

Student Loan Repayment and Exit Counseling





Session Overview

Exits

- Packet – exit responsibilities

Basics

- NSLDS – Servicers – Loan Types – Grace Periods

Repayment

- Estimating Repayment - Interest Rates, Fees & Capitalization - Delinquency & Default

Plans

- Plan Options – Consolidation – Repayment Example

Options

- Deferment – Forbearance – Cancellation/Forgiveness

Money

- Budgets – Saving – Strategies – Credit Reports



Student Loan Exit Counseling

Your exit package provided by SFS includes information about loans received at SPU and information to assist you with loan repayment.

Repayment details for each loan will be provided by your lender/servicer prior to repayment.

- *You are responsible to fulfill your exit counseling responsibilities following this presentation. Instructions are included in your Loan Repayment Exit Letter. Completion is required within 30 days.*
- *Attendance in a group or individual session or review of this presentation does not fulfill your exit counseling requirements!*



Loan Overview – Sample Exit Letter

You will see information only for loans for which you are required to complete exit counseling.

Direct Subsidized & Unsubsidized Loans, FFEL Stafford and/or Grad PLUS Loans exit counseling must be completed at <https://StudentLoans.gov>

Perkins, Nursing and/or SPU Institutional Loan exit counseling is completed through your online account at <https://heartland.ecsi.net>.

TEACH Grant exit counseling is completed at <https://www.nslds.ed.gov>.



Loan Overview – Sample Exit Letter

Loan Name	Loan Principal
< Any balance due on your SPU student account will not be reflected in the totals below. >	
Direct/FFEL Subsidized Loan	\$13,500
Direct/FFEL Unsubsidized Loan	\$10,167
Federal Graduate PLUS Loan	\$45,000
Federal Perkins Loan	\$2,000
Review cumulative records of your DL/FFEL Stafford, Grad PLUS & Perkins Loans at NSLDS.ed.gov ; servicer information is provided in the details for each loan.	
Nursing, SPU Institutional and other private student loans will not appear in NSLDS. All loans are reported to the national credit bureaus.	
Federal Nursing Loan	\$1,500
Total Federal Loans	\$72,167
SPU Institutional Loan	\$1,000
Smart Option Student Loan (800)472-5543	\$21,000
Total of All Loans (Federal and Private)	<u>\$94,167</u>
The Loan total above is for the original principal loans awarded to you thorough SPU. It does not include loans received when enrolled at another institution or any payments made or any fees or interest that has accrued to date. Additionally, if you have consolidated any of these loans the consolidation is not reflected.	
TEACH Grant - GR (Conditional)	\$3,708
Grand Total - All Loans (plus Conditional Awards)	<u>\$97,875</u>
Any conditional grants/scholarships you received are included in the Grand Total because these awards may be converted to a loan if teaching conditions are not met.	



Loan Basics

The loans you borrowed are important financial obligations that require your attention now and throughout the time you will be making payments on the loan.

You are responsible to:

- Read all forms, documents and correspondence carefully
- Understand your rights and responsibilities
- Ask questions

Master Promissory Note Information:

- Is a legally binding document
- Specifies your rights and responsibilities
- Must be signed in order to receive loan funds
- Valid for multiple loans over 10 years if a disbursement is made within 12 months of signing



Repayment Responsibilities

When you signed the promissory note you promised to repay your loan.

