Student Loans 101
UM Financial Education Program, Homeword Financial Fitness Course

- To see what type of loans and servicers you have or to see the status of your loans, go to: www.nslds.ed.gov, click on “Financial Aid Review” and log in

- To estimate the repayment plans you may qualify for go to: https://studentloans.gov/myDirectLoan/mobile/repayment/repaymentEstimator.action and log in

- To request an Income Driven Repayment Plan Request go to www.studentloans.gov, log in and select “Apply for an Income Driven Repayment Plan”

- To apply for a Loan Consolidation go to www.studentloans.gov, log in and select “Apply for Loan Consolidation”

- To rehabilitate defaulted Direct Loans call the Debt Management and Collection Service at 1-800-621-3115. Rehabilitation takes 9 months to complete; after 6 months of rehabilitation you can become eligible for Federal Aid again if you are considering returning to college.

- To rehabilitate defaulted FFEL Loans held by Aspire (previously SAF) call them at 1-800-243-7552. Rehabilitation takes 9 months to complete; after 6 months of rehabilitation you can become eligible for Federal Aid again if you are considering returning to college.

For more information about student loans or for the applications to Federal loan forgiveness programs (Public Service Loan Forgiveness, Teacher Loan Forgiveness, Perkins Loans) go to www.studentaid.ed.gov


Best Course of Action in Repaying Student Loans:

1. Be on a Repayment Plan where you are paying off the loan as quickly as possible
   OR
   Utilize a loan forgiveness program that you qualify for and maintain your eligibility

2. Be on any Repayment Plan that has a payment you can manage

3. Utilize a Deferment

4. Utilize a Forbearance
Qualifications for Public Service Loan Forgiveness

In order for your loans to count towards PSLF you must have:

1. **The correct amount of employment and type of employer**
   - If you have **one employer**: must work the number of hours the employer considers full time OR an average of 30 hours per week, whichever is greater. If you have **more than one employer**: must work an annual average of 30 hours per week.
   - Must be working for a government entity (Federal, State, Local, Tribal) OR a non-profit organization tax-exempt under section 501(c)(3) of IRS code OR a non-exempt non-profit that provides:

     | Emergency management | Early childhood education | Public education |
     | Military service     | Public service for individuals | Public library services |
     | Public safety        | with disabilities            | School library services |
     | Law enforcement      | Public service for the elderly | Other school-based services |
     | Public interest legal services | Public health | |

2. **The correct type of loans**
   - Your loans must have the word “Direct” in the title
     - All loans disbursed after July 1, 2010 were issued through the Direct Loan program. Any loans issued before that date could be through the Federal Family Education Loan (FFEL) Program and those would not qualify for PSLF.
     - To see what type of loans you have go to [www.nslds.ed.gov](http://www.nslds.ed.gov) and log in with your FSA ID (if you don’t have one already, create your FSA ID at [https://fsaid.ed.gov](https://fsaid.ed.gov)).
       - If you have loans that do not have the word “Direct” in the title, a consolidation will take those FFEL loans and make them “Direct”. This can be done at [www.studentloans.gov](http://www.studentloans.gov)

3. **The correct servicer**
   - You must have FedLoan Servicing (also called PHEAA) as your loan servicer.
     - If you have another servicer (e.g. Navient, NelNet, Great Lakes, ACS, MOHELA, etc.) then submitting the Employment Certification Form will move your loans from your current servicer to FedLoan Servicing.

4. **The correct type of repayment plan**
   - You must be on one of the qualifying repayment plans: Revised Pay As You Earn (REPAYE), Pay As You Earn (PAYE), Income-Based Repayment (IBR), Income-Contingent Repayment (ICR) or the 10-Year Standard Repayment
     - Keep in mind that if you want to have a remaining balance to be forgiven by PSLF then you should not be on the 10-year Standard Repayment plan for the duration of your employment time.
       - If you are not on an Income-Driven Repayment plan, go to [www.studentloans.gov](http://www.studentloans.gov), log in and click “Apply for an Income Driven Repayment Plan”
     - Every Income-Driven Repayment option must be renewed annually. Put a note on your calendar to renew your plan **one month** before it expires. Also re-submit your Employment Certification Form annually. Continue this process until your 10 years (120 monthly payments) are complete!

For assistance with any of these steps please contact the
UM Financial Education Program at 406-243-6016, FinancialEducation@umontana.edu
www.umt.edu/financial-education