Agenda for today

● Borrowing History Initiative
  ○ Who, What & Why
  ○ How this relates to student success
  ○ Student experience
  ○ Financial Aid Limitations
  ○ Resources for students

● Related efforts

● What is your role in this?
Borrowing History - What is it?

Communication sent to student
- Contains a snapshot of all loans student has received at U of MN
- Pops up to display for student, when they respond to Awards (FAAN)
- Student can view anytime in MyU, Communications Center

Advisors cannot view
Borrowing History - Who received?

- Sent to Undergraduate, degree-seeking students with disbursed loans at the U of M
- Includes private loans that we certify
- All campuses
Student experience
Billing & Payment

Twin Cities
- Due Now: $1,529.03 (Due on 01/28/2017)
- Future Due: $104.00
- Payment Plan: Enroll Now Spring 2017

Financial Aid

2016-2017 Twin Cities/Rochester

Step 1: Your FAFSA was received on 04/17/2016.
Step 2: At this time, all documentation is complete.
Step 3: View your awards.
Step 4: You have no loan documents to complete at this time.
Step 5: View your student account

Excess financial aid will be refunded to you by direct deposit. Enroll/update here.

Helpful Links

- Student Center
- Costs, Tuition, Fees - UMTC
- 1098-T Tax Form
- Registration & Fee Summary
- Dates and Deadlines - UMTC
- How to Pay - UMTC
- Live Like a Student - UMTC
- Parent Guest Access
- Scholarship Search - UMTC
- Am I Eligible for Aid? - UMTC
- Financial Aid Forms - UMTC
- Report Scholarships - UMTC
- Where is My Aid? - UMTC
- Request More Aid? - UMTC
- U of M Student Jobs
Financial Aid

Award Summary

Financial Aid Year 2015-2016

This is your current financial aid award notification.

<table>
<thead>
<tr>
<th>Aid Year</th>
<th>Award Description</th>
<th>Category</th>
<th>Offered</th>
<th>Accepted</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>UMD Scholarship</td>
<td>Scholarship</td>
<td>500.00</td>
<td>500.00</td>
</tr>
<tr>
<td></td>
<td>Athletic Scholarship Winnie Trink</td>
<td>Scholarship</td>
<td>500.00</td>
<td>500.00</td>
</tr>
<tr>
<td></td>
<td>CSE Engineering Scholarship</td>
<td>Scholarship</td>
<td>1,200.00</td>
<td>1,200.00</td>
</tr>
<tr>
<td></td>
<td>U Promise Scholarship</td>
<td>Grant</td>
<td>1,140.00</td>
<td>1,140.00</td>
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<tr>
<td></td>
<td>Ford Federal Subsidized Loan</td>
<td>Loan</td>
<td>2,421.00</td>
<td>0.00</td>
</tr>
<tr>
<td></td>
<td>Ford Federal Unsubsidized Loan</td>
<td>Loan</td>
<td>380.00</td>
<td>0.00</td>
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<tr>
<td></td>
<td><strong>Aid Year Totals</strong></td>
<td></td>
<td>6,141.00</td>
<td>3,340.00</td>
</tr>
</tbody>
</table>

Currency used is US Dollar.

| Shopping Sheet | Satisfactory Academic Progress | Financial Aid Summary | Loan Counseling |

| Terms |

<table>
<thead>
<tr>
<th>Summer 2016</th>
<th>Award Description</th>
<th>Category</th>
<th>Offered</th>
<th>Accepted</th>
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</thead>
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<tr>
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<td></td>
<td><strong>Term Totals</strong></td>
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<td>2,801.00</td>
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<table>
<thead>
<tr>
<th>Spring 2016</th>
<th>Award Description</th>
<th>Category</th>
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<th>Accepted</th>
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<td>UMD Scholarship</td>
<td>Scholarship</td>
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<td>Athletic Scholarship Winnie Trink</td>
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<tr>
<td></td>
<td>CSE Engineering Scholarship</td>
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<td>600.00</td>
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<tr>
<td></td>
<td>U Promise Scholarship</td>
<td>Grant</td>
<td>570.00</td>
<td>570.00</td>
</tr>
<tr>
<td></td>
<td><strong>Term Totals</strong></td>
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<td>1,670.00</td>
<td>1,670.00</td>
</tr>
</tbody>
</table>
Your Borrowing History

