2015-2016 DIRECT STAFFORD LOAN PROCESS

PDFs require Adobe Acrobat Reader
2015-2016 Award Year (Fall 2015, Spring 2016, Summer 2016) We do not process summer only loans.
- Stafford Loan Brochure - PDF
- DCC Loan Request Form - PDF

Danville Community College processes all Federal Loans using the Federal Direct Loan Program. This will include the Federal Stafford Subsidized and Unsubsidized Student Loans.

Got a Pin? In order to complete the application process for a Federal Stafford Loan you will need your federally assigned PIN Number.

To obtain a PIN please visit www.pin.ed.gov. This 4 digit PIN number is the same number used when electronically signing the FAFSA each year.

Forgot your PIN Number? No problem, you may request a duplicate PIN at www.pin.ed.gov

Having issues with your PIN Number? - Call the Federal Student Aid Information Center at 1-800-4-FED-AID (1-800-433-3243).

Federal Student Stafford Loan 2015-2016

Federal Stafford Subsidized and Unsubsidized Stafford Direct Loans are used to assist in paying for college expenses. These loans are in the student's name and the student is responsible for repaying them after they leave school or drop below half-time enrollment. The 2015-2016 interest rate for the Federal Subsidized Stafford is fixed 4.66%. The Federal Unsubsidized Stafford Loan will be fixed at 4.66%. There is a 1.073% origination fee.

Your 2015-2016 FAFSA results will determine your eligibility for these two programs (sub & unsub). Please complete the following steps in order to receive a Federal Stafford loan.

Complete the steps below to apply for the Federal Stafford Loan:

- Complete a 2015-2016 FAFSA, if you have not already done so
- Complete your on-line Entrance Counseling – Once online Sign In using your PIN and complete the Entrance Counseling Session
- Complete an electronic Student Promissory Note (eMPN) – Once online Sign In using your Pin and sign your Master Promissory Note.
- Complete DCC’s Loan Request Form and submit to the Financial Aid Office

Very Important: All four of these steps must be successfully completed before a Stafford Loan award will be offered to you.

Frequently Asked Questions

What is the Federal Direct Loan Program?

The U.S. Department of Education makes Stafford (both subsidized and unsubsidized) and PLUS loans directly available to students through selected schools across the country. No banks or guarantee agencies are involved. The U.S. Department of Education is the lender
How much can I borrow?

The US Department of Education sets the maximum awards a student can borrow in an academic year (Fall & Spring) based on their year in college and dependency status. At DCC, you are a level 01 (freshman) student until you have completed 30 credits. The chart below lists the annual maximums. If you only plan to borrow for one semester you may not be eligible to borrow these annual amounts.

<table>
<thead>
<tr>
<th>Student Type</th>
<th>Subsidized</th>
<th>Maximum (Sub &amp; Unsub)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dependent with less than 30 credits completed</td>
<td>$3,500.00</td>
<td>$5,500.00</td>
</tr>
<tr>
<td>Dependent with 30 or more credit hours completed</td>
<td>$4,500.00</td>
<td>$6,500.00</td>
</tr>
<tr>
<td>Independent with less than 30 credit hours completed</td>
<td>$3,500.00</td>
<td>$9,500.00</td>
</tr>
<tr>
<td>Independent with 30 or more credit hours completed</td>
<td>$4,500.00</td>
<td>$10,500.00</td>
</tr>
</tbody>
</table>

The absolute maximum aggregate limits for DCC students are

- Dependents: $31,000 (maximum of $23,000 subsidized)
- Independent: $57,500 (maximum of $23,000 subsidized)

Students who have exceeded these limits may not borrow additional money while at Danville Community College. DCC has the right to refuse a loan request if student has high loan debt and not making Satisfactory Academic Progress.

How will I get my Federal Stafford Loan?

Your Federal Stafford Student Loan funds will be sent to the school and credited to your account. Any credit balances will be issued to the student when the funds are available.

What is a Master Promissory Note (MPN)?

The MPN is a promissory note that must be completed to receive a federal loan. It is your promise to repay your Federal Student Loan. There are two types of MPNs in the Federal Direct Loan Program: one for the Stafford Student Loans and one for PLUS Loans.

Where else can I get information on the new Direct Lending Process for Federal Student Stafford Loans?

- U.S. Department of Education Direct Loan website
- Federal Student Loan Servicing
- Direct Loan Consolidation website

Are there any fees associated with using the Federal Direct Loan Program?

Yes. All Federal Direct Loans are assessed a loan fee by the federal government. This fee helps reduce the cost of making these low-interest loans. The federal government will deduct the fee from the loan before the borrower receives any loan money; therefore, the loan funds received by the borrower may be less than the amount they will repay. The loan fee for the 2015-2016 award year is 1.073%.
Can I consolidate Loans received through the Federal Direct Loan Program with loans received through the FFEL Program so that I only have one payment once I leave school?

Yes. It is a relatively simple process. You can consolidate through either the FFEL or the Federal Direct Loan Program. You should check with either program when you begin to review your options for consolidation. You will want to investigate which program offers the repayment benefits that work best for you.

Contact Information:

Financial Aid Office
1008 South Main Street
Danville, VA 24541
DCCFinAid@dcc.vccs.edu
Telephone: (434) 797-2222
Other areas in VA: 1-800-560-4291