

NEWS FROM

KHEAA–Alabama

Contact: Tim Ballard
Phone: 502-696-7372
E-mail: tballard@kheaa.com

Money Tip for Students, June 2018

Be wary of student loan repayment companies

If you owe money on federal student loans, you should be wary of sales pitches from companies offering to help borrowers lower their payments, KHEAA–Alabama warns.

Such companies charge fees — sometimes high fees — for filling out forms that you can do for free. Many will want to charge monthly fees for monitoring your loans. Again, you can do that for free.

The best place to start is the servicer that the U.S. Department of Education has assigned your loan to. Your servicer can tell you what your options are and can help you with the forms you need. If you need help finding your servicer, you can go to www.nslds.ed.gov and retrieve your loan information.

You can also go directly to www.ed.gov and click on the link titled “Student loans.” Under that link you’ll find links to detailed information about all of your options.

KHEAA is a public, non-profit agency established in 1966 to improve students’ access to college. It provides information about financial aid and financial literacy at no cost to students and parents. KHEAA also helps colleges manage their student loan default rates and verify information submitted on the FAFSA. For more information about those services, visit www.kheaa.com.

In addition, KHEAA disburses private Advantage Education Loans on behalf of its sister agency, KHESLC. For more information about Advantage Education Loans, visit www.advantageeducationloan.com.

For more information about financial aid and college planning, visit www.alstudentaid.com.