



# WALLACE STATE

## HANCEVILLE

Applying for Financial Aid  
Complete 2011- 2012 Financial Aid Packet  
[financialaid@wallacestate.edu](mailto:financialaid@wallacestate.edu)

### 1. Apply for Admission to the College

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- Submit **all** official transcripts from high school/previous colleges or GED.
- High School transcripts should state type of diploma and contain exit exam scores.
- Provide one primary form of I.D. or two secondary forms of I.D.
- International Students must provide VISA and meet "Homeland Security Guidelines."
- Must declare a major/program to be eligible for grants/loans; undecided is not a major eligible to receive financial aid funding.
- Current mailing address and email address should be maintained in the Admissions Office to assure current information is received by all students.
- Students are not eligible for financial aid until academic requirements for quantitative and qualitative Satisfactory Academic Progress requirements are met.

### 2. Take Placement Test- Compass/ACT/Other

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- Make sure scores are provided to the Admissions Office
  - ACT scores usually on back of High School Transcript
- State Board Policy states that all students must take a placement test unless qualified for exemption
- Must qualify for Ability to Benefit based on entrance test scores (ACT or Compass Placement) prior to enrollment or receipt of financial aid
  - Compass Placement Test is given Monday through Thursday from 8 until 2 and on Friday from 8 until 11:30 AM (WSCC closed on Fridays during the months of June and July) in the **Health Science Building- 256-352-8040**
- No charge for first Compass Test; \$8.00 for retest and may only retest once within a 3 year period
- Compass Test is multiple choice and is not timed

### 3. Apply for Pell Grant

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- Apply online at [www.fafsa.gov](http://www.fafsa.gov) or [www.fafsa.ed.gov](http://www.fafsa.ed.gov)
- Make sure to include an e-mail address on FAFSA form
- Must use household income such as: VA Disability Compensation benefits, disability, and child support.
  - Federal School Code is: **007871 – Wallace State Community College – Hanceville**
- Must obtain a PIN number for student and a parent where applicable. [www.pin.ed.gov](http://www.pin.ed.gov)
  - Dependent students' parents must obtain a PIN
- After filing a FAFSA, Wallace State will mail a letter to your home or email you upon receipt of the FAFSA information, usually 7-10 business days, with instructions to complete your aid
- After FAFSA process has been completed, complete the following:
  - Verification Form (FRONT & BACK), Disbursement Form
  - **If no taxes were filed** for either student or parent, a **Non-Filer Form** must be filled out (included)
  - Students that did not file Income Taxes will be required to fill out the **Financial Resources Less than \$9350** form (included)
  - Bring Driver's license, income taxes, and documents required to verify income
- Sign and return issued award letter from Financial Aid

**+++It is the student's responsibility to: file the FAFSA, request a PIN number, retrieve the PIN number, make corrections, add WSCC's school code of 007871, complete the loan counseling, and know student loan debt.**

**Financial Aid personnel are NOT allowed to complete these steps for the student. +++**

*Wallace State Community College is an Equal Employment-Equal Education Opportunity Institution*

# WALLACE STATE HANCEVILLE

*A Life Less Ordinary*

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## CHECKLIST FOR FINANCIAL AID

[financialaid@wallacestate.edu](mailto:financialaid@wallacestate.edu)

- Apply for Admissions
  - Have Official College/High School transcripts sent to and verified by the Admissions Office
- Take Placement Test or verify exemption
- Apply for a PIN number ([www.pin.ed.gov](http://www.pin.ed.gov))
  - Student and Parent
  - Does not change from year to year. If you already have one, you may skip this step.
- Submit FAFSA Application ([www.fafsa.gov](http://www.fafsa.gov))
  - School Code: 007871
- 7-10 days later FAFSA application arrives at school. School will email student from FAFSA email and let student know to submit Forms/Information to Financial Aid office
  - Verification Form; Disbursement Form; Non-Filer; Less than \$9,350 Form
  - Submit Taxes, Social Security, Legal Documents, etc.
  - Incomplete paperwork will not be accepted
- Submit Loan Profile if interested in Direct Loan
  - Complete Master Promissory Note at [www.studentloans.gov](http://www.studentloans.gov)
  - Complete Entrance Counseling at [www.studentloans.gov](http://www.studentloans.gov)
    - School listed as George C. Wallace State Community College- Main Campus

### Priority Deadline

Fall 2011.....June 1<sup>st</sup>

Spring 2012.....October 1<sup>st</sup>

Summer 2012.....March 1<sup>st</sup>

\*\*Please remember, it is the student's responsibility to: File the FAFSA form, request a pin number, retrieve the pin number, make corrections, add WSCC's school code of 007871, complete the loan counseling, and e-sign master promissory note. Financial Aid personnel are NOT allowed to complete these steps for the student.\*\*

