

Financial Literacy & Financial Aid Best Practices

Berkeley College

Student Financial Literacy

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LOAN SYMPOSIUM 2016

AGENDA

- ▶ Team History and Organization
- ▶ Financial Aid “Talking Points”
- ▶ New Student Orientation
- ▶ Classroom Initiatives
- ▶ Annual Loan Statement
- ▶ Loan Counseling
- ▶ Grace Period Outreach and Counseling
- ▶ Financial Aid TV (FATV)
- ▶ iGrad Marketing Initiatives
- ▶ Loan Repayment Indicator (LRD)
- ▶ Loan Tracker
- ▶ Community Outreach

Team History and Organization

- ▶ Berkeley College
 - ▶ Established 1931
 - ▶ Certificate, Associates, Bachelors and Masters degree programs
 - ▶ 7,000 students
 - ▶ 9 locations (NJ/NY) and Online
- ▶ Student Financial Literacy created in February 2010
 - ▶ Prior to 2010, no team dedicated to financial literacy/default prevention
 - ▶ Started with 4 full-time associates, currently have 7 full-time and 1 part-time associates

Financial Aid “Talking Points”

- ▶ All prospective students sit with an FA advisor to review “Talking Points”
- ▶ Loan information reviewed
 - ▶ Subsidized Stafford loan/150% SULA rule
 - ▶ Unsubsidized Stafford loan
 - ▶ MPN
 - ▶ Annual/Aggregate loan limits
 - ▶ NSLDS
- ▶ Student must sign form acknowledging that the information has been covered

Financial Aid Session (FAS) Talking Points

Student Name _____ Student ID _____
 Financial Aid Advisor (FAA) _____ Date _____

	FAA Initials
1. FA Overview	
a. Financial Aid Plan	
b. Award Year (AY)	
c. FAFSA & Early FAFSA	
d. Financial Aid May Change	
e. Berkeley College - (Semesters)	
f. Grants-Scholarships No Repayment	
g. Loans Need to be Repaid	
2. FA Award Letter Review	
a. Review Each Financial Aid Award in FA Award Letter	
i. Fed Life Time Limits	
ii. NY TAP Life Time Limits	
iii. NJ TAG Life Time Limits & Filing Deadlines	
iv. NJ TAG annual limit	
v. Institutional Grants / Scholarships	
vi. OCR Fees/Books	
vii. Technology Fee	
b. Challenge Loan / Grant Program	
c. Subsidized Federal Direct Stafford Student Loan	
d. Subsidized Stafford 150% Rule	
e. Unsubsidized Federal Direct Stafford Student Loan	
f. In-School Deferment Form	
g. Master Promissory Note	
h. How a student's Financial Aid is disbursed	
i. Loan Limits - Annual / Aggregate	
j. NSLDS Web site: WWW.NSLDS.ED.GOV	
k. Direct Cost -	
l. Federal Direct Parent PLUS Loan (Dependent Students)	
m. Satisfactory Academic Progress	
n. Review of Berkeley College Certificate Program Tuition Refund Policy (if applicable)	
3. Documentation	
Review Required Documentation (Open Checklists)	
Review FA Office Contact Information Phone-Email-Fax	

Financial Aid Advisor Signature: _____ Date _____
 I acknowledge I have completed the financial aid advisement session with a Financial Aid Advisor (FAA). The FAA discussed each of the topics listed above and addressed any questions I had.
 I acknowledge the advisement on my Federal Stafford Student Loans.

Student Signature: _____ Date _____

New Student Orientation

- ▶ Student Financial Literacy team presents at every new student orientation
- ▶ Topics covered:
 - ▶ Team organization, services provided and contact information
 - ▶ Student loan tips
 - ▶ iGrad demonstration



Classroom Initiatives

- ▶ Financial literacy and student loans are now included in school curriculum
- ▶ Introduction to Applied Psychology (GEC 123) required freshman 3 credit course
- ▶ SFL staff presents in each class every term on student loans
 - ▶ 20-25 class sections per term
 - ▶ We reach approximately 1200 students per year
- ▶ Faculty provides instruction in basic financial literacy concepts
 - ▶ Credit, budgeting, banking
- ▶ Future Initiatives – Creation of a required 1 credit course on financial literacy

Annual Loan Statement

- ▶ Emailed to all active students with federal loans every fall term
- ▶ Statement includes
 - ▶ Aggregate federal student loan debt incurred at Berkeley College
 - ▶ Instructions on how to access NSLDS loan data
 - ▶ How to contact Student Financial Literacy
 - ▶ Information about iGrad



FIRST_NAME LAST_NAME
Student ID: EMPLID/CAMPUS

Dear FIRST_NAME :

To help you manage your financial obligations, Berkeley College is pleased to provide this summary of your federal student loan balance. The amounts listed are estimates. You may contact your loan servicer(s) directly to confirm your actual loan balance.

