



## Stafford Loan General Information

Dear Financial Aid Applicant:

The Dordt Financial Aid Office wants to help you arrange financing for your education. Your financial aid offer will indicate if you are eligible for a subsidized or unsubsidized Stafford Loan. This form will provide you with the information that you will need to complete the Stafford Loan process should you choose to use these funds.

The Stafford Loan Information Form must be completed, signed, dated, and returned to the Financial Aid Office. This form must be completed each year that you use these funds. If you are a first-time borrower at Dordt, you will need to complete a Master Promissory Note (MPN) and an Entrance Counseling session with the Department of Education. Both of these items can be completed online at [StudentAid.gov](http://StudentAid.gov). Please complete all required items by July 1 to ensure that the funds are available when the fall semester begins.

After you have completed your MPN online and have returned the Stafford Loan Information Form to our office, we will certify your loan and determine disbursement dates.

If you have questions about the Stafford Loan process, please contact the Financial Aid Office at (712) 722-6087 or (800) 343-6738, option #2.

Sincerely,

Harlan Harmelink  
Director of Financial Aid

### Checklist to apply for a Federal Direct Stafford Loan

- ☐ Submit an electronic Stafford Loan Master Promissory Note (MPN) online at [StudentAid.gov](http://StudentAid.gov). The electronic MPN must be submitted and approved by the Direct Loan Servicer before funds may be disbursed. The MPN is a multi-year note designed to cover the maximum loan amount a student chooses to borrow for all years of enrollment at Dordt. The borrower will receive a disclosure statement each year identifying the exact amount disbursed.
- ☐ Complete, sign, and return the Federal Direct Stafford Loan Information Form. This form indicates the amount that you intend to borrow. Please be sure to complete the entire form, read through the rights and responsibilities section very carefully, sign, date, and return this form to the Financial Aid Office at Dordt.
- ☐ Complete the required Entrance Counseling Session online at [Studentaid.gov](http://Studentaid.gov) if this is your first Stafford Loan at Dordt. No disbursements can be made unless the entrance interview has been completed. In future years if a student is a repeat Federal Direct Stafford Loan borrower, they will only be required to complete, sign, and return the Stafford Loan Information Form to the Dordt Financial Aid Office verifying the amount that they wish to borrow under their existing Federal Direct Stafford Loan Master Promissory Note.

Federal Direct Stafford Loans include the following types of loans:

## Direct Subsidized Loans

Direct Subsidized Loans are for students with financial need. The Financial Aid Office will review the results of your Free Application for Federal Student Aid (FAFSA) and determine the amount for which you are eligible.

## Direct Unsubsidized Loans

You are not required to demonstrate financial need to receive a Direct Unsubsidized Loan. Like your subsidized loans, we have determined the amount you can borrow. Interest accrues (accumulates) on an unsubsidized loan from the time it's first paid out. You can pay the interest while you are in school and during grace periods and deferment or forbearance periods, or you can allow it to accrue and be capitalized (that is, added to the principal amount of your loan). If you choose not to pay the interest as it accrues, this will increase the total amount you have to repay because you will be charged interest on a higher principal amount.

Direct Stafford Loan Limits	
Dependent Students	Annual Loan Limits
First Year	\$5,500 (\$3,500 subsidized/\$2,000 unsubsidized)
Second Year	\$6,500 (\$4,500 subsidized/\$2,000 unsubsidized)
Third Year and Beyond	\$7,500 (\$5,500 subsidized/\$2,000 unsubsidized)
Independent Students	Annual Loan Limits
First Year	\$9,500 (\$3,500 subsidized/\$6,000 unsubsidized)
Second Year	\$10,500 (\$4,500 subsidized/\$6,000 unsubsidized)
Third Year and Beyond	\$12,500 (\$5,500 subsidized/\$7,000 unsubsidized)
Graduate or Professional	\$20,500 (\$8,500 subsidized/\$12,000 unsubsidized)
Lifetime Limits	
Undergraduate Dependent	\$31,000 (Up to \$23,000 may be subsidized)
Undergraduate Independent	\$57,500
Graduate or Professional	\$138,500 (Up to \$65,000 may be subsidized) or \$224,000 (for health professionals)

### Method of Payment

Loan proceeds will be credited directly to your student account. Tuition and fees, plus room and board, will be paid. If the amount of your loan is greater than the amount of these charges or if these charges have already been paid, a refund will be issued to you.

### Direct Stafford Loan Interest Rates

For the 2024-25 academic year, the Subsidized and Unsubsidized Stafford Loan interest rates are 6.53%. For the 2025-26 school year, the rate will be determined by the U.S. Department of Education by July 1.

### Fees

It is important to remember as you apply for your Stafford Loan that there are small origination fees with these loans. For example, for 2024-25 if you requested a \$3,500 Subsidized Stafford Loan, there would be about \$36 of fees removed before disbursement. Keep this in mind as you determine how much to ask for. These amounts may change yearly.

### Electronic Master Promissory Note (MPN)

- Federal regulations require that first-time borrowers complete a Master Promissory Note. Loan proceeds will not be disbursed until the MPN has been completed.
- If you have borrowed previously but are a new borrower with the Direct Loan Program, you must also complete an MPN.
- In addition, if you graduate, drop below half-time, or withdraw from college, you are required to complete an online exit interview with the U.S. Department of Education.
- During this session you will receive general information on expected monthly repayments, repayment options, and debt management planning to facilitate repayment.

### Repayment

Repayment of your loan begins six months after you graduate, withdraw, or drop below half-time enrollment status. Minimum monthly payments are \$50.

### Where can I find information about who services my other federal loans?

You can find information about the servicers of your other federal loans at [studentaid.gov/manage-loans/repayment/servicers](https://studentaid.gov/manage-loans/repayment/servicers). You will need your FSA ID from the FAFSA to access this information.