## Important Financial Aid Quick Facts

### **Please take note:**

- **Most** cash scholarships and PACT **will** pay for courses that are **not required** for program of study/major.
- Books may be charged at the bookstore beginning **the first day of class** for all types of aid that cover bookstore expenses. We will publish a day each semester that Pell Grant and Direct Loans may be used to charge aid.
- Students may check their financial aid at any time by logging on to [www.wallacestate.edu](http://www.wallacestate.edu). They can look at their financial aid summary at any time by utilizing student services module, by using their student number and PIN code.
- Students who register for classes that **do not begin the first day of the regular semester**, and those classes change their enrollment status, may not be eligible to receive refund balances until the class has met and attendance has been verified.
- Students who withdraw from **all** classes are **not eligible** to receive a balance refund check.

### **Pell Grant Information**

- Students are paid according to amount of money the federal government determined for their eligibility coupled with the number of credit hours they are taking within their program of study/major.
- Pell Grant **will not** pay for courses not required by the program of study/major.
- Students must have a 2.0 for Pell Grant after the first 2 fulltime semesters of fulltime enrollment.
- **Pell Grant will only pay for a course twice.**
- Pell Grant will **receipt** (clear in business office) the entire balance owed by a student.
- Pell Grant will **not** pay for seasonal items in the bookstore such as mugs, clothing (not required for program), car tags, backpacks, etc.
- Students who withdraw from **all** classes are **not eligible** to receive a balance refund check until the Return of Title IV calculation has taken place. The student may be eligible for a post withdrawal disbursement after that calculation has taken place. This process is in the best interest of the student to assure they will only pay back a minimal amount of funds.
- Pell Grant refunds are disbursed **14 days** after classes begin (date published in semester schedule.)
- Pell Grant funds must be used **before** Direct Loan funds.

### **Direct Loan Information**

- Student must be enrolled a minimum of **half time** (6 credit hours) status to receive a loan. Students who are **not currently attending** (within the past week) prior to loan refunds, are not eligible for a Direct Loan refund check.
- Students receiving loans for only one semester during an academic year must receive payment in two disbursements. The first is 30 days after the first day of class and the second disbursement is after the term's midpoint (dates published in semester schedule)
- Direct Loans **will** pay for a repeated course twice.
- Direct Loans **will not** pay for seasonal items in the bookstore such as mugs, clothing (not required for program), car tags, backpacks, etc.
- **Direct Loans will not pay for courses that are not within the students' program of study/major.**
- Direct Loan funds pay only **after** Pell Grant funds have been exhausted.
- Students must have a 2.0 for Direct Loan after the first 2 full-time semesters of enrollment.

### **SEOG/ASAP Information**

- Students are considered for SEOG/ASAP based on need and availability of funds.
- Apply with the FAFSA Application.

### **WIA/TAA and Voc Rehabilitation Information**

- Students are required to submit their schedule and grades to their counselor each semester at these state agencies. Students may obtain that information themselves at any time at [www.wallacestate.edu](http://www.wallacestate.edu).
- Students have a set amount of funding depending on their program of study. If students have questions, they should visit the financial aid office or their counselor at these outside agencies.

## Scholarships

Information (about in-house scholarships) is available online by visiting our website at [www.wallacestate.edu/finaid](http://www.wallacestate.edu/finaid). Outside scholarship information can be obtained at [www.fastweb.com](http://www.fastweb.com).

## Attendance

- **Students who have not attended class are not eligible to receive a Pell Grant refund.** Instructors complete attendance verification electronically at designated times during the semester. **Students may be asked to provide signatures of instructors that have turned the student in as not attending. Instructors will NEVER sign an Attendance Voucher if a student has not attended.** We attach the AV form to each student's check when we put the hold on the refund check. The form has a place for the instructor that turned in the student as a "no show" to sign above his/her name. A statement has also been added to the AV for the student to also sign this form. This is in place to prevent forgery. Students who are not currently attending at least half time are not eligible to receive a loan refunds
- Students who withdraw from a class **must have their financial aid reevaluated** to determine the actual amount of aid they are eligible to receive depending on class attendance.