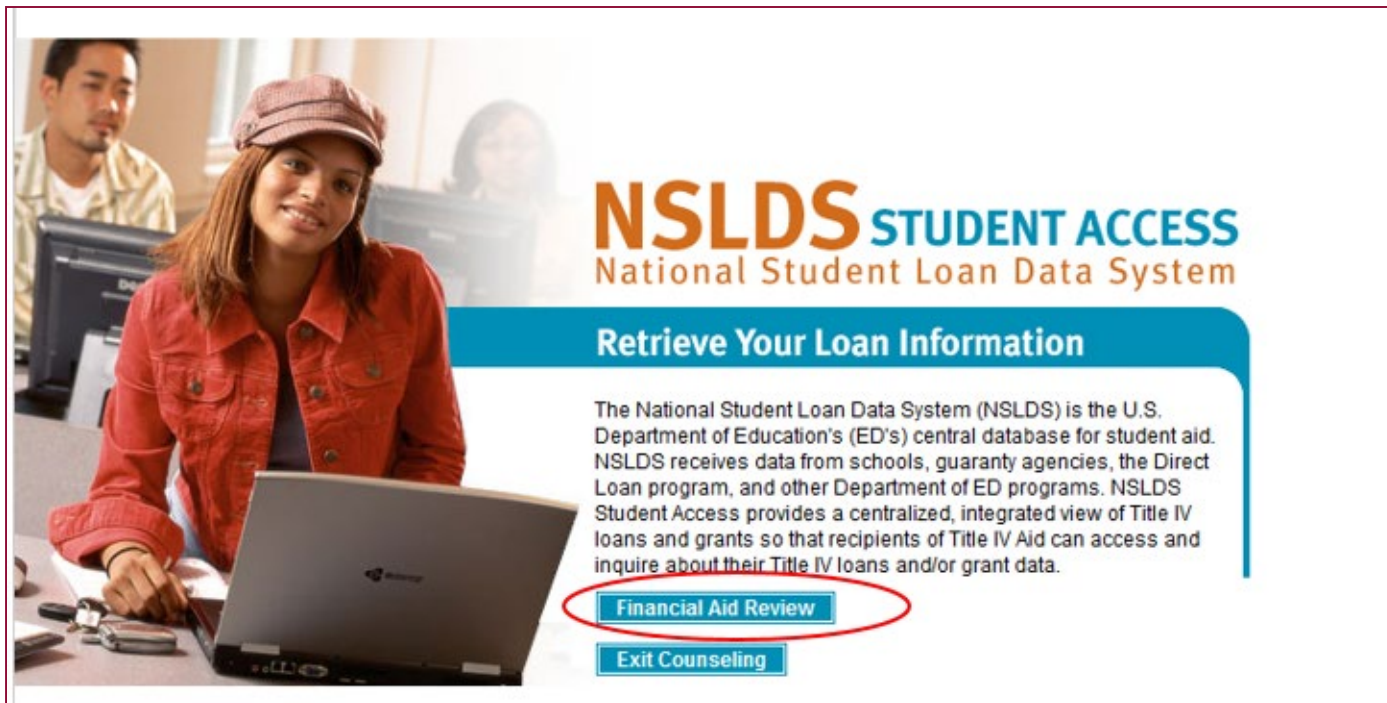
You must repay the loan even if you:

- Don't complete your program of study
- Don't complete your program within the standard allotted timeframe
- Are unable to locate employment after completing your program
- Are dissatisfied with or don't receive the services purchased from the school
- Don't receive statements, payment coupons or reminders



Loan Records

Review cumulative loan records at nslds.ed.gov.



NSLDS STUDENT ACCESS
National Student Loan Data System

Retrieve Your Loan Information

The National Student Loan Data System (NSLDS) is the U.S. Department of Education's (ED's) central database for student aid. NSLDS receives data from schools, guaranty agencies, the Direct Loan program, and other Department of ED programs. NSLDS Student Access provides a centralized, integrated view of Title IV loans and grants so that recipients of Title IV Aid can access and inquire about their Title IV loans and/or grant data.

[Financial Aid Review](#)

[Exit Counseling](#)

➤ Exception: Federal Nursing and private loans are not maintained in NSLDS.



Loan Overview

Click on the loan number for details about the loan including the interest rate and loan servicer contact information.

Please click on number in first column to see details							
	Type of Loan	Loan Amount	Loan Date	Disbursed Amount	Canceled Amount	Outstanding Principal	Outstanding Interest
1	DIRECT STAFFORD UNSUBSIDIZED	\$4,666	09/19/2014	\$4,666	\$0	\$4,666	\$38
2							
3							
4							
Total DIRECT STAFFORD UNSUBSIDIZED							
Total DIRECT STAFFORD UNSUBSIDIZED							
Total ALL LOANS							

Amounts and Dates							
Loan Amount	Outstanding Principal Balance	Outstanding Principal Balance As of Date	Outstanding Interest Balance	Outstanding Interest Balance As of Date	Interest Rate Type	Interest Rate	Canceled Amount
\$4,666	\$4,666	01/19/2015	\$38	01/19/2015	FIXED	4.66%	\$0

