

### Before You Borrow, Consider This *Borrowing Smart in Today's Economy*

When considering how to pay for college in today's economic climate, there are more reasons than ever before to choose carefully, spend wisely, and save as much as possible.

This is especially true when it comes to taking out student loans. As tuition rises nationwide, more and more families are turning to student loans to help finance higher education. In the 2007-08 academic year, more than 60% of undergraduates borrowed money to get their degrees, and their average debt was \$23,186, according to Mark Kantrowitz, publisher of Fastweb.com and finaid.org.

Florida students have it somewhat better—projectonstudentdebt.org estimates that in 2007, 48% of Floridians graduated with debt, the average of which was \$18,621.

UF students may find themselves in slightly better shape. The average debt carried by UF graduates in 2007-08 was \$ 15,318, significantly below the national average. The national loan default rate was 6.7% for 2007, while the UF student loan default rate was 2.4% for 2007-08.

Regardless of how much debt students might be carrying, careful loan management is critical. Student aid experts have a lot of advice for prospective borrowers.

**Don't overborrow.** Kantrowitz cautions that borrowing more than \$10,000 per year is a probable sign of over-borrowing. Additionally, try not to borrow an amount for your entire education that is more than your expected starting salary. Average salaries from various fields can be found in the U.S. Department of Labor's Occupational Outlook Handbook, available online.

**Borrow smart.** Maximize aid from scholarships, grants, and student employment before considering student

loans. When loans are a must, borrow federal first. Federal loans are cheaper, more readily available, and have better terms than private loans. Perkins and subsidized Stafford loans should be considered before unsubsidized Stafford and PLUS loans.

If unsubsidized loans are necessary, make sure to at least pay the interest on the loan. While the interest can be deferred until after graduation by rolling it into the principal (capitalization), this increases the size of the loan, and consequently the length of time necessary for repayment.

**Live frugally.** While the temptation is great to spend loan money when you have it, Kantrowitz reminds students that every \$100 spent with loan money will actually cost \$200 by the time the loan is repaid. Students probably won't hear that kind of straight talk from private lenders, whose aggressive advertising might not mention the long-term risks of excessive borrowing. Kantrowitz reminds student borrowers that independence and fiscal discipline are absolutely critical, now more than ever.

**Take Care.** The financial implications of student loans are huge. The damage that can be done to an individual's credit rating in the case of loan default can last for years.

The unintended consequences of over-borrowing can last for much of a person's working life. According to the Wall Street Journal, a growing body of research is indicating that the burden of loan payments is causing many graduates to delay markers of adulthood such as marriage, the purchase of a home, and having children. Also, as borrowing becomes more commonplace, many experts believe that schools feel justified in raising tuitions further, believing that students will just borrow more.

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# Studentloans.gov Consolidates Many Federal Loan Services

Student borrowers utilizing the Federal Direct Loan program have long been accustomed to using a whole host of federal sites in order to manage their direct loans. Students use one site for requesting and managing their PIN, while another site is specifically for entrance and exit counseling, and yet another for loan consolidation. The duplication of services and the sheer number of specific sites made for a confusing experience for student borrowers.

In an effort to streamline the Direct Loan process, the Department of Education has done a great job of consolidating access to the myriad of student loan sites with one student loan portal page—the aptly named StudentLoans.gov.



Studentloans.gov is designed to be a kind of clearing house for information regarding the federal Direct Loans program.

The site's most exciting feature is the ability to apply for a PLUS loan directly online. In prior years, SFA had to collect and process paper applications for PLUS loans.

The new process streamlines the PLUS Loan application process, allowing funds to be disbursed more quickly and with fewer problems.

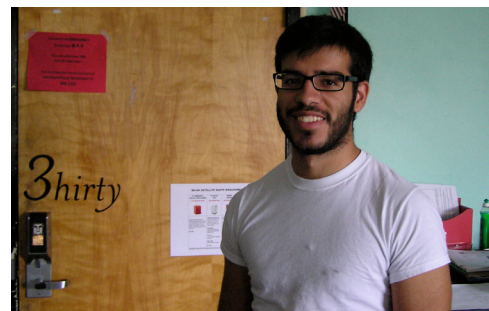
Studentloans.gov is also a great source of information and advice. Using the site, borrowers can find information about loan repayment plans, loan discharge, and loan forgiveness programs, as well as what to do if making payments becomes difficult.

## Watch for Financial Aid E-mail / Check GatorLink

The UF financial aid office uses e-mail to send official correspondence to financial aid applicants and recipients. SFA sends important financial aid mail, including financial aid award notices, follow-up letters, verification notifications, newsletters, and requests for additional documentation directly to students' GatorLink e-mail addresses.

