



Lamar State College — Orange —

Applying for Direct Loans at Lamar State College Orange

Step One: Applying for Aid

As with all federal student aid, you apply for Direct Loans by filling out the Free Application for Federal Student Aid (FAFSA). Most students use FAFSA on the web (Studentaid.gov) to complete their applications. The information on your FAFSA is transmitted to the schools that you list on the application, and those schools use the information to assess your financial need for student aid.

Step Two: Accepting a Loan and Loan Limits

You will be notified of your financial aid package via email. The email will instruct you to view your financial aid package on your Gator Self Service account. To access this information, you will need to log on to your MyGator account from the www.lSCO.edu homepage. Once you've logged in to the secure area, you will then login to Gator Self-Service and next click on the Financial Aid tab. Next, select Award, then Award for Aid Year, you will then select the correct award year from the dropdown box. Your final step is to click on Accept Award Offer and accept your loans. You have the right to decline the loan or to request a lower loan amount. If you have any additional questions about accepting your loans contact the Financial Aid Office at (409) 882-3317.

The Direct Loan Program offers the following types of loans:

- **Subsidized:** for students with demonstrated financial need, as determined by federal regulations. No interest is charged while a student is in school at least half-time, during the grace period, and during deferment periods. If you are not selecting both subsidized and unsubsidized loan amounts, please exercise caution and select the subsidized loan first.
- **Unsubsidized:** not based on financial need; interest is charged during all periods, even during the time a student is in school and during grace and deferment periods.
- You should evaluate the aid offer carefully. In the case of loans, keep in mind that whatever amount you borrow must be paid back with interest. If your living expenses are not as high as the standard allowance projected by your school, you may not have to borrow as much as the amount in the award notification.

To get an idea of your monthly loan payments after you graduate, take a look at the repayment calculator located at Studentaid.gov.

(Loan Limits)

The maximum amount you can borrow each year in Direct Subsidized and Unsubsidized Loans depends on your grade level and on whether you are a dependent or an independent student. The table shows the maximum amount of money you may borrow each academic year in Direct Subsidized and Unsubsidized Loans:



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	Dependent student¹	Independent student²
1st-year undergraduate	\$5,500 (maximum \$3,500 subsidized)	\$9,500 (maximum \$3,500 subsidized)
2nd-year undergraduate	\$6,500 (maximum \$4,500 subsidized)	\$10,500 (maximum \$4,500 subsidized)

*The actual loan amount you are eligible to receive for an academic year is determined by your school and may be less than the maximum annual amounts shown in the chart above.

Step Three: Entrance counseling

If you haven't previously received a Direct Loan at Lamar State College Orange, you must complete entrance counseling before your school can make the first disbursement of your loan. This helps you to understand your responsibilities regarding your loan. You can complete this at [Studentaid.gov](https://studentaid.gov). Click on Loans and Grants tab.

Step Four: Annual Student Loan Acknowledgement

We strongly encourage you to complete the [Annual Student Loan Acknowledgment](#) each year you accept a new federal student loan to help you understand your loans and how they affect your financial future.

Step Five: The Master Promissory Note

To take out a Direct Loan for the first time at Lamar State College Orange, you must complete a Master Promissory Note (MPN). You can complete the MPN online at [Studentaid.gov](https://studentaid.gov) under the Loans and Grants tab. The MPN is a legal document in which you promise to repay your loan(s) and any accrued interest and fees to the Department. It also explains the terms and conditions of your loan(s).

To complete an MPN online, you will be required to use your Department of Education Username and Password to log onto [Studentaid.gov](https://studentaid.gov).

In most cases, once you've submitted the MPN and it's been accepted, you won't have to fill out a new MPN for future loans you receive. Unless your school does not allow more than one loan to be made under the same MPN, you can borrow additional Direct Loans on a single MPN for up to 10 years.

You'll receive a disclosure statement that gives you specific information about any loan that the school plans to disburse under your MPN, including the loan amount, fees, and the expected disbursement dates and amounts.

Important Things to Remember!

- Disbursements for first time borrowers must be delayed until 30 days after the beginning of the semester. The disbursement date for repeat borrowers will be on or about the first class day.



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Please allow several days after that date for your loan to be processed and disbursed.

- You must maintain satisfactory academic progress to receive loans. Our SAP policy is posted on our website under the Financial Aid section for your review.
- Borrow wisely because these funds must be repaid. Do not over-borrow.