Disbursement(s) and Status(es)				
Disbursement Date	Disbursement Amount	Loan Status	Status Description	Status Effective Date
01/16/2015	\$2,333	IG	IN GRACE PERIOD	12/10/2014
09/19/2014	\$2,333	IA	LOAN ORIGINATED	09/19/2014

Servicer/Lender/Guaranty Agency/ED Servicer Information	
Contact Type	Contact
Current ED Servicer:	DEPT OF ED/NELNET PO BOX 740283 ATLANTA GA 30348 888-486-4722 nelnetcustomersolutions@nelnet.com www.nelnet.com



Loan Servicing

Loan servicers manage billing, records and receive payments for your loans. During repayment they will be your primary point of contact.

- You may have multiple loan servicers
 - Submit requests for deferment and forbearance to each servicer
 - Loan servicers may change during the repayment of your loan
 - Loan servicers will report the status of each of your loans to the national credit bureaus monthly
 - Update your contact information with each servicer
- ❖ **TIP:** If you have a family arrangement that your parents will be making payments to your student loans OR if you will be making payments on parent PLUS loans be sure to fulfill your agreements and keep track of the loans to avoid any repayment problems.



Loan Terms - Interest

It is important to understand the following terms related to interest.

Subsidized – If interest is subsidized the borrower is not responsible to pay the interest that accrues during deferment and grace periods (with some exceptions).

Unsubsidized – If interest is unsubsidized the borrower is responsible to pay all interest that accrues.



Loan Exceptions

If you have any of the loans listed below please note some exceptions

- Nursing and private loan records are not maintained in NSLDS. Please contact your servicer or lender for more information.
- Teach Grant converts to an unsubsidized loan if the service obligation is not met. Please contact MyFedLoan.org for more information.

➤ **Parent PLUS Loans** are available for parents of dependent undergraduate students. Repayment of parent PLUS loans is the responsibility of the parent borrower.

Parent PLUS borrowers may review their loan records at nslds.ed.gov, review PLUS Counseling at StudentLoans.gov and receive information and assistance from their loan servicer(s) and at StudentAid.ed.gov.



Loan Repayment: Grace Periods

The grace period begins when you drop to less than half-time enrollment

No payments are required during the grace period

At the end of the grace period the loan enters repayment. If you do not use the entirety of your grace period and return to school, your entire grace period will become available again.

First payment typically due 30-45 days after grace period ends

No penalty for early repayment

Payments made prior to repayment will not shorten your grace period or alter your scheduled minimum monthly payment amount

Grace periods are specific to each loan record



Loan Repayment: Grace Periods

Loan Type	Grace Period (Months)	First Disbursement Date	Interest Begins to Accrue
Direct Subsidized	6	Prior to 6/30/12 and on or after 7/1/14	When the loan enters repayment
Direct Subsidized	6	On or after 7/1/12 through 6/30/14 <i>(SPU aid years 1213 & 1314)</i>	When the loan enters grace
FFEL Subsidized Stafford	6	All dates	When the loan enters repayment
Direct Unsubsidized	6	All dates	From the date of the first disbursement
FFEL Unsubsidized Stafford	6	All dates	From the date of the first disbursement
Graduate PLUS	6	All dates	From the date of the first disbursement
SPU Institutional (subsidized)	6	All dates	When the loan enters repayment
Perkins & Nursing (subsidized)	9	All dates	When the loan enters repayment
Private Loans	Typically 6 mos – contact lender	All dates	From the date of the first disbursement

Repayment Tools

Take charge and make a plan





Your Loan Terms: Sample Payments

The monthly payment due on each loan will be determined by:

- The amount of the loan

AND

- The minimum payment for the loan
\$50 Direct Loans, FFEL Stafford and SPU Institutional Loans
\$40 Perkins and Nursing Loans

AND

- The repayment term for the loan

Example: Direct Loan / Interest rate 6.8% / standard repayment (10 yrs)

Loan Amount (Principal)	Estimated Monthly Payment	Repayment Term (months)	Total Interest Paid	Total Principal and Interest Paid
\$3,500	\$50	89	\$971	\$4,471
\$10,000	\$115	120	\$3,810	\$13,810
\$19,000	\$219	120	\$7,238	\$26,238

Exits	Basics	Repayment	Plans	Options	Money
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Loan Repayment Estimates

Your Loan Exit letter provides you with **estimated** repayment information for federal and SPU Institutional loans based on the total borrowed at SPU and the **estimated** savings if you pay more than the estimated monthly payment.

