



Let's Work
TOGETHER

We stand with schools and students to conquer loan anxiety, delinquency, and default.

Loan Summaries: Helping Students, Helping Schools

The webinar will begin at approximately
11:00 a.m. PT | 12:00 p.m. MT | 1:00 p.m. CT | 2:00 p.m. ET

The audio portion of our presentation will not be heard until we get started.

Speakers



Carissa Uhlman

Vice President of Student Success



Robert Fahy

Acting Director of Student Financial Aid

Agenda

- The Issues
- Do Debt Letters Work
- What is Loan Summary
- Rutgers Case Study
- Loan Summary Advantage
- Summary & Questions

The Issues

THE CHALLENGE

48%

of student borrowers either don't know or incorrectly estimate the amount they have borrowed.

28%

incorrectly believe they have no federal loans at all.

Source: Are College Students Borrowing Blindly? Brookings Institution

STUDENT CONFUSION

94%

of student borrowers do not understand their loan repayment terms.

54%

of student borrowers did not even try to estimate their monthly repayment amount as part of their most recent loan procurement.

Source: Student Loan Borrower Survey, LendEDU
Student Loan Debt in the US, Global Financial Literacy Excellence Center

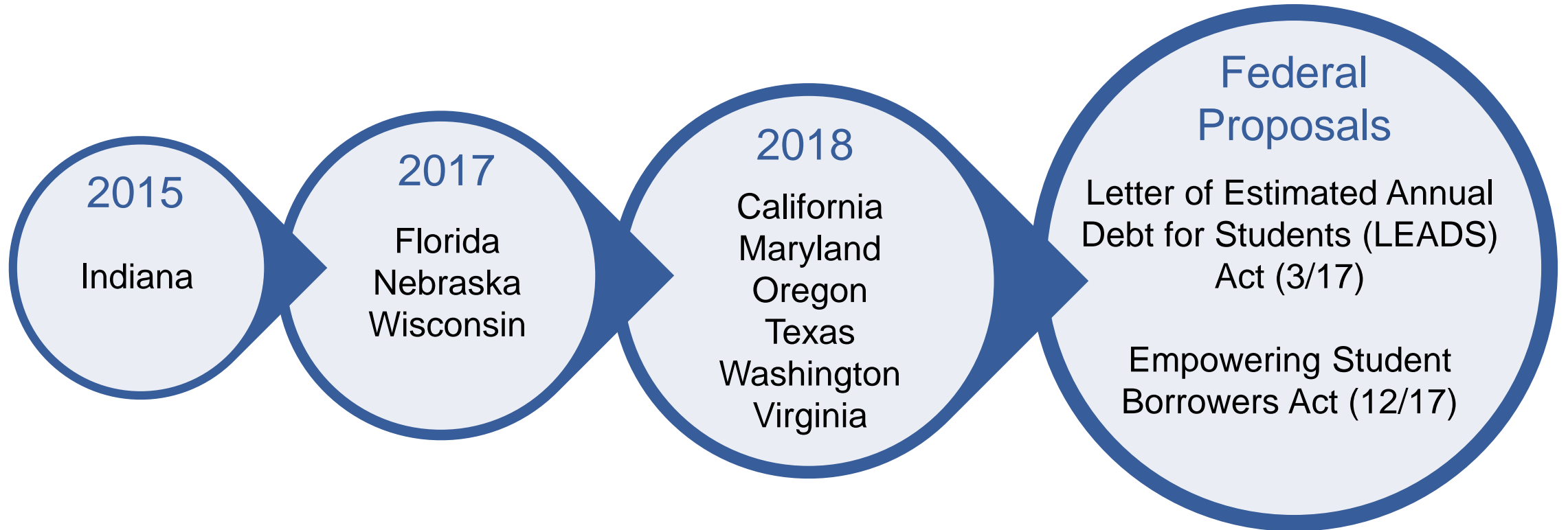


A generation born texting and living online 24/7 has evolved and can complete the entire online student loan counseling session, answering every question correctly, and an hour later have no memory of the process.

