



NEW MEXICO HIGHLANDS UNIVERSITY®

Office of Financial Aid and Scholarships

Box 9000 • Las Vegas, NM 87701

Office: 505-454-3318 / 1-800-379-4038 • Fax: 505-454-3398 • Email: financialaid@nmhu.edu

2015-2016 Federal Direct Stafford Loan Request

Federal Direct Student Stafford Loan Information

A Federal Direct Stafford Loan is a loan for students to help them pay for their educational expenses. The student borrower is responsible for repaying the loan. To apply for a Stafford loan, the applicant must be a United States citizen or eligible non-citizen, not in default on a federal student loan, be meeting the school's Satisfactory Academic Progress Standards, and be enrolled in at least six credit hours. The student is not required to have approved credit. Repayment for the Federal Direct Stafford Loan begins six months after the student graduates or drops below half-time enrollment. Several repayment plans are available.

How to Apply for a Direct Stafford Loan

- Complete the 2015-2016 FAFSA (Free Application for Federal Student Aid) online at www.fafsa.gov. Be sure to list NMHU federal school code: 002653.
- Complete a Direct Stafford Loan Request Form.
- It is required that 1st time borrowers complete a Direct Loan Entrance Counseling session at www.studentloans.gov. All borrowers are strongly encouraged to complete Financial Awareness Counseling at www.studentloans.gov.
- Once the loan is certified by the Financial Aid Office, sign the Direct Loan Master Promissory Note (MPN) on-line with your FAFSA PIN at www.studentloans.gov.

Additional Federal Disbursements Rules

One Semester Loans: Loans that cover one semester will be issued in two disbursements, one at the beginning of the term and the second halfway through the term.

Multiple Semester Loans: According to federal regulations, loans for multiple semesters must be disbursed in equal amounts.

Falling Below Half-Time Enrollment: If the student withdraws or drops below half-time enrollment, loan disbursements may be subject to cancellation/reduction. If the student ceases attendance, whether through graduation or withdrawal, the student must complete exit counseling at www.studentloans.gov.

First Time Borrowers are subject to a 30-day delayed delivery of loan monies. Funds will not be released until 30 days from the start of the semester.

Availability of Funds

Release of funds may be delayed, cancelled and/or returned based on the following criterion:

- You must be enrolled half-time & accepted within the designated program as degree seeking.
- You must meet satisfactory academic progress in your program of study.
- It is required that 1st time borrowers complete a Direct Loan Entrance Counseling session at www.studentloans.gov. All borrowers are strongly encouraged to complete Financial Awareness Counseling at www.studentloans.gov.
- You must complete a Master Promissory Note.
- You cannot receive funding beyond your cost of attendance.
- Loan requests will only be processed after we have finalized your financial aid file; your academic progress has been determined; and we can verify your enrollment of at least six (6) credit hours in your program of study.

BORROWER'S RIGHT TO CANCEL:

You have the right to cancel all or part of your Federal Stafford Loan. You must submit a loan cancellation/reduction request to the Financial Aid Office within 14 days of the disbursement or before the first day of class, whichever is latest, so that no interest will be charged and loan fees will be cancelled. You may request a loan cancellation/reduction by submitting a letter with an original signature via mail, fax, in person, or by sending an email to your Financial Aid Advisor.

**Please understand that by cancelling all or a portion of your loan disbursement, you will be responsible for any outstanding balances owed to the university.*

Note: Loan processing takes additional time and the process largely depends on you. Plan accordingly and prepare for this processing time. Stay in touch with the Financial Aid Office and review your information on-line (available 24/7 at www.nmhu.edu – My NMHU, enter secure area).

- Beginning 2013 -2014 (loan periods beginning July 1, 2013 through June 30, 2014), Stafford loans for graduate and professional students will be unsubsidized with a fixed interest rate of 5.41%. The fixed interest for undergraduate students will be 3.86%. The interest rates for federal student loans are determined by federal law. If there are future changes to federal law that affect federal student loan interest rates, you can view those updates at www.studentaid.ed.gov/interest.
- As of July 1, 2012 graduate and professional students are only eligible for Direct Unsubsidized Loans. Federal student loan interest rates will rise July 2014, visit www.studentaid.ed.gov/interest for updates.
- On July 6, 2012, the President Obama signed a new regulation into law MAP-21, which placed a limit on Direct Subsidized Loan eligibility for first-time borrowers on or after July 1, 2013. (A first-time borrower is defined as someone who has no outstanding balance of principal or interest on a FFEL or Direct Loan when receiving a Direct Loan on or after July 1, 2013). A first-time borrower on or after July 1, 2013, is no longer eligible to receive additional Direct Subsidized Loans if the period during which the borrower has received such loans meets or exceeds 150 percent of the published length of the program in which the borrower is currently enrolled. If your program is published to take four years, you may not take out Direct Subsidized Loans for more than six academic years. These borrowers may still receive Direct Unsubsidized Loans for which they are otherwise eligible. The purpose of the statutory changes is to encourage students to complete their academic programs in a timely manner. Timely completion of programs will allow borrowers to reap the benefits of a postsecondary degree or credential and avoid incurring unnecessary student loan debt.