The following example is for a loan total of \$11,000 at 6.8% interest.

- A monthly payment of \$127 is required to repay the loan within ten years.
- This borrower could save over \$2,000 in interest by increasing their monthly payments by \$90 per month to repay the loan in five years.

Direct/FFEL Loan Principal \$11,000		Direct/FFEL Loan Interest Rate 6.8%		
	Interest Paid	Total Repayment	Term (Months)	Estimated Monthly Payment
Standard 10 Year Repayment	\$4,191	\$15,191	120	\$127
Calculation for 5 year Repayment	\$2,007	\$13,007	60	\$217
Difference		\$2,184		\$90



Loan Repayment Estimates

Calculate your *estimated* monthly payment:

$$\begin{array}{rcl} & \$______ & \text{Direct/FFEL} \\ + & \$______ & \text{Grad PLUS} \\ + & \$______ & \text{Perkins, Nursing, SPU Institutional} \\ + & \$______ & \text{Other student loans} \\ \hline = & \$______ & \textbf{THAT NUMBER} \end{array}$$

We'll be talking about tips and tools to help with **THAT NUMBER!**

Strategies when the payment fits within your budget

Strategies to help when the payment is too big for your budget

Strategies to consider over the repayment term when your budget changes



Loan Repayment Estimates

The **Repayment Estimator** at [StudentLoans.gov](https://studentloans.gov) will provides estimated Direct Loan repayment information various repayment plans using your NSLDS loan records and an average interest rate using the interest rate for each of your loans.

MY HOME PAGE

I want to:

View My Documents

Complete Loan Counseling (Entrance, Financial Awareness, Exit)

Complete Loan Agreement (Master Promissory Note)

Apply for a Direct PLUS Loan

Appeal Credit Decision

Complete an Endorser Addendum

Complete PLUS Credit Counseling

Apply for Loan Consolidation

Apply for an Income Driven Repayment Plan

Co-sign a Spouse's Income Driven Repayment Plan Application

Complete TEACH Grant Counseling

Complete TEACH Grant Agreement to Serve

My Correspondence

You have no new messages.

My Profile

Name:

Your name

Date of Birth:

Your Birthdate

Social Security Number:

Your SSN

E-mail:

Your Email

[Update My Profile](#)

Repayment Estimator

This tool uses your loan information from National Student Loan Data System (NSLDS®) to estimate:

- initial monthly payments
- repayment plan eligibility
- repayment plan cost comparison
- total interest paid

[Go to the Repayment Estimator](#)

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Your Loan Terms: Interest Rates

Interest rates are established annually. The interest rate for a loan is fixed determined upon the date of the first disbursement of the loan.

Direct Subsidized/Unsubsidized			
First Disbursement On or After	<u>Undergraduate</u>		<u>Graduate</u>
	Subsidized	Unsubsidized	Sub/Unsub
7/1/18 – 6/30/19	5.05%	5.05%	6.60% Unsub only
7/1/17 – 6/30/18	4.45%	4.45%	6.00% Unsub only
7/1/16 – 6/30/17	3.76%	3.76%	5.31% Unsub only
7/1/15 – 6/30/16	4.29%	4.29%	5.84% Unsub only
7/1/14 – 6/30/15	4.66%	4.66%	6.21% Unsub only
7/1/13 – 6/30/14	3.86%	3.86%	5.41% Unsub only
Information about interest rates for each of your loans is available from your loan servicer(s) and in NSLDS federal loan record details. General interest rate information is available at https://studentaid.ed.gov/sa/types/loans/interest-rates .			



Your Loan Terms: Interest Rates

Interest rates are established annually. The interest rate for a loan is fixed determined upon the date of the first disbursement of the loan.

Loan Type	First Disbursement On or After	Interest Rate
Direct PLUS (graduate and parent loans)	7/1/18 – 6/30/19	7.60%
	7/1/17 – 6/30/18	7.00%
	7/1/16 – 6/30/17	6.31%
	7/1/15 – 6/30/16	6.84%
	7/1/14 – 6/30/15	7.21%
Perkins, Nursing & SPU Institutional		5.0%
Private Loans	Check with your lender; determined by lender based on credit criteria. Rate may be variable or fixed.	
Information about interest rates for each of your loans is available from your loan servicer(s) and in NSLDS federal loan record details. General interest rate information is available at https://studentaid.ed.gov/sa/types/loans/interest-rates .		



