Did you know you could do the following in your OwlNet Student Account?

- Check your award status
- Apply for a HCC scholarship
- Accept/decline your awards
- Check for any required financial aid documents
- Pay your bill
- Review your account summary

Payments made easy at FACTS tuition plan:


Federal School Code: 002075
Harford Community College
Office of Financial Aid
401 Thomas Run Road Bel Air, MD 21015
Contact Us at: finaid@harford.edu

Everything You Need to Know About Federal Direct Loans at HCC …. and some stuff about other aid, too.

Frequently Asked Questions

Fall /14 Loan Deadline Dates
- **June 15, 2014** to guarantee loan is processed by July 21, 2014 payment due date.
- **Dec. 1, 2014**- **FINAL** deadline for fall/winter loans and fall increases

Spring/15 Loan Deadline Dates
- **Dec. 1, 2014**- to guarantee loan is processed by **January 12, 2015** payment due date.
- **May 1, 2015**- **FINAL** deadline for spring/summer loans and increases
Borrowing a student loan for your education is an investment in your future.

Paying it back helps build strong credit history.

Paying it back early saves you money.

BORROW WISELY!

You are strongly encouraged not to borrow at the community college level. Please explore all other options before borrowing. Important links to scholarships and payment plans are listed at back of booklet.

HCC Financial Aid Website:
Review deadline dates, how to apply for aid, financial literacy info, policies and much more financial aid information.
http://www.harford.edu/FinancialAid/default.asp

Federal Student Loans:
Sign MPN, complete PLUS application and request Loan Consolidation and more information about how to manage your student loans from the U.S. Dept. of Education.
https://studentloans.gov

Maryland Higher Education Commission
Access MD state financial aid programs.
http://www.mhec.state.md.us/financialaid

Scholarships
- Search for scholarships with free scholarship matching service. www.fastweb.com
- Apply for HCC Foundation Grants and Scholarships http://www.harford.edu/applications/scholarshipsearch/scholarships.asp?FA=Apply

Student Aid on the Web
Free information from the U.S. Department of Education on Preparing for and funding education beyond high school.
www.studentaid.ed.gov

Finaid
A financial aid public information page with loan calculators, tips on how to save for college and obtain scholarships and much more.
http://www.finaid.org

National Student Loan Data System (NSLDS)
U.S. Dept. of Education’s central database for student aid. Obtain your loan servicer, complete EXIT counseling, review PELL grants received.
http://www.nslds.ed.gov

FACTS – tuition deferred payment plan offered by HCC
Aggregate Loan Limit – the maximum total outstanding loan debt you may borrow.

Cost of Attendance (COA) – the total amount it will cost to go to school. The COA includes tuition and fees, room and board, books, supplies, transportation, loan fees, miscellaneous personal expenses, and if applicable, dependent care. The cost of attendance is different at every school.

Default – failure to repay a loan according to the terms of the promissory note.

Deferment – a postponement of payment on a loan that is allowed under certain conditions and during which interest does not accrue for subsidized loans. Contact your servicer to apply for a deferment.

Delinquent - your loan payments are not received by the due date.

Disbursement – payments of loan proceeds to the borrower by the school.

Financial Need – Cost of Attendance (COA) minus Expected Family Contribution (EFC) as determined by FAFSA = Financial Need. Your financial need can be different at every school. You will have more need at schools with a higher COA.

Forbearance – a period during which your monthly loan payments are temporarily suspended or reduced. Interest will accrue while in a forbearance. Contact your servicer to apply for forbearance.

Grace Period – a six-month period that begins on the day after you cease to be enrolled as at least a half-time student and ends on the day before the repayment period begins.

Interest – a loan expense charged by the lender and paid by the borrower for the use of borrowed money.

NSLDS – National Student Loan Data System – a centralized database that stores information on all federal loans and grants. www.nslds.ed.gov

Servicer – This is the organization assigned to you after your loan is disbursed. Contact your servicer to: make or change payment arrangements, change your address, inquire about your loan balance and more. Go to nslds.ed.gov to find out who your servicer is.
What are Direct Loans?

Direct Loans are Stafford and Parent PLUS loans. They are called “Direct” because the student or parent borrows directly from the U.S. Department of Education.

Is a Direct Loan Financial Aid?

Yes, loans are financial aid. A Direct Loan is a form of financial aid that must be repaid, with interest. (Scholarships or grants, on the other hand, do not have to be repaid.)

What types of Direct Loans are available at HCC?