- Dart Humeston
Director of Financial Aid, Barry University

Source: College Loan Counseling Process Often Falls Short for Students. GoodCall

The Debt Letter Requirements Rising



Do Debt Letters Work?

Three Schools, Three Studies

Supplemental Resource



<http://bit.ly/2jKuAil>

Why Debt Letters

JIT Learning

- Relevant
- Timely

Behavioral Economics

- Irrational choices
- Muddled by length, complexity, experience or timing

Nudge Theory

- Point people in the right direction
- Has to be easy
- Can include a call to action

TIMING IS EVERYTHING

CASE STUDY



**University
of Missouri**

Research Paper

<http://bit.ly/2CGQHhw>

Method



**University
of Missouri**

- Letters
 - Aggregate borrowing
 - Estimated repayment amounts
 - Average borrowing of peers
 - How to contact the FAO
- March letter coincided with registration and loan acceptance choices for following year

Results



**University
of Missouri**

- Did not significantly reduce borrowing
 - Exception: low GPAs and high aggregate balance
- Increased contact with FAO
 - 2% more likely to seek assistance
 - 3.4% more likely if nearing loan limits

Takeaways



**University
of Missouri**

- May need additional support
- Reduced borrowing may not be top priority
- Increased FAO contact is a positive



...there is evidence that the letter induced a positive outcome, namely information seeking among students. There is value to encouraging a more informed student body, even if average short-term borrowing behavior does not demonstrably change. For example, informed students are more likely to actively choose an appropriate repayment plan and engage with their loan servicer, both of which may help students stay current on their educational debt post-college.

Source: An Experiment on Information Use in College Student Loan Decisions. R. Darolia

HIGH-RISK INTERVENTION

CASE STUDY



**Montana State
University**

Research Paper

<http://bit.ly/2A83WVu>

Method



**Montana State
University**

Letters

- Targeted students with slow academic progress and higher-than-average borrowing amounts
- Letters
- Default warning
- Block tuition
- Gift cards for counseling

Results



**Montana State
University**

- Borrowed an average of 1/3 less (\$1,360)
- Increased GPA and credits completed
- Increased retention rates
- 2% points more likely to switch to higher-paying major

Takeaways



**Montana State
University**

- Additional academic information contributed to positive academic outcomes
- Early intervention is key

Source: Does Salient Financial Information Affect Academic Performance and Borrowing Behavior Among College Students?
Federal Reserve Bank of Philadelphia

HOLISTIC APPROACH

CASE STUDY



**Indiana
University**

Program Information

<http://bit.ly/2CHmqzb>

Method



**Indiana
University**

Letters

- Aggregate borrowing
- Estimated repayment amounts
- Additional school resources

Results



**Indiana
University**

23%

is the percentage by which student borrowing has decreased during the first four years (\$114 million).

Source: Indiana University initiatives continue to pay off in reduced student borrowing. IU Newsroom

Three Schools, Three Studies

What can we learn?

- Define your outcomes
 - Reduced borrowing?
 - Increased GPA?
- Measure
 - Control groups?
 - Previous years?
- Support
 - Online resources?



What is Loan Summary?

Loan SUMMARY

Helping you help students become knowledgeable borrowers.



A holistic view of borrowing details

- Simple, effective, uncomplicated
- Inceptia conducts outreach to your students on your behalf, urging them to review the summaries
- Summaries include all current federal loans – not just the ones from your school
- 24/7 access to loan summaries, tools and resources via Student Knowledge HQ
- Meets state-to-state regulatory requirements

Loan Summary Elements

- Original loan amounts
- Interest
- Servicer contact information for each loan
- Aggregate borrowing limit
- Estimated monthly payments

Secure access to summary information through Student Knowledge HQ

STUDENT KNOWLEDGE HQ

[YOUR LOANS](#) | [IN SCHOOL](#) | [IN BETWEEN](#) | [IN REPAYMENT](#)

Home > Summary of Loans

SUMMARY OF YOUR LOANS

WELCOME TORI

Your school has partnered with us to help you understand your loan obligations so you can stay on top of how much you are borrowing. You can also see your current federal repayment obligation based on what you have already borrowed.

