

Congratulations on nearing graduation! Now, it's time to start thinking about when and how you're going to repay your student loan(s)!

As you move closer to graduation, you also move closer to entering repayment on any student loan(s) you borrowed while in school. Before you enter repayment, federal regulations require student loan borrowers to complete a brief online exit counseling session.

Federally Required Student Loan Exit Counseling:

Federal regulations require that all student borrowers complete federal loan exit counseling prior to their graduation. It is very important that if you used federal student loans while at Ole Miss that you complete this counseling immediately.

Your failure to do so will cause your diploma and academic transcripts to be held. The Office of Financial Aid and the Bursar's Office are now providing loan exit counseling via the website listed below:

http://www.olemiss.edu/depts/financial_aid/exitcounsel.html

Please Note: If you borrowed under the FFELP (formerly Stafford loans) or DLP (Direct Loans) only, you should only complete the FFELP or DLP exit counseling option. If you borrowed under the FFELP or DLP and the Perkins, McKinstry, and/or HPSL (Health Professions Student Loan Program), you must complete **both** exit counseling sessions.

Students who will be beginning a new degree program in the fall of 2013, will still need to complete the counseling session (s) to fulfill the federal requirement.

In an effort to help you make the most savvy financial decisions as you prepare to enter repayment, we have provided you with the below Primer on Student Loan Repayment.

Where may I find a listing of each of my loan(s), how much I owe, the interest rates, and contact information for the loan servicer(s)?

For **Federal Student Loans** (i.e. Stafford Loans, Direct Loans, Perkins Loan, or Grad PLUS Loans): You may retrieve a list of all of your federal loans, along with contact information for each servicer of your loan(s) at the National Student Loan Data System (NSLDS) website.

http://www.nsls.ed.gov/nsls_SA/

For **Private Student Loans** (i.e. student loans through private lenders):

You will need to contact each of the lenders from whom you borrowed a private loan individually to obtain specific information regarding repayment.

For **Institutional Student Loans** (i.e. McKinstry Loans, JR Johnson Loans, Scribner Loans, & Health Profession Student Loans – HPSL are made through the Department of Health and Human Services, but are serviced institutionally):

You will need to contact the servicer of these loan types, ECSI, at <https://borrower.ecsi.net/> to obtain specific information regarding repayment.

Which loan(s) may I consolidate?

Federal Student Loans (i.e. Stafford Loans, Direct Loans, Perkins Loans, or Grad PLUS Loans) may be consolidated together through Federal Direct Consolidation Loans.

<http://www.loanconsolidation.ed.gov/>

1-800-557-7392 (Direct Loan Consolidation Origination Center)

Private Student Loans may be consolidated together through any private student lender offering Private Student Loan consolidation.

<https://www.elmselect.com/oll/SchoolLenderList/?schoolId=8175#3858>

However, Federal Student Loans and Private Student Loans may NOT be consolidated together into a single consolidation loan.

Institutional Student Loans (i.e. McKinstry Loans, JR Johnson Loans, Scribner Loans, & Health Profession Student Loans – HPSL are made through the Department of Health and Human Services, but are serviced institutionally) may not be consolidated, as there is no need to since they are all serviced by the same loan servicer.

What are my repayment options?

Federal Student Loans offer a variety of repayment plans from which to select; however, the defaulted repayment term is “standard repayment” of 10 years if you do not select anything different.

We strongly encourage you to visit Student Aid on the Web’s “Repayment Plans and Calculators” website to help figure out which repayment plan may be best for you.

<http://studentaid.ed.gov/PORTALSWebApp/students/english/OtherFormsOfRepay.jsp>

One of the newest repayment options available for federal student loans is the **Income Based Repayment Plan**. <http://studentaid.ed.gov/PORTALSWebApp/students/english/IBRPlan.jsp>

Private Student Loans offer different repayment plan options based on each individual lender, so you will want to talk directly with your private loan lender(s) to learn about your options.

Institutional Student Loans are all serviced by ECSI, so you will want to contact ECSI directly to learn more about your options.

Would my loan(s) possibly qualify for any types of forgiveness?

Federal Student Loans may qualify for forgiveness through a variety of forgiveness programs. <http://www.finaid.org/loans/forgiveness.phtml> .

One of the newest forgiveness options offered on federal student loans is **Public Service Loan Forgiveness**. <http://studentaid.ed.gov/PORTALSWebApp/students/english/PSF.jsp>

Private Student Loans are less likely to qualify for any type of loan forgiveness.

However, we recommend you contact your private lender(s) directly to inquire further.

Institutional Student Loans such as the Health Professions Student Loan may qualify for some types of loan forgiveness, and you should contact the servicer ECSI for additional information.

What if I cannot afford to make a monthly payment on my student loan(s)?

If you find yourself in a tough financial position and unable to make a monthly payment at any point, the most important thing you can do is contact your loan servicer. Similar to you, the loan servicer does not want to see you “default” on your any of your loans. As a result, there are various deferment and forbearance options available to assist borrowers in times of need.

What is “default” and how does it impact a borrower in default?

According to the Department of Education: if you default on a student loan(s), it means you failed to make payments on your student loan according to the terms of your promissory note, the binding legal document you signed at the time you took out your loan. In other words, you failed to make your loan payments as scheduled. Your school, the financial institution that made or owns your loan, your loan guarantor, and the federal government all can take action to recover the money you owe.

Here are some consequences of default:

- National credit bureaus can be notified of your default, which will harm your credit rating, making it hard to buy a car or a house.
- You will be ineligible for additional federal student aid if you decide to return to school.
- Loan payments can be deducted from your paycheck.
- State and federal income tax refunds can be withheld and applied toward the amount you owe.
- You will have to pay late fees and collection costs on top of what you already owe
- You can be sued.

If you have any questions or concerns regarding advice on student loan repayment, you may contact our office at studentloans@olemiss.edu or 662-915-5546.

However, please note that you must contact your individual lender(s) for specific information regarding monthly repayment amounts, when your loans officially enter repayment, etc.

Ole Miss Office of Financial Aid

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