

Student Loans

To receive a student loan, students must complete the Free Application for Federal Student Aid (FAFSA), verification, Entrance Counseling, a Master Promissory Note, and “Request a Federal Stafford Loan” on COTCconnect. When completing “Request a Federal Stafford Loan”, the student will be asked how much student loan funds he wishes to borrow. Remember, planning for tomorrow is important, so please borrow conservatively. Keep track of how much money is borrowed and how much Federal Stafford Loan payments will be after graduation.

Accepting Student Loans

When requesting student loans, students will first view their financial aid awards by going to COTCconnect. Students will be directed to www.cotc.edu/cotc/Finaid/studentloans.asp to complete Entrance Counseling and Master Promissory Note (MPN). When requesting a Federal Stafford loan, the student will enter the total amount of loan(s) he wishes to borrow for the academic year. The amount entered will be divided evenly over the quarters of planned enrollment. Once the remaining questions are completed, click the “Submit” button in order for the loan request to be accepted.

Applying for a Parent Loan for Dependent Students

For the College to certify a Federal Parent Loan for Undergraduate Students (PLUS), the student must have a FAFSA on file at COTC. The parent may apply for a Federal PLUS loan by going to www.cotc.edu/cotc/aid.asp and completing the PLUS Pre-Approval/Master Promissory Note process. Parents may use their Federal PIN (same PIN used to sign the FAFSA) to sign the MPN. Once the parent’s loan has been approved, COTC will receive notification and certify the Federal PLUS loan. Maximum eligibility for the PLUS loan is Cost of Attendance minus any estimated financial assistance.

Students receiving either a Federal Stafford or Federal PLUS Loan should be aware of their scheduled disbursement dates and amounts that are stated on the disclosure statements, which the lender will mail once the loan has been guaranteed. (*The scheduled disbursement dates are not the same as the COTC refund dates.*) PLEASE NOTE: For Federal Stafford and Federal PLUS Loans, lenders and guarantors may deduct origination and guaranty fees from the gross amount of these loans.

NOTE: The maximum annual amount a student may borrow under the Federal Stafford Loan Program must be reduced if:

- The student is in a program of study less than an academic year (3 quarters) OR
- The student is in the final period of study, which is shorter than an academic year (3 quarters)

Entrance and Exit Counseling

Students who borrow from the Federal Stafford Loan Program are required to receive Entrance and Exit Counseling. These sessions are required by Federal Regulations and offer information relating to the terms and conditions of the loan programs and a student’s obligation when borrowing. The Office of Financial Aid is notified electronically when students have completed the required counseling.

Entrance Counseling is required yearly for all students who borrow a Federal Stafford Loan while attending COTC. Failure to complete an Entrance Counseling session will delay the disbursement of student loan funds to the student’s account. To complete Entrance Counseling, students should go to the Office of Financial Aid website, www.cotc.edu/cotc/Finaid/studentloans.asp, and click on “Entrance Counseling”.

Once the Entrance Counseling is completed, students will be directed to sign the **Master Promissory Note (MPN)**. Students need the Federal PIN (same PIN used to sign the FAFSA) to sign the MPN electronically. However, the student may choose to print the MPN to sign and mail to the Great Lakes Higher Education Corporation. (Choosing to print, sign, and mail the MPN could delay disbursement of student loans if the MPN isn’t received by Great Lakes in a timely manner.) When completing the MPN, the student will be asked to select a lender before the loan can be guaranteed.

Exit Counseling is required of all loan borrowers who graduate or drop below half time status (6 credit hours or more). For Exit Counseling, go to www.cotc.edu/cotc/aid.asp and click on Loan Exit Counseling and follow the steps outlined. An Exit Counseling session will provide information concerning the terms of a student’s loan, indebtedness, repayment and debt management. **Students who do not complete the Exit Counseling will not receive their diplomas or academic transcripts.** Failure to complete Exit Counseling may also delay future disbursement of aid at COTC.