

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 our Financial Aid Office). Once the Financial Aid Office determines you are eligible for a Federal Student Loan AND you have accepted your award letter, the financial aid office can originate your loan and submit your record to COD (Common Origination and Disbursement). Financial Aid office will submit your Title IV and HEA 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 the excess fund on time. Your loan will be disbursed and post to your student account on the 1st day of class and excess fund will be issue to students 10 days after the 1st day of class either by mail or direct deposit.

When will my loans come?

Student loans are not released for disbursement until the quarter has started and will show "Allocation of Loans (Sub/Unsub/GradPlus, etc.) or Financial aid" on your student account, reducing the balance due. Once the quarter starts, loan disbursements are received on the first (1st) day of the quarter. Student Borrowers can monitor their student account through student portal to see when their loan funds have been disbursed to their account. You can also contact the Accounting office any time after the [add and drop](#) date to confirm receipt of your loan. If your loans haven't been received after the first week of classes from the start of the quarter 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 an Entrance Interview – which is required for the Federal Direct Loans only, or another requirement expected by your lender).

How will my loans come?

All Federal Direct Loans are disbursed directly to the Sofia University via EFT (electronic funds transfer) and if your financial aid file is complete the funds are applied to your student account on the 1st day of the quarter.

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 your 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 for each quarter so that you can make payment to the Sofia University on or before the Payment Deadline. A Direct to 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, and being disbursed on the first (1st) day of class of the quarter begins. 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. These are the types of holds that can delay your loan and how to resolve them.

- **Entrance Interview.** If you are a first time Federal Direct Loan Borrower, you must first complete an [Entrance Interview](#) (requires FSA ID). Once your Entrance Interview is completed the Financial Aid Office will confirm and document it, allowing disbursement of your loan funds. As a first-time borrower you may complete the Interview 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.

- **CREDIT Hold.** To receive Federal Financial Assistance, you must be enrolled at least half time (6 units or more for both BAC and PhD, and 3 units for MA degree). If you drop below half time (5 credits or less for BAC and PhD, and 2 units or less for MA degree) your loan funds will be canceled. If the funds have already been received they will be returned to the Lender.
- **GPA 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 Academic chairs and/or Financial Aid as early as the close of your first semester to help you form a plan of academic progress.
- **Financial Hold.** When a student retains an unpaid balance on their student account from the previous quarter, student must resolve and clear the hold before they can register/enroll to the next quarter. Student should contact the Accounting 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](#)

Note: Loan disbursement date (schedules) from Sofia (Pfaids) to COD should matched. It is automatically updates