

## **JALC Loan Information**

John A. Logan College no longer participates in the Federal Direct Student Loan Program.

Students in need of a loan would apply for a Private Alternative Student Loan. Alternative educational loans are offered by private banks and lending institutions of your choice.

## **COMPLETE A FAFSA**

Before applying for a private alternative student loan, **all students must first complete a Free Application for Federal Student Aid (FAFSA) with John A. Logan's federal school code 008076** and exhaust their grant eligibility.

## **CHOOSING A LENDER**

To find a lender, contact your local bank, credit union, or search on the web using "Private Alternative Student Loan Providers". Most students will need a credit worthy co-borrower to increase the probability that the loan will be approved and ensure the lowest interest rates.

Private student loans can play an important role in financing your education, but you should apply for the one that is best for you. Review how much a loan will cost you over time, as well as the options you will have when it comes time for repayment.

Interest rates can vary greatly, and can be influenced by your credit history. Lenders usually offer a choice between fixed interest rates (interest rate never changes) or variable interest rates (interest rates may change over time). High interest rates cost more in the long run.

Some loans offer grace periods after graduation, during which no payments need to be made. Many loans offer options on how long you can take to repay the loan. A longer repayment period means lower monthly payments, but can cost you more interest in the end.

There may be options for temporarily suspending loan payments, such as forbearances or deferments. These options provide a safety net in case you someday have trouble making payments.

Sometimes lenders will charge fees when you borrow money. When fees are high, they can offset the benefit of a low interest rate.

## **CONTACT THE FINANCIAL AID OFFICE**

The Financial Aid Office will be notified that a loan is awaiting certification. After the loan is certified the lender will contact the student regarding the amount that was certified and the date of disbursement.

Certification of Private Alternative Loans will not exceed the student's cost of attendance minus other financial aid the student is receiving.

All funds from the lenders are transmitted electronically to John A. Logan College's operating account. The funds will then be applied toward outstanding charges and refunds will be disbursed by the Bursars Office the following week.

Any questions please contact the Financial Aid Office at 618-985-2828 ext. 8691.