Federal Student Loan Exit Interview Process

Please note that you can always contact the Boston College Student Loan Office at 800-294-0294 or by e-mailing borrower@bc.edu. You can also find BC-specific loan program information at www.bc.edu/loanrepayment.

Step One: Complete Your Online Exit Interview

Federal Student Loan Exits

If you borrowed Federal Direct Loans (Examples: Stafford or GradPlus loans), your online exit should be completed at studentaid.gov/exit-counseling/.

You will also find the name of your loan servicing company at this website.

BC Campus-Based Loan Exits

If you borrowed a campus-based loan (Examples: Nursing Loan, Law Loan, Perkins Loan), you will be required to complete an online exit on the Heartland ECSI website. You will receive an email from Heartland ECSI with instructions. Note that these loans will also be serviced by Heartland ECSI. Be sure your contact information is correct when you visit the ECSI website and include a non-BC email address.

Questions about Loan Repayment?

If you want to discuss your student loans, please email borrower@bc.edu.

Step Two: Locate Your Federal Student Loans

You can find your Federal student loans via the centralized government database, National Student Loan Data System (NSLDS). Visit www.studentaid.gov and login with your FSA ID. Select each of the loans listed to determine your loan servicer(s).

If you received a Federal Direct Stafford or GradPlus loan, the funds issued to you originated from the Department of Education. The Department of Education employs a loan servicer on their behalf that coordinates all student loan billing and correspondence. More than 65 different servicing companies exist. Therefore, it is important that you log into www.studentaid.gov to find out who your loan servicer is. It is possible that you may have more than one loan servicer, especially if you attended more than one school. There are several different loan servicing companies who may be holding your loan. Some of these companies are: Nelnet, Great Lakes, MOHELA, EdFinancial, Aidvantage, OSLA, and several others.

Step Three: Create and Maintain an Account with Your Student Loan Servicer

Once you have learned who your loan servicer is, the next step is to create an online account. It is very likely the servicer has already e-mailed you instructions for doing so. Please check your e-mail for any such correspondence.
It is extremely important that you:

1. Have a username and password and are able to successfully log into your online account
2. Update all of your contact information, including phone number, e-mail, and address **Note:** Your BC e-mail account will be terminated after a period of time following your departure from the university. Students may choose to set up lifetime e-mail forwarding with their BC e-mail account, if they wish.
3. Designate the servicer a trusted contact in your e-mail
   It is possible that e-mails may incorrectly be filtered to your spam or junk folder.
4. Sign up for e-billing
   This is the most efficient method for receiving bills and statements, especially if you travel often.

Frequently Asked Questions

What if I have other student loans that are not listed on the NSLDS website?

The NSLDS website will show you your Federal Direct Stafford and Federal Direct GradPlus loans. Federal Perkins loans, though listed, are serviced at the college level. Boston College employs Heartland ECSI as its servicer for Federal Perkins loans, as well as for its institutional loans, including BC Law loans and Federal Nursing loans.

If you have loans listed on studentaid.gov from another college or university, you will have to contact your former school(s) regarding repayment of these loans.

Massachusetts No Interest Loans are serviced by ECSI but controlled by the Massachusetts Department of Higher Education (not Boston College).

If you are unaware of where you have, or even if you have, a private loan, the best place to look would be your credit report. You can check your credit report at a place like www.annualcreditreport.com.

What is a grace period?

A grace period is a set amount of time after you graduate or drop below half-time enrollment before you must begin repayment on your loan. For most student loans, the grace period is six months, but in some instances, it may be longer.

What are the grace periods for the different Federal loan types?

Direct Stafford loans have a 6-month grace period. The 6-month grace period begins after your last class or on the day in which you cease to be attending the university as a half-time or more student. Stafford loans can be either subsidized or unsubsidized. For subsidized loans, the government pays the interest that accrues during the enrollment and grace periods. (Exceptions to this rule are subsidized loans disbursed between July 2012 and July 2014—these loans may accrue interest during the grace period). Once the grace period ends and your loan enters repayment, interest on the loan begins accruing and you are responsible for paying it.
Unsubsidized loans accrue interest during the enrollment and grace periods. You are solely responsible for the payment of interest accrued on the unsubsidized loan(s) during this time.

GradPlus loans have no grace period. However, servicers of a GradPlus loan may grant a 6-month "post-enrollment deferment," which is similar to a grace period. You have to call your servicer to request the post-enrollment deferment. GradPlus loans are unsubsidized.

Perkins loans have a 9-month grace period. Perkins loans are subsidized.

BC Nursing loans are subsidized and have a 9-month grace period. Nursing loans originate from the Department of Health and Human Services. Although BC Nursing loans are Federal loans, they are not issued by the Department of Education and are therefore serviced by ECSI.

BC Law loans are subsidized and have a 6-month grace period. BC Law loans are serviced by ECSI.