Your Loan Terms: Capitalization

Capitalization adds accrued interest to the principal of a loan. Interest will capitalize at repayment and following future periods of deferment and forbearance.

Unsubsidized Loan Principal:	\$3,500	Borrower 1:	Borrower 2:
Interest Rate:	6.8%	Paid Interest Prior	Interest
Repayment Plan:	Standard	to Repayment	Capitalized
Estimated total interest accrued prior to repayment		\$1,071	\$1,071
Voluntary monthly payment while in school (48 mo) & grace period (6 mo)		\$20.00 per month	
Capitalized Interest		\$0	\$1,071
Principal at repayment		\$3,500	\$4,571 (\$3,500 + \$1,071)
Monthly payment at repayment / repayment term		\$50 / 90 mo	\$53 / 120 mo
Interest paid during repayment		\$971	\$1,742
Interest paid prior to repayment		\$1,071	
Total Paid		\$5,542	\$6,313
Savings		\$771	

Source: CollegeToolKit.com > Loan Capitalization Calculator



Repaying Your Loans: Delinquency

Direct and FFEL loans offer various options and repayment plans to assist you with repayment. If you keep these options in mind and communicate promptly you should be able to keep your loans current and avoid delinquency and default.

Student Financial Services can provide assistance with Perkins, Nursing and SPU Institutional loans.

Loans become delinquent when you fail to make your scheduled payment on time.

Consequences of delinquent loans:

- Late charges and fines may be assessed
- Delinquent status reported your credit record monthly
- Increased risk of default



Repaying Your Loans: Default

Consequences of Student Loan Default

- Loan may be accelerated (entire balance of loan including all principal, interest and fees become due; interest continues to accrue)
 - **Perkins, Nursing and SPU Institutional loans are accelerated at 120 days past due**
- Lose eligibility for future federal financial aid
 - Direct and FFEL Loans: at 270 days past due
 - Perkins: at 240 days past due
- Lose flexible loan repayment options & deferment eligibility
- Bad credit
- State-issued licenses can be withdrawn
- Income tax refunds can be withheld
- Wages may be garnished
- Interest continues to accumulate
- Ongoing collection activities, including addition of collection costs, collection fees and fines
- Legal action



Repaying Your Loans: Resolving Default

- You must contact your loan servicer and establish a plan for satisfactory repayment.
 - Regain financial aid eligibility with six monthly payments.
 - Consolidating defaulted federal loan(s) will regain eligibility for financial aid and loan deferment.

Prior to consolidation you may be required to make three monthly payments or you must agree to repay the loan under Income Contingent or Income-Derived repayment plans.

- Rehabilitation regains eligibility for financial aid and loan deferment and removes the default from your credit history.

Nine consecutive monthly payments are required as well as an agreement for each loan.

Rehabilitation is available for Direct Loans, FFEL Stafford, Grad PLUS, Perkins, and SPU Institutional loans.



Repayment Plans

Paying more each month will shorten the repayment term and reduce the amount of interest paid

If you use a plan that reduces your monthly payment you will pay more in interest and may extend the repayment term.





Repayment Plans: Direct/FFEL Stafford & Grad PLUS

You have the right to:

- Change repayment plans
- Pre-pay your loan at any time without fees or penalty
- Paying more than the scheduled monthly payment will not increase your monthly payment amount.
- Contact your loan servicer to discuss changing your repayment plan. In some circumstances you may benefit from staying on your current plan.
- Compare plans: Repayment Estimator at [StudentLoans.gov](https://studentloans.gov)



Repayment Plans: Direct/FFEL Stafford & Grad PLUS

Three Basic Plans

1. **Standard** repayment allows you to pay your loans over 10 years in equal monthly installments. This will be your repayment plan unless you select a different plan. Lowest lifetime costs. Best for borrowers with stable, adequate earnings
2. **Graduated** repayment is designed for those who have a low salary early in their repayment period, but anticipate future higher incomes. You start with lower monthly payments that increase over time
3. **Extended** repayment allows you to lower your monthly payments by extending your payments for up to 25 years if you borrowed more than \$30,000 in FFEL Program or Direct Loan Program loans—separately, not combined. Lowers monthly payments but has a much higher lifetime cost.

