Direct Loan Office Procedure

Students who are interested in applying for the William D. Ford Direct Student Loans are required to attend a Loan Workshop, which includes information about the processing of the loan and the skills required to maintain Satisfactory Academic Progress (SAP).

Once students obtain an award letter, they must visit the financial aid office to sign up for loan workshop in person. When signing up for loan workshop, financial aid staff will check the following:

- Student must have an Award Letter
- DEC - S004 screen to make sure students are enrolled at LASC in at least 6 units for the current semester
- DEC - A471 screen to make sure students have completed satisfactory 6 units or more.
- DEC – A471 screen to make sure students have Cum. GPA of 2.0 and higher.

Transcripts will be required from students who show 0 or less than 6 units completed at LACCD. Workshops are scheduled to take place twice a week each semester.

All students must complete the Financial Literacy 101 on-line program Website: https://www.financialliteracy101.org/index.cfm prior to loan certification.

Los Angeles Southwest College has been selected as "Single Year school", therefore a new Promissory Note and Entrance Counseling is required for all students regardless if they are 2nd year borrowers.

Loan Limits

Amounts are based on one academic year. Amounts for one semester are one-half of amt. requested.

The loan limits are: (Subsidized and Unsubsidized)

- $3,500.00 Subsidized First year 0-30 units completed
- $4,500.00 Subsidized Second year 30+ units completed
- $6,000.00 Unsubsidized All Independent students
- $2,000.00 Unsubsidized All Dependent students

Loans amounts processed may not exceed the student's unmet need. The unmet need is based on the nine month budget.
Application Process

Students interested in applying for the Direct Loans must submit:

- Complete the Student Loan Request Form
- Sign the Rights and Responsibilities Checklist
- Meet Entrance Counseling requirement(s)
- Complete your college’s financial literacy requirement
- Bring the original signed Social Security card
- Bring a valid government issued photo-ID such as driver’s license or U.S. passport
- Complete the Master Promissory Note (MPN) at www.studentloans.gov
- Continuing borrowers: Attach a printout of my past loan history at www.nslds.ed.gov

During the review process, the following DEC screens are reviewed. If the student has met all the eligibility criteria, the loan is processed on EDE.

- Minimum of six units must be at Los Angeles Southwest College, S004.
- Cumulative units and SAP A471
- NSLDS for Default and Aggregate Loan limits.
- Academic Transcript S005
- Unmet Need A351 or EDE Award Screen
- EOP Book Service List
- Financial Aid Transcript A403

Loan Origination

- Loans are originated in EDE on the Loan Tab.
- Monitor the loans to see if the origination record and promissory notes are accepted.
- Once Prom note accepted, schedule the student’s loan award on the DEC A452 screen.
- The scheduled award may soon be viewed by the Financial Aid Staff on A403.

The award may be viewed by the student on the Student Information System. The student also receives a disclosure statement from the Direct Loan Servicing Center with their loan amounts, origination fees, and a contact telephone number for Direct Loan Servicing.

Disbursement

All Direct Loan disbursements are reported by Thai Quach at CFAU. All Direct loan adjustments are reported by Gayan Chevchyan, Financial Aid Technician, via the COD website.