- **Subsidized Stafford Loans** are available to students with financial need as determined by federal regulations. The interest that accrues on the loan is paid by the government while you are in school at least half-time.
- **Unsubsidized Stafford Loans** are not need-based. Interest accrues from the date of disbursement.
- **PLUS Loans** are available to parents of dependent college students.

What are the eligibility requirements?

To be eligible for Direct Loans, you must:

- Be enrolled in a certificate or degree program
- Enroll for a minimum of 6 credits each semester
- Be in good academic standing under the Satisfactory Academic Progress (SAP) policy
- Be U.S. Citizen or eligible non-citizen
- Not have defaulted on any prior federal education loans or owe an overpayment on a federal education grant

I don’t have any credit. Can I still get a loan?

There are no credit checks or cosigners needed for Stafford Direct Loans (these are student loans). Parent PLUS loan does require a credit check on the parent and cosigners may be required.

How can I avoid borrowing or over-borrowing student loan money?

There are many resources available to help you avoid borrowing more than you can afford for educational costs. One excellent resource is www.cashcourse.org/Harford. This website offers information about budgeting and saving, as well as additional ways to finance your education.

How will a student loan affect my credit?

A credit history is not required for you to receive a student loan, however if you do not pay your loan on time it does affect your credit score. If you pay your loan on time, your credit score will improve. If you do not pay your student loan, it will negatively affect your credit score, which can cause unwanted financial consequences. To learn more about your credit score, go to www.myfico.com/CreditEducation/WhatsInYourScore

Is there a penalty for paying a student loan off early?

No, there is not a penalty for paying your student loan off early. In fact, if you can pay just some of the interest off while you're in school, it will make your payments more affordable when you go into repayment.

What if I cannot afford my loan payments?

If you cannot afford your loan payments, contact your loan servicer immediately for help. There are many options available to fit your circumstances. Whenever you run into difficulty, know that your servicer is there to help you succeed! You can find out who your servicer is at www.nslds.ed.gov

Where can I get more information about managing my finances?

There are many additional resources available to help you on HCC’s Financial Literacy web page. Visit www.harford.edu/FinancialAid/finliteracy for additional information.
How will I know when my loan is disbursed?

You will receive an email to your OwlNet email on the day the loan is disbursed. Your disbursement will pay for any tuition, fees and book credit that is due and the remaining balance will be disbursed by the method you chose through Higher One.

Can I pick up my refund check or have it automatically deposited into my bank account?

No, you can not pick up a refund check. Yes, you can have it deposited into a bank account. After you registered for classes you received a Higher One, HCC Owl Card (it was in a bright green envelope). You were instructed to go to HCCOwlCard.com to select your refund method preference. The option you chose will determine when you receive your refund. If you opened a Higher One account your refund will go into that account 10-14 days after disbursement date. If you selected automatic deposit (ACH) into another bank account expect refund 12-17 days after disbursement and if you selected paper check expect refund in 15-21 days after disbursement date. If you have your OwlCard and did not make a refund preference selection go to HCCOwlcard.com to make refund preference selection. If you lost or never received the OwlCard contact HCC Owl Card hotline at (443) 412-2555.

Can a loan be denied?

Yes. Under federal regulations 34 CFR 685.301(a)(8), HCC has the right on a case-by-case basis to deny loans. HCC will deny loans for the following:

- A student entering a new program who has insufficient loan eligibility remaining to complete the new program of study.
- A student indicates in writing, or in a loan borrowing counseling session, that the loan will be used for non-educational purposes.
- For coursework that does not fit into the student’s declared major, based on a required academic plan.
- Other circumstances that strongly indicate an unwillingness to repay or abuse of loan programs.

How much should I borrow?

Borrow only what you need. You should borrow for tuition, fees and books only. Loan funds can be used for educational costs ONLY. The amount you can borrow each year for Subsidized and Unsubsidized Stafford loans depends on your grade level and whether you are a dependent or independent student. The amount you are able to borrow is also limited by the cost of attendance at HCC, other financial aid you receive, and (in the case of Subsidized loans) your expected family contribution (EFC) from your FAFSA.

<table>
<thead>
<tr>
<th>HCC Loan Limits**</th>
<th>Dependent student</th>
<th>Independent student</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freshman undergraduate (0-30 credits)</td>
<td>$3,500 per school year (including no more than $3,500 Subsidized*)</td>
<td>$5,500 per school year (including no more than $3,500 Subsidized*)</td>
</tr>
<tr>
<td>Sophomore undergraduate (31 or more credits)</td>
<td>$4,500 per school year (including no more than $4,500 Subsidized*)</td>
<td>$6,500 per school year (including no more than $4,500 Subsidized*)</td>
</tr>
</tbody>
</table>

*The following factors determine whether you qualify for Subsidized loan: Cost of Attendance at HCC, other aid received and EFC from your FAFSA.

