STUDENT LOAN REPAYMENT, AND CONSOLIDATION
- Locating Your Loans
- Loan Types and Rates
- Repayment Options
- Loan Forgiveness
- Loan Consolidation
- Bar Study Loans
WHO DO I PAY?  
HOW MUCH DO I OWE?

Answering these questions should be your **first priority**.

- Visit [www.StudentLoans.gov](http://www.StudentLoans.gov)
  - Use FAFSA PIN to access ([www.pin.ed.gov](http://www.pin.ed.gov))
  - Click on “Repayment Estimator” in the right hand column
- Click on “View/Add Loans”
  - Provides information about all federal student loans including:
    - Loan types borrowed
    - Loan balances
    - Lender/servicer contact information
    - Interest rate
  - If you still plan on borrowing additional loans, you can add loan amounts to the list to see the total amount of debt

- If you borrowed private loans, you can check your credit report for lender contact information ([www.annualcreditreport.com](http://www.annualcreditreport.com))
VIEWING LOAN HISTORY ON STUDENTLOANS.GOV

Welcome to StudentLoans.gov

Before you begin, verify that your personal information is up to date.

The personal information displayed is based on the information returned from the Federal Student Aid PIN Web site. If any of the information is incorrect, you must correct it at the Federal Student Aid PIN Web site.

Once you have confirmed your information, select what you would like to do:

- Complete Counseling (Enrollment, Financial Awareness, and Exit)
- Complete Master Promissory Note
- Request a Direct PLUS Loan
- Endorse a Direct PLUS Loan
- Complete Direct Consolidation Loan Application and Promissory Note
- Complete IBR/Pay As You Earn/ICR Repayment Plan Request
- Co-sign Spouse's IBR/Pay As You Earn/ICR Repayment Plan Request
- I am not sure (we will ask you a series of questions to direct you)

1 Your Loans

<table>
<thead>
<tr>
<th>Your Loan Balance</th>
<th>$150,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest Rate</td>
<td>6.5%</td>
</tr>
</tbody>
</table>

View or Add Your Loans

Initial Monthly Payment

2 Your Tax Filing Status

Select your tax filing status:

- Single

3 Your Income

<table>
<thead>
<tr>
<th>Adjusted Gross Income (AGI)</th>
</tr>
</thead>
</table>

| Family Size | 1 | CO |

Initial Monthly Payment | Final Monthly Payment |
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Interest Paid</td>
<td>Total Amount Paid</td>
</tr>
</tbody>
</table>
LOANS YOU MAY HAVE BORROWED:

- **(FFEL) Subsidized/ Unsubsidized Loan**
  - Originally borrowed from a private lender such as Wells Fargo or CollegeInvest
  - Loans borrowed during the 08-09 and 09-10 academic years were likely sold to the Dept. of Ed.

- **(FFEL) Graduate PLUS Loan**
  - Originally borrowed from a private lender such as Wells Fargo or CollegeInvest
  - Loans borrowed during the 08-09 and 09-10 academic years were likely sold to the Dept. of Ed.

- **Direct Subsidized/Unsubsidized Loan**
  - Borrowed directly from the Dept. of Ed.
  - All loans borrowed during and after the 10-11 academic year are Direct

- **Direct Graduate PLUS Loan**
  - Borrowed directly from the Dept. of Ed.
  - All loans borrowed during and after the 10-11 academic year are Direct

- **Perkins Loan**
  - Borrowed directly from a school

- **Bar Study Loan** – *not a federal loan*

- **Private Educational Loan (SallieMae Smart Options, Wells Fargo Collegiate, CitiAssist)** – *not a federal loan*
LOAN INTEREST RATES

- **Stafford/Direct subsidized**
  - Not offered to grad students after 7/2012
  - Fixed @ 6.8% for grad students between 7/2006 – 7/2012
  - Undergraduate loans borrowed since 7/2006 have fixed interest rates between 3.4-6.8%
  - Variable for all loans prior to 7/2006

- **Stafford/Direct unsubsidized**
  - Graduate Loans
    - Fixed @ 6.21% for loans disbursed between 7/2014-6/2015
    - Fixed @ 5.41% for loans disbursed between 7/2013-6/2014
    - Fixed @ 6.8% for loans disbursed between 7/2006-6/2013
  - Undergraduate Loans
    - Fixed @ 4.66% for loans disbursed between 7/2014-6/2015
    - Fixed @ 3.86% for loans disbursed between 7/2013-6/2014
    - Fixed @ 6.8% for loans disbursed between 7/2006-6/2013
  - Variable for all loans prior to 7/2006

