

Federal Stafford Loan Information

Loan eligibility requirements include but not limited to:

- Filed a Free Application for Federal Student Aid (FAFSA)
- Completed all Financial Aid file requirements
- Must have an official copy of High School transcript or GED records on file
- Enrolled at least half-time (6 credit hours) when the loan is disbursed
- Not be in default on an educational loan or owe a repayment of a federal grant
- Maintaining Satisfactory Academic Progress (SAP)
- Previous Stafford Loan borrowing will be taken into consideration

34 CFR Section 685.301(a) (7) of the William D. Ford Federal Direct Loan Program (Direct Loans) provides that a school may refuse to certify a Direct Stafford 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. If you are not eligible for a loan this Award Year, you will be notified in writing as to the reason.

You will be notified of your eligibility to be certified for a Federal Direct Stafford Loan for the loan period. If eligible, you will receive a letter directing you to:

1. Complete Loan Entrance Counseling (if this is your first loan at DACC) at StudentLoans.gov
2. Complete an electronic Master Promissory Note (eMPN) at StudentLoans.gov

Entrance Counseling Information

As a Federal Subsidized and/or Unsubsidized Stafford Loan Borrower, you must understand that you are about to undertake a very serious obligation. Before accepting any of your Stafford Loan proceeds, understand that you must repay the full amount of this loan with all accrued interest and deducted fees, whether or not you are satisfied with your educational experience or obtain employment upon completion of your educational program, or are dissatisfied with other services that were available from this institution.

The full details of your loan contract (including interest rates, fees, repayment terms, deferment options, etc.) are provided to you as part of your loan application, Master Promissory Note (MPN) and/or Disclosure Statement materials. If you fail to fulfill any of the terms of your loan contract, you will be considered in default and may suffer the following negative consequences:

- Be sued to force payment and pay court and attorney costs
- Federal and/or state tax refunds may be withheld (including Economic Stimulus payments)
- The default will be reported to credit bureaus affecting future borrowing and credit availability
- Lose eligibility for other federal financial aid
- Wages may be garnished
- Loan becomes due in full immediately

It is your responsibility to notify the Department of Education within 10 days if you:

- Fail to enroll for school as scheduled or expected
- Graduate or withdraw from school
- Change schools
- Are having difficulty repaying your loan
- Enroll less than half-time
- Change your name or address
- Wish to request a deferment or forbearance