

Policy Type: Student Services
Policy Title: Federal Stafford Student Loan Program
Policy Number: SS-14

Purpose:

Identify the Federal Student Loan Programs available at Green River Community College and the requirements of applying for these loans.

Scope:

Applies to all students wanting to obtain a student loan to finance their educational costs while attending Green River.

Definitions:

FFEL (Federal Family Education Loan) – program established by the United States Congress to assist students and parents to finance higher educational costs.

Subsidized loan – a loan in the student’s name in which the interest is paid for the student until six months after the student ceases enrollment as a half-time student.

Unsubsidized loan – a loan in the student’s name in which a federal interest subsidy is never provided. Loan repayment begins six months after a student ceases half-time enrollment.

PLUS loan (Parent Loan for Undergraduate Students) – a loan in the parent’s name used for paying the student’s educational expenses.

Policy:

Green River participates in (offers) two types of FFEL loans for students, the Subsidized Federal Stafford Loan and Unsubsidized Federal Stafford Loan. It also offers the PLUS loan for parents to use in financing their dependents educational costs. Loan funds are drawn from private banks and credit unions.

Procedures:

1. Students wishing to borrow under the Federal Stafford Loan program must have a complete financial aid file prior to loan certification. Federal PLUS Loans require only a FAFSA and GRCC Financial Aid Application prior to loan certification.
2. For a Stafford loan, students must submit a request form.
3. For a Stafford loan, students must attend a borrower’s Entrance Conference Counseling Session or complete this Counseling at the required Internet site in order to understand their rights and responsibilities relating to repayment, interest, deferment, forbearance, loan cancellations, grace periods, defaults, and other important elements of the loan program.
4. A borrower’s Exit Conference must also be completed to review the same items covered in the Entrance Conference along with more detailed repayment information.

Specific Authority: Federal Regulations (HEA 1992, P.L. 102-325)

Law Implemented:

History of Policy or Procedure

Draft: February 5, 2005

Adopted: Approved by EVP or Dean: September 1, 1983, January 6, 2006

Revised:

Reviewed by:

Contact: Mary Edington, Director of Financial Aid, ext. 3326

President's Staff Sponsor: Jorge Ramirez, Executive Dean Student Services, ext. 3397