eligible credit hours to borrow a Federal Direct Stafford Loan for any semester of attendance.

LOAN COMPLETION CHECKLIST: The following steps must be completed.

1. Loan Entrance Counseling Confirmation (First time ICC Direct Stafford Loan borrowers)
2. Complete Loan Agreement – MPN (First time ICC Direct Stafford Loan borrowers)
3. ICC Federal Direct Stafford Loan Acceptance Form (Required for all Direct Stafford Loan borrowers).

1. COMPLETE LOAN ENTRANCE COUNSELING:

All students must complete Loan Entrance Counseling online at the Department of Education's Direct Loan web site at studentloans.gov. Log in and complete the Entrance Counseling session.

2. COMPLETE LOAN AGREEMENT (Master Promissory Note):

The loan promissory note is completed on the same web site as above, studentloans.gov. This is your promise to repay the student loan and it is a legally binding document. Log in to complete the MPN for Subsidized/Unsubsidized Loans. If you have questions with this process, please contact: **Student Loan Support Center at 800-557-7394.**

3. ICC FEDERAL DIRECT STAFFORD LOAN ACCEPTANCE FORM:

Complete the form and submit once all steps are complete (Required for all Direct Stafford Loan borrowers).

Loan Processing:

Loans will be certified for the amount requested or for the amount you are eligible (if less than requested). If you are enrolled less than full-time, your cost of attendance is adjusted to reflect your actual credit hours enrolled and your loan eligibility may be reduced. **Any change in enrollment status after your loan is certified by the College may require further recalculation and revision of your original loan amount.** You will receive correspondence from the Direct Loan Origination Center that indicates the certified amount of your loan. If you submit a loan application prior to the tuition due date you will be held in classes. If you decide **not to attend** ICC, you must **officially withdraw** from your classes prior to the refund date(s) for your classes or you will be responsible for payment of your tuition. The refund dates for your classes are listed on your class schedule in eServices.

Disbursement of Funds:

- Federal Loan Regulations prohibit the disbursement of loan funds for first-time borrowers until 30 days following the start of the semester.
- Loans are disbursed in two payments during the loan period. A Fall/Spring loan will have one disbursement during each semester – one in the Fall and one in the Spring. A one semester loan (Fall, Spring or Summer only) will have two disbursements during the semester; the second occurring after midterm of the semester.
- Loan funds are received by ICC from the federal government and are credited directly to the student account. Charges owed to the College will be paid first and any excess funds will be refunded to the student.
- Loan refunds are issued no later than two weeks after funds are credited to the student account.
- Students have 14 days to contact the financial aid office after their loan is disbursed to their student account to request cancellation or reduction of their loan amount.

Interest Rate on Federal Direct Stafford Loans:

Federal student loan interest rates are tied to financial markets. Interest rates will be determined each June for new loans being made for the upcoming award year, which runs from July 1, to the following June 30th. Each loan will have a fixed **interest rate** for the life of the loan.

Loan Fees: Current loan fees for loans disbursed prior to October 1, 2019 totals 1.062 percent of the total loan amount and 1.059% for loans disbursed on or after October 1, 2019.

Annual Loan Limits:

Dependent Students	Base Amount	Additional unsubsidized loan amount
Freshman	\$3,500	\$2,000
Sophomore	\$4,500	\$2,000

Independent Students	Base Amount	Additional unsubsidized loan amount
Freshman	\$3,500	\$6,000
Sophomore	\$4,500	\$6,000

***These amounts are the annual maximums set by Federal regulations. Students attending Illinois Central College may not qualify for the total amounts if they are receiving grants, scholarships, work-study, waivers or other educational assistance and/or attending less than full-time.**

Aggregate (lifetime) Loan Limits:

Undergraduate Dependent Students: \$31,000 (no more than \$23,000 of which can be subsidized)

Undergraduate Independent Students: \$57,500 (no more than \$23,000 of which can be subsidized)

Time Limitation on Direct Subsidized Loan Eligibility for First-Time Borrowers on or after July 1, 2013:

There is a limit on the maximum period of time (measured in academic years) that you can receive Direct Subsidized Loans. In general, you may not receive Direct Subsidized Loans for more than 150% of the published length of your program. This means your maximum eligibility period can change if you change programs.

