

FOR IMMEDIATE RELEASE

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Contact: Shelley M. Snow, Outreach Manager, (541) 687-7407;
shelley.m.snow@state.or.us

State Agency Launches Year-Long Educational Initiative Aimed at Helping Student Loan Borrowers

EUGENE, Ore. (4/26/2004) In celebration of 45 years of service to Oregon's higher education community, the Oregon Student Assistance Commission (OSAC) is launching a series of default prevention activities aimed at helping students better manage the debt they incur when paying for college. The overall goal of the various activities is to educate students and families about the many options available to student loan borrowers when dealing with debt - from seeking deferments to applying for scholarships, from serving in AmeriCorps to making smart purchases.

“We couldn’t think of a better way to commemorate our longevity than offering to help student borrowers,” said Jeff Svejcar, executive director. “Financial aid has changed since we began administering the first need-based grant in 1959, but our core mission to help Oregonians achieve their higher education goals hasn’t changed. With this initiative, we’re expanding the impact of our work so that after they reach their goals, and are out on their own, paying back their loans, they’ll continue to be successful.”

OSAC’s educational initiative will include workshops for students, enhanced borrower contact programs, training for college financial aid staff, and expanded publications and web-based information.

Giving Workshops. OSAC staff, along with volunteers and staff from the ASPIRE mentoring program, as well as volunteers and staff from The Ford Family Foundation Scholarship office, will conduct scholarship workshops at high schools and colleges around the state. Securing scholarships is one way students can reduce the need for student loans - and lower debt on graduation day increases the likelihood students will be able to pay back their student loans on time. OSAC is also taking its student money management workshop, called SKIP It!, on the road to various colleges and universities. SKIP It!, which stands for “Students making Intelligent Purchases - It works!,” teaches students about credit cards, budgeting, planning for purchases, making the most of part-time work, financial aid, and more.

Training Financial Aid Staff. In the first training scheduled, financial aid staff at colleges and universities around the state will learn how to answer student borrowers’ questions about loan consolidation. “Understanding Loan Consolidations” will be held Thursday, May 13 at the Multnomah Public Library in downtown Portland, from 9:30 a.m. - 11 a.m. Other trainings will be announced as they are scheduled.

Contacting Borrowers. OSAC began an “Early Bird” program last month in its default prevention division. Counselors are contacting student borrowers at two stages to familiarize them with OSAC as the guarantor of their loans. The two “early” contacts occur when:

- A student is 85 - 90 days from their anticipated graduation date; and/or
- A student withdraws or drops below half-time enrollment status.

Counselors advise students that their loan repayment period will begin soon (students receive a 6-month grace period after graduation, withdrawal, or dropping below half-time, unless they’ve previously used it). Students also learn that OSAC can assist them if it ever becomes difficult to make student loan payments.

Enhancing Publications. A new brochure titled “Dropping Out - Find Out What It Really Means,” educates borrowers about what happens when they drop below ½ time. It will be available soon in college financial aid offices. Other updated printed material for students includes a money management booklet titled “There is Life After Debt!”; a brochure on the pros and cons of consolidating student loans; and a bookmark that reminds students they can look up their entire student loan history on the federal government’s secure site, www.nslds.ed.gov <<http://www.nslds.ed.gov>>.

Expanding Web Offerings. OSAC’s student website, www.GetCollegeFunds.org <<http://www.GetCollegeFunds.org>>, continually adds new and updated material student borrowers can use. Recent information includes details on how to get a military forbearance, so that a borrower on active duty can temporarily halt payments. Other information is available on the site for borrowers who may be having difficulty making payments because they are unemployed or for other reasons. The site also includes information about scholarships, grants, budgeting, consumer credit, and more. In addition, borrowers who may have already defaulted on a student loan can learn about steps they can take to clear up their credit record.

For more information about OSAC’s default prevention activities, or for questions about a specific loan, borrowers can call OSAC at 1-800-261-4524 or visit www.GetCollegeFunds.org.

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The Oregon Student Assistance Commission (OSAC), created by the Oregon Legislature in 1959, coordinates a variety of state, federal, and privately funded student financial aid programs for the benefit of students attending institutions of postsecondary education. The agency can be reached at (800) 452-8807.

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