

ACADEMIC YEAR

DEC defines its academic year for all credit hour programs as 24 semester credit and 30 instructional weeks. DEC defines its academic year for cosmetology programs as 900 clock hours and 30 weeks.

GRADE LEVEL

DEC defines a grade level 1 student for loan purposes as having earned 0-24 semester credits (for students enrolled in credit hour programs) or 900 clock hours (for students enrolled in clock hour programs). A grade level 2 student has earned more than 24 semester credits or 900 clock hours, as applicable.

ENROLLMENT STATUS

Some financial aid amounts are adjusted based on the number of credits a student is taking each semester, i.e., enrollment status. A student's enrollment status is

- Fulltime 12 or more credits per semester
- $\frac{3}{4}$ -time 9-11 credits per semester
- $\frac{1}{2}$ -time 6-8 credits per semester
- Less Than $\frac{1}{2}$ -time Less than 6 credits per semester

Students enrolled in the cosmetology clock hour programs are fulltime if they are scheduled to attend more than 24 hours per week. Regardless of the number of clock hours scheduled per week, a cosmetology program student is awarded financial aid on the basis of fulltime enrollment.

PAYING FEDERAL STUDENT AID FOR REPEATING COURSES

A student enrolled in a credit hour program may receive FSA (Federal Student Aid) for repeating a course multiple times if the course was previously failed. FSA may be paid for one repeat of a previously passed course. There are exceptions for students currently enrolled in a clock hour program or reenrolled in a clock hour program within 180 days of the last date of attendance. A student should contact the Financial Aid Office for assistance in determining if a repeated course is eligible for FSA.

NSLDS (NATIONAL STUDENT LOAN DATA SYSTEM) REPORTING

DEC receives and reports student enrollment, financial aid history and program information to the National Student Loan Data System to ensure accurate awarding and disbursing of Federal Student Aid. Students may access and download certain data regarding their financial aid history at DEC and other schools. The U.S. Department of Education, loan servicers, and other schools will access and report financial aid history and enrollment information for each student enrolled at DEC. Information is shared to ensure timely repayment of loans, tracking annual and aggregate aid limits, etc.

TRANSFER STUDENTS

A student who has attended other postsecondary institutions may experience reductions in certain types of Federal Student Aid. The Financial Aid Office will contact the student in this event.

BORROWER RIGHTS & RESPONSIBILITIES

A borrower has the right to:

- written information on his/her loan obligations and information on his/her rights and responsibilities as a borrower;
- a copy of his/her MPN either before or at the time the loan is disbursed;
- a grace period and an explanation of what this means;
- notification, if in the grace period or repayment, no later than 45 days after a lender assigns, sells or transfers the loan to another lender;
- a disclosure statement, received before beginning to repay his/her loan, that includes information about interest rates, fees, the balance owed, and a loan repayment schedule;
- deferment or forbearance of repayment for certain defined periods, if he/she qualifies and requests it;
- prepay his/her loan in whole or in part anytime without an early-repayment penalty; and
- receive from the lender/servicer documentation when his/her loan is paid in full.

A borrower is responsible for

- completing exit counseling before leaving school or dropping below half-time enrollment;
- repaying his/her loan according to the repayment schedule even if the he/she does not complete his/her academic program, is dissatisfied with the education received, or is unable to find employment after graduation;
- notifying his/her lender or loan servicer if he/she
 - moves or changes addresses,
 - changes telephone numbers,
 - changes names,
 - changes Social Security numbers, or
 - changes employers or his/her employer's address or telephone number changes,
 - is making monthly payments on his/her loan after the grace period ends, unless a deferment or forbearance has been granted; and
- notifying his/her lender or loan servicer of anything that might alter his/her eligibility for an existing deferment or forbearance.

A borrower should thoroughly read the information, including rights and responsibilities, included as part of the Master Promissory Note.

DIRECT STAFFORD AND PLUS LOAN TERMS AND CONDITIONS

In addition to the information presented earlier, a borrower should be familiar with all the terms and conditions of his/her federal student loans. Review all of the information included with the MPN.

Aggregate Loan Limits: The maximum aggregate debt for an undergraduate student is \$31,000 for dependent students and \$57,500 for independent students. The aggregate limit is the total of both Subsidized and

Unsubsidized Stafford Loans. No more than \$23,000 of the aggregate limit can be Subsidized Stafford Loans.

Origination Fee: A Direct Loan borrower must pay an Origination Fee to the lender to make an educational loan. The amount of the fee varies annually. For current fees, contact the Financial Aid Office or go to www.studentaid.gov.

Interest Rate: Interest is money paid to the lender in exchange for borrowing money. Interest is calculated as a percentage of the unpaid principal amount (loan amount) borrowed. The interest rate changes annually and varies depending on the loan type and the first disbursement date of the loan. For current interest rates, contact the Financial Aid Office or go to www.studentaid.gov.

Grace Period: The grace period is a set period of time after a student graduates, leaves school, or drops below half-time enrollment before he/she must begin repayment on the loan. The grace period gives a student time to get financially settled and to select a repayment plan.

- Direct Subsidized and Unsubsidized Stafford Loans have a six-month grace period before payments are due.
- PLUS loans have no grace period. They enter repayment once they are fully disbursed but may be eligible for a deferment.

Repayment: The amount and number of monthly payments depends on

- the type of loan a borrower receives,
- how much money is borrowed,
- the interest rate on the loan, and
- the repayment plan the borrower chooses.

Non-Consolidation Borrowers:

Debt When Loan Enters Repayment	Standard		Extended Fixed		Extended Graduated		Graduated	
	Per Month	Total	Per Month	Total	Per Month	Total	Per Month	Total
\$5,000	\$58	\$6,904	N/A	N/A	N/A	N/A	\$40	\$7,275
10,000	115	13,809	N/A	N/A	N/A	N/A	79	14,550
25,000	288	34,524	N/A	N/A	N/A	N/A	198	36,375
50,000	575	69,048	347	104,109	284	112,678	396	72,749
100,000	1,151	138,096	694	208,217	568	225,344	792	145,498

For information on repayment options, debt management strategies, deferments, forbearance, consolidation and cancellation options as well as for complete loan terms, contact the Financial Aid Office or go to www.studentaid.gov.