

SASFAA Executive Board Meeting Minutes

**July 29, 2000
Adams' Mark Hotel
Mobile, Alabama**

CALL TO ORDER

President Bill Cox called the meeting to order at 9 AM.

WELCOME

President Bill Cox recognized AASFAA President, Dee Talley. She welcomed the SASFAA executive board to Mobile on behalf of her colleagues in the state.

ANNOUNCEMENTS AND INTRODUCTIONS

The following board members were president: Bill Cox, President; Mary Givhan, Past President; Clark Aldridge, President-Elect; Rose Mary Stelma, Vice President; Karen Koonce, Treasurer; and Guy Gibbs, Secretary.

State presidents in attendance were: Dee Talley, Alabama; Richard Ritzman, Florida; Gary Mann, Georgia; Sandy Neel, Kentucky; Steve Greenough, Mississippi; Lisanne Masterson, North Carolina; Mike Fox, South Carolina; Darolyn Porter, Tennessee; and Nancy Roberts, Virginia.

Committee chairs in attendance were: Ellen Green, Archives/Research; Lynne Reinstadtler, Conference; Judy Deines, Decentralized Training; Pennie Hill, Diversity issues; Lester McKenize, Electronic Services; Charles Vinson, Finance and Audit; Dick Smelser, Legislative Advocacy; Julia, Perreault, Newsletter; and Lisa Tumer, Sponsorship.

Liaison representative in attendance were: Steve Brooks, Agencies; Kathy Campbell, Lenders; and Greg Martin, US Department of Education.

President Cox reminded the board that all are encouraged to participate in discussion and that their input is very valuable to decisions made. He reminded the board that only the elected officers and state presidents have voting rights.

CHANGES TO THE AGENDA

There were no changes to the agenda.

APPROVAL OF THE MINUTES

Rose Mary Stelma moved to accept the minutes of the June 9, 2000 meeting. The motion, seconded by Karen Koonce, was approved unanimously.

OFFICER'S REPORTS

Report from the President Submitted by Bill Cox

President Cox indicated that he had attended the NASFAA annual conference held in Washington, DC. He attended the NASFAA board meeting that was held in conjunction with the conference. One of the discussions during the board meeting concerned a case from St. Louis University. The judge in this case ruled that institutions have authority to make professional judgment decisions. It was noted that decisions

must be made on an individual basis rather than as a group.

Report from the Vice President for Professional Development Submitted by Rose Mary Stelma

Attended Wednesday to Friday of the Summer 2000 New Aid Officers Workshop at Furman University (Greenville, SC). It was a very successful workshop. The evaluations that I reviewed were positive.

Michael Morgan, Transylvania University, Kentucky, will serve as Curriculum Coordinator for Summer 2001 New Aid Officers Workshop. Michael has been an instructor for 3 years and will do an outstanding job in this role.

Bridget Ellis, SallieMae (NC), has agreed to serve as a lender assistant. Charlie Libretto, Bank of America (FL), has also been asked to serve as a lender assistant.

Solicitation of instructors for Summer 2001 New Aid Officers Workshop:

1. Emailed returning instructors from Summer 2000 Workshop for commitment to teach in 2001. To date, I have received that commitment from 4 of the 6 returning instructors – Maureen McFarlane (FL), Ruth Strum (FL), Brad Barnett (VA), B. J. Moncure (MS). Waiting to hear from Sally Dodd (NC) and Ray Tripp (GA).
2. Invited Bob Godfrey (SC) to be an instructor – he had been selected for 2000 but was unable to teach at the last minute due to a family health situation.
3. Emailed invitation to all those who listed Professional Development as their first or second choice on the volunteer form (as of June 8, 2000) to submit resume and summary of teaching/training experiences to me for consideration as an instructor for 2001 and 2002 by 8/15/2000.
4. Solicitation of others in serving as an instructor was included in the summer newsletter.
5. Instructors will be selected based on criteria listed in the SASFAA Policy & Procedure Manual.

Solicitation of sites for Summer 2001 and 2002 New Aid Officers Workshop:

1. Had Furman University *tentatively* schedule SASFAA for the June 15 to 22, 2001 time slot and requested a proposal for Summer 2001. Expect to receive this by end of August.
2. Solicitation for other sites appears in the summer newsletter.
3. Emailed invitations to the schools listed, inviting them to submit a proposal to serve as a site for 2001, 2002 or future years: Duke University, University of North Carolina at Charlotte, College of Charleston, Charleston Southern University, Birmingham Southern College, University of Tennessee at Chattanooga, Vanderbilt University, Rhodes College, University of Louisville, Eckerd College, Georgia Institute of Technology, Millsaps College, Peace College. These schools appeared to have the facilities needed and were in attractive locations. Asked that information be provided by 8/15/2000. As of today, UNC-Charlotte has indicated that they cannot host the workshop.
4. Site recommendations to the Executive Board will be based on facility, location, and price, and other criteria listed in the SASFAA Policy & Procedure Manual.

Other activities:

1. Provided list of responsibilities to returning instructors and curriculum coordinator, and lender assistants.
2. Provided slides from February 1999 one-day workshop to curriculum coordinator.
3. Provided self-assessment form and Summer 2000 agenda to curriculum coordinator.
4. Requested that Dick Smelser (curriculum coordinator for Summer 2000) send Summer 2000 curriculum materials to Michael Morgan (Summer 2001).
5. Requested list – from treasurer - of items for inclusion on registration form.

ACTION ITEM: Rose Mary Stelma moved to increase the summer workshop fee from \$600 to \$650. The motion was seconded by Clark Aldridge and passed unanimously.

