Cancellation

A borrower may have all or part of their Perkins Loan canceled annually (including interest) for full-time employment in certain types of service fields including:

- Teacher in a low-income school or educational service agency
- Law enforcement or corrections officer
- Teacher in a shortage field (science, math, foreign language)
- Special education teacher
- Nurse or medical technician
- Speech pathologist (Title 1 school)
- Qualified professional provider of early intervention services

Cancellations are based on when your loan was disbursed and the type of service you are providing. You must notify the Bursar Office if you believe you qualify for a cancellation, and you will be required to provide supporting documentation from your employer.

The University of Texas at Dallas
Bursar Office SSB21
800 W. Campbell Rd.
Richardson, TX 75080

Phone: 972-883-2296
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bursaroffice@utdallas.edu
Repayment of Perkins Loan

This guide outlines your rights and responsibilities in repaying your federal Perkins Loan. This information is crucial in understanding how to prevent your loan from entering into default.

Perkins Loans have a nine-month grace period after graduation or when enrollment drops below half-time as a degree-seeking student. During the grace period, payment is not due and interest does not accrue. After the grace period has elapsed, arrangements must be made to either repay the loan or postpone payment.

It is your responsibility to repay your loan according to the signed promissory note.

The minimum payment amount on a Perkins Loan is $40 per month. The maximum repayment period is 10 years; therefore, your monthly payments could be higher depending upon the total amount of your loan.

If you have trouble making your payments or believe that you have an extenuating circumstance that should be taken into consideration, contact the Bursar Office at 972-883-2296 for assistance.

Consolidation

A Direct Consolidation Loan allows a borrower to combine multiple federal student loans into one loan. The result is a single monthly payment instead of multiple payments to multiple servicers. A Direct Consolidation Loan has a fixed interest rate for the life of the loan. To apply, visit www.loanconsolidation.ed.gov or call 1-800-557-7392.

Deferment

Under certain circumstances, a borrower is entitled to have the repayment of a loan deferred. During deferment, payment is not required and interest does not accrue. Deferments can be granted for the following reasons:

- Enrolled as at least a half-time, degree-seeking student
- Enrolled in a graduate fellowship and/or rehabilitation training program
- Economic hardship
- Serving or retired from active duty in military service
- Seeking and unable to find full-time employment

You must notify the Bursar Office to request a deferment. Forms and other documentation may be required. For more information or assistance, please contact the Bursar staff.

Default

If you default on your Perkins Loan, it means that payment has not been made according to the terms of your promissory note, a binding legal document that was signed at the time that your loan was disbursed. The University of Texas at Dallas and the federal government can take action to recover the money you owe.

Consequences of default include:

- Income tax refunds withheld and applied toward amount owed
- Ineligibility for additional federal student aid
- Late fees and collection costs added to what you already owe
- Wage garnishments
- Notification to national credit bureaus, potentially harming your credit score

Loan Rehabilitation

Default occurs when two or more payments are missed. You may rehabilitate a defaulted Perkins Loan by making nine consecutive, on-time monthly payments. A rehabilitated loan is returned to regular repayment status.

Discharge

A loan may be discharged (canceled) if the borrower becomes disabled or dies, or in certain cases involving bankruptcy. Contact our office for more information.