2025-2026 William D. Ford Federal Direct Student Loan Request

Instructions: Review the Budget Guide and Standard Repayment Plan (pages 3 & 4) and loan request information (page 1). To complete the Direct Student Loan Request form (page 2): (1) Complete form in black ink (Do NOT leave any fields blank). (2) Print request form (keep an extra copy for your records). (3) Sign and date form. (4) Mail form and required attachments to the SCC Financial Aid Office, 131 Community College Drive, Spartanburg SC 29303

Eligibility Requirements:

- Complete the 2025-2026 FAFSA (www.studentaid.gov) and all Financial Aid requirements (verification requests, etc.)
- Be enrolled at least half-time in your program of study at disbursement during every semester of your loan period
- Meet Satisfactory Academic Progress (SAP) Standards
- Have remaining 2025-2026 Federal Direct Loan eligibility
- Not have defaulted on any prior federal loans or owe an overpayment of a federal grant
- Must complete an "Entrance Counseling" Quiz and a Master Promissory Note (MPN) (www.studentaid.gov)

Request Processing:

- Loan requests will be reviewed and processed in the order they are received; processing time may vary depending on the time of year and number of requests received.
- In accordance with Federal regulation 34 CFR 685.301(a)(8), the college has the right to refuse to certify/originate a student's loan request or reduce the loan amount being requested. Should a student's loan request be denied or requested loan amount reduced, the student will be provided a written notification explaining why.
- Financial Aid Refunds are mailed from the business office on scheduled dates each semester. ***Fall 2025-October 15, 2025, Spring 2026- March 4, 2026, Summer 2026-June 10, 2026.*** Please *note: All Federal Loans must be split into two or more disbursements. A single semester loan will have two separate disbursements within the semester while a multi-semester loan will have one disbursement per semester.*
- *Please be advised that by Federal Law you have the right to cancel all or a portion of an undisbursed Federal Direct Loan prior to the loan disbursement. To cancel or reduce an awarded loan, you MUST notify the SCC Financial Aid Office, in writing.*

Loan Eligibility Determination:

- The approved loan amount(s) will be determined by the SCC Cost of Attendance, minus the Expected Family Contribution (EFC) as determined by your 2025-2026 FAFSA. Any financial aid you are awarded will be deducted from your COA. Students cannot exceed their COA and/or annual loan limit for the academic year. If you received loans from another institution within the 2025-2026 academic year, your annual loan limit will be reduced accordingly. You must be registered for at least 6 credit hours that are needed and required for your SCC program of study to be considered for a federal student loan. If you fall below 6 credit hours at the time of disbursement, your loan will be cancelled, and you will be responsible for any unpaid balances. If the Financial Aid Office receives notification that you have exceeded your COA after disbursement of your loan(s) has occurred, the necessary reductions and/or cancellations will be done, and you may incur tuition liability.

Federal Direct Subsidized and Unsubsidized Loan Information:

- **Subsidized:** These need-based loans are interest-free.
- **Unsubsidized:** These low-interest loans accrue interest while you are enrolled in school and during the entire repayment period.
- **Origination Fees & Interest Rates:** The origination fee is a loan processing fee taken out of the total loan amount before funds are disbursed. Current origination fee is 1.057%. The current interest rate is 6.53%. *This rate is subject to change.*
- **Loan Limits** (SCC students cannot borrow beyond the sophomore level. Grade level is based on credits earned in program.):

Dependent Students	Base	Additional Unsubsidized
Freshman (0-29 credits)	$3,500	$2,000
Sophomore (30+ credits)	$4,500	$2,000

Independent Students	Base	Additional Unsubsidized
Freshman (0-29 credits)	$3,500	$6,000
Sophomore (30+ credits)	$4,500	$6,000

Aggregate Loan Limits
Dependent Students: $31,000 (of which $23,000 can be subsidized)
Independent Students: $57,500 (of which $23,000 can be subsidized)

PLEASE BORROW RESPONSIBLY!
This is a **LOAN** and **MUST** be repaid.

