
Student Loan Disbursement

Federal Direct Loans (Subsidized, Unsubsidized, and PLUS/GradPlus)

All financial aid must be managed through the Financial Aid Office (if you've gone on your own to get a private loan, it must still be certified by the Financial Aid Office). Once the Financial Aid Office determines you are eligible for a Federal Student Loan AND you have received your award letter, the financial aid office can originate your loan and submit your record to COD (Common Origination and Disbursement). The Financial Aid office will submit your Title IV and DEO loan information to NSLDS (National Student Loan Data System) and to authorized agencies, Lenders and institutions to access student's information. Student must register for class prior to the start date to receive any excess funds timely. Your loan will be disbursed and post to your student account following the add/drop deadline and excess funds released within two weeks by check or direct deposit.

When will my loans come?

Student loans are not released for disbursement until the quarter has started and will show "Financial Aid" on your student account, reducing the balance due. Once the quarter starts, loan disbursements are received after the add/drop deadline each quarter. Student Borrowers can monitor their student account through the student portal to see when their loan funds have been disbursed to their account. You can also contact the Student Accounts office any time after the add/drop date to confirm receipt of your loan. If your loans haven't been received after the add/drop date or when your loan was approved (whichever is later) you should contact the Financial Aid Office to see if there is a problem getting the lender to release your loan (some common reasons are, you have not signed your promissory note, or you have not completed Entrance Counseling – which is required for Federal Direct Loans only, or another requirement expected by your lender).

How will my loans come?

All Federal Direct Loans are disbursed directly to Sofia University via EFT (electronic funds transfer) and if your financial aid file is complete the funds are applied to your student account.

What if my loan funds are sent directly to me?

These types of loans are called "Direct to Consumer Loans" and are not part of the Financial Aid Award. Students may make use of these loans, but you must ensure the funds are in your possession on or before the Payment Deadline. A Direct Consumer Loan "Approval" is not sufficient to satisfy an account balance (warning regarding Payment Deadlines). For this reason, and that these types of loans carry very high interest rates, we strongly suggest students make use of other Student Loan options before using these types of loans. A student can contact the Financial Aid Office to discuss what Student Loan options are available.

How much of my loan is sent to Sofia?

All student loans will be disbursed in four (4) separate disbursements, one for the Summer, Fall, Winter, and Spring. Your loan may be disbursed for slightly less than what you borrowed as the Department of Education retains lender fee from each disbursement. The Financial Aid Office will post your loan to your account and include the reduction for the fee established by the lender for your loan.

What is a Financial Aid Hold?

There are a few things that can keep the Accounting Office from receiving and applying loan funds to your student account. If the quarter has already started and your loan funds have not arrived, please follow-up with the Financial Aid Office to see if there is something required of you to have your loan funds disbursed. There are the types of holds that can delay your loan and how to resolve them.

- **Entrance Counseling:** If you are a first time Federal Direct Loan Borrower, you must first complete Entrance counseling (requires FSA ID). Once your Entrance counseling is completed that Financial Aid Office will confirm and document it, allowing disbursement of your loan funds. As a first-time borrower you may complete the counseling at any time before the quarter begins to prevent a delay in disbursement of your loan.
- **Verification Selection:** If your financial aid file has been selected for verification by the Department of Education, you will be notified by the Financial Aid Office regarding what requirements you must comply with in order to complete the Verification process. Once Financial Aid can clear your verification hold your loans can be released for disbursement.
- **Satisfactory Academic Progress (SAP) Hold:** There are Federal and Institutional requirements which govern your eligibility for Financial Aid (Graduate and Undergraduate students alike). You may lose access to Federal, State, and Institutional Aid if you do not correct and maintain Satisfactory Academic Progress. The Financial Aid Office conducts a SAP review at the close of each term. Students who have not met minimum requirements will be contacted by the Student Services Office to assist with a plan for improvement.
- **Financial Hold:** When a student retains an unpaid balance on their student account from the previous quarter, students must resolve and clear the hold before they can register/enroll to the next quarter. Students should contact the Student Accounts Office to either make payment arrangements or resolve the discrepancies on their student account.

The Accounting Office handles the receipt of your Student Loans only. If you have questions otherwise about your loans you will need to address them with the Financial Aid Office.