

Tusculum College Federal Perkins Loan Program: Loan Entrance Interview

Name _____	Social Security No. _____	Driver's License # and State _____	
Permanent Street Address _____	City _____	State _____	Zip _____
Phone: _____	Alternate Phone: _____	Date of birth: _____	
School: Tusculum College – Greeneville TN, USA Email: _____		College Major: _____	
Borrower's Spouse (If applicable)			
Name _____	Phone: _____	Employer: _____	
Permanent Street Address _____	City _____	State _____	Zip _____
Borrower's Parents (Enter N/A for name if no surviving parents or ward of the court)			
Name _____	Phone: _____	Employer: _____	
Permanent Street Address _____	City _____	State _____	Zip _____
Borrower's reference #1			
Do not enter the Parent or Next of Kin listed above as either of your references. The two references cannot reside at the same Addresses and also must have a different Address from the Parent you listed above.			
Name _____	Phone: _____	Employer: _____	
Permanent Street Address _____	City _____	State _____	Zip _____
Borrower's reference #2			
Do not enter the Parent or Next of Kin listed above as either of your references. The two references cannot reside at the same Addresses and also must have a different Address from the Parent you listed above.			
Name _____	Phone: _____	Employer: _____	
Permanent Street Address _____	City _____	State _____	Zip _____

FEDERAL PERKINS LOAN PROGRAM STATEMENT OF RIGHTS AND RESPONSIBILITIES: Please check that you understand each of the conditions below

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| <ul style="list-style-type: none"> <input type="checkbox"/> The school is the holder of my Promissory Note and I must, without exception, contact the school (or its billing service): a. if I withdraw from school, b. if I change my name, c. if my telephone number changes, d. if I transfer to another school, e. if my address changes, f. if I drop below half-time status, g. if my Social Security Number changes, if my expected graduation date changes, and/or h. if my driver's license number changes. <input type="checkbox"/> An Exit Interview is required when I graduate, withdraw, or drop below half-time status from the school. I must arrange for an interview by calling the school. Failure to comply can result in an administrative hold being placed on my diploma, transcripts, and registration status. <input type="checkbox"/> My first payment will be due ten (10) months from the time I cease to be at least a half-time student. <input type="checkbox"/> My minimum payment will be \$40 per month. The maximum length of time for repayment of all loans is 10 years. <input type="checkbox"/> The interest rate will be 5 percent per year on the unpaid principal balance. Interest will begin to accrue nine months after I cease to be enrolled as at least a half-time student with my first payment due the following month. <input type="checkbox"/> I may be eligible to receive a partial loan cancellation for certain types of services performed (refer to Promissory Note). I am required to inform the school (or its billing service) of such status in writing in a timely manner. <input type="checkbox"/> I may request that payments on my loan(s) be deferred based on provisions stated in my Promissory Note. I must inform the school (or its billing service) of such status in writing in a timely manner. <input type="checkbox"/> If I cannot pay on time, I must contact the school's student loan office (or its billing service) to make arrangements. I will be charged late fees or penalty charges for each month I fail to make an | <ul style="list-style-type: none"> installment when due or to comply with other terms of my promissory note or written repayment agreement. <input type="checkbox"/> If I fail to repay my loan as agreed, the total balance may become due and payable immediately. <input type="checkbox"/> If my loan goes into default, I will no longer be eligible to receive further financial aid. My loan could be sent to an outside collection agency and legal action could be taken against me. I will be responsible for all costs of collections as stipulated in my Promissory Note. (Default is when you fail to make an installment when due or to comply with other terms of your promissory note or written repayment agreement.) A defaulted loan may be assigned to the U.S. Government for collection. If you default you may lose your benefits for deferment and cancellation. <input type="checkbox"/> I will promptly answer any communication from the school regarding my loan. <input type="checkbox"/> I may prepay the entire balance, or any portion thereof, at any time without penalty. <input type="checkbox"/> I realize that aggregate loan limits are \$20,000 for an undergraduate and \$40,000 for a graduate or professional student and the maximum I may borrow in any given year is \$4,000 for an undergraduate and \$6,000 for a graduate or professional student. The amount is at the discretion of the financial aid director. <input type="checkbox"/> I authorize the school to contact any school which I may attend to obtain information concerning my student status, year of study, dates of attendance, graduation or withdrawal, my transfer to another school, or my current address. This authorization is in effect until my loan is paid in full. <input type="checkbox"/> I understand that default on any loan(s) will be reported to national credit bureaus. In addition, I understand my school (or its billing service) has the option to file a lawsuit against me in this case. <input type="checkbox"/> I understand that I may consolidate my Federal Loans. |
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I have received a copy of my entrance interview and understand the information on this form