## Priority Dates

- Priority Deadline Date for Fall 2011-2012 is June 1, 2011. All financial aid begins a new year of eligibility on August 1, 2011. Students should renew their FAFSA as soon as tax information is available. The Financial Aid Office will begin packaging aid after April 1, 2011.
- Financial Aid Dates are published on the Financial Aid calendar at [www.wallacestate.edu/finaid](http://www.wallacestate.edu/finaid)



# WALLACE STATE HANCEVILLE

## 2011-2012 Verification Worksheet

Federal Student Aid Programs  
 Must apply for Federal Student Aid at <http://www.fafsa.gov/>

### What you should do

1. Collect your and your parent(s)' or spouse's financial documents (signed Federal income tax forms, W-2 forms, etc.).
2. Complete and sign the worksheet- you and at least one parent if dependent.
3. Submit the completed worksheet, signed tax forms, and any other documents your school requests to your financial aid administrator.
4. **WSSC will review the requested information, under the financial aid rules (VER Title 34, Part 668)**

### A. Student Information

Last Name	First Name	Middle	Social Security Number
Address (include apt. no.)			Date of Birth
City	State	ZIP Code	Phone number (include area code)

### B. Family Information:

#### Dependent

List the people in your parents' household, including:

- yourself and your parent(s) (including stepparent) even if you don't live with your parents, and
- your parents' other children, even if they don't live with your parent(s), if (a) your parents will provide more than half of their support from July 1, 2011 through Jun 30, 2012, or (b) the children would be required to provide parental information when applying for Federal Student Aid, and
- other people if they now live with your parents, and your parents provide more than half of their support and will continue to provide more than half of their support from July 1, 2011 through June 30, 2012.

#### Independent

List the people in your household, including:

- yourself, and your spouse if you have one, and
- your children, if you will provide more than half of their support from July 1, 2011 through June 30, 2012, even if they do not live with you, and;
- other people if they now live with you, and you provide more than half of their support and will continue to provide more than half of their support from July 1, 2011 through June 30, 2012.

Write the names of all household members in the space(s) below. Also write in the name of the college for any household member, excluding your parent(s), who will be attending at least half time between July1, 2011 and June 30, 2012, and will be enrolled in a degree, diploma, or certificate program. If you need more space, attach a separate page.

FULL NAME	AGE	RELATIONSHIP	COLLEGE
		<i>SELF</i>	<i>WALLACE STATE- HANCEVILLE</i>

**C. Student's Tax Forms and Income Information (all Applicants)**

1. Tax returns include the 2010 IRS Form 1040, 1040A, 1040EZ, a tax return from Puerto Rico or a foreign income tax return. If you did not keep a copy of your return, request a copy from your tax preparer or request an Internal Revenue Service form that lists tax account information.

Check here if you will not file and are not required to file a 2010 U.S. Income Tax Return

2. Funds received for child support and other untaxed income. (see Question 47 of the Free Application for Federal Student Aid (FAFSA).)

Sources of Untaxed Income	2010 Amount	Sources of Untaxed Income	2010 Amount
a. Child Support	\$	d. Making Work Pay Credit	\$
b. Workman's Compensation	\$	e.	\$
c. Untaxed Pensions	\$	f.	\$

3. If you did not file and are not required to file a 2010 Federal income tax return, list below your employer(s) and any income received in 2010 (use the W-2 form or other earnings statements if available.)

Sources	2010 Income
	\$
	\$
	\$

**D. Dependent- Parent's Tax forms/Info | Independent- Spouse's Tax forms/Info (if student is married)**

1. Tax returns include the 2010 IRS Form 1040, 1040A, 1040EZ, a tax return from Puerto Rico or a foreign income tax return. If your Parent or Spouse did not keep a copy of the tax return, request a copy from your tax preparer or request an Internal Revenue Service form that lists tax account information.

Check here if your parent or spouse will not file and is not required to file a 2010 U.S. Income Tax Return

2. Funds received for child support and other untaxed income. (see Question 47 of the Free Application for Federal Student Aid (FAFSA).)

Sources of Untaxed Income	2010 Amount	Sources of Untaxed Income	2010 Amount
d. Child Support	\$	e. Making Work Pay Credit	\$
f. Workman's Compensation	\$	e.	\$
g. Untaxed Pensions	\$	f.	\$

3. If your parent or spouse did not file and is not required to file a 2010 Federal income tax return, list below your parent or spouse's employer(s) and any income received in 2010 (use W-2 form or other earnings statements if available).

Sources	2010 Income
	\$
	\$
	\$

**E. Sign this Worksheet**

Each person signing this form certifies that all the information reported on it is complete and correct. If Dependent, a parent **MUST** sign and date. If independent and married, spouse's signature is optional.

