

What kinds of Federal Direct Loans are available?

A Direct Loan is a federal loan, made through the William D. Ford Federal Direct Loan Program, for which eligible students and parents borrow directly from the U.S. Department of Education at participating schools. Direct Subsidized Loan, Direct Unsubsidized Loan, Direct PLUS Loans, and Direct Consolidation Loans are types of Direct Loans.

Federal Loan Program	Program Details (subject to change)
Direct Subsidized Loan	<ul style="list-style-type: none"> For undergraduate students who have financial need You're not usually charged interest on the loan during certain periods The U.S. Department of Education (ED) is the lender; payment is owed to ED
Direct Unsubsidized Loan	<ul style="list-style-type: none"> For undergraduate, graduate and professional degree students; financial need is not required You're responsible for interest during all periods ED is the lender; payment is owed to ED
Direct PLUS Loan	<ul style="list-style-type: none"> For parent of dependent undergraduate students who are borrowing money to pay for their child's education, and for graduate or professional degree students; financial need is not required Borrower must not have negative credit history ED is the lender; payment is owed to ED

Annual Direct Loans Limits	Dependent Student Maximum	Independent Student Maximum
Freshman (0-30 hours)	\$3,500 Sub \$2,000 Unsub Total: \$5,500	\$3,500 Sub \$6,000 Unsub Total: \$9,500
Sophomore (31+ hours)	\$4,500 Sub \$2,000 Unsub Total: \$6,500	\$4,500 Sub \$6,000 Unsub Total: \$10,500



Direct Loan Online Instructions

The Direct Loan requirements in a nutshell:



- Complete the Free Application for Federal Student Aid (FAFSA) at fafsa.gov.
- Complete Entrance Counseling *if required*.
- Complete Direct Loan Master Promissory Note (MPN) *if required*.
- Must be in a degree or eligible certificate program.
- Must be meeting Standards of Academic Progress.
- Must be enrolled in at least six credit hours.

Accepting Your Award

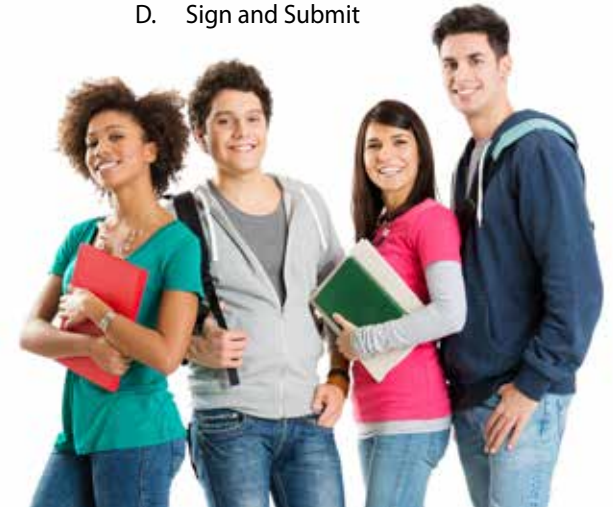
1. Log into your **myLakeland** account.
2. Click on the **Student Tab**.
3. Click **Financial Aid**.
4. Click on **My Award Information**.
5. Click on **Award for Aid Year**.
6. Select current aid year and **Submit**.
7. Click on the **Accept Award Offer** tab.
8. You will see the Direct Loan as a part of your total financial aid package. Follow the instructions and choose one of the three options:
 - Accept the loans for the amount offered.
 - Accept the loan for a reduced amount that you specify.
 - Decline the loans.

The Master Promissory Note

All federal loan borrowers must complete a Direct Loan Master Promissory Note (MPN). If you have not already done so, you will need the name, address and phone number of two references, your FSA ID username or email address and your FSA ID password to complete the MPN online. MPNs are good for up to 10 years, so you are not required to complete this step every academic year.

Follow these steps to complete your MPN:

1. Go to **studentloans.gov**.
2. Click the blue **Log In**.
3. Enter your FSA ID username or email address and your FSA ID password, to log in.
4. Click on **Complete Loan Agreement (Master Promissory Note)**.
5. Click "Start" next to **MPN for Subsidized/Unsubsidized Loan option**.
6. Complete the following sections:
 - A. Information
 - B. References
 - C. Review and Edit
 - D. Sign and Submit



Did you know you can view your loan history at nsls.ed.gov?

Entrance Counseling

Students who are borrowing a Federal Direct Loan for the first time are required to complete online Entrance Counseling. During this counseling, students will receive in-depth information regarding their rights and responsibilities as a loan borrower.

To complete the online Entrance Counseling, please follow these steps:

1. Go to **studentloans.gov**.
2. Click the blue *Log In*.
3. Enter your FSA ID username or email address and your FSA ID password and Click *Log In*.
4. Click *Complete Loan Counseling (Entrance, Financial Awareness, Exit)*.
5. Click "Start" next to the *Entrance Counseling* option.
6. Under *Select School to Notify* choose *State (Ohio)* and under *Search School by Name* select (*Lakeland Community College*). Then click *Notify This School*.
7. Under *Select Student Type* Click *I am completing entrance counseling to receive Direct Loans as an undergraduate student*, then Click *Continue*.
8. Complete the Counseling Session by reading all information and answering all of the questions.

Loan Disbursements

Federal Direct Loan disbursements are applied to your Lakeland student account 10 days prior to the start of your enrollment period, provided you have completed all loan steps and meet the eligibility requirements. This applies to all students EXCEPT in the two instances as described in the next section.

One-term loan borrowers

Students borrowing Direct Loan funds for only one semester are required to have their loans disbursed in two equal disbursements. The first half of your disbursement will be applied to your Lakeland student account 10 days before the start of your enrollment period and the second half of your disbursement will be applied to your Lakeland student account no sooner than the midpoint of the semester.

First-year, first-time borrowers (30 day delay)

If you are a first-year, first-time borrower, your initial loan disbursement will not be applied to your Lakeland student account until 30 days after the first day of your enrollment period. This ONLY affects your initial loan disbursement. Due to this federal regulation, Direct Loan funds will not be available for tuition and books. However, Lakeland does offer temporary assistance until your Direct Loan funds are available. You will be notified through your Lakeland email with the information on how to take advantage of this assistance.

Exit Counseling

- Is required if you withdraw, graduate or drop below half-time attendance (even if you plan to transfer to another school).
- Helps you understand your rights and responsibilities as a student loan borrower.
- Provides useful tips and information to help you manage your loans.
- Is completed online at studentloans.gov. Log in, click *Complete Loan Counseling (Entrance, Financial Awareness, Exit)*.
- Click "Start" next to the *Exit Counseling* option.



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Revised 3/7/2017 PG

