

OFFICE OF FINANCIAL AID

2007 – 2008 STAFFORD LOAN INFORMATION

Students are urged to borrow responsibly. Borrowing responsibly means only requesting those loan funds that you need to assist you with your educational expenses during the 2007 - 2008 academic year at Camden County College (CCC). To accurately plan for the academic year you should carefully project your anticipated expenses. **Should you have any questions concerning your loan eligibility, borrowing, or repayment please speak to a financial aid staff member before you borrow.**

The Financial Aid Office requires approximately thirty days to process your loan application. When your application has been processed your lender will mail written notification to you.

In order to have a Federal Stafford Loan application processed, you must complete the following steps:

- Register for at least six credits
- Submit a completed Federal Stafford Loan Master Promissory Note (MPN). The Stafford MPN can normally be used for all of the years of your enrollment Thus; you should complete the MPN just once at CCC.
- Answer “2” or “3” to question 26 on the FAFSA “What types of student aid interest you?”
- Submit the 2007-2008 Free Application for Federal Student Aid (FAFSA). The FAFSA must be filed each year.
- Submit a CCC Authorization and Certification form (A &C).
- If you wish to borrow a different amount than the CCC maximum - Submit A 2007-2008 CCC Loan Request form.
- If you are selected for Verification:
 - Submit a 2007-2008 Verification worksheet
 - Submit your parent’s 2006 1040, 1040A, 1040EZ and W-2’s (Dependent Student)
 - Submit you (and your spouse’s) 2006 1040, 1040A, 1040EZ and W-2’s (Independent Student)
- Submit any other information required to resolve discrepancies or to complete the verification process.
- In addition, all students, including those who have previous loans at other institutions, who are first-time Stafford borrowers at CCC are required to complete an Entrance Interview before any loan proceeds can be disbursed. You may satisfy this requirement on-line by visiting www.eduaid.com (regardless of your lender) and clicking on the **undergraduate entrance seminar icon**. Please contact the financial aid office if you have any questions. The Entrance Interview has to be completed once at CCC.

FREQUENTLY ASKED QUESTIONS

Q: How long does it take for the financial aid office to process my loan?

Generally, the turn around time for the processing of a loan is 30 days from the time that your financial aid file is complete.

Q: How long does it take for my loan to be applied to my account?

The first loan disbursement of the semester is credited to student accounts at the mid-point of the semester. If you submit your loan application after the initial disbursement your loan proceeds will be credited to your student account approximately 30 days from the time that your entire financial aid file becomes complete.

Q: Will I receive the full amount that I borrowed?

Some lenders will withhold up to 3% of the amount that you borrowed for guarantee and insurance fees. Thus, the amount that you receive may be less than the amount that you borrowed. However, we recommend lenders who do not withhold any guarantee or insurance fees. You must repay the full amount borrowed plus any interest. Please note, students are welcome and encouraged to borrow from any lender of their choice.

Q: What is the definition of Subsidized?

The federal government pays the interest on subsidized loans while the student is enrolled at least halftime and during authorized periods of deferment.

Q: What is the definition of Unsubsidized?

The federal government does not pay the interest on unsubsidized loans while the student is enrolled. Interest on unsubsidized loan begins to accrue when the loan funds are disbursed (released to the college). Students can choose to capitalize the interest (defer payment of interest until repayment) or can pay the interest while enrolled.

Q: When are Loan refund checks mailed?

Any loan money in excess of tuition, book, and fee charges will be disbursed to the student to pay indirect living expenses. The College begins to process refund checks at the mid-point of the semester after loans are disbursed. Thus, students must plan to meet their living expenses from their own resources for the first several weeks of the semester. The College **CANNOT** accommodate requests for early disbursements or in-person pick-up due to the volume of stipend checks.

Q: What are the enrollment requirements for the Stafford loan?

Students must matriculate in a degree program and must maintain Satisfactory Academic Progress (SAP) in order to be eligible for financial aid. The SAP policy requires that students maintain a specified minimum grade point average and a minimum 67% rate of credit accumulation. The full text of the Academic policy can be found on the college’s website.

Students are required to remain enrolled in their classes in order to receive financial aid funds (including grants **and** loans). If you never attend, cease to attend, withdraw, or receive “F’s” you will jeopardize your financial aid for both current and future semesters. If you fail to remain enrolled in at least six credits until the end of the semester the College is required to cancel your Stafford loan aid and to retroactively remove it from your account. If your financial aid is cancelled you will remain responsible to pay for all tuition, fee, book voucher and stipend amounts. For more information about how your attendance impacts your financial aid eligibility please read the Satisfactory Academic Progress policy in the Financial Aid Handbook.

Q: When am I required to begin repayment of my Stafford loan?

You must begin to repay your loans 6 months after you graduate or separate from school (completely withdraw, or drop below half time status). If you have previously exhausted your grace period you must begin to repay immediately.

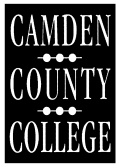
Q: What are the deadlines for applying for Stafford loans and increases to current loans?

You must submit your loan application and complete your financial aid file at least thirty days before the last day of the semester for which you are borrowing.

If you meet all eligibility criteria your loan will be processed for the applicable dependent or independent maximum amount indicated below. If you wish to borrow more or less than the amount listed below you must complete a 2007-2008 Stafford loan request form to indicate the dollar amount that you wish to borrow.

