



# Ozarka College

*Providing life-changing experiences through education.*

## Financial Aid Student Loan Counseling First Year Borrower

### A. STUDENT INFORMATION:

Student Name (Last Name, First Name, Middle Initial)			Student ID
Mailing Address			Email Address
City	State	Zip Code	Phone Number

### B. ADDITIONAL INFORMATION:

Please provide additional contact information of individuals such as family member, employers, and/or friends. This information will only be used if we are unable to reach you to discuss repayment options or delinquency.

Name/relationship	Address	Phone

### C. LOAN MANAGEMENT INFORMATION:

Visit [www.NSLDS.ed.gov](http://www.NSLDS.ed.gov) to get the important information concerning your loans.

Amount of Existing Loan Debt: --- + --- = ---

\_\_\_\_\_ Discuss the difference between Subsidized and Unsubsidized loans

\_\_\_\_\_ Discuss loan/Pell limits (\$23,000 sub) (Dependent \$31,000/Independent \$57,500)

\_\_\_\_\_ Discuss Loan Counseling Packet

Student loan repayment options brochure

Loan management guide brochure

SAP (Satisfactory Academic Progress) policy Scholarship Packet

\_\_\_\_\_ Discuss grace period with student – 6 months until payment begins

\*\*See Repayment Estimator at <https://studentaid.gov/h/manage-loans>

Types of Standard repayment:	Number of Months	Amount of Monthly Payment	Total Payoff of Loan
Level repayment	120 months		
Graduated repayment	120 months		

**NOTE: Your loan servicer can advise you about additional repayment options such as Extended Repayment and Income Driven Repayment, or Loan Forbearance if you cannot make payments.**

**D. EXIT COUNSELING:**

The federal government requires that students participate in exit counseling prior to leaving or graduating from college. Ozarka College requires its students to complete exit counseling at <https://studentaid.gov/h/manage-loans>.

If students fail to complete exit counseling when they withdraw, drop below half-time or graduate, they will receive a letter directing them to the exit counseling website. After thirty days, if students still have not completed exit counseling the Financial Aid office will send out an Exit Counseling Guide provided by the Department of Education.

FA Specialist Notes:

**E. STUDENT ACKNOWLEDGEMENT: (Please respond to the following statements, then sign and date below)**

***"I have received counseling concerning student loans and my responsibilities for repayment."***

\_\_\_\_\_

***"The counseling session increased my understanding of student loan debt."***

\_\_\_\_\_ ***Strongly Agree***    \_\_\_\_\_ ***Agree***    \_\_\_\_\_ ***Somewhat Disagree***    \_\_\_\_\_ ***Strongly Disagree***

***"The materials provided are informative and easy to understand."***

\_\_\_\_\_ ***Strongly Agree***    \_\_\_\_\_ ***Agree***    \_\_\_\_\_ ***Somewhat Disagree***    \_\_\_\_\_ ***Strongly Disagree***

**Check any of the eight topics below that you recall being covered in your counseling session:**

\_\_\_\_ ***Staying Eligible for Aid***

\_\_\_\_ ***Loan Forgiveness***

\_\_\_\_ ***Subsidized versus unsubsidized loans***

\_\_\_\_ ***Loan limits***

\_\_\_\_ ***Financial Literacy***

\_\_\_\_ ***Loan Exit Counseling Requirement***

\_\_\_\_ ***Standard repayment versus graduated repayment***

\_\_\_\_ ***Grace period***

\_\_\_\_\_ "I am aware that I must complete exit counseling and that the Financial Aid Office at Ozarka College will try to contact me if I become delinquent on my student loans."

\_\_\_\_\_ "I will contact the financial aid office if have further questions".

\_\_\_\_\_  
Student

\_\_\_\_\_  
Date

\_\_\_\_\_  
Director of Financial Aid/Financial Aid Specialist

# **Direct Student Loans:**

# **What You Should**

# **Know**

# **as a**

# **First Time**

# **Loan Borrower**

## Federal Direct Student Loans

Federal Direct Loans are low-interest loans from the U.S. Department of Education that are administered by Ozarka College. It is the U.S. Department of Education's major form of self-help aid and is available through the William D. Ford Federal Direct Loan Program.

There are two types of Federal Direct Loans: subsidized and unsubsidized.

### Federal Direct Subsidized Loan

Federal Direct Subsidized Loans are available to undergraduate students with financial need.

- Eligibility for subsidized loans is based on financial need as determined by federal guidelines.
- The loan is called “subsidized” because the government pays the interest for the student while the student is enrolled in school at least half-time.
- Interest begins to accrue for the student 6 months after the student graduates or ceases to be enrolled at least half time.
- The school determines each borrower’s borrowing limits. Subsidized loans may not exceed a student’s financial need.

### Federal Direct Unsubsidized Loan

Federal Direct Unsubsidized Loans are not based on financial need. If the Estimated Cost of Attendance is greater than a student’s financial aid (grants, scholarships, a subsidized loan) he or she may qualify for Federal Direct Unsubsidized Loan.

- Interest on this loan accrues from the time the loan is disbursed until it is paid in full. Students have the option to pay on the interest while in school, or to allow the interest to accumulate, which adds to the principal amount of the loan and increases the amount to be repaid.
- The school determines each borrower’s loan limits based on annual federal student aid borrowing limits, other available aid, and cost of attendance.

### Federal Direct PLUS Loan

Ozarka College chooses not to participate in Parent Loan for Undergraduate Students (PLUS).

***Section 479A(c) of the Higher Education Act, as amended (HEA), and the Direct Loan Program regulations at 34 CFR 685.301(a)(8) give schools the authority to refuse to originate a Direct Loan or to reduce the amount of an individual borrower’s eligibility for a Direct Loan.***

# William D. Ford Direct Loan Program

## Federal Direct Loan Limits

The federal government sets limits on the amount of money a student can borrow. The annual limit shows the maximum amount a student can borrow in one academic year, while the aggregate limit applies to the maximum a student can borrow in a lifetime. There is an overall annual loan limit for Stafford Loans, a limited subset of which may be comprised of subsidized loans. The student's maximum annual loan limit increases as the student progresses to higher grade levels. The loan limit may have to be prorated if the student is attending a program (or remaining portion of a program) that is less than an academic year.