Students should verify that their GatorLink e-mail address is correctly configured to receive UF business correspondence. Students should check GatorLink e-mail often, at least daily, to be sure they receive their financial aid correspondence.

Students should also be sure to clean out their inbox—an "over quota" mailbox won't accept new e-mails.



## SFA Podcast Financial Aid In Your Earbuds



Do you want quick, no-nonsense financial aid information delivered right to your .mp3 player or computer? Then the SFA podcast series is for you.

The SFA podcast series brings you up-to-date tips, news, and updates especially for Gators. Each episode will cover topics of interest to students receiving financial aid at UF.

There are three ways to access these audio presentations:

- Listen to the stream directly using the embedded audio player
- Subscribe to the podcast using iTunes or a similar program
- Subscribe to the RSS feed using a feed aggregator (many web browsers do this automatically)

Once you've subscribed using iTunes or your favorite RSS aggregator, new episodes will download automatically, ready when you are.

The SFA podcast is located at <http://www.sfa.ufl.edu/podcast>.

## Pell Grants On the Rise

*(Student Lending Analytics, 8/5/10)*

According to the Federal Student Aid Data Center website, the venerable Pell Grant program is showing remarkable growth. Numbers from the 09-10 academic year have been released, and they show that both average amounts and the number of recipients are rising, yielding an overall growth rate of 61%.

During 08-09, the average grant amount was \$2,892. The average grant amount in 09-10 rose by 30%, bringing the average amount up to \$3,566. That's a 23% increase.

The number of recipients rose as well during in the 09-10 academic year—from 6.3 million in 08-09 to 8.2 million in 09-10, a 30% increase.

Here at UF, Pell awards are reflecting the national trend. While SFA awarded \$26.5 million to 7,851 students during the 2008-09 academic year, the 09-10 academic year saw a huge rise in Pell money awarded to students. SFA awarded \$46 million to 9,573 students.

With the maximum award for 10-11 increasing from \$5,350 to \$5,550, it seems the upward trend will continue.

## New Push for Private Student Loans

*(Smartmoney.com, 8/25/10)*

According to Mark Kantrowitz, Publisher of Finaid.org, private lenders are ramping up efforts to attract student borrowers. After the federal government terminated a program that had allowed private lenders to underwrite federal student loans, many banks are anxious to make up the lost revenue.

SunTrust, WellsFargo, as well as smaller community banks and credit unions are all beginning to offer student loan products.

Kantrowitz warns that as private banks attempt to drum up more business, students should expect to see increased advertising directly targeting them.

Smartmoney.com reminds students that private loans often have less advantageous terms and higher price tags than do federal student loans. Students are strongly encouraged to maximize federal and state aid before considering private loans. Most private loans have variable interest rates and do not allow repayment to be deferred until after graduation, making them much less advantageous than federal loans.

## Need A Job?

### Employment Options @ UF

Students awarded employment as part of their financial aid package must find a job in order to receive the employment portion of their aid.

Employment comes in two varieties, Federal Work Study (FWS) and Other Personnel Services (OPS). FWS is based on need, while OPS is not.

#### On Campus Jobs

All FWS and OPS jobs on campus are posted through UF's main job site, <http://jobs.ufl.edu>.

Students not yet employed by UF should:

- Go to "Jobs at UF" at <http://jobs.ufl.edu>
- Click on "View Job Postings/ Apply for Job"
- Under "Job Categories," check "Student Assistants"
- Click "Search"
- Select jobs that interest you and click "Apply for Jobs in Basket."
- Either sign in or register.

- Fill out the required fields. Follow instructions and submit your resume to complete the application process.

Students who are already UF employees should enter "Jobs at UF" through myUFL instead of through [jobs.ufl.edu](http://jobs.ufl.edu). On the myUFL menu, select "My Self Service" and then "Jobs at UF." Then follow the instructions above.

#### Off-Campus Jobs

The Career Resource Center offers local businesses and private employers the opportunity to post part-time jobs for University of Florida (UF) students. Students can check the listings by using their Gator Career Link Account at Career Link at the Career Resource Center, <http://www.crc.ufl.edu>.

For more in-depth information about employment for students at the University of Florida, see the employment page at SFA's website, <http://www.sfa.ufl.edu/programs/employment>.



## Sign Up for Direct Deposit

Students can sign up for direct deposit of their financial aid on ISIS at <http://www.isis.ufl.edu>.

Under "Financial Services," choose "EFT Sign Up." Authorization takes effect immediately. Sign up at any time during the semester.

Alternatively, students can sign up using the myUFL system, under "My Campus Finances." Choose "Student Direct Deposit."

Direct Deposit is not available for the PLUS Loan Program, or for savings accounts. For more information, visit University Financial Services in S-113 Criser Hall, or call (352) 392-0737.