2025-2026 William D. Ford Federal Direct Student Loan Request Form

Part 1: Student Information

Name: _____ SCC ID or SSN #: _____ Date of Birth: _____

Home Phone: _____ Cell Phone: _____ Email: _____

Address: _____

Street City State Zip

Anticipated SCC graduation date: (mm/yyyy): _____ TOTAL STUDENT LOAN DEBT: $_____

Total Current Student Loan Debt per www.studentaid.gov (Attach a printout of your loan history to this form)

Part 2: Loan Information

Period for which you are requesting the loan (check only one):

☐ Fall 2025 and Spring 2026 ☐ Fall 2025, Spring 2026, & Summer 2026 ☐ Spring 2026 and Summer 2026
☐ Fall 2025 only ☐ Spring 2026 only ☐ Summer 2026 only

Amount Requested: The requested loan amount will be divided between the loan period selected above and to receive the loan, you must enroll at least half time (6 or more credit hours) in your program of study during every semester of your loan period. Amount left blank will not be processed.

Amount Requested: $_____ $_____
Subsidized/Unsubsidized Base Additional Unsubsidized

Dependent Students	Base	Additional Unsubsidized
Freshman (0-29 credits)	$3,500	$2,000
Sophomore (30+ credits)	$4,500	$2,000

Independent Students	Base	Additional Unsubsidized
Freshman (0-29 credits)	$3,500	$6,000
Sophomore (30+ credits)	$4,500	$6,000

Part 3: Please read and INITIAL each item:

_____ I understand that I must maintain enrollment in a minimum of six (6) credit hours. I understand that disbursement of the loan is based on enrollment status on the loan disbursement date. I understand that if I drop or withdraw from a class, drop below 6 credit hours, or withdraw completely, my loans may be reduced or cancelled and could cause me to owe a balance to SCC.

_____ I understand that this is a debt that must be repaid and that I have the ethical responsibility to use Federal Direct Student Loan Funds for educational purposes only. I am encouraged to borrow responsibly and understand that I should only borrow what I need to support my enrollment at SCC.

_____ I have completed the Entrance Loan Counseling and Master Promissory Note at www.studentaid.gov.

Part 4: Student Certification and Authorization:

I certify all the information provided on this form is true. I certify that I am aware my loan will be cancelled if I stop attending half-time. I acknowledge my receipt of the "Repayment Comparison Chart" and "A Step-by-Step Budget Guide." I understand that all loan funds must be used exclusively for education expenses. I understand that this is a loan that must be repaid to the Department of Education. I understand repayment begins 6 months after I graduate or am no longer enrolled ½ time and I will complete Exit Counseling upon leaving SCC. I understand that I must be actively enrolled half-time (6 credit hours) in my program of study to receive my loan funds on the loan disbursement date. I understand that I am required to notify the SCC Financial Aid Office of any change in my enrollment and/or program of study. I understand that the amount credited to my student account will be the principal amount minus the loan origination fee. I understand that I must continue to meet the Financial Aid Office's Satisfactory Academic Progress Policy. I understand that if I wish to reduce my loan amount and/or cancel any or all future disbursements, I must make my request in writing to the SCC Financial Aid Office. I understand my repayment obligations, responsibilities as student borrower, and the consequences of default.

Borrower's Signature: _____ **Date:** _____

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Maintaining a budget is crucial for financial stability and long-term success. Budgeting fosters discipline and responsibility, essential skills for managing debt both during and after college. A well-maintained budget not only ensures responsible management of loan funds but also lays the groundwork for lifelong financial literacy and achievement. Before you take out a loan, make sure you fully understand your options and responsibilities. Do not borrow more than you need or more than you expect to be able to repay. We are providing you with the below budget worksheet as a starting point for understanding your financial obligations.

