

FFELP Processing and Closing Dates

Since 1978, the Kentucky Higher Education Student Loan Corporation (KHESLC) has been honored and privileged to work with its school partners in the administration of the Federal Family Education Loan Program (FFELP). By working together, we have improved the lives of countless students by helping them pursue higher education.

The Health Care and Education Affordability Reconciliation Act of 2010 ends FFELP beginning July 1, 2010; and new loans will be made through the Federal Direct Loan Program administered by the U.S. Department of Education. To help ensure a smooth transition and uninterrupted federal loan access to students, KHESLC is providing the following closing dates for its postsecondary school partners.

- For FFELP loans that are first disbursed by April 19, 2010, KHESLC will fund subsequent disbursements regardless of the date of the final scheduled disbursement.
- For FFELP loans that are first disbursed between April 20, 2010, and June 30, 2010, KHESLC will fund subsequent disbursements made no later than September 30, 2010.

KHESLC will continue to provide friendly and knowledgeable customer service for its existing FFELP borrowers. KHESLC's goal has been, and will continue to be, making repayment as simple and convenient as possible.

In anticipation of an end to FFELP, KHESLC has been pursuing other opportunities that it hopes will enable the agency to continue providing higher education programs and services to students, families, and postsecondary schools. Some of these include origination of supplemental loans for borrowers who need more than federal loans allow; technical services and marketing of software; student loan servicing; and default prevention services. We are also pleased with provisions that will enable nonprofit agencies to continue serving students. The reconciliation bill provides:

- Funding to nonprofit agencies to help retain jobs and continue to provide local service to students and families.
- The opportunity to provide federal loan servicing for at least 100,000 student loan accounts.
- Federally funded College Access Challenge Grants for outreach programs to ensure students and families are aware of higher education opportunities and student financial aid programs.

As KHESLC enters a new era in the administration of student financial aid programs, the agency stands committed to its mission and will continue to use its energy, experience and resources to assist students in pursuit of their educational dreams.