- **(FFEL) Graduate PLUS**
  - Fixed @ 8.5%

- **Direct Graduate PLUS**
  - Fixed @ 7.21% for loans disbursed between 7/2014-6/2015
  - Fixed @ 6.41% for loans disbursed between 7/2013-6/2014
  - Fixed @ 7.9% for loans disbursed thru 6/2013

- **Perkins**
  - Fixed @ 5%

- **Bar Loan and other Private Ed. Loans**
  - Generally variable, tied to LIBOR or Prime
Most of your student loans will have a grace period associated with them during which you do not need to make payments.

The grace period will start the day after the end of the semester (or from the time you stop being a ½-time student – 4 credits are required to be considered a ½-time student at DU)

**Grace Periods**

- **All Stafford subsidized and unsubsidized loans**: 6 months
  - Interest is not charged to you during the grace period on *subsidized* loans
- **All Graduate PLUS loans**: 6 months (not an official grace period, just a deferment that is automatically granted for loans borrowed after 7/2008)
- **Perkins loans**: 9 months
- **Private and Bar Study loans**: varies by lender; typically 6-9 months
STUDENT LOAN REPAYMENT OPTIONS

- **Standard Repayment**
  - 10 year repayment (120 payments)
  - Repay a fixed amount each month until your loans are paid in full.
  - Monthly payment of, at least, $50

- **Extended Repayment**
  - 25 year repayment (300 payments)
  - To qualify, you must have, at least $30,000 in federal student loan debt
  - Repay a fixed amount each month until your loans are paid in full

- **30-Year Repayment (Consolidation)**
  - Available only to students who have consolidated their loans
  - Pay a fixed amount each month until your loans are paid in full

- **Graduated Repayment**
  - Available for all the different repayment plan lengths
  - Monthly loan payments start off lower and increase every 2 years
  - No single payment will be more than 3x larger than any other payment
### INCOME DRIVEN REPAYMENT (IDR) PLANS

<table>
<thead>
<tr>
<th><strong>Income Based Repayment (IBR)</strong></th>
<th><strong>Pay As You Earn Repayment (PAYE)</strong></th>
<th><strong>NEW Income Based Repayment (IBR)</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>General:</strong></td>
<td><strong>Monthly payments are based on your income and family size</strong>&lt;br&gt;<strong>Don’t have to cover accruing interest</strong></td>
<td><strong>Payments can be as low as $0</strong>&lt;br&gt;<strong>Any remaining balance is cancelled at the end of the repayment term</strong></td>
</tr>
<tr>
<td><strong>Repayment Term:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>25 yrs - 300 payments</td>
<td>20 yrs - 240 payments</td>
<td>20 yrs - 240 payments</td>
</tr>
<tr>
<td>15% of your discretionary income*</td>
<td>10% of your discretionary income*</td>
<td>10% of your discretionary income*</td>
</tr>
<tr>
<td>All Federal loans are eligible except Federal Perkins loans and Parent PLUS loans.</td>
<td>Only Direct loans are eligible; Parent PLUS loans are not eligible.</td>
<td>Only Direct loans are eligible; Parent PLUS loans are not eligible.</td>
</tr>
<tr>
<td><strong>Eligible Loans:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>You must not have borrowed a federal student loan prior to October 1st, 2007</strong></td>
<td><strong>You must not have borrowed a federal student loan prior to July 1st, 2014</strong></td>
</tr>
<tr>
<td><strong>Other:</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Discretionary income is AGI minus 150% of the poverty line for your family size and location
In June 2014, Pres. Obama issued a memorandum expanding the PAYE Plan.

The new repayment plan is currently going through the regulatory process.

Final rules won’t likely be published until Fall 2015.

Based on the 1 negotiated rulemaking session that's been held, the plan MAY look something like this.

These terms are only an educated guess based on available info. The terms of this repayment plan must be finalized by DoE.
For married borrowers, the AGI used to calculate the monthly payment is whatever is reported to the IRS

- This could be significantly higher than the borrower’s income alone
- A borrower can file “married filing separately” to use only his/her income
  - However, this may have other tax implications (increased tax rate, limited deductions, etc.)

