Federal Direct Loan Program

Undergraduate Students
Freshman  Sophomore  Junior  Senior
or working on second undergraduate degree

Southern Arkansas University
Office of Financial Aid
100 East University
MSC 9344
Magnolia, AR 71753
www.saumag.edu/finaid

Need Money for College?

Complete a Free Application for Federal Student Aid (FAFSA) at www.fafsa.gov
Application for Federal Direct Loan Program

Student must have a current FASFA on file. Please answer all questions.

1. Last Name __________________________ First Name __________________________ M.I. __________________________ Telephone Number __________________________

2. Social Security Number __________/________/________ Date of Birth __________ Driver’s License State __________________________ Driver’s License Number __________________________

3. Address __________________________ Street __________________________ City __________________________ State __________________________ Zip __________________________

4. E-mail Address __________________________

5. Expected Graduation Month __________ Year __________ Major __________________________

6. Requested amount for academic year $________________________(see next page at the bottom for max. amounts)
   Subsidized Loan Program __________________________ Yes __________ No __________
   Unsubsidized Loan Program __________________________ Yes __________ No __________

7. Dependent students only: IF PLUS is denied - requested amount $________________________ unsubsidized only. Yes __________
   If PLUS denied requires PLUS Loan application to be completed by parent.

Where will you live?  
- Residence Hall  
- Univ. Village/Courts  
- Off Campus  
- With Parent

Check only one box.

8. Loan Period: All loans come in two disbursements. All loans will be processed as a Fall and Spring academic year loan. To receive a semester only loan, student must submit documentation showing need for a semester only loan. A semester only loan will be awarded up to cost of attendance for the semester less other aid received by the student. If a student is graduating at the end of the Fall semester, loans will be awarded for that semester only. The loan will be prorated based on current Federal regulations and will be reflected in your completed award package subject to change. If a student’s first semester to attend SAU is during the Spring, the loans will be for that semester only. If the student is requesting a Spring only loan and is graduating at the end of the Spring semester, loans will be awarded for that semester only. The loan will be prorated based on current Federal regulations and will be reflected in your completed award package subject to change. A student must be enrolled in at least 6 hours each semester to receive a student loan. Loans can only be awarded for students seeking an approved degree program at SAU. Since refund dates are determined by award date and several other factors, actual individual refund dates will vary.

First-time borrowers with less than 30-credit hours have a 30-day hold on the first disbursement.

9. I want work on campus. Yes __________ No __________

I have read the given information and understand the Federal Direct Loan policies and procedures. (see next page)

Signature __________________________ Date __________________________

Grade Level: Freshman __________ Sophomore __________ Junior __________ Senior __________

Dependency Status: Dependent __________ Independent __________

Entrance Interview  
- MPN ____________

Certified Loan Amount: Sub $__________ Unsub $__________

Cost of Attendance $__________

EFC $__________

Fin. Aid Received $__________

Remaining Need $__________

NSLDS Totals
- Sub. _________
- Unsub. _________
- Comb. _________

Awarded _________

Semester Breakdown F _________ F _________

Sp _________ Sp _________
Stay Informed - **Please check your loan debt balance by logging in to studentloans.gov**

**Federal Direct Student Loan Policy**

Your Student Pin Number is your new best friend; you will use it to complete your FAFSA each year, the Entrance Interview, Student Loan Master Promissory Note, and Exit Interview if you drop below half-time: six credit hours or when you graduate from Southern Arkansas University.

1. To obtain a Federal Direct Student Loan, a borrower must:
   a. Complete the Free Application for Federal Student Aid (FAFSA) and complete all supporting documentation. It is your responsibility to ensure that your file is complete. Most requests are communicated via your student e-mail and by accessing your mySAU account. You may always contact the Office of Financial Aid for questions.
   b. Complete the Application for Federal Direct Loans.
      I understand that upon estimation of my first loan request a Master Promissory Note (MPN) must be completed online. Funds cannot be disbursed until the Department of Education has received the completed MPN.
   e. Step by step instructions for each of the above requirements can be found at [www.saumag.edu/finaid/](http://www.saumag.edu/finaid/) under “How To.”

2. First year, first time borrowers may not receive the proceeds on their first loan disbursement until 30 days after the first day of the class day of their first semester of enrollment at Southern Arkansas University.

3. Semester only loans for a student graduating at the end of that semester will be prorated based on current Federal regulations and will be reflected in your completed award package subject to change.

4. Reduce/Refusal of request - The Office of Financial Aid reserves the right to certify a loan amount less than requested by the student or to completely refuse to certify the loan.