Repayment Plans: Direct/FFEL Stafford & Grad PLUS - Income Driven Plans



Income-driven repayment plans common criteria & terms

Additional Information StudentAid.ed.gov and ibrinfo.org	ICR	IBR	IBR (New Borrower)	PAYE	REPAYE
You must have partial financial hardship (PFH) for initial eligibility.		√	√	√	
You must submit financial information annually.	√	√	√	√	√
Your payments will be adjusted annually based on your financial information.	√	√	√	√	√
Your monthly payment will not exceed the amount for standard repayment calculated based on the loan amounts when your loans first entered repayment		√	√	√	
You'll pay more for your loan over time than you would under the 10-year standard plan.	√	√	√	√	√
If you have not repaid your loan in full after making the equivalent of 20 or 25 years of qualifying monthly payments (determined by the repayment term for the plan), any outstanding balance on your loan will be forgiven.	√	√	√	√	√
You may have to pay income tax on any amount that is forgiven.	√	√	√	√	√

Exits

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Repayment Plans: Direct/FFEL Stafford & Grad PLUS - Income Driven Plans

IBR, IBR-New Borrowers, PAYE, REPAYE & ICR Plan Requests

- Estimate repayment under the various plans using the Repayment Estimator at [StudentLoans.gov](https://studentloans.gov) to determine which plan best suits your needs and goals.
- Complete the application annually online at [StudentLoans.gov](https://studentloans.gov); if you prefer to complete a paper application contact your loan servicer.
- Application includes option of letting the system determine the plan that will give you the lowest minimum monthly payment.
- The electronic Income-Driven Repayment Plan Request process at [StudentLoans.gov](https://studentloans.gov) includes an IRS retrieval tool which is an easy and secure way to access and transfer tax return information directly onto the electronic application, saving time and improving accuracy.
- Contact your FFEL servicer for Income-Sensitive Repayment assistance.



Repayment Plans: Direct Loan Comparison

This chart compares the various repayment plans. Use the Repayment Estimator tool at StudentLoans.gov to generate a comparison for your loans.

Loan & Borrower Info	Repayment Plan	Loan Period (months)	Initial Monthly Payment	Final Monthly Payment	Projected Loan Forgiveness	Total Interest Paid	Total Amount Paid
\$37,500 Direct Loan Total 6.8% Interest Rate Borrower: \$35,000 AGI Single WA	Standard	120	\$432	\$432	\$0	\$14,286	\$51,786
	Graduated	120	\$249	\$747	\$0	\$18,225	\$55,725
	Extended, Fixed	300	\$260	\$260	\$0	\$40,583	\$78,083
	Extended, Graduated	300	\$213	\$372	\$0	\$47,078	\$84,578
	Revised Pay As You Earn <small>*Calculator assumes grad loans – max repayment term 300 mos</small>	258*	\$143	\$571	\$0	\$43,065	\$80,565
	Pay As You Earn & IBR for New Borrowers	240	\$143	\$432	\$13,305	\$45,320	\$69,515
	Income Based Repayment (IBR)	187	\$215	\$432	\$0	\$27,575	\$65,075
	Income-Contingent Repayment (ICR)	183	\$308	\$370	\$0	\$23,671	\$61,171

Assumptions: Any unpaid interest that will capitalize at repayment is not included. Income increases of 5% a year, Poverty guidelines will increase based on the Congressional Budget Office's estimation of inflation.

Source: Repayment Estimator tool at StudentLoans.gov. (4/27/16)

Exits	Basics	Repayment	Plans	Options	Money
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Repayment Plans: Campus Based Loans

Repayment information for these loans is included in your exit packet on the Loan Disclosure Statement.

