

# **VERNON COLLEGE**

**VERNON - WICHITA FALLS**



## *Student Loan Information Guide 2008 - 2009*

**Vernon College  
Office of Financial Aid  
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Vernon, TX 76384**

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[www.vernoncollege.edu](http://www.vernoncollege.edu)**

## *Dear Student Loan Borrower:*

*As a potential student loan borrower, you need to be aware of the following Vernon College (VC) student loan policies:*

- 1.** Federal regulations require that students interested in the Federal Stafford and/or PLUS loan complete a Free Application for Federal Student Aid and provide the financial aid office any requested documentation. Student loan recipients must meet general eligibility requirements for federal student aid (see current catalog). At **VC**, Stafford loans will automatically be packaged in each eligible student's award letter at freshman status. You have the option to reduce your awarded loan amount, or sophomores may request an increase to reflect their classification. If additional funding is needed to cover educational costs for a dependent student, Vernon College now participates in the Parent Loan for Undergraduate Students (PLUS) program. If you are a dependent student interested in the PLUS loan, you and your parent must complete and return the PLUS Request Form along with the PLUS Certification/Authorization Form. If interested in the Stafford Loan, you must complete and return the Stafford Loan Request Form provided in this loan packet to the financial aid office. **No action will be taken on your loan until you complete this process.**
- 2.** Students enrolled in only developmental courses are not eligible for financial aid. This includes student loans.
- 3.** Students or parents in default on a previous student loan or who owe money back on a federal grant are not eligible for financial aid. This includes both Federal Stafford and PLUS Loans.
- 4.** Student borrowers at **VC** must complete entrance loan counseling before receiving any loan during the academic year. You will be directed to complete your entrance counseling through the Loans by Web website once your loan has been certified.
- 5.** Student loan recipients are also required to complete exit loan counseling before they cease enrollment, graduate or drop below half-time status. Exit counseling is available online at [www.mapping-your-future.org](http://www.mapping-your-future.org). If you fail to meet this requirement, a hold will be placed on your records until you complete this requirement.
- 6.** Student loan funds will be sent to **VC** via electronic funds transfer (EFT) and applied to the student's account. Once a student's account is credited and if there is a refund, the business office will mail a refund check to the student. Loan refund checks will be mailed no later than 14 days after the first day of class.
- 7. Student loans are for educational expenses only!** Authorized expenses include: tuition and fees, room and board, books and supplies, dependent child care, transportation and commuting expenses, and personal and miscellaneous expenses. Loan proceeds may not be used to purchase or lease an automobile!
- 8. Students must be enrolled at least half-time at Vernon College each semester** in order to receive their disbursement. Failure to do so will result in the loan funds being returned to the lender and remainder of the loan cancelled.
- 9.** VC participates in the Federal Stafford Subsidized and Unsubsidized Loan Programs and the Federal Parent Loan for Undergraduate Students (PLUS). **VC does not** participate in the following loan programs: Perkins Loan Program, National Direct Loan Program, Hinson-Hazelwood Loan Program, HEAL Loan Program, HELP Loan Program, and the CAL Loan Program.

**10.** A student can borrow combined subsidized and unsubsidized loans not to exceed the annual loan limits. **See chart for annual Stafford Loan limits.** Parents of dependent students can apply for a PLUS loan to assist with their expenses at **VC**. The amount a parent can borrow for a student cannot exceed the student's total cost of attendance less any other aid. Dependent students whose parents have been denied a PLUS loan may receive the additional unsubsidized Federal Stafford Loan. Denial must be based on credit reasons only, and not be based on the parents' refusal to accept the loan. For loan purposes, a student's classification will be determined by the number of hours completed towards his or her selected degree or certificate. A student's classification will not be reevaluated until the beginning of the next academic year (Fall through Summer).

**11.** Students must begin repayment on Federal Stafford loans 6 months following graduation or dropping below half-time enrollment status. Parent borrowers will begin repayment on PLUS loans 60 days after the loan is fully disbursed.

## *Loan Limits*

	Dependent Undergraduate Students	Independent Undergraduate Students
<b>1<sup>st</sup> Year ( &lt; 30 hrs)</b>	\$5,500 – No more than \$3,500 of this amount may be in subsidized loans.	\$9,500 – No more than \$3,500 of this amount may be in subsidized loans.
<b>2<sup>nd</sup> Year ( ≥ 30 hrs)</b>	\$6,500 – No more than \$4,500 of this amount may be in subsidized loans.	\$10,500 – No more than \$4,500 of this amount may be in subsidized loans.
<b>REMEMBER:</b> Student loans require repayment! Develop a budget to determine the amount you need to borrow. Only borrow what is necessary to assist in paying your educational costs!		

### *What Happens Next?*

After the student and/or parent completes and returns the Student Loan Request Form or the PLUS Request and PLUS Certification/Authorization Forms to the financial aid office, **VC** will certify eligible applicants for a Federal Stafford and/or PLUS loan. An email notification will be sent to the student or parent borrower once the loan has been certified providing instructions on how to access the Loans by Web (LBW) system to activate the loan. If an email address is not provided, instructions for accessing LBW will be mailed.

Loans by Web allows borrowers to activate their loan, select a lender, complete their Federal Stafford/PLUS Loan master promissory note (MPN), and print the MPN for signature or electronically sign using their Department of Education PIN number. Loans by Web also enables borrowers to decline or reduce the amount **VC** certified for them.

**LENDERS CAN NOT DISBURSE FUNDS UNTIL A COMPLETE AND SIGNED PROMISSORY NOTE HAS BEEN RECEIVED FROM THE STUDENT/BORROWER!**

**Stafford Loan Request Form  
2008-2009**



Last Name:	First Name:
SSN:	
Email Address:	
Stafford loans will automatically be packaged in each eligible student's award letter at freshman status. You have the option to reduce your awarded loan amount. Sophomores (students who have 30 or more hours towards their current degree or certificate) may request an increase up to \$6,500 for dependent students or \$10,500 for independent students. Parents of dependent students may request a Parent Loan for Undergraduate Students (PLUS) – Please see the PLUS Request Form and the PLUS Certification/Authorization Form.	

\*Remember, student loans require repayment. Only borrow what you need!\*

<b>Stafford Loan Amount Requested:</b> \$	
<b>If I am not eligible for this amount in subsidized funds, unsubsidized funds can be used to reach this amount.</b> <input type="checkbox"/> Yes <input type="checkbox"/> No	
<b>Certified loan amount will be equally divided over the loan period selected below:</b> <i>(Please Circle One)</i> 8/2008 – 5/2009 (Fall, Spring) 8/2008 – 12/2008 (Fall only) 1/2009 – 5/2009 (Spring only) 8/2008 – 8/2009 (Fall, Spring, Summer) 1/2009 – 8/2009 (Spring, Summer) 5/2009 – 8/2009 (Summer only) _____ (other – please specify) Ex: 10/2008 – 5/2009 (Fall II, Spring)	
<b>Anticipated Graduation Date from Vernon College:</b>	
<b>Students must be enrolled at least half time each semester in order to receive that semester's disbursement. Any additional assistance received may reduce your loan eligibility. Eligibility for loan proceeds will be verified prior to each disbursement and could result in the reduction or cancellation of your loan. You must have completed the Free Application for Federal Student Aid, provided the Financial Aid Office any requested documentation and returned this completed form before your loan will be certified. I certify that I have read and understand the VC Student Loan Information Guide provided in the loan packet and that the information reported on this form is true.</b>	
_____ <b>Student's Signature</b>	_____ <b>Date</b>