

STUDENT LOAN QUESTIONS & ANSWERS

Q. Who can answer my student loan questions?

- A.** Contact your loan servicer if you have questions about your current loans. If you're unsure who your servicer is, visit [StudentAid.gov](https://studentaid.gov) and log in to your "My Aid" account.

Q. What types of federal student loans are available?

- A.** There are three types of federal loans: Direct Subsidized, Direct Unsubsidized and Direct PLUS loans. More information on student loans types is available at [StudentAid.gov](https://studentaid.gov).

Q. How do I get my loan money once my eligibility is confirmed?

- A.** If you're eligible for a federal loan, you'll complete a Master Promissory Note (MPN), which is a legal agreement of repayment. After your loan is approved, the loan funds are sent to your school.

Q. How can I use my student loan money?

- A.** You must use the loan money for authorized educational expenses for attendance at the school that certified your loan eligibility. Authorized expenses can include tuition, housing, food, institutional fees, books, supplies, equipment, dependent child care, transportation, commuting expenses, rental or purchase of a personal computer, loan fees and/or other documented, authorized costs. Check with your financial aid office to determine what's considered an educational expense.

Q. Can my loans be forgiven?

- A.** Yes, under certain circumstances. A list of these circumstances can be found at [StudentAid.gov](https://studentaid.gov).

Q. Who can help me manage my student loan debt?

- A.** If at any time during your student loan repayment you can't make your monthly payment, immediately contact your loan servicer to find out about available repayment plans, deferment or forbearance options.

Q. Can I see a summary of my student loans?

- A.** Access your student loan information by visiting [StudentAid.gov](https://studentaid.gov). Go to the "My Aid" section and you will see a summary of your student loans and Pell Grants awarded. The site also lists loan servicers you can contact with your questions.

Q. When do I start repaying my student loan(s)?

- A.** [Repayment](#) of your Direct student loan begins six months after you graduate, withdraw from school or drop below half-time enrollment. This six-month period, called a grace period, gives you time to assess your financial situation and adjust your budget to prepare for repayment.

At the end of your grace period, you must begin making payments. Your monthly payment amount and the amount of time you have to pay off your loan depends on the amount you borrow, whether or not you receive a deferment or forbearance and the repayment option you choose.

Q. What's a deferment?

- A.** [Deferment](#) is an authorized period of time during which you may postpone monthly principal and/or interest payments. The federal government makes interest payments on Direct Subsidized loans during authorized deferment periods. You're responsible for interest that accrues on PLUS and Direct Unsubsidized loans during any deferment and have the option of making interest payments to avoid capitalization.

Q. What's forbearance?

- A.** [Forbearance](#) is an authorized period of time during which a loan servicer agrees to temporarily postpone payments or reduce your payment amount if you intend to repay the loan, but are having temporary financial difficulties. You're still responsible for the accrued interest during forbearance.

Q. What's consolidation?

- A.** [Consolidation](#) is a loan program that allows borrowers to combine all of their federal student loans into one Direct Consolidation Loan for the purpose of lowering their monthly payment amount. Consolidating your loans can make loan repayment more manageable for borrowers with multiple lenders or high loan balances.

Q. What's the difference between delinquency and default?

- A.** [Delinquency](#) occurs when your loan payment is past due or late.

[Default](#) occurs when your loan is delinquent for 270 days or more. The U.S. Department of Education will then assign the loan to a collection agency or special debt collection unit.

Q. Who's responsible for PLUS loan payments?

- A.** The borrower who took out the loan is responsible for payment. This could be a graduate or professional student or the parent/guardian who borrowed on behalf of a dependent undergraduate student.

Q. I can't make my student loan payments. What can I do?

- A.** Explain your situation and get help reviewing your options by contacting your loan servicer. You may be eligible for an alternative repayment schedule that will adjust your monthly payment amount, or a deferment or forbearance that temporarily delays your payments.