Annual Loan Limits

The following annual loan limits apply based on a student's grade level, dependency status and enrollment in a graduate or undergraduate program. The annual loan limits apply to the entire academic year which includes the summer, fall, and spring terms.

| Credit Requirement | Grade Level | Subsidized Limit | Unsubsidized Limit | Extended Unsubsidized Independent Students |
|---|---|------------------|--------------------|--|
| 0-32 | Freshman | \$3500 | \$2000 | \$4000 |
| 33-63 | Sophomore | \$4500 | \$2000 | \$4000 |
| 64-95 | Junior | \$5500 | \$2000 | \$5000 |
| 96 plus | Senior | \$5500 | \$2000 | \$5000 |
| | Graduate Student | \$0 | \$20,500 | |
| | Teacher Certification only (not in a master's degree program) | \$5500 | \$7000 | |
| Annual amounts may be limited based on the Cost of Attendance and other financial aid received. The maximum cumulative loan limits are governed by federally determined maximum limits for all post-secondary education as indicated below: | | Total Subsidized | | Total Subsidized and Unsubsidized |
| Dependent Undergraduate | | \$23,000 | | \$31,000 |
| Independent Undergraduate | | \$23,000 | | \$57,500 |
| Graduate | | \$65,500 | | \$138,500 |

Subsidized: Direct Stafford subsidized loans are federally guaranteed loans based on financial need. Interest does not accrue on the loan while you are in school at least half time, or during any future deferment periods. The federal government “subsidizes” (or pays) the interest during these times.

Unsubsidized: Direct Stafford unsubsidized loans are federally guaranteed loans that are **not** based on financial need. Interest does accrue from the time the loan is disbursed to the school.



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2015-2016 Federal Direct Stafford Loan Request

Name: _____ SSN/Banner ID: _____

Address: _____
Last First Street Apt# City State Zip code

Telephone: (____) _____ Email Address _____ Date of Birth ____/____/____

Select the Loan Period (CHECK ONE ONLY): Fall Only Fall/Spring Spring Only Summer Only

Grade Level _____ Anticipated Graduation Date (mm/yyyy) ____/____/____

Total Amount Requested: \$ _____ (See Annual Loan Limits per Grade Level table page 2)
{“MAXIMUM” is NOT ACCEPTABLE – you MUST provide a dollar amount}

I request the following loan type(s). (Please check one or both): Subsidized Unsubsidized

- I understand that all required Financial Aid documentation must be on file before loan consideration can begin.
- I understand that I will be considered for all other funds before a loan will be applied to my financial aid package. If other aid is presented after the fact, my loan may be affected.
- I understand that if I am over awarded any type of financial aid, all or some of my loan funds may be returned to the Department of Education.
- I must enroll and attend at least 6 credit hours in my program of study each semester to receive loan funding.
- I must be making Satisfactory Academic Progress before my loan can be certified.
- I understand that submitting a loan request does not guarantee processing and the Financial Aid Office will make final determination of processing based on my individual student eligibility.
- I understand that if my enrollment changes, my loan amounts could be reduced.
- I understand that if I do not attend or withdraw from all of my classes, I may be required to return a portion of my loans.
- I understand all Direct Loans require repayment with interest 6 months after I stop attending classes at least half time.
- I understand that if I have not completed a Loan Entrance Counseling session, electronically signed the Master Promissory Note, or am not enrolled at least 6 credit hours my loan request will not be processed.

I have read and fully understand the requirements necessary to receive a Direct Loan as stated on this form. I understand that it is my responsibility to make certain that I have completed the necessary steps to receive a Direct Stafford Loan.

Signature: _____ Date: _____

Office Use Only

| | | | | | | |
|-----------------------------------|---------|-------------------------|------------|-------------------------------|-------------|--------------|
| FAFSA File: Complete / Incomplete | | Dependent / Independent | | SAP: | Credit Hr: | Grade Level: |
| Sub | Budget: | EFC: | Resources: | Fin Aid: | Unmet Need: | |
| Unsub. | Budget: | EFC: | Resources: | Fin Aid: | Unmet Need: | |
| Total Subsidized Available: | | | | Total Unsubsidized Available: | | |
| Comments: | | | | | | |
| Certified By: | | | Date: | | | |