



## Loan Programs

### Federal Loans

Once there is a valid FAFSA on file for the appropriate academic year, the loan process begins with an offer of eligibility which the student must accept in whole or in part via Self Service Banner if /he wishes to borrow. The process requires two additional important steps: execution of a Master Promissory Note (MPN) and the completion of loan entrance counseling before loan proceeds can be applied to a student's account. Both are completed at <https://studentaid.gov/> [1] under *Complete Aid Process*. The interest rate is subject to change effective July 1st of the aid year.

### Federal Subsidized Direct Loan

- *Who is eligible:* US citizens or eligible non-citizens who are enrolled in a degree or certificate program as a matriculated student. Must be enrolled in at least six credit hours required for an SUNY Adirondack program during any given semester.
- *How award is determined:* This is based on demonstrated financial need per the FAFSA; maximum annual loan is \$3,500 for first-year students (students with less than 28 earned credits) and \$4,500 for second-year students; annual interest rate is 4.99% for loans originated in the 2022-23 academic year and is capped at 8.25%. The federal government pays the interest on the loan while the student attends school on at least a half-time basis; repayment begins six months after student graduates or drops below six credits. The lender (U.S. Dept of Education) assesses a 1% origination fee.
- *How and when to apply:* Complete the FAFSA annually as early as possible after October 1 preceding the academic year. Loans must be accepted and originated prior to your last day of attendance. Note that if a student drops below six credits in a given semester and has borrowed a loan while in attendance at SUNY Adirondack, the student is required to notify the Financial Aid Office and receive exit interview counseling. Students who withdraw from SUNY Adirondack prior to completing 60% of the semester may have to return loan proceeds through the SUNY Adirondack Student Accounts Office deemed "unearned" via the federal Return to Title IV (R2T4) calculation.

### Federal Unsubsidized Direct Loan

- *Who is eligible:* US citizens or eligible non-citizens who are enrolled in a degree or certificate program as a matriculated student. Must be enrolled in at least six credits required for an SUNY Adirondack program during any given semester.
- *How award is determined:* This award is not based on financial need; in addition to the year-in-college amounts described above, loan limits are up to \$2,000 for dependent students; independent students may be eligible to borrow up to an additional \$4,000; annual interest rate is 4.99% for loans originated for the 2022-23 academic year and is capped at 8.25%. The lender (U.S. Dept of Education) assesses a 1% origination fee. Accrual of interest begins immediately and students may have interest deferred along with the principal; repayment begins six months after student graduates or drops below six credits. Students who withdraw from SUNY Adirondack prior to completing 60% of the semester may have to return loan proceeds through the SUNY Adirondack Student Accounts Office deemed "unearned" via the federal Return to Title IV (R2T4) calculation.
- *How and when to apply:* Same procedure as the federal subsidized Direct loan.

### Federal Direct Parent PLUS Loan

- *Who is eligible:* US citizens or eligible non-citizens whose child is enrolled as a matriculated



student in good academic standing for at least six credits required for an SUNY Adirondack program during any given semester.

- *How award is determined:* Award is not based on need; maximum annual loan limit is the cost of attendance, as determined by the SUNY Adirondack Financial Aid Office, minus financial aid; annual interest rate is 7.54% for loans originated for the 2022-23 academic year and is capped at 9%; repayment of interest and principal begins sixty days after the loan is disbursed or parents can opt for deferment similar to student loans. **A credit check is performed on the borrower of the loan;** students whose parent receives a credit denial may be able to borrow additional unsubsidized loan funds and should see the Financial Aid Office for details.
- *How and when to apply:* Complete the FAFSA annually as early as possible after October 1 preceding the academic year. Submit your PLUS request online at <https://studentloans.gov/myDirectLoan/index.action> [2] and SUNY Adirondack will receive the application electronically to process.

### Aggregate Limits

Effective July 1, 2013, students are limited to subsidized loans for a period equal to 150% of their program level or 3 years for associate programs and 1-1/2 years for certificate programs. Dependent undergraduate students can borrow up to a total of \$31,000 and independent undergraduates can borrow up to \$57,500 throughout their undergraduate career. No more than \$23,000 of the total amounts can be subsidized loans.

### Alternative or Private Education Loans

In addition to the federal loan program, some lenders offer students low-interest alternative or private education loans. *If you need to borrow to finance your education, you should first maximize your eligibility for federal Direct loans.* We encourage students to meet with a Financial Aid administrator regarding the advantages and disadvantages of this financing option. Unlike the guaranteed federal student loan program, these loans involve credit worthiness and often require a co-signer. SUNY Adirondack students have utilized this program to supplement their federal loans or instead of the federal loan if they fail to meet the federal standards of academic progress.

**Source URL:** <https://catalog.sunyacc.edu/financialaid/loans>

#### Links:

[1] <https://studentaid.gov/>

[2] <https://studentloans.gov/myDirectLoan/index.action>