

# Mt. San Jacinto College Federal Direct Loan Information Guide

Are you planning on requesting a student loan at Mt. San Jacinto College during the 2024-2025 Academic Year? If so, this guide is designed to assist you in understanding the Federal Direct (Subsidized and Unsubsidized) Loans. Please note that all student loans must be repaid with interest, and should only be requested after you

have exhausted all other resources of financial assistance (grants, student employment, etc...). This is not a grant and does have to be paid back.

## Steps to Apply:

To apply for a Federal Direct Loan at Mt San Jacinto College, make sure to complete the following requirements PRIOR to turning in your Federal Direct Loan Request Form. Direct Loans must be applied for through the

processes and disbursements, if determined eligible.

- Completed your FAFSA and list Mt. San Jacinto College school code, 001246.
- Submit all your 2024-2025 missing documents with Mt. San Jacinto College. Required documents are listed on the Financial Aid Self Service Portal at: <https://cssweb.msjc.edu/css/>
- You have received your Mt. San Jacinto College financial aid award for the 2024-2025 year and you can review your Offer Letter on Self Service.
- Currently enrolled in an eligible Program of Study and a current Student Educational Plan (SEP) is on file with the program information.
- You are enrolled in at least one degree applicable course. You must be in attendance and your classes must have already started.

- You must complete your Master Promissory Note (MPN) listing Mt. San Jacinto College online at <https://studentaid.gov/mpn/> prior to applying for your loan. Failure to complete your MPN will result in your loan not being processed.

Once you have met ALL the above requirements, you can complete and submit your Federal Direct Loan Request Form on [StudentForms](#). The Federal Direct Loan Request Form along with instructions on how to submit, are provided in this guide. Failure to meet any of the above requirements will delay the processing of your loan funds.

## What is Entrance & Exit Counseling and when do I take them?

Mt. San Jacinto College requires that all students who are applying for the first time complete Entrance Counseling prior to submitting the Federal Direct Loan Request Form. The Exit Counseling is taken after leaving Mt. San Jacinto College or falling below halftime enrollment (6 units), except for summer break

### Entrance Counseling:

- f All first-time college students borrowing a Federal Direct Loan to complete and pass the online [Entrance Counseling](#) Log in with your verified FSAD by choosing the "OG IN" icon on the home page.
- f You will need your FSA ID to sign in and complete Entrance Counseling. If you have misplaced or forgotten your FSA ID, you can create a new one by going on <https://studentaid.gov/fsa-id/createaccount/launch>.
- f Once you log in, choose the "Complete Loan Counseling" option. Make sure to complete Entrance Counseling for the "Undergraduate Student" and choose Mt. San Jacinto College as your school choice. It may take 1 week for the Financial Aid Office to receive your results.

### Exit Counseling:

- f The Mt. San Jacinto College Default Management Plan requires all borrowers complete the Federal Direct Loan [Exit Counseling](#) online after leaving Mt. San Jacinto College or falling below halftime enrollment (6 units), with the exception of summer break.
- f Log in with your verified FSA ID by choosing the "OG IN" icon on the home page. You will also need your FSAD to sign in and complete the Exit Counseling.

## How do I sign my Master Promissory Note (MPN)?

All students requesting a loan from Mt. San Jacinto College must complete a Master Promissory Note prior to submitting your Federal Direct Loan Request Form. This applies to not only first-time Direct Loan borrowers but also students who have previously borrowed a Direct Loan but are a new student at Mt. San Jacinto College. You MUST sign your MPN online at <https://studentaid.gov/mpn/> Failure to sign your MPN will delay your loan origination and disbursement.

To sign your MPN online, complete the following:

- f Log in to <https://studentaid.gov/mpn/> with your verified FSA ID by choosing the "OG IN" icon on the home page.
- f Once you log in Select "Complete Loan Agreement (Master Promissory Note)".
- f Choose the Subsidized/Unsubsidized option.
- f Make sure to choose Mt. San Jacinto College under the school section.
- f For assistance, you may call the Student Loan Support Center at 1-800-557-7394.

