



2022-2023 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

The following steps must be completed:

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

1. COMPLETE ANNUAL STUDENT LOAN ACKNOWLEDGMENT (OPTIONAL):

The Annual Student Loan Acknowledgement can be completed online at 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. 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. 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).

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 MyICC.

(continued on next page)

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 after the census date— 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 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 Origination Fees:

Current loan origination fees for loans disbursed prior to October 1, 2022 total 1.057 percent of the total loan amount.

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 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 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 studentaid.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.**

Student Name: _____ ICC Student ID: _____

Anticipated Graduation Date from Illinois Central College: _____ Phone: _____

LOAN AMOUNT REQUESTED: \$ _____ *
Loan amount must be requested in whole dollars (no cents)

*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.

All loans will be awarded as fall/spring loans and the amount requested will be split evenly unless a student is only eligible in one semester. Federal regulations require that all loans are disbursed in two payments during a loan period, including one semester loans. Please indicate if you are requesting a loan for one semester only.

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 Signature

Date

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