



## **Transferring ACPE's Federal Family Education Loan Program FAQs**

The Alaska Student Loan Corporation (ASLC) and the Alaska Commission on Postsecondary Education (ACPE) have contracted with American Education Services (AES) to service ACPE's federal loans, starting April 1, 2020. If you have federal loans with ACPE, this means that AES will take over the servicing of those loans.

The following FAQs provide information regarding the transfer of ACPE's federal loan servicing activities to AES and will continue to be updated as new information becomes available.

### **ACPE Federal Family Education Loan Program (FFELP) Servicing Transfer**

- **Are my loans being sold?**

No. The Alaska Student Loan Corporation (ASLC), who owns your federal loans with ACPE, is not selling your loans, but is transferring the servicing of your loans to AES. This means that although your loans are owned by ASLC, AES will be your contact for managing your loans and for repayment.

- **Why is ACPE transferring the servicing of my federal loan?**

By transferring the servicing of our federal loans, ACPE can significantly reduce its costs of servicing. These cost savings allow us to continue to offer alternative loans to students and parents at the lowest interest rates possible.

- **Who is American Education Services (AES)**

AES is a national student loan servicer, with more than 50 years of experience helping borrowers manage and pay off their federal student loans. AES is a national leader in providing quality customer service to millions of student loan borrowers. AES will provide ACPE federal loan borrowers with the following options:

- Robust online and mobile customer account services to help you manage your account;
- One-time and recurring payment options;
- Paperless billing;
- Convenient, flexible options to make it easy to pay back your student loan; and
- Tools and resources so you can stay up-to-date and knowledgeable about the world of student loans.

- **Do I need to give permission for ACPE to make this change?**

By signing the federal promissory note, you gave your consent for your lender to transfer your loans to a new servicer. Please note the terms and conditions of your loan(s) are not changing and you will have

access through AES to all the deferments, forbearances and repayment options to which you are entitled.

- **When will my ACPE federal loans be transferred?**

The transfer is scheduled to occur April 1, 2020. More information will be available in the coming weeks. We have notified customers with federal education loans and will continue to send updates and instructions throughout the transition from ACPE and AES.

- **What is the difference between ACPE's federal and alternative loans?**

ACPE originated federal loans under the Federal Family Education Loan Program (FFELP) from 2002-2010 as a low-cost option for financial aid. The FFEL Program was replaced by the federal Direct Loan Program, currently in place today. There are four types of loans under the FFELP program:

- Subsidized Stafford Loans;
- Unsubsidized Stafford Loans;
- Federal PLUS Loans; and
- Federal Consolidated Loans.

ACPE's alternative loans are state loans, not federal loans. If you have alternative loans with ACPE, those alternative loans will not be transferred to AES, and ACPE will continue to service the alternative loans. ACPE offers a variety of alternative education loans to help supplement federal funding (such as Alaska Supplemental Education Loans, Family Education Loans, Refinance Loans, and other non-federal state education loans).

- **Is the transfer affecting my ACPE alternative loans?**

No, ACPE will be transferring the servicing of its federal loans only. ACPE will continue to service its [alternative loans](#).

- **What are my options if I don't want AES to service my loans?**

You can consolidate your federal loans from ACPE to a Direct Consolidation Loan, or you can refinance them with ACPE. ACPE's Alaska Refinancing Loan Program (Refi Loan) provides Alaska residents the opportunity to consolidate private, state, and federal education loans from any qualified lender. The Refi loan has a low, fixed interest rate, no hidden costs or qualification criteria, and is serviced by ACPE.

Even though refinancing offers many advantages, be sure you understand what you may be giving up. Certain benefits afforded to federal loans do not carry over when you refinance. Examples include forgiveness, deferments, and income-based repayment plans available on some federal loans, or ACPE's 48-On Time Payment cost reduction or Auto Pay benefit. For more information, please visit: [acpe.alaska.gov/refi](http://acpe.alaska.gov/refi).

