

12.6

Student Debt

The institution provides information and guidance to help student borrowers understand how to manage their debt and repay their loans.

Judgment

Compliant Non-Compliant Not Applicable

Narrative

The University of South Carolina Columbia considers student loan debt to be of utmost importance. The annual cost of attendance is carefully designed to reflect costs of a typical student, which eliminates excessive borrowing. For private educational loans, the amount of loan funds certified will not be allowed to exceed the cost of attendance minus other aid regardless of the borrower or lender's desire to do otherwise.

The University of South Carolina Columbia administers a comprehensive student loan educational program, [Managing Educational Debt Successfully \(MEDS\)](#). A joint program between the Office of Student Financial Aid and Scholarships and the Student Success Center, this is an annual, proactive outreach to all student borrowers, providing valuable student loan management information and additional targeted outreach. This comprehensive information is provided online.

Each term, every student loan borrower is sent an email reminding them to review their total student loan borrowing on the Self-Service Carolina student portal. On the portal the student is provided with total borrowing figures from all loan programs, along with a repayment calculator to assist in planning for future repayment.

The University of South Carolina Columbia completes all required disclosures for federal and private educational loans.

The University of South Carolina Columbia uses detailed analytics to review average debt at graduation for undergraduate students. These analytics provide insight into the various subgroups of borrowers and those subgroups that may be disproportionately affected by student loan borrowing. The undergraduate class of 2017 demonstrated an average debt at graduation of \$28,972, with only 54% of the undergraduate class of 2017 borrowing through one or more educational loan programs. Each college is provided with the average undergraduate student loan debt at graduation for that college, to assist in decision-making related to costs.

The University of South Carolina Columbia currently holds a 2.3% default rate as defined by the federal three-year cohort default rate calculation. This is significantly lower than the national average of 10.8% for all institutions and 7.1% for four-year public institutions.

Regional Palmetto College Campuses

The four regional campuses of the University of South Carolina (Lancaster, Salkehatchie, Sumter, and Union) fall under the authority of the Columbia campus and reside in a central administrative unit known as Palmetto College, headed by a Chancellor and Associate Provost. These campuses are referred to as regional Palmetto College campuses. The campuses exist as part of the University of South Carolina system as denoted in [Board of Trustees Bylaws](#) (p.2). The administrative unit also houses the academic unit Palmetto College Columbia, which offers courses on the Columbia campus and in the metropolitan Columbia area as well as AA/AS programs and courses at Fort Jackson. This unit also provides instruction, guidance and support for the delivery of the university's undergraduate online degree completion programs.

The Central [Financial Aid office](#) provides required consumer and financial literacy information. They also provide guidance on what should be offered to all students. If online resources are not accessible for a student, then they may contact the financial aid office for paper copies of any publications or presentations.

Each semester, emails are sent to all enrolled students directing them to review the [consumer information](#) via the website. This information includes all financial literacy and consumer information. The regional Palmetto College campuses provide links to the Department of Education that gives in-depth information. Each student borrower is sent a link, with his/her award letter, to encourage the student to review Self-Service Carolina regarding his/her total student loan borrowing.

At the campus level, the following actions/activities are reported by the campuses as part of their respective "tool boxes" for assisting students in managing debt:

- Discussion of student loan debt management when presenting workshops to prospective students in high school
- Discussion of student loan debt management at orientation sessions (to include advisement and registration) with both incoming students and parents
- Discussion of personal debt management and student loan debt management in University 101 (the University's for-credit first year orientation course)
- Individual student loan debt counseling (as well as phone and email correspondence)

Programs and Activities

The regional Palmetto College campuses take their obligation to assist students in managing debt seriously. Coordinated by the [Palmetto College Central Financial Aid Office](#), the campuses are mandated to insure/provide the following:

- Allow borrowing only within the cost of attendance.
- Provide each student borrower with an award notification link, where he/she can review a summary of the total loans borrowed at the University. The link to the National Student Loan Data System is also available for each student to review his/her federal student loan history.
- Provide comprehensive entrance and exit loan counseling.

The office also maintains a [Financial Literacy and Default Prevention](#) website for the campuses to provide to students:

- [Loan Information](#) to include entrance and exit counseling
- [Consumer Protection](#)
- [Credit and Debt Management](#)
- [Loan Default Prevention](#)
- [Saving](#)
- [Student Loan Debt Management](#)

There are several additional resources and activities in place to provide guidance and information to students relating to financial management:

- [The Financial Literacy and Default Prevention](#) website is available for all enrolled and prospective students and their family members.
- [New student orientation slideshows](#) are presented on the various types of financial aid and includes a discussion of Loans, Loan limits, interest rates, average repayment rates, and responsible borrowing.
- Presentations are made to [freshman seminar \(UNIV 101\)](#) courses, providing information on loan borrowing, repayment options, and repayment rates. Information related to personal debt management, credit cards, credit scores and other financial management details is also shared.
- During visits to high schools for recruitment, [financial aid workshops](#) are offered through a slide presentation that includes a discussion of Loans, Loan Limits, Interest rates, average repayment rates, and responsible borrowing.

Loan Counseling & Resources

Entrance counseling is mandatory for any student who wants to borrow a [Federal Student Loan](#). This is administered by studentaid.gov and supported through each of the campus financial aid offices. Exit Counseling is mandatory and is sent to all students who graduate or drop below half-time attendance. The students receive a letter telling them how to complete exit counseling on the website, and a second letter is sent a month later.

- [Entrance Loan Counseling](#) is required to ensure that students understand the responsibilities and obligations they are assuming.
- [Exit Loan Counseling](#) provides important information to prepare you to repay your federal student loan(s). Students who have graduated, withdrawn, or dropped below half-time registration status and have received a subsidized, unsubsidized or PLUS loan under the Direct Loan Program or the FFEL Program must complete exit counseling.

Financial Literacy Week, called "[Money Smart Week](#)," is held annually. Each year, it is somewhat different but includes educational games, presentations, and handouts. Materials are provided by the [Money Smart Week](#) partners:

- [Financial Aid Presentation](#)
- [Budget Worksheet](#)
- [Financial Literacy Activity Scenarios](#)

Students considering loans are provided with borrowing advice by experienced and credentialed financial aid counselors. Counselors help them evaluate their actual educational expenses and related financial needs, determine what aid is available to them, determine additional aid for which they can apply, evaluate what loans they might need and advise them on how much is wise to borrow, the interest rates, and when to consider increases. We may advise this for only one year or help the student evaluate his or her full four years of undergraduate education expenses.

Students that are on the delinquent loan report are contacted by phone and emailed monthly with contact information of their loan servicer, so that students can learn about payment options and avoid default.

Sources

-  [Board of Trustees Bylaws](#)
-  [Consumer Information](#)

-  Consumer Protection
-  Credit and Debt Management
-  Direct Loan Entrance Counseling Guide
-  Direct Loan Exit Counseling Guide
-  Federal Student Aid
-  Financial Literacy and Default Prevention
-  Loan Default Prevention
-  Managing Educational Debt Successfully (MEDS)
-  Money Smart Week
-  Palmetto College Financial Aid
-  Saving
-  Student Loan Debt Management
-  budget_worksheet
-  financial_aid_literacy_activity_scenarios
-  lancaster_financial_aid_presentation
-  lancaster_financial_aid_u101_presentation
-  lancaster_freshman_orientation
-  sumter_financial_aid_presentation