2026-2027
Federal Direct Student Loan Application Guide

Welcome to Moberly Area Community College! We want you to know that the Financial Aid Office is dedicated to its students, and we will do everything we can to make your experience at MACC rewarding. Whether you are a new student or a returning student, **we strongly recommend that you take the time to read and understand all the information contained in this packet**. Understanding and thoughtful planning now will benefit you throughout college and beyond.

Please refer to the checklist for proper completion of all steps that are required in order to apply and complete processing of your Federal Direct Student Loan request. Please refer to the important priority processing dates.

If you have any questions regarding the student loan process, please stop by our office, message or call us anytime. We wish you much success at MACC.

IMPORTANT

PRIORITY PROCESSING DATES:

Applications are processed in the order in which they are received.

The Financial Aid Office cannot guarantee that financial aid will be processed and in place by the first day of class (the date tuition and fees are due) if you do not complete all required steps and submit the requested information and supplemental applications by the priority processing dates.

Fall 2026: June 1, 2026
Spring 2027: December 1, 2026
Summer 2027: May 1, 2027

Student loan documents may be submitted by mail, or in-person at any campus.

It is very important that you read and understand the information you receive concerning your student loans. Keep everything in an easily accessible place for future reference. If you have any questions about your student loans, please contact our office at (660) 263-4100 ext. 11301; or by email at finaid@macc.edu.

CHECKLIST

IF YOU DO NOT COMPLETE ALL REQUIRED INFORMATION ON THIS CHECKLIST, YOUR LOAN REQUEST CANNOT BE PROCESSED.

Complete the 2026-2027 Free Application for Federal Student Aid (FAFSA). This application will be good for the fall 2026, spring 2027, and summer 2027 terms.

- Submit an official copy of your high school transcript or official GED/HiSET scores to the Student Affairs Office.
- Register for a minimum of 6 credit hours (required for your degree) for the term(s) the loan is requested.
- You must be registered as a degree seeking student in order to receive any type of financial aid.
- ALL **first-time Federal Direct Student Loan borrowers at MACC** must complete, sign, and date a Federal Direct Loan Program Master Promissory Note (MPN) electronically at: **StudentAid.gov**
- ALL first-time Federal Direct Student Loan borrowers at MACC must complete online Student Loan Entrance Counseling. This may be completed online at **StudentAid.gov**
- If you are a **first-time Federal Direct Student Loan borrower at MACC** you must register and attend MACC Student Loan Entrance Counseling. To register, please go to www.macc.edu/student-loan-entrance-counseling. **This is a requirement in addition to completing the online counseling.**
- Complete the Student Loan Data Sheet. This may be completed electronically in myMACC (after logging in select the Financial Aid tab, then select Financial Aid Forms, then select Student Loan Data Sheet). The form is also available to print from the Financial Aid Forms page.
- To ensure timely processing of your application, make sure the data sheet is completed in its entirety.
- Submit all other documentation requested by the Financial Aid Office for processing.

HOW THE PROCESS WORKS

Your loan will not be processed if you do not complete ALL of the requirements listed in the checklist on page one of this document.

Processing your loan may take as long as 10-20 business days (or longer during peak processing times). Applications are reviewed and processed in the order in which they are received (contingent upon all other application requirements being complete). The Financial Aid Office will review your eligibility and certify the loan and submit your approved loan amounts to the Federal Direct Student Loan Program.

After MACC receives notification that your loan has been approved, you will receive a Financial Aid Offer Letter from MACC that will disclose your certified loan amounts, expected disbursement dates, and your expected loan refund dates. It is very important that you carefully read through all the information that is sent to you. If you do not understand some or all of the information, please call us and we will do our best to explain the information.

Once the school receives your loan funds, the Business Office will apply the loan to your student account. If you owe any charges to the school, your loan funds will be used to pay those charges; all financial aid funds are applied to your student account in the order in which funds are received. IMPORTANT NOTE: You will be issued a credit balance refund within fourteen (14) days from the date a credit balance occurs on your student account. A check will be mailed to the address you have provided in your student records; however, an electronic deposit option is available. If you want to receive your refund by ACH you must enroll through the Nelnet Choice Refunds link in your myMACC student portal under Billing & Payment Information.

You must be enrolled in, and attending, a minimum of six (6) credit hours (required for your degree) at the time your loan disburses to the school in order to be eligible for the disbursement and subsequent loan credit balance refund (if applicable).

DEFINITIONS

Interest: Interest is paid to a lender as a cost of borrowing money. Interest is calculated as a percentage of the unpaid principal amount. Direct Loans are daily interest loans, which means that interest accrues (accumulates) daily. Depending on whether your loans are subsidized or unsubsidized, you may or may not be responsible for paying the interest that accrues during all periods. The interest rate for Direct Subsidized and Unsubsidized Loans are determined each year; current rates may be found here: https://studentaid.gov/understand-aid/types/loans/interest-rates.

