AGENDA

01 Background and Purpose
02 User Feedback
03 User Experience
04 College Scorecard
05 Aggregate Loan Maximums
06 Acknowledgment in Common Origination and Disbursement (COD) System
BACKGROUND AND PURPOSE
WHAT IS ANNUAL STUDENT LOAN ACKNOWLEDGMENT?

- StudentAid.gov tool to inform borrowers what they owe in federal student loans or, for new borrowers, provide important information about student loans
- Addresses some long-standing borrower pain points
- Assists borrowers in planning for future borrowing
- All Federal Direct Loan borrowers will have to acknowledge prior to receiving a loan disbursement for Award Year 2021-22
WHAT DOES IT PROVIDE?

- Fundamental borrowing information for new borrowers
- Outstanding loan debt presented in clear and user-friendly manner
- Education on basic concepts, such as interest accrual and capitalization, and the difference between federal and private loans
- Remaining aid available for the borrower based on their grade level and aid received to date
- College Scorecard data – what do “students like me” borrow and earn after graduation
- Links to other Informed Borrowing Tools like Loan Simulator so students can see what estimated monthly payment would be if they take out additional loans
User Experience on StudentAid.gov

User logs in to StudentAid.gov

- **NO LOANS**
  - First-time borrower
  - Views general information and College Scorecard data
  - Completes acknowledgment
  - Acknowledgment is linked to an originated loan

- **LOANS ON FILE**
  - Current borrower
  - Views their loan & grant history
  - Completes acknowledgment and can view College Scorecard data
  - Acknowledgment is linked to an originated loan
USER FEEDBACK
FSA wants impactful financial literacy tools to ensure borrowers are educated regarding their student loans.

By testing, we learn what borrowers take away from the information we provide.

We can update the acknowledgment tool based on what users tell us – A/B Testing, Usability Testing.

This aligns with the *Executive Order on Improving Free Inquiry, Transparency, and Accountability at Colleges and Universities* to help families understand the cost of higher education.
TESTED AND IMPROVED

- Performed user testing with High School Seniors, College Undergrads, Graduate Students, and Parents
- Identified and developed design recommendations for improving the acknowledgment, specifically customizing the borrower profiles
- Based on feedback, the landing page now features borrower types and a tracker that guides users to the submission of the acknowledgment and next steps
- 200 Financial Aid Administrators provided valuable input at last year’s conference
USER EXPERIENCE
LOG IN TO STUDENTAID.GOV

- Log in: StudentAid.gov
- Have an Active ID
- Navigating to Annual Student Loan Acknowledgment:
  - Dashboard
  - Header
  - Footer

COMPLETE AID PROCESS

- How Aid is Calculated
- Comparing School Aid Offers
- Complete Annual Student Loan Acknowledgement
- Receiving Financial Aid
- Complete Master Promissory Note
- Complete Entrance Counseling
- Get a TEACH Grant
Annual Student Loan Acknowledgment

To ensure you understand the debt obligations and responsibilities you’re taking on, the Annual Student Loan Acknowledgment is required each year for students and/or parents who have accepted a subsidized/unsubsidized or PLUS loan.

What am I Acknowledging?

If this is your first time accepting a federal student loan, then you will review and acknowledge that you understand your debt estimations.

If you have existing federal student loans, then you will review and acknowledge that you understand your accumulated debt and remaining eligibility thusfar.

Who Should Complete This?

This tool is for all:
- Undergraduate borrowers
- Graduate borrowers, and
- Parent borrowers

How Long Will It Take?

Most people complete the acknowledgment in less than 10 minutes.

What Do You Need?

- Verified FSA ID
- School Name *
- Degree Type *
- Field of Study *

* First-time borrowers only
BORROWER WITH LOANS AND GRANTS

Annual Student Loan Acknowledgment

Find out what you owe now and how much more you can borrow.

My Loans

Total Borrowing: Federal Loans

$10,000
Principal

$9,958
$42
Interest

If you started repaying your loans now, your monthly payment would be:

$100
Per Month

Assumes a 10-year standard repayment plan.

Why This Matters

As a rule of thumb, your total student debt should not exceed your first year’s salary after college. Learn about more affordable repayment plans or contact your financial aid office about options. You can make interest-only payments while you are still in school to reduce your loan total and payment amount.

My Grants

If Grants Disbursed to Date

$15,000
Total Disbursed

- 2 Pel Grants
  $10,000

- T-TEACH Grant
  $3,000

- TEACH Grant
  $2,000

- 1+1
  $1,000

- 1 Smart
  $3,000

View Grant Details

My Account

- Navigate
- Student
- EmailAccount@account.com
- 1-800-722-1300

View Loan Details
### Annual Student Loan Acknowledgment

Before you take out student loans each year, understand your rights and your responsibility to repay. Be informed, borrow wisely.