SITUATIONS THAT MAY DELAY OR CANCEL YOUR LOAN:

- **ENROLLMENT IN 12 WEEK and SECOND EIGHT-WEEK COURSES** may delay your loan until after these classes start.
- **A DECREASE IN YOUR CREDIT HOURS ENROLLED** after your loan is certified may require a recalculation of your loan eligibility.
- **DROPPING BELOW SIX (6) CREDIT HOURS** will result in cancellation of undisbursed loan funds.

Withdrawing from Classes (returning money to the federal government):

If a recipient of financial aid withdraws during a period of enrollment, the college must calculate the amount of aid the student **earned** up through the date of last attendance. Unearned aid (including loans) must be returned to the federal financial aid programs (Title IV programs).

Federal financial aid (Title IV programs) include Pell grant, SEOG, Federal Stafford Direct Loan and PLUS loan programs. When a student withdraws before completing 60% of the semester, a calculation of return of funds will be performed to determine the amount to be returned. This is called **Return to Title IV**. When it is necessary to return loan funds, ICC is required to return the money to the federal government that was disbursed to the student and the student will then be required to reimburse ICC for the returned amount.

Loan Exit Counseling:

Student loan borrowers are **required** to complete Student Loan Exit Counseling at the completion of enrollment (graduation or withdrawing). This is done online at studentloans.gov. Student loans enter repayment six months after a student drops below 6 credit hours of enrollment.



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You must complete, sign, and date this form in ink. Submit this form, upon completion of the steps listed on page 1, to the Financial Assistance Office. Documents containing personal identifiable information should be faxed to 309-694-5160 or delivered in person, confirmation of identity is required.

Name: _____ Student ID#: _____

Phone #: _____

Address: _____ City: _____ State: _____ Zip: _____

Anticipated Graduation Date from Illinois Central College: _____ / _____ (month/year) - **Must Complete**

Loan Amount Requested: \$ _____ *

*Your Subsidized Stafford Loan amount (if any) will be certified prior to any Unsubsidized loan amount. We will certify an Unsubsidized loan if you are not eligible for a subsidized loan or your requested loan amount exceeds your subsidized loan eligibility. (Subsidized = the federal government pays the interest accrued; Unsubsidized = you are responsible for paying the interest accrued)

Please indicate the semesters to be included in your loan period. All loans are disbursed in two payments during a loan period, including one semester loans. This is required by Federal Regulation.

Loan Period: Check ONE, below.

Fall/Spring Semesters Fall Semester Only Spring Semester Only Summer Semester Only

If you have a Federal Work-Study (FWS) award, please check one:

*Applying for a loan may require cancellation of your FWS award. If you are currently working in a FWS job please notify the Financial Assistance Office.

Cancel my FWS award and certify my loan for the remainder of my aid eligibility up to the amount requested.

Do not cancel my FWS award. Certify my loan for amount I am eligible with my FWS award.

- ✓ I authorize Illinois Central College to process my Federal Direct Loan request. I understand that this loan constitutes a debt that will enter repayment upon the expiration of my grace period, 6 months after I graduate, withdraw, or otherwise drop below half-time enrollment (6 credit hours).
- ✓ **I understand that I have 14 days to contact the financial aid office, after my loan is disbursed, to cancel or reduce my loan amount.**

Borrower's Signature: _____ Date: _____

It is the policy of this college that no person, on the basis of race, color, religion, gender, notational origin, age, disability, sexual orientation, or veteran's status, shall be discrimination against in employment, in educational programs and activities, or in admission. Inquiries and complaints may be addressed to the Compliance Officer, Diversity Department.