Office for Student Financial Affairs  
S-107 Criser Hall, P. O. Box 114025  
Gainesville, FL 32611-4025  
(352) 392-1275

NEWS Financial Aid for Gators is produced once a semester by the Information/Publication Services section of the Office for Student Financial Affairs, to inform students about financial aid programs and services that help UF students meet educational costs.

Director: Karen Fooks  
Editor: Harry Monkhorst

NEWS Financial Aid for Gators is available in other formats for students with documented, print-related disabilities. Students who are speech- or hearing-impaired can contact the Florida Relay Service.

Dial 711 or 1-800-955-8771 (TTY)

Online at <http://www.ftri.org/FloridaRelay>.

The University of Florida is committed to equal treatment of students without regard to race, creed, color, religion, age, disability, sex, sexual orientation, marital status, national origin, political opinions or affiliations, or veteran status.

# Making Payments at UF

## Payment Methods & Non-Institutional Fees

### WAYS TO PAY

Students should remember that over-the-counter cashiering services are not available at UFS. Students can pay fees using the following methods:

- Electronic Funds Transfer (EFT), using "Make A Payment" within myUFL
- Online credit card payments via myUFL (a 2.6% service fee is charged, Visa cards are not accepted)
- GatorParent, via myUFL
- Personal check, cashier's check, or money order (secure drop box or USPS)

Remember:

- Cash is not accepted.
- Visa is not accepted.
- Foreign checks are accepted.
- UFS will pay oldest debts first.

### NON-INSTITUTIONAL FEES

UF must obtain the permission of students to allow federal aid to be used to pay non-institutional charges. Non-institutional charges may include books, meal plans, laser prints, health care services, parking decals, parking tickets, and the like.

Students grant their permission to UF using ISIS, <http://www.isis.ufl.edu>. On ISIS, students will see a page under "Financial Services" called "View Student Permissions." This is where students can authorize payment of all UF charges.

From there, students will be directed to myUFL, where they should choose "Access Permission Forms."



### SFA CALENDAR

#### October 15, 2010

UF Homecoming, Office Closed

#### November 11, 2010

Veterans Day, Office Closed

#### November 15, 2010

Short Term Loans Due for Fall

#### November 19, 2010

Fall Deferred Fee Payment Deadline

#### November 25-26, 2010

Thanksgiving, Office Closed

#### December 24-January 2, 2011

Christmas Holiday, Office Closed

#### January 3, 2011

2011-2012 Financial Aid Applications Available

### TOLL-FREE Federal Student Aid Number

1-800-4-FED-AID (1-800-433-3243)

### Florida Bright Futures

For information about application, renewal requirements, reinstatements, restorations, appeals, summer awards, and other topics, go to the

#### Florida Department of Education

Web site,

<http://www.floridastudentfinancialaid.org>

Send questions by e-mail:

[osfa@fldoe.org](mailto:osfa@fldoe.org)

Send mail to:

Florida Department of Education  
Turlington Building, Suite 1514  
325 West Gaines Street  
Tallahassee, FL 32399-0400  
Toll-Free Hotline: 1-888-827-2004

### U.S. Department of Education

Student Aid Information Center  
P. O. Box 84

Washington DC 20044-0084

1-800-433-3243 / 1-800-730-8913 (TTY)

<http://www.ed.gov/finaid/landing.jhtml?src=rt>

Federal Direct Loan Servicing Online

1-800-848-0979; 1-800-848-0983 (TTY)

<http://www.studentloans.gov>

Federal Direct Loan Consolidation

1-800-557-7392; 1-800-557-7395 (TTY)

<http://www.studentloans.gov>

**"Don't Get Scammed on Your Way to College," and more**

<http://studentaid.ed.gov/>

[PORTALSWebApp/students/english/publications.jsp](http://PORTALSWebApp/students/english/publications.jsp)

### Satellite Aid Offices

Main Office: Student Financial Affairs • S-107 Criser Hall • P. O. Box 114025 • Gainesville, FL 32611-4025 • (352) 392-1275

College of Dentistry  
Tom Kolb  
Dental Tower, D3-#19E  
Health Sciences Center  
(352) 273-5999

College of Law  
Carol Huber  
164 Holland Hall  
(352) 273-0620

College of Medicine  
Eileen Parris  
M-128 Health Sciences Center  
(352) 273-7939

Public Health and Health Professions; Nursing; Pharmacy; & Veterinary Medicine  
Mike Menefee  
HPNP Bldg.  
G208 Student Services Ctr.  
(352) 273-6202

Graduate Business Programs/MBA  
Connie Reed  
Hough 203  
(353) 273-4960