Under current tax laws, any amount forgiven at the end of the IBR/PAYE plan is considered taxable income

- If you are repaying under one of these plans, you should save up for the tax at the end or make larger payments on your loans to limit how much is cancelled.

You have to submit documentation (typically, prior year taxes) to your servicer every year, to qualify for IBR/PAYE

- A new data retrieval tool allows you to import your tax information from the IRS and electronically submit it to your loan servicer.
  - [www.studentloans.gov](http://www.studentloans.gov) -> “Income Driven Repayment Plan Request”
## COMPARING REPAYMENT PLANS

### Standard, Extended and Graduated Repayment

<table>
<thead>
<tr>
<th>Loan Balance @ Repayment</th>
<th>Initial Monthly Payment</th>
<th>Standard</th>
<th>Extended</th>
<th>Graduated</th>
<th>Extended Graduated</th>
</tr>
</thead>
<tbody>
<tr>
<td>$65,000</td>
<td>$748</td>
<td>$451</td>
<td>$513</td>
<td>$368</td>
<td>$146,601</td>
</tr>
<tr>
<td></td>
<td>$89,762</td>
<td>$135,345</td>
<td>$94,611</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$100,000</td>
<td>$1,171</td>
<td>$719</td>
<td>$711</td>
<td>$598</td>
<td>$240,023</td>
</tr>
<tr>
<td></td>
<td>$140,484</td>
<td>$215,587</td>
<td>$151,774</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$150,000</td>
<td>$1,774</td>
<td>$1,101</td>
<td>$1,081</td>
<td>$927</td>
<td>$368,215</td>
</tr>
<tr>
<td></td>
<td>$212,940</td>
<td>$330,304</td>
<td>$230,660</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$200,000</td>
<td>$2,378</td>
<td>$1,484</td>
<td>$1,383</td>
<td>$1,257</td>
<td>$479,835</td>
</tr>
<tr>
<td></td>
<td>$285,417</td>
<td>$445,055</td>
<td>$309,605</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Interest rate assumption: 6.8% for first $65,000; 7.9% for any amount above $65,000*

### IBR/PAYE Monthly Payment Amounts

<table>
<thead>
<tr>
<th>AGI</th>
<th>$30,000</th>
<th>$40,000</th>
<th>$50,000</th>
<th>$60,000</th>
<th>$75,000</th>
<th>$100,000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>IBR</td>
<td>PAYE new IBR</td>
<td>IBR</td>
<td>PAYE new IBR</td>
<td>IBR</td>
<td>PAYE new IBR</td>
</tr>
<tr>
<td>Family Size:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>$156</td>
<td>$104</td>
<td>$281</td>
<td>$187</td>
<td>$406</td>
<td>$271</td>
</tr>
<tr>
<td>2</td>
<td>$80</td>
<td>$53</td>
<td>$205</td>
<td>$137</td>
<td>$330</td>
<td>$220</td>
</tr>
<tr>
<td>3</td>
<td>$10</td>
<td>$10</td>
<td>$129</td>
<td>$86</td>
<td>$254</td>
<td>$169</td>
</tr>
<tr>
<td>4</td>
<td>$0</td>
<td>$0</td>
<td>$53</td>
<td>$35</td>
<td>$178</td>
<td>$119</td>
</tr>
</tbody>
</table>

*Based on the 2014 federal poverty guidelines for the 48 contiguous states*
To view an estimate of what your payments would be based on your current borrowing, you can go to [www.StudentLoans.gov](http://www.StudentLoans.gov).

- Click on “Repayment Estimator”
- This estimator will use your individual loan information from NSLDS to give you estimated payments on each plan.
  - If you plan to borrow additional loans, you can add loans to the list to see how that would change your payment amounts.
# Repayment Plans

You have a choice of repayment plans. The chart below provides details about repayment plans and calculates your estimated repayment information under each of the different plans. Your loan servicer will determine your eligibility for the repayment plans.

