

nsip National Student Loan Program We guarantee it.™

Rules of the Game for the NFL (National FFELP League)

1

nsip National Student Loan Program We guarantee it.™

Introducing the players . . .


<p><u>Home Team</u></p> <p>Student</p> <p>School</p> 	<p><u>Visiting Team</u></p> <p>Lender</p> <p>Secondary Market Servicer</p> 	<p><u>Officials</u></p> <p>Federal Government Guaranty Agency</p> 
---	---	--

2


nsip National Student Loan Program We guarantee it.™

The home team . . .

- Student
 - chooses lender
 - borrows loan
 - completes educational goals
 - stays in contact with lender
 - repays loan




3

 National Student Loan Program We guarantee it.™

The home team . . .


- School
 - packages aid and awards funds
 - monitors eligibility
 - disburses funds
 - manages credit balances
 - reports enrollment information

4

 National Student Loan Program We guarantee it.™

The visiting team . . .

- Lender
 - makes loan
 - may service loan
 - puts loans into repayment
 - discloses repayment terms/conditions
 - collects payments
 - processes deferment/forbearance
 - performs collection activities



5

 National Student Loan Program We guarantee it.™

The visiting team . . .

- Secondary market
 - may purchase from lender and service loan
 - puts loans into repayment
 - discloses repayment terms/conditions
 - collects payments
 - processes deferment/forbearance
 - performs collection activities

6

nsip National Student Loan Program We guarantee it.™

The visiting team . . .


- Servicer
 - hired by lender/secondary market
 - functions on behalf of lender
 - puts loans into repayment
 - discloses repayment terms/conditions
 - collects payments
 - processes deferment/forbearance
 - performs collection activities

7

nsip National Student Loan Program We guarantee it.™

The officials . . .

- Federal government
 - oversees program
 - sets program rules
 - subsidizes loan
 - operates key data systems
 - Central Processing System (CPS)
 - National Student Loan Data System (NSLDS)




8

nsip National Student Loan Program We guarantee it.™

The officials . . .


- Guaranty agency
 - insures against default
 - default aversion and prevention
 - collection activity
 - provides training, information and problem resolution
 - financial literacy
 - conducts oversight
 - program review

9


 National Student Loan Program We guarantee it.™

Every quarter is important . . .

- First half (in-school)
 - first quarter awarding aid and origination
 - second quarter in-school
- Second half (out of school)
 - third quarter grace period
 - fourth quarter repayment




10


 National Student Loan Program We guarantee it.™

The Huddle


- Communication
 - information about aid process
 - award letter
 - how to apply for aid
 - preferred lender information
 - entrance counseling




11

 National Student Loan Program We guarantee it.™

LET THE GAME BEGIN!!

- Coin toss 
 - student chooses lender
 - preferred lender rules


12

 National Student Loan Program We guarantee it.™


1st Quarter - Origination

KICK-OFF!

- Student accepts award
 - active or passive confirmation
 - completes Master Promissory Note
 - supplies requested verification information
 - school submits loan information to lender or guarantor




13

 National Student Loan Program We guarantee it.™


1st Quarter - Origination

The Kick is Returned!



- Lender receives loan information
- Guarantor insures loan
- Loan proceeds sent to school


14

 National Student Loan Program We guarantee it.™

1st Quarter - Origination

Home Team has Possession

- Ensures student eligible to receive loan
- Delivers loan in a timely manner



15

2nd Quarter - In school

Home Team Advances

- Student stays in school and maintains SAP
- Tracks/reports enrollment status
- Disburses/returns loan proceeds



2nd Quarter - In school

FUMBLE!!

Student withdraws before funds are disbursed

- School recovers the ball by. . .




2nd Quarter - In school

Potential Trick Play

- Unofficial withdrawal




 National Student Loan Program We guarantee it.™

HALFTIME

Questions?




19


 National Student Loan Program We guarantee it.™

3rd Quarter – completing program

- Conduct exit counseling
- Report graduation/withdrawal date




20


 National Student Loan Program We guarantee it.™

3rd Quarter – completing program

- R2T4
- Late disbursements
- Post-withdrawal disbursements



21


 National Student Loan Program We guarantee it.™

3rd Quarter - completing program

Winning Strategies

- Smoothly transition student to repayment
- Prevent federal subsidy overpayment
- Prevent default


22

 National Student Loan Program We guarantee it.™

4th Quarter – grace/repayment


- Provide demographic information
- Certify deferment eligibility
- Default aversion activities
- Cohort default appeals

23


 National Student Loan Program We guarantee it.™

TOUCHDOWN!!!

Student successfully repays loans!
We All Win!!



24

 National Student Loan Program We guarantee it.™

The perfect game plan . . .

School awards aid and borrower completes MPN

School calculates R2T4, sends money to lender (if necessary) and reports to NSLDS

School conducts entrance counseling and disburses aid

NSLDS reports to lender and guaranty agency

School tracks and reports enrollment

Lender sets grace period and repayment start date and notifies student


Student drops below half-time or maintains enrollment

Student begins making payments on repayment start date

Student withdraws or graduates school conducts exit counseling

Everybody is happy!

25


 National Student Loan Program We guarantee it.™

End of regulation play

Questions



26

 National Student Loan Program We guarantee it.™

For more information . . .

National Student Loan Program
1300 O Street
Lincoln, NE 68508
800-735-8778
www.nslp.org

27