Estimated federal student loan amount: borrowed

	<i>Subsidized</i>	<i>Unsubsidized</i>	<i>Combined</i>
<i>Principal Balance</i>	\$	\$	\$
<i>Pending Disbursement</i>	\$	\$	\$
<i>Total</i>	\$	\$	\$

*NOTE: (1) These are only **ESTIMATES**. Please contact your loan servicer(s) to confirm loan amounts.
(2) The values above include ALL federal loans including any funds borrowed at another college.*

It's a good idea to visit the National Student Loan Data System (NSLDS) website at www.nsls.ed.gov. NSLDS is a site managed by the U.S. Department of Education that provides you with a comprehensive listing of:

- all the post-secondary institutions that you have attended
- all your federal student loans
- the name(s) and toll-free numbers of your student loan servicer(s)

To access the site, you will need:

- FSA ID
- Password

If you do not remember or have an FSA ID, you can create one right on the site. www.nsls.ed.gov

Payment of your loans can be postponed as long as you are attending a post-secondary institution at least half-time and pursuing a degree. You must contact your loan servicer(s) to report any changes in your school status and to find out when your payments must begin.

Please feel free to contact the Berkeley College Student Financial Literacy Group at studentfinancialliteracy@berkeleycollege.edu if you have any questions on student loan repayment. Our advisors are here to assist you. We encourage all current and former Berkeley College students to take advantage of their services.

Sincerely,

Howard Leslie
Vice President, Financial Aid

Loan Counseling

- ▶ Federally required loan exit counseling for all graduating students
- ▶ Students who do not participate will not receive their diploma
- ▶ We believe that students learn differently so we want to offer them different options:
 - ▶ Face to face groups
 - ▶ Face to face individual
 - ▶ Webinars
 - ▶ Studentloans.gov
- ▶ SFL hosts loan exit counseling webinars every term
 - ▶ 50-60 webinars per term
 - ▶ Approximately 1600 students participate annually

Grace Period Outreach & Counseling

- ▶ Each student receives a grace period reminder letter informing them:
 - ▶ Approximate repayment begin date
 - ▶ Information on repayment plans
 - ▶ Information on NSLDS
 - ▶ Contact information for Student Financial Literacy
- ▶ Grace period phone campaign
 - ▶ Notify student via phone of repayment begin date
 - ▶ Conference in servicer to verify contact information

[Date]

«FN» «MN» «LN»
«Address_1» «Address_2»
«City», «State» «Postal»
Student ID: «ID» / «Campus»

Dear «FN»:

Your federal student loans are currently in a grace period. The first payment on these loans is due approximately six months after you left school. You should receive repayment instructions from your loan servicer(s) shortly. If you don't receive these instructions, please contact your loan servicer(s). You are responsible for repaying your student loan(s), even if you did not complete your program.


We also want to advise you of some of the student loan repayment options that may be available to you. Depending on your current situation, you may find one repayment plan more beneficial than others. These options include:

- **Standard (level) repayment** – fixed monthly payments for 10 years.
- **Graduated repayment** – monthly payments that increase over time.
- **Income driven repayment** – there are five different repayment plans that could help reduce your monthly payments based on your income. (other factors may apply)
- **Extended repayment** – if your federal student loan debt totals more than \$30,000, you can take up to 25 years to repay.
- **Loan consolidation** – provides one monthly payment and up to 30 years to repay.

The Berkeley College Student Financial Literacy team is here to help if you need assistance reviewing these and other options. After considering these plans, if you anticipate difficulties in repaying your loans, please contact your loan servicer(s) about deferments or forbearances that may allow you to postpone your payments. Ask your loan servicer(s) about the benefits and drawbacks of each of these options before making decisions.

For more information regarding the status of your account and your options, contact your loan servicer(s). You can locate your loan servicer(s) and view detailed information about your federal student loans by logging into the National Student Loan Data System website by using your FSA User ID at: www.nslds.ed.gov.

REMEMBER. The Berkeley College Student Financial Literacy Team is here for you now and in the future. Our job is to assist you with understanding the options available for the repayment of your student loans. You can contact our team via email at studentfinancialliteracy@berkeleycollege.edu if you have any questions. Good Luck!

Sincerely,

Thomas Kokis
Director, Student Financial Literacy

Financial Aid TV (FATV)

- ▶ Students who are receiving a refund of over 500 dollars, and wish to borrow additional loan funds, are encouraged to view 4 FATV video counseling sessions:
 - ▶ Student Loan Basics
 - ▶ Basic Money Management
 - ▶ Saving for the Future
 - ▶ Understanding Credit
- ▶ DOE prohibits schools from requiring additional loan counseling
 - ▶ Dear Colleague Letter GEN:15:06

Berkeley College
Focused on Student Success for 85 Years

About Berkeley Academics Admissions Locations Student and Career Services

WELCOME TO FINANCIAL AID TV

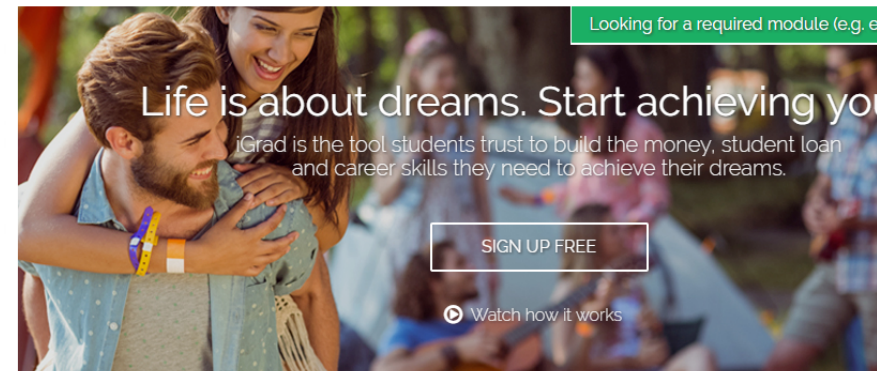
Welcome!

