

## **FORMULAS FOR DETERMINING FFELP AND FEDERAL DIRECT LOAN AMOUNTS**

### **Subsidized Federal Stafford Loans**

Cost of Attendance\*

— Expected Family Contribution (EFC)

— Estimated Financial Assistance

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= Eligibility for Federal Subsidized Stafford Loan  
(up to annual or aggregate limit, whichever is less)

### **Unsubsidized Federal Stafford and Federal PLUS Loans**

Cost of Attendance\*

— Estimated Financial Assistance

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= Eligibility for Federal Unsubsidized Stafford or  
Federal PLUS Loans  
(up to annual or aggregate limit, whichever is less)

\* The cost of attendance must include the amount of the loan fee charged on a William D. Ford Federal Direct Loan, or the amount of the loan's origination fee and/or insurance premium charged on a FFELP loan. The amount of fee charges included may be the actual amount or an average allowance. For more information, review *Dear Colleague Letter*, GEN-94-41, dated October 1994.

NOTE: Lenders/servicers are not responsible for monitoring a borrower's eligibility for annual loan limits. The determination of a borrower's eligibility and annual loan limits is the school's responsibility and is dictated by the statutory definition of an academic year. ISAC monitors only total aggregate maximums for FFELP borrowers.