



FINANCE AND ADMINISTRATION CABINET  
KENTUCKY HIGHER EDUCATION ASSISTANCE AUTHORITY

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### Money Tip for Students, January 2021

#### First-time federal student loan borrowers must complete entrance counseling

Kentuckians who will borrow federal student loans for college must complete entrance counseling if they are borrowing for the first time, according to the Kentucky Higher Education Assistance Authority (KHEAA).

“Entrance counseling will help students understand the financial commitments they’re agreeing to when they receive their loan,” said Gov. Andy Beshear. “Fully understanding these financial obligations is an important step if you’re taking out federal student loans to help pay for education after high school. I’m glad our students have this resource to learn more early in the process.”

The U.S. Department of Education requires borrowers to complete the counseling before students will receive loan funds. The counseling will teach users how to borrow responsibly so they don’t take out more loans than they need.

The department offers online counseling at [studentaid.gov](http://studentaid.gov) under the Complete Aid Process tab. The counseling should take between 20 to 30 minutes. Borrowers should check with their college to see if the federal counseling session is accepted as some schools have alternate counseling program requirements.

KHEAA is the agency that administers the state’s grant and scholarship programs, including the Kentucky Educational Excellence Scholarship (KEES). The agency also provides financial literacy videos at [itsmoney.kheaa.com](http://itsmoney.kheaa.com) and free copies of “It’s Money, Baby,” a guide to financial literacy, to Kentucky schools and residents upon request at [publications@kheaa.com](mailto:publications@kheaa.com).

Many of KHEAA’s student aid programs are funded by Kentucky Lottery receipts.

For more information about Kentucky scholarships and grants, visit [kheaa.com](http://kheaa.com); write to KHEAA, P.O. Box 798, Frankfort, KY 40602; or call 800-928-8926, ext. 6-7214.

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