**WARNING: If you purposely give false or misleading information on this worksheet, you may be fined, be sentenced to jail, or both.**

\_\_\_\_\_  
Student Date

\_\_\_\_\_  
Parent/Spouse Date

**Mail Completed forms to:**

Wallace State Community College  
C/o Financial Aid [financialaid@wallacestate.edu](mailto:financialaid@wallacestate.edu)  
801 Main Street SW Phone: 256-352-8182  
Hanceville, Alabama 35077 Fax: 256-352-8122

Do not mail this worksheet to the Department of Education. Submit this worksheet to the Financial Aid Office at Wallace State Community College. **DO NOT FORGET TO SIGN INCOME TAX RETURNS**

It is the official policy of the Alabama Department of Postsecondary Education, including postsecondary institutions under the control of the State Board of Education, that no person shall, on the grounds of race, color, handicap, gender, religion, creed, national origin, or age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program, activity, or employment. Wallace State Community College will make reasonable accommodations for qualified disabled applicants or employees.

# WALLACE STATE

## H A N C E V I L L E

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### Student's Rights and Responsibilities

- ✓ **It is the student's responsibility to know the procedures for receiving financial assistance as published in the Wallace State Community College Catalog and Class Schedule.**
- ✓ Different types of aid have different requirements. Every student has access to the catalog and class schedule at [www.wallacestate.edu](http://www.wallacestate.edu). Click on the catalog to open to the Financial Information section. From this section the student can check:
  - Eligibility requirements
  - Standards of Progress for receiving financial aid
  - How change of program or major can effect financial aid
  - Financial Aid Disbursement Dates for Pell Grants and Direct Loans
  - First days to charge books for the type of aid you are receiving.
  - Consequences for repayment for early withdrawal or failure to complete 60% of coursework
  - Appeal process
  - Refund policy
  - Cost of attendance
- ✓ It is the student's responsibility to renew his/her financial aid each new school year.
- ✓ It is the student's responsibility to know the financial aid deadlines and to meet them.
- ✓ It is the student's responsibility to provide all documents required to complete your financial aid file in our office.
- ✓ It is the student's responsibility to repay any and all student loans. When you sign a promissory note, you agree to repay the loan.
- ✓ It is the student's responsibility to take care of all school business. FERPA guidelines prevent our staff from disclosing any personal information to anyone other than the student.
- ✓ It is the student's responsibility to maintain accurate contact information in the admissions office including a name, current address and telephone number. We will mail checks to the address on file with the school.
- ✓ All students are responsible for knowing the amount of aid they receive and they will be responsible for any balance due on their account for any reason. Students who enrolled in classes with start dates after the first day of classes (mini-sessions, telecourses, and/or weekend) **may not be eligible to receive their remaining balance check until after these classes begin**. Call the financial aid office for additional information.
- ✓ It is the student's responsibility to read, understand and retain a copy or ask for a copy of any document they sign.
- ✓ It is the student's responsibility to notify financial aid of any changes of program or schedule after classes start. Those changes may affect the student's eligibility for aid. You must also notify the outside agency if one is providing the aid for you.
- ✓ It is the student's right to ask how the school determines your need for financial assistance and how much of that need has been met.
- ✓ If a student is offered a work study job, it is the student's right to ask specifics about the position. It is the student's responsibility to satisfactorily perform the job.

The student Agreement & Acknowledgement Form must be submitted to the Financial Aid Office prior to the evaluation of your Financial Aid application.

**\*Note: This is not an application for a student loan. Additional documents are required to process your loan request. See the FA Office.**

### SECTION 1: STUDENT INFORMATION

Name \_\_\_\_\_ WSCC STUDENT ID# \_\_\_\_\_ / \_\_\_\_\_ LAST 4 OF SSN \_\_\_\_\_

### SECTION 2: CERTIFICATION/AGREEMENT STATEMENTS

To ensure that you are familiar with your academic progress requirements and how your financial aid funds are utilized, please read the statements below and *initial* all boxes to confirm your awareness of this information.

#### Communication

Initial I understand that the WSCC Financial Aid Office utilizes email for all official communication.

#### Satisfactory Academic Progress

Initial I am aware that I must maintain a cumulative grade point average (GPA) of 2.0 and must successfully complete the minimum number of hours at the enrollment level for which I received financial aid to ensure continuation of financial aid. I am also aware that I must complete my program within a 150 percent time frame of the published length of the program. Failure to meet these standards may result in the termination of my financial aid eligibility at WSCC. Students must complete at least 2/3 of all classes in the degree plan they have started.

#### Use of Financial Aid Funds

Initial I certify that I will use all Federal, State, and Institutional financial aid **only** for related educational expenses as defined by my cost of attendance at Wallace State Community College.

Initial I understand that the dollar amount awarded on the award letter does not take into consideration the credit/contact hours that I am enrolled in.