For information about a federal Direct Consolidation Loan, visit: [studentloans.gov](http://studentloans.gov).

- **When will I receive information from AES about the transfer of my federal loans?**

You should begin receiving communications from AES two or three weeks prior to the April 1, 2020 transfer. Federal loan borrowers will be sent a welcome packet by mail and a welcome email in the

coming weeks. Please confirm your contact information is up-to-date with ACPE to ensure you receive these important communications from AES.

- **What if I don't receive a letter or email communication from AES?**

If you do not receive a welcome packet or email communication from AES in April 2020, please contact ACPE Customer Service at 800-441-2962 (465-2962 in Juneau) Monday through Friday, 8:30 AM - 4:30 PM AKST, except Wednesdays, when phone lines open at 10:00 AM.

- **What is AES' contact information?**

Once your federal education loans have been transferred to AES, you can contact them using the following information:

**Correspondence:** American Education Services  
P.O. Box 2461  
Harrisburg, PA 17105-2461

**Payments:** American Education Services  
P.O. Box 65093  
Baltimore, MD 21264-5093

**Phone Number:** Customer Service: 800-233-0557  
Monday – Friday, 7:30 a.m. to 9:00 p.m. EST  
(3:30 a.m. to 5:00 p.m. AKST)

**Website:** [aesSuccess.org](http://aesSuccess.org)

- **Will AES customer service be open during Alaska business hours?**

Yes, AES customer service representatives are available Monday through Friday, 7:30 AM - 9:00 PM EST, which is 3:30 AM – 5:00 PM AKST.

- **Can I still contact ACPE's customer service if I need help with my loans?**

If you have federal education loans with an outstanding balance as of the date of transfer, you will need to contact AES to manage and repay your federal student loan(s). Please contact AES toll-free at 1-800-233-0557 Monday through Friday, 7:30 AM - 9:00 PM EST, which is 3:30 AM to 5:00 PM AKST.

ACPE will continue to provide service for your alternative education loans (such as Alaska Supplemental Education Loans, Family Education Loans, Refinance Loans, and other non-federal state education loans). For questions or assistance, please contact ACPE Customer Service at 800-441-2962 (465-2962 in Juneau) Monday through Friday, 8:30 AM - 4:30 PM AKST, except Wednesdays, when phone lines open at 10:00 AM.

- **Will I continue to have access to my ACPE online account once my federal loans are transferred to AES?**

Yes, you will continue to have access to your ACPE online account for any alternative loans and for your historical federal loan information. If you have federal education loans with an outstanding balance as of April 1, 2020, you will need to contact AES to manage and repay your federal student loan(s). Please contact AES toll-free 1-800-233-0557 Monday through Friday, 7:30 AM - 9:00 PM EST, which is 3:30 AM – 5:00 PM AKST.

- **Will I have a new account/reference number?**

Yes, AES will assign a new account number for your federal education loans. Your new AES account number will be sent to you directly by AES. Use your new account number when corresponding with AES. If you have alternative loans with ACPE, you will continue to use your ACPE reference number when corresponding with ACPE.

- **Will my due date remain the same with AES?**

Yes, your due date will remain the same; however, if you want your due date changed prior to the transfer, please contact ACPE Customer Service at 1-800-441-2962 (465-2962 in Juneau) Monday through Friday, 8:30 AM - 4:30 PM Alaska Time, except Wednesdays, when phone lines open at 10:00 AM. Payment due dates are scheduled from the first through the 28th of the month.

You can also request a due date change with AES once your loans have transferred. Please contact AES toll-free 1-800-233-0557 Monday through Friday, 7:30 AM - 9:00 PM EST, which is 3:30 AM – 5:00 PM AKST.

- **Will my monthly payment remain the same?**

The process of converting federal loans to AES' servicing system may result in a slight change in your monthly payment amount, although the total amount of your debt over the full term of the loan will remain the same. If you have questions about your payment amount after transfer, please contact AES toll-free 1/800-233-0557 Monday through Friday, 7:30 AM – 9:00 PM EST, which is 3:30 AM to 5:00 PM AKST.

