

2015-2016 Loan Adjustment Form

NAME: _____ **STUDENT SSN or ID:** _____

It is the policy of Henry Ford College to award the maximum loan eligibility to students when packaging aid. However, students may not wish to or need to borrow the maximum loan funding. **Students are strongly encouraged to borrow only what they need.** Any student wishing to lower the amount of a loan award need only complete this form and return it to the Office of Financial Aid.

Once your loans have been adjusted, you will need to go back on your WebAdvisor account and indicate whether or not you wish to **Accept** or **Reject** your loans.

NOTE: If you do not wish to receive any of your loan award, please do not submit this form. Rather, you may log into WebAdvisor and "Reject" your loan.

REDUCING AID

Please indicate for **which semester** your loans are being reduced. *Reduced loan requests must be in whole-dollar amounts and cannot be less than \$200.*

Fall 2015
 Winter 2016
 Spring/Summer 2016

➤ If you indicate both Fall and Winter, the reduced loan amount will be split evenly between Fall and Winter.

Example: The amount of your current loan award for Fall and Winter is \$3500 (\$1750 for Fall and \$1750 for Winter). If you indicate on this form you wish to reduce your loan to \$2000, our office will split the loan and award you \$1000 for Fall and \$1000 for Winter.

Original Subsidized Loan Award: \$ _____

Reduced Loan Request: \$ _____

Original Unsubsidized Loan Award: \$ _____

Reduced Unsubsidized Loan Request: \$ _____

(Not sure how much to borrow? The back side of this form will help you calculate your expenses.)

In order for loans to disburse, students are required to:

- Complete Loan Entrance Counseling and a Master Promissory Note at www.studentloans.gov.
- Be enrolled at least half-time (6 credit hours) and attending class.

My signature below indicates I have read and understand all the information on this form and that I agree to all of the changes being requested.

SIGNATURE: _____

DATE: _____

What do I need to borrow, if anything?

It is essential to understand what you **need** to borrow. **Students are strongly encouraged to borrow only what they need.** Borrowing more than you need can have long-term negative consequences.

- Borrowing more than you need increases your overall debt.
- The total amount you borrow while in college determines how much your monthly payment will be when you begin repaying your loans. Borrowing large amounts will require larger monthly payments to the lender for a longer period of time. *A loan repayment calculator is available at: <https://studentloans.gov/myDirectLoan/mobile/repayment/repaymentEstimator.action>.*
- Borrowing the maximum amount each semester may lead to using up your loan eligibility before you have completed your program of study. This could result in you not having enough financial aid available to you to finish your degree. Visit www.studentloans.gov for additional information regarding loans and repayment.

So how do you determine what you need? A good way to determine what you need is to compare the resources available to you and your expenses.

<u>Resources</u>	<u>Expenses</u>
Grants: \$ _____	Tuition: \$ _____
Scholarships: \$ _____	Books: \$ _____
\$ _____	Transportation: \$ _____
TIP: \$ _____	Room and Board: \$ _____
Other: \$ _____	Misc. /Other: \$ _____
Total Resources: \$ _____	Total Expenses: \$ _____

Subtract your Total Expenses from your Total Resources to determine whether or not you have sufficient funding available to cover your expenses for the year.

Total Expenses: \$ _____ - minus Total Resources: \$ _____ = Need \$ _____

If you have more resources than expenses, you may want to consider not taking out a loan at this time as you have more than enough funding to cover your expenses. However, if your expenses are more than your resources, you may want to consider borrowing enough to cover what you need.

NOTE: Gross Loan Award versus Net Disbursement

Federal regulations require that an **Origination Fee** be charged to process the loans. Therefore, the amount you borrow will not match the amount disbursed. It is important that you are aware of the amount you will actually be receiving. The Gross Loan Award is the amount awarded and the Net Award is the amount that will actually be applied to your account (after the loan origination fee is applied). The loan fee is determined by the Department of Education and is subject to change. To calculate the actual amount you will receive, use the following calculation:

Gross Amount of Loan (Awarded Amount) = \$ _____ X 0.989 = Net \$ _____

Example: You have been awarded \$1750 as the Gross Loan Award on your award letter. The Net Award (actual amount that will be disbursed onto your account) is as follows:

Gross Amount of Loan (Awarded Amount) = \$1750 x 0.989 = Net Award \$1730.75 (rounded to the nearest dollar).

If you have questions about determining your need and/or would like assistance with this form, please contact our office at finaid@hfcc.edu or 313-845-9616.