Minimum monthly payments: *(May be more depending loan principal)*

Perkins Loan: \$40.00

Nursing Loan: \$40.00

SPU Institutional Loan: \$50.00

- Repayment term is a maximum of ten years
- No income-driven plans
- Reduced monthly payments may be requested for periods of up to one year
- Contact Student Financial Services for assistance
- Servicer: Heartland ECSI <https://heartland.ecsi.net>



Manageable Payments: Direct Loan Consolidation

Information and where to apply at [StudentAid.ed.gov](https://studentaid.ed.gov):

→ Repay Your Loans → Loan Consolidation

- Eligible loans: Direct Loans, FFEL Stafford, PLUS, Perkins, Nursing if in grace or repayment
 - Private loans including the SPU Institutional Loan are not eligible to be included
- Repayment period may increase from 10 to 30 years
- Retains interest subsidy on subsidized Direct and FFEL Stafford loans
- Perkins loans lose interest subsidy and service cancellation benefits if included
- Fixed interest rate based on weighted average, rounded up 1/8 of a percent
- Repayment plans: Standard, Graduated, Extended, Income-Contingent (ICR), Income Based Repayment (IBR), Pay As You Earn (PAYE) and Revised Pay As You Earn (REPAYE)
- Deferment and forbearance available
- Eligible for Public Service Loan Forgiveness (PSLF) and Teacher Forgiveness
- No grace period



Managing Repayment

Life Happens! You have options that may help.

Deferment

Forbearance

Loan Forgiveness / Cancellation

Public Service Loan Forgiveness

Death / Disability / Bankruptcy

Tax Benefits

Records





Managing Repayment: Deferment

Deferment may be requested to postpone payments under certain conditions

- Interest subsidy applies
- Length of time varies by type of deferment
- Requests must be submitted to each loan servicer; a form and supporting documentation will be required to document your eligibility for the deferment
- Continue to make payments until deferment is approved

You may be eligible for deferment if you meet the criteria for:

Enrolled at least half-time*

Graduate fellowship program

Rehabilitation training for the disabled

Unemployment; 3 yr max

Economic hardship; 3 yr max

Serving in the military on active duty

Federal loan deferment information is available on your MPN, from your loan servicer(s) and at StudentAid.ed.gov

* **Nursing loans require enrollment in a Nursing degree program**, see MPN for details.

* **SPU Institutional loans provide in-school deferment only if enrolled at SPU**, see MPN for details.



Manageable Payments: Forbearance

- Temporarily postpone or reduce payments
 - Typically granted for a period of 3, 6 or 12 months
 - Interest accrues on subsidized and unsubsidized loans
 - May affect repayment term:
 - Extends the repayment period for Direct, Stafford and Perkins loans
 - Nursing and SPU Institutional loan forbearance periods do not extend the repayment term; term will not exceed 10 years
 - Any unpaid interest that accrues may be capitalized, increasing the total balance due
 - Granted at the discretion of the lender/servicer
 - Contact each loan servicer if forbearance is needed
- Contact SFS to request forbearance for Perkins, Nursing and SPU Institutional Loans; a form and documentation is required.



Forgiveness & Cancellation

Federal loans provide some forgiveness (cancellation) provisions

- Teacher loan forgiveness: Perkins, Direct Subsidized/Unsubsidized, FFEL Stafford & Direct Consolidation loans for eligible teachers serving in a low-income or subject-matter shortage area; requires five consecutive years of service
- Details for all forgiveness and cancellation provisions are included in your MPN
- Additional information available from your loan servicer and [StudentAid.ed.gov](https://studentaid.gov)

Perkins Loans

- Several employment categories available for cancellation if you are employed full-time in a variety of service fields, e.g. teaching in a low-income school, nurse/medical tech and law enforcement; cancellation is incremental for each year of qualified employment
- Information and forms to request deferment in anticipation of cancellation and cancellation available at <https://heartland.ecsi.net>
- Additional information available from your loan servicer and [StudentAid.ed.gov](https://studentaid.gov)



Forgiveness & Cancellation

Public Service Loan Forgiveness (PSLF)

- DL loans only
- May be eligible for forgiveness of loan balance after 10 years of eligible payments and qualified full-time employment in a public service job
- Repay your loans on an income-driven repayment plan
- Info at [StudentAid.ed.gov](https://studentaid.ed.gov) and ibrinfo.org

Repayment and cancellation assistance may be available from an outside organization or your employer and will be separate from provisions of your loan(s)

- Military benefits – Check with military recruiter
- National and community service jobs
- Service in areas of national need
- Americorps service

Health Professions

- [NURSE Corps](#) Loan Repayment Program
- [National Institutes of Health / Division of Loan Repayment](#)
- [National Health Service Corps / Loan Repayment Program](#)



Forgiveness & Cancellation

Federal student loans provide full cancellation for:

- Death of borrower
- School closure
- False certification by the school
- Identity theft incurred loans

If you are an identity theft victim be sure to retain documentation and file a police report.