Below is a chart of annual and aggregate loan limits for Federal Direct Loans:

	<b><u>FEDERAL DIRECT LOAN ANNUAL LIMITS</u></b>	
	<b>Subsidized</b>	<b>Total Subsidized &amp; Unsubsidized</b>
<b>DEPENDENT</b>		
Freshman	\$3,500	\$5,500
Sophomore	\$4,500	\$6,500
<b>INDEPENDENT</b>		
Freshman	\$3,500	\$9,500
Sophomore	\$4,500	\$10,500
<b>FEDERAL DIRECT LOAN LIFE TIME LIMITS</b>		
Undergraduate Dependent	\$23,000	\$31,000
Undergraduate Independent	\$23,000	\$57,500
Graduate	\$65,500	\$138,500

\*Note: All undergraduate annual loan amounts are subject to proration.

<b>Interest Rates for Direct Loans First Disbursed on or After July 1, 2023, and Before July 1, 2024</b>		
<b>Loan Type</b>	<b>Borrower Type</b>	<b>Fixed Interest Rate</b>
<b>Direct Subsidized Loans and Direct Unsubsidized Loans</b>	<b>Undergraduate</b>	<b>4.99%</b>
<b>Direct Unsubsidized Loans</b>	<b>Graduate or Professional</b>	<b>6.54%</b>
<b>Direct PLUS Loans</b>	<b>Parents and Graduate or Professional Students</b>	<b>7.54%</b>

**All interest rates shown in the chart above are fixed rates that will not change for the life of the loan.**

## 150% Federal Subsidized Student Loan Limit

Effective July 1, 2013, ***first-time borrowers in undergraduate programs*** are subject to the 150% Direct Subsidized Loan Limit, which limits the amount of time a student is eligible to borrow subsidized loans to 150% of their published program length.

***“First-time borrowers”*** include:

- New students who start college for the first time (on or after July 1, 2013)
- Students who started school prior to July 1, 2013, but who are taking out their first student loan AFTER July 1, 2013
- Students who paid off their direct student loan balance, but are re-entering school on or after July 1, 2013

### **EXAMPLES (for illustration purposes only—may not be precise):**

If you are enrolled in:	Approximate Credit Hours	Approximate Time To Completion	No more subsidy allowed on loans taken out while completing this program after:
Non-nursing Technical Certificate Program	30 credit hours	1-year full-time enrollment	1.5 full-time years (OR over 45 attempted credit hours)
Nursing Technical Certificate Program	52 credit hours	18 months full-time enrollment	2.25 full –time years (OR over 78 attempted credit hours)
Associate Degree	60 credit hours	2 years full-time enrollment	3 full-time years (OR over 90 attempted credit hours)

## STUDENT LOANS:

### When You Graduate, Leave School, or become Enrolled Less than Half-Time

- 1) When you will no longer be enrolled in school at least half-time, **your six-month grace period will begin.**
  - You *MAY* begin paying off your loan at any time, but you **MUST** begin making payments when your 6-month grace period has ended.
  - You can use the grace period to prepare financially and budget for your student loan payments each month.
  - **When you are in repayment, you can avoid delinquency and default by making your payments on time.**
  
- 2) When you are about to graduate, leave school, or drop below half-time enrollment, you should:
  - Complete Loan Exit Counseling at [www.studentloans.gov](http://www.studentloans.gov). This is a mandatory information session that explains your loan repayment responsibilities, due dates, and repayment options. ***(If you do not complete Loan Exit Counseling within 90 days of your change in enrollment status, a hold will be placed on your Ozarka College transcript. When Ozarka receives notification that Exit Counseling is complete, the Transcript Hold will be removed.)***
  - Log on to your account at StudentAid.gov to review your student loan borrowing history. You will find information about your loan types (subsidized or unsubsidized), your loan balances, your loan servicer(s) and their contact information.
  
- 3) **During your six-month grace period, you should:**
  - Estimate your monthly payments. You may use the Repayment Estimator at [www.studentloans.gov](http://www.studentloans.gov).
  - Contact your Loan Servicer(s). Provide your lender with correct contact information, and select a repayment plan for your Federal Student Loans (see repayment plan charts in this packet).
  
- 4) **When you are in Repayment and Making Payments:**
  - Read any correspondence you receive from your Loan Servicer(s). They will provide you with a repayment schedule showing your payment due dates and amounts.
  - **Stay out of default.** IF YOU CANNOT MAKE FULL, On-Time PAYMENTS, contact your loan servicer immediately so they can help you get on a repayment plan that will work for you. Other options they may give you include:
    - Deferment and forbearance (temporary postponement of payments)
    - Loan consolidation
    - Income-Based Repayment (IBR)

Learn more at [StudentAid.gov/deferment-forbearance](http://StudentAid.gov/deferment-forbearance), and [StudentAid.gov/forgiveness](http://StudentAid.gov/forgiveness)



## Department of Education Direct Loan Servicers

SERVICER	WEBSITE	Customer Service Number
Aidvantage	<a href="https://aidvantage.com/">https://aidvantage.com/</a>	1-800-722-1300
Default Resolution Group	<a href="https://myeddebt.ed.gov/">https://myeddebt.ed.gov/</a>	1-800-621-3115
ECSI	<a href="https://efpls.ed.gov/">https://efpls.ed.gov/</a>	1-866-313-3797
Fed Loan Servicing (PHEAA)	<a href="https://myfedloan.org">https://myfedloan.org</a>	1-800-699-2908
Great Lakes Educational Loan Services, Inc.	<a href="https://mygreatlakes.org">https://mygreatlakes.org</a>	1-800-236-2700
HESC/Edfinancial	<a href="https://edfinancial.com">https://edfinancial.com</a>	1-855-337-6884
MOHELA	<a href="https://www.mohela.com">https://www.mohela.com</a>	1-888-866-4352
Nelnet	<a href="https://www.nelnet.com">https://www.nelnet.com</a>	1-888-486-4722
OSLA Servicing	<a href="https://public.osla.org">https://public.osla.org</a>	1-866-264-9762