#### Release of Financial Aid Funds

Initial I understand that I will receive the balance of my Pell Award on the fourteenth day of classes each semester, and it is my responsibility to know the date of disbursement.

Initial I authorize Wallace State Community College to use my financial aid funds to pay for institutional costs other than tuitions and fees. This includes charges at the bookstore or on-campus housing.

Initial I understand if I am withdrawn for non-attendance, I may owe a portion of Financial Aid received.

Initial If I officially or unofficially withdraw from all classes prior to completing 60% of the semester, I understand that I am obligated to repay a percentage of the Title IV funds received.

Initial I understand that I cannot receive Financial Aid at another institution and WSCC in the same semester/term. I am aware I must notify the Financial Aid office if I request to cancel my Financial Aid Award.

Initial I understand that if I am receiving a loan for two semesters that my balance check will be available after the 31<sup>st</sup> day of the beginning of each semester (disbursement day and location will be published on the WSCC website).

Initial I understand that by obtaining a Direct Loan for only **ONE** semester the Department of Education requires two disbursements. The 1<sup>st</sup> loan disbursement will be 30 days after the first day of class. The 2nd disbursement will be after midpoint. I also understand that these dates are published in the student class schedule as well as the WSCC website.

Initial I understand to receive a Pell Grant or Direct Loan balance check that I must be enrolled and currently attending. (MUST BE VERIFIED BY THE INSTRUCTOR)

Student Signature \_\_\_\_\_ Date \_\_\_\_\_



# FINANCIAL RESOURCES LESS THAN \$9,350 OR OTHER UNUSUAL CIRCUMSTANCES

Student Name \_\_\_\_\_ Social Security No. \_\_\_\_\_

Please complete if your Student Aid Report (SAR) indicates income or financial resources of less than \$9,350 for the \_\_\_\_\_ calendar year. Or if you have other unusual circumstances, you must explain how you survived in the \_\_\_\_\_ calendar year on the resources reported on your SAR.

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Do you receive food stamps? \_\_\_\_\_ Subsidized utilities \$ \_\_\_\_\_

Do you receive subsidized housing? \_\_\_\_\_ Monthly Rent Allowance \$ \_\_\_\_\_

Do you live with a friend or relative? \_\_\_\_\_ Whom did you live with? \_\_\_\_\_

Do you receive support not reported on the SAR such as food, clothing, or shelter from friends, relatives, a church, etc?

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**NOTE:** Any cash provided to you or cash paid on your behalf must be reported on the SAR as untaxed income.

**WARNING: If you purposely give false or misleading information on this worksheet, you may be fined, sentenced to jail or both!**

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Signature

Date



2011-2012

## **A Guide to Responsible Borrowing & Loan Request Form**

- Pursue all other financial aid first
- Get all the facts about each loan program
- What are Federal Direct Loans?
- Budget before you borrow
- Estimate anticipated level of debt for your entire program of study
- Know manageable levels of debt
- Know the effects of multiple borrowing

## ❖ DON'T SIGN ANYTHING YET

You want to get off to a good start. That is why it is important to become a well-informed borrower before you take on the responsibilities that come with a loan.

### ❖ PURSUE ALL OTHER ALTERNATIVES FIRST

The federal government requires that you complete the FAFSA to determine eligibility for any need-based financial aid including Federal Direct loans. You should also pursue any potential scholarships and grants from your school, as well as external sources. Part-time employment is a great alternative to borrowing while at the same time acquiring valuable experience.

### ❖ GET THE FACTS ABOUT EACH LOAN PROGRAM

What are the maximum loan amounts? What can the loan be used for? What fees are deducted from the loan check? When does the loan go into repayment? What is the interest rate? Does the interest accrue while I am in school? What is the cost of deferring interest payments? How much are monthly payments and how long do I have to pay? Under what conditions can the loan be deferred or cancelled? What are the consequences of default?

**A loan is a legal binding obligation. Don't sign a promissory note until you know the answers to the above questions.**

The answers to these questions are found in the Application and Promissory Note under the heading "Borrower's Rights and Responsibilities." If you have further questions about the terms of the loans, you may contact WSCC's Financial Aid Office, the guarantee agency, or the U.S. Department of Education.

