

The Office of Financial Aid monitors the total amount(s) borrowed and recommends student borrowing accordingly. Loan amounts are prorated based on unmet need, unmet cost of attendance, length of program, and time of the term. If you choose to borrow private or alternative loans, you must report those amounts to the Office of Financial Aid as a resource.

**Maximum Academic Year Loan Amounts and Limits as set by the Department of Education**

	Year Limit		Year Limit
<b>Dependent - First Year Limits</b>	\$5,500	<b>Dependent - Second Year Limits</b>	\$6,500
Subsidized amount	\$3,500	Subsidized amount	\$4,500
Unsubsidized amount	\$2,000	Unsubsidized amount	\$2,000
<b>Independent - First Year Limits</b>	\$9,500	<b>Independent - Second Year Limits</b>	\$10,500
Subsidized amount	\$3,500	Subsidized amount	\$4,500
Unsubsidized amount	\$6,000	Unsubsidized amount	\$6,000

First Year Students: Those who have earned between 0-29 credit hours.  
Second Year Students: Those who have earned 30 or more credit hours.

**Maximum Total Loan Debt Limits (Maximum amounts over an academic career)**

Dependent, Undergraduate Loan Limit <b>\$ 31,000</b>	No more than <b>\$ 23,000</b> of this amount may be in subsidized loans
Independent, Undergraduate Loan Limit <b>\$ 57,500</b>	No more than <b>\$ 23,000</b> of this amount may be in subsidized loans

Effective July 1, 2013, the Department of Education has set a limitation on Direct Subsidized Loan eligibility for first time loan borrowers. First time borrowers that have loans disbursed on or after July 1, 2013 may not receive Direct Subsidized loans for more than 150% of the published length of any program of study. For example: Enrolled in a 2-year associate degree program, the maximum period for which a student can receive subsidized loans is 3 years. (150% of 2 years = 3 years)

**To be eligible for a Student Loan at ACTC, you must:**

- File your FAFSA, complete your Financial Aid file at ACTC, and have unmet need.
- Meet all Admission requirements, have a complete Admission file, be in credential status at ACTC.
- Maintain Satisfactory Academic Progress (SAP).
- Be enrolled (and remain enrolled) in at least 6 credit hours in a term for which the loan applies.

**Steps to Apply for a Student Loan at ACTC**

*Note First time borrowers must complete all three steps. Returning borrowers will only need to complete Step 3.*

**1. Complete Entrance Counseling** (Complete only if you have never done so for ACTC before.)

- Log on to <http://www.studentloans.gov>
- On the left hand side of the screen, click the green SIGN IN button (Students must sign in to complete Loan Entrance Counseling.)
- After signing in, on the left hand side of the screen, click **Complete Counseling**. On the following page, click the **Start** button under Entrance Counseling.
- Add ACTC to your School Choices
- Click "I am completing entrance counseling in order to receive loans as an undergraduate student." Click Continue.
- Click on "View Borrower's Rights and Responsibilities" link.
- Print Confirmation Page for your records.

**2. Complete Master Promissory Note (MPN)** (Complete only if you have never done so for ACTC before.)

You MUST have your 4-digit FAFSA PIN to complete this process.

- Log on to <http://www.studentloans.gov>
- On the left hand side of the screen, click **Complete MPN**
- Select Subsidized/Unsubsidized
- Follow the online instructions to complete the eSign process.
  - Signature must be identical to what was entered for your FAFSA PIN. If you have forgotten your PIN, you can retrieve it at <http://www.pin.ed.gov>.
- Print and retain a copy of your MPN for your records.

**3. Request Student Loan Amount**

- Log into your **KCTCS Student Self-Service** by going to [www.ashland.kctcs.edu](http://www.ashland.kctcs.edu)
- Click on the hyperlink **Loan Request** found under **Finances**
  - \*Note You may cancel your request at any time before submitting the final step.
- Verify student information:
  - Home Address
  - Phone Number
  - Email Address
  - \*If changes need to be made, click the "change" hyperlink under the field you need to update
- **Check** box to confirm information is correct and click "Continue"
- Read Loan Request Acknowledgment Statements
- **Check** box to confirm and click "Continue"
- Confirm that you are/are not interested in a student loan by clicking **Yes** or **No** and "Submit."
- Enter the amount of student loan you would like to request in the **Requesting Loan Amount** box.
- Click **Submit**

If it becomes necessary to request an additional loan, a new "Additional Loan Request" will appear on your Student Self-Service homepage. The Office of Financial Aid will review all requests and determine if you are eligible for the additional student loan.