Report from the President-Elect

Submitted by Clark Aldridge

I attended the NASFAA Leadership Training, March 5-7, 2000. This training provided me with valuable information relative to organizing my year, budgeting, legal issues, and legislative advocacy. But most important, it gave me an opportunity to meet and exchange ideas with my counterparts from other regions.

Echoing the recommendation of the GAP Committee, SASFAA should consider making this training available to all elected officers.

Lisa Tumer of James Madison University has agreed to serve as Conference Chair for the 2001 SASFAA Conference to be held in Louisville, Kentucky. In addition, David Wuinee of Bellarime College will serve as Local Arrangements Chair. Susan Little at the University of Georgia will conduct the State President-Elect Workshop for 2001.

During the next few months I will be reviewing the volunteer forms for selection of other committee chairs and members.

One of my goals for my year is to provide for additional training activities. To that end, I have been in discussion with Rose Mary Stelma concerning adding an intermediate training track to the SASFAA Summer workshop for next year.

Report from the Secretary Submitted by Guy Gibbs

Policy and Procedure Manual

The P&P Manual revisions were approved at the June 9 Executive Board meeting held at the Don Cesar Beach Resort and Spa, St. Petersburg Beach, Florida. Since that time efforts have been made to incorporate all of those changes to the Manual and the document was forwarded to the Board for a final review prior to the Board meeting in Mobile. Any additional changes will be made during the board meeting and incorporated in the Manual. Once complete the file will be forward to Lester McKenzie so that the document can be updated on the SASFAA website. All board members will also receive an electronic document that can be archived or printed.

You will note, "The Manual is intended to be a living document that will change as necessary to fit the Association's needs." Also, "All officers and committee chairpersons are responsible for identifying areas in need of new or revised policy guidance or procedural change and for recommending appropriate change. The Board must approve all new policies and procedures, as well as changes to the existing Manual."

Each board member is encouraged to continually review the document during the year to ensure that it reflects procedures being followed and furthers the mission of the Association.

ACTION ITEM: Guy Gibbs moved that Section 11.4, SASFAA Policy and Procedure Manual, be deleted. Motion seconded by Mary Givhan and approved unanimously.

ACTION ITEM: Guy Gibbs moved that Appendix E be added to the SASFAA Policy and Procedure Manual. The appendix will contain the Guidelines and Procedures for the Office of Treasurer. The motion was seconded by Karen Koonce and approved unanimously.

Minutes of Board Meeting

Board reports will be received either electronically or on disk from elected board, state presidents and committee chairs. Once received, the Secretary will incorporate these reports into a single document reflecting the activities of the board for that meeting. The minutes will then be forwarded to the board members for their review and correction. The minutes will then be submitted for approval at the next board meeting. Once approved the minutes will be forwarded to Lester McKenzie to be posted to the SASFAA website.

Report from the Treasurer Submitted by Karen Koonce

The treasurer indicated that she had been working with the chair of the finance and audit committee on the budget for 2000-2001. She indicated that the 1999-2000 year ended in the black and that a few bills remained to be paid for the summer workshop. It was also

indicated that some additional revenue for 1999-2000 was anticipated.

Credit cards had been ordered for new board members and distributed. The 990 form had been received and would be completed and filed prior to the deadline. Travel and miscellaneous expense vouchers had been revised and would be distributed during the board meeting. These forms will also be made available on the SASFAA website.

**Report from the Past President
Submitted by Mary Givhan**

Nominations and Elections

Officers to be elected at the 2001 conference will be President-Elect, Vice President and Treasurer. An article about the election was included in the summer edition of the newsletter. The committee will meet in Atlanta, GA on October 9-10. The slate will have to be approved by the Board. The winter edition of the newsletter will list the candidates, their bios and the absentee ballot.

Nominations and Elections Committee

Mary Givhan, Chair	Janet Sain, NC
Dorenda Adams - AL	Earl Mayo - SC
Kurt Wolf - FL	Anthony Bowles - KY
Deborah Clark - GA	Lori Hartman - TN
Bruce Crain - MS	Zita Barree - VA

Awards Committee

The Awards Committee is responsible for seeking nominations for the SASFAA Distinguished Service Award and SASFAA Honorary Lifetime Membership. The elected officers of the associations make up this committee.

If you would like to nominate someone for the Distinguished Service Award, please let me now. The individual nominated "shall have made outstanding, significant, and meritorious contributions to the advancement of student financial aid". Nominations will be presented to the Executive Board at the December meeting.

Governance and Planning

This committee "evaluates and monitors the progress of the association towards meeting its long range plans and makes recommendations to the Executive Board regarding future goals and objectives". The results will be provided in a written report to the Board at the June meeting. The committee will probably have its initial meeting at the annual conference and have a final meeting in the spring.

Governance and Planning Committee

Mary Givhan, Chair	Dyann Moses, Clark Atlanta University
Betty Whalen, Winthrop University	Two additional members

The board meeting was recessed at 10:25 AM.

The board meeting reconvened at 10:45 AM.

REPORTS OF THE STATE PRESIDENTS

**General Report from the State Presidents
Submitted by Steve Greenough**

The state presidents met prior to the start of the official board meeting to share concerns and ideas. Each state president shared a copy of his or her policy and procedure manual. They also discussed the issue of decentralized training and how each state would be willing to participate in the training process with SASFAA. There was still some concern about the quality of training/updates that the states were

receiving but it was felt that sufficient time had not been given to Kay Jacks and staff concerning issues raised during their visit with the board in June.

