

Chippewa Valley Technical College has switched to Direct Lending

Chippewa Valley Technical College (CVTC) has switched to the Direct Loan Student Loan Program. In the past students at CVTC chose a lender from whom they received their student loans, this was because CVTC participated in the Family Education Loan Program.

Why Switch

President Obama signed the Health Care and Education Affordability Reconciliation Act of 2010 removing the Federal Family Education Loan Program and requiring that all students receive their student loans through the Department of Education under the Federal Direct Student Loan Program. CVTC has switched to the Direct Loan Student Loan Program. The federal government is the lender in this program so you will no longer have to choose a lender.

What does this means to you the student?

Because the federal government is a new lender all students will be required to fill out a new MPN starting with the 2010-2011 academic year. You will also be required to complete Federal Direct Loan Entrance Counseling once while attending CVTC to receive a Federal Direct Student Loan. You can complete both of these items online at www.studentloans.gov, when prompted please enter Chippewa Valley Technical College as the school to forward electronic notification of completion. We will not order your loan funds until we are notified these have been completed. Once you receive an Award Letter this year CVTC is also requiring that you accept your loans on the Student Information System (SIS), please refer to the back of your award letter for instructions.

If you currently have loans through the Federal Family Education Loan Program your loans will not go into repayment as long as you remain enrolled at least half time. Once your loans go into repayment you will have a choice to make separate payments to each lender you currently have and to the federal government (they are a separate lender) or you will be able to consolidate your loans into one payment. You can find out about consolidation on the Department of Education's website located at www.studentloans.gov.

You can keep track of what loans you have borrowed through private lenders and the Department of Education on the National Student Loan Data System's (NSLDS) website located at www.nsls.ed.gov/nsls_SA/.