The lender of the student loan will deduct a loan fee from the gross amount of the student loan. Once KCTCS approves and receives loan funds, KCTCS applies proceeds first to any assessed charges for the term (tuition, fees, and/or book charges) for which the loan is intended. If no charge exists or once your charges have been paid in full, KCTCS processes a refund directly to you. The refund will come to you in the method you chose when activating your Higher One Account. **The disbursement date on your promissory note is NOT the date you will receive a refund.**

Fall-only and Spring-only (loans for one term only) and Summer (non-standard term) are disbursed in **two** payments. Again, **the disbursement date on your promissory note is NOT the date you will receive a refund.** Generally, the first half of the loan disburses approximately the fourth week of the term (fifth week for first time borrowers), and the second half of the loan disburses approximately one month later. Summer-only loans are disbursed according to an individual's schedule but no earlier than the end of the first term.

ACTC Default Rates		
A school is subject to loss of eligibility to participate in the William D. Ford Federal Direct Loan (Direct Loan) Program, and/or Federal Pell Grant Program due to FY 2011, FY 2010, and FY 2009 official cohort default rates of 30% or greater for three consecutive years..		
FY 2011 (DRAFT)	FY 2010	FY 2009
28.9	30.3	28.1
<a href="http://www.nslds.ed.gov/nslds_SA/defaultmanagement/search_cohort_2yr.cfm">http://www.nslds.ed.gov/nslds_SA/defaultmanagement/search_cohort_2yr.cfm</a>		

Repaying Your Loans Based on a Standard Repayment with no borrower benefits applied		
Initial Debt When You Enter Repayment	Payment Per Month at 6.8%	Total Repaid
\$ 3,500	\$ 50	\$ 4,471
\$ 5,000	\$ 58	\$ 6,905
\$ 5,500	\$ 63	\$ 7,595
\$ 7,500	\$ 86	\$ 10,357
\$ 10,500	\$ 121	\$ 14,500
\$ 15,000	\$ 173	\$ 20,714
\$ 18,500	\$ 213	\$ 25,548
\$ 23,000	\$ 265	\$ 31,762
\$ 30,000	\$ 345	\$ 41,429
\$ 40,000	\$ 460	\$ 55,239
This chart is based on a Standard Repayment (not to exceed 10 years) and payments are calculated using the fixed interest rate of 6.8% for student borrowers. For other repayment options, please contact your servicer.		

Students should contact their loan servicer to choose a student loan repayment plan that is best for them. Choosing a repayment plan based on your income may make a student's payment more affordable, as well as giving students more time to repay their loan.

### Borrower Benefits, Loan Repayment, Consolidation, & Borrower Responsibilities

- Students begin repayment after their grace period.
  - During the subsidized loan grace period, students do not have to pay any principle and will not be charged interest.
  - During the unsubsidized loan grace period, students do not have to pay any principle, but will be charged interest.
- Borrowers can consolidate (combine) multiple federal student loans with various repayment schedules into one loan.
- **Education loans are borrowed money that must be repaid.** You cannot have these loans cancelled because you did not like the education you received, did not get a job in your field of study, or you are having financial difficulty. Loans are legal obligations, so before you take out a student loan, think about the amount you'll have to repay over the years.
- You must notify the lender or loan servicing agency when you graduate, withdraw from school, drop below half-time status, change your name, address, or Social Security number, or transfer to another school.
- You are required to complete Loan Exit Counseling once you drop below half-time status and/or transfer. To complete Exit Counseling: Go to <http://www.studentloans.gov> and sign in using your 4 digit PIN number. (Same PIN number used to sign FAFSA). Click Complete Counseling link on the left hand side of the webpage. Click the *Start* button under Exit Counseling. Exit Counseling will be the third option under Choose Loan Counseling Type.
- Know What You Owe-- Review <http://www.nslds.ed.gov>. NSLDS provides students with up-to-date loan information regarding all loans borrowed.