More Information

<table>
<thead>
<tr>
<th>Repayment Plan</th>
<th>Repayment Period</th>
<th>Monthly Payment Initial to Final Amounts</th>
<th>Projected Loan Forgiveness</th>
<th>Total Interest Paid</th>
<th>Total Amount Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard</td>
<td>120 months</td>
<td>$2,378 to $2,378</td>
<td>-</td>
<td>$85,417</td>
<td>$285,417</td>
</tr>
<tr>
<td>Graduated</td>
<td>120 months</td>
<td>$1,383 to $4,149</td>
<td>-</td>
<td>$109,605</td>
<td>$309,605</td>
</tr>
<tr>
<td>Extended Fixed</td>
<td>300 months</td>
<td>$1,484 to $1,484</td>
<td>-</td>
<td>$245,055</td>
<td>$445,055</td>
</tr>
<tr>
<td>Extended Graduated</td>
<td>300 months</td>
<td>$1,257 to $2,032</td>
<td>-</td>
<td>$279,835</td>
<td>$479,835</td>
</tr>
<tr>
<td>Pay As You Earn*</td>
<td>240 months</td>
<td>$273 to $787</td>
<td>$384,121</td>
<td>$117,579</td>
<td>$117,579</td>
</tr>
<tr>
<td>Income-Based Repayment (IBR)*</td>
<td>300 months</td>
<td>$410 to $1,546</td>
<td>$317,230</td>
<td>$259,895</td>
<td>$259,895</td>
</tr>
<tr>
<td>Income-Contingent Repayment (ICR)*</td>
<td>300 months</td>
<td>$642 to $2,270</td>
<td>$185,549</td>
<td>$375,657</td>
<td>$390,108</td>
</tr>
</tbody>
</table>

*Calculations assume income increases of 5% a year, and poverty guideline increases of 3.3% a year. Some of your loans might not be eligible for this repayment plan, check the repayment plan eligibility information in Your Loan(s) or ask your servicer for more information.

Contact your loan servicer to request your preferred repayment plan. To apply for income-driven repayment plans, click here.
How much can you **afford**?

Do you want the **lowest payment** or to repay your debt as quickly as possible?
- The longer you repay your loans, the more you usually pay in interest

Do you want to submit income documentation annually or would you rather have a fixed amount due over the time you are repaying?

You can always make additional payments beyond the amount that you owe

You can **switch repayment plans** after your initial selection.

If you are repaying on an **Income Driven Repayment** plan, and don’t anticipate being able to pay off the total loan amount during the repayment term, **SAVE** for the taxes you may owe.

Do you work/plan to work in the **public service sector**?
Designed to assist borrowers who want to work in, typically lower-paying, public service positions by offering loan forgiveness after 10 years of service.

- Pairs very well with the Income Based and Pay As You Earn Repayment Plans

Who Qualifies?

- Individuals working full-time in public service, and repaying their eligible loans under specific repayment plans can qualify to have their remaining debt (interest and principal) forgiven after 120 payments (10 years).

What does that mean...?
QUALIFYING FOR PUBLIC SERVICE LOAN FORGIVENESS

- **Working full-time**
  - Employers definition or 30 hours (whichever is more)

- **In public service**
  - Government & and 501(c)(3); can’t be contract employee

- **Repaying eligible loans**
  - Direct Stafford (sub & unsub), Direct Grad PLUS, Direct Consolidation

- **Under specific repayment plans**
  - Income Based Repayment, Pay as You Earn, Income Contingent Repayment, Standard 10-Year Repayment

- **After 120 payments**
  - No partial cancellations
  - You must be able to prove that your payments qualified
  - Keep good records of your employment – Employment Certification Form
    - An employment certification form is available online at [www.studentaid.gov/publicservice](http://www.studentaid.gov/publicservice)
    - Filling out the form will help you keep track of how many payments have been made that count toward the 120 required payments
    - Not required but strongly recommended; can fill out as often as 1x per year
    - When you fill out the form for the first time, your loans will be transferred to the loan servicer who handles all PSLF eligible loans – FedLoan Servicing (PHEAA).
PERKINS LOAN CANCELLATION