- **Will I continue to receive the same borrower benefits?**

Yes, any ACPE borrower benefits you qualify for will transfer with your loans to AES.

- **Will I continue to receive a monthly billing statement from ACPE?**

No, after April 1, 2020 your billing statement for your federal loans will come from AES. You will continue to receive a monthly billing statement from ACPE for any alternative loans.

Following the transfer, AES will provide monthly billing statements for your federal education loans and ACPE will provide monthly billing statements for your alternative education loans. If you have both alternative and federal education loans, you will need to remit payments separately.

- I enrolled in paperless billing with ACPE; will my enrollment transfer to AES?**

No, but you will have the option to enroll in AES' paperless billing and get monthly email reminders when your payment is due. AES' paperless billing allows you to sign in and pay or view your bill from the secure Account Access link included in the monthly email reminders.
- Does AES offer a telephone payment option?**

Yes, AES allows customers to make an Electronic Funds Transfer (EFT) payment from a bank account through their Interactive Voice Recognition (IVR) or with a Customer Service Representative. Customers have the ability to schedule up to eight (8) payments per month, up to 60 days in the future. Payments are effective the same day the payment is submitted unless a future date is selected. Note that it may take up to two weeks after transfer before online and telephone payment options are available at AES. If you need to make a telephone payment during that time, please contact our Customer Service Center at 800-441-2962 (465-2962 in Juneau) Monday through Friday, 8:30 AM - 4:30 PM AKST, except Wednesdays, when phone lines open at 10:00 AM to ACPE.
- Does AES offer an online recurring payment option?**

Yes, starting on April 16, Alaska customers can enroll in AES's free automatic payment service called Direct Debit. With Direct Debit, AES can electronically withdraw your scheduled monthly payment – along with any additional amount you request from your bank account, on your scheduled due date, the 1<sup>st</sup> through the 28<sup>th</sup> of each month. You can sign up for AES' Direct Debit online after April 16 by visiting [aesSuccess.org](http://aesSuccess.org).
- Does AES offer one-time online payments?**

Yes, starting on April 16, Alaska customers can access AES' online payment solution and mobile application to make an Electronic Funds Transfer (EFT) payment from a bank account. Customers have the ability to schedule up to eight (8) payments per month, up to 60 days in the future. You can make payments effective the same day the payment is submitted or schedule a future date.
- When will AES begin accepting payments for my federal loans?**

AES will begin accepting payments by mail effective April 1, 2020; however, the process of migrating your federal education loans to AES' servicing system may take up to two weeks to complete; therefore, their online and telephone payment options will not be available until April 16. If you need to make a telephone payment during that time, please contact our Customer Service Center at 800-441-2962 (465-2962 in Juneau) Monday through Friday, 8:30 AM - 4:30 PM AKST, except Wednesdays, when phone lines open at 10:00 AM to ACPE.
- Can I continue to send my federal loan payments to ACPE?**

You can continue to make your scheduled monthly payments to ACPE until the conversion process is complete, approximately two weeks from the transfer date of April 1, 2020. After that, you must make your federal loan payments to AES.

- **Will my online payment information transfer to AES?**

No, your one-time and recurring payments scheduled with ACPE will not transfer to AES. Once the conversion process with AES is complete, you will have the option to schedule one-time and recurring payments with AES, at [aesSuccess.org](https://aesSuccess.org).

- **What will happen to my existing recurring payment with ACPE?**

At the time of transfer, April 1, 2020, AES will begin migrating your federal education loans to their servicing system. This conversion process may take up to two weeks to complete. If you have a one-time or recurring payment scheduled with ACPE between April 1, 2020 and April 15, 2020, your payment will process as scheduled. However, you will not have the option to schedule a new online payment for your federal loans(s) during this period.