Note about grace periods: If you finish school and attend another federally recognized college or university within the 6- or 9-month grace period, you will retain the full grace period at the conclusion of your attendance at the second school. However, if you take a semester or a year off before going back to school, you may forfeit all of your grace period. The one exception is the Perkins loan, which provides a 6-month grace period after every in-school deferment.

Can I make additional payments and pay off my loans early?

Yes. There are no penalties for additional payments or early loan payoff. You may need to contact your servicer for help if you are trying to set up payments during a grace or deferment period.

What is capitalization?

Capitalization is the point at which all of your accrued interest gets added to your principal balance, thereby causing you to pay more interest over the life of a loan.

Capitalization occurs: (1) once your grace period ends; (2) during loan consolidation; (3) at the conclusion of a forbearance; (4) once you are no longer considered to be in a “partial financial hardship” (if you are in an income-driven repayment program).

You have the ability to pay off some or all of the accrued interest on a loan prior to capitalization.

What are the different types of payment plans available to me?

The **standard payment plan** is the plan you are enrolled in by default. The standard bill is the amount of money that you are expected to pay every month, including principal and interest, in order to pay the loan off in 10 years [the stated time period in the Master Promissory Note (MPN)].

The **extended payment plan** lengthens the amount of years it takes to pay off your loan from 10 years to 25 years, but lowers your monthly payment amount. Borrowers with this plan end up

paying a lot more in interest over the life of the loan. You must have over $30,000 in debt to pursue this option. The extended payment plan does not qualify for loan forgiveness.
The **graduated payment plan** has a lower initial payment amount, with amount increases every two years or so. Borrowers who select this plan will have substantially higher payments toward the end of the plan because the term remains at 10 years. The graduated payment plan does not qualify for loan forgiveness.

Income-Driven Repayment (IDR) plans are programs that allow borrowers to make lower payments based on their Adjusted Gross Income (AGI) and family size. Payments are calculated using a formula. Each program has its own advantages and disadvantages as well as eligibility requirements. The four IDR plans are:

1. ICR Income-Contingent Repayment (ICR): Based on 20% of discretionary income; has forgiveness potential; some subsidized interest may be paid for you by the government for up to 3 years
2. Income-Based Repayment (IBR): Usually based on 15% or 10% of discretionary income; has forgiveness potential; some subsidized interest may be paid for you by the government for up to 3 years
3. Pay-As-You-Earn (PAYE): Based on 10% of discretionary income; has forgiveness potential; some subsidized interest may be paid for you by the government for up to 3 years
4. Revised Pay-As-You-Earn (REPAYE): Based on 10 or 15% of discretionary income; has forgiveness potential; some subsidized interest may be paid for you by the government for up to 3 years as well as some unsubsidized interest. Payments may be higher if your income increases substantially.
5. NEW INCOME DRIVEN REPAYMENT PLAN

   Currently there are 4 income driven repayment (IDR) programs potentially available to Federal student loan borrowers based upon your income which provide payment plans based on either 20%, 15%, or 10% of your discretionary income. These IDR programs can be applied for by visiting the studentaid.gov website. However there may be a 5th Income Driven Repayment plan based on only 5% of your discretionary income coming soon.

   The Biden administration is expected to Introduce a new income driven repayment program where payments can be based on only 5% of your discretionary income. They have not provided any details beyond that other than to suggest this is likely to be released in JULY 2023

In an IDR plan, the government may pay a small portion of your subsidized interest (and potentially unsubsidized interest) for a short period of time; however, since you are making smaller monthly payments your interest is still accumulating. If you are making lower payments and your interest is still accruing, then you are also potentially not making significant progress on your overall loan balance. You should have a plan as to how long you want to remain on an IDR plan. For example, you may be on an IDR plan because you are seeking public service loan forgiveness.

It is important to note that these plans look at your AGI from your tax returns. That means that if you are married filing jointly, your spouse's income will be factored in. This could cause you to be ineligible.

What happens if I cannot pay my loan?

Forbearance and Deferment are two ways to suspend payment on your loans. You can suspend payment for a maximum of 12 months at a time, with, in most cases, a 36-month limit on the life of a loan. Contact your servicer in order to discuss the steps you need to take to obtain your deferment or forbearance.

Can I refinance my student loans?

Any federal or private loan can be refinanced. Refinancing a loan is done using a private company in order to try to get a lower interest rate. It is important to note that your monthly payments may be higher and the terms of the loan may be different. In order to refinance, your income must meet a certain threshold (based on your debt to income ratio). Providers will likely check your credit score, and you may need or want a cosigner. Once refinanced, the loan becomes a "private" loan even if it was originally a Federal one. You will lose all Federal benefits such as access to income-driven-repayment, loan forgiveness, loan cancellation, and other discharges, deferment, and forbearance options.

Where can I find information about loan consolidation or loan forgiveness?

All of this information is available on the Boston College Loan Repayment web page at www.bc.edu/loanrepayment.