



Student Loan Program

About LPFA and Lela – Our Mission

The Louisiana Public Facilities Authority (“LPFA”) established its student loan program in 1984 to make higher education more accessible and more affordable to students and parents in Louisiana. LPFA operates and markets its student loan program under the name of Louisiana Education Loan Authority (“Lela”).

LPFA is a **non-profit public trust** established in 1974 whose mission is to further education, healthcare, economic development, and job creation in Louisiana in order to make Louisiana a better place to work, live, and raise our families. Since 1974, the LPFA has issued over **\$17 billion in bonds** and LPFA financings have led, on average, to an **additional 7,745 to 8,333 jobs per year** and **additional personal earnings of \$158.6 to \$202.3 million per year** for the Louisiana economy.

Student Loan Program Profile/Statistics:

Borrowers: LPFA’s student loan programs have provided loans to more than **360,000** students and parents since 1984. Our discounted student loan program, SuperTop, has provided loans to over **54,000** students and parents. Lela is the second largest provider of student loans in Louisiana and is Louisiana’s only statewide student loan secondary market.

Portfolio: **\$462,491,219** in loans was outstanding as of March 2007. Over **\$1.47 billion** in bonds have been issued to fund loans as well as to purchase loans on a secondary market basis since 1984. **In 2006, LPFA originated over \$158 million in SuperTop loans**, including consolidations.

SuperTop Savings for Students and Parents:	\$133.72 Million Potential Savings
(From inception in 1995 through December 2006)	\$ 52.61 Million Estimated Savings
	\$ 29.68 Million Guaranteed Savings

Current Programs – Benefits to Students and Parents

LPFA’s SuperTop program is one of the best and most innovative student loan programs in the country and has been cited by *Business Week* as one of the places “Where the Discounts Are”. Currently, **students can save over 53%** and **parents can save over 41%** in interest and fees during the life of their loan. LPFA’s current savings include:



No Origination Fee for student borrowers! Lela pays all origination fees imposed by the Department of Education for student borrowers —that means more money in the student’s check up front when it is needed most

3% Interest Rate Reduction if the first three years of payments are made timely

Auto Debit Service reduces the interest rate by 0.25%

No Default Fee for Stafford borrowers and Grad Plus borrowers



Rebates of up to 6% of Loan Amount — Obtain a Stafford or Grad Plus loan through Lela, graduate, and work and live in Louisiana for three years to earn rebates of up to 6% of the loan principal balance (1% after the 1st year, 2% after the 2nd year, and 3% after the 3rd year)



0% interest loans for Louisiana Public School Teachers — Current teachers or students studying to be a teacher who obtain a Stafford loan through Lela can have the interest on their loan waived so long as they are a Pre-K through 12th grade teacher in a Louisiana public school system

Louisiana’s Non-Profit Student Loan Provider

Lela's Programs and Savings Features

(effective July 1, 2007- June 30, 2008)



STAFFORD LOAN SAVINGS (Subsidized & Unsubsidized loans for undergraduate and graduate students)

- 0% Origination Fee (Lela will pay the 1.5% fee on the borrower's behalf)
- 0% Federal Default Fee (Lela will pay the 1% fee on the borrower's behalf)
- 3.00% interest rate reduction if first 36 payments are made timely.
- 0.25% interest rate reduction for auto-debit service.
- *Graduates Choose Louisiana Reward*-Receive up to a **6% rebate** (see details below)
- HELP Teachers Program - **0% interest** loans for TEACHERS (see details below)

Students can **save over 53%** in interest, rebates and fees throughout repayment!

GRAD PLUS LOAN SAVINGS (for graduate students)

- 0% Federal Default Fee (Lela will pay the 1% fee on the borrower's behalf)
- Graduate students can receive a rebate for 6 months interest (over a 4% savings) via loan principal reduction
- 3.00% interest rate reduction if first 36 payments are made timely.
- 0.25% interest rate reduction for auto-debit service
- *Graduates Choose Louisiana Reward*-Receive up to a **6% rebate** (see details below)

Graduate students can **save over 55%** in interest, rebates and fees throughout repayment!

PLUS LOAN SAVINGS (for parents)

- Parents can receive a rebate for 6 months interest (over a 4% savings) via loan principal reduction
- 3.00% interest rate reduction if first 36 payments are made timely.
- 0.25% interest rate reduction for auto-debit service

Parents can **save over 41%** in interest, rebates and fees throughout repayment!

GRADUATES CHOOSE LOUISIANA REWARD - additional savings for Stafford and Grad PLUS borrowers

Obtain a Stafford or Grad PLUS loan through Lela. Live and work in Louisiana for three years immediately after graduation to receive up to a **6% rebate** of your original loan principal balance.