Alabama State Report
Submitted by Dee Talley, AASF AA President

AASF AA held its transitional board meeting on June 29, 2000 in Montgomery, Alabama. The new board observed the old board during their final meeting of the year. Following the close of the old board meeting, the new board and committee chairs met with their counterparts to discuss their experiences and projects for the coming year. The new board met that afternoon. The officers and committee chairs were given their duties and responsibilities for the year. Committee members were provided with a list of names of individuals that expressed an interest in serving on their committees.

In addition to setting the officers and committees goals and objectives, the group decided on goals and objectives for the association for the year. Also, the officers and committee chairs discussed setting a theme for the 2000-2001 AASF AA year. Due to the recent death of our beloved colleague and friend, Theresa Duke, the group decided to dedicate the year to her memory. With that in mind, the theme the group decided on is "Reflections of the Past, Directions for the Future."

AASF AA officers for the 2000-2001 year are:

President	Debra "Dee" Talley, Univ. of Alabama at Birmingham
President-Elect	Dot Wilkinson, Southern Union State Community College
Past-President	Dorenda Adams, Alabama State University
Vice-President	Michael C. Reynolds, Auburn University
Treasurer	Buddy Jackson, Faulkner University
Treasurer-Elect	Vacant
Secretary	Lisa Aitken, Huntingdon College

Due to the recent marriage of Evelyn McKeithen and subsequent move out-of-state, Buddy Jackson, who was to serve as Treasurer-Elect for 2000-2001, was moved into the Treasurer's position. The association will be holding an election soon to vote for candidates for the office of Treasurer-Elect.

AASF AA's program committee will be meeting on Monday, July 31st to discuss the program for the fall conference. President-Elect, Dot Wilkinson, is chair of this committee. The fall conference will be held at the Radisson Hotel in Birmingham, Alabama on October 17-20, 2000. The committee is planning to present a program that will "Reflect the Past," as we plan our "Directions for the Future."

Florida State Report
Submitted by Richard Ritzman, FASF AA President

On June 22-24, FASF AA's 2000-2001 Executive Board held our Advance in St. Augustine to plan our goals and activities for the upcoming year. Continuing into our second year of *Preferred Futuring*, the members reviewed our past, examined our present, and proposed our future. Lead by guest facilitator George Durstine (Bank One) and outgoing President Kurt Wolf, the group mapped out our plan for the upcoming year.

Beginning last year, FASF AA started a three-year theme of "*Many Voices, One Vision*." As we enter year two, the Executive Board pledged to push ahead with our goals, but also to stay the course with our C.O.R.E. values. C.O.R.E. being - Communicate and Organize, Responsibly & Enthusiasm.

The FASF AA Executive Board for 2000-2001 is as follows:

Officers:

President	Richard Ritzman, Embry-Riddle Aeronautical University
Immediate Past-President	Kurt Wolf, Ringling School of Art and Design
President-Elect	Cindy Lewis, Edison Community College
Vice-President	Nathan Basford, Florida State University
Treasurer	James Wingate, Saint Leo University Connie Alexander, St. Johns River Community

Secretary College

Regional Representatives:

Region I – Panhandle William Wideman, Florida State University
Region II – Crown Ronald Anderson, University of Florida
Region III – East Central Mary Harshaw, Rollins College
Region IV – West Central JoEllen Soucier, University of Tampa
Region V – South Carole Hanson, Barry University

Members-At-Large: (Voting Members Appointed)

Conferences Susan Darling, Bank One
 Leonard Gude, University of South
Electronic Services Florida
Regional Representatives Robin Famiglietti, USA Group
Communications Tracy Misner, High Tech Center North
Special Projects/Diversity/Minority Maria Frias, Education First
Concerns

Committee Chairpersons: (Non-Voting Members Appointed)

Webmaster Tony Gordon, University of Florida
Director of Public Relations Tracy Misner, High Tech Center North
Director of Market Support & Business Dev. Roseann Amato, Seminole Community College
Director of Membership Hamida Faquir, BSFA
Directors of Internal Communications Cindy Lewis & Mr. Kurt Wolf
Chair, Fall conference Rae Nicely, Lee County High Tech Center
Chair, Spring Conference Carmen Afghani, Stetson University
Chair, State Legislative Initiatives Bill Spiers, Tallahassee Community College
Chair, Federal Legislative Initiatives Dolores Davis, Florida A&M University
Fiscal Concerns and Management Com. Kurt Wolf, Ringling School of Art and Design
Proprietary Career School Concerns Sharon Griffith, Full Sail Real World Education
Vo Tech School Concerns Tracy Misner, High Tech Center North
Florida Council Liaison/Parliamentarian Bill Spiers, Tallahassee Community College
BSFA Liaison C. Wayne Hood, BSFA
Lender Liaison Michael Wielgus, SunTrust/ClassCredit, Inc
Bonnie Pirkle Scholarship Marcia McConnell, St. Pete Junior College
Ambassadors LeAnn Wolfenden, Chase
Newsletter Editor Teddy Rodenfels, Edison Community College
Archives Stormy Wallace, University of Central Florida

The 2000 FASFAA fall conference is set for October 18th-20th at the Airport Hilton in Miami. The Fall Conference Committee, lead by Rae Nicely, began work on June 28th to plan the event. Leonard Gude (University of South Florida) is serving as program chair. Tying into our overall theme, the theme for the fall conference will be “*Voices of the Past...*” This will blend into our spring conference theme of “*...Visions of the Future.*”

At the end of the 1999-2000 year, FASFAA’s membership passed the 1000 mark. Congratulations go to the valued leadership of Past-President Wolf and the hard-working Executive Board. They have left “the bar” at a high mark and set the standards of excellence the 2000-2001 Board strive hard to meet (and exceed).