University of Minnesota Loans

Estimate of Your Total Student Loan Debt: $59,944.60

Student ID: [redacted]

Loans taken at the University of Minnesota as of 2016-06-28 12:37:50-05:00

- Direct Subsidized Loan: $5,553.00
- Direct Unsubsidized Loan: $5,663.00
- Bank of North Dakota Loan: $12,396.00
- Outside Loan-ScholarNet EFT: $17,943.00
- Bank of North Dakota-Loan EFT: $18,387.60
- Total: $59,944.60

Standard Repayment Plan: 10 years
Assumed Interest Rate: 3.76%
Estimated Monthly Payment: $600.11

Average Student Loans for University of Minnesota, Duluth Graduates
The following information is provided to help put your loan status in context.
Average UMD Total Education Loans (excluding PLUS loans): $29,977
Monthly Payment: $300.10

About this estimate
The estimate of your student loan indebtedness is NOT a complete and official record of your student loan debt.

This estimate:
- Does not include loans taken out at other colleges or universities
- Does not reflect any loans consolidation you may have done
- Does not reflect any debt that has been repaid
- Uses the current interest rate used for Federal Direct Subsidized and Unsubsidized loans (your actual interest rates may vary)
- Uses the standard repayment plan (your repayment terms may vary by loan)

Visit z.umn.edu/umdrepay for more information about this estimate and additional resources
Your Borrowing History

University of Minnesota Loans

**Estimate of Your Total Student Loan Debt: $10,500.00**

**Student ID:**

Loans taken at the University of Minnesota as of

<table>
<thead>
<tr>
<th>Loan Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Subsidized Loan</td>
<td>$5,500.00</td>
</tr>
<tr>
<td>Direct Unsubsidized Loan</td>
<td>$5,000.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$10,500.00</strong></td>
</tr>
</tbody>
</table>

**Standard Repayment Plan:** 10 years

**Assumed Interest Rate:** 3.76%

**Estimated Monthly Payment:** $105.12

Average Student Loans for University of Minnesota, Twin Cities graduates:
The following information is provided to help put your loan status in context.

Average UMTC Undergraduate Loan Debt (excluding PLUS loans): $26,091
Monthly Payment: $261.00

**About this estimate**
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**This estimate:**
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- Does not reflect any debt that has been repaid
- Uses the current interest rate used for Federal Direct Subsidized and Unsubsidized loans (your actual interest rates may vary)
- Uses the standard repayment plan (your repayment terms may vary by loan)

Visit [z.umn.edu/umtrepay](z.umn.edu/umtrepay) for more information about this estimate and additional resources.
Your Borrowing History

Next Steps...

Reduce future borrowing by planning expenses carefully and borrowing only for educational expenses. Consider your need before deciding whether to accept the full loan amount in your award. You have the option of declining a loan or reducing the amount of a loan (you can access the remaining eligible amount later, if necessary).

Graduating on time is the best bargain for your college education. Work with your advisor to stay on track academically and continue to make progress toward graduation.

Review the summary of your University of Minnesota borrowing history from the previous page at any time by visiting the Communications Center within your MyU Student Center.

You may now respond to your financial aid awards.
Borrowing History

● Contains:
  ○ Snapshot of all loans student has received at U of MN
  ○ Total debt & average repayment
  ○ Average debt & repayment amounts
  ○ Links to resources

● Student must acknowledge before responding to awards
Borrowing History - Why?

Purpose: Empower students to make wise choices while investing in own future, so they can be successful while in school and after they have graduated!

Is that what is happening?
Student Reactions

**Action taken:** One Stop received an increased number of students inquiring about borrowing only what they will need to cover their account balance, so they aren’t over borrowing.
What Students Said
Survey Results

“I would have not incurred so much debt, worked harder toward receiving scholarships, taken more credits (past the 13), and dedicated all my time possible to excelling in school.”

