

William D. Ford Direct Loan Program (FLDP) Procedure	Procedure Number	3.7P
	Effective Date	August 2, 2011

1.0 PURPOSE

In accordance with Board Policy 3.7 William D. Ford Direct Loan Program (FLDP), the purpose of this procedure is to outline the College’s administrative responsibilities and requirements in administering the operational duties associated with federal student loan programs.

2.0 REVISION HISTORY

Adopted on: 2/24/00
 Revised on: 8/2/11

3.0 PERSONS AFFECTED

Students qualifying for government funded guaranteed direct loans
 Financial Aid Staff
 Accounting Office

4.0 DEFINITIONS

- A. *Subsidized Direct Student Loan* – A federally funded need-based loan program for qualified students. The federal government pays the interest on this loan while the student is attending college. Students must be enrolled in a minimum of 6 credits to be eligible.
- B. *Unsubsidized Direct Student Loan* – A federally funded non-need-based loan program for qualified students. The student is responsible for the interest while attending college. Students must be enrolled in a minimum of 6 credits to be eligible.
- C. *Direct Parent Loan for Undergraduate Students (PLUS)* – A federally funded loan program for qualified parents of college students to assist the student with educational costs. Students must be enrolled in a minimum of 6 credits to be eligible.

5.0 PROCEDURES

- A. The Financial Aid Office is responsible for administrative and operational duties of the federal student loan programs as follows:
 - 1) Subsidized Direct Student Loan. Students must:
 - a. Have a "need" as determined by the (FAFSA).
 - b. Be enrolled in at least 6 credits.
 - c. Maintain Satisfactory Academic Progress.
 - d. Not exceed annual or lifetime aggregate loan limits.
 - 2) Unsubsidized Director Student Loan – Students must:
 - a. Complete the Free Application for Student Financial Aid (FAFSA).
 - b. Be enrolled in at least 6 credits.

- c. Maintain Satisfactory Academic Progress.
 - d. Not exceed annual or lifetime aggregate loan limits.
 - 3) Direct Parent Loan for Undergraduate Students (PLUS)
 - a. Student must be attending at least half-time (6 hours).
 - b. Parent must have a satisfactory credit history.
 - c. Amount received may not exceed cost of attendance, including other financial aid.
 - 4) The Financial Aid office is responsible for determining annual loan limits for loans based on the student's year in college and dependency status.
 - 5) The Financial Aid Office is responsible for processing the loans as set forth by Department of Education regulations.
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REQUIRED APPROVALS	NAME/SIGNATURE	DATE
Originator(s) Name(s)	Diane Drebin, Student Services Vice President Joey French, Financial Aid Associate Director Jenny Hargett, Enrollment Management Dean	6/28/11
Approval by President's Cabinet		8/2/11
Approval by President (Signature)		8/2/11