Georgia State Report

Submitted by Gary L. Mann, GASFAA President

“Many Minds, Many Hands, One Goal,” is the theme of the GASFAA Executive Board for 2000-2001. With that in mind, we endeavor to represent all the various sectors in Georgia and involve as many as possible.

The Executive Board is comprised of:

President	Gary L. Mann	DeKalb Technical College
Past President	Deborah H. Clark	Atlanta Technical College
President Elect	Lisa S. Donaldson	Georgia Institute of Technology
Vice President-Programs	Amy M. Moser	AmSouth Education Finance Group
Vice President-Professional Dev.	Freida J. Jones	Georgia Southwestern State University
Secretary	Pennie M. Strong	Central Georgia Technical College
Treasurer	Jenelle Louder	Abraham Baldwin Agricultural College

Chairs and Coordinators:

Strategic Planning	Susan Little	University of Georgia
Legislative Affairs	Terry Faust	Kennesaw State University
Newsletter	Jerry McTeir	Georgia Institute of Technology
Community Action/Mentoring	Marjorie W. Belton	Sallie Mae, Inc.
Membership	Robin Winston	DeVry Institute of Technology
Vendor/Sponsor	Suzanne Buttram	Georgia College and State University
Web Page	Michael Stanley	Emory University

Our fall conference is set for October 12-13, 2000 at the Atlanta Northeast Hilton in Norcross, GA. Amy Moser and her committee has met and have started the wheels in motion for a great conference.

Goals of the Executive Committee include: progress towards a strategic five-year plan, the formation of a finance committee to look at investments, grass roots legislative affairs training, and enhanced newsletters to new just a few!

This summer brought around many professional and personal changes in Georgia. I will name just the few that have been reported to me. My apologies if I have missed anyone.

Abraham Baldwin Agricultural College - Homer Day, former Dir. of Financial Aid to Interim President

AmSouth Education Finance Group - Amy Moser, promoted to National Sales Manager

Athens Technical College - Freeman Hall, Director of Admissions and Financial Aid - retired

Augusta State College - Noel Brock, Loan Manager, left to pursue other ventures

Augusta Technical College - Beverly Smyth, New Director of Financial Aid

Bank One - Jay Sirmans, Marketing Manager from The Art Institute of Atlanta

Columbus State University - Al Pickney, Director of Financial Aid moved to Milwaukee Area TC

East Central Technical Institute - Steve Gibbons, Director of Financial Aid to Director of Facilities

Emory University - Ken Garrett, former Assistant Director left to a position with a bank.

Gainesville College - Linda Attebery, Loan Coordinator, graduated from North Georgia

College and State University

Frances Meadows, Assistant Director - retired

Medical College of Georgia:

Sandra Fowler, Director – retired

Sabina Pressley, Acting Director – retired

John Powell New Director of Financial Aid from Augusta Technical College

Antoinette Esposito and Cynthia Parks both named Assistant Directors

Mercer University - Carol Williams named Interim Vice President for Enrollment Mgmt.

North Georgia College and State University - Jill Raynor, Assistant Director named State of

Georgia Veteran Coordinator Representative

Okefenokee Technical Institute - David Cason, Director of Financial Aid – retired

Reinhardt College:

Ron Day, Director of Financial Aid moved to Birmingham Southern College

Priscilla Poore, promoted to Financial Aid Counselor

Former Director of the Georgia HOPE Scholarship Program - Mike Vollmer, named by the

Governor as the Director of the Office of Education Accountability

Congratulations to everyone on their career changes.

**Kentucky State Report
Submitted by Sandra J. Neel, KASFAA President**

On June 29th and 30th KASFAA held it's annual transition meeting at Cumberland Falls State Park. On the first day of the Transition Meeting we did team building exercises, a session on Roberts Rules of Order, and set the expectations of Board Members. In the afternoon, the incoming and outgoing counterparts met to discuss job duties. On the second day the incoming and outgoing boards met to set the goals for the upcoming year.

The 2000 -2001 board:

President	Sandra Neel	University of Louisville
Past President	Anthony Bowles	Western Kentucky University
President Elect	Michael Morgan	Transylvania University
Secretary	Zelena O'Sullivan	Pikeville College
4 year Public Rep	Dena Spivey	Eastern Kentucky University
2 year Public Rep	Cathy Hayes	Owensboro Community College
Private School Rep	Dave Wuinee	Bellarmino University
Proprietary Rep	Charlene Geiser	Sullivan College
Technical School Rep	Mary Ann Olson	KCTCS system office
Agency Rep	Chester Preist	KHEAA
Lender Rep	Rosemary Tutt	Bank One

Committees Chairs:

Fall Program Chair	Michael Morgan
Spring Program Chair	Dave Wuinee
Newsletter	Meredith Robinson
Archivist/Historian	Mike Barlow
Nominations	Anthony Bowles
Public Relations/FA Awareness	Rosemary Tutt
Membership/Directory	Chris Tolson
Articles/By-Laws	Zelena O'Sullivan
Awards	Barb Smith
Budget and Finance	Dave Cecil
Diversity	Runan Pendergrast
Legislative	Jane Stewart
Long Range Planning	Doug Cleary
Training	Rhonda Swim and Tim Rhodes
Vendor/Sponsor	Ron McMakin
Website	Jennifer Cosens
College Goal Sunday	John Fish
Partnership Project	Heather Boutell

Some of the goals of the executive board include:

- Expand outreach by starting College Goal Sunday
- Begin the KASFAA Partnership Project
- Develop a new Five-Year Strategic plan
- Begin the plans for SASFAA 2002 in Louisville, Kentucky

We have a wonderful board so I am sure we will meet each of the goals we have set forth for KASFAA.