CCC Suggested Annual Maximums			
DEPENDENT	Subsidized Maximum	Subsidized and Unsubsidized Maximum	One Semester enrollment maximum
1 ST Year Students 0–30 Credits	\$2,625	\$2,625	\$1,312
2 ND Year Students 31 + Credits	\$3,500	\$3,500	\$1,750
3 RD Year Nursing Students (ONLY) 61 + Credits (<i>NHF V & VI; NOL III & IV ONLY</i>)	\$5,500	\$5,500	\$2,750
INDEPENDENT	Subsidized Maximum	Subsidized and Unsubsidized Maximum	One Semester enrollment maximum
1 ST Year Students 0–30 Credits	\$2,625	*\$6,625	\$3,312
2 ND Year Students 31 + Credits	\$3,500	*\$7,500	\$3,750
3 RD Year Nursing Students (ONLY) 61 + Credits (<i>NHF V & VI; NOL III & IV ONLY</i>)	\$5,500	*\$10,500	\$5,250
Federal Stafford Loan Undergraduate Aggregate Maximums			
DEPENDENT	Subsidized and Unsubsidized		\$23,000
INDEPENDENT	Subsidized and Unsubsidized		\$46,000

*Dependent students whose parents have been denied the PLUS loan may apply for the maximum amounts as listed for independent students.



OFFICE OF FINANCIAL AID

2007 – 2008 STAFFORD LOAN INFORMATION

How should I choose a lender?

A guide for students and parents who are considering the Stafford or PLUS loan to pay for tuition, fees, books and other educational costs.

Federal Family Educational Loan Program (FFELP) loans are available at low interest rates, and with extended repayment terms to assist students and their parents in meeting the educational costs of attending college. Because loan indebtedness has serious implications, students and parents should carefully consider the amount of their borrowing (both yearly and cumulative) and borrow the minimum necessary to reasonably meet those expenses that remain above the financial aid grant award (if, any).

All students and parents have free and unencumbered access to borrow from any lender that offers loans under the FFELP program. Under federal regulations the financial aid office may recommend a lender to you. The Office of Financial Aid's recommendation of a lender to you is based upon the lender's lower fees, customer service and repayment incentives. You are not required to use a recommended lender for your loan; the choice of lender is yours. CCC's Office of Financial Aid Office will process, without prejudice, any properly completed FFELP loan application for any eligible student.

Camden County College's priority deadline for submission of your FFELP loan application is May 1. To borrow from the Stafford program you must state that you are interested in receiving a loan on your Free Application for Federal Student Aid (FAFSA) and complete a Stafford Master Promissory Note (MPN). To borrow from the PLUS program you must complete a PLUS MPN. You can complete your MPN online or on paper. Usually you will complete the MPN once during your enrollment at CCC.

A completed FAFSA is prerequisite to your FFELP loan application. For quickest processing submit your FAFSA online at www.fafsa.ed.gov. You may be required to also submit other documents to complete your loan application. For additional information about the loan application process check the financial aid Forms Library at www.camdenc.edu.

You should ask the following questions to assist in your selection of a lender for your Stafford or PLUS loan:

1. What is the lender's interest rate?

A: The FFELP interest rates are set by federal law and do not vary among lenders. As such, the interest rate is not a factor to consider when comparing lenders within the FFELP program. All lenders will offer the current federally mandated interest rate.

2. What percentage of the loan does the lender charge for insurance and origination fees?

A: Choose a lender that charges the lowest possible fees for your Stafford loan. Under the federal regulations governing the Stafford program, lenders are permitted to charge up to 4% of the amount borrowed in origination fees, thereby reducing the amount available to the student. (The student is required to repay the full amount borrowed, including fees). The lenders that the financial aid office recommends to students offer Stafford loans with 0% fees, which allows the borrower to maximize the

amount of money from the loan that is available for his/her educational costs. At CCC students collectively realize a savings of more than one-third of one million dollars annually from 0% fee Stafford loans.

3. Does the lender offer "back-end" savings and repayment incentives?

A: Choose a lender that offers repayment incentives. Many lenders offer benefits to you if you make on-time payments for a specified period of time. You may be able to gain a reduction in your interest rate for the life of your loan by making on-time payments, or meeting other payment guidelines. A reduction in your interest rate could save you hundreds of dollars on the repayment of your loan.

4. Does the lender offer excellent customer service?

A: It is critical that the lender offer excellent customer service. Speedy, efficient, knowledgeable customer service becomes critical when problems arise (as they occasionally, but invariably do) in the certification, guaranteeing, processing, disbursement or servicing of FFELP loans. The financial aid staff may be able to answer your questions about customer service from our experience of working with the lender that you are considering.

5. Does the lender offer electronic processing of your loan?

A: The lender should offer electronic processing for the guaranteeing and disbursing of their loans. Electronic processing provides both you and the aid office with enhanced ability to monitor the loan through all of the stages of the application, certification, guarantee, disbursement and repayment process. Additionally, electronic processing allows the student to receive his/her loan more quickly cutting days or even weeks out of the application process.

6. Will the lender disburse your loan electronically?

A: Your lender should be able to offer Electronic Funds Transfer (EFT) of your loan proceeds. The alternative to EFT is disbursement by a paper check. If your loan is disbursed via EFT you will not be required to visit the business office to sign a paper check. Disbursement by paper check generally increases the length of time required for you to receive your loan proceeds.

College Disclosure Statement

Camden County College does not receive any thing of value from any lenders as the basis to recommend for or against any lender to potential borrowers. The College does not have any financial arrangements with any lenders. The College does not receive any financial incentives from any lenders that offer loans under the FFELP programs. The College recommends Wachovia for loans under the FFELP program based upon its zero fee loans, electronic processing, repayment incentives and excellent customer service.

Additional information about the Stafford loan program is available in the *Financial Aid Handbook*.

The Handbook is available on the College's web site and also in the Blackwood and Camden financial aid offices.