



Financial Aid Office
Jackson County Campus
P.O. Box 100
Gautier, MS 39553
jc.finaid@mgccc.edu
Phone: 228-497-7867

Financial Aid Office
Jefferson Davis Campus
2226 Switzer Road
Gulfport, MS 39507
jd.finaid@mgccc.edu
Phone: 228-896-2511

Financial Aid Office
Perkinston Campus
P.O. Box 548
Perkinston, MS 39573
pk.finaid@mgccc.edu
Phone: 601-928-6241

Dear Mississippi Gulf Coast Community College Student:

You may be eligible to borrow under the Federal Stafford Loan Program. **However, you must have a completed FAFSA form on file in order to be considered. The FAFSA must be filed each academic year.** The Federal government offers both Subsidized and Unsubsidized Federal Stafford Loans. These are low interest loans created to help you pay for your education. The MGCCC Financial Aid Office will determine the loan type(s) you are eligible to receive.

The Subsidized Federal Stafford Loan is based on financial need which is determined by using a federal formula. A loan is “subsidized” when the government pays the interest for you during the following periods: While you are enrolled in school at least half-time; during the 6-month grace period after you stop attending school at least half-time; and during periods of authorized deferment.

The Unsubsidized Federal Stafford 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 all interest which accrues during in-school, grace, and deferment periods. You may choose to make interest payments while in school or you may defer (and accumulate) the interest until repayment. This means the interest will be added to the principal amount of your loan, and additional interest will be based on that higher amount.

Loan Terms

Entrance Counseling: Before receiving a loan, all borrowers are required to complete entrance counseling at www.mapping-your-future.org.

Loan Disbursement: Stafford student loans are disbursed in 2 payments and sent directly to your school. The school will verify that you are still enrolled at least half-time and making satisfactory academic progress. The school will notify you when your loan proceeds are available. **If you are borrowing for the first time at MGCCC, according to federal regulations, your first disbursement will be delayed until 30 days after school begins.** Student loan refund checks are mailed each Tuesday for funds received the preceding week.

Repayment: Principal repayment begins automatically six months after you drop below half-time status, withdraw, or graduate. If you received an unsubsidized loan and opted to have the interest deferred, any unpaid interest will be capitalized and added to your principal balance at that time. You may pay off your loan at any time.

Interest Rate: The interest rate is variable and changes annually on July 1st but can never exceed 8.25%.

To Apply: Follow the instructions on page 2 in the *How to Get Your Loan* section. Pay close attention to the *Important Dates* section. Remember to detach the *Student Loan Data Sheet* and return it to the Financial Aid Office. If you have any questions or need assistance, please contact the Financial Aid Office. We look forward to assisting you in financing your education at Mississippi Gulf Coast Community College.

STAFFORD LOAN

HOW TO GET YOUR LOAN

- Obtain a PIN at www.pin.ed.gov.
- Complete and submit the FAFSA online at www.fafsa.ed.gov.
- Complete the MGCCC financial aid application.
- First-time borrowers and transfer students must complete Entrance Loan Counseling. Follow the instructions under *Loan Counseling Steps*.
- Complete the attached Student Loan Data Sheet (all borrowers).
- First-time borrowers and transfer students must complete a Master Promissory Note (MPN). This note remains active for 10 years, which means **repeat borrowers will not have to complete it again** as long as you keep the same lender.
- Return the Student Loan Data Sheet to the Financial Aid Office.
- Failure to complete any part of this process may result in the delay of receiving your Financial Aid.
- You will be required to complete Exit Loan Counseling prior to graduation or transfer from MGCCC. **If you withdraw for any reason prior to graduation, you must contact the Financial Aid Office and complete Exit Loan Counseling.**
- Report any address changes to the Financial Aid Office and your lender.

IMPORTANT DATES

NOVEMBER 7, 2006

Last date to submit loan application for Fall semester only.

APRIL 6, 2007

Last date to submit loan application for Spring semester.

