

# The Update

September 2008

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SC Student Loan  
16 Berryhill Road  
Columbia, SC 29210

[www.scstudentloan.org](http://www.scstudentloan.org)  
(800) 347-2752

Dear Colleagues,

Summer is almost over, and what a summer it has been! The implementation of 'Preferred Lender Lists' has certainly added a whole new dimension to the financial aid process. We really appreciate your support by including SC Student Loan on your list of preferred lenders. As we look to the future, we promise to continue our nonprofit tradition of excellent customer service with the highest integrity.

As you are aware, financing has been a major concern over the past year. The unprecedented situation in the financial markets has placed a tremendous 'credit crunch' on many industries including the student loan industry. Unfortunately, the uncertainty in the student loan marketplace has limited the ability of many lenders to fund higher education loan programs. However, SC Student Loan's financial strength and reputation allowed us to obtain the necessary funds this year to fulfill our mission of ensuring access to higher education.

While most lenders are now charging upfront fees, SC Student Loan will continue to pay all origination and Federal Default Fees on all new loans made for the current academic year (2008-09). This borrower benefit allows the consumer to receive 100% of all funds borrowed to help pay their tuition bills.

On behalf of SC Student Loan, thank you for making a difference in the lives of students and families by helping them achieve their educational dreams.

Warmest regards,



Chuck Sanders  
President and CEO

SOUTH CAROLINA  
**Student Loan**

# Parent PLUS Loan Repayment

When do parents start repaying their PLUS loans? A recent change to postponing repayment has caused some confusion, with some lenders even marketing the change as a “benefit” exclusive to their company.

As always, a Parent PLUS Loan enters a repayment status the day after the last disbursement is made on the loan with the first payment being due within 60 days of that date. Parents can choose to postpone making payments on their Parent PLUS Loan. Once the loan is fully disbursed, the borrower should contact their lender to make this request.

Borrowers postponing repayment need to be aware of the following:

- For Parent PLUS Loans first disbursed prior to July 1, 2008, borrowers postponing repayment will begin repaying their loans when the benefiting student is no longer enrolled on at least a half-time basis.
- For Parent PLUS Loans first disbursed on or after July 1, 2008, borrowers postponing repayment will receive a six-month grace period after the benefiting student is no longer enrolled on at least a half-time basis. (Since PLUS Loans are not subsidized, this grace period will increase the cost of the loan.)

Please note that none of these “benefits” are lender specific, but simply alternatives allowed by federal regulations governing the program.

## Exit Counseling By Lenders Permitted

South Carolina Student Loan is pleased to announce that lenders have received approval from the US Department of Education to assist with Exit Counseling. Many SC institutions rely on Mapping Your Future for Exit Counseling. SC Student Loan is a proud sponsor of this helpful web service. However, some schools, as part of their default management plans or because they believe face-to-face meetings are more beneficial, opt to perform in-person exit counseling. In this case, SC Student Loan is glad to assist you. Our Exit Counseling program meets all federal requirements, complete with a PowerPoint presentation and handouts. If you would like for us to assist with exit counseling on your campus, please contact Mike Fox at (800) 347-2752 ext.5070 or [mfox@scstudentloan.org](mailto:mfox@scstudentloan.org).



# Financial Aid / Paying for College Nights

High school guidance counselors are busy setting their schedules for the 2008-09 academic year. Many of them will be requesting your assistance with Financial Aid or Paying for College Night presentations. If possible, we would love to join you as a co-presenter in providing this information to high school students and their families.

Over the last few years, we have participated in a number of these events and we really enjoyed the interaction with parents and students. Hopefully by presenting with you, we can help take a little of the burden off of you and your staff. If you are unable to fulfill a request for a presentation, feel free to refer the counselor to us, and with any luck, our schedules will allow us to assist them.

If you would like for us to assist you with these presentations, please contact Mike Fox at (803) 612-5070 or [mfox@scstudentloan.org](mailto:mfox@scstudentloan.org) to schedule the date.

# Bits and Pieces

I-745, our online loan maintenance platform, continues to be highly utilized by the financial aid community. Over the past few weeks, we have enhanced this student loan dashboard by adding several reports and queries such as:

- o Queries to identify Stafford Loan applications needing certification;
- o Queries to locate Parent PLUS and Grad PLUS pre-approvals who have signed MPNs; and
- o Pre-claims reports to identify students that are more than 60 days delinquent.

To discuss these modifications or any other aspects of I-745, please contact one of our loan officers or counselors at (800) 488-9875.





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**PO Box 21487 Columbia, SC 29221**