



## Loan Basics and Options

### Federal Direct Loan for Undergraduate Students

- Taken out in the student's name
- Interest rate for the 2023-2024 aid year is 5.50%\*; fixed for the life of the loan
- Maximum loan amount for a freshman student is \$5,500 for the year (for dependent students)
- Sophomore \$6,500; junior \$7,500; and senior \$7,500
- Automatically deferred while the student is in school at least half-time
- Subsidized Loan, interest does NOT accumulate during deferment
- Unsubsidized Loan, interest does accumulate during deferment
- Standard 10-year repayment period (after a 6-month grace period)
- Student must complete entrance counseling and master promissory note before loan will pay

### OU Institutional Loan for Undergraduate Students

- Taken out in the student's name
- Interest rates range from 4-5% depending on which loan is received; fixed for the life of the loan
- Maximum loan amount for any grade level student is \$5,000 per year
- Can be deferred while the student is in school at least half-time
- Student must obtain a cosigner who is employed full-time with an annual income of \$35,000 or more
- Annual interest payment due by July 1 while the student is still in school and the loan is outstanding
- Repayment is set at six (6) years

### Federal Parent Loan for Undergraduate Students (PLUS Loan)

- Taken out in the parent's name
- Interest rate for the 2023-2024 aid year is 8.05%\*; fixed for the life of the loan
- Maximum loan amount is not to exceed the student's cost of attendance, as determined by OU's Financial Aid Office
- Can be deferred while the student is in school at least half-time
- Interest begins accruing once the loan is disbursed (paid out)
- Not income contingent; parent must not have an "adverse credit history" (federal government language)
- Repayment is typically set at 10 years but can go as high as 25 years, depends on aggregate loan total

### Private Loans

- Go to [ELMSelect - University of Oklahoma](#), click "Types of Aid," then click "Loans," then click "Private Education Loans" or visit [elmselect.com](#) and enter "University of Oklahoma"

## How do I apply?

(The loan automatically pays to the student's bursar account after processing)

### **Federal Direct Loans: Takes 1-2 weeks to process if complete**

1. Go to [one.ou.edu](https://one.ou.edu) to accept Direct loan(s).
  - a. Financial Tab -> Financial Aid -> Respond
2. Go to [studentaid.gov](https://studentaid.gov) and login with student's FSA ID and password.
3. Complete the [Entrance Counseling](#).\*
4. Complete the [Loan Agreement](#) for a Subsidized/Unsubsidized Loan (MPN).\*
5. Complete the Annual Loan Acknowledgement\*.

\*The Direct loan(s) cannot be applied to the student's bursar account until this is completed. To learn more about Direct loans, visit [studentaid.gov](https://studentaid.gov).

### **OU Institutional Loans: Takes 3-4 weeks to process if complete**

1. Apply online at <https://lfforms.ou.edu/Forms/instloanapp> or visit the SFC, Room 105, Buchanan Hall
2. Upload co-signer's most recent proof of income such as W2 or 1099.
3. Accept loan at [one.ou.edu](https://one.ou.edu).
4. The student will receive an email from ECSI asking them to log on to ECSI's website at <https://www.ecsi.net/promC9>. Provide your Social Security Number or Student ID Number, last name, and date of birth. Enter your ECSI PIN # when requested for authentication.

To learn more, visit [www.ou.edu/financialaid](https://www.ou.edu/financialaid), click "Types of Aid," then click "Loans," then click "Institutional Loans."

### **Federal Parent PLUS loan: Takes 1-2 weeks to process if complete**

1. Parents go to [studentaid.gov](https://studentaid.gov) and login with their FSA ID and password
2. Apply for a 2023-2024 Parent PLUS loan
3. If approved, complete the Loan Agreement for a PLUS Loan (MPN)\*
4. If denied, the student is offered an additional \$4,000 (first two years) or \$5,000 (after first two years) in an Unsubsidized Direct Loan up to the cumulative borrowing limit of \$23,000.

\*The PLUS loan cannot be applied to the student's Bursar account until this is completed. To learn more about PLUS loans, visit [studentaid.gov](https://studentaid.gov).

### **Private loans: Takes 3-4 weeks to process if complete**

1. Go to [ELMSelect - University of Oklahoma](#), click "Types of Aid," then click "Loans," then click "Private Education Loans."
2. The University of Oklahoma uses the "Elm Select" program - click on the logo to proceed. The recommended application deadline is June 1<sup>st</sup> for Fall 2023.