Identity theft information from the FTC:

consumer.ftc.gov/features/feature-0014-identity-theft

Full or partial discharge

- Total and permanent disability
- Some limited bankruptcy scenarios



Tax Benefits for Borrowers

You may be eligible for a federal tax deduction up to \$2,500 based on student loan interest you paid.

- Income limits apply to this tax benefit
- Find out more at [irs.gov](https://www.irs.gov) / IRS Publication 970
- Most loan servicers will provide total interest paid information online
- Financial institutions are required to provide a 1098-E if the borrower paid \$600 or more of interest on a qualified student loan during the year



Money Management

Stay focused – make payments on time – ask for help promptly





Manage Your Money: Financial Success Tips

Identify your financial goals

S.M.A.R.T. goals are specific, measurable, attainable, realistic and have a time line

Develop a realistic monthly budget

Review your budget and loan repayment strategy at least annually

Pay your bills prior to the due date

Keep your contact information current on all accounts

Save for the future including planning now for retirement (*a.k.a financial independence*)

If your employer offers a 401K matching program maximize your contributions

Online resources:

Financial Awareness Counseling and Exit Counseling at [StudentLoans.gov](https://studentloans.gov); populates with NSLDS data, you can manually add loan and other financial obligation information.

[CashCourse.org](https://cashcourse.org)

May also be available from your loan servicer, bank or credit union



Manage Your Debt: Strategy

List all debts including:

- Principal
- Interest
- Minimum monthly payment

Prioritize your debts to determine which you wish to pay in full first

- Largest or smallest debt amount?
- Largest interest rate?
- Largest minimum monthly payment?

Allocate any additional funds to your highest priority debt. Once paid, increase payments on next highest priority.

Avoid the minimum payment trap

Switch to auto-pay with federal direct loan servicers for a 0.25% interest rate reduction

Resolve to stay out of debt



Manage Your Debt: Credit Reports

Review your credit report for accuracy now and periodically in the future.

- Your credit report may be reviewed by potential employers and when you apply to rent an apartment as well as for extending credit.

Request a **free** credit report every 12 months

- AnnualCreditReport.com or 877.322.8228
- FICO scores available for a fee
- Credit information is supplied by the three major reporting bureaus:

Equifax

equifax.com

(800) 685-1111

P.O. Box 740241

Atlanta, GA 30348

Experian

experian.com

(888) EXPERIAN

P.O. Box 2002

Allen, TX 75013

TransUnion

transunion.com

(800) 888-4213

P.O. Box 1000

Chester, PA 19022

Information:

- [Federal Trade Commission / Consumer Information](http://www.consumer.ftc.gov): (<http://www.consumer.ftc.gov>)
- MyFico.com → Learn About Scores



Student Loan Assistance

You don't need to pay someone to help you with your federal student loans! Don't hesitate to ask for help or information

- Contact your servicer(s)
- Contact Student Financial Services at SPU
- Review guidance at [StudentAid.ed.gov](https://studentaid.ed.gov) → How to Repay Your Loans → Resolving Disputes
- U.S. Department of Education FSA Ombudsman Group (1-877-557-2575) provides assistance for federal student aid disputes *if all other efforts have been unsuccessful.*
- Consumer Financial Protection Bureau: provides assistance for student loan issues including private loans (consumerfinance.gov)
- U.S. Department of Education: federal loan information available at StudentAid.ed.gov
- U.S. Department of Health and Human Resources: federal Nursing loan information available at hrsa.gov/loanscholarships



Questions?

Student Financial Services

Demaray Hall 10

206-281-2061 / 800-737-8826

Email questions to: sfs-info@spu.edu

This presentation and repayment information are available online: spu.edu/sfs

→ [Maximizing Your Money](#)

→ [Loan Exit Counseling](#)

→ [Loans](#)

→ [Before Loan Repayment](#)

→ [During Repayment](#)

→ [Consolidating Repayment](#)



Complete your exit
responsibilities!