#### Estimate What You Will Owe and Earn

Find out what the average loan debt, monthly loan payment, and salary for students in various academic programs at specific schools.

- [U.S. Schools/U.S. Territory Schools](#)
- [Non U.S. Schools](#)

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<thead>
<tr>
<th>State</th>
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<tr>
<td>School Name</td>
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<td>Field of Study (Optional)</td>
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[View Data](#)
INFORMATION FOR NEW BORROWERS

Borrowing Tips

01. Borrow only what you need
02. Consider making payments before repayment starts
03. Contact your student loan servicer for help
04. Learn about your repayment obligations
05. Research repayment and forgiveness options early

Borrowing Tips

Borrowers will have access to these five borrowing tips to better understand the impact of their financial aid.
IMPROVED FEATURES

- The landing page differs based on the user – information targeted and personalized
- Individual specific landing pages shorten the time spent on unnecessary information
COLLEGE SCORECARD
WHAT IS COLLEGE SCORECARD?

- Provides data on college costs, graduation rates, post-college earnings, and other useful information to help borrowers make the best decision about where to go to school and how to make the best use of their financial aid.

- Information available for different schools and different programs – for example, estimated student loan debt and estimated monthly loan payments for a Business degree as compared to a Social Work degree.
COLLEGE SCORECARD ELEMENTS

- Information for the selected school and program of study must be viewed by new borrowers before completing the acknowledgment.

- For current borrowers, the College Scorecard appears after confirmation.

- Borrowers with no loans on file will see the average amount of debt to understand the impact of taking out loans. After a borrower selects a school and program of study, the following information is displayed:
  - average annual cost for the school
  - graduation rate for that school
  - typical total debt for this program/major
  - typical salary one year after program completion for this program/major
  - typical monthly loan payment for this program/major
Data for School

Once a borrower selects a school the Average Annual Cost of attendance will populate to give students an understanding before enrolling of how much it will cost to attend this school. The graduation rate will also display in the form of a percentage and graph.
**INFORMATION PROVIDED**

**Data for Academic Program**
If data is not available, a range will be shown that represents the program with the lowest salary and the program with the highest salary.

**Total Debt at Graduation**
The typical debt at the time of program completion for this program/major.

**Salary After Program Completion**
The typical salary one year after completion for this program/major will display here.

**Monthly Loan Payment**
The typical monthly loan payment for data selected above will display here. If data does not exist for listed major, a range for all programs at this selected school will display.
CURRENT BORROWERS

For current borrowers, the College Scorecard appears after confirmation.
AGGREGATE LOAN MAXIMUMS
UNDERGRADUATE STUDENT

Lifetime Subsidized and Unsubsidized Loan Limits

*Dependent | Undergraduate | Additional Subsidized Eligibility*

Information:

- Lifetime limits do not apply to PLUS loans. PLUS loans have their own borrowing limits.
- Based on the information we have, you may still be eligible to receive up to $21,500 in federal loans over your lifetime. Annual loan limits still apply.

Lifetime Loan Limit Tracker

- $10,000 borrowed to date (32%)
- out of $37,500 max

*This is an estimate based on the information provided on your FAFSA® form and the most recent loan history we have on file. Please contact your school’s financial aid office or your loan servicer for more details.*

Why This Matters

- There is both an annual and lifetime limit to the amount you can borrow in federal student loans based on your dependency status and academic program. Your school determines your financial aid offer each year.
STUDENT WITH CONSOLIDATED LOANS

Lifetime Subsidized and Unsubsidized Loan Limits

Graduate

- Lifetime limits do not apply to PLUS loans. Your lifetime loan limits may be higher if you're a health profession student.

- You have a Direct Consolidation loan on file and are unable to view loan limits. Contact your school's financial aid office for details.

Why this Matters

There is both an annual and lifetime limit to the amount you can borrow in federal student loans based on your dependency status and academic program. Your school determines your financial aid offer each year.
ACKNOWLEDGMENT IN COD
COMMON ORIGINATION AND DISBURSEMENT (COD) SYSTEM

- **Borrowers** will see the term “Annual Student Loan Acknowledgment” on StudentAid.gov and in communications.

- **Schools** will see “Informed Borrowing Confirmation” on COD website screens, in tags for the COD XML schema, and in parts of the COD Technical Reference.

- All acknowledgments will be mapped to Award Year 2021/2022 after the new award year is set up COD (March 2021).

- School Reports are available in COD to determine which borrowers have completed the acknowledgment.
• Borrower completes Annual Student Loan Acknowledgment on StudentAid.gov

• StudentAid.gov sends file to COD. If loan(s) on file, the acknowledgment will link to the loan(s). COD creates flat file for SAIG mailbox for school.

• School receives SAIG flat file once Annual Student Loan Acknowledgment is linked to an award.
More Questions?

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THANK YOU