## Student Loan Repayment Options: Standard Repayment

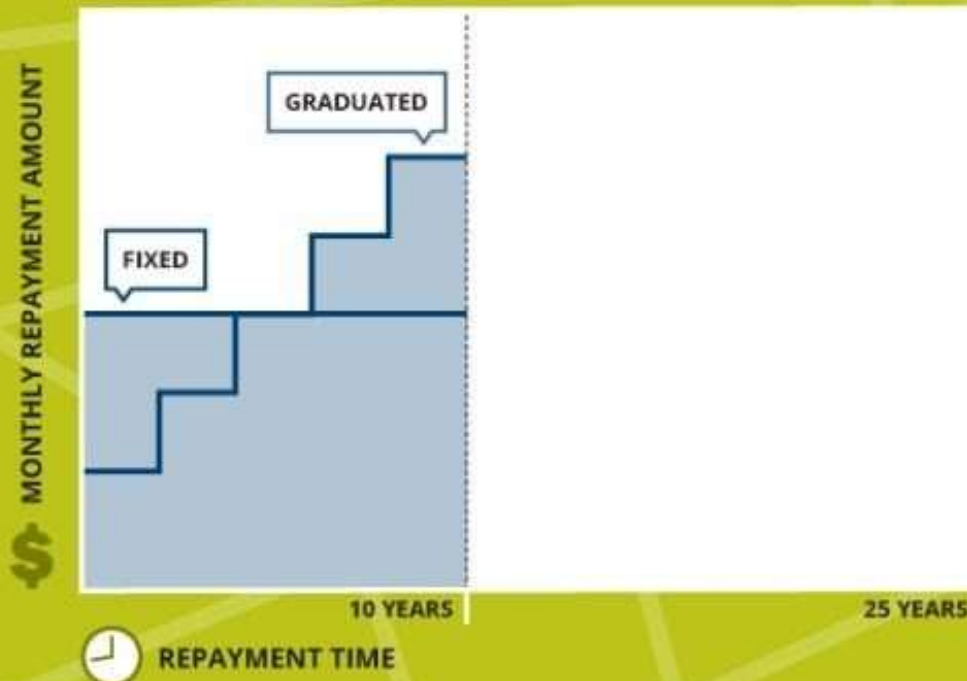
**Standard  
Repayment**

**Extended  
Repayment**

**Income-Driven  
Repayment**



Standard repayment has monthly payments over 10 years.



### Standard Repayment

Standard repayment plans include making monthly payments over 10 years. Generally, you will pay less interest over the life of your loan under a standard plan than an extended or income-driven plan.

- **Standard/Level:** You make the same monthly payment amount each month for 10 years.
- **Graduated:** Your monthly payments start lower and get larger over the repayment period, usually increasing every two years. This may be a good option if you need a lower payment now, but expect to make more money in the future. Be aware that your payments will go towards interest only—not principal—in the beginning of the repayment plan.

## Student Loan Repayment Options: Extended Repayment

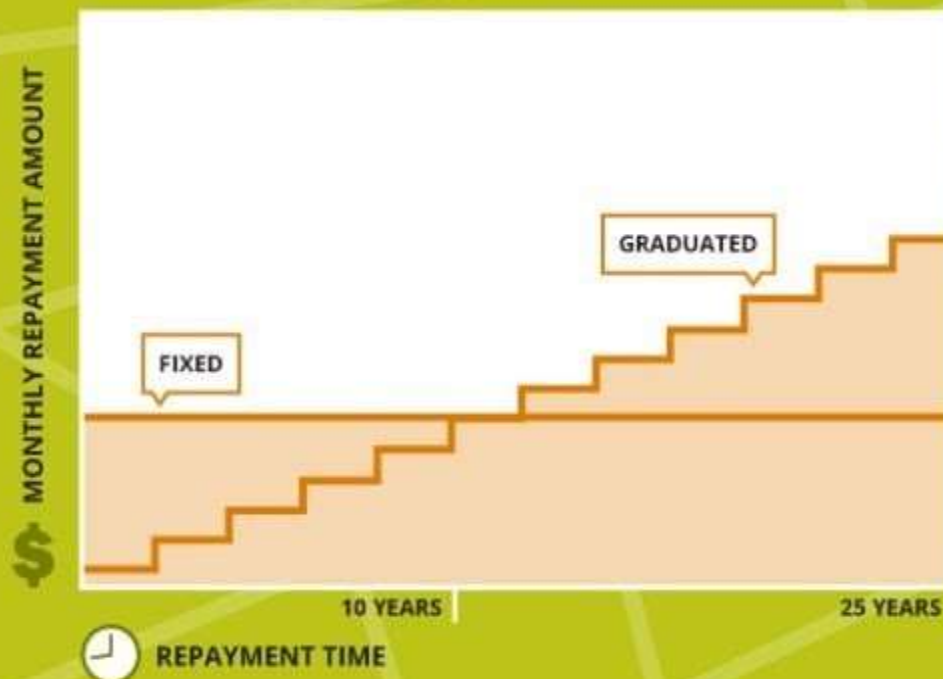
Standard  
Repayment

Extended  
Repayment

Income-Driven  
Repayment



Extended repayment allows you to pay your loans over 25 years.



### Extended Repayment

Extended repayment plans may be available if your total loan balance is over \$30,000 in either Direct loans or FFELP, not a combination. These plans allow you to pay your loans over 25 years instead of 10. They may be good options if you need a lower monthly payment than a standard plan offers.

- **Extended Level:** Your payments are the same each month.
- **Extended Graduated:** Your monthly payments start lower and get larger over the repayment period, usually increasing every two years. This may be a good option if you need a lower payment now, but expect to make more money in the future. Be aware that your payments will go towards interest only—not principal—in the beginning of the repayment plan.

## Student Loan Repayment Options: Income-Driven

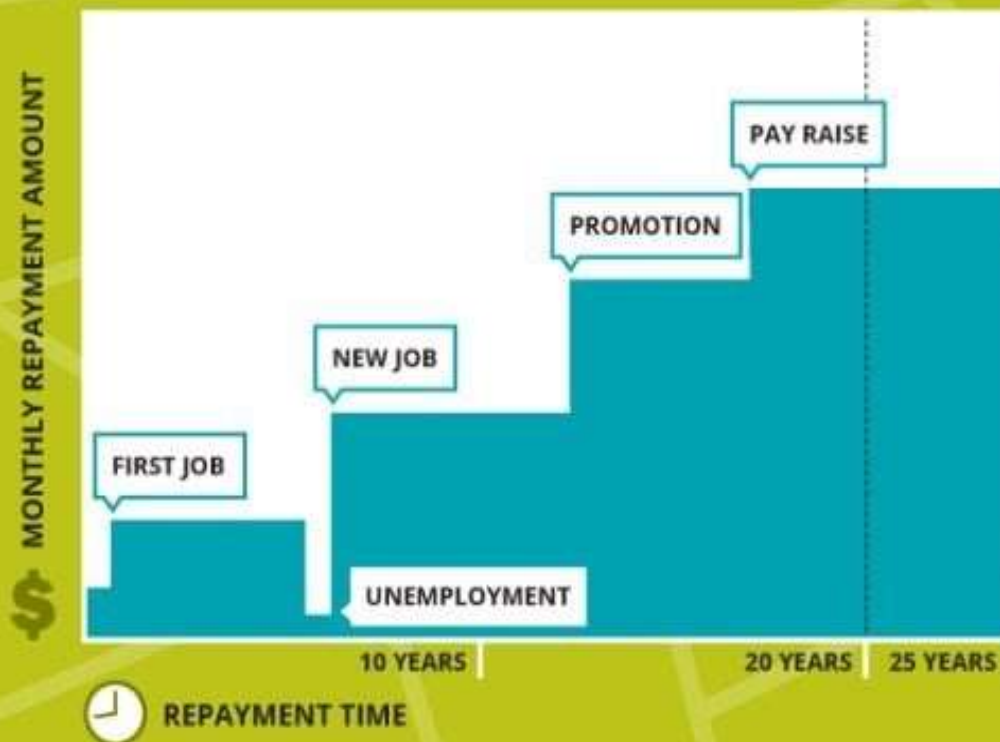
**Standard  
Repayment**

**Extended  
Repayment**

**Income-Driven  
Repayment**



Income-driven repayment plans allow payments based on the amount you earn over a 20- or 25-year period.



