



Financial News for Students

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Navigating Your Financial Future

*your dream
your plan
your future*

Sponsored by
Office of Student
Financial Assistance,
Florida Department
of Education,
Tallahassee, FL

For more information
about NyFF's prod-
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Dear Student Loan Borrower:

As the **Outreach Team** for the Office of Student Financial Assistance, we meet and assist numerous students with funding their postsecondary education.

Because **WE CARE** about students and want to see you become successful in your educational and financial pursuits, we feel an obligation to review the pitfalls that you may encounter in assuming student loan debt. Please, **be aware** of your **rights and responsibilities** when it comes to borrowing money from the government to pay for your postsecondary education. Yes, you got your loan, but now you need to make the **payments**. To be successful in making student loan payments **on time**, you may want to **plan** and then **practice** the following:

Organize your expenses.

This should be number one on your list. Know your fixed expenses (those that remain the same each month like rent and student loan payments) and variable expenses (those that fluctuate like gas, groceries, and entertainment). Keep track of your expenses so you can continue to make your loan payments on time.

Establish a budget plan.

Evaluate your monthly expenses and know where your money is going. If necessary, cut back (walk instead of drive - maybe give up your Starbucks everyday) and/or get a job to help with your monthly obligations. You may need to sacrifice a little, but the repercussions of not meeting your student loan payments are far worse.

Know the consequences.....

**Student Loan
Terms You
Really, REALLY
Need To Know:**

Delinquent loan:
One day late past the
due date.

Defaulted loan:
No payments have
been received for 270
days.

Garnished Funds:
When an agency such
as Department of
Education deducts
monthly payments
from a paycheck
against your will.

**Offset/Intercepted
Funds:**
When the Treasury
Department gets your
tax refund or lottery
winnings FIRST and
deducts what you
owe. The remaining
balance is then sent
to you.



Fast forward 270 days:

If no payment has been made, your account will be classified as **defaulted**. If more days pass, you will receive letters and phone calls from the U.S. Department of Education indicating that your tax refund will be **intercepted** to pay down your student loan.

Then, imagine this... your employer informs you that your paycheck has been **garnished** by the Department of Education to pay back your defaulted student loans.

What if you play the lottery in hopes of becoming rich and quitting that job? After winning big, you find out that your lottery money has to go through the Treasury **Offset** Program before you get anything—*if anything is left!*



The list goes on. Professional licenses and transcripts can be withheld; you can be sued; your account can be turned over to a collection agency and more.

So, **take control** - know the pitfalls you may encounter in assuming student loan debt. Please **know what you owe** and be on target with your student loan debt obligation. Become familiar with the terms on the left hand column of this page and **be aware of your rights and responsibilities.**

We are here to guide you.

Visit our website at www.navigatingyourfuture.org to learn more about how we can assist **YOU**.

Sincerely,

**Your Outreach Team Representatives
Office of Student Financial Assistance
Florida Department of Education**