	MONTHLY	YEARLY
I. Projected Available Funds		
Take Home Pay	_____	_____
Other Regular Income (after tax)	_____	_____
Total After Tax Income	_____	_____
II. Expenses		
Savings (Pay Yourself First!)	_____	_____
Education Loan Payments	_____	_____
Housing	_____	_____
Utilities	_____	_____
Transportation	_____	_____
Clothing	_____	_____
Grocery Items	_____	_____
Credit (loans, credit cards, etc.)	_____	_____
Personal Expenses	_____	_____
Medical Expenses	_____	_____
Child Care	_____	_____
Entertainment	_____	_____
Miscellaneous	_____	_____
Total Expenses	_____	_____
III. The Bottom Line		
Total Income	_____	_____
Minus Total Expenses	_____	_____
TOTAL FUNDS AVAILABLE	_____	_____

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2025-2026 William D. Ford Federal Direct Student Loan Request Form

Student Loan Repayment Plan Information

- **Fixed Payment Repayment Plans**: These plans base your monthly payment amount on how much you owe, your interest rate, and a fixed repayment time period. If you want to be placed on one of these plans, contact your loan servicer. When you leave school, you will be automatically enrolled in the Standard Repayment Plan unless you pick a different repayment plan.
  - **Standard Repayment Plan**: Payments are a fixed amount that ensures your loans are paid off within 10 years (within 10 to 30 years for Consolidation Loans).
  - **Graduated Repayment Plan**: Payments are lower at first and then increase, usually every two years. Payment amounts are designed to ensure your loans are paid off within 10 years (within 10 to 30 years for Consolidation Loans).
  - **Extended Repayment Plan**: Payments can be fixed or graduated and will ensure that your loans are paid off within 25 years.

- **Income-Driven Repayment (IDR) Plans**: IDR plans base your monthly payment amount on how much money you make and your family size.
  - **SAVE Plan**: monthly payment is 10% of discretionary income
  - **PAYE Plan**: 10% of discretionary income but never more than what you would pay under the 10-year Standard Repayment Plan
  - **IBR Plan**: Either 10% or 15% of your discretionary income (depending on when you received your first loans) but never more than what you would pay under the 10-year Standard Repayment Plan
  - **ICR Plan**: 20% of your discretionary income, or the amount you would pay on a repayment plan with a fixed payment over 12 years, adjusted according to your income

Undergraduate Federal Direct Loans with Standard Repayment Plan (Repayment Comparison Chart)

Loan Amount	# of Payments	Monthly Payment Amount	Total Interest Paid	Total Amount Repaid @ 6.8% Interest
$3,500	90	$50.00	$971	$4,471
$5,500	120	$63.29	$2,095	$7,595
$7,500	120	$86.31	$2,857	$10,357
$9,500	120	$109.33	$3,620	$13,120
$11,500	120	$132.34	$4,381	$15,881
$13,500	120	$155.36	$5,143	$18,643
$15,500	120	$178.37	$5,904	$21,404
$17,500	120	$201.39	$6,667	$24,167
$19,500	120	$224.41	$7,429	$26,929
$21,500	120	$247.42	$8,190	$29,690
$23,500	120	$270.44	$8,953	$32,453
$25,500	120	$293.45	$9,714	$35,214
$27,500	120	$316.47	$10,476	$37,976
$29,500	120	$339.49	$11,239	$40,739

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William D. Ford Federal Direct Loan Entrance Loan Counseling Directions

Entrance Loan Counseling

What is Entrance Counseling?

Federal Regulations require all first-time Direct Subsidized/Unsubsidized Loan borrowers (freshman and first-time borrowers) complete the Direct Loan Entrance Counseling and sign the Direct Loan Master Promissory Note (MPN). Please note that Entrance Counseling must be completed for each school you attend and borrow Federal Direct Loans. During entrance counseling, you will be able to enter your own loan information and to see how the debt will grow over time. Entrance counseling will also provide guidance on loan limits, interest accrual and information about budgeting, loan repayment, and how to avoid loan default.

Who must complete Entrance Loan Counseling?

Students borrowing Federal Direct Student Loans at Spartanburg Community College for the first time. If you have complete entrance counseling for loans at a different college or university, you will need to complete entrance counseling for Spartanburg Community College before your student loans will be anticipated on your student account.