### Income-Driven Repayment

[Income-driven repayment plans](#) allow you to make monthly payments that are based on your income—as you earn more, you pay more. In addition to your income, eligibility for these plans is based on your family size and the types of loans you have. You'll need to provide some income information, such as a tax return, to qualify, and you'll also need to submit your tax information each year to remain in one of these plans.





## GENERAL FORBEARANCE REQUEST

**William D. Ford Federal Direct Loan (Direct Loan) Program / Federal Family Education Loan (FFEL) Program / Federal Perkins Loan (Perkins Loan) Program**

OMB No. 1845-0031  
Form Approved  
Exp. Date 02/28/2022

**WARNING:** Any person who knowingly makes a false statement or misrepresentation on this form or on any accompanying document is subject to penalties that may include fines, imprisonment, or both, under the U.S. Criminal Code and 20 U.S.C. 1097.

### SECTION 1: BORROWER INFORMATION

Please enter or correct the following information.

☐ **Check this box if any of your information has changed.**

SSN \_\_\_\_\_

Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_

State \_\_\_\_\_

Zip Code \_\_\_\_\_

Telephone - Primary \_\_\_\_\_

Telephone - Alternate \_\_\_\_\_

Email (Optional) \_\_\_\_\_

### SECTION 2: FORBEARANCE REQUEST

**Carefully read the entire form before completing it. Answer all questions in Section 2. Your loan holder has sole discretion in whether to grant your general forbearance request, and, if granted, for what period your forbearance will be applied.** Instead of forbearance, consider requesting a deferment (which has an interest benefit for some loan types) or changing to a repayment plan that determines your monthly payment amount based on your income. Visit [StudentAid.gov/IDR](http://StudentAid.gov/IDR) for more information.

1. I am requesting a forbearance because I am experiencing a temporary hardship related to one of the following situations (check one):

☐ Financial difficulties

☐ Change in employment

☐ Medical expenses

☐ Other (explain the situation below)

2. If approved for a forbearance, I would like to:

☐ Temporarily stop making payments.

☐ Temporarily make smaller payments of

\_\_\_\_\_ per month.

3. I would like my forbearance to begin with the monthly payment that is due in the month and year below:

\_\_\_\_\_

4. If approved for forbearance, I would like my forbearance to end in the month and year below, and begin making payments the following month:

\_\_\_\_\_

Borrower Name \_\_\_\_\_

Borrower SSN \_\_\_\_\_

**SECTION 3: BORROWER/ENDORSER UNDERSTANDINGS, CERTIFICATIONS, AND AUTHORIZATION****I understand that:**

- I am not required to make payments of loan principal or interest during my forbearance, but interest will continue to be charged on all my loans.
- Interest may capitalize on my loans during or at the expiration of my forbearance, but interest never capitalizes on Perkins Loans. Interest capitalization usually increases the amount of interest I will pay, and may increase my monthly payment.
- My loan holder has sole discretion in whether to grant my general forbearance request and for what dates it will be granted.
- For Perkins Loans, there is a cumulative limit on general forbearance of 3 years. For Direct Loans and FFEL Program loans, my loan holder may set a limit on general forbearance.
- My forbearance will end on the earlier of the end date that I requested, 12 months from the date my forbearance begins, or when I exhaust any limit that my loan holder has on forbearance.
- I can request another forbearance after my forbearance ends if I am still experiencing financial hardship.
- Any payment I make during forbearance will not count towards forgiveness under income-driven repayment plans or Public Service Loan Forgiveness.

**I certify that:**

- The information I have provided on this form is true and correct.
- I will provide additional documentation to my loan holder, if requested, to support my general forbearance request.
- I will repay my loans according to the terms of my promissory note, even if my request is not granted.

**I authorize** the entity to which I submit this request and its agents to contact me regarding my request or my loans at any cellular telephone number that I provide now or in the future using automated telephone dialing equipment or artificial or prerecorded voice or text messages.

Borrower's/Endorser's Signature \_\_\_\_\_

Date \_\_\_\_\_

**SECTION 4: INSTRUCTIONS FOR COMPLETING THE FORBEARANCE REQUEST**

Type or print using dark ink. Enter dates as month-day-year (mm-dd-yyyy) or (mm-yyyy) as appropriate. Example: March 14, 2019 = 03-14-2019. Include your name and account number on any documentation that you may be requested to submit with this form. If you want to apply for a forbearance on loans that are held by different loan holders, you must submit a separate forbearance request to each loan holder. **Return the completed form and any requested documentation to the address shown in Section 6.**

If you are an endorser, you may request forbearance only when you are required to repay the loan because the borrower is not making payments. If you have a loan made jointly with another borrower (as co-makers), you must both individually meet the requirements for a forbearance and each of you must request forbearance.



## SECTION 5: DEFINITIONS

**Capitalization** is the addition of unpaid interest to the principal balance of your loan. Capitalization causes more interest to accrue over the life of your loan and may cause your monthly payment amount to increase. Interest never capitalizes on Perkins Loans. Table 1 (below) provides an example of the monthly payments and the total amount repaid for a \$30,000 unsubsidized loan. The example loan has a 6% interest rate and the example deferment or forbearance lasts for 12 months and begins when the loan entered repayment. The example compares the effects of paying the interest as it accrues or allowing it to be capitalized.

A **co-maker** is one of the two individuals who are joint borrowers on a Direct or Federal Consolidation Loan or a Federal PLUS Loan. Both co-makers are equally responsible for repaying the full amount of the loan.

A **deferment** is a period during which you are entitled to postpone repayment of your loans. Interest is not generally charged to you during a deferment on your subsidized loans. Interest is always charged to you during a deferment on your unsubsidized loans. On loans made under the Perkins Loan Program, all deferments are followed by a post-deferment grace period of 6 months, during which time you are not required to make payments.