This page shows a summary of all loans you've received. Scroll down for the details of how much you received from all schools you've attended. You will see the school name, loan type, loan status, loan period, outstanding principal amount, outstanding interest amount, servicer and servicer phone.

SUMMARY OF ALL STUDENT LOANS
AS OF 03/08/2018

Total (including interest) of all Federal Loans		\$20,500.00		
*Total of all Reported Nonfederal Loans		\$5,000.00		
		Eligible Amount Remaining	Percent Borrowed	Percent Remaining
**Total Undergraduate Subsidized Aggregate:	\$14,500.00	\$8,500†	63.0%	37.0%
**Total Undergraduate Unsubsidized Aggregate:	\$6,000.00	\$10,500‡	36.4%	63.6%

Dependency Status: Dependent

*This may not include all of the nonfederal loans you have. Check your credit report and/or with your financial aid office to confirm.

**Remember there are also limits to how much you are allowed to borrow. As an undergraduate dependent, you may borrow no more than \$31,000 (no more than \$23,000 subsidized), as an undergraduate independent, you may borrow no more than \$57,500 (no more than \$23,000 subsidized), as a graduate you may borrow no more than \$138,500 (no more than \$65,500 subsidized) and if eligible, as a graduate and professional health professions student, no more than \$224,000 (no more than \$65,500 subsidized). Please check with your school's financial aid office to confirm if those limits apply to you, and what the current totals are.

†Minus any new unsubsidized loans awarded.

‡Minus any new subsidized loans awarded.

[DOWNLOAD PDF OF LOAN SUMMARY LETTER](#)

[VIEW YOUR LOAN REPAYMENT ESTIMATE](#)

FEDERAL LOANS (view)

NONFEDERAL LOANS (view)

YOUR FEDERAL AND NONFEDERAL LOAN REPAYMENT ESTIMATE

Letter Options

September 17, 2018

TORI STUDENT
1300 O Street
Lincoln, NE 68508

Hi, TORI!

Here at Test University 222222-00 we know that being busy with school means you don't always have time to keep tabs on your educational expenses. We want to help with that by providing you with this personalized summary of your current borrowing.

Knowing how much you owe and what your eventual monthly payments may be can help you make informed choices about your current and future borrowing.

That's why we've partnered with Inceptia to create this summary of the student loans you have on record as of March 8, 2018. Inceptia is a non-profit organization focused on making it easy to understand your loan obligations and avoid the pitfalls of non-repayment.

Let's take a look at your total amount of loans.

BORROWING HISTORY¹: FEDERAL LOANS

School	Loan Type	Loan Period	Outstanding Principal	Outstanding Interest	Service	Service Phone
Test University 222222-00	Direct Stafford Unsubsidized	8/26/2013 - 5/16/2014	\$2,000	\$0	DOPT OF EDNELNET	(888) 486-4722
Test University 222222-00	Direct Stafford Subsidized (SLA Eligible)	8/26/2013 - 5/16/2014	\$4,500	\$0	DOPT OF EDNELNET	(888) 486-4722
Test University 222222-00	Direct Stafford Subsidized (SLA Eligible)	8/25/2014 - 5/15/2015	\$4,500	\$0	DOPT OF EDNELNET	(888) 486-4722
Test University 222222-00	Direct Stafford Unsubsidized	8/25/2014 - 5/15/2015	\$2,000	\$0	DOPT OF EDNELNET	(888) 486-4722
Test University 222222-00	Direct Stafford Subsidized (SLA Eligible)	8/24/2015 - 5/13/2016	\$5,500	\$0	DOPT OF EDNELNET	(888) 486-4722
Test University 222222-00	Direct Stafford Unsubsidized	8/24/2015 - 5/13/2016	\$2,000	\$0	DOPT OF EDNELNET	(888) 486-4722

FEDERAL LOAN TOTAL including interest \$20,500

BORROWING HISTORY¹: NON-FEDERAL LOANS

Loan Type	Loan Period	Outstanding Principal	Outstanding Interest Amount	Service	Service Phone
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Your Student Loan Summary

Full
State regulations all individual
loan listings

TORI STUDENT
1300 O Street
Lincoln, NE 68508

Hi, TORI!

