

III:07:04 MAXIMUM FFELP LOAN LIMIT

RATIONALE:

To effectively manage the indebtedness of our student borrowers and to control the default rate.

POLICY:

Students will be allowed to borrow a maximum of \$16,000 subsidized or unsubsidized, and an additional \$8000 (unsubsidized if eligible) based on their major and the professional judgement of the Director for Student Financial Aid.

PROCEDURES:

1. Students can borrow two loans as a freshman ($\$3500 \times 2 = \7000).
2. Students can borrow two loans as a sophomore ($\$4500 \times 2 = \9000).
3. Total Indebtedness allowed is \$16,000 is subsidized and unsubsidized loans.
4. An additional \$8000 unsubsidized can be borrowed by Allied Health majors and on an individual basis as deemed eligible by the Director for Student Financial Aid.
5. Transfer students entering VSCC who have exceeded our loan maximum will not be allowed to borrow any additional loans.

VSCC Source: Former III:07:05, April 8, 1999, President; November 26, 2007, President