

## The OU Federal Stafford Loan Process

Students who are offered a Subsidized or Unsubsidized Federal Stafford Loan must “accept” the loan offer on the OU-FAN (Financial Aid Notification) to activate the loan process. The lender will **not** be notified of the approval of a loan until after the award is accepted and the OU-FAN is submitted.

After accepting & submitting the OU-FAN, students receive a separate email notification if a Master Promissory Note (MPN) is needed. Usually a student completes an MPN only once, unless he changes lenders. The MPN can be completed on-line, including electronic signature, through a process called “OnLine Loan Application” or **OLA**.

### How Do I Complete an OnLine Loan Application?

- **Go to [www.financialaid.ou.edu](http://www.financialaid.ou.edu) My OU Financial Aid and select “Access Your Stafford Loan”.** You’ll be directed to a web page to create your OpenNet user id and password. When you’ve logged in, you’ll be able to see the loan that is waiting for you to complete the Master Promissory Note (MPN).

**Remember, using “e-signature” eliminates  
a need to print, sign & mail a paper MPN to your lender!**

- **What Do I Do with the Completed MPN?** **If you don’t use the e-signature option, you must print and mail the original MPN to your lender; keep a copy for your own records.** Your lender must receive an MPN with an original signature, so don’t send the lender your “file copy”. **Your lender cannot disburse your loan until the MPN is received.** Note: A lender must make the loan disbursement no later than 120 days from the end of the loan period. Make sure you give the lender sufficient time to disburse your loan, so do not delay in submitting your note.
- **How Much Can I Borrow?** The amount of each individual loan does not appear on the MPN, because the MPN will be used for multiple loans. The maximum amount of Federal Stafford Loan you can borrow is shown on your OU-FAN.
- **Can I Reduce or Change My Loan Amount?** Yes, you can always reduce your loan amount and we encourage you to borrow conservatively! If you wish to change the loan amount(s) from that shown on your OU-FAN, click on the “reduce” button and indicate the lesser amount you want on the OU-FAN before submitting it. If you later decide to reduce the loan even more, you’ll have that option at the Bursar’s office. Federal regulations require that we disburse loans in 2 equal amounts if the loan is for more than 1 semester. If you request uneven amounts (ex: \$2000 for Fall and \$3000 for Spring), we’ll divide the loan equally between the two semesters (\$2500 per semester).
- **Is There Anything Else I Need to Do Before My Loan Money Arrives?** Yes! Loan counseling must be completed before you receive your first loan disbursement. You can complete your “Entrance Counseling” on-line at [www.financialaid.ou.edu](http://www.financialaid.ou.edu).
- **How Long Is the MPN Valid?** The MPN can be used for up to 10 years of borrowing for educational expenses.

**When Will My Funds Be Available?** The Loan Disclosure tells you the expected disbursement dates of your loan. Funds will be available after you accept & submit your OU-FAN and provide your lender with a completed MPN (either through e-signature or on paper). Funds can be released to you no earlier than 7 days before classes begin even if the lender sends them to OU prior to that time. Once your “estimated

disbursement date” arrives, allow 2 working days for funds sent by “electronic fund transfer” (EFT) to be available at the Office of the Bursar (Room 105, Buchanan Hall). Allow 5 working days for paper checks to reach OU by mail.

**How Do I Pick Up My Money?** You have two choices:

- **Automatic Deposit: Avoid standing in line! Automatic Deposit is the simplest and fastest method of loan disbursement and thousands of OU students have used this method.** If your lender disburses via EFT, your loan disbursements can be automatically deposited into your bank account after charges owed to OU have been deducted. The Bursar will e-mail a statement informing you what your loan has paid and how much was deposited into your bank account. The auto deposit form is available at [www.ou.edu/bursar](http://www.ou.edu/bursar).
- **Pick Up Your EFT or Paper Check:** Visit the Bursar’s office and take your photo ID. If your funds were disbursed via EFT, OU deducts any charges and gives you an OU check for any remaining money. If your funds were disbursed via paper check, the Bursar will have you sign the check, deduct anything you owe OU and give you back an OU check for any remaining money. If you don’t owe anything to OU, the Bursar will endorse the original check & give it back to you (you can then cash it or deposit it at your bank).
- **Even if you want to apply all of your loan to OU charges, you still have to sign an auto deposit form, EFT acceptance or endorse the paper check. If you don’t sign your EFT acceptance or pick up your paper check in 10 days, the money will be sent back to the lender and cancelled! Don’t Delay!**

**Can I Still Reduce or Decline the Loan After Submitting My OU-FAN?**

There are several points in the loan process where you can reconsider how much you want to borrow or if you want to borrow a loan at all:

- a) If you want to borrow less than OU offered on your OU-FAN (financial aid notification), your first opportunity is to “reduce” the amount of loan when you submit the OU-FAN. OU will certify the loan for the lesser amount. If you don’t want a loan at all, you can “decline” the entire loan.
- b) If you visit the Bursar to receive your disbursement and decide you want less, inform the Bursar service clerk. There is still time to return the portion of the loan that you do not want.
- c) If any of your disbursement is applied to OU charges, you have 14 days from the date those charges are paid to request that OU return the loan funds to the lender for cancellation. Contact the Bursar for assistance with this option.
- d) If you receive student loan funds and decide you do not want or need those funds, you can always return the funds directly to the lender. Contact the lender for instructions.

**How Do I Keep Track of My Federal Loans?**

- You can monitor your current loan information by accessing your OpenNet user account at [www.financialaid.ou.edu](http://www.financialaid.ou.edu) and selecting “Access Your Stafford Loan”. Log in using your OpenNet user id and password.
- You can monitor your prior and current loan information in the National Student Loan Data System (NSLDS) at [www.nsls.ed.gov](http://www.nsls.ed.gov). You’ll use your U.S. Dept. of Education PIN number (the one you used for your FAFSA) to access your loan records in NSLDS.

**Have you applied for a State Grant?** Many states, including Oklahoma, sponsor educational grant programs for their residents. Oklahoma residents automatically apply for the Oklahoma Tuition Aid Grant (OTAG) if they complete the FAFSA by April 15. If you need information about a similar program in your home state, contact the Federal Student Aid Information Center at 1-800-4FEDAID.