Effective April 16, 2020, ACPE will cancel all federal loan and combined alternative and federal loan payments previously scheduled through ACPE's website, and you will need to set up a new online payment for federal loans with AES, at [aesSuccess.org](https://aesSuccess.org). If your recurring payment with ACPE is for both federal and alternative (state) loans, you will also need to set up a new recurring payment with ACPE for your alternative loans.

- **If I sign up for Direct Debit with AES, will I receive the 0.25% interest rate reduction?**

Yes, you may be eligible to receive a 0.25% interest rate reduction on your federal loans by authorizing AES to automatically deduct qualifying loan payments from a checking or savings account during the in-school, grace, and repayment periods. The reduction will remain in effect as long as qualifying automatic payments continue without interruption and the following conditions are met:

- **In-school/Grace/Deferment/Forbearance Period** - Payments made during the in-school, deferment and forbearance periods must be a minimum of \$50.00 per loan.
- **Repayment Period** – Your loan must be current in repayment and payments must be a minimum of \$5.00.

- **Does AES offer an online third-party payment service?**

AES does not have an online third-party payment service. If a family member or other individual is paying on your federal loans through ACPE's online third-party payment system, this service will not transfer to AES; however, family members can continue to schedule alternative loan payments through this payment channel. Following the transfer, federal loan payments can be made by mail or by telephone with an AES Customer Service Representative.

AES will begin accepting payments by mail effective April 1, 2020; however, the process of migrating your federal education loans to AES' servicing system may take up to two weeks to complete; therefore, AES' telephone payment option will not be available until April 16. If you or a family member needs to make a telephone payment during that time, please contact our Customer Service Center at 800-441-2962 (465-2962 in Juneau) Monday through Friday, 8:30 AM - 4:30 PM AKST, except Wednesdays, when phone lines open at 10:00 AM to ACPE.

Note, effective April 16, 2020, ACPE will cancel all federal loan and combined alternative and federal loan payments previously scheduled through ACPE's online third-party payment system.

- **Does AES accept debit or credit cards as a form of payment?**

No, AES does not accept debit or credit cards. Payments can be made from a checking or savings account, or by money order.

- **Can I manage my loans with AES online?**

Yes, following the transfer process you can manage your federal loans anytime by accessing your online account at [aesSuccess.org](http://aesSuccess.org).

With AES' online account access you can get an at-a-glance view of your account including the ability to view loan details, view your payment history, see your monthly bill, and view tax information. You will also have the ability to update your address, email, or telephone numbers.

- **I don't know my AES account number. How do I get it?**

AES will assign you a unique 10-digit account number to use in place of your Social Security number. Your AES account number will be provided in the welcome letter scheduled to be mailed in April 2020. If you do not receive a welcome packet or email communication from AES in April, please contact ACPE Customer Service at 800-441-2962 (465-2962 in Juneau) Monday through Friday, 8:30 AM - 4:30 PM AKST, except Wednesdays, when phone lines open at 10:00 AM.

- **How will my federal loans be reported to the credit bureaus before and after the transfer?**

At the time of transfer, ACPE will report the status of your federal loans for the applicable month. Each federal loan listing (tradeline) on your credit report will display as transferred and reflect a zero balance with ACPE. This rating is a final status; no further activity will be reported by ACPE to the credit bureaus for these loans.

AES will begin reporting the status of your federal loans under a new listing (tradeline) with the credit bureaus. Please note, it may take up to 60 days before your federal loans will display on your credit report under AES; however, you will see no lapse in your monthly payment history.

We know changes like this can be confusing, so please don't hesitate to contact us if you have any questions at all. More information regarding the transfer of ACPE's federal loan servicing to AES will be available in the coming weeks. If you have any questions, please email us at [ACPE@alaska.gov](mailto:ACPE@alaska.gov), visit our website, or contact us at the telephone number or address listed above. Please include your name, account number, address, and telephone number on all communications.

Sincerely,

Alaska Commission on Postsecondary Education