



IOWA WESTERN COMMUNITY COLLEGE

A QUICK REFERENCE GUIDE TO DIRECT LOANS

WHAT STUDENTS NEED TO KNOW

Direct Loans are low-interest loans for students, made by the U.S. Department of Education, that help pay for the cost of your education. This Quick Reference Guide will help you navigate the process of taking out a Direct Loan to finance your education at Iowa Western Community College. More information about Direct Loans can be found on Iowa Western's Financial Aid web site at www.iwcc.edu/es/financial or on the U.S. Department of Education's Direct Loan web site at www.direct.ed.gov.

FOUR STEPS TO TAKING OUT A DIRECT LOAN

In order to borrow money from the Direct Loan Program, you need to complete the following steps:

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| STEP 1 OF 4: | COMPLETE THE DIRECT LOAN AUTHORIZATION FORM |
| STEP 2 OF 4: | COMPLETE LOAN ENTRANCE COUNSELING |
| STEP 3 OF 4: | COMPLETE THE MASTER PROMISSORY NOTE |
| STEP 4 OF 4: | REVIEW INFORMATION ON THE IOWA WESTERN FINANCIAL AID WEB SITE |

STEP 1: COMPLETE THE DIRECT LOAN AUTHORIZATION FORM

All Iowa Western students are required to complete a Direct Loan Authorization Form each year. This form lets the College know how much loan money you wish to borrow. In order to complete the Direct Loan Authorization Form, you need to visit the Iowa Western web site at www.iwcc.edu/es/financial. You can submit the Authorization Form online, or if you prefer, you can print a copy of the form, fill in the requested information, and then return the completed form to the Office of Financial Aid. For your convenience, a Direct Loan Authorization Form will also be enclosed with your Award Notification letter.

STEP 2: COMPLETE LOAN ENTRANCE COUNSELING

All first-time student loan borrowers are required to complete Loan Entrance Counseling. This online counseling session provides useful tips and tools to help you develop a budget for managing your educational expenses and helps you understand your student loan responsibilities. In order to complete Loan Entrance Counseling, you need to visit the Federal Student Aid web site at www.StudentLoans.gov.

NOTE: If you have previously received a student loan, which means you have already completed Loan Entrance Counseling, you do not need to complete this step again.

STEP 3: COMPLETE THE MASTER PROMISSORY NOTE

All first-time Direct Loan borrowers are required to complete a Master Promissory Note (MPN). The MPN is a legal document in which you promise to repay your loan(s). It also explains the terms and conditions of your loan(s). In most cases, once you have submitted the MPN and it has been accepted, you won't have to fill out a new MPN for any future student loans that you receive. In order to complete the MPN, you need to visit the Federal Student Aid web site at www.StudentLoans.gov.

NOTE: Because this is the first year that Iowa Western is offering Direct Loans, all students will need to complete an MPN, even if they previously received a student loan through Iowa Western Community College.

STEP 4: REVIEW INFORMATION ON THE IOWA WESTERN FINANCIAL AID WEB SITE

All students are expected to review the information provided on the Iowa Western Financial Aid web site, including eligibility requirements and satisfactory academic progress requirements, as well as policies regarding withdrawal, refunds, and return of Title IV funds, which include the following forms of federal financial aid: Pell Grant, Academic Competitiveness Grant, Supplemental Educational Opportunity Grant, and Direct Loan.

Please contact the Office of Financial Aid with any questions:

Office Hours: Monday - Thursday 8:00 a.m. - 6:00 p.m. and Friday 8:00 a.m. - 2:00 p.m.

FinancialAid@iwcc.edu

800.432.5852 or 712.325.3277

www.iwcc.edu