Federal Direct Loan Program
(DL Stafford Unsubsidized Loans)

Unlike grants or work-study, Direct Loans (DL) are borrowed funds that **must** be repaid with interest. They are a very serious obligation, so think about the amount you will have to repay over the years before you apply for a loan. When applying for a loan, it is important to understand how much your monthly payments will be once your repayment period begins.
ASAOM offers Unsubsidized Federal Direct Stafford loans. These loans are designed to help you achieve your educational goals. Funds will come from the Department of Education DL program. You will **repay these loans to the Department of Education DL program or its servicing agent.** Please make sure that you stay in constant contact with Direct Loans in order to avoid delays in student loan payment and to ensure successful repayment.

Requirements to request a Federal Direct Loan at Arizona School of Acupuncture and Oriental Medicine (ASAOM)

In order to request to borrow a Federal Direct Loan at ASAOM, the following requirements **MUST** be met prior to requesting a loan from the Financial Aid Office:

· **You must have a current application at ASAOM. All application fees must be paid in full.**

· **Complete your FAFSA - http://www.fafsa.gov** After completion email the Financial Aid office with your name and date of completion so they can be looking for it. (*financialaid@asom.edu)*

· **Complete the loan entrance interview online at www.studentloans.gov**
You will need to bring a copy of the completion email to the Financial Aid office or forward your email to f*inancialaid@asaom.edu*

· **Complete the Master Promissory Note (MPN) for graduate and professional students utilizing the sub/Unsub Loan at www.studentloans.gov. Once complete forward the MPN in PDF format to the financial aid office. (financialaid@asaom.edu.**

Once complete you may request an appointment for funding of a student loan, discuss your options and financial budget with the financial aid office.

Federal Student Loan Default Management Plan

The ASAOM Federal Student Loan Default Management Plan requires all students who receive a loan at ASAOM to complete a Loan Entrance and Exit Interview. Students may complete the loan entrance interview online at **www.studentloans.gov** and the loan exit interview online at **www.nslds.ed.gov**. Complete the Entrance Interview when applying for a loan and complete the Exit Interview prior to your final loan disbursement. If this requirement is not met, your loan funds will be delayed and a hold will be placed on your academic file at ASAOM. Computers are available for use to complete the Direct Loan Exit Interview in the Library located on campus at Arizona School of Acupuncture and Oriental Medicine.

What if I have borrowed loans from another school previously?

At ASAOM, it is our plan to help students reach their educational goal with the least amount of student loan debt as possible. ASAOM does not recommend borrowing more than what you need. Students who already owe $50,000 or more will be required to meet with a financial aid representative prior to a loan being approved. If you have loans from other schools and are unsure of how much you have borrowed, you can view your complete loan history at **www.nslds.ed.gov** (National Student Loan Data System) – **your FAFSA PIN is required to access this website (this is the same PIN number that you would use to fill out your FAFSA online and sign your Master Promissory Note (MPN). To obtain a PIN, go to www.pin.gov.)**

What type of loans and how much can I apply for?

You may borrow up to $20,500 as a Graduate student (completed 657 hours MAc or 787 hours MAcOM at ASAOM) per financial aid year (9 months). Students are responsible for paying the interest on these loans. Interest starts accruing as soon as the loan is disbursed and ends when the loan is paid in full. Students may choose to defer the payments while they are enrolled in college at least half-time. ASAOM recommends that students make interest payments while they are in college.

What happens after you turn in your loan packet to the Student Financial Aid Office?

· You will receive notification within two weeks regarding the status of your loan. Please refer to the loan request receipt received at the time of submittal for deadline and notification dates.

What if my loan request is pending or denied?

· If your loan request is pending for additional information, please return or resolve the pending information as soon as possible **AND** notify the Student Financial Aid office of the update. Your loan will be processed on the deadline following the resolution of the pending action.

· If your loan is denied, you will be notified within two weeks from the deadline date you submitted the "Loan Request Form".

Student Loan Alternatives

Before you decide to apply for a loan to fund your education, it's smart to explore other options that don't require repayment! Student Employment is an option for students to work part-time off campus to assist with the cost of educational expenses. The best part is you never have to pay this money back!