### ❖ TERMS TO KNOW

- ✓ **Principal:** Amount you borrow, which may increase as a result of capitalization of interest, and the amount on which you must repay interest.
- ✓ **Interest rate:** The cost you pay to borrow money.
- ✓ **Accrued interest:** Interest that accumulates on the unpaid balance of your loan principal.
- ✓ **Subsidized loan:** A need-based loan in which interest is paid by the federal government during the in-school, grace, and deferment periods.
- ✓ **Unsubsidized loan:** A non-need-based loan on which interest is not paid by the federal government. Borrowers are responsible for interest on all unsubsidized loans from the date the loan is disbursed. Interest may be capitalized.
- ✓ **Capitalization of interest:** Addition of accrued, unpaid interest to the principal of your loan.
- ✓ **Disbursement Date:** Date on which the bank sends student loan funds to the college.
- ✓ **Delivery Date:** Date on which the college gives the loan funds to the student.
- ✓ **Grace Period:** Specified period of time after you graduate or leave school during which you need not make payments on your loan.
- ✓ **Deferment:** A period when a borrower who meets certain criteria may suspend loan payments.
- ✓ **Default:** Failure to repay your loan on time, or in accordance with other terms of the promissory note.
- ✓ **Credit bureaus:** Organizations that track the manner in which borrowers repay credit obligations. This information becomes a part of each borrower's credit report and is available to other financial institutions.

## WHAT ARE FEDERAL DIRECT LOANS?

Beginning with the Fall 2010 semester, Wallace State Community College will be participating in the William D. Ford Federal Direct Loan Program (Direct Loans) for all Federal and Parent PLUS Loans.

By participating in the Direct Loan Program, Wallace State Community College ensures that you are guaranteed access to student loan funding because dollars are received directly from the federal government. The Direct Loan Program also provides the best borrower benefits available at this time. We believe that the Direct Loan model is easy for families to understand. Having ONE source for student loan funds reduces confusion and complications for students, provides "one stop shopping", creates timely loan disbursements, and provides better customer service.

You will need to complete a Federal Direct Loan master Promissory Note and Entrance Counseling at [www.studentloans.gov](http://www.studentloans.gov) if you plan to borrow money. You will need your Federal PIN number to complete your Master Promissory Note and Entrance Counseling.

## ❖ WSCC'S LOAN POLICY REQUIRES STUDENTS TO:

1. Have and maintain at least a cumulative GPA of 2.0 for each loan disbursement.
2. Have a completion ration (credits earned/credits attempted) of 67% or higher and maintain at least 67% completion ration for subsequent loan disbursements.
3. Maintain half-time enrollment (6-8 credit hours) to remain eligible for the second loan disbursement.
4. Have not exceeded the number of credit hours of their current program of study by more than 150%.
5. Have not exceeded the annual and aggregate loan limits. These limits include outstanding loans received prior to attending WSCC.

## ❖ WHO IS ELIGIBLE?

- Students who are actively enrolled for a minimum of 6 credit hours per term at Wallace State Community College.
- Citizens, permanent residents of the U.S., or permanent residents of an eligible trust territory.
- Students, not currently in default, or who do not owe a refund on any Title IV Program: Federal Pell, SEOG, ACG, SMART, FWS, Subsidized loan, Unsubsidized loan, PLUS, Perkins, or Consolidation Loan.
- Students who are maintaining satisfactory academic progress.
- Students who have satisfied all Selective Service Act requirements.
- Students who have a standard high school diploma or a GED.

## ❖ WHAT IS THE DIFFERENCE BETWEEN A SUBSIDIZED AND UNSUBSIDIZED DIRECT LOAN?

### THE FEDERAL DIRECT SUBSIDIZED LOAN

This loan is based on financial need that is determined by using a federal formula. A loan is "subsidized" when the government pays the interest for students during the following periods:

- while students are enrolled in at least half-time;
- during periods of authorized deferments;
- during the six—month grace period after the student stops attending school at least half-time
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### THE FEDERAL DIRECT UNSUBSIDIZED LOAN

This loan is not based on financial need and is available to all students regardless of income. Because this loan is not subsidized by the government, the student is responsible for any interest that accrues during in-school, grace and deferment periods. The student may choose to make all interest payments while in school or may defer and accumulate (capitalize) the interest until repayment.

## ❖ SOME TERMS OF THE LOAN

- **Fees:** Two types of loan fees are deducted from the gross amount of each loan check. The U.S. Department of Education charges a 1.5% origination fee.
- **Repayment:** The repayment of principal begins automatically six months after the student drops below half-time attendance.
- **Interest Rate:** For Federal Direct Loans first disbursed on or after July 1, 2010. For July 1<sup>st</sup>, 2010 through June 30<sup>th</sup>, 2011, the interest rate on new Federal Direct Subsidized Loan is 4.5% and Federal Direct Unsubsidized is 6.8%.

## ❖ LOAN COUNSELING REQUIREMENTS AT WSCC

The Federal Department of Education requires students who request a Federal Direct Loan to complete Entrance and Exit Counseling. This is a requirement whether or not you completed a loan counseling session at another school. Counseling can be completed at [www.studentloans.gov](http://www.studentloans.gov).