Begin by watching the introductory segment or by accessing the resources below, which are organized by category.

[GET STARTED ▶](#)

iGrad Marketing Initiatives

- ▶ College introduced iGrad in October 2015
- ▶ Web based financial literacy platform
- ▶ College is implementing marketing campaign to raise awareness of iGrad to increase student, administration and faculty usage
- ▶ Campaign consists of:
 - ▶ Positioning – Why does financial literacy matter?
 - ▶ Awareness - workshops, social media, campus events, alumni events



Why Use iGrad?



Better financial life



Paid-off student loans



Rewarding

Loan Repayment Delinquency LRD

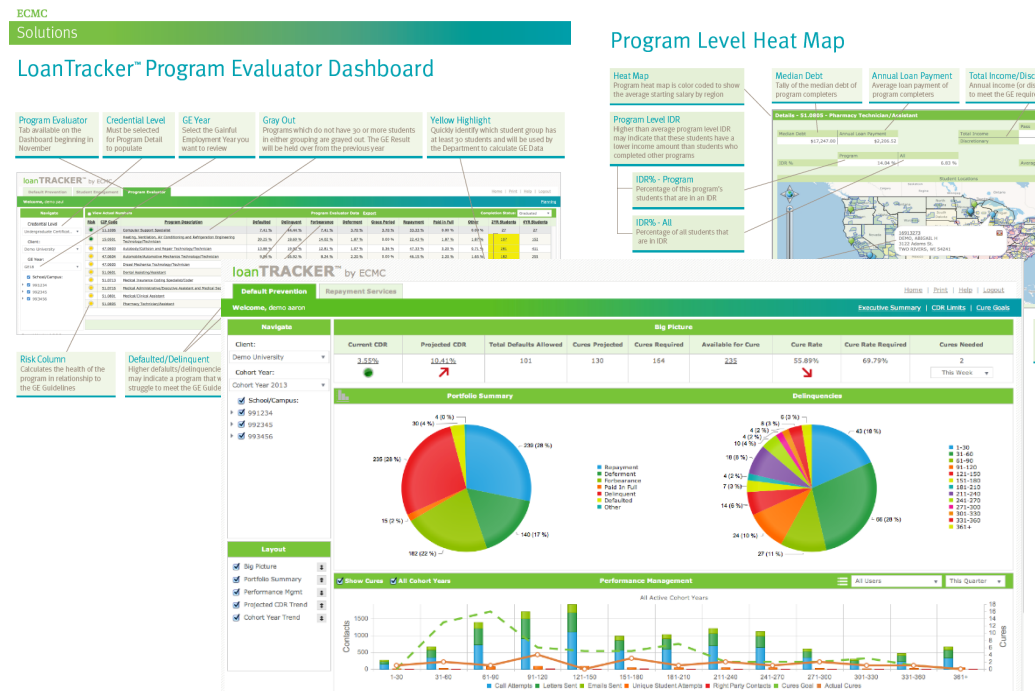
- ▶ Service indicators loaded to PeopleSoft – Loan Repayment Delinquency (LRD)
 - ▶ LRD service indicator flags the student as being delinquent on their federal student loans
 - ▶ Loaded Bi-weekly
- ▶ Affects any student (former or current) who borrowed a federal student loan while at Berkeley and went into repayment Oct. 1, 2013 and are currently delinquent
- ▶ Allows all departments within Berkeley to become involved – College wide effort!

Loan Repayment Delinquency LRD

- ▶ Impacts enrollment
 - ▶ Students readmitting – if they default on their federal loans, it will delay or prevent them from returning
 - ▶ Current students – if they are delinquent and default, they will no longer be eligible for Title IV aid which can result in withdrawals and a balance (more debt) for the student
- ▶ Students who are past due are referred by departments to Student Financial Literacy for loan counseling and to Career Services for career counseling

LoanTracker

- ▶ Berkeley implemented ECMC's LoanTracker™ April 2015 to support student outreach and counseling
- ▶ NEW! Monitor Gainful Employment programs to assess risk
- ▶ System “heat map” tracks average salaries for G/E programs nationwide
- ▶ Career Services works with low income students to identify and pursue jobs with higher salaries



Community Outreach

- ▶ Workshops offered to local community groups on financial literacy topics
 - ▶ Budgeting
 - ▶ Credit and Banking
 - ▶ Student Loans
- ▶ We are working to expand these efforts
- ▶ Berkeley partnered with New York City Hispanic Chamber of Commerce
 - ▶ Budgeting 101



Questions?

