



LOAN PROGRAMS

What loan programs are available?

Federal Student Loans available at SLCC offer low-interest educational loans to college students to assist them in paying for their college expenses. The Federal Government and the Utah Higher Education Assistance Authority and other guarantee agencies insure two of these loans.

Perkins Loan

\$2700 max per year
5% interest
9 month grace period
\$40 per month minimum repayment
\$8000 maximum at SLCC

Stafford Student Loan (subsidized/unsubsidized*) *While in school the interest on the unsubsidized

Stafford loan can be capitalized or paid quarterly.

\$3500 first year (0-30 credit hrs)
\$4500 second year (31+ credit hrs)
6% fixed interest for subsidized loans first disbursed between July 1, 2008 and June 30, 2009
6.80% fixed interest for all unsubsidized loans
6 month grace period
\$50 per month minimum repayment
\$23,000 maximum – independent students may qualify for an additional \$23,000

Parent Loan for Undergraduate Students (PLUS)

Unlimited (cannot exceed cost of education per year)
8.50% fixed interest
No grace period
Must begin repayment within 60 days of first disbursement (parents may apply for deferment of principal)

Emergency Short Term Loans - SLCC has a short-term loan program available to assist students in meeting emergency expenditures. This loan must be paid back by the end of the term for which it is received and students applying must meet loan eligibility criteria. A student may borrow up to \$250. Limited funds are available each term. See the Financial Aid Office for applications and qualifications.

What are the minimum requirements to apply for a Federal Perkins or Subsidized/Unsubsidized Stafford Student Loan?

To be awarded a Federal Student Loan, you must meet the following eligibility criteria:

1. Be a U.S. citizen or an eligible noncitizen.
2. Be matriculated and currently enrolled or accepted for enrollment in an eligible program at SLCC.
3. Be at least a half-time student.
4. Be in good standing and making satisfactory academic progress toward your degree as defined by financial aid policy.
5. Not be in default or have made satisfactory payment arrangements on any previous defaulted Stafford Loan, Parent Loan (PLUS), Supplemental Loan to Students (SLS), or Perkins Loan.

6. Not owe an overpayment on a Pell Grant or Supplemental Educational Opportunity Grant (SEOG).
7. Show financial eligibility through the application process described below.
8. Complete on-line Loan Entrance Counseling .

How do I apply for and receive a Perkins Loan?

1. You must first submit a FAFSA (Free Application for Federal Student Aid).
2. You must have a complete and correct application file in the Financial Aid Office. When you complete the Personal Information Form, you must mark that you are interested in receiving the Perkins Loan.
3. You will receive an Award Notification through your SLCC email.
4. After completing Loan Entrance Counseling and signing your Promissory Note, the Perkins Loan will be applied against any balance owed to the college. Any remaining amount will be mailed to you at the address you listed with the college or you may request direct deposit. The Promissory Notes will be available three weeks prior to the beginning of the term and are available at Student Loans and Receivables (STC 001).

How do I apply for a Stafford Loan (subsidized/unsubsidized)?

1. You must first submit a Free Application for Federal Student Aid (FAFSA).
2. You must have a complete and correct application file in the Financial Aid Office.
3. If you indicated on your FAFSA that you are interested in a student loan, you will be offered a subsidized or unsubsidized Stafford Loan. The amount of the loan will be based on your financial need and the maximum amount for which you are eligible. To accept the Stafford Loan, you must complete the Stafford Loan Acceptance form and submit it to the Financial Aid Office. You must complete an online Loan Entrance Counseling prior to submitting the Acceptance Form. After completing the loan entrance counseling, you will receive a confirmation number that must be entered on the Loan Acceptance form
4. If you did not indicate on your FAFSA that you were interested in a student loan, you may still apply for a subsidized or unsubsidized Stafford Loan. You must complete a Stafford Loan Request and submit it to the Financial Aid Office. You must complete an online Loan Entrance Counseling each. After completing the loan entrance counseling, you will receive a confirmation number that must be entered on the Stafford Loan Request.
5. If your loan is guaranteed through the Utah Higher Education Assistance Authority (UHEAA) you must sign a Master Promissory Note (MPN). This can be done three ways: 1. Sign the note electronically on-line; 2. Print the promissory note yourself, sign it and submit to UHEAA; or 3. Contact UHEAA and request that they print the note and mail it to you. The MPN will be in effect for 10 years unless you change lenders.
6. If your loan is guaranteed through another state or guarantee agency, different requirements apply. Please contact the Student Loan Specialist in the Financial Aid Office in the Student Center 268 on the Taylorsville-Redwood Campus.
7. Stafford Loan funds are received approximately one week before the term begins. The funds are credited to your account to cover tuition and fee charges. Once these charges have been paid, any remaining funds will be mailed to you at the address listed on the computer or you may request a direct deposit.