5. For more information on current interest rates go to [http://studentaid.ed.gov/About/announcements/interest-rate](http://studentaid.ed.gov/About/announcements/interest-rate)

I understand that Federal Direct Loan funds are Federal funds. In order to be eligible I must be seeking a degree and meeting SAU’s Satisfactory Academic Progress Policy. All the policies and procedures for Federal Aid also apply to Federal Direct Loans. Federal Loan funds do have restrictions on their usage. Loan funds must be used for educational expenses only, such as tuition, fees, books, room and board, etc. **I understand that I must complete the FAFSA and loan packet each academic year in order to apply for loan funds.**

I understand that the loan proceeds will be disbursed in at least TWO disbursements. My lender will notify me of the disbursement dates. I also understand that once the school has received my loan funds, I must be attending at least half-time. Failure to be enrolled at least half-time at the time of disbursement will result in the loan funds being returned to the lender. **Since refund dates are determined by award dates and several other factors, actual individual refund dates will vary.**

**Federal Direct Student Loan Limits**

These loan figures are the maximum amount a student can borrow. However, not all students are eligible for the maximum amount due to other financial aid awarded.

<table>
<thead>
<tr>
<th>Dependental</th>
<th>Students Federal Direct Loans</th>
<th>Subsidized</th>
<th>Unsubsidized</th>
<th>If Parent PLUS denied</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freshman</td>
<td>0 – 29 credit hours</td>
<td>3500 per yr</td>
<td>2000 per yr</td>
<td>4000 per yr</td>
</tr>
<tr>
<td>Sophomore</td>
<td>30 – 59 credit hours</td>
<td>4500 per yr</td>
<td>2000 per yr</td>
<td>4000 per yr</td>
</tr>
<tr>
<td>Junior</td>
<td>60 – 89 credit hours</td>
<td>5500 per yr</td>
<td>2000 per yr</td>
<td>5000 per yr</td>
</tr>
<tr>
<td>Senior</td>
<td>90+ credit hours</td>
<td>5500 per yr</td>
<td>2000 per yr</td>
<td>5000 per yr</td>
</tr>
<tr>
<td>Undergraduate aggregate dependent</td>
<td>23,000 in subsidized funds</td>
<td>31,000 in total loan funds</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Independent Students Federal Direct Loans</th>
<th>Subsidized</th>
<th>Unsubsidized</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freshman</td>
<td>3500 per yr</td>
<td>6000 per yr</td>
</tr>
<tr>
<td>Sophomore</td>
<td>4500 per yr</td>
<td>6000 per yr</td>
</tr>
<tr>
<td>Junior</td>
<td>5500 per yr</td>
<td>7000 per yr</td>
</tr>
<tr>
<td>Senior</td>
<td>5500 per yr</td>
<td>7000 per yr</td>
</tr>
<tr>
<td>Undergraduate aggregate independent</td>
<td>23,000 in subsidized funds</td>
<td>57,500 in total loan funds</td>
</tr>
</tbody>
</table>
STEP ONE

Southern Arkansas University
ONLINE
Student Loan Counseling

Please complete this as soon as possible.

This step should be completed before your loan is estimated, but must be completed before funds can be released to SAU and applied to your student account.

You may access the application at:
https://www.studentloans.gov

Once we receive notification that you have completed your entrance counseling we will finish processing your loan.

1. Step by step instructions can be found at www.saumag.edu/finaid located under the “How To” menu.
2. Login using your FSA ID and password. (If you have forgotten the FSA ID, go to https://fsaid.ed.gov and click on Create my ID or Edit my ID).
3. Select Complete Counseling.
4. Select Complete Entrance Counseling.
5. Select state “Arkansas” and select school “Southern Arkansas University” click on Add School.
6. Select “Direct Loans as an undergraduate student,” click on Continue.
7. Complete the counseling session by reading and answering the questions. This part helps to explain about repayment and helps you estimate what your repayments could be.
8. Print the confirmation page by clicking on the print button and save this page as proof of completion.
9. You can complete the Master Promissory Note (see Step 2). Click on the link for Complete Master Promissory Note or go back to the home page.

STEP TWO

Southern Arkansas University
ONLINE
Master Promissory Note
Undergraduate Student

Complete this step at the same time as Entrance Counseling. Both steps are required by SAU and Direct Lending before the estimated funds can be released to SAU and applied to the students account.

You may access the application at:
https://www.studentloans.gov

1. Step by step instructions can be found at www.saumag.edu/finaid located under the “How To” menu.
2. Login using your FSA ID and password. (If you have forgotten the FSA ID, go to https://fsaid.ed.gov and click on Edit my ID).
3. Select Master Promissory Note.
4. Select type of loan Subsidized/Unsubsidized.
5. Complete the blanks including personal information and/or update the information provided.
6. You will be asked to furnish information for two separate adult references who have known you for at least three years. First reference should be a parent (if living) or legal guardian. Both references must be completed in full.
7. Permanent address is: number, street, apt. number, or rural route number and box number. Under relationship if you choose Other, you must also type in a relation (such as spouse).
8. Read all sections of the Terms and Conditions check the acknowledgement statement box click Continue.
9. Review information and edit if needed. Type in First Name, MI, Last Name and click Sign.
10. Follow directions on pop-up screen, then click on Submit.