**HCC was selected by the U.S. Department of Education as an Experimental Site for the Direct Loan Program. Loan limits at HCC are lower than other institutions.
What are my lifetime loan limits?

<table>
<thead>
<tr>
<th>Dependent Undergrad</th>
<th>Independent Undergrad</th>
<th>Graduate or Professional</th>
</tr>
</thead>
<tbody>
<tr>
<td>$31,000</td>
<td>$57,500</td>
<td>$138,500</td>
</tr>
<tr>
<td>(no more than $23,000 Subsidized)</td>
<td>(no more than $23,000 Subsidized)</td>
<td>(no more than $65,000 Subsidized)</td>
</tr>
</tbody>
</table>

In addition, subsidized loan eligibility is limited to 150% of your program length. For example, if you are enrolled in a 2 year program, you may only receive subsidized loans for a maximum of 3 years. For more detailed information visit www.studentloans.gov.

What are the current interest rates for Direct Loans?

Interest rates are determined annually and will be set to the U.S. Treasury 10-year note, plus additions for each type of loan. Rates are updated annually on July 1. Current rates can be obtained at www.studentloans.gov.

Is there a charge for this loan?

Yes. In addition to interest, which begins accruing the day the loan is fully disbursed, the Department of Education charges a loan fee. Current fees can be obtained at www.studentloans.gov.

Should I borrow at a community college?

You are strongly encouraged NOT to borrow at the community college level. Most students transfer to another institution after completing their studies at HCC. Costs to attend 4-year institutions are much higher and many students need to borrow in order to cover the higher costs. (See lifetime loan limits above.)

What other types of aid can I apply for?

You are encouraged to apply for federal, state and private scholarships and grants and/or to use the tuition deferred payment plan (FACTS) available through the Cashier’s Office. See back of booklet for website links.

How will I receive my loan money?

All financial aid (remember, loans are aid) will be disbursed approximately 30 days after the start of the semester, divided equally between the semesters you requested. Tuition, fees and bookstore charges (if applicable) will be deducted from loan proceeds (and other aid) and any remaining funds will be disbursed by method of your choice approximately the sixth week of the semester (see handout available in Financial Aid Office or online for exact dates). Book credits up to a maximum of $650 will be available two weeks before the start of school. Your loan proceeds will be combined with other financial aid and you will receive one disbursement.

Payment is due in July/January but my loan is not disbursed until October/February (30 days after start of semester). Will I be dropped from classes?

It depends. If you submitted your loan request packet by loan deadline and you have been sent an award letter before payment due date your classes will be held. If you submitted your loan request packet after loan deadline, you must make other payment arrangements to have your classes held if you do not have enough other financial aid to cover your tuition and fees. Sign up for FACTS payment plan to guarantee classes are held. See website at back of this pamphlet.

I received a loan refund and I don’t need all of the funds I received. Can I return the money?

YES! We strongly encourage you to borrow only what you need and pay back what you don’t. There is no pre-payment penalty for paying your loan at any time. Check with your servicer for how repay. If you don’t know who your servicer is go to www.nslds.ed.gov.
SATISFACTORY ACADEMIC PROGRESS (SAP) CONTINUED

What happens after SAP WARNING?

If, at the end of the WARNING semester, if you are still not meeting SAP requirements in both completion/pace and/or GPA, your financial aid will be TERMINATED. If there are mitigating circumstances that affected your ability to meet the SAP requirements, you may appeal the termination status. All appeals must be accompanied by appropriate documentation.

If, at the end of the WARNING semester, if you are now completing 67% of your cumulative classes attempted and you have a cumulative 2.0 GPA or higher, you will be meeting SAP requirements and will continue to receive aid.

What happens if I am TERMINATED from Financial Aid? How can I get financial aid again?

If there are mitigating circumstances that affected your ability to meet the SAP requirements, you may appeal the termination status. All appeals must be accompanied by appropriate documentation.

Or, you may pay for classes without financial aid until you are meeting SAP requirements. Once you are meeting SAP requirements you may receive financial aid again.

Are there deadlines to submit an appeal?

Yes, appeals must be submitted two weeks before the start of the semester you will be attending.

REQUESTING A DIRECT LOAN

How do I request a Stafford Direct Loan at HCC?

