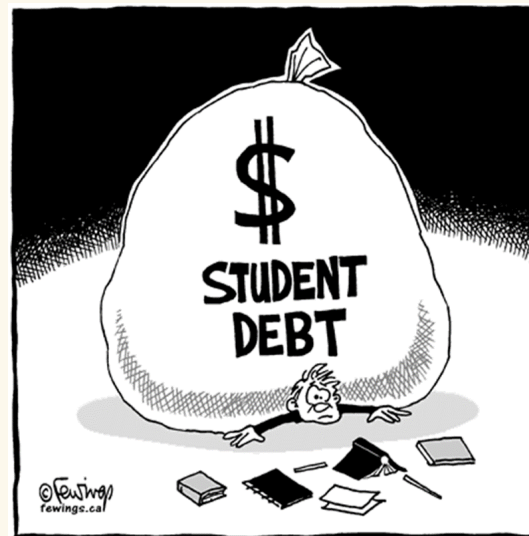


Master Your Student Loans: Understand and effectively manage your student debt



LSS Financial Counseling

Our mission is to achieve economic stability for all Minnesotans.



We believe people can conquer their debt, gain control of their finances, and achieve financial wellness.

Our Impact

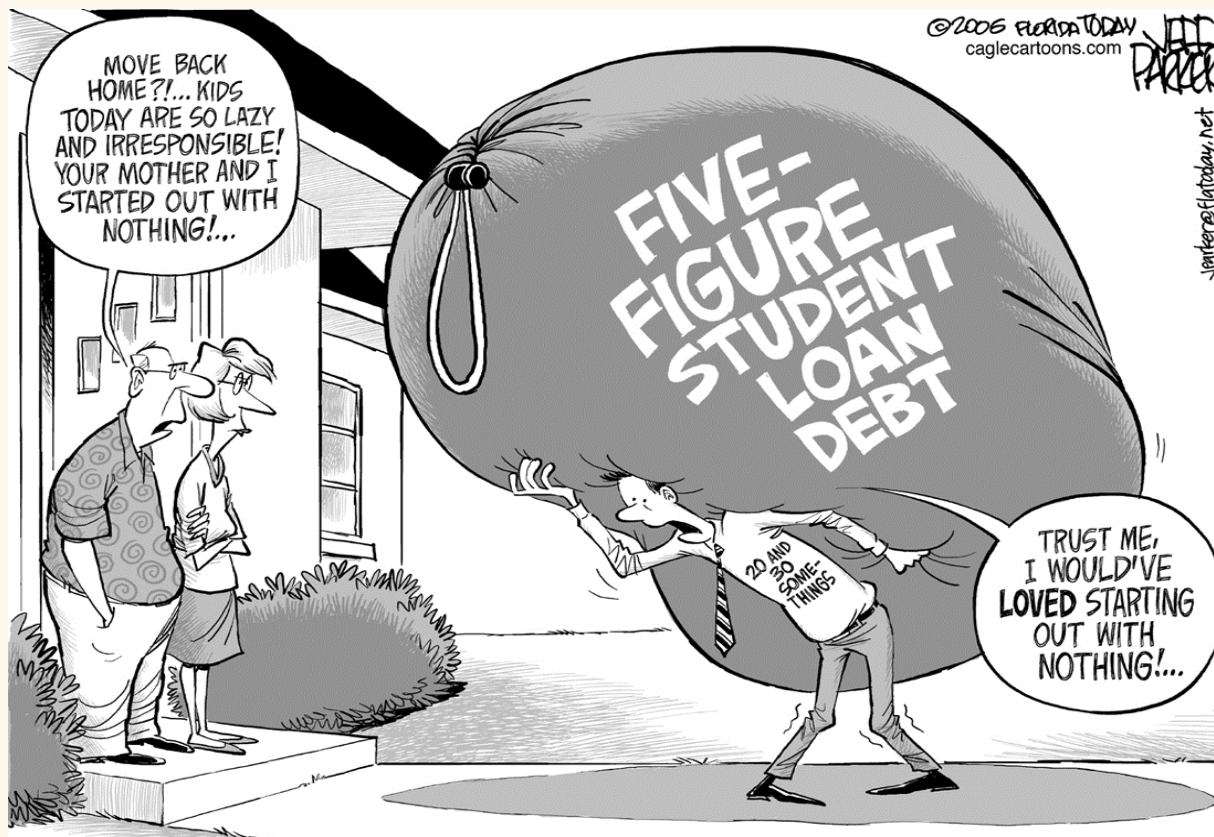
91% of clients improve their credit score