“I ended up logging into the loan site to see what my estimated payment will be once I graduate.”

“Made me evaluate borrowing and staying in school to finish my education in hopes of earning more.”

“It allowed me to consider how much I have to budget to repay my student loan debt. That was extremely timely because I'm starting to look for full-time work out of college, and this information helps me put into perspective what my lifestyle has to be in order to pay this back.”
What researchers have seen...

“We find that students receiving the letters borrow an average of $1,360, less in the subsequent semester— a reduction of one-third. This does not adversely affect their academic performance. In fact, those who receive the intervention take more credits and have higher GPAs in the subsequent semester.”

- Does Salient Financial Information Affect Academic Performance and Borrowing Behavior among College Students?

By Schmeiser, Stoddard, and Urban

What statistics show...

Earnings and unemployment rates by educational attainment, 2015

<table>
<thead>
<tr>
<th>Education Level</th>
<th>Median Usual Weekly Earnings</th>
<th>Unemployment Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Doctoral degree</td>
<td>$1,623</td>
<td>1.7%</td>
</tr>
<tr>
<td>Professional degree</td>
<td>$1,730</td>
<td>1.5%</td>
</tr>
<tr>
<td>Master's degree</td>
<td>$1,341</td>
<td>2.4%</td>
</tr>
<tr>
<td>Bachelor's degree</td>
<td>$1,137</td>
<td>2.8%</td>
</tr>
<tr>
<td>Associate's degree</td>
<td>$798</td>
<td>3.8%</td>
</tr>
<tr>
<td>Some college, no degree</td>
<td>$738</td>
<td>5.0%</td>
</tr>
<tr>
<td>High school diploma</td>
<td>$678</td>
<td>5.4%</td>
</tr>
<tr>
<td>Less than a high school diploma</td>
<td>$493</td>
<td>8.0%</td>
</tr>
</tbody>
</table>

All workers: $860

Resources for Students

Borrowing History is intended to refer students to Resources:

- **NSLDS** - National Student Loan Data System, a central Federal database containing all Federal Financial Aid data
- **One Stop** - financial wellness counseling; financial literacy initiatives
- **Student Degree Progress** - individual student status available thru MyU
- **Advisors** - facilitate wise decisions regarding progress toward degree
Borrowing History - Future Efforts

- All loans to be included
  - Federal loans taken out while attending elsewhere
  - Private loans (certified while attending U of M)
- All forms of federal, state and institutional financial aid that the student has received (Pell, MN State Grant, etc.)
Future Efforts

- Provide to graduate and professional students
- Ongoing collection & assessment of student feedback
- Additional resource and module development: Financial Literacy online modules
Future Efforts

- Show the portion of each aid type that is used/remaining
- Illustrate with graphs to assist comprehension
- Integration of Financial Aid History with Student Degree Progress
  - making student aware of their status - are they making progress?
  - (see Student Degree Progress presentation today for more details)
Political Science B.A. Multiple majors or degrees?

The green, vertical line in the chart above is the target benchmark to be on track for completing your degree in four years.

Your degree progress bar is an overview of your degree-applicable earned and in-progress credits from your APAS report. This information will be updated monthly or when a change is made to your academic record, such as declaring a major or changing registration.

What to do next

Milestone  Level  Status  Institution  Career  Program  Major
Spanish  Completed  Twin Cities/Rochester  Undergraduate  College of Liberal Arts

View Transfer Credit Report  Student Center  APAS  Graduation Planner  Unofficial Transcript
How does this relate to your work with students?

- What kind of questions have you gotten from your students?
- How do you envision using the information you just learned?
Conclusion

● College is an investment in the future:
  ○ degrees predict earnings
  ○ borrowing may be necessary for timely graduation
● Most Financial Aid is time-sensitive
  ○ Relationship between Financial Aid History and Degree Progress
  ○ Choosing courses wisely
● Refer students to One Stop for financial wellness appointments
● Underscore to students the importance of choosing a major and completing a degree
Questions?
Presenters

Marcia DeGaetano
degae001@umn.edu

Tina Falkner
rovic001@umn.edu

Holly Johnson
reedx005@umn.edu