

STUDENT LOAN INFORMATION

Federal Direct Loan Program (DL)

To be eligible to apply for any of the Title IV student loans you must:

- ◆ Apply for financial aid using the FAFSA
- ◆ Have a completed student aid file on record
- ◆ Meet Satisfactory Academic Progress Standards
- ◆ Attend loan entrance counseling and other special requirements, if applicable
- ◆ Be enrolled in an eligible program (at least half-time status)
- ◆ Have *OFFICIAL* grade transcripts from all previous colleges submitted to IECC for evaluation
- ◆ Priority loan application deadlines:
 - Fall – November 1st
 - Spring – April 1st
 - Summer – July 1st

Prior Federal Loans and Financial Aid History – If you currently have a Stafford Loan and would like to check the interest rate, servicer information and other financial aid history, go to the National Student Loan Data System.

Federal Stafford Loan Program (subsidized and unsubsidized)

- ◆ Repayment begins six months after the student graduates, leaves school or drops below half-time enrollment
- ◆ Loans cannot be certified until after the add/drop period of the semester
- ◆ Loan disbursements are made in two checks (one per semester) released no earlier than thirty days after the beginning of the semester
- ◆ Students may borrow \$3500 at the Freshman level and \$4500 at the Sophomore level
- ◆ Students must repay this debt regardless of completion of education goal or securing a career in field of study upon graduation

Loan Interest Rates

Direct Subsidized and Unsubsidized Loans – The Direct Subsidized Loan interest rate is 4.29% and the Unsubsidized Loan interest rate is fixed at 4.29% for all borrowers. These rates apply to loans disbursed after July 1, 2015.

34 CFR Section 668.202(e)(1) of the Federal Direct Loan (DL) Program provides that a **school may refuse to certify** a DL Stafford or Plus loan application or **may reduce the borrower's determination of need for the loan** if the reason for that action is documented and provided to the student in writing (provided the determination is made on a case-by-case basis). All previous borrowing of student loans and total debt will be reviewed prior to certification of future loans.

FINANCIAL AID DISBURSEMENTS

FEDERAL PELL GRANT, AND FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANT (FSEOG)

- ◆ On an announced date each semester, approximately 1-2 weeks after the date of midterm.

FEDERAL STUDENT LOANS

- ◆ As scheduled and processed, but no sooner than 30 days after the beginning of a semester.

FEDERAL WORK-STUDY WAGES

- ◆ Every two weeks.

ISAC MAP

- ◆ No cash disbursements made; approved amount is credited to the student account as received.

Students who have a completed Financial Aid file showing Federal financial aid eligibility will be allowed to charge direct costs (tuition, fees, books and supplies) to Illinois Eastern Community Colleges. (During summer semester, students may be required to cover the costs of books and supplies). All direct charges not yet paid (tuition, mandatory fees and other direct charges authorized by the students) are subtracted from the financial aid total and a check for the balance is delivered to the student. The final amount of the grant is determined by the student's credit hours of enrollment approximately 1 day prior to disbursement.

During the school year, all work-study wages are disbursed directly to the student.

OVER PAYMENTS / OVER AWARDS

Over awards of Title IV aid is strictly prohibited by federal regulations. Specific steps to correct such over awards are outlined in the federal guidelines.

When a student receives more Title IV funds than he/she should have received, it is the responsibility of the student to repay the excess award, **even if it was an error on the part of the school that caused the over award.** The money will be repaid by the student and forwarded to the federal program. A student is not allowed to receive any further federal financial aid until any overpayment or over award is repaid by the student.