## Repayment Terms

Federal Direct Subsidized Loan: Repayment of Direct Subsidized Loans begins six months after you graduate, leave school, or drop below half-time attendance. The federal government pays the interest subsidy on your behalf while you are in school at least half-time prior to entering repayment, and during periods of deferment of subsidized loans. The minimum monthly payment is \$50.

Federal Direct Unsubsidized Loan: Repayment of the interest on Direct Unsubsidized Loans begins immediately. You, as the borrower, are responsible for paying all the interest that accrues on your unsubsidized loans during the times you are enrolled in school, during your six-month grace period and during any period of deferment or repayment. You can choose to either pay the interest during those periods or defer the payment of the interest. If you choose to defer payment of the interest, the Department of Education will add any unpaid interest to your principal balance, a process called "capitalization". When interest is capitalized, your principal balance will increase by the amount of any unpaid interest. Repayment of the principal and interest begins six months after you graduate, leave school, or drop below half-time attendance. The minimum monthly payment is \$50.

## What are the interest rates on loans borrowed after 7-1-2024?

*f* Effective July 1, 2024 thru June 30, 2025, the interest rates are fixed at 6.53% for Federal Direct Subsidized and 6.53% for Federal Direct Unsubsidized Loans. The current interest rates/fees can also be found online at: <https://studentaid.gov/understand/types/loans/interest-rates>

## What fees are included in Direct Loans?

*f* For loans disbursed on/after 10/1/2020 and before 10/1/2025, a 1.057% origination fee will be deducted from the gross amount of the loan prior to disbursement. This fee helps to reduce the cost of making these low-interest loans.

## How much can I borrow this Academic Year?

Maximum Federal Direct Subsidized Loan amount students can borrow for the academic year

Freshman 1 <sup>st</sup> year (completed 0-29 units)	\$3,500.00
Sophomore 2 <sup>nd</sup> year (completed 30 units or more)	\$4,500.00

Maximum additional Federal Direct Unsubsidized Loan amount (interest accrues while in school)

## Federal Direct Loan Request Deadlines

These deadline dates pertain to submitting a complete Federal Direct Loan Request Form in which you are enrolled. Failure to meet any of the requirements listed on the first page of this guide will cause your Federal Direct Loan Request Form to be considered incomplete.

Term(s) Enrolled	Loan Request Deadline
Fall 2024 only	11/29/2024
Spring 2025 only	5/7/2025
Fall 2024 & Spring 2025	5/7/2025



## Additional Repayment Information and Resources

Federal Student Aid (FSA) FSA is a part of the Department of Education and is responsible for the management of Title IV financial aid programs such as federal grants, work study, and loans. Please visit their website at <https://studentaid.gov/h/manage-loans> for more details about different repayment plans, how to make a payment, and what to do if you have trouble making payments.

ECMC Solutions: ECMC is a nonprofit organization that provides FREE student loan counseling services to current and previous student loan borrowers. Services range from discovering best practices to manage your loans to guidance if you fall behind on payments or are nearing default. Please visit their website at <https://www.ecmcsolutions.org/> for more information.

## 2024-2025 Federal Direct Loan Request Form Instructions

- f Log into [StudentForms](#) with your MSJC username and password.
- f Click "Manage Requests" and select the add button to request access to the Federal Direct Loan Request Form.
- f Submit completed Federal Direct Loan Request Form on [StudentForms](#)
- f Please allow 5-10 business days for your request to be processed. During peak periods, processing times may take longer.
- f Once your Federal Direct Loan Request Form has been accepted and processed, you will receive a notification email from the Financial Aid Office along with a Revised Offer Letter detailing the amount that was approved.
- f If your Federal Direct Loan Request Form is rejected, you will receive a notification email from [StudentForms](#) explaining the reason for the rejection or what is needed to complete your application.