



## ICC-Financial Assistance Office

1 College Drive  
East Peoria, IL 61635-0001

Phone: (309) 694-5600

Fax: (309) 694-5160

Email: [financialaid@icc.edu](mailto:financialaid@icc.edu)

# Summer 2022 Federal Direct Loan Acceptance Form

## ELIGIBILITY

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

## LOAN COMPLETION CHECKLIST

1. Annual Student Loan Acknowledgement (Optional)
2. Loan Entrance Counseling (Required for first time ICC Direct Loan borrowers)
3. Complete Master Promissory Note (MPN) (Required for first time ICC Direct Loan borrowers)
4. ICC Federal Direct Loan Acceptance Form (Required for all Direct Loan borrowers)

### 1. COMPLETE ANNUAL STUDENT LOAN ACKNOWLEDGEMENT

All students are encouraged to complete the Annual Student Loan Acknowledgement online at [studentaid.gov/asla](http://studentaid.gov/asla). If this is your first time accepting a federal student loan, you are acknowledging that you understand your responsibility to repay your loan. If you have existing federal student loans, you are acknowledging that you understand how much you owe and how much more you can borrow.

### 2. COMPLETE LOAN ENTRANCE COUNSELING

All students must complete Loan Entrance Counseling online at the Department of Education's Direct Loan web site at [studentaid.gov](http://studentaid.gov). Log in and complete the Entrance Counseling session for Direct Subsidized/Unsubsidized Loans.

### 3. COMPLETE MASTER PROMISSORY NOTE (MPN)

The loan promissory note is completed on the same web site as above, [studentaid.gov](http://studentaid.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**.

### 4. ICC FEDERAL DIRECT LOAN ACCEPTANCE FORM

Complete the form and submit once all steps are complete (Required for all Direct Loan borrowers). Forms can be uploaded at <https://icc.edu/students/financial-aid/forms/> (click on the Upload Files/Forms button for secure file and document transfer). Forms may also be faxed to 309-694-5160 or delivered in-person to the Financial Assistance Office.

## 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 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 MyICC.

## 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 summer loan 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 Loans:

Federal student loan interest rates are tied to financial markets. The interest rates for Federal Direct Subsidized and Unsubsidized Loans disbursed in the 2021-2022 academic year are 3.73%. Each loan will have a fixed interest rate for the life of the loan.

## Loan Origination Fees:

Current loan origination fees total 1.057% of each loan disbursement.

## 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)

## Situations That May Delay or Cancel Your Loan:

- Enrollment in courses with a start date after May 31 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 (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 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 after graduating or dropping below half-time enrollment. This is done online at [studentaid.gov](http://studentaid.gov). Student loans enter repayment six months after a student drops below half-time enrollment status.



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## Summer 2022 Federal Direct Loan Acceptance Form

You must complete, sign, and date this form. Submit this form, upon completion of the steps listed on page 1, to the Financial Assistance Office.

Name: \_\_\_\_\_ Student ID#: \_\_\_\_\_

Phone #: \_\_\_\_\_

Will you be graduating at the end of the Summer 2022 term?  YES  NO

Loan Amount Requested: \$ \_\_\_\_\_ .00 \*

\*Your Subsidized 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.

Federal regulations require that all loans are disbursed in two payments during a loan period, including one semester loans. The second disbursement must come after the midpoint of the semester.

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.