The Office of Financial Aid and Dave Bowman, student loan advisor with Great Lakes Higher Education Corporation and Affiliates, will be holding a financial aid exit counseling seminar for the Class of 2015 on Monday, March 9 at 5:30 p.m. in Stanton Gerber Hall’s large auditorium.

The seminar will provide important information regarding student loans and what to expect after graduation.

Topics will include: different repayment options available and how each work, how interest and other factors affect repayment, options to decrease or postpone monthly student loan payments, and how to check your student loan history on NSLDS.

GRADUATION STUDENT LOAN CHECKLIST

As you prepare for graduation, something to think about is that repayment of your student loans will begin soon. By following the steps below, you can keep your loans in good standing.

1. Call your servicer to find out when you will need to begin repaying your loans. Your servicer is the company that will send your student loan bills. If you are unsure who your servicer is, look up your loan history at www.nslds.ed.gov. Repayment for student loans begins after your grace period, a 6-month period that starts when you drop below half-time enrollment or graduate. (Perkins loans are 9-months.) If you previously took time off or dropped below half-time enrollment, you may have used some or all of your grace period. Your servicer can tell you when your grace period ends and your payments begin. *Grad Plus loans do not have a grace period and are due 30 days from your graduation date. Students will need to contact their servicer prior to graduation to find out what steps need to be taken for deferment.

2. Choose a repayment schedule. Repayment schedules determine, in part, how long you will have to repay your loans and the size of your payments. If you need to pay less than standard payments, you may be eligible to change your repayment schedule. Also, ask your servicer if they offer any additional options or repayment incentives. Remember, you may prepay all or part of your student loans without penalty.

3. Consider consolidation. If you have multiple student loans with different lenders or servicers, consolidation allows you to combine your federal education loans into one new loan. The advantage is being able to conveniently manage your loans in one place. It may also reduce your payment amount.

4. Know your options for temporarily suspending your payments with a deferment. If you’re unemployed or facing an economic hardship, you may qualify to temporarily suspend your payments with a deferment.

5. Learn about the pros and cons of forbearance. Like a deferment, forbearance is a temporary adjustment to your monthly repayment schedule. However, unlike a deferment, both subsidized and unsubsidized portions of your loans continue to accrue interest during forbearance. In many cases, this interest may be added onto your principal loan balance (capitalized). Changing your repayment schedule to lower your payments or applying for a deferment is strongly recommended before applying for forbearance. Your lender or servicer can confirm your eligibility for deferment.

6. Keep track of your loans! To monitor all of your federal student loan debt, you may access the National Student Loan Data System (NSLDS) on line at www.nslds.ed.gov or call (800) 4-FED-AID. You will need your federal PIN number to view your loan history.

If I default on my student loan(s), all of the following may happen:

- My loan(s) will become due in full immediately.
- My defaulted loan(s) will appear on my credit record for at least 7 years, making it difficult for me to obtain an auto loan, mortgage, or credit cards.
- I may no longer be eligible to defer payment on my loan(s).
- I may have to pay collection costs in addition to the amount I owe.
- My federal tax refunds or other federal payments may be taken to repay my defaulted loan(s).
- A portion of my wages may be withheld in order to repay my student loan(s).
- Legal action may be taken against me to repay my student loan(s).
- My professional license(s) may be denied or revoked.