In order to fulfill the Online Entrance or Exit requirements, students may access the internet by utilizing computers at the campus library, campus labs, or in the convenience of their home.

## ❖ ENTRANCE COUNSELING

Students who are borrowing for the first time at WSCC or reentering WSCC after two years of non-attendance can fulfill this requirement by using the Online Entrance Counseling available at [www.studentloans.gov](http://www.studentloans.gov).

- On the Federal Student Loan Website you will be required log in.
- You will need your U.S. Department of Education Personal Identification Number (PIN).
- Read and agree to the Terms and Conditions.
- Wallace State will be listed as "George C. Wallace State Community College- Main Campus."

## ❖ EXIT COUNSELING

Student are required to complete Loan Exit Counseling during the last semester of enrollment or when they cease to attend on at least a halftime basis, whichever comes first. Student may fulfill this requirement by using the Online Exit Counseling available at [www.nsls.ed.gov](http://www.nsls.ed.gov).

- On the Federal Student Loan Website, you will be required to log in. You will need your U.S. Department of Education Personal Identification Number (PIN) to login.
- Read and agree to the Terms and Conditions.
- Wallace State will be listed as "George C. Wallace State Community College- Main Campus."

## ❖ HOW THE LOAN PROCESS WORKS AT WSCC

- I. In order to apply for the Federal Direct Loan, your financial aid file must be complete for the current academic year. In order for to complete your file, you must have filled out the following forms.
  - FAFSA Application
  - Student Agreement and Acknowledgment Form
  - WSCC Loan Request Form
  - Entrance Counseling Session
  - Other forms as requested by the Financial Aid Office (contact your home campus FA Office to confirm if additional forms are required)
  - The Financial Aid Office determines the amount of your eligibility based on federal law, information you provide, the cost of attendance, and other financial aid you may receive
  - The Financial Aid Office will transmit your loan certification to the U.S. Department of Education
- II. Loan Funds  
Wallace State Community College (WSCC) allows students to use their direct loan funds in the following ways.
  - Use Direct Loan funds to directly pay for tuition!
  - Use Direct Loan funds to purchase books!
  - Use Direct Loan funds to pay for dormitory charges!

## ❖ WHAT IS A MASTER PROMISSORY NOTE (MPN)?

The Master Promissory Note (MPN) is designed to make the loan process simple and straightforward. All new borrowers in the 2011-2012 school year must complete a new MPN with the U.S. Department of Education. The U.S. Department of Education will use the MPN for the duration of your education at Wallace State Community College. Here is the link to the Direct Loan Master Promissory Note site [www.studentloans.gov](http://www.studentloans.gov).

## ❖ HOW WILL MY LOAN FUNDS BE DISBURSED?

Students will receive the balance left in their account, in check form, after tuition, dorm, and bookstore charges have been posted to the account.

## ❖ WHEN WILL I ACTUALLY RECEIVE MY LOAN FUNDS?

You will receive the balance of your loan after the 31<sup>st</sup> day of class in accordance with federal guidelines. Attendance in **ALL** classes must be verified before funds will be disbursed. Students must be currently attending 6 credit hours to receive funds.

If a student is receiving loan funds for only one semester, the loan funds will be disbursed in two checks during that one term. Half of the loan funds will be disbursed after the 31<sup>st</sup> day of class and the 2<sup>nd</sup> half will be disbursed at Midpoint.

## ❖ NATIONAL STUDENT LOAN DATA SYSTEM

You may access your student loan(s) borrowing history by accessing the U.S. Department of Education's National Student Loan Data Systems (NSLDS) at [www.nsls.ed.gov](http://www.nsls.ed.gov). NSLDS is the U.S. Department of Education's central database for student aid. This website tracks each student loan that you borrowed at any school that participates in the Federal Loan Program. You will need to use your PIN number that was provided by the Department of Education, to access your information. You may apply for a PIN or re-establish your PIN at [www.pin.ed.gov](http://www.pin.ed.gov)

- Your eligible or ineligible Pell Grant file must be completed before your loan can be certified
- Must be currently attending at least 6 credit hours each semester to receive a loan disbursement
- All loans will be packaged for TWO SEMESTERS
- Loan Office will process your loan request in accordance with federal regulations