An **endorser** is an individual who signs a promissory note and agrees to pay the loan if the borrower does not.

The **Federal Family Education Loan (FFEL) Program** includes Federal Stafford Loans, Federal PLUS Loans, Federal Consolidation Loans, and Federal Supplemental Loans for Students (SLS).

The **Federal Perkins Loan (Perkins Loan) Program** includes Federal Perkins Loans, National Direct Student Loans (NDSL), and National Defense Student Loans (Defense Loans).

A **forbearance** is a period during which you are allowed to postpone making payments temporarily, allowed an extension of time for making payments, or temporarily allowed to make smaller payments than scheduled. A forbearance can be a mandatory forbearance, meaning that your loan holder must grant the forbearance if you qualify for the forbearance and supply all supporting documentation. A forbearance can also be a discretionary forbearance, meaning that your loan holder may grant the forbearance, but is not required to do so.

The **holder** of your Direct Loans is the Department. The holder of your FFEL Program loans may be a lender, guaranty agency, secondary market, or the Department. The holder of your Perkins Loans is an institution of higher education or the Department. Your loan holder may use a servicer to handle billing and other communications related to your loans. References to "your loan holder" on this form mean either your loan holder or your servicer.

A **subsidized loan** is a Direct Subsidized Loan, a Direct Subsidized Consolidation Loan, a Federal Subsidized Stafford Loan, portions of some Federal Consolidation Loans, Federal Perkins Loans, NDSL, and Defense Loans.

An **unsubsidized loan** is a Direct Unsubsidized Loan, a Direct Unsubsidized Consolidation Loan, a Direct PLUS Loan, a Federal Unsubsidized Stafford Loan, a Federal PLUS Loan, a Federal SLS, and portions of some Federal Consolidation Loans.

The **William D. Ford Federal Direct Loan (Direct Loan) Program** includes Federal Direct Stafford/Ford (Direct Subsidized) Loans, Federal Direct Unsubsidized Stafford/Ford (Direct Unsubsidized) Loans, Federal Direct PLUS (Direct PLUS) Loans, and Federal Direct Consolidation (Direct Consolidation) Loans.

**Table 1. Capitalization Chart**

Treatment of Interest with Deferment/Forbearance	Loan Amount	Capitalized Interest	Outstanding Principal	Monthly Payment	Number of Payments	Total Repaid
Interest is paid	\$30,000	\$0	\$30,000	\$333	120	\$41,767
Interest is capitalized at the end	\$30,000	\$1,800	\$31,800	\$353	120	\$42,365
Interest is capitalized quarterly and at the end	\$30,000	\$1,841	\$31,841	\$354	120	\$42,420

## SECTION 6: WHERE TO SEND THE COMPLETED FORBEARANCE REQUEST

Return the completed form and any documentation to:  
(If no address is shown, return to your loan holder.)

If you need help completing this form, call:  
(If no telephone number is shown, call your loan holder.)



## SECTION 7: IMPORTANT NOTICES

**Privacy Act Notice.** The Privacy Act of 1974 (5 U.S.C. 552a) requires that the following notice be provided to you:

The authorities for collecting the requested information from and about you are §421 et seq., §451 et seq., or §461 of the Higher Education Act of 1965, as amended (20 U.S.C. 1071 et seq., 20 U.S.C. 1087a et seq., or 20 U.S.C. 1087aa et seq.) and the authorities for collecting and using your Social Security Number (SSN) are §§428B(f) and 484(a)(4) of the HEA (20 U.S.C. 1078-2(f) and 1091(a)(4)) and 31 U.S.C. 7701(b). Participating in the William D. Ford Federal Direct Loan (Direct Loan) Program, Federal Family Education Loan (FFEL) Program, or Federal Perkins Loan (Perkins Loan) Program and giving us your SSN are voluntary, but you must provide the requested information, including your SSN, to participate.

The principal purposes for collecting the information on this form, including your SSN, are to verify your identity, to determine your eligibility to receive a loan or a benefit on a loan (such as a deferment, forbearance, discharge, or forgiveness) under the Direct Loan, FFEL, or Federal Perkins Loan Programs, to permit the servicing of your loans, and, if it becomes necessary, to locate you and to collect and report on your loans if your loans become delinquent or default. We also use your SSN as an account identifier and to permit you to access your account information electronically.

The information in your file may be disclosed, on a case-by-case basis or under a computer matching program, to third parties as authorized under routine uses in the appropriate systems of records notices. The routine uses of this information include, but are not limited to, its disclosure to federal, state, or local agencies, to private parties such as relatives, present and former employers, business and personal associates, to consumer reporting agencies, to financial and educational institutions, and to guaranty agencies in order to verify your identity, to determine your eligibility to receive a loan or a benefit on a loan, to permit the servicing or collection of your loans, to enforce the terms of the loans, to investigate possible fraud and to verify compliance with federal student financial aid program regulations, or to locate you if you become delinquent in your loan payments or if you default. To provide default rate calculations, disclosures may be made to guaranty agencies, to financial and educational institutions, or to state agencies. To provide financial aid history information, disclosures may be made to educational institutions.

To assist program administrators with tracking refunds and cancellations, disclosures may be made to guaranty agencies, to financial and educational institutions, or to federal or state agencies. To provide a standardized method for educational institutions to efficiently submit student enrollment statuses, disclosures may be made to guaranty agencies or to financial and educational institutions. To counsel you in repayment efforts, disclosures may be made to guaranty agencies, to financial and educational institutions, or to federal, state, or local agencies.

In the event of litigation, we may send records to the Department of Justice, a court, adjudicative body, counsel, party, or witness if the disclosure is relevant and necessary to the litigation. If this information, either alone or with other information, indicates a potential violation of law, we may send it to the appropriate authority for action. We may send information to members of Congress if you ask them to help you with federal student aid questions. In circumstances involving employment complaints, grievances, or disciplinary actions, we may disclose relevant records to adjudicate or investigate the issues. If provided for by a collective bargaining agreement, we may disclose records to a labor organization recognized under 5 U.S.C. Chapter 71. Disclosures may be made to our contractors for the purpose of performing any programmatic function that requires disclosure of records. Before making any such disclosure, we will require the contractor to maintain Privacy Act safeguards. Disclosures may also be made to qualified researchers under Privacy Act safeguards.