Student Signature

Date

Counselor Signature

Date

Additional Loan information

A Federal Perkins Loan is a low-interest (5%) loan for both undergraduate and graduate students with exceptional financial need. **Your school is your lender.** The loan is made with government funds with a share contributed by the school. **You must repay this loan to your school, or to the billing service engaged by your school as its agent to administer billing and collection functions.**

- This loan may be used only for educational expenses.
- Interest on the loan does not accrue while you are in school, during your grace period, or during authorized periods of deferment.
- The interest rate is fixed at 5 percent.
- Under the Perkins loan program, the school makes the loan to the student borrower
- You can be enrolled less than half time to qualify, at the discretion of the institution.
- Repayment begins nine months after you are no longer enrolled on at least a half-time basis.

It is important to remember that loans must be repaid; even if you do not complete your education, are not employed upon completion of your studies, or feel that the education you received did not meet your expectations.

Maximum Perkins Annual Loan Amounts:	Undergraduate \$4,000	Graduate \$6,000
Aggregate Loan Limits for Federal Perkins Loans (cumulative total for all schooling)	Undergraduate \$20,000	Graduate \$40,000

To be eligible for federal financial aid, you must maintain satisfactory academic progress toward a certificate or degree. Each school must publish a standard for evaluating satisfactory academic progress that must contain a maximum time frame for program completion and a minimum quality standard, such as grade point average. Please obtain and review a current copy of your school's standards.

The law specifies the amount of financial assistance you earn each academic year and how your school determines your eligibility. If you withdraw during a payment period or period of enrollment, the amount of assistance that you have earned up to that point is determined by a specific formula. If you received less assistance than the amount that you earned, you will be able to receive those additional funds. If you received more assistance than you earned, the excess funds must be returned. The order in which unearned federal funds must be returned to the Title IV programs is: Unsubsidized Stafford Loans, Subsidized Stafford Loans, Unsubsidized Direct Stafford Loans, Subsidized Direct Stafford Loans, Perkins Loans, PLUS Loans, Direct PLUS Loans, Pell Grants, SEOG Program, and other Title IV grant and loan assistance programs. Please contact your school for more information about their published refund policy.

Several things occur after you leave school or drop below half-time attendance. First, you are granted a **grace period--a period of time (nine months) when you don't have to make payments.** (Of course, you can repay your loans any time you want, without penalty.) During the grace period, no interest accrues on your loan.

What if you re-enroll in school? It depends on when you do it. If you re-enroll at least half-time during this grace period--and you file for deferment--you get another nine-month grace period the next time you drop below half-time. If you re-enroll after the grace period, however, your next grace period will only be six months.

If you have a loan in grace and are ordered to active duty, you are eligible to have one or more military extensions of the grace period, for up to three years. This includes the time necessary to resume enrollment at the next available enrollment period. If you are called to active duty during the initial grace period, a new nine-month initial grace period can be granted upon completion of the excluded period.

When the time comes to begin loan repayment the Federal Perkins Loan usually is set at a minimum monthly payment of \$40. The payment amount may be higher depending on your loan balance. The maximum repayment period is 10 years.