What are the requirements to apply for a PLUS (Parent Loan for Undergraduate Student)?

To receive a PLUS Loan you must meet the following eligibility criteria:

1. Be a dependent student.
2. Be enrolled at least half time.

3. Be in good standing and making satisfactory academic progress toward your degree as defined by financial aid policy.
4. Be free from default on any previous Stafford Loan, Parent Loan (PLUS), Supplemental Loan for Students (SLS), or Perkins Loan. Your parent must also be free from default on any previous student loans.
5. Not owe a refund on a Pell Grant or other state grants.
6. Show financial eligibility through the application process.

How do I apply for a PLUS Loan?

1. Submit a completed Personal Information Form.
2. Submit a completed PLUS loan application to the Financial Aid Office for processing. If a current FAFSA has not been completed, it will be assumed that the student is eligible for the full amount of Pell and subsidized Stafford Loans.
3. Once your file is processed, the Award Notification will be emailed to your SLCC email address and your parents will receive either a notification to go on-line and sign the promissory note or a hard copy promissory note in the mail. Your parents will need to sign the promissory note and submit it to the lender. The lender will send the funds directly to the school.

Things To Remember!

1. If you are a nonresident student, you are strongly urged to use a Utah lender. Loans through out-of-state lenders may be delayed due to mailing, hand-processing, and long-distance communication. If you decide to use an out-of-state lender, you must obtain an application from that lender, complete the student section, and submit the entire application to the Financial Aid Office. If you are unable to obtain this application, you must provide the Financial Aid Office with the lender's name, full mailing address and guarantor.
2. As a rule you will receive a check for ½ the total loan amount each term. For example, if your Stafford Loan is for \$3,500, then you will receive approximately \$1,750 (less origination and guarantee fees) in the Fall Semester and \$1,750 (less origination and guarantee fees) in the Spring Semester. If your loan is for only one term, you will receive all of the funds at one time during the semester.
3. If you receive additional financial assistance (i.e. tuition waiver, ROTC, private scholarship) in excess of your unmet need after we process your loan application, we may need to adjust your financial aid. You will be contacted to determine what aid will be adjusted.
5. While you are enrolled in school, no payments are due and no interest accrues on Subsidized Stafford Loans or Perkins Loans. The federal government pays the interest for you during this time. Interest does accrue on Unsubsidized Stafford and PLUS loans from the date of first disbursement. You may pay the interest or allow it to accrue and be capitalized and added to your principal balance while you are in school.
6. You should be very cautious about taking out loans. Many students are leaving school with very large loans to repay. Proper money management is essential to reduce your need for a loan and to keep your total loan amount at a manageable level. You should read the debt management information available from either the SLCC Financial Aid Office or your loan guarantee agency.
7. Subsidized and Unsubsidized Stafford and PLUS Loans may have an "origination" fee of approximately 3% that will be deducted from your loan before you receive it. In addition, the guarantee agencies in most states may charge an insurance premium that is collected when the loan is disbursed. The amount varies from state to state; however, it cannot be more than 3% per year of the outstanding principal of the loan.
8. You cannot borrow more than the cost of attendance at SLCC (less any financial resources and other financial aid you receive). The cost of attendance is taken from the student budget developed by the Financial Aid Office each year.

9. If you drop below 6 hours at any time, any future loan disbursements must be canceled and the grace period will begin. This includes non-completion of classes due to grades of I, AU, EX or E. Also, you will need to reapply for another loan by submitting a new application.

How long does processing take?

The entire process, from the time the FAFSA is submitted to the Federal Processor until the funds arrive at SLCC, can take from 4-6 weeks. During high volume periods (late summer and early fall term), you should allow two to three weeks additional processing time. Incomplete or incorrect information can cause additional delays.

Where do I get more information?

For further information, come to the Financial Aid Office in Student Center 268 on the Redwood-Taylorsville Campus or the Financial Aid Offices at the South, Jordan or Sandy campus or call (801) 957-4410.

The information on this fact sheet was accurate at the time of publication, but is subject to change without notice.

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