Here at Test University 222222-00 we know that being busy with school means you don't always have time to keep tabs on your educational expenses. We want to help with that by providing you with this personalized summary of your current borrowing.

Knowing how much you owe and what your eventual monthly payments may be can help you make informed choices about your current and future borrowing.

That's why we've partnered with Inceptia to create this summary of the student loans you have on record as of April 12, 2018. Inceptia is a non-profit organization focused on making it easy to understand your loan obligations and avoid the pitfalls of non-repayment.

Estimate¹ of Your Total Federal Education Loans (including interest): \$20,500.00

Estimate¹ of Your Total Non-Federal Education Loans (including interest): \$8,414.62

ESTIMATED REPAYMENT²

Based on your current balance included in this summary, your average monthly payment for a Standard (10-year) repayment plan would be **\$294.67** (\$15.19 per \$1,000 borrowed)

REPAYMENT OPTIONS³

Don't like your estimated repayment? Want more than 10 years to pay back your loans? Well good news – federal loans offer multiple repayment plans for you to choose from!

KNOW YOUR LOAN LIMITS

Did you know there are limits to how much you are allowed to borrow in federal loans?

These are called aggregate loan limits and once you reach that limit, you can't borrow any more Stafford loans. Don't let this happen to you – know your limit!

* As an undergraduate dependent student, you may borrow no more than \$31,000, with no more than \$23,000 of that in the form of subsidized loans. If your parent is denied a Parent PLUS loan, you will be eligible for no more than \$57,500 (with no more than \$23,000 of that in the form of subsidized loans).

Your Student Loan Summary

Moderate
State regulations

TORI STUDENT
1300 O Street
Lincoln, NE 68508

Hi, TORI!

Here at Test University 222222-00 we know that being busy with school means you don't always have time to keep tabs on your educational expenses. We want to help with that by providing you with this personalized summary of your current borrowing.

Knowing how much you owe and what your eventual monthly payments may be can help you make informed choices about your current and future borrowing. That's why we've partnered with Inceptia to create this summary of the student loans you have on record as of April 12, 2018. Inceptia is a non-profit organization focused on making it easy to understand your loan obligations and avoid the pitfalls of non-repayment.

Estimate¹ of Your Total Federal Education Loans (including interest): \$20,500.00

Estimate¹ of Your Total Non-Federal Education Loans (including interest): \$8,414.62

ESTIMATED REPAYMENT²

Based on your current balance of \$28,914.62, your average monthly payment for a Standard (10-year) repayment plan would be **\$294.67** (\$10.15 per \$1,000 borrowed).

REPAYMENT OPTIONS³

Don't like your estimated repayment? Want more than 10 years to pay back your loans? Well good news – federal loans offer multiple repayment plans for you to choose from!

YOUR NEXT STEPS

Armed with this information, we hope you have an understanding of your current borrowing and future repayment. Understanding your loans can help you plan for remaining college costs and move into repayment with confidence.

Inceptia is with you through your journey. To learn more, visit: www.hereknows.org and log into your account. You can also access all of your federal loan information via the National Student Loan Data System (NSLDS) www.nslds.ed.gov using your FSA ID. This tutorial will help you navigate the site: <https://www.inceptia.org/2017/05/04/NSLDS.pdf>.

Here in the financial aid office, we are also here to answer any questions you may have. You can reach us at:

Test University
1300 O Street
Lincoln, NE
Phone: 402-464-4444
Email: dwelland@yahoo.com

* Visit www.hereknows.org/all-the-fine-print for more information on your estimated repayment and repayment options.

