

# Consumer Information

The Student Consumer Regulations of the U.S. Department of Education require colleges to provide their students access to certain information to which they are entitled as consumers.

Northern Oklahoma College is required to inform prospective student and parent borrowers that federal loans will be submitted to the National Student Loan data System (NSLDS) and will be accessible by guaranty agencies, lenders and institutions determined to be authorized users of the data system.

In addition, all student and parent borrowers can access their federal loan history on the NSLDS website. Click on Financial Aid Review and login to that site with your FSA ID to find information on your loan history, interest rates and contact information for your lenders or loan servicers. Alternative and Private education loan information is not reported to NSLDS.

What is a student loan?

Federal student loans are funds which must be repaid. Loans are sources of financial assistance to help with the cost of education during the academic year. Federal Student Loans are included in the student's financial aid offer but it is not required that you borrow a Federal Student Loan.

We urge all first-time borrowers to spend some extra time learning about the loan process so that they can make informed choices throughout their education. A great source of information can be found at <https://studentaid.gov/>

## **Federal Direct Loans (Subsidized)**

Direct Subsidized Loans are loans to eligible undergraduate students who demonstrate financial need to help cover the cost of higher education. These loans are processed through the U.S. Department of Education. Under this program, the federal government will pay the interest on behalf of qualified borrowers for as long as the borrower is enrolled at least half-time in a degree-seeking program and for six months thereafter. Students must also maintain satisfactory academic progress towards completing their degree requirements.

## **Federal Direct Loans (Unsubsidized)**

Eligibility for the Unsubsidized Direct Loan is not based on a family's demonstrated need. The Department of Education is the lender under this program. The government does not pay the interest on behalf of borrowers under the Unsubsidized Direct Loan Program. The student borrower can choose either to make periodic payments of the interest or to have the interest added back into the principal of each loan. Origination fee may be charged by the Department of Education and deducted from each Direct Loan disbursement.

## **Federal PLUS Loans**

Federal PLUS Loans are loans made to parents of dependent undergraduate students to help pay for educational expenses not covered by other financial aid. A creditworthy parent of a dependent undergraduate can apply for Federal PLUS loan. Federal PLUS loans are not based on demonstrated need and may be used to replace all or portions of the calculated family contribution for students who completed a FAFSA. The annual maximum for this loan depends on the cost of attendance and other financial aid received.

What is a Pell grant?

The Pell Grant program is available to undergraduate students. The amount of the grant offered to the student depends on the student's Expected Family Contribution (EFC), as calculated by the FAFSA form the student completes. The EFC is based on family income and other factors. The Pell Grant amount also considers whether the student will attend college on a part-time or full-time basis, and other criteria.

**To be eligible to receive funding from the federal financial aid programs, you must meet several basic eligibility requirements. You must:**

- Be enrolled or accepted for enrollment as a regular student in a degree program leading to a recognized educational credential;
- Have a high school diploma or General Education Diploma (GED). You cannot be simultaneously enrolled in elementary or secondary school while enrolled at NOC and receive federal financial aid;
- Provide a valid and verifiable social security number;
- Be a citizen, national, or permanent resident of the United States; a permanent resident of Guam; a citizen of Palau, the Federated States of Micronesia, or the Marshall Islands; or be another type of eligible non-citizen;
- Demonstrate financial need, except for some loan programs. Need is determined from analysis of information provided on the Free Application for Federal Student Aid (FAFSA);
- Respond promptly to requests from the Office of Scholarships and Financial Aid for documents and/or information.

**In addition, you must:**

- Be registered with the Selective Service, if required (applies to men at least 18 years old, born after December 31, 1959, who are not on active duty with the armed forces);
- Maintain Satisfactory Academic Progress toward a degree, certificate, or other recognized educational credential;
- Not have borrowed in excess of annual or aggregate Title IV loan limits or be in default on any federal Title IV loan or owe an overpayment on any federal Title IV program received for attendance at any institution.
- **REMINDER:** when signing the FAFSA you are agreeing in the Statement of Educational Purpose that all funds received through the Title IV programs will be used solely for educationally-related purposes

### **Student Loan Code of Conduct**

Northern Oklahoma College participates in the William D. Ford Federal Direct Loan Program which includes the Direct Subsidized and Unsubsidized Loans, and the Direct Parent PLUS Loan. Private loans are also processed, when requested by the student. To comply with the Higher Education Opportunity Act, NOC has adopted the following Student Loan Code of Conduct, which serves as formal guiding principles to ensure the integrity of the student aid process and ethical conduct of NOC employees in regard to student loan practices.

NOC does not provide students with a preferred lender list from which to select a lender for a private student loan. All loans are processed without regard to lender or mode of transmission (i.e., electronic or paper).

Employees of the Office of Scholarships and Financial Aid or the Bursar's Office are prohibited from soliciting or accepting any gift from a lender, guarantor, or servicer of education loans. This includes any gratuity, favor, discount, entertainment, hospitality, loan or other item including services, transportation, lodging, or meals, whether provided in-kind, by purchase of a ticket, payment in advance, or reimbursement after the expense has occurred.