The fall conference will be held on October 25-27, 2000 at the Drawbridge Inn, Ft. Mitchell, Kentucky. The program committee or construction crew, with Michael Morgan as Foreman, met at the Drawbridge Inn on July 20, 2000. The Theme for this conference is "KASFAA, Building a Strong Foundation". The committee has put together an exciting and informative program that consists of sessions for new aid officers, the start of a strong foundation, and for experienced aid officers, the framework of the strong foundation. I know it will be a great conference!

**Mississippi State Report
Submitted by Steve Greenough, MASFAA President**

The MASFAA Executive Council met in Tunica MS on July 20 and 21 for our transitional board meeting. Our Fall 2000 Conference will be at the Grand Veranda Hotel and Convention Center in Tunica and our board meeting also served as an opportunity for the entire board to meet and tour the facilities. The Dates of the Fall Conference are November 15-17, 2000. The members of the 1999-2000 Executive Council presented annual reports and Bruce Crain is using these reports to compile a MASFAA Annual Report. We used the opportunity to transfer records and information to the incoming board members and committee chairs. The 2000-2001 Executive Council is comprised of:

Steve Greenough	President	University of Mississippi Medical Center
Cathy Nash	President-Elect	State Office of Student Financial Assistance
Dewey Knight	Vice President Training	University of Mississippi
Searcy Taylor	Vice President Conference	Mississippi Gulf Coast Community College – Jefferson Davis Campus
Bruce Crain	Past President	Mississippi State University
Nancy D'Angelo	Secretary	Education Services Foundation
Patrick James	Treasurer	Millsaps College
Lori Ball	Member at Large	Mississippi State University
Sonja McMullen	Director	Sallie Mae
Jeannie White	Director	Education Services Foundation
Jan Lee	Director	Trustmark National Bank
Wanda Partridge	Director	USAGroup
Penny Hill	Diversity Issues Liaison	University of Southern Mississippi
Soraya Weldon	Electronic Services	Meridian Community College
Mitch Dorr	High School Relations	CitiBank
Amelia Wicks	Legislative	Delta State University
Ann Hendrick	Professional Development	Millsaps College
Chuck Parker	Site Selection	Nellie Mae
Brenda Carson	Vendor/Sponsor	East Central Community College

New Business at the board meeting included discussion of a new committee established for MASFAA, the Professional Development Committee and the addition of a Diversity Issues Liaison. The purpose of the Professional Development Committee is to review the MASFAA Constitution and by-laws and develop a means to educate our new MASFAA members and develop future MASFAA leaders from a group that is not always active in the association. We are using Penny Hill who also serves on the SASFAA Diversity Issues Committee to keep our board informed of what SASFAA is doing on diversity issues.

At NASFAA 2000 in Washington, D.C., MASFAA won a NASFAA State Award in the category of Service to Other Constituencies, for our Pace Setter Camp. The objective of this camp is to provide financial aid and admissions career training targeting high school students who have completed their junior year. These individuals are then prepared to assist their high school guidance counselors by working with their high school peers in the financial aid and admissions process during the following year.

Staff additions and changes within MASFAA include:

Jackie Banes, Mississippi College, Law School Financial Aid Coordinator
 Sharon Drake, Coordinator of College Access Planning Program (CAPP) at the Eudora Welty Library
 Mary Ann Evans, University of Mississippi, promoted to Student Loan Operations Coordinator.
 Dewey Knight, University of Mississippi, is serving on ELM National Advisory Council and the Nellie Mae National Advisory Board.
 Babs McAlpin, Mississippi College, Financial Aid Counselor
 Ed McGowan, named Employee of the Year by Education Services Foundation at the annual meeting held

on July 25, 2000.

Roberta Montgomery, Outreach Specialist, College Access Planning Program (CAPP)

Dyann Moses moved from Mary Holmes College to Clark Atlanta University as Assistant to the Vice President for Enrollment Services & Budgeting

Julie Pryse, BancorpSouth Student Loan Representative for the Jackson, Mississippi area

Jeannie White, Education Services Foundation, is now Manager of Loan Originations (previously Manager of Government Relations).

North Carolina State Report

Submitted by Lianne Masterson, NCASF AA President

The theme for the 2000-2001 NCASF AA year is "Vision - Involvement – Pride." Personal goals for the year include educating members on the "history" of financial aid in order to work toward a vision of financial aid for the future, to involve more members in all aspects of the association, and to instill a sense of personal pride in our chosen profession. The members of NCASF AA are truly the VIPs of the association, and we must continue to meet the needs of our members as well as challenge them to reach new levels.

A transition board meeting was held at Lake Lure Golf and Beach Resort June 5-6 with members of the 1999-2000 and 2000-2001 boards getting together for a time of sharing, goal-setting, and fun. For the board to work together as a team, they must be comfortable in their roles and knowledgeable about the Association. One way to conduct leadership training is to provide the basic tools needed for chairing a committee or performing the duties as an elected officer. At the transition meeting, we were able to provide some hands-on tools for planning their year, as well as conduct some fun communication exercises. This type of training for board members will occur at every Executive Board meeting.

