



# COLLEGE PLANNING



## Aid For College-Bound Students

(NAPSA)—Higher education is the best investment students can make in their future. Not only are college graduates more likely to have jobs, their education provides substantial benefits to society and the economy overall, as well as the quality of life for the individual.

So if you are thinking about higher education but are concerned about affordability, here are some important facts about the Federal Family Education Loan Program (FFELP). Unique to the program is its source of funds: the private capital markets.

Created by Congress in 1965, FFELP delivers and administers guaranteed student loans for students and their parents. Roughly 78 percent of all student loans, more than \$50 billion in academic year 2004-2005 was provided under FFELP. And according to projections made by the Department of Education, federal student loan volume is expected to grow to nearly \$64 billion by 2009.

The foundation of FFELP is choice. This is important because students can choose among numerous loan providers to determine the program and loan product that are right for their individual needs. Choice has created a competitive marketplace for student loans, with students, parents and schools benefitting from this competition.

Competition among the FFELP loan providers has resulted in lower loan costs for students and specialized loan services—as well as lower interest rates for on-time payment, low-rate alternative loans and loan forgiveness plans—that best meet the needs of



### **A federal loan program gives students choices in obtaining funds for college.**

schools, students and parents. As a result, everyone benefits.

- FFELP offers schools superior service and a wide range of support, which relieves school personnel of administrative tasks and frees up school resources to be available for institutional aid and other education purposes.

- Students, parents and schools benefit from the latest electronic and information technology developed in the private sector. They benefit too from loan providers that can adopt new technologies quickly and nimbly to meet the needs of their customers. FFELP loan providers do more than just make or guarantee loans. They invest significant amounts of time, energy and resources into programs to increase access to postsecondary education, manage debt and prevent defaults, all of which are included in their customer-focused support services.

For more information about the FFELP, contact your college financial aid administrator or visit [www.CollegeBoundAid.com](http://www.CollegeBoundAid.com), an informational Web site provided by the Consumer Bankers Association.