Origination Fee: The U.S. Department of Education charges an origination fee at time of disbursement. The fee is currently 1.057%, through September 30, 2026, and is subject to change.

Principal: The amount of money borrowed or remaining unpaid on a loan. Interest is charged as a percentage of the principal. Insurance and origination fees will be deducted from this amount before disbursement.

Capitalization: Adding accumulated interest to the loan principal rather than having the borrower make interest payments. Capitalizing interest increases the principal amount of the loan and the total cost of the loan over time.

Repayment Schedule: The repayment schedule discloses the monthly payment, interest rate, total repayment obligation, payment due dates and the term of the loan.

Repayment Term: The term of a loan is the period during which the borrower is required to make payments on his or her loans. When the payments are made monthly, the term is usually given as a number of payments or years.

Loan Types

The Federal Direct Subsidized Loan is based on financial need. Eligibility is determined by the Financial Aid Office from the results of the Free Application for Federal Student Aid (FAFSA). The government pays the interest on these loans while the student is in school at least half-time. Once the student drops to less than half-time attendance, or leaves school, repayment will begin after a six-month grace period, at which time interest will begin to accrue. The interest rate is calculated annually. The rate will be the sum of a uniform "index rate" plus an "add-on" that varies depending on the type of loan (Subsidized/Unsubsidized or PLUS) and the borrower's grade level (undergraduate or graduate/professional). The interest rate on Direct Subsidized /Unsubsidized loans is capped at 8.25%.

The Federal Direct Unsubsidized Loan is not need-based. Eligibility is determined by the Financial Aid Office from the results of the FAFSA. The government does not subsidize this loan. The student is responsible for the interest that accrues during in-school, grace, and deferment periods. You may choose to make interest payments while you are in school or you may defer (and accumulate) the interest until repayment. The interest rate is calculated annually. The rate will be the sum of a uniform "index rate" plus an "add-on" that varies depending on the type of loan (Subsidized/Unsubsidized or PLUS) and the borrower's grade level (undergraduate or graduate/professional). The interest rate on Direct Subsidized /Unsubsidized loans is capped at 8.25%.

Federal Direct Loan Program Annual Maximums

for students enrolled full-time each semester

Borrowers enrolled less than full-time (12 hours) will only be able to borrow a prorated amount based on their enrolled hours. Enrolled hours will be re-evaluated at the time of disbursement and the loan will be prorated if the enrolled hours changed after the initial calculation was completed. Borrowers cannot borrow more than 50% of the annual limit in a single term.

Grade Level	Dependent** Subsidized/Unsubsidized	Independent*** Subsidized/Unsubsidized
Freshman (00-29 hours earned in your declared major at MACC)	$5,500 ($3,500 max subsidized)	$9,500 ($3,500 max subsidized)
Sophomore (30 and over hours earned in your declared major at MACC)	$6,500 ($4,500 max subsidized)	$10,500 ($4,500 max subsidized)

**Dependent: Students who were required to use parents' income tax information to complete the FAFSA.

***Independent: Students who used only their own and/or their spouse's income tax information to complete the FAFSA.

Dependent students whose parents were denied a Federal Parent PLUS Loan (PLUS loan) are eligible to apply for up to the independent-level annual maximum. Documentation of the denial must be attached to the Loan Data Sheet.

The maximum amount you will be eligible to receive will be determined by the Cost of Attendance, your Student Aid Index (SAI), other grants, scholarships, and aid received, your academic program, and your prior borrowing history. Please use the Estimated Cost Worksheet (located on Financial Aid Forms page) to help you estimate your Cost of Attendance at MACC when deciding what you need to borrow.

You are not required to borrow the maximum. Borrow only what you need! Moberly Area Community College is committed to supporting students in managing their student loan debt and reducing the likelihood of default. Through proactive education, such as required loan counseling, and support services, MACC will work to ensure students are equipped with the tools needed to successfully repay their loans. Information default rates is provided on our Consumer Information page: https://www.macc.edu/financial-aid/consumer-information/.

Frequently Asked Questions

Who may borrow?

Degree (or certificate)-seeking students who are enrolled at least half-time (6 credit hours) or more.

Does it matter if you have received student loans in the past?

