



Conducting Entrance & Exit Counseling

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What We'll Cover

- Why counsel students?
- Methods and documentation required
- Elements of Entrance Counseling
- Elements of Exit Counseling
- Tips for successful presentations
- Where to find more information



Why counsel students?

Why counsel students?

- Students have limited or no experience in managing debt
- An opportunity to interact with students and for them to get to know you
- It's a federal requirement



Methods and
documentation required

Methods of providing E/E Counseling

- In person (individually or in group setting)
 - Guarantors no longer allowed as of July 1, 2008
 - By audio-visual presentation
 - By interactive electronic means
 - Mapping Your Future at <http://mapping-your-future.org/>
- All methods require someone with FSA expertise to be “reasonably” available shortly afterward for questions

Documentation requirements

- Collect paper form
- If online counseling, document by:
 - Printout
 - Electronic means
- Updated borrower information collected at exit counseling must be provided to the guarantor (or DL servicer) within 60 days.



Elements of Entrance Counseling

Elements of Entrance Counseling

Required for first time Stafford borrowers:

- Importance of repayment obligation
- Repayment required
- Use of MPN
- Consequences of default
- Sample monthly repayment amounts

Elements of Entrance Counseling

Recommended for first time Stafford borrowers:

- Terms and conditions
- Repayment options
- Rights and responsibilities
- Budgeting
- Keeping lender/servicer updated
- Deferments/forbearance, cancellation options
- School's refund policies
- Keeping good records
- Exit counseling required at graduation/separation

Elements of Entrance Counseling

Required for Grad PLUS borrowers:

- Sample monthly repayment amounts based on
 - Range of student debt levels or
 - Average debt at your school or in same program of study
- If prior Stafford Loan, compare:
 - Max interest rate and interest accrual period and repayment begin period for Grad PLUS vs. Stafford
- If no prior Stafford Loan:
 - Explain use of MPN
 - Repayment importance and repayment required
 - Consequences of default



Elements of Exit Counseling

Elements of Exit Counseling

Required for Stafford borrowers:

- Revisit entrance counseling information
- Average anticipated monthly repayment amount
- Repayment options
- Debt management strategies
- Deferment, forbearance and cancellation options
- Availability of NSDLS and FSA Ombudsman
- Rights and responsibilities
- Collect updated personal and contact information

Elements of Exit Counseling

Recommended for Stafford borrowers:

- Pros and cons of consolidation
- Contact information for lenders
- Completion of deferment forms; correspondence to lenders
- Keep copies of everything
- Payments required even if no notice received
- Financial literacy information



Tips for successful presentations

Tips for successful presentations

- Practice until it's second nature
- Visit the presentation room beforehand
- Introduce yourself and connect with individual people before the presentation starts
- Take 3 deep breaths

Where to find more information

- 2008/09 Federal Student Aid Handbook, Vol 2, Chapter 6
<http://www.ifap.ed.gov/sfahandbooks>
- Common Manual, Chapter 4
<http://nchelp.org/elibrary/CommonManual>
- 34 CFR 682.604