How long will it take? The entire counseling process must be completed in a single session. Please allow 30 minutes to complete this session.

Entrance Counseling Directions:

1. Access https://studentaid.gov/
2. Click "Log in"
3. Log in using your FSA ID Username, Email, or Mobile Phone and Password
4. If prompted, confirm your personal information
5. Under the "Loans and Grants" drop down menu select "Loan Entrance Counseling"
6. Click "Start" next to "I am an Undergraduate Student" to begin the counseling session
7. Add Spartanburg Community College as the school to receive the Entrance Counseling, then click on "Notify this School"
8. Under "Select Student Type" select "I am completing entrance counseling to receive Direct Loans as an undergraduate student."
9. Click "Continue"
10. The counseling session consists of several sections.
    - Take your time and review the information fully in each section.
    - You must answer the questions in the "Check Your Knowledge" boxes of the counseling session correctly in order to proceed to the next section.
    - At the end, you will receive a confirmation page and an email confirming that your Entrance Counseling has been completed.

    Please allow 48 hours for SCC to process your electronic counseling.

After completing the Entrance Counseling, you will need to complete your Master Promissory Note (MPN).

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2025-2026 William D. Ford Federal Direct Student Loan Request Form

William D. Ford Federal Direct Loan Master Promissory Note Directions

Master Promissory Note

What is a Master Promissory Note?

The Master Promissory Note (MPN) is a legal document in which you promise to repay your loan(s) and any accrued interest and fees to the U.S. Department of Education. It also explains the terms and conditions of your loan(s). Unless your school does not allow more than one loan to be made under the same MPN, you can borrow additional Direct Loans on a single MPN for up to 10 years.

How long will it take? The entire MPN process must be completed in a single session. Please allow up to 30 minutes to complete this session.

What will I need?

a) FSA ID and password
b) Your driver's license number
c) The name, address, telephone number and e-mail address (if available) of two adults with different U.S. addresses, the first of which should be a parent or legal guardian OR your "Next of Kin".

Directions for Signing Your Direct Loan Master Promissory Note (MPN):

1. Access https://studentaid.gov/
2. Click "Log in"
3. Log in using your FSA ID Username, Email, or Mobile Phone and Password
4. Read the "warning" pop up then click "Accept"
5. Under the "Complete Aid Process" drop down menu select "Complete a Master Promissory Note"
6. Click "Start" next to "***MPN for Subsidized/Unsubsidized Loans***"
7. Follow the steps to complete your MPN
8. Hit the **SUBMIT BUTTON** to officially submit your MPN at which time you will receive a confirmation notice.
9. There is a link to view, save and/or print a copy of your completed MPN for your records.

Additional Processing Loan Information

When will my loan be available?

Your loan is originated/certified (approved) after you complete the Direct Loan Request form, and it is determined that you meet all the eligibility requirements. ***Please allow 10 business days for loan certification***. Even though your award letter may reflect a Direct Loan, the loan will not show as anticipated on your student account until you complete all loan requirements.

How to view loans on your Offer Letter & Billing Information?

Offer Letter: Login to your student portal, select self-service, student financial aid. Your award letter is the last item on your checklist.

Billing Information: The best place to see how your financial aid is anticipated is on your student account through your student portal. Log into your student portal, then click on self-service, student finance, then account activity. Make sure you are reviewing the correct term. Here you will be able to see a breakdown of your tuition and fee charges and how your financial aid is anticipated on your student account.

- If you see a ***negative amount***, this is a credit on your account.
- If you see a ***positive amount***, a balance remains on your account after aid is anticipated. Please contact the FA Office with any questions or the Business Office to make payment.

Fall billing information becomes available in July, Spring billing information becomes available in November, Summer billing information becomes available in April each year.

Cancellation of Loans: Federal Student Loans may be cancelled if the borrower withdraws from classes or drops below half time enrollment (6 credit hours in the student's active program of study) during the loan period. Federal Student Loans may be cancelled or reduced by the borrower by way of a written request to the Financial Aid Office.

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