You may be eligible to request a partial cancellation of your Federal Perkins Loan if you work or perform a service as one of the following:

- Teacher in a public or other nonprofit elementary or secondary school. The teaching must be in a school serving low-income students, or in a field of expertise, including mathematics, science, foreign languages, bilingual education, or any other field of expertise where the State education agency determines that there is a shortage of qualified teachers.
- Teacher in special education for infants, toddlers, children or youth with disabilities, in a public or other nonprofit elementary or secondary school system.
- Nurse, medical technician, or allied health professions.
- Full-time employee in a public or private nonprofit child or family service agency who is providing, or supervising the provision of, services to high risk children who are from low-income communities and the families of these children.
- Full-time qualified professional provider of early intervention services in a public or other nonprofit program under public supervision by the lead agency as authorized in section 632(5) of the individual with Disabilities Act.
- Law enforcement or corrections officer.
- Full-time staff member in a Head Start program.
- A member of the Armed Forces in an area of hostilities that qualifies for special pay under section 310 of Title 37 of the United States Code.
- Volunteer under the Peace Corps Act or the Domestic Volunteer Service Act of 1973 (ACTION programs).

If you serve as an enlisted person in certain specialties of the U.S. Army, the Army Reserves, the Army National Guard, the U.S. Department of Defense may, as an enlistment incentive, repay a portion of your Federal Perkins Loan. Note that this is not a cancellation. If you think you qualify, contact your recruiting officer. AmeriCorps service may provide education awards to help finance college or help pay back student loans. Contact AmeriCorps at (800) 942-2677 or www.americorps.org for more information.

If you become totally and permanently disabled, or if you die, your loan obligation will be cancelled. Loan cancellation due to disability requires certification from a physician and is subject to a conditional period of three years.

If you are experiencing financial difficulty you should contact your school or its billing service immediately for assistance in handling your student loan payments. **A deferment is a period of time during which your lender temporarily suspends your regular payments.** If your loans were made on or after July 1, 1993, you may be eligible for the following deferments:

- At least 1/2 enrollment at an eligible school
- Rehabilitation training program
- Economic hardship
- Unemployment
- Graduate fellowship program
- Military service
- Service eligible for partial loan cancellation (outlined in the previous topic)

Interest is not charged during deferment periods. Your school must determine your eligibility for any of these deferments. In order to receive a deferment, you must request a deferment form from your school or its billing service, complete the form with all required documentation, and return it promptly to your school or its billing service.

Forbearance is a period of time during which your school temporarily reduces or suspends your regular payments. You may request a forbearance if you are willing but unable to make your full payments. You are responsible for the interest that accrues during the forbearance period. You must contact your school or its billing service to apply for forbearance.

Notify your school immediately if you have difficulty making a payment. Failure to pay all or part of an installment payment when due or to make alternative arrangements with your school (or its billing service) may result in late charges. You must start paying back your loan nine months after you are no longer enrolled in school at least half time. Failure to do so will put you in default. Defaulting on your student loan can result in:

- damage to your credit rating, which could impact your ability to borrow (for example, you may be denied a car loan);
- garnishment of your wages;
- loss of deferment and forbearance entitlements and flexible repayment options;
- referral of your account to a collection agency;
- withholding of your state or federal Treasury payments (including federal tax refunds, Social Security benefits, etc.);
- loss of eligibility for further financial aid; and
- collection costs;
- civil lawsuit, including court costs and legal expenses;
- suspension of your professional license.

If you default, you may be eligible for the loan rehabilitation program. Once a loan is rehabilitated, the school will instruct the credit bureau to remove the default from your history and return your account to regular repayment status. You will also regain the balance of benefits and privileges of the promissory note as applied prior to the default. Rehabilitation can only be granted once per loan.

For Help with a Dispute or Problem: The Federal Student Aid (FSA) Ombudsman works with student loan borrowers to resolve loan disputes and problems informally. The goal is to find creative alternatives for borrowers who need help with their federal loans.

If during your repayment you develop student loan problems that can't be resolved through the school or its billing service, you may want to contact the US Department of Education Federal Student Aid (FSA) Ombudsman. They will collect documentation and work to resolve the situation with you. The Office of the Ombudsman can be contacted at: United States Department of Education, 4th Floor UCP-3/MS 5144 , 830 First Street NE , Washington DC 20202. The Phone number is (877) 557-2575 or web sfahelp.ed.gov OR www.ombudsman.ed.gov