**READ and COMPLETE this form in its entirety if you want a Direct Loan**

### PART 1

1. Name: \_\_\_\_\_ 2. SSN: \_\_\_\_\_
3. Home Phone: \_\_\_\_\_ 4. Cell Phone: \_\_\_\_\_ 5. E-mail Address: \_\_\_\_\_
6. Has your address changed recently? If YES, please provide you new address: \_\_\_\_\_  
(here and in the Admissions Office)
7. Program of Study \_\_\_\_\_ 8. Attended other college (s): ( ) YES ( ) NO  
(cannot be undecided to receive funds)
9. Wallace State Graduation/Transfer Date: \_\_\_\_\_ 10. Place of Birth: \_\_\_\_\_  
(estimate)
11. Please check other financial aid you receive during this school year:
- Pell Grant     ACG     Scholarship
- Work-Study     Voc Rehab     WIA/TRA     AL GI     Chapter 30     SEOG     TRA     Other

### PART 2

**YOU MUST COMPLETE THE FOLLOWING BEFORE A STUDENT LOAN CAN BE CERTIFIED FOR YOU**

Visit <http://studentloans.gov>; here you will need to complete:

1. Entrance Counseling
  - a. Wallace is listed as "George C. Wallace State Community College- Main Campus"
2. Complete Master Promissory Note (MPN) E-Signature

You need your FAFSA 4-digit PIN to complete this process. If you do not remember your PIN, you can access it at [www.pin.ed.gov](http://www.pin.ed.gov).

### PART 3

Proceed to [www.nsls.ed.gov](http://www.nsls.ed.gov) to complete the following question. *You will need your FAFSA PIN #*

\$	<b>Your Total Current Loan Debt from NSLDS</b>
\$	<b>Expected Loan Debt You Will Have When You Enter Repayment</b>
\$	<b>Your Total Estimated Monthly Loan Payment (found in chart at right)</b>

Estimated Repayment Chart				
Amount Borrowed	6.80 %		2.48 %	
	Estimated Monthly Payment	Total Interest Paid	Estimated Monthly Payment	Total Interest Paid
\$ 3,500	\$ 50	\$ 971	\$ 50	\$ 284
\$ 4,500	\$ 52	\$ 1,715	\$ 50	\$ 484
\$ 5,500	\$ 63	\$ 2,095	\$ 52	\$ 716
\$ 8,500	\$ 98	\$ 3,238	\$ 80	\$ 1,106
\$ 10,500	\$121	\$ 4,000	\$ 99	\$ 1,367
\$ 15,000	\$173	\$ 5,714	\$ 141	\$ 1,952
\$ 20,000	\$230	\$ 7,619	\$ 188	\$ 2,603
\$ 23,000	\$265	\$ 8,762	\$ 217	\$2,993

**IF YOU CURRENTLY HAVE \$18,000 OR MORE IN COMBINED SUBSIDIZED/UNSUBSIDISED LOANS, PLEASE SEE A STAFF MEMBER BECAUSE YOU WILL BE REQUIRED TO COMPLETE ADDITIONAL STUDENT LOAN COUNSELING.**

**PART 4**

# Simple Estimated Budget

## 1. Your Monthly Estimated Income

Expected Take-home Pay (Wages and tips)	\$
Additional income (Side business, interest, etc.)	\$
<b>Total Income</b>	<b>\$</b>

## 2. Your Monthly Estimated Expenses

Housing (Rent or Mortgage plus taxes and insurance)	\$
Utilities (Heat, electricity, etc.)	\$
Transportation (car payments, gas, insurance, tolls, etc.)	\$
Subscriptions (cable, internet, cell phone, gym, etc.)	\$
Groceries and Restaurant	\$
Medical (co-pays, prescriptions, etc.)	\$
Other discretionary spending (hobbies, personal care, etc.)	\$
Debt payments (credit cards, student loans, etc.)	\$
<b>Total Estimated Expenses</b>	<b>\$</b>

## 3. Your Bottom Line

Income minus expenses	\$
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**Dropping below 6 hours requires you to complete Direct Loan Exit Counseling at [www.nslds.ed.gov](http://www.nslds.ed.gov). By signing this form you understand that you will be required to complete exit counseling upon withdrawal or graduation from Wallace State. Dropping courses may also affect your financial aid eligibility. Withdrawal conditions can be found in the Wallace State Student Handbook.**

Any student requested change in loan funds could result in insufficient loan funds to cover semester charges. I understand that I will be billed for any remaining balance. I also understand that my loan funds could be reduced if I receive additional financial aid that exceeds my cost of attendance/remaining need.

I know the amount of my student loan debt and what my estimated monthly payment will be. I have researched job opportunities in my major and I believe the expected salary will be adequate to make the monthly loan payment above. I have read and understand the Direct Loan information on the Wallace State Community College website: [www.wallacestate.edu](http://www.wallacestate.edu).

STUDENT

DATE