HIGHER EDUCATION LOAN PROGRAM (HELP TEACHERS)

0% interest loans for Louisiana public school teachers

Obtain a Stafford Loan through Lela. Teach in a Louisiana public school, grades K-12, and apply to receive an **INTEREST WAIVER** on your Stafford loans.

0% INTEREST LOANS FOR LOUISIANA NURSES (Coming - Fall 2007)

CONSOLIDATION SAVINGS PROGRAM BENEFITS

- 1.00% interest rate reduction if first 36 payments are made timely.
- 0.25% interest rate reduction for auto-debit service

Lela can help you determine if **CONSOLIDATION** is right for you.

For more information:

www.lela.org • 1-800-228-4755 • Lender ID 805149



Consolidation



About LPFA and Lela – Outreach Efforts

The LPFA's scope goes beyond issuing bonds; we reach out to communities and clients by coordinating, assisting, encouraging and working with other entities to achieve economic development and expand access to higher education for the people of Louisiana.

Programs and Outreach Services supported by LPFA in Louisiana (Economic Development):

- **School Board Advance Funding** is a program offering a short-term budgetary borrowing, which enables school boards to obtain some of their expected revenues “up front” and later repay their loan in the fiscal year upon collection of tax receipts.
- **Equipment & Capital Facilities Pooled Loan Program** is a program that provides low interest rate loans for construction of capital facilities on behalf of non-profits, governmental entities, hospitals, health care facilities and educational institutions.
- **Small Issue Industrial Development Bonds (IDBs)** is an active program for small IDBs to finance manufacturing facilities for “for profit” entities. With this program, the borrower will find the process streamlined with less paperwork and lower costs of issuance.
- **The LouLease Program** is a lease to own program that helps qualified families purchase a home. Through this initiative, families overcome blemished credit, lack of credit, or lack of funds for a down payment to purchase a home in a safe and responsible way.
- Through the **Local Government Bond Bank Program**, the LPFA is able to participate in a portion of a local government's borrowing at zero percent interest, which decreases the effective interest rate at which participants borrow and save tax payers money. **Since its inception in 1999, the program has saved more than \$1 million for participating entities.**
- **Rural Development Zero Percent Interest Loan Program** is a program much like the Bond Bank Program. This program buys down interest rates on interim financing for projects that promote Rural Development – such as sewer systems, water treatment plants and other construction – once again saving taxpayers money.

Other Programs and Outreach Supported by LPFA:

- Rural Health Access Fund
- Governor's Conference on Economic Development
- Vision 2020 Choose Louisiana Campaign
- LPFA chair in Nutrition at the LSU Pennington Biomedical Research Center
- Louisiana Business Incubation Association
- Audubon Institute Riverfront Development
- Tax-Free Shopping Program
- Southern University Law Center Summer Internship Program
- “Wall Street Week” –Louisiana Public Broadcasting
- Louisiana Chapter National Conference of Black Mayors

Outreach Services supported by Lela in Louisiana (Education):

- **SuperTop Lender Referral Program** – Enables small to mid-size Louisiana lenders to offer student loans to their customers on a referral basis. Presently we provide this program to 43 lenders.
- **Financial Aid Awareness Month (FAAM) campaign** – The Governor's office has traditionally issued a proclamation declaring February FAAM. The activities launched in conjunction with this campaign include financial aid seminars and workshops, a scholarship essay contest, online scholarship drawings, workshop scholarship drawings, press releases, Public Service Announcements, and FAAM information kits.
- **Louisiana Office of Student Financial Assistance (LOSFA):** statewide Guidance Counselor and Tuition Opportunity Program (TOPS) Workshops; Trailblazer Senior Camps; Parent Nights
- **Academic Distinction Fund (ADF)**
- **Extended Hours Campaign for Registrations**
- **Financial Aid Awareness/ Orientation/ Exit Sessions and Workshops**
- **Financial Aid Awareness Workshops for Communities**
- **Louisiana Association of Financial Aid Administrators (LASFAA) Student Aid Awareness Projects**
- **Great Scholarship Links for Students**
- **Legislative Education Related Events** – Sponsor and Participant. Events include the Education Parade, NOBEL meeting honoring students; St. Bernard Day;
- **Senior Guide Checklist**
- **Financial Aid Access Publications/Resource Materials**
- **Louisiana Association of Collegiate Registrars and Admissions Officers (LACRAO) Workshops**
- **Louisiana University Orientations and Financial Aid workshops**
- **Public Service Announcement Projects and News Releases on Financial Aid Awareness**
- **Statewide High School Career Day Events** – Attend and distribute awareness materials to over 50 annually
- **University of Louisiana at Lafayette Summer Success Program** – Targets at risk first time Freshmen focusing on tips for retention.
- **Louisiana New Teacher Training Workshops**
- **Louisiana State Superintendents Association Initiatives**
- **LASFAA Financial Aid Support Training (FAST)**