



2022-2023 FEDERAL DIRECT PLUS LOAN PROCEDURES

ELIGIBILITY:

PLUS loans will not be awarded until the student has received their offer letter and the student is registered for the current academic semester. Students must be enrolled in an eligible program leading to a certificate or degree and be registered for at least six (6) eligible credit hours for any semester of attendance covered by the PLUS loan.

PLUS LOAN APPLICATION / ANNUAL STUDENT LOAN ACKNOWLEDGEMENT / MASTER PROMISSORY NOTE (MPN):

The loan application, Annual Student Loan Acknowledgement, and promissory note are completed online at *studentaid.gov*. The application includes a credit check. The acknowledgement is required each year you accept a new federal student loan with the goal to help you understand how your loans affect your financial future. The MPN is your **promise to repay** the parent loan and it is a legally binding document. If you have questions with this process, please contact the **Student Loan Support Center at 800-557-7394**. Loans will not be awarded until the application and MPN have been completed.

INTEREST RATE AND LOAN FEES:

Interest rates are established every June for the upcoming award year of July 1st through June 30th. The interest rate determined is fixed for the life of the loan. There is a 4.236% loan origination fee on all Direct PLUS Loans disbursed prior to October 1, 2022. A new fee will be established for loans disbursed on or after October 1, 2022. The fee is proportionately deducted from each loan disbursement.

PROCESSING:

Loans will be certified for the amount requested or for the amount of eligibility up to the cost of attendance (if less than requested). If the student is enrolled less than full-time, the cost of attendance is adjusted to reflect the actual credit hours enrolled. **Any change in enrollment status after the loan is certified by the College may require recalculation and revision of your original loan amount.**

If your application is submitted prior to the tuition due date, the student will be held in classes. If he/she decides **not to attend** ICC, they must **officially withdraw** from classes within the refund period to avoid tuition charges.

DISBURSEMENT OF FUNDS:

- Loans are disbursed in two payments during the loan period. A Fall/Spring loan will have a disbursement during each semester. A one semester loan will have two disbursements during the semester; the second occurring after midterm.
- Loan funds are disbursed directly to the student account. Charges owed to the College will be paid and any excess loan funds will be disbursed to the parent or student. Loan refunds are issued no later than two weeks after funds are credited to the student account.

WITHDRAWING FROM CLASSES (returning money to the Federal Government)

If a recipient of financial aid withdraws or stops attending all classes during a period of enrollment, the school must calculate the amount of aid the student **earned** up through the last date of attendance. Unearned aid (including loans) must be returned to the federal financial aid programs (Title IV Programs). Federal financial aid (Title IV Programs) includes Pell grant, SEOG and Federal Stafford 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 be required to reimburse ICC for the repayment amount.

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 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.