LOAN COUNSELING STEPS

- Go to www.mgccc.edu.
- Click on the *Financial Aid* button.
- Click on *Financial Aid Link*.
- Click on the *Mapping Your Future* link.
- Click on *Student Loan Counseling Interview*.
- Click on *Stafford Entrance*.
- Click on *Stafford Exit*. (if you are a returning student)
- Please **read** carefully. You will be **tested** at the end.

RECOMMENDED LENDER LIST

Please choose a lender from the following list and indicate your choice on the Student Loan Data Sheet and the Master Promissory Note. Previous borrowers should remain with their original lender.

Lender	Lender Code	Lender	Lender Code
AmSouth	810612	Bank One/Chase	811925
BancorpSouth*	806627	Educaid Wachovia	830005
Citibank	826878	Sallie Mae	802218
Community Bank	833575	Collegiate Funding Services (CFS)	834091
EdAmerica	831453	Navigator Credit Union	833262
Hancock Bank	806689	(Membership required)	
Keesler Federal Credit Union	806695	Merchants & Marine Bank	833575
(Membership required)		Education Services Foundation (ESF)	833575
Regions Bank	800097	Trustmark	813721
The Student Loan People	826688	Whitney National Bank	805148
Navy Federal Credit Union	815502	National Education	830628
(Membership required)		Student Loan Express	833890

*Indicates a MOHELA Lender-Partner who offers 2% Rate Reliefsm, an interest rate reduction during repayment when auto-debiting a monthly payment from your checking or savings account.

For more information on Rate Reliefsm visit www.mohela.com.

IMPORTANT INFORMATION REGARDING STUDENT LOANS

General Requirements/Regulations

- All students applying for a Stafford loan must be U.S. citizens or eligible non-citizens.
- All students must be enrolled at least half time to qualify for a Stafford loan.
- Students must attend classes and maintain satisfactory academic progress to remain eligible for their loans.

Borrower's Rights and Responsibilities

- Because you may accrue debt with each year of your education, you should be certain that you need the full amount of your education loan each year. You can decline or reduce your loan amount anytime.
- You are required to repay education loans, even if you do not finish your academic program or your academic program does not meet your expectations.
- You are responsible for notifying your school and lender if you have received student loans from more than one lender.
- You must use money received from education loans for education-related expenses only.
- You must notify your lender in writing of:
 - ✓ Name, address, or telephone number changes.
 - ✓ Failure to enroll at Mississippi Gulf Coast Community College.
 - ✓ Graduation, withdrawal, or less than half time attendance.
 - ✓ Transfer to another school.
- If you cannot make the required monthly payments on your student loan and you meet the eligibility requirements, you have a right to repayment deferments or forbearances, which suspend principal loan payments for specified periods of time.

Understanding your Loan Choices

The FFEL Program is the largest single source of federal aid for students pursuing a higher education. This program has two main sources of funding:

Federal Stafford Loans

- **Subsidized Stafford Loans:** If you receive a subsidized Stafford loan to attend Mississippi Gulf Coast Community College, the federal government pays the interest on your loan while you attend school at least half time or when you qualify for an authorized deferment.
- **Unsubsidized Stafford Loans:** If you receive an unsubsidized Stafford loan, you are responsible for paying the interest while you are in school. If you want to pay interest while you attend school, you should complete Item 12 on the MPN. If you do not want to make the interest payments, the interest will be added to your principal balance through a process called *capitalization*.

Annual Stafford Borrowing Limits

	Dependent	Independent*
Freshmen	\$2,625	\$ 6,625
Sophomore	\$3,500	\$ 7,500
Junior/Senior	\$5,500	\$10,500
Graduate/Professional	\$8,500	\$18,500

* Includes \$4,000 additional unsubsidized eligibility

Lifetime Loan Limits

Dependent Undergraduates	\$ 23,000
Independent Undergraduates	\$ 46,000
Graduate/Professionals	\$ 138,500

Students with loan debt greater than \$23,000 will not be certified.