Your Student Loan Summary

Basic


Student Knowledge HQ

Borrowers can find relevant information and useful resources to make knowledgeable decisions

- Secure online portal
- Mobile-friendly and easy to use
- 24/7 Self service
- www.heroknowl.org

STUDENT KNOWLEDGE HQ

LOG IN | IN SCHOOL ▾ | IN BETWEEN ▾ | IN REPAYMENT ▾



MEET THE KNOWL

When it comes to your money, *who* better to learn from than a knowledgeable owl? The Knowl has learned a thing or two about smart money moves, and wants to share that wisdom with you. No matter where you're at in life, the Knowl's tips, tools, and resources will help you increase your financial IQ and take control of your financial future.

WELCOME

If your school or Inceptia sent you a link to this site, log in below.


Last Name:

Last 4 Digits of SSN:

Date of Birth:
Month Day Year


GOT COLLEGE COVERED?

Did you know that financial aid doesn't always cover the cost of college? What to do if this happens to you.



THE \$1,000 LATTE

Little expenses add up! Use this calculator to see how making small changes can put money back in your pocket.




#KNOWL BUZZ

Ouch! Student loan garnishments are gouging people's paychecks. Find out available options to avoid the sting.
<https://t.co/rmAlzVIOOA>

Want to limit stress in your life? Financial minimalism might be your answer.
<https://t.co/Gq33T9dzR>

Outsmart car dealers by being one-step ahead. Understand the warning signs and how to avoid "yo-yo" financing.
<https://t.co/oWNRNBjz1t>

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 **Inceptia**
A DIVISION OF NSLP

FDCPA Communication Rules

Though Inceptia does not collect debt, we feel it is our responsibility to act in the best interest of students and schools by protecting personally identifiable information (PII) and communicating in accordance with the FDCPA guidance.

- Verify borrower
- Only communicate with borrower unless consent has been given otherwise
- Must not communicate in a manner that would allow an unauthorized third party to identify the existence of a debt
- Only use secure methods to communicate information containing personal private information; including loan information

Reports

Borrower Rosters

Displays the student borrowers included in the monthly loan summary updates. Administrators are able to view roster reports for each month the school has actively used Loan Summary.

Borrower Letters

View and print letters generated for students in the current month's roster.

Borrower Data Download

A data file that can be uploaded into a Financial Aid Management (FAM) system is available for each loan summary letter batch created and contains loan history for each borrower letter in the batch.

Email Summary

Provides statistics on borrower emails; sent, recognized as opened, bounces, borrowers do not have an email address available, and how many borrowers click through the email to Student Loan Knowledge HQ. Administrators can also view the borrower details including, SSN, date of birth, full name and email address for each category.

Website Usage

Track which of your student borrowers have successfully authenticated into their Student Loan Knowledge HQ account, and when.

Loan Summary in Action at Rutgers

Robert Fahy
Acting Director of Financial Aid



Campuses

Rutgers University—
New Brunswick
50,254

Rutgers Biomedical and
Health Sciences
(Newark/Piscataway)
6,900

Rutgers University—Newark
13,451

Rutgers University—Camden
7,171

Total University Enrollment

70,876 students from all
50 states and more than
125 countries

50,957 undergraduates

19,919 graduate students

2017-18 Quick Facts

Summary	Undergraduate	Graduate	Total
Total Aid Disbursed	\$671,111,146	\$352,310,972	\$1,023,422,118
Average Award	\$16,621	\$25,679	\$18,918
Total Fall 2017 Enrollment	49,681	19,517	69,198
Total Fall Aid Recipients	38,651	13,374	52,025
Percentage of Students Who Received Aid	77.8%	68.5%	75.2%

2017-2018
Total Loan Volume - \$528,500,000

University Loan Funds - \$700,000

State Loan Funds - \$16,000,000

External Loan Funds - \$62,000,000

Federal Loan Funds - \$449,000,000

Why Loan Summary?