**Paperwork Reduction Notice.** According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. The valid OMB control number for this information collection is 1845-0031. Public reporting burden for this collection of information is estimated to average 5 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. The obligation to respond to this collection is required to obtain a benefit in accordance with 34 CFR 674.33, 682.211, and 685.205. If you have comments or concerns regarding the status of your individual submission of this form, please contact your loan holder directly (see Section 6).





## HERE TO HELP WITH STUDENT LOAN REPAYMENT

Throughout your college years and beyond, we want to ensure that you are well-informed and empowered to take control of your student loan repayment. We have partnered with Student Connections<sup>SM</sup> to help you understand your loan repayment commitments and address any issues you may encounter.

In the coming months, you may receive a call from a student success counselor who will:

- Help you understand your loan obligations and responsibilities.
- Discuss available options for an achievable and affordable repayment plan.
- Ensure you are aware of repayment options during financial hardships.
- Promote your long-term repayment success.

These representatives are available to counsel you about your outstanding loans and, when appropriate, work with you and your loan servicer to address any loan payment issues.

### WHO IS STUDENT CONNECTIONS?

Student Connections is passionate about helping students overcome the barriers that can get in the way of attending college, completing their programs of study and achieving success while in school and after graduation. With more than 50 years of experience in counseling student loan borrowers, their primary goal is to help establish the best repayment plan for you.

Visit [repaymyloans.org](http://repaymyloans.org) or talk to a student success counselor for free at (866) 497-8723.



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## Staying Eligible for Financial Aid: What You MUST Know

Federal regulations require the college to establish and apply reasonable standards of Satisfactory Academic Progress (SAP) for the purpose of awarding financial assistance under all programs authorized by Title IV of the Higher Education Act (**including Pell Grants, Student Loans, and Federal Work Study programs**). The standards must demonstrate that students are progressing in their programs at a satisfactory pace.

(Note: The complete SAP Policy can be viewed at [https://www.ozarka.edu/finaid/file\\_display.cfm?form=PO](https://www.ozarka.edu/finaid/file_display.cfm?form=PO))

The College will conduct a review of each student's academic progress at the end of each payment period: Summer I, Summer II, Fall, and Spring terms to determine whether or not a student is eligible to continue receiving Federal Aid.

**QUALITY OF WORK STANDARD:** Students must successfully complete (**grade of C or better**) at least **67% of all hours attempted** during each evaluation period, plus maintain a minimum overall AND semester **grade point average of 2.0**.

### EXAMPLE:

Attempted Hours	Minimum Successfully Completed Hours to Meet SAP Standards
3	2
6	4
9	6
12	8
15	10

**PACE STANDARD:** In addition, students who have not completed a program by the time they have attempted **1.5 times the credit hours required** to complete **will lose eligibility** for further Federal Aid on that program.

### EXAMPLE:

Hours Required to Complete a Program	Maximum <u>Attempted</u> Hours that Federal Aid Will Cover (150% of Hours Required)
30	45
52	78
60	90
66	99

## If SAP Standards Are Not Met: Financial Aid Eligibility Status Changes

Failure to meet the standards set forth in the SAP policy will result in changes to a student's eligibility to receive financial aid as follows:

**Financial Aid Warning:** After a first unsuccessful semester, the student is placed on financial aid warning. He/she may continue to receive assistance under the Title IV, HEA programs for one payment period.

**Financial Aid Suspension:** If a student on Financial Aid Warning fails to meet the standards set forth in the SAP policy, the student is then placed on Financial Aid Suspension and will lose eligibility to receive financial aid. (See *Appeal Process below.*)

**Financial Aid Probation:** Once a student re-establishes eligibility to receive financial aid, he/she is placed on a financial aid probation semester. At the end of the probation semester, the student is expected to meet the SAP standards. Failure to achieve the SAP standard will result in a Suspension status, and the student must self-pay or win an appeal.

## Financial Aid Suspension Appeal Process

Circumstances beyond a student's control may have prevented a student's successful completion. For those circumstances, the College has established a financial aid appeal process which is outlined in the policy below.

### **Student Responsibility**

Students removed from financial aid eligibility may file an appeal with the Financial Aid Officer. The completed appeal must be in writing, and extenuating circumstances must be well documented. The completed appeal should be filed **NO LATER than the last Wednesday before the new semester begins.**

The application for appeal should include **ALL** the items listed below:

- Clearly identify the extenuating circumstances causing the student to fail to meet the SAP policy for the term(s) in question.
- Provide documentation that helps to validate the appeal.
- Include a personal statement explaining what has changed in the student's situation that will allow the student to demonstrate SAP at the next evaluation.
- Include an advisor approved and signed academic plan.

The Suspension Appeal Form (<https://otc.ozarka.edu/finaid/>) and all required and supporting documentation must be submitted to the Financial Aid office **NO LATER than the last Wednesday before the new semester begins.**

## How Your Pell Award is Calculated

- Pell grant eligibility is primarily dependent on family income, household size, and the number of individuals in the household enrolled in college. There are other factors, but these apply to everyone.
- EFC= “Expected Family Contribution,” the amount that the federal government would “EXPECT” your family to be able to contribute out-of-pocket for your education expenses. Your EFC is based on the information you reported on your FAFSA about your family’s income and household size.
- An EFC of \$0 is eligible for the maximum Pell for that year, if enrolled full-time each semester. HOWEVER, partial Pell can be awarded for ANY number of credit hours enrolled.
- EFC’s above \$0 and less than \$6656 (for 2023-2024), will be eligible for less than a full Pell grant.
- EFC’s above \$6657 are NOT eligible for Pell.
- Maximum Pell for 2023-2024 = \$7395 for the year divided between your fall and spring semesters (\$3698/3697 per semester). If you attend in the summer, you may be able to receive an additional amount, dependent on your enrollment status.

