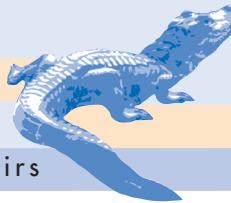


# NEWS



From the Office for Student Financial Affairs

## Financial Aid for Gators

Spring 2012-13

### Tips for All Student Borrowers

#### *Recently Graduated and Otherwise*

The fine folks at The Project on Student Debt ([www.projectonstudentdebt.org](http://www.projectonstudentdebt.org)) have compiled a list of ten real-world tips for student borrowers who have recently graduated or who will be soon. The emphasis is on managing the debt load and being smart with your debt and how it is repaid.

**1. Know your loans:** Using the National Student Loan Data System, NSLDS, available at [www.nslds.ed.gov](http://www.nslds.ed.gov), students can review the status of all federal loans. NSLDS lists each federal loan, the amount, the lender, and the repayment status of each. Knowing exactly which loans you have is the first step in managing and planning for repayment.

**2. Know when your grace period is over:** A loan's grace period is the period after you leave school during which you are not required to make payments. The grace period for Stafford loans is six months, for Perkins loans, it's nine months. For private loans, grace periods vary greatly—consult your paperwork or contact your lender to find out.

**3. Stay in touch with your lender:** Make sure that your lender (their contact information is on NSLDS, remember?) has your current email and physical addresses. It's important that you read all correspondence from your lender, both electronic and physical. Lenders are legally required to work directly with borrowers to resolve disputes or problems, so it does no good to avoid speaking to them or ignoring their letters.

**4. Pick the right repayment option:** The standard repayment plan for federal loans is based on a 10-year plan. If the standard plan's monthly payment is going to be difficult for you, for whatever reason, you might want to think about a different repayment plan. You can extend the time

period beyond 10 years—this will reduce your monthly payment, but will increase the interest you'll pay over the life of the loan.

The federal government also offers an income-based repayment option, where payments are capped at a reasonable percentage of your income, and after 25 years, any remaining balance is forgiven. There are also certain situations where the loans can be forgiven after 10 years, provided the borrower work in certain non-profit or public sectors.

**5. Pay off most expensive loans first:** This may seem obvious, but even so, it bears repeating. If you're considering paying off a loan ahead of schedule, choose the loan with the highest interest rate. If you have both private and federal loans, pay off the private loans first—they almost always have the highest interest rates and are typically not as flexible in terms of repayment as federal loans.

**6. Don't ignore your loans:** Federal loans go into default after nine months of non-payment. Once a loan is in default, the government considers the total amount to become due immediately, and they have the right to garnish your wages or seize your tax refunds. That's above and beyond the damage to your credit score. Private loans can go into default even faster, and if your loan has cosigners, they are at risk as well.

You can read further tips from the Project on Student Debt at [http://www.projectonstudentdebt.org/recent\\_grads\\_vp.html](http://www.projectonstudentdebt.org/recent_grads_vp.html).

For more help with using NSLDS to manage your loans, see our "Using NSLDS to Track Your Loan History" video on SFA's YouTube page, [www.youtube.com/ufsfa](http://www.youtube.com/ufsfa).

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**UF** UNIVERSITY OF  
**FLORIDA**  
*The Foundation for The Gator Nation*

# February: FAFSA Workshops in Residence Halls

Students in various residence halls around campus will have the opportunity to speak with SFA staff in the comfort of their own home during February.

Each Tuesday in February, SFA staff will be tabling in a different residence hall. Students can talk to financial aid professionals directly about any aspect of the financial aid process, but these help sessions are focused primarily on helping students complete their FAFSAs before the March 15 deadline.

The sessions will be offered at Broward, Murphree, Beaty, Jennings, and Graham halls.

See SFA's website for further details, including times and locations.

## FAFSA Workshop Tentative Dates & Locations\*

Tuesday, February 5 – Broward

Tuesday, February 12 – Murphree

Tuesday, February 19 – Beaty and Jennings

Tuesday, February 26 – Graham

\* Dates and times are subject to change. See SFA's website for further details, including times and locations.

## Federal Loan Repayment Options

### Feds Introduce Handy Online Calculator

In the continuing effort to provide student borrowers with the tools to effectively manage their debt, the federal government has recently unveiled their Repayment Comparison Calculator.

Before using the calculator, you'll need to collect all the relevant information regarding your loans. Using your federal PIN, you can sign on to NSLDS at [www.nslds.ed.gov](http://www.nslds.ed.gov). There you can find the type of loan, the amount of the principal, and the interest rate for each of your federal loans. For private loans, contact the loan servicer directly.

Once you have the appropriate information for a particular loan (interest rate, loan type, etc.), you'll enter the amounts and the calculator will generate a repayment summary, including the estimated monthly payment. If you have more than one loan, you'll have to do separate calculations for each loan.

There are separate calculators for the income-contingent repayment plan (ICR) and the income-based (ICB) repayment plans.

The repayment calculator allows you to see what your monthly payments would be under a variety of repayment plans. It's a great planning tool, since you can easily see which repayment plan will yield the most feasible monthly payment. The site has much more information regarding different payment plans, including eligibility and how to enroll in a different repayment plan.

More information:

<http://studentaid.ed.gov/repay-loans>

[http://studentaid.ed.gov/repay-loans/understand/plans/\\_standard/comparison-calculator](http://studentaid.ed.gov/repay-loans/understand/plans/_standard/comparison-calculator)



# Financial Aid in the News

## Student Loan Debt Reaches \$1 Trillion

(FoxBusiness.com, Retrieved 1/8/13)

The federal Consumer Financial Protection Bureau recently announced that the total amount of outstanding student loan debt has officially surpassed earlier estimates, and now stands at more than \$1 trillion. Nationwide, student loan debt continues to increase at a rate of \$2,853.88 per second, according to FinAid.org, outpacing both consumer credit card and auto loan debt.

The reasons for this astonishing growth are many. According to SimpleTuition.com, college tuition has historically increased at a rate double that of inflation. This, combined with shrinking state budgets and economic uncertainty, means that students find themselves having to pay higher tuition with fewer resources.

Unfortunately, irresponsible borrowing combined with a weak job market can make student loan debt a serious burden for recent graduates. Experts agree that students should be extremely cautious when looking at the relationship between the total cost of school and their projected income after graduation.

## Feds Issue Guidance for Reviews of Private Student Loan Lenders

(Chronicle.com, retrieved 1/8/13)

The federal Consumer Financial Protection Bureau recently issued its first guidance for private providers of student loans, laying out for the first time what they will be looking for as they audit private institutions. Following their moves to audit (or “examine”) providers of mortgages and credit cards, this latest push is part of the agency’s mission to “make markets for consumer financial products and services work for Americans.”

According to the recently issued guidance, the agency’s auditors will be examining private lending institutions in terms of:

- marketing materials,
- disclosures to borrowers,
- the system in place to receive customer questions and complaints.

While the vast majority of student loans are held by the governments, private loans account for over \$150 billion of the more than \$1 trillion in outstanding student debt.

## Applying for 2013-14 Financial Aid Reminders from SFA

UF's "On-Time" application deadline for 2013-14 financial aid is March 15, 2013.

Think of the on-time deadline as a priority deadline. Students who are able to complete their FAFSA and whose UF financial aid files are complete before March 15 are given priority when aid is awarded. On-time students are eligible for federal aid such as Federal Pell Grant, Federal Subsidized Direct Loans, and Work Study.

Federal aid is generally the most desirable aid. Federal loans, for example, are more advantageous for the student, both in terms of interest rates and repayment terms.

Students whose financial aid files are not complete by the March 15 deadline are eligible only for whatever aid remains after all on-time students have been awarded their packages. This typically means that the best aid is gone.

What can students do to prepare for 2013-14?

### Apply Online

About 94 percent of aid applicants nationally now apply online. We recommend filing online using the FAFSA website. Filing an online FAFSA can save you weeks of processing time. The online application also has edit checks to catch errors.

The online application is at [www.fafsa.ed.gov](http://www.fafsa.ed.gov).

### Apply Early

For your application to be considered “on-time,” SFA must receive your FAFSA results, with a calculated Expected Family Contribution (or EFC), by March 15.