- To increase our student borrower's awareness
- Give students a snapshot of how much they have borrowed
- Help students plan for the future



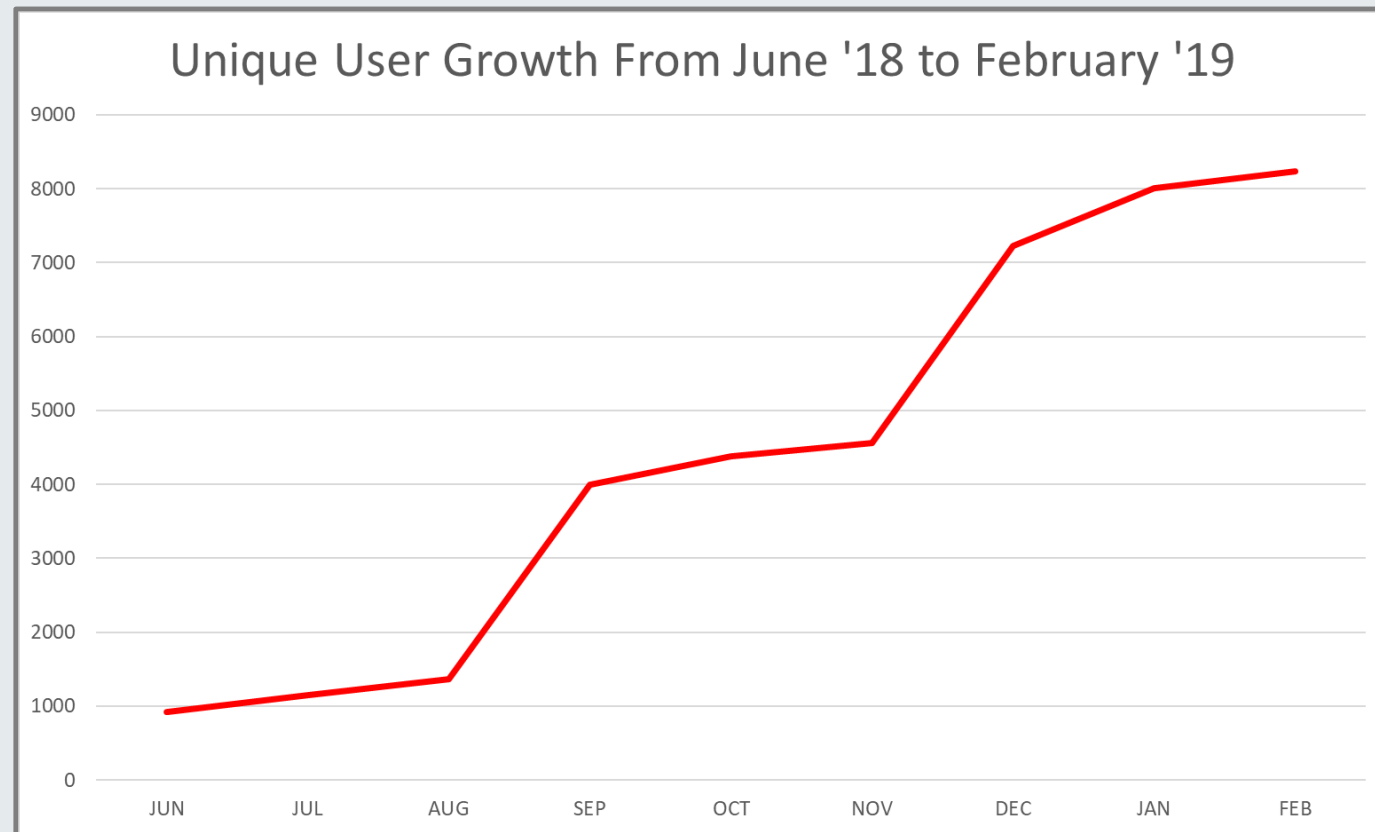
Letter Frequency

- Fall Term - September
- Spring Term - January
- Summer Term - June



Loan Summary Benefits

- Informed Borrowers
- Future planning
- Better prepared for repayment



Inceptia Loan Summary

Informing Students

- Debt letters

Student Results

- Positive feed back



I find Loan Summary useful because it explains complicated material in an easy to understand format through colorful, informative videos and helpful tools. The Student Loan Budget Calculator and the Borrow Smart Tool have been a huge help with managing my finances.

– Michael F.