# of credit hours enrolled per semester	Enrollment Status	<u>Annual</u> 23-24 Pell Award (if EFC is \$0.00/ eligible for full Pell)	<u>Semester</u> Pell Award (if EFC is \$0.00/ eligible for full Pell)
12+	Full-time	\$7395	\$3698
9-11	3/4 time	\$5546	\$2773
6-8	1/2 time	\$3698	\$1849
1-5	1/4 time	\$1849	\$925

### Key Pell Limits: TIME LIMITS and AMOUNT LIMITS

- Pell eligible students have the equivalent of 6 full-time years (12 full-time semesters) of Pell Grant funding available to complete through a 4-year degree (Bachelor’s degree).
- However, students who attempt more than 1.5 times (150%) the number of credit hours in their degree program without actually completing the program will not be able to receive further federal aid (Pell or student loans) for that program.
- How many credit hours are in your program?** \_\_\_\_\_ **How many credit hours have you attempted?** \_\_\_\_\_
- Credit Hours Attempted/Total Credit Hours in Program =** \_\_\_\_\_  
\*\*\*\*\*
- Pell LEU= Pell Lifetime Eligibility Used.** Pell LEU is measured in increments of **100% per year** of full-time school enrollment (or **50% per semester** of full-time enrollment). Students have up to **6 full-time years** to complete, therefore **600% is** the LEU Limit. EXAMPLES:
  - Student A enrolls in 12 credit hours in a fall semester and receives the full amount of Pell for which he/she is eligible for THAT semester. Student A has therefore used **50%** of his/her LEU (lifetime eligibility). Each semester of fulltime enrollment uses another 50% LEU, to a maximum of 600% LEU (Equivalent of 6 full-time years of enrollment).
  - Student B enrolls in 6 credit hours in a fall semester, and is therefore at a “half-time” enrollment status. Student B will receive HALF of the full Pell amount for which he/she is eligible that semester, resulting in an LEU of **25%** for that semester. If this is student B’s first semester to receive Pell, he/she will have **575% LEU remaining**.
- What is your current Pell LEU?** \_\_\_\_\_ % out of 600%

# **“Free Money” Sources College: Other Grant and Scholarship Opportunities**

## **1) Apply for Ozarka Foundation Scholarships**

- Click on “FINANCE”
- Click on “APPLY FOR SCHOLARSHIPS” (on the right side of the screen)
- Click on the arrow that says “BEGIN”
- Fill out the application
- Click “SUBMIT APPLICATION”
- Go to the final step in the process “COMPLETE ESSAY”
  - Write a one-page essay in MS Word (or type it into the application directly)
  - The essay should tell about you and your education and career goals. (Your application WILL NOT be considered if you fail to complete the essay portion.)
- Click “Choose File” to upload your one-page essay to the application.
- Click “SUBMIT ESSAY”

## **2) WIOA**

- Workforce Improvement Opportunities grants through the Department of Workforce Services.
  - Contacts for Arkansas Residents:
    - Tonya Crawford, 870-368-2370
    - Cody Moore, 870-269-4070
  - Contacts for Missouri Residents:
    - Sean Mooney, Missouri Job Center, 417-256-3158

## **3) Arkansas Department of Higher Education**

- Arkansas Challenge (for traditional and non-traditional students)
- Arkansas Workforce Challenge (for certain high-demand fields such as technology and healthcare)
- Arkansas FUTURES Scholarship
  - For information about the scholarships offered by ADHE, go to <https://sams.adhe.edu>

## **4) Arkansas Single Parent Scholarship Fund**

- <https://www.aspsf.org/scholarships>

## **5) New Beginnings Pregnancy Help Center**

- Scholarships for students who are pregnant or are parents of young children.
  - Laura Lute, Executive Director: 870-994-5433

## **6) Online Scholarship Search Sites:**

Fastweb.com      Scholarships.com      Fundmyfuture.info      CollegeBoard.com



## What is Career Pathways?

Career Pathways is a state funded grant program that can assist eligible students with the academic and financial obstacles that they may face while going to college. Career Pathways can also assist those who are not enrolled in college courses with a variety of services such as the Career Readiness Certificate, resume building and job interview skills to help when entering the workforce.

### 1) To Be Eligible for Career Pathways You Should:

- Be an Arkansas resident
- Be a parent or legal guardian of a child under the age of 21
- Meet the income guidelines at or below 250% of the federal poverty limit

### 2) Services Offered:

- Academic
  - Tutoring referrals
  - Academic Advising
  - Online Career Assessments
- Financial
  - Tuition and Fee Assistance
  - Transportation Assistance
  - Childcare Assistance
  - Course Related Supplies Assistance
- Career Readiness
  - Interview Skill Building
  - Job Search
  - Resume' Building
  - Career Readiness Certificates

## Ozarka College Career Pathways Staff and Contact Information

**Amanda Engelhardt**

Director

870-368-2041

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CSSF

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Ozarka College Arkansas Career Pathways, PO Box 10, 218 College Drive, Melbourne, AR 72556  
 Phone: 870.368.7371 Toll Free: 1.800.821.4335 Fax: 870.368.2023  
 careerpathways@ozarka.edu



# DID YOU KNOW?

## TRIO STUDENTS...

- ⇒ Receive **Academic Advising** according to their academic program at Ozarka AND their transfer school of choice
- ⇒ Receive **Career Guidance** to help them choose a career that fits their skill and interest
- ⇒ Tour **4 Year Colleges and Universities** with our transfer specialist and are introduced to financial aid/admissions staff and meet with advisors/instructors of the area of degree
- ⇒ Receive information regarding **Transfer Scholarships** including eligibility requirements and award amount
- ⇒ Are exposed to **Cultural Enrichment Events/Activities.**  
*Plays, Concerts, Riverboat Rides, Murder Mysteries!*
- ⇒ Improve their grades through **Peer and Professional Tutoring** offered both online and face-to-face settings.

**Limited Space Available**

To Apply: contact TRIO at  
870.368.2036 or [TRIO@ozarka.edu](mailto:TRIO@ozarka.edu)



**BE IN THE KNOW** JOIN **TRIO**

# Code of Conduct Details as per the Higher Education Opportunity Grant

The Higher Education Opportunity Act section 493(a)(25), requires all educational institutions with a preferred lender arrangement (defined as "recommending, promoting, or endorsing the education loan products of the lender") to comply with a Code of Conduct described in HEOA. Details of the requirements are found in section 493 subsections (e).

This code of conduct must be published prominently on the institution's website and all of the institution's agents with responsibilities with respect to education loans must be annually informed of the provisions of such code of conduct.

**The seven elements of the Code of Conduct requirements are the following:**

- 1. Ban on revenue-sharing arrangements**
- 2. Gift ban**
- 3. Contracting arrangements prohibited**
- 4. Interaction with borrowers**
- 5. Prohibitions on offers of funds for private loans**
- 6. Ban on staffing assistance**
- 7. Advisory Board compensation**

Here are the detailed Code of Conduct Requirements from the Act:

Code of Conduct Requirements- An institution of higher education's code of conduct, as required under subsection (a)(25), shall include the following requirements:

## **1) BAN ON REVENUE-SHARING ARRANGEMENTS**

- (A) *PROHIBITION*: The institution shall not enter into any revenue-sharing arrangement with any lender.
- (B) *DEFINITION*: For purposes of this paragraph, the term 'revenue-sharing arrangement' means an arrangement between an institution and a lender under which—
- (i) a lender provides or issues a loan that is made, insured, or guaranteed under this title to students attending the institution or to the families of such students; and
  - (ii) the institution recommends the lender or the loan products of the lender and in exchange, the lender pays a fee or provides other material benefits, including revenue or profit sharing, to the institution, an officer or employee of the institution, or an agent.