- Your first step to receiving a Direct Loan is completing a FAFSA (Free Application for Federal Student Aid) at www.fafsa.gov. If you are chosen for verification, you will need to submit additional documentation. You will see this on your OwlNet account.
- Submit official transcripts from all previously attended schools.
- If you have not already done so, register for at least 6 credits. Your loan can not be certified until you register.
- Complete HCC’s Borrower’s packet. A loan counselor will review your information and determine your loan eligibility.
- If you are a first-time borrower at HCC, your packet will instruct you to complete a Direct Loan Master Promissory Note (MPN), which explains the terms and conditions of your loan and is your legally binding agreement to repay the amount you borrow. You complete the MPN at www.studentloans.gov. You will be contacted to schedule an appointment to attend a required in-person entrance counseling session.
- Repeat borrowers at HCC will receive an award letter and disbursement schedule stating the loan amount and disbursement dates.

What is in-person entrance counseling session?

All first time borrowers at HCC are required to attend an in-person entrance counseling session after their First Time Borrower Packet is reviewed by a loan counselor. You will be contacted to schedule the session after your loan is reviewed. Sessions last 1-1 ½ hours and are available throughout the semester. During the session your borrower’s rights and responsibilities will be reviewed as well as HCC loan procedures. The sessions are very interactive and give you the opportunity to ask questions about your loan and financial aid in general.
How often do I apply for loans?

You must reapply for all types of aid each school year by completing the FAFSA. Loans ARE financial aid. You only need to complete a loan packet once a year. If you are attending both the fall and spring semesters, apply for a fall/spring loan at the same time. You can apply for loan increases throughout the year, but make sure you adhere to deadline dates. Increase forms are available at www.harford.edu/financialaid.

How long does the process take to request a loan?

During our peak times, January and summer months, it can take up to eight (8) weeks to process a loan. In order to have funds available to pay your bill and buy books (if eligible), you need to apply early. Deadline dates are posted in this booklet, the Financial Aid Office and online. You are encouraged to check your HCC email regularly for information from the loan counselors on the progress of your loan request.

Your classes will be dropped for non-payment if your loan is not processed before the payment due date. Turning in your loan request packet is not enough. The loan must be processed and you must receive an award letter to know your loan is complete.

What if I have borrowed over $30,000 already?

First time borrowers at HCC, with more than $30K in loan debt, are required to meet individually with a loan counselor to review their reasons for requesting a loan, academic history, current educational goals and future employment goals. Students should submit an official academic transcript from all previously attended colleges and develop an academic plan with an advisor. Once all requirements are met, the information will be reviewed by the Director of Financial Aid and a decision will be made as to whether the student will be granted the requested loan amount.

How does my parent apply for a Parent PLUS loan?

A parent applies for a PLUS loan by completing the following steps:

- Parent and student complete FAFSA. www.fafsa.gov
- Parent completes PLUS loan request at www.studentloans.gov
- Parent completes PLUS Master Promissory Note (MPN) at www.studentloans.gov
- Parent and student complete HCC Direct Parent PLUS Request form available in HCC Financial Aid Office or online at http://www.harford.edu/FinancialAid/Loans.asp

What is SAP?

According to federal Satisfactory Academic Progress (SAP) regulations, the Financial Aid Office is required to monitor the academic progress of students receiving financial aid each semester. To remain in good standing, you must:

- complete a minimum of 67% of cumulative attempted/transferred credits (for example 36 credits completed/54 credits attempted = 67%) You must receive an A, B, C or D to complete a course.
- achieve a 2.0 or higher cumulative grade point average in ALL classes (transitional classes ARE included in your Financial Aid SAP GPA)
- not exceed 99 attempted credits (transfer credits are included)

Failure to meet these requirements will result in the your being placed on WARNING. At HCC, each student gets one semester of warning. If you have not improved your completion rate/pace and/or the cumulative GPA by the end of the warning semester, you are terminated from future financial aid until you are meeting SAP requirements. Students who exceed 99 credits are terminated from financial aid at the end of the semester when they attempted 99 credits. Refer to SAP handout for more information.

What is the difference between my Financial Aid GPA and my Academic GPA?

Your Financial Aid GPA includes ALL classes you have taken at HCC. This includes transitional courses (English and Math courses below 100 level). Your academic GPA only includes courses that are considered college level credit courses completed at HCC.

What happens if I am placed on SAP WARNING?

Students may request SAP Warning counseling. In the counseling some of the topics reviewed will be study skills, HCC support services, and personal financial planning. Contact the Financial Aid office to schedule your one-on-one session.

On SAP Warning all of your aid remains in effect.