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Cal Poly Financial Aid Announces Change to Direct Loan Program

SAN LUIS OBISPO –The Cal Poly Financial Aid office announced today that they will begin using the William D. Ford Federal Direct Student Loan (DL) program beginning fall 2009.

Under the DL program, students and parents will now borrow their loans directly through the federal government. The application process will change only slightly. Families will complete the Free Application for Federal Student Aid (FAFSA), and loan eligibility will be determined by the Cal Poly Financial Aid Office.

The switch to DL from the Federal Family Education Loan (FFEL) program comes after a lengthy review of services provided by FFEL. The review found that recent changes in FFEL negatively impacted sources of loan funding, as well as a noticeable decline in overall customer service.

“Parents and students with family members attending schools that use the direct loan program asked us why we were not participating in DL – because the process was so simple,” said Lois Kelly, director of Financial Aid. “As a result, we evaluated both programs and decided to make the switch.”

Award information will be available via the Cal Poly student portal. Students accepting student loans will sign an electronic master promissory note and complete on-line loan counseling. Parents will complete a request for a parent loan and sign the loan promissory note once credit approval is received by the financial aid office.

For forms and additional information, contact the Cal Poly Financial Aid Office at 805-756-2927 or check the financial aid Web site at <http://www.ess.calpoly.edu/finaid/>.

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