Yes. In some cases, you may not be eligible for loans for which you have applied. Student loans have an annual and aggregate limit. The annual limit is the maximum amount a student may receive per academic year, and the aggregate is the maximum a student may receive in their lifetime. This means once the aggregate limits have been met, you are no longer eligible to receive Federal Student Loans until the balance has been paid down. This is NOT a lifetime limit for you to receive at MACC; this is the total for your entire undergraduate career. The aggregate limit for a dependent undergraduate student is $31,000 and $57,500 for an independent undergraduate student. Annual limits are based on grade level and dependency status (refer to chart on page 3).

What type(s) of Federal Direct Student Loans can you borrow?

There are two types of Federal Direct Student Loans.

The Subsidized Loan is a low-interest loan based on financial need as determined by the government. This loan does not have to be repaid until six months after you graduate or drop below half-time status. If you qualify for a Subsidized Loan, the government will pay the interest for you during the following periods:

- while you are enrolled in school at least half-time (6 hours);
- during the six-month grace period after you graduate or stop attending school at least half-time;
- during periods of authorized deferment.

The Unsubsidized Loan is not based on financial need. Unlike the Subsidized Loan, you (not the government) are responsible for paying the interest while you are in school, during the six-month grace period, and during periods of authorized deferment. You can choose to pay the interest each month or you can wait until graduation to begin repayment. In that case, the interest accrues and will be added to the loan principal. Note: Independent students and dependent students whose parents cannot obtain a PLUS loan may use the Unsubsidized Loan to borrow additional loan funds. The Financial Aid Office will determine first your eligibility for a Subsidized Loan, and then examine your eligibility for an Unsubsidized Loan.

What will cause your loan to be prorated (adjusted)?

The U. S. Department of Education requires schools to prorate annual loan limits for students who are in their last period of enrollment; or have less than twenty-four (24) hours remaining to complete their degree. Proration also occurs when a student's program of study is less than a full academic year in length, such as a Certificate of Specialization. Another situation that may cause a loan to be prorated is if a student withdraws from all classes, which requires a Return of Federal Funds calculation to be performed; MACC may be required to return the unearned portion of the financial aid received and/or expected for the term.

In addition, loan limits will be prorated for borrowers enrolled less than full-time (12 hours) each semester. For example, the maximum loan will be based on the borrowers actual enrolled hours. **Students should contact the Financial Aid Office for specific examples.**

Are there fees associated with borrowing?

Yes. The U.S. Department of Education charges a 1.057% origination fee, through September 30, 2026 **(the fee is subject to change).**

What is the school's Cost of Attendance (COA)?

The COA is the estimated cost for you to attend MACC. Included in the COA are estimated costs for housing, food, travel, and miscellaneous expenses, as well as the direct educational costs of tuition, fees, and books. Your total financial aid offer (from all sources) cannot exceed your COA.

What is the Student Aid Index (SAI)?

The SAI is determined by the information you submit on the Free Application for Federal Student Aid (FAFSA). The SAI represents a reasonable figure a family is expected to invest in the student's future, based on current income and assets. It is not the amount you must pay the school.

How/when will I receive my financial aid?

The Business Office credits your financial aid to your student account as it is received by the college. Any and all monies received will be applied to your student account to pay all outstanding charges. For Fall/Spring loan periods, the offered amount will be split equally between the two semesters. Due to high default rates, single semester loans are required to disburse in two installments; the first no sooner than the 31st day of the term, and, the second at the midpoint. Credit balance refunds will begin to disburse on the 45th day of the semester, but no sooner. The actual disbursement day depends on the date of application. The Financial Aid Office will notify you in writing of your expected disbursement and refund date. ***MACC is exempt from the single disbursement rule for the 2026-2027 academic year.***

What is Student Loan Exit Counseling?

Federal regulations require all students who borrow loans from the Federal Direct Student Loan Program to complete Student Loan Exit Counseling. Exit Counseling is to be completed when a student graduates or drops below half time (6 credit hours) enrollment status. It is designed to help borrowers understand their loan obligation and provides information about how to manage their student loan(s) after college. MACC will notify students who borrowed money while attending MACC of when and how to complete this requirement.

Are there other types of loans that I can apply for?

Parents of dependent students can apply for a PLUS loan to help finance their child's educational expenses; PLUS loan applications are available in the Financial Aid Office If you need additional help, contact the Financial Aid Office for more options.

Many loan companies advertise private loans to help students finance their education. These types of loans are usually based on credit scores and often have very high interest rates and fees and cannot be consolidated with other Federal Student Loans. MACC does not openly solicit these types of loans to our students. However, if you choose to seek this type of additional funding, we strongly encourage you to understand every aspect associated with those types of loans. If you request MACC to certify a private loan application for you, or if we learn at any time that you have received funding from a private loan, we must use that information to determine your eligibility for all other financial aid for which you have applied and ensure that you do not exceed your COA.