

What Are Your Loans Really Costing

by Brensha Williams

Student loans can be tricky business if you don't know what you are getting yourself into. According to FinAid.org, a financial aid information source, approximately two-thirds of four-year undergraduates leave college with debt. Student loans are the only type of debt that cannot be discharged by bankruptcy. Student loan debtors quickly find themselves saddled with despair if they are unable to pay back these loans.

Many students attend college in hopes of a better life, achieved through higher education. This philosophy has been taught to students as early as grade school. However, many advisors fail to educate students on the costs of higher education. Many students don't realize that whether or not they finish their degree program, they must still repay their loans.

Angela Harper of Washington, DC didn't understand the complete cost of her loan until she was required to start paying it back. "I never thought I would be repaying a student loan on a degree I never earned. I do automatic payments each month and it is hard to achieve other financial goals because of it. I wish I would have had more information before I took a loan. I was in school for a year in 1994 and I'm still paying on an initial loan of \$18,000. I've bought and paid off two vehicles since then."

Unfortunately, Harper isn't the only consumer struggling to pay back student loans. According to data provided by the Department of Education, the latest figures for federal student loans show that 11.8% of borrowers have defaulted. A student loan is considered to be in default status if you haven't made a payment for 270 days. Defaulting on student loans brings serious consequences. Defaulted loans may be subject to

wage garnishment, IRS tax refund offset, and ineligibility of deferments and additional student aid. Furthermore, it can hinder your ability to find a job and damage your credit score.

There are three types of loans undergraduate students should know about. They include federal loans provided by the government, federal loans provided by banks and other lenders and guaranteed by the government, and private loans. The experts say the best type of loan to consider is a federal loan. Federal Stafford loans have a low interest rate that does not fluctuate. These loans have the most flexible repayment options. In contrast, private loans do not offer as many options. Repayment plans are unusually high and many private loans can carry variable interest rates which can substantially increase the amount of the loan. Students should not sign any paperwork until they have verified their financial aid does not include any hidden private loans combined with federal loans.

Remember, if you do not understand the terms of your student loan, ask for help. Getting that extra money from a refund check can end up costing you a lot more in the end. If you really don't need that extra money to cover expenses, don't take it out. Consider getting a part-time job or take advantage of opportunities at your school to make additional money. Additionally, consider your program of study. What job opportunities will be available after you graduate? What is the starting salary for a college graduate? These are things you should consider before taking out any student loans to attend college. Having to repay on these loans can create financial burden, distress, and poor quality of life for years to come.

Black History Month Calendar of Events

by Francine Dunbar

- **February 15, 2010:** SAC Respect Your Roots: Hip Hop Summit
8:00pm Seabrook Auditorium
The program will showcase different aspects of hip-hop and how it relates to today's times. No admission charge.
 - **February 16, 2010:** Chancellor's Distinguished Speakers Series: Dr. David C. Driskell
6:00 p.m. Seabrook Auditorium
Renowned painter and collector of art, Driskell is also one of the leading authorities on the subject of African American art and the Black artists in American society. In 2000, he received the National Humanities medal from President Bill Clinton and in 2007 he was elected as a National Academician by the National Academy.
 - **February 22, 2010:** SGA Word on the Yard: It's Not What You Know, Its Who
6:00pm Shaw Auditorium
Open discussion forum focusing on little known prominent and significant blacks, and misconstrued Black History facts. The program is considered to be a cultural event by University College.
 - **February 22-26, 2010:** Art of the Masters Educational Panel Exhibit
Rosenthal Gallery
 - **February 26, 2010:** Showcase of FSU's Department of Performing and Fine Arts:
7:00 p.m. Arts Council, Downtown Fayetteville
Includes faculty performances, the Jazz Ensemble, the University Concert Choir and a performance of God's Trombones based on the work of James Weldon Johnson.
 - **February 26, 2010:** Book Signing for Charles Chesnutt Reappraised.
6:00 p.m. City Gallery Center and Books, 112 Hay Street Downtown Fayetteville
The book is a compilation of critical essays that reevaluate Chesnutt's legacy, introducing new scholarships reflective of the many facets of his fiction. Co-author and FSU professor Maria Orban will sign books from 6-8 p.m.
- ### ONGOING EVENTS
- • **Omega Psi Phi Fraternity Incorporated, Delta Gamma Chapter:** 6th Annual Carter G. Woodson Can Coin and Clothes Drive
Collecting nonperishable food items, donations, and gently used clothes everyday at the Rudolf Jones Student Center circulation desk. Money will also be collected at area McDonald's. Monies collected will be given as scholarships, food will go to Operation Blessing, and all clothes collected will go to Haitian relief.
 - • **Omega Psi Phi Fraternity Incorporated, Delta Gamma Chapter:** Black History Facts
Everyday at the lunch hour, Rudolf Jones Student Center circulation desk
The brothers of Omega Psi Phi Fraternity Incorporated will spread awareness of little known Black History facts.
 - • **Fayetteville State University** has been selected as the School of the Month for February by syndicated radio show host Tom Joyner. Support FSU's efforts to raise money for scholarships for deserving students by tuning in to WUKS 107.7 to listen to the show.
 - • **The Fayetteville Arts Council:** Art of the Masters: A Survey of African American Images 1980-2000 through 3-20-10.
Co-sponsored by FSU, this inimitable exhibition of more than 60 works brings together a roster of venerated artists who solidly established their careers in the previous century. Some are founders and long-time members of The National Conference of Artists (NCA). For more information, please call 910-323-1776.