- Perkins Loans have their own cancellation provisions
  - Up to 100% of the loan can be cancelled for those employed in/as:
    - Law Enforcement (including District Attorneys)
    - Public Defenders
    - Some forms of education
    - Military (service in area of hostilities)
    - Peace Corps or Americorps
    - Certain other professions (see the Cancellation form below for a full list)
  - Loans will have a certain percentage forgiven for each year of service. For full cancellation, you need to complete 5 years of service.
  - Loans are deferred (no payment is due), while you complete your eligible service.
  - You can submit Postponement/Cancellation Form to the school from which you received your Perkins Loan
    - For DU borrowers: [www.du.edu/bursar/forms.html](http://www.du.edu/bursar/forms.html)

- If you consolidate your Perkins Loan, you lose these benefits
There are a few common reasons people consolidate federal student loans:

1. Take advantage of 10-year Federal Public Service Loan Forgiveness program or the new Pay As You Earn Repayment Plan – if your loans are not all Direct loans

2. Preference of having all loans in one place

3. Have federal loans with a variable interest rate (issued before July 1, 2006 and were not consolidated)

4. Have a Grad PLUS Loan that required a co-signer

*Common Misconception:* Consolidating will **not** give you a lower rate on your federal loans.
Timeline:

- Consolidate after you finish school
- Consolidation takes about 6-8 weeks to be processed
  - Recommended that you consolidate by: May – December grads, October - May grads, December – July grads
  - Once you consolidate, your grace period ends – unless you indicate on your application that you’d like the Department to delay processing your application.

Consolidation application is available at [www.StudentLoans.gov](http://www.StudentLoans.gov)

- Login and click on “Complete Direct Consolidation Loan App and Prom Note”

The application will display all your federal loans and ask you which you want to consolidate.
The consolidation application will ask you for the following items:

- Do you want to delay processing of your application? For how long?
- Select your loan servicer (the company to whom you’ll make payments). The 4 servicers are Great Lakes, FedLoan Servicing, Nelnet and Navient (previously SallieMae)
  - If you intend to pursue Public Service Loan Forgiveness, select FedLoan Servicing, otherwise, the choice is yours.
- Select your repayment plan. If you select an income driven plan, you’ll be asked to provide tax/income information
- List 2 references who don’t live with you
- Review the terms and conditions and sign and submit the app and prom note

Once the application is submitted, you’ll receive a confirmation in the mail.

- This is your opportunity to make any corrections to the application
- If no corrections are needed, the consolidation processing will proceed
Bar study loans are loans from private lenders for the purpose of paying for bar study courses and living expenses while you study for the Bar.

- Private loan, usually with variable interest
- NOT eligible for Income Driven Repayment Plans or loan forgiveness
- Cannot be combined or consolidated with your federal loans
- Credit check is required, a co-signer may be necessary
- More info at: www.law.du.edu/financial-aid/graduating-students-and-alumni

Federal loans can only cover the cost of the bar exam itself

- Complete budget adjustment with Financial Aid Office
  - www.du.edu/financialaid/forms
  - Bar exam fee must be paid for while you are still a student and prior to submitting a budget adjustment form
HELPFUL WEBSITES

Student Financial Management:
- www.law.du.edu/financial-aid
- www.law.du.edu/financial-aid/graduating-students-and-alumni

Budget Adjustment Form:
- www.du.edu/financialaid/forms

Income Driven Plans and Public Service Loan Forgiveness
- www.studentaid.ed.gov/publicservice
- www.studentaid.ed.gov/ibr
- www.studentaid.ed.gov/payasyouearn

Federal Perkins Loan Cancellation/Deferment (DU)
- www.du.edu/bursar/forms.html

Loan Repayment Calculators:
- www.StudentLoans.gov
- www.finaid.org/calculators

Loan Consolidation:
- www.StudentLoans.gov

Federal Student Loan History:
- www.StudentLoans.gov
- www.nslds.ed.gov

Other Websites:
- www.askheatherjarvis.com
- www.equaljusticeworks.com
Contact Information:

- **Email:** FinancialManagement@law.du.edu
- **Phone:** 303.871.6557
- **Web:** [www.law.du.edu/financial-aid](http://www.law.du.edu/financial-aid)
- **Location:** Ricketson Law Building, Suite 115
- **Hours:** Monday – Friday, 8:15am – 4:30pm

Appointment Scheduling:

- Go to the “Law Student” tab in [PioneerWeb](http://www.law.du.edu/financial-aid)
- Look under the “Calendars and Announcements” section
- Click on “Schedule an Appointment with Law School Financial Management”