Working with Inceptia

- Easy setup
- Getting the word out
- Support

The screenshot displays the Rutgers Office of Financial Aid website. The top navigation bar includes links for Rutgers.edu, OFA Home, About, Contact, and FAQ, along with the Rutgers Federal School Code 002629 and social media icons. The main header features the Rutgers logo and the text "Office of Financial Aid" with a search bar. Below this is a secondary navigation bar with links for Cost of Attendance, Eligibility, Apply for Aid, Types of Aid, Tools & Resources, Student Employment, and Information for... The breadcrumb trail reads "Home / Types of Aid / Loans / Loan Repayment". The main heading is "Loan Repayment Information" with the subtext "Committed to making your education affordable". A left sidebar lists various tools and resources, with "Loan Repayment" highlighted. The main content area is titled "Preparing to Enter Repayment on Your Loans" and features the Inceptia logo. The text describes the partnership between Rutgers and Inceptia to simplify the loan repayment process, mentioning the National Student Loan Program (NSLP) and the organization's mission to support schools and students.

Rutgers.edu OFA Home About Contact FAQ Rutgers Federal School Code 002629 f t i e

RUTGERS Office of Financial Aid Search

Cost of Attendance Eligibility Apply for Aid Types of Aid Tools & Resources Student Employment Information for...

Home / Types of Aid / Loans / Loan Repayment

Loan Repayment Information

Committed to making your education affordable

Tools & Resources

- Net Price Calculator
- IRS Data Retrieval Tool
- Frequently Asked Questions
- Video Tutorials
- Manage Your Finances
 - Exit Counseling – RBHS
 - **Loan Repayment**
- Glossary of Financial Aid Terms

Preparing to Enter Repayment on Your Loans

Inceptia

Rutgers University has partnered with Inceptia to help simplify the loan repayment process. Borrowers can expect to hear from Inceptia regarding their situation throughout their enrollment time and also upon separation from enrollment at Rutgers.

Inceptia, a division of the National Student Loan Program (NSLP), is a nonprofit organization providing leadership and innovation in higher education access, verification, student loan repayment, default prevention, financial education, and more. Inceptia is working with schools to create a world where students are less burdened by the anxiety of student loan debt. Where financial aid offices are freed from time-consuming processes and tasks that pull them away from helping students. And where default rates continue to fall even as loan amounts increase.

At Inceptia, it is their mission to support schools as they arm students with the knowledge needed to become financially responsible citizens - without accumulating the burden of debt and default. Inceptia provides the confidence and proven solutions you and your school can count on - helping ensure a brighter financial future for your students.

LOAN SUMMARY IMPACT CASE STUDY

Robert Fahy

Acting Director of Financial Aid



Challenge

Finding a way to inform students of how much they have borrowed in an automated way to help them plan for the future

Solution

Partnering with Inceptia for the Loan Summary product to keep our students informed of the funds they have borrowed.

Outcomes

Better informed borrowers
Financial Tools for students.
Lower Default rate

Loan Summary Advantage

Loan SUMMARY

Helping you help students become knowledgeable borrowers.



The simple act of providing loan summaries can change the trajectory of a student's financial future.

Increased Contact with the
Financial Aid Office

Increased Course Completion
and Corresponding Retention

Improve Borrowing Behaviors

Fulfills State-to-State Regulatory Requirements

Source: Loan Summaries: Nudging Students Toward Smart Borrowing. Carissa Uhlman. Jan., 2017 Inceptia.

Inceptia Resources

Solutions

- Loan Summary
- Student Knowledge HQ

<http://bit.ly/2kjNhqs>

<https://www.heroknowl.org/>

Student Downloads

- NSLDS Tutorial
- Federal Student Loan Info Sheet
- Student Loan Borrowing 101

<http://bit.ly/2jneKDB>

<http://bit.ly/2kfbsHi>

<http://bit.ly/2jOI3Fb>

Questions

*All attendee questions were addressed during webinar

Talk To Us



Handling Money Like a #Girlboss: Empowering Women
Through Financial Literacy
April 2

Building a Better Award Letter: Providing Information that Really
Helps Students and Families
April 16

Student Insights: Financial Behaviors and Issues of Inequity
April 24

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