

Entrance Counseling Requirements

Use the following checklist to ensure you are providing all essential information during entrance counseling for your borrowers.

Acceptable Formats

- In person
- On separate written form that student signs and returns
- Online or by interactive electronic means, with borrower acknowledging receipt:
 - must take reasonable steps to ensure each borrower:
 - receives counseling materials
 - participates in counseling
 - completes counseling

Required Information

- Comprehensive loan information:
 - terms and conditions
 - rights and responsibilities
- Simple and understandable language
- The effect accepting loan has on eligibility for other aid
- Use of Master Promissory Note (MPN)
- How interest accrues and capitalizes when not paid by Education Department
- Option to pay interest on unsubsidized Stafford and Grad PLUS loans while borrower is in school
- Definition of half-time enrollment at your school, during regular terms and summer school
- Consequences of not maintaining half-time enrollment
- Importance of contacting school before withdrawal:
 - exit counseling
 - information on repayment options
 - loan consolidation information
- Sample monthly repayment amounts based on:
 - range of indebtedness for:
 - subsidized and/or unsubsidized Stafford loan borrowers
 - graduate borrowers of sub/unsub Stafford and/or Grad PLUS loans if applicable
 - average indebtedness of other borrowers in same program at same school
- Seriousness of obligation to repay loan
- Borrower must pay even if:
 - does not complete program
 - does not complete program within regular time for program completion
 - unable to obtain employment
 - otherwise dissatisfied
- Consequences of default to include:
 - adverse credit reports
 - federal delinquent debt collection procedures
 - litigation
- Information on NSLDS:
 - how to access records
- Contact information of person to call about questions about loan
- Title IV person available for questions
- School maintains documentation of compliance for each student borrower