Board members for the 2000-2001 year include:

President	Lianne Masterson	Brevard College
President-elect	Wanda White	St. Augustine's College
Vice President	Tony Carter	Queens College
Secretary	Regina Draughn	Forsyth Tech. CC
Treasurer	Bill Horn	College Foundation Inc.
Past President & Prof. Rec. Agencies	Janet Sain	ECPI College of Tech.
Budget & Finance	Alan Whittington	Wilkes CC
Diversity Issues	Lester McKenzie	Lees-McRae College
Legislative Advisory	Richard Burt	NC State University
Membership	Lisa Koretoff	Guilford Tech. CC
Professional Advancement:	Barbara McQueen	Citibank
New Aid Officers	Carolyn Pitts	Central Piedmont CC
Intermediate Aid Officers	Philip Roof	Education First
Support Staff	Vickie Ogden	Brody School of Medicine
Program		
Fall Conference	Patty Cope	Haywood CC
Spring Conference	Amy Berrier	UNC-Greensboro
Publicity & Publications	Becky Brewster	UNC-Charlotte
State & HS Relations	Lisa Place	Louisburg College
Technology	Victoria Lenderman	UNC-Greensboro
Lender Liaison	Biz Daniel	National Education
State Agency Liaison	Bill Carswell	NC State Ed. Assis. Auth.

The first Program Committee meeting was held on Friday July 21, to begin planning for our Fall Conference scheduled for November 6-8, 2000, at the Adam's Mark Hotel in Winston-Salem NC. Our Annual Spring Conference will be held May 21-23, 2000, at the Hilton Riverside in Wilmington, NC.

The first NCASF AA Executive Board meeting will be held on July 26, 2000. Topics of discussion will include the 2000-2001 budget approval, decentralized training, the NCASF AA web site, updating our Bylaws and Policies and Procedures.

It was an exhilarating experience to attend my first NASFAA conference! Attending conferences at the state, regional and national level provides a perspective of financial aid to which all members should be exposed. I look forward to serving NCASFAA on the SASFAA Executive Board.

**South Carolina State Report
Submitted by Mike Fox, SCASFAA President**

SCASFAA held it's first truly transitional board meeting on June 28 & 29 at the Madrian Center on the campus of Clemson University in Clemson, SC. Perfect attendance by both the outgoing and incoming boards made for an excellent opportunity to exchange information and insure a smooth exchange of leadership roles.

The major issue addressed by the outgoing, 1999-2000, Board dealt with the ability of Vendors to chair committees and to run for elected office in the organization, which currently is not allowed. The Board voted in favor of proposing a bylaws change to the membership to allow Vendors to both chair committees and to run for elected office.

The 1999-2000 Board, under the leadership of Earl Mayo, had an outstanding year. Some of the highlighted accomplishments were:

- An excellent Fall Conference in Charleston, SC
- The first ever Leadership Symposium
- A memorable joint Spring Conference with our neighbors form NCASFAA.

The incoming 2000-20001 Board has large shoe to fill but accepted the challenge with enthusiasm. Major initiative for the upcoming year will include:

- Investigating the possibility of instituting a high school guidance counselor internship program
- A symposium for financial aid office support staff
- Continuing to provide excellent conferences and services to the membership.

The 2000 SCASFAA Fall Conference will be held on October 24-25 at the Sheraton Hotel in Columbia, SC. The conference will be immediately preceded by the New Aid Officers Workshop, which will also be held at the Sheraton on October 23-24.

Executive Board Members for 2000-20001 are:

President	Mike Fox	SC Student Loan Corporation
Vice President	Anita Kaminer Elliott	Columbia College
President Elect	Margaret Hunt	Midlands Technical College
Secretary	Carolyn White	Voorhees University
Treasurer	Sandra Davis	SC State University
Member at Large	Violette Hunter	TRIO, University of SC
Past President	Earl Mayo	SC Tuition Grants Agency
Budget Committee	Sandra Davis	SC State University
By-Laws Committee	Carolyn White	Voorhees, University
Counselor Relations	Vickie Sutton	Midlands Technical College
Cultural Diversity	Jerel Arceneaux	University of South Carolina
Legislative Concerns	Ken Player	SC Student Loan Corporation
Lender/Agency Liaison	Bill Mackie	SC Student Loan Corporation
Long Range Planning	Violette Hunter	TRIO, University of SC
Membership	Sandra Davis	SC State University
Nominations/Elections	Earl Mayo	SC Tuition Grants Agency
Professional Development	Anita Kaminer Elliott	Columbia College
Fall Program	Betty Whalen	Winthrop University
Spring Program	Tamy Garofano	SC Student Loan Corporation
Site Selection	Cindy Peachey	University of South Carolina

State Agency Liaison

Eddie Shannon

SC Tuition Grants Agency

Tennessee State Report

Submitted by Darolyn Parks-Porter, TASFAA President

TASFAA held its Camp TASFAA transition meeting at our traditional location of University of the South, Sewanee, Tn. Both our outgoing and incoming boards met together from June 28-30 and planned many of the association's activities for the upcoming year. Lori Hartman, Past President passed the gavel along with other gifts to the incoming President on June 29th.

