

**William D. Ford Federal Direct Loan Program (Direct Loans)  
Application Procedures 2009-2010**

**\*\*A student must be *matriculated, enrolled for at least six credit hours, and in good academic standing* to be eligible for a student loan.\*\***

**Required Documents:**

1. The results of the Free Application for Federal Student Aid (FAFSA) must be on file at the college (or student may bring in Student Aid Report) before a loan can be processed.
2. If selected for verification, a completed Verification Worksheet, a copy of student's 2008 federal tax return and, for dependent students, a copy of parents' 2008 federal tax return must be submitted to Financial Aid Office.
3. Complete a **Direct Loan Request Form** – available online at [www.ecc.edu/admissions/directloan.asp](http://www.ecc.edu/admissions/directloan.asp) or in the Financial Aid Office.
4. First-time Direct Loan borrowers must complete a Loan Entrance Interview online at [www.dl.ed.gov/borrower/CounselingSessions.do?cmd=initializeContext](http://www.dl.ed.gov/borrower/CounselingSessions.do?cmd=initializeContext).

**NOTE: ALL BORROWERS MUST COMPLETE A NEW MASTER PROMISSORY NOTE (MPN) ONLINE AT <http://DLENOTE.ED.GOV>.**

**Procedures:**

1. Financial Aid Office certifies loan eligibility and electronically **forwards certification to William D. Ford Federal Direct Loan Program (Direct Loans)**.
2. **Direct Loans will send instructions for completing a Direct Loan Program Master Promissory Note (MPN) to first-time borrowers. The borrower must complete the MPN at <https://dlenote.ed.gov/empn/index.jsp>.**
3. Previous Direct Loan borrowers will not have to sign another MPN for subsequent loans.
4. Student will receive approval or denial notice from Direct Loans.
5. Direct Loans disburses loans (less the 1.5% origination fee) in two installments (disbursements) directly to the college Bursar's Office, credited to student's account, through an electronic funds transfer (EFT) process. If you are a first-time borrower, your loan cannot be disbursed until at least 30 days *after* the first day of school.
6. If Bursar Office receives loan funds for a student who is not enrolled for at least six (6) credit hours, funds must be returned to Direct Loans.
7. Erie Community College has a "First Monies In" policy. If loan funds are received *before* grant funds, unpaid tuition and fees will be deducted from loan monies.
8. Withdrawing from college: If the student totally withdraws from college prior to completing 60% of the semester, the loan must be prorated based on the number of days in attendance. Loan funds *unearned* must be returned to the lender. If the loan was used to pay tuition bill, the student may now have an outstanding bill with the college. The student should see a Financial Aid Counselor before withdrawing from college.
9. A Loan Exit Interview is required upon graduation or when the student ceases to be enrolled for at least six credit hours.

**THE LAST DATE THE FINANCIAL AID OFFICE WILL ACCEPT LOAN APPLICATIONS FOR THE 2009-2010 ACADEMIC YEAR WILL BE: \*\* MAY 1, 2010 \*\***