

FEDERAL STUDENT LOAN DISBURSEMENT AND REPAYMENT INFORMATION

NSLDS:

Because Federal Student Loans are “owned” by the U.S. Department of Education, all data related to the loan will be reported to the National Student Loan Data System (NSLDS). The NSLDS is a centralized database that is accessible by guaranty agencies, lenders, institutions and borrowers.

The various loan servicing companies as well as all educational institutions will submit periodic updates to the NSLDS so that all stakeholders have the information necessary to best track and service the loan data.

Disbursements:

Financial Aid eligibility is monitored at the beginning of each enrollment period. If the student is eligible, funds will disburse to the students Ottawa University student account as soon after the start of the term as possible.

Refunds:

Once funds are deposited to the student account, the AR department will initiate the process to issue any remaining credit balance refund. All refunds will be provided to the student within 14 calendar days from the date that the credit balance was created.

Borrowing and Repayment:

Students are advised to only borrow what is needed to help them through school. Repaying student loans is important and in most instances, filing bankruptcy to avoid repaying a student loan is not an option.

Being put in to a default status due to failure to repay a Federal Student Loan could result in the following:

- Wage garnishment
- Social Security benefit garnishment
- Tax refunds withheld
- Bad credit rating
- Inability to purchase things on credit (e.g. a home or car)
- Unable to obtain further Federal Financial Aid for yourself or for your child

There are a number of student loan repayment options available and students are encouraged to work with their loan Servicer to determine the repayment option that best meets their needs.

Borrowers are encouraged to use the repayment estimator at www.studentloans.gov to get a realistic expectation of what they can expect upon entering repayment.

Students who apply for a Federal Student Loan will be provided with a 6 month Grace Period before entering repayment. Any payments made during the Grace Period will be applied directly to the principal amount of the loan and will reduce the amount of total interest paid in the long run. The Grace Period can be renewed if the student re-enters school during the 6 month window. However, once the Grace Period has been used, it cannot be renewed for those loans. Any new loans obtained will have a 6 month Grace Period but the previous loans will enter repayment.

Students also have a variety of deferment and forbearance options available after leaving school. However there is a limit to the number of times a deferment or forbearance can be granted and the interest on any outstanding loans will continue to accrue.

Sample repayment schedule:

Student Loan Repayment Chart

Amount Borrowed	6.8% Fixed Interest Rate				7.9% Fixed Interest Rate			
	Monthly Payment	# Months	Total Interest	Total Repaid	Monthly Payment	# Months	Total Interest Paid	Total Repaid
\$500	\$50	11	\$16	\$516	\$50	11	\$19	\$519
\$1,000	\$50	22	\$64	\$1,064	\$50	22	\$76	\$1,076
\$3,500	\$50	90	\$971	\$4,471	\$50	95	\$1,207	\$4,707
\$4,500	\$52	120	\$1,714	\$6,214	\$54	120	\$2,013	\$6,513
\$8,000	\$92	120	\$3,048	\$11,048	\$97	120	\$3,597	\$11,597
\$10,000	\$115	120	\$3,810	\$13,810	\$121	120	\$4,496	\$14,496
\$12,000	\$138	120	\$4,572	\$16,572	\$145	120	\$5,395	\$17,395
\$15,000	\$173	120	\$5,714	\$20,714	\$181	120	\$6,744	\$21,744
\$20,000	\$230	120	\$7,619	\$27,619	\$242	120	\$8,992	\$28,992
\$23,000	\$265	120	\$8,762	\$31,762	\$278	120	\$10,341	\$33,341
\$31,000	\$357	120	\$11,810	\$42,810	\$374	120	\$13,938	\$44,938
\$40,000	\$460	120	\$15,239	\$55,239	\$483	120	\$17,984	\$57,984
\$46,000	\$529	120	\$17,524	\$63,524	\$556	120	\$20,682	\$66,682
\$50,000	\$575	120	\$19,048	\$69,048	\$604	120	\$22,480	\$72,480
\$57,500	\$662	120	\$21,905	\$79,405	\$695	120	\$25,852	\$83,352