In my role as TASFAA President, I am very excited to be working with the following Executive Board members for 2000-2001:

President Elect - Brent Tener - Vanderbilt University
Past President - Lori Hartman - University of TN, Memphis
Secretary - Joanie Hall Trevecca - Nazarene University
Treasurer - Cara Suhr - TN Tech Center at Nashville
District I - James Shannon - Christian Brothers University
District II - Teretha Fowler - Jackson State Comm Coll
District III - Bill Grizzard - AmSouth/First American Bank
District IV - Jack Harvey - Southern Adventist University
District V- Jeff Gerkin - University of TN, Knoxville
District VI - Diane Keasling - Milligan College
Awards - Naomi Derryberry - TSAC
Budget - Dan Miller- Shelby State Comm Coll
Computer Network - Linda Embry - Northeast State Tech Comm Coll
Counselor – Intern - Anne Rader Bryan College
Financial Aid Awareness - Marian Huffman - Lee University
Government Relations - Michael Roberts - TSAC
Historian - Ed Haselbring - edSouth, (Union Planters)
Membership - Lisa Warmath - Lambeth University
Diversity - Aliceteen Morrow - Vanderbilt University
Newsletter - Melissa Smith - Nashville State Technical Institute
Nominations - Lori Hartman - University of TN, Memphis
Fall Program - Bobbie McClain - University of TN, Martin
Spring Program - Terrie Parchment - edSouth
Resolutions/Bylaws - Jonathon Looney University of TN, Chattanooga
Site Selection - Sandy Mckee - Education First
Sponsorship Sandra- Rockett - Dyersburg State Community College
Stat. Oversight - David Mohning - Vanderbilt University
Training Denese Adams- Chattanooga State Community College
TSAC Advisory - Lori Hartman University of TN, Memphis
State Programs - Ron Gambill - TSAC

This year's Executive Board is already busy setting up their committee and planning their activities for the year.

The 2000 TASFAA Fall conference will be held in October at the Cool Springs Marriott in Franklin, TN. The program committee will have its first meeting on August 4th and Bobbie McClain, University of TN, Martin, will be the chair.

Our summer internship program for High School Guidance Counselors was once again a success! The high school counselors attend a two-day intensive training in June, just prior to beginning their assignments at the various Financial Aid Offices during the peak season, as well as, providing information that the counselors take back to their high schools to assist their students.

Virginia State Report

Submitted by Nancy Roberts, VASFAA President

“Rising To New Heights” is the theme for the 2000-2001 VASFAA year. The new executive board and committee chairs met the challenge

by coming together at the Peaks of Otter for their transition meeting held June 19-21, 2000. Everyone put forth the effort to start planning for the coming year by setting goals, objectives and participating in several team-building activities. Those present enjoyed a presentation by Pamela A. Wiegardt, EdD, on "You're Not My Type," Implications for Working in Teams. Many of us found that we were extrovert or introvert, but that we needed to work together to complete the goals that we have set for the coming year.

The Executive Board members for 2000-2001 are:

President	Nancy Roberts	Virginia Intermont College	President-Elect
James Madison University			
Immediate Past-President	Zita Barree	J. Sargeant Reynolds C.C.	
Secretary	Melissa Ellyson	Wells Fargo	
Treasurer	Mike Hawkes	ECMC	
Representatives-at-Large			
Communication Services	Sharon Clough	TESST Technology Institute	
Outreach Activities	Elizabeth Daniel	National Education	Organizational
Tom Morehouse	Thomas Nelson CC		
Professional Development	Leslie Thomas	National-Louis University	
Member Services	Keith Wellings	Hampden-Sydney College	
Lender Liasion	Gary Spoales	Bank of America	
SCHEV Liasion:	Lee Andes	SCHEV	

Committee Chairs have been filled for the year and the Retreat provided time in which to start planning goals and objectives to be accomplished for the coming year. Through volunteer forms, the committee chairs were able to start the process of establishing their committees and will spend the next few weeks soliciting members to participate on their committees.

The Budget and Finance Committee presented the proposed budget to the Executive Board. After each Committee reviewed their goals and objectives for the coming year adjustments were made to the budget. The Executive Board then approved the budget for 2000-2001.

The Fall Conference will be held at the Wyndham Hotel in Roanoke, VA on October 14-17, 2000. Plans are underway to provide an informative and enriching conference as we are *Rising to New Heights* in 2000-2001.

REPORTS FROM COMMITTEES

Report from By-Laws Submitted by Guy Gibbs, Chair

According to Section 5.6 (c) of the SASFAA Policy and Procedure Manual, the Secretary "Serves as chairperson of the By-Laws Committee, which annually conducts a review and recommends changes to the By-Laws to the Executive Board."

Last year the By-Laws were reviewed and no changes were recommended.

The elected board, state presidents and committee chairpersons are encouraged to review the By-Laws and to recommend changes that might be required during 2000-2001. Any changes that are recommended will have to be reviewed and approved by the Board at the board meeting in December. This time frame is required in order to submit the recommendations for vote by the membership at the annual meeting in Hilton Head in February. A majority vote of the membership is required to change the By-Laws.

The By-Laws can be found on the SASFAA website.

Report from Archives/Research Submitted by Ellen Green, Chair

The archived data was shipped from Picket and Hatcher to Charleston Southern University in mid-June. Everything except the microfiche information was received. The microfiche information is currently with Curtis Whalen. A major concern is finding storage for the four large boxes until a determination can be made as to the best electronic storage type to utilize.

I have spoken with several different people who are in the process of automating file storage for different types of agencies. One specifically has recently begun a laser disc storage that uses a scanner. I will be receiving information on costs of hardware and software involved in this process.

A major decision will have to be made depending on cost factors as to whether this is a one-year project or spread over several years to fund.

Further information will be available for the December board meeting with regard to types of programs and what is feasible for SASFAA.

**Report from Conference
Submitted by Lynne Reinstadtler, Chair**

This will be the shortest report I ever have for the Board.

Our first meeting is scheduled for August 12-14, 2000 at The Hyatt in Hilton Head. I am currently in the process of assigning tasks to the committee members and working with the members on the next meeting date.

President Cox established a listserv for this committee, which has been a great way to communicate.