85% successfully complete debt repayment

64% of homeowners at risk of foreclosure save their homes

59% of student loan borrowers served report payments more affordable





Servicers: Who are they?

A loan servicer is a company that handles the billing and other services on federal student loans and sometimes alternative/private student loans as well. They are assigned, not selected and borrowers can only request a new servicer when consolidating loans. They are not lenders.

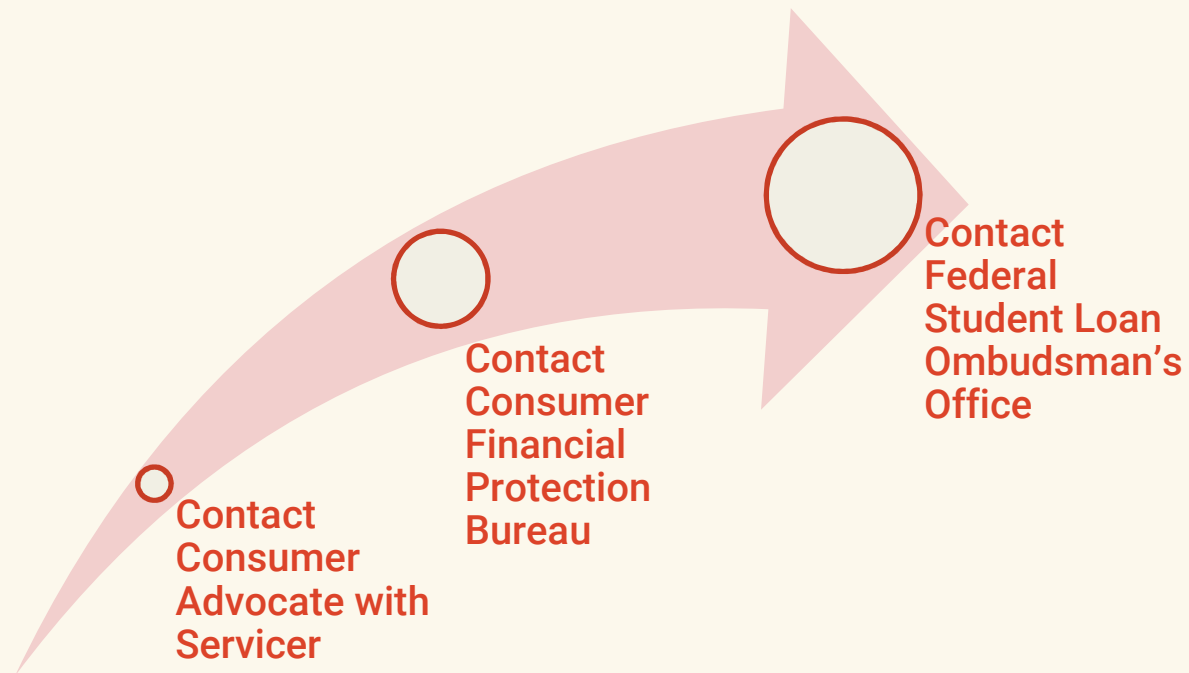
Top four Servicers (out of nine):

- **Navient:** Sallie Mae's "sister" company that services Federal and Private Student Loans
- **Great Lakes Educational Loan Services (GLELS/GHELC/ACS/AES):** Federal & Private (sometimes)
- **FedLoan Servicing:** Track Public Service Loan Forgiveness payments: only Federal
- **Nelnet:** Usually older Federal Loans

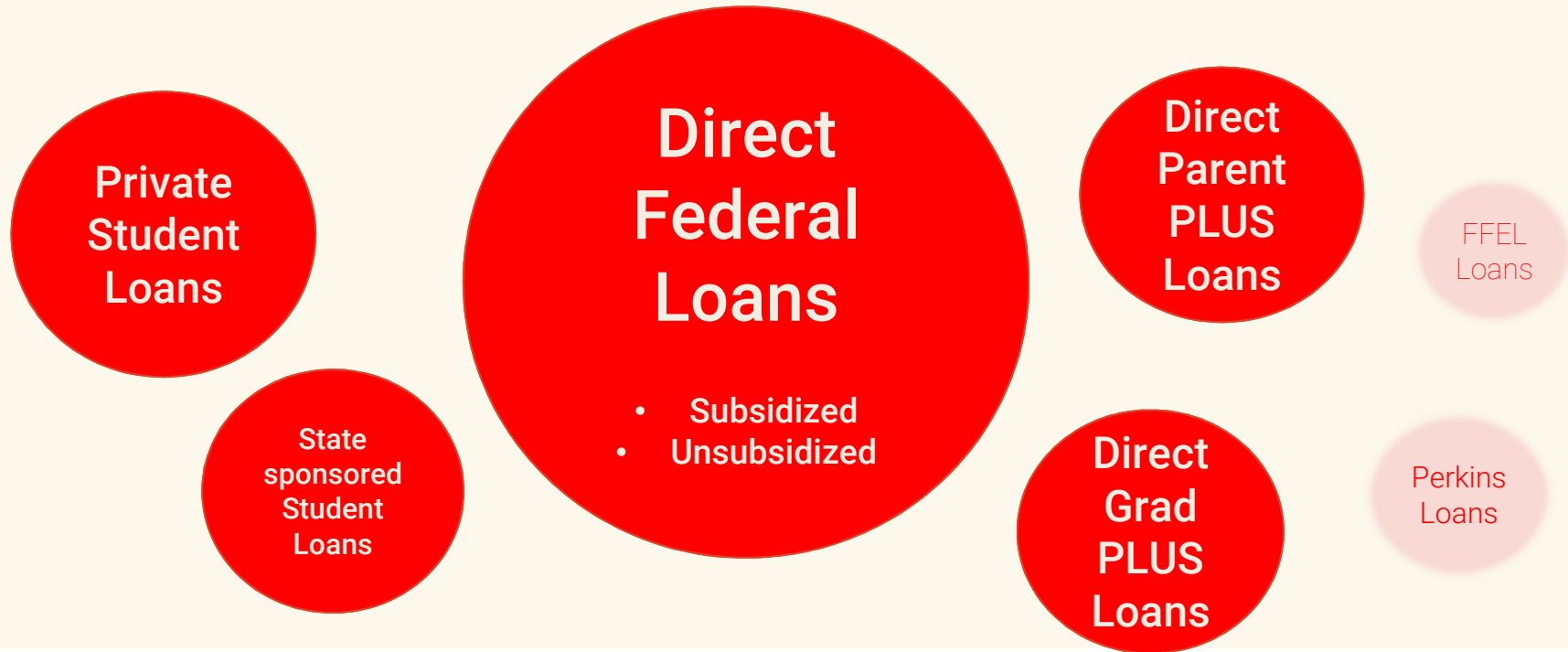
<https://studentaid.ed.gov/repay-loans/understand/servicers>



Complaint Process



Student Loans



<https://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](#)

Create a New FSA ID

An FSA ID gives you access to Federal Student Aid's online systems and can serve as your legal signature.

Only create an FSA ID using your own personal information and for your own exclusive use. You are not authorized to create an FSA ID on behalf of someone else, including a family member. Misrepresentation of your identity to the federal government could result in criminal or civil penalties.

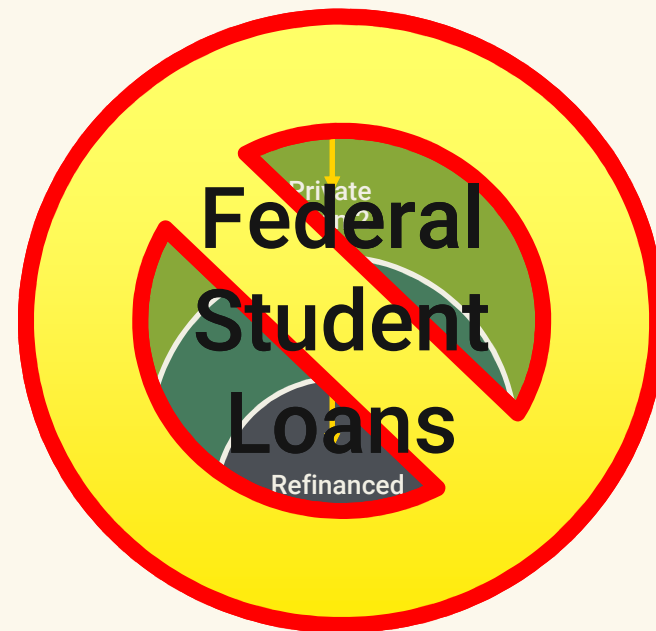
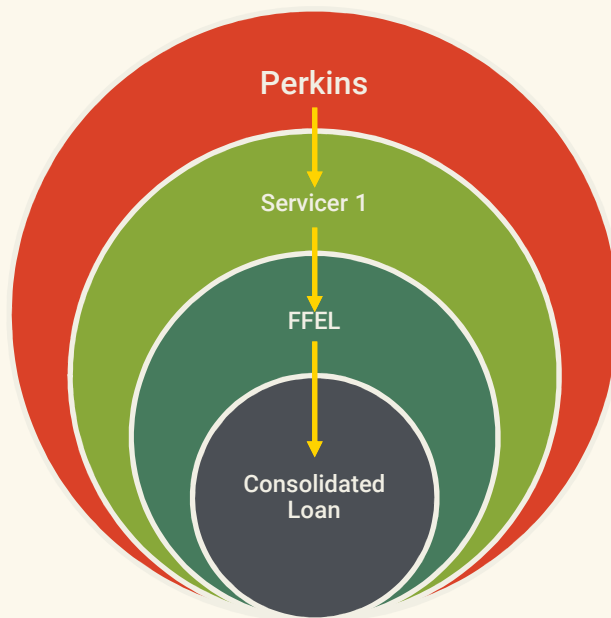
To create your own personal FSA ID, enter answers for the questions below and select CONTINUE.

Important: When you are done click the CANCEL button to clear your data, even if you did not finish creating your FSA ID. Just closing your browser window or going to another website may not be enough to prevent other people using this computer from seeing your information until the session expires.

* Required



Consolidating vs Refinancing



General Payment Plans

1

STANDARD REPAYMENT

- 10 YEARS
- CONSOLIDATED LOANS 10 - 30 YEARS, DEPENDING ON BALANCE
- FIXED PAYMENT
- ALL LOANS ELIGIBLE

GRADUATED REPAYMENT

- 10 YEARS
- CONSOLIDATED LOANS 10 - 30 YEARS, DEPENDING ON BALANCE
- PAYMENT ADJUSTS EVERY TWO YEARS
- ALL LOANS ELIGIBLE

2

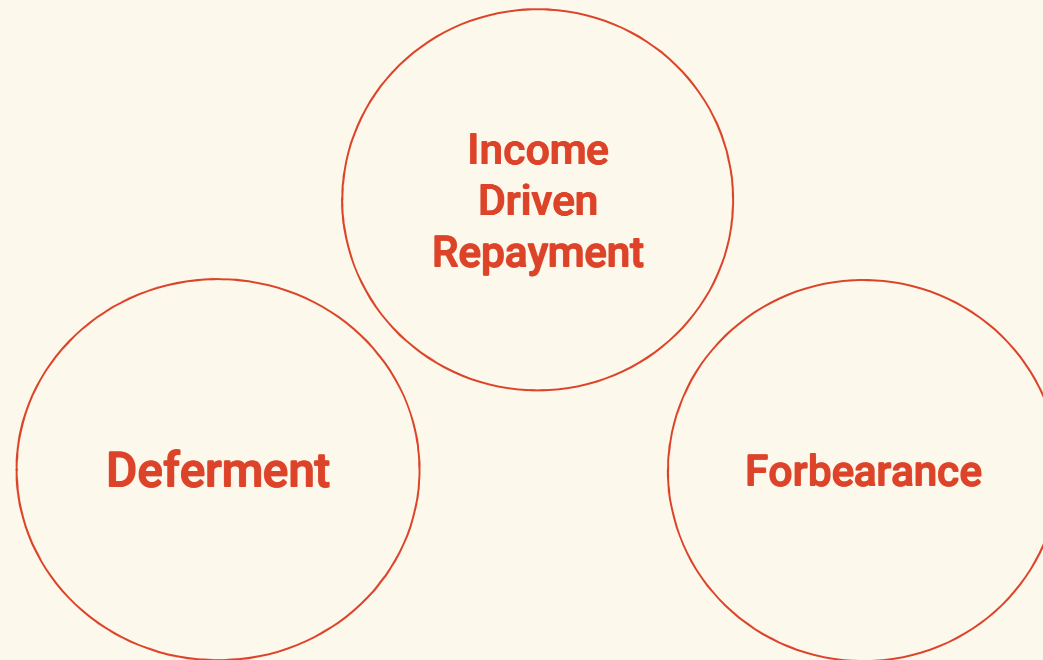
3

EXTENDED REPAYMENT

- EXTENDS REPAYMENT TO 25 YEARS FOR LOANS OVER \$30,000
- CAN BE FIXED OR GRADUATED PAYMENT
- ALL LOANS ELIGIBLE



What if you can't pay?



Default Resolution

*Federal Default: No loan payments for 270 days**

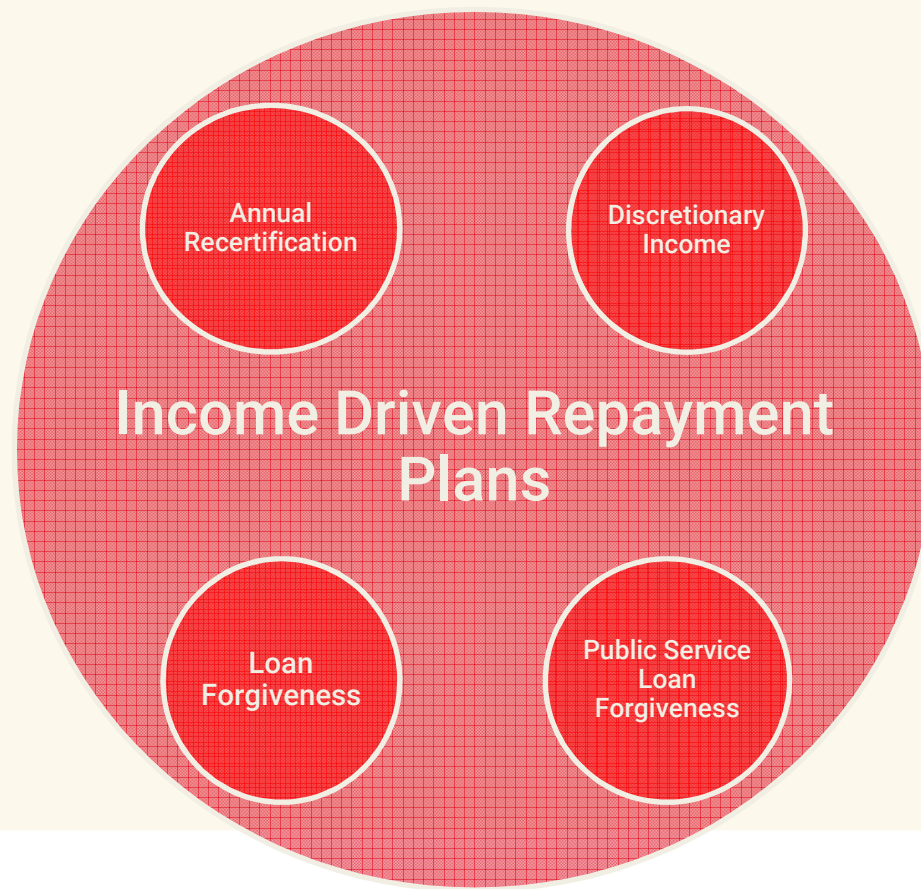
Rehabilitation

- Must rehabilitate each individual loan: still have the same loan, only now it's current
- Must make nine out of ten monthly payments on time
- Must negotiate "reasonable and affordable" payments with collectors and complete Rehabilitation request forms
- Slightly better for credit than consolidation

Consolidation

- Consolidates loans into one new loan
- Allows you to get out of default quickly
- Must apply for Income Driven Repayment plan
- Slightly worse for credit because notation indicating default remains on credit report for 7 years
- Good for those returning to school





Income Driven Repayment Plans

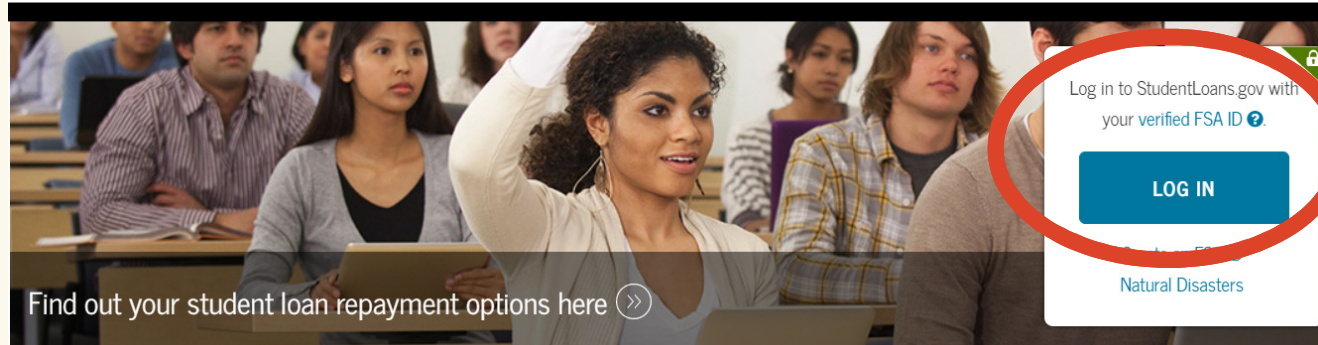
Income
Based
Repayment

Pay As
You Earn

Revised
Pay As
You Earn

Income
Contingent
Repayment





Undergraduate Students



Graduate/Professional Students

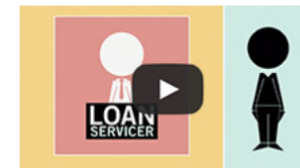


Parent Borrowers



Repayment & Consolidation

- Complete a Consolidation Loan Application and Promissory Note
- Use the Repayment Estimator
- Apply for an Income-Driven Repayment Plan
- Co-sign Spouse's Income-Driven Repayment Plan Request
- Access Repayment Forms



Repayment: What To Expect



Options for Forgiveness

Total and
Permanent
Disability

False
Certification

School
Closing

Borrower
Defense

Unpaid
Refund
Discharge

Discharge
Due to
Death

Teacher
Loan
Forgiveness



Public Service Loan Forgiveness

Loan forgiveness (of remaining balance) after 120 on-time *qualifying* payments on *qualifying* loans while working for a *qualifying* employer. Must still work at a qualifying employer when forgiveness is applied for and when granted.



How do you qualify for PSLF?

- ✓ *Qualifying loans* are Direct loans
- ✓ *Qualifying payment plans* Income Driven Repayment plans
- ✓ *Qualifying employers* are Government agencies, 501(c)3 non-profit organizations, and some other non-profit organizations that are providing public service (e.g. public health, safety, libraries, etc...)
- ✓ Position must be full-time by the employer's definition, or average at least 30 hours per week, whichever is more



PUBLIC SERVICE LOAN FORGIVENESS (PSLF) HELP TOOL

You're currently not logged in!

Log in to use the Public Service Loan Forgiveness (PSLF) Help tool.

If you are not logged in, you cannot use the Public Service Loan Forgiveness (PSLF) Help tool.

LOG IN

What is Public Service Loan Forgiveness (PSLF)?

The Public Service Loan Forgiveness (PSLF) Program forgives the remaining balance on your [Direct Loans](#) after you have made 120 (10 years) qualifying payments under a qualifying repayment plan [Learn More](#) while working full-time for a qualifying employer [Learn More](#). However, your loan will only be forgiven if you meet all PSLF Program eligibility conditions.

What will this tool help me do?

This tool will

- help you understand more about the PSLF Program and what you need to do to participate and possibly have your loans forgiven. [Learn More](#)
- help you assess whether your employer qualifies for PSLF. [Learn More](#)
- help you assess whether your loans qualify for PSLF. [Learn More](#)
- help you decide which PSLF form to submit. [Learn More](#)
- generate a partially completed form for you to take to your employer to sign, and then for you to submit to FedLoan Servicing. [Learn More](#)
- use the information we have about your federal student loans to explain other actions you should or must take if you want to receive PSLF. [Learn More](#)



- ✓ How do I apply for PSLF?
- ✓ Where do I send my Employment Certification form?
- ✓ Where can I see how many qualifying payments I've made?
- ✓ Who at my employer can certify my employment?
- ✓ Will I automatically receive PSLF after I've made 120 qualifying monthly payments?
- ✓ Whom do I contact with questions about PSLF?

PSLF Resources

- [Public Service Loan Forgiveness Employment Certification Form](#)
- [Public Service Loan Forgiveness Application for Forgiveness](#)
- [Public Service Loan Forgiveness Program Questions and Answers](#)



Web Resources

- studentaid.ed.gov : The Department of Education's official website. Describes all federal loan programs: the good, the bad, and the ugly
- studentloans.gov: The Department of Education's "self-serve" website for borrowers. This is where you can use the Repayment Estimator, apply for income-driven repayment plans, and apply for consolidation and/or Income Driven Repayment Plans. Must have FSA ID set up to log-in; can be set up on this site
- https://nslds.ed.gov/nslds/nslds_SA/: Complete Financial Aid Reviews here. All loans are Federal and are listed by type of loan. Click on the loan number and you can get more details like interest rates, school attended, current servicer and status of loan. Must have FSA ID set up to log-in; can be set up on this site
- www.studentloanborrowerassistance.org: This site is managed by the National Consumer Law Center and has in-depth information on federal student loan programs and consumer rights when it comes to both federal and private loans
- www.consumerfinance.org: Consumer Finance Protection Bureau's website where borrowers can file complaints against servicers of federal and private loans as well as collection agencies
- www.ibrinfo.org: all the information you need on income based repayments and Public Service Loan Forgiveness. You can also sign up for advocacy alerts.



Questions?

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www.lssmn.org/financialcounseling/