## **2) GIFT BAN**

- (A) *PROHIBITION*: No officer or employee of the institution who is employed in the financial aid office of the institution or who otherwise has responsibilities with respect to education loans, or agent who has responsibilities with respect to education loans, shall solicit or accept any gift from a lender, guarantor, or servicer of education loans.
- (B) *DEFINITION OF GIFT*:
- (i) In General: In this paragraph, the term 'gift' means any gratuity, favor, discount, entertainment, hospitality, loan, or other item having a monetary value of more than a de minimus amount. The term includes a gift of services, transportation, lodging, or meals, whether provided in kind, by purchase of a ticket, payment in advance, or reimbursement after the expense has been incurred.



- (ii) Exceptions: The term 'gift' shall not include any of the following:
- a. Standard material, activities, or programs on issues related to a loan, default aversion, default prevention, or financial literacy, such as a brochure, a workshop, or training.
  - b. Food, refreshments, training, or informational material furnished to an officer or employee of an institution, or to an agent, as an integral part of a training session that is designed to improve the service of a lender, guarantor, or servicer of education loans to the institution, if such training contributes to the professional development of the officer, employee, or agent.
  - c. Favorable terms, conditions, and borrower benefits on an education loan provided to a student employed by the institution if such terms, conditions, or benefits are comparable to those provided to all students of the institution.
  - d. Entrance and exit counseling services provided to borrowers to meet the institution's responsibilities for entrance and exit counseling as required by subsections (b) and (l) of section 485, as long as:
    - o the institution's staff are in control of the counseling, (whether in person or via electronic capabilities); and
    - o such counseling does not promote the products or services of any specific lender.
  - e. Philanthropic contributions to an institution from a lender, servicer, or guarantor of education loans that are unrelated to education loans or any contribution from any lender, guarantor, or servicer that is not made in exchange for any advantage related to education loans.
  - f. State education grants, scholarships, or financial aid funds administered by or on behalf of a State.
- (iii) Rule for Gifts to Family Members: For purposes of this paragraph, a gift to a family member of an officer or employee of an institution, to a family member of an agent, or to any other individual based on that individual's relationship with the officer, employee, or agent, shall be considered a gift to the officer, employee, or agent if—
- a. the gift is given with the knowledge and acquiescence of the officer, employee, or agent; and
  - b. the officer, employee, or agent has reason to believe the gift was given because of the official position of the officer, employee, or agent.

### 3) **CONTRACTING ARRANGEMENTS PROHIBITED**

- (A) **PROHIBITION:** An officer or employee who is employed in the financial aid office of the institution or who otherwise has responsibilities with respect to education loans, or an agent who has responsibilities with respect to education loans, shall not accept from any lender or affiliate of any lender any fee, payment, or other financial benefit (including the opportunity to purchase stock) as compensation for any type of consulting arrangement or other contract to provide services to a lender or on behalf of a lender relating to education loans.
- (B) **DEFINITION:** Nothing in this subsection shall be construed as prohibiting:
- (i) an officer or employee of an institution who is not employed in the institution's financial aid office and who does not otherwise have responsibilities with respect to education loans, or an agent who does not have responsibilities with respect to education loans, from performing paid or unpaid service on a board of directors of a lender, guarantor, or servicer of education loans;
  - (ii) an officer or employee of the institution who is not employed in the institution's financial aid office but who has responsibility with respect to education loans as a result of a position held at the institution, or an agent who has responsibility with respect to education loans, from performing paid or unpaid service on a board of directors of a lender, guarantor, or servicer of education loans, if the institution has a written conflict of interest policy that clearly sets forth that officers, employees, or agents must recuse themselves from participating in any decision of the board regarding education loans at the institution;

- (iii) an officer, employee, or contractor of a lender, guarantor, or servicer of education loans from serving on a board of directors, or serving as a trustee, of an institution, if the institution has a written conflict of interest policy that the board member or trustee must recuse themselves from any decision regarding education loans at the institution.

#### 4) INTERACTION WITH BORROWERS

- (A) for any first-time borrower, assign, through award packaging or other methods, the borrower's loan to a particular lender; or
- (B) refuse to certify, or delay certification of, any loan based on the borrower's selection of a particular lender or guaranty agency.

#### 5) PROHIBITION ON OFFERS OF FUNDS FOR PRIVATE LOANS

(A) *PROHIBITION*: The institution shall not request or accept from any lender any offer of funds to be used for private education loans (as defined in section 140 of the Truth in Lending Act), including funds for an opportunity pool loan, to students in exchange for the institution providing concessions or promises regarding providing the lender with:

- (i) a specified number of loans made, insured, or guaranteed under this title;
- (ii) a specified loan volume of such loans; or
- (iii) a preferred lender arrangement for such loans.

(C) *DEFINITION OF OPPORTUNITY POOL LOAN*: In this paragraph, the term 'opportunity pool loan' means a private education loan made by a lender to a student attending the institution or the family member of such a student that involves a payment, directly or indirectly, by such institution of points, premiums, additional interest, or financial support to such lender for the purpose of such lender extending credit to the student or the family.

#### 6) BAN ON STAFFING ASSISTANCE

(A) *PROHIBITION*: The institution shall not request or accept from any lender any assistance with call center staffing or financial aid office staffing.

(B) *CERTAIN ASSISTANCE PERMITTED*:

- (i) shall be construed to prohibit the institution from requesting or accepting assistance from a lender related to:
  - a. professional development training for financial aid administrators;
  - b. providing educational counseling materials, financial literacy materials, or debt management materials to borrowers, provided that such materials disclose to borrowers the identification of any lender that assisted in preparing or providing such materials; or
  - c. staffing services on a short-term, nonrecurring basis to assist the institution with financial aid-related functions during emergencies, including State-declared or federally declared natural disasters, federally declared national disasters, and other localized disasters and emergencies identified by the Secretary.

#### 7) ADVISORY BOARD COMPENSATION

Any employee who is employed in the financial aid office of the institution, or who otherwise has responsibilities with respect to education loans or other student financial aid of the institution, and who serves on an advisory board, commission, or group established by a lender, guarantor, or group of lenders or guarantors, shall be prohibited from receiving anything of value from the lender, guarantor, or group of lenders or guarantors, except that the employee may be reimbursed for reasonable expenses incurred in serving on such advisory board, commission, or group.