Keep in mind that you are submitting your FAFSA to the federal government, not to the University of Florida.

Submit your FAFSA weeks before the March 15 deadline—give the feds enough time to send your FAFSA data to our office before the deadline. Don’t settle for leftovers when it comes to financial aid.

### Florida Bright Futures FAFSA Requirement

Complete and submit the FAFSA each year you wish to receive Bright Futures funding.

The FAFSA does not have to indicate financial need, but it must be complete and error-free prior to a student’s first disbursement of the academic year.

### Don't Hesitate—Estimate

Many students make the mistake of waiting to file their FAFSA until their income taxes for the previous year are complete. If you or your parents haven’t filed your federal income tax returns for the previous year when it’s time to apply for aid, report “estimated” income information on your FAFSA. The FAFSA site offers a handy income estimator for students as they file.

You must correct your FAFSA if the estimate differs from the actual income.

### Reapply

Don’t make the mistake of assuming that financial aid magically renews itself—students must reapply each year by filling out the FAFSA.

Office for Student Financial Affairs  
S-107 Criser Hall, P. O. Box 114025  
Gainesville, FL 32611-4025  
(352) 392-1275  
[www.sfa.ufl.edu](http://www.sfa.ufl.edu)

*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: Rick Wilder  
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.flri.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.

## 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)  
[www.ed.gov/finaid/landing.jhtml?src=rt](http://www.ed.gov/finaid/landing.jhtml?src=rt)

Federal Direct Loan Information  
<http://www.studentloans.gov>

- View loan documents
- Entrance Counseling
- Sign MPN
- Complete PLUS Request Process

National Student Loan Data System (NSLDS)  
[http://www.nslds.ed.gov/nslds\\_SA](http://www.nslds.ed.gov/nslds_SA)

Federal Direct Loan Consolidation  
1-800-557-7392; 1-800-557-7395 (TTY)  
<http://loanconsolidation.ed.gov>

## New Student Financial Management Center

### Financial Literacy Center in SFA Lobby

As part of SFA's continuing commitment to educating students about financial responsibility, SFA has opened an in-house financial literacy center aimed at helping students prepare themselves for fiscal independence and responsibility.

In partnership with CashCourse.org, the Student Financial Management Center (SFMC) provides students with the resources to educate themselves in the following areas:

- Financial Budgeting
- Debt Management
- Credit Card & Loan Awareness

- Completing the FAFSA
- Preparing Financially for College
- Grad School Financial Prep
- Managing Student Debt

Located adjacent to SFA's lobby in S-107 Criser Hall, the center will provide online and personal resources for students interested in learning how to make sound and informed financial decisions as they create their financial future.

[www.sfa.ufl.edu/literacy\\_sfmc](http://www.sfa.ufl.edu/literacy_sfmc)

[www.cashcourse.org/ufl](http://www.cashcourse.org/ufl)



## SFA CALENDAR

### JANUARY 11

Drop/Add Ends @ 11:59 pm

### JANUARY 18

Fee Payment Deadline (3:30 pm, UB)

### JANUARY 21

Martin Luther King Jr. Holiday

### FEBRUARY 15

Deferred Fee Payment Deadline  
3:30 pm, UB)

### MARCH 2

Spring Break Begins

### MARCH 15

"On-Time" Application Deadline  
for 2013-14 Financial Aid

### APRIL 24

Classes End

## 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

website,

[www.floridastudentfinancialaid.org](http://www.floridastudentfinancialaid.org)

Send questions by email:

[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

Toll-Free Hotline: 1-888-827-2004

## Satellite Aid Offices

Colleges of Dentistry & Veterinary Medicine  
Tom Kolb  
Dental Tower, D3-#43C  
Health Sciences Center  
(352) 273-5999

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

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

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

MBA / Graduate Business Programs  
Connie Reed  
Hough 203  
(352) 273-4960

College of Pharmacy  
Debbie Schmidt  
G 3338 HPNP Building  
(352) 273-6202

Colleges of Public Health and Health Professions & Nursing  
Loucha Simon-Francois  
G208 HPNP Building  
(352) 273-6115