We still need a representative from Florida and Richard Ritzman, Florida President, is working on this and will get back to me.

ACTION ITEM: Mary Givhan moved to increase annual conference registration fee from \$175 to \$185. Rose Mary Stelma seconded the motion.

ACTION ITEM: Richard Ritzman moved to table the motion until after the budget is presented. The motion to table was seconded by Gary Mann and passed unanimously.

**Report from Decentralized Training
Submitted by Judy Deines, Chair**

I submitted a response to NASFAA concerning Fall 2000 Training indicating that SASFAA would be participating in this training. This was mailed June 12.

The fall's training is on Professional Judgment and Expected Financial Assistance. Trainers will be selected from states that will be participating in SASFAA's decentralized training project. The training of trainers is scheduled for September 24-25.

ACTION ITEM: Steve Greenough moved to accept the SASFAA decentralized training proposal with the understanding that each state president will notify the SASFAA chairperson of decentralized training and whether or not their state will participate in the project. Lisanne Masterson seconded the motion that passed unanimously.

**Report from Diversity
Submitted by Pennie Hill, Co-chair
Fred Stennis, Co-chair**

The Diversity Issues Committee is planning a breakfast and having a guest speaker at the 2001 annual SASFAA Conference. At this time a potential sponsor for the breakfast has been identified but the committee is still working on identifying a speaker(s) for the event.

**Report from Electronic Services
Submitted by Lester McKenzie, Chair**

Web Page Update

As of Monday, July 24, 2000 I received on diskette all 600+ pages of the current and past SASFAA web site from previous chair, Karen Fooks. My goal is to update the current pages to include active information by the end of August. One of my goals is to cut down on the information located on the initial page, make it much more clean.

Bill Cox is currently requesting proposals from 4 web-hosting companies to possibly move our pages to a non-school affiliated site. This will help with conversion from year to year as the chair of this committee changes. This will also help if we decide to look into the possibility of advertising on our site by eliminating any possible conflicts of interest with a school-based host and potential vendor.

Listserv Update

The listserv will be housed at it's current home, University of Florida, until a web-host can be found. We are interested in obtaining a site that will allow us to host the web site as well as the main listserv. Smaller listserv may be held in a different site to allow more flexibility in making adjustments to them.

The goal is to include listserv membership to anyone who pays their membership fee. Currently the site is on a subscribe/unsubscribe basis. SASFAA members will automatically be added to the listserv with the option to unsubscribe then or a later date.

Report from Finance and Audit Submitted by Charles Vinson, Chair

The chair of the committee provided the board a statement of the SASFAA Investment Accounts (Reserves). This statement reflected a current estimated value of \$394,783.01. Also provided for board review was a listing of the current inventory of assets held by the association.

As chair of the Finance and Audit Committee the proposed budget for 2000-2001 was submitted for review to the board. The proposed budget was \$387,775.

ACTION ITEM: Mary Givhan moved to accept the budget as presented. Steve Greenough seconded the motion which was approved.

Report from the History Taskforce Submitted by Curtis Whalen, Chair

Crusie Lucero and Dave Gelinas have agreed to continue with this effort for 2000-2001. I've also added Marvin Ragland as an "official" member of the committee after his excellent work as an unofficial member during last February's conference in Biloxi. Marvin videotaped interviews with all Past Presidents in attendance as well as a few other SASFAA leaders, and we will use those interviews in moving into our 2000-2001 activities.

The committee will meet early in the fall, and basically pick up where 1999-2000 activities ended. Plans include: (1) determining the appropriateness and/or need of any additional printed piece to the history brochure developed last year; (2) planning and developing a video using the interviews mentioned above plus other appropriate material; (3) reviewing SASFAA archives, including methods and location; and (4) determining the usefulness of, and developing as appropriate, historical information on particular aspects of SASFAA such as budget/finance and conference/training topics.

(The report from the History Taskforce was forwarded to the board prior to the meeting in Mobile. Curtis Whalen was unable to attend.)

Report from Legislative Advocacy

No report

Report from Membership Submitted by Melissa Ellyson, Chair

Membership Statistics

The 1999-2000 membership closed out at 1,393 members. A breakdown of members by state is as follows:

Alabama	105	North Carolina	163
Florida	231	South Carolina	115

Georgia	154	Tennessee	164
Kentucky	96	Virginia	149
Mississippi	104	Other	112

Membership Directory

The Membership Directory is in the process of being mailed to all 1999-2000 members.

Membership Drive

The 2000-2001 membership drive will begin shortly. Currently Karen Koonce, Lester McKenzie and Melissa Ellyson are looking into the possibility of having the membership application located on the website thus deleting the need for printing the three-part application. Letters or postcards would be sent to members or potential members inviting them to join SASFAA. The chair is also researching other means for recruiting new members (or former members) to SASFAA. Any suggestions on this can be sent to Melissa Ellyson.

Report from the Newsletter Editor Submitted by Julia Perreault

The newsletter committee is in the process of being finalized. Thanks to all who volunteered to assist.

State newsletter editors have added me to their mailing list and state newsletters will be reviewed for articles that would be good to include in the SASFAA newsletter. Thanks to all state presidents for responding so quickly to my request for the names of state newsletter editors.

The new sponsor guidelines have been developed in electronic format and are ready for distribution, pending the dates of publication of each issue.

I am collecting bids from printers in the Atlanta area and hoping to find one that will allow me to stay within budget without sacrificing the quality of paper used in the newsletter.

When submitting photographs for the newsletter, please include the names of those pictured. It is always helpful and more interesting to put names with faces.

There is still time for SