

## VCFA Financial Aid Disclosure Statement

This information relates to your student loans (Federal Direct Subsidized, Federal Direct Unsubsidized or Federal Direct Graduate Plus) that VCFA plans to disburse (pay out) by crediting your student account, paying you directly, or both.

After the Program's registration date (usually the first or second day of the residency), VCFA verifies your attendance before loan funds are disbursed. You must attend the residency and be enrolled for the semester to receive your financial aid. Federal Direct student loan funds are credited to the student account once the funds have been received by VCFA from the U.S. Department of Education (you will receive notification of this disbursement via an updated billing statement). All financial aid is applied to your account to cover the cost of tuition and fees. Any financial aid in excess is considered a cash disbursement (credit balance refund) to help you defray the costs of books, supplies, travel, and other educational related expenses. The credit balance check will be mailed to your home address or released to you within 14 business days of the credit balance via a refund check.

You must have completed a Federal Direct electronic Master Promissory Note (eMPN) and entrance loan counseling before your loan funds are disbursed. The eMPN, the Borrower's Rights and Responsibilities statement, and the Plain Language Disclosure explain the terms of your loan(s). If you have questions about your eMPN, entrance loan counseling or disclosure statement, please contact VCFA's Financial Aid counselor, Wanda Carmical, at 877-612-2599 or [VCFA-FAO@financialaidservices.org](mailto:VCFA-FAO@financialaidservices.org).

Below are terms that you should understand regarding your Direct Lending financial aid:

- **Gross Loan Amount** – this is the total amount of the loan that you are borrowing. You will be responsible for repaying this full amount.
- **Loan Fee Amount** – This is the amount of the fee that the federal government charges on your loan.
- **Interest Rebate Amount** – This is the amount of an up-front interest rebate that you may receive as part of a program to encourage timely repayment of Direct Loans. If you receive a rebate, the Interest Rebate Amount will be added back after the Loan Fee Amount has been subtracted.

(To keep the up-front interest rebate that you receive on your loan, you must make all of your first 12 required monthly payments on time – the federal government must receive the payment no later than 6 days after the due date – when you begin repaying the loan. You will lose the rebate if you do not make all of your first 12 required monthly payments on time. If you lose the rebate, the federal government will add the Interest Rebate Amount back to the principal balance on your Federal Direct loan account.)

- **Net Loan Amount** – This is the amount of your loan money that remains after the Loan Fee Amount is subtracted and the Interest Rebate Amount is added. VCFA will disburse the Net Loan Amount to you by crediting your student account, paying you directly, or both.

VCFA AND THE DIRECT LOAN SERVICING CENTER WILL NOTIFY YOU OF THE ACTUAL DISBURSEMENT DATES AND AMOUNTS.

Before your loan funds are credited to your account, you may cancel all or part of your loan(s) at any time by notifying VCFA (in writing) or Wanda Carmical via email at [VCFA-FAO@financialaidservices.org](mailto:VCFA-FAO@financialaidservices.org).

After your loan funds are disbursed, there are two ways to cancel all or part of your loan(s):

- Within 14 days after the date VCFA notifies you that it has credited Federal Direct loan funds to your student account, you may inform VCFA (in writing) that you request cancellation of all or part of the loan funds that were credited to your account. VCFA will return the cancelled loan to Direct Lending Services Center. You will not be required to pay interest or loan fee(s) on the part of the loan(s) that you request your school to cancel within these timeframes. If you received an up-front interest rebate on your loan(s), the rebate does not apply to the part of the loan(s) that you request VCFA to cancel. Your loans will be adjusted to eliminate any interest, loan fee, and rebate amount that applies to the amount of the loan(s) that was cancelled.

If you request VCFA to cancel all or part of your Federal Direct loan(s) outside the timeframes described above, VCFA may process your cancellation, but is not required to do so.

- Within 120 days of the date VCFA disbursed your Federal Direct loan funds (by crediting the loan funds to your student account, paying it to you directly, or both) you may return all or part of your Federal Direct loan(s) to the Direct Loan Servicing Center. Federal Direct loan funds returned by VCFA or the borrower are treated as a cancellation of all or part of the loan. This means that the borrower is not charged any loan fee(s) or interest on the amount that is returned. If you received an up-front rebate on your Federal Direct loan(s), the rebate does not apply to the part of your loan(s) that you return. Your loan(s) will be adjusted to eliminate any interest, loan fee, and rebate amount of the loans that you return. Contact the Direct Lending Servicing Center for guidance on how and where to return your loan money.

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