Ombudsman disclosure:

If I have contacted my school, lender and guarantor regarding a dispute on my loan(s) and the dispute has not been resolved, I may contact the Department of Education's Student Loan Ombudsman's office. An *ombudsman* is available as a neutral party to work with you and all agencies involved to assist in resolving disputes. The Ombudsman may be contacted at: U.S. Department of Education, FSA Ombudsman, 830 First Street, N.E., Fourth Floor, Washington, DC 20202-5144 or (877) 557-2575.

Student Loan Data Sheet

(Please Print: All questions must be answered. Do not leave any blank.)

Dear Student:

Federal Regulations require that you provide us the following information so we may process your Subsidized or Unsubsidized Stafford Loan. Please complete the following:

Last Name _____

First Name _____ MI _____

Social Security Number _____ - _____ - _____

Permanent Address _____
(No PO Boxes)

City _____

State _____ Zip _____

Telephone Number (_____) _____

Driver's License Number (with State) _____

FOR MGCCC OFFICE USE ONLY

HOURS:

FALL _____

SPRING _____

NSLDS INFO:

SUBTOTAL _____

AGG TOTAL _____

GRADE LEVEL AT TIME OF REQUEST

DISBURSEMENT DATES:

Name of Lender _____

Lender Code: _____

Type of Loan: _____ Subsidized Stafford
_____ Unsubsidized Stafford
_____ Subsidized Stafford & Unsubsidized Stafford

Requested Loan Amount: \$ _____ Fall Only
Please be advised you may not be eligible for your requested amount. In the event this happens, your loan will be certified for your maximum eligibility \$ _____ Spring Only
CHOOSE ONLY ONE \$ _____ Fall/Spring

Anticipated Graduation Date from MGCCC: _____ (MONTH/YEAR)

Will you be receiving VA Benefits? YES _____ NO _____

If yes, what type _____ Monthly Benefits _____ Number of Months _____

Will you be receiving any WIA, TAA, or ITA? YES _____ NO _____

Are you getting book assistance? _____

Will you be receiving Vocational Rehab Benefits? YES _____ NO _____

Will you be receiving outside scholarships (Federal or State)? YES _____ NO _____

From what source? _____

Are you a transfer student? YES _____ NO _____

From what school? _____

Do you have previous loans? YES _____ NO _____

Who is your previous lender? _____

Student Certification:

I have read the enclosed material and understand my rights and responsibilities as a borrower.

Signature of Borrower _____ Date _____

Remember to return this form to the Financial Aid Office at MGCCC.

Student Borrower Rights & Responsibilities:

Student loans are serious obligations. It is extremely important that you understand your rights and responsibilities. When you sign the Entrance Interview Form, it means that you do understand your responsibilities, and that you agree to honor them.

I understand that:

1. I must pay back my loan(s) with accrued interest and any deducted fees.
2. I must repay my loan(s) even if I don't complete my education, if I am dissatisfied with my education or if I am unable to get a job after I complete my education.
3. I must repay my loan(s) within 10 years, unless my loan(s) are consolidated.
4. I must repay all or part of my loan(s) without penalty.
5. My minimum monthly payments for a loan is \$50, but may be more depending on the amount borrowed.

In most cases, repayment will begin as follows:

- ✓ Federal Stafford Loans---following a six-month grace period.
6. I must notify my school and lender immediately if I:
 - ✓ Move or change my name, address or telephone number
 - ✓ Change my social security number
 - ✓ Withdraw from school
 - ✓ Drop below half-time attendance
 - ✓ Transfer to another school
 - ✓ Change my graduation date
7. I must attend an "exit interview" before I leave school.
8. I will be notified, in writing, if any of my loans are transferred to a servicer or secondary market. I will direct all future correspondence to that holder.
9. If I qualify, I may apply for a deferment to postpone payments.
10. If I do not qualify for a deferment and am unable to make payments on my loan, I may request a forbearance from my lender. Forbearance is a special arrangement made for borrowers experiencing financial hardship.
11. If I fail to repay a loan, I may be considered in default and following may result:
 - ✓ My loan will be reported to national credit bureaus and will have a negative effect on my credit rating for at least 7 years.
 - ✓ The entire unpaid amount of my loan, including interest, will become immediately due and payable.
 - ✓ My federal and state income tax refunds may be withheld.
 - ✓ My wages may be garnished.
 - ✓ I may be ineligible to receive any additional federal or state financial aid funds.
 - ✓ My loan may be referred to a collection agency, and I will be liable for the collection costs.
 - ✓ I may be sued by the holder of my loans for all amounts owed, including attorney fees.
12. I understand that my student loans are not dischargeable through bankruptcy.
13. I understand that if I am unable to resolve any disputes or problems with my student loan, I may contact the SFA Ombudsman at 1-877-557-2575 to assist me.

If you have any questions about the student loan process at Mississippi Gulf Coast Community College or your rights and responsibilities, it is your obligation to seek the answers from the financial aid office, your lender, or the holder of your loan.

ADDITIONAL RESOURCES

Financial Aid, Scholarships, and Grants

FAFSA on the Web: www.fafsa.ed.gov

File your FAFSA online which speeds up the financial aid process.

Phone: 1-800-433-3243 **School Codes: 002417-Perkinston Campus, 002418-Jackson County Campus, 002419-Jefferson Davis Campus**

FAFSA PIN: www.pin.ed.gov

You'll need your PIN to file your FAFSA on the Web. You can request it here.

New Student Aid Website provided by the Department of Education: www.studentaid.ed.gov

Guides you through the financial aid process.

Fastweb: www.fastweb.com

Free Search for Additional Scholarships.

Financial Aid Homepage: www.finaid.org

Guides you through the financial aid process. You can also do free scholarship searches and find information on career planning.

Financial Aid Student Guide: www.studentaid.ed.gov/students/publications/student_guide/index.html

Written by the government to help you understand the financial aid process.

Mapping Your Future: www.mapping-your-future.org

Guides you through the financial aid process plus assists students with choosing a school and planning a career.

Molis-Minority Online Information System: www.iam-molis.org

Excellent resource to research minority scholarships and schools.

MTAG/MESG: www.mississippiuniversities.com

Apply for the Mississippi Tuition Assistance Grant or the Mississippi Eminent Scholars Grant. Phone: 1-800-327-2980

NSLDS: www.nsls.ed.gov

National Student Loan Data System; Repository for all student loan data for the United States. Allows you to log in and view your personal loan information.

IMPORTANT INFORMATION REGARDING REPAYMENT

Repaying Your Loan

You are required to begin repaying your Stafford loan six (6) months after you graduate, withdraw, or drop below half-time attendance. Borrowers generally have 10 years to repay these loans. Under a standard repayment plan the monthly payment will be at least \$50. For example, the monthly payment on a \$5,500 Stafford loan with an interest rate of 8.25% would be \$67.46 under a 10-year standard repayment plan, as indicated in the repayment chart. If your loan amount differs and you'd like to get an estimate of your monthly repayment amount, loan repayment calculators are available at www.mohela.com. This website is also a good source of information on other repayment options, such as deferments, forbearances, and consolidation.

Consequences of Default

If you fail to repay your loan, your credit rating will be damaged, and you may not be able to borrow in the future to pay for a car, a home, or even to continue your education. In addition, your wages may be garnished, and your federal and state income tax refunds may be withheld, your loan may be sent to a collection agency, and you may be liable for collection fees.

Stafford Repayment Schedule

Loan Amount	Payment Amount
\$ 2,625	\$ 50.00
\$ 5,500	\$ 67.46
\$ 10,000	\$ 122.65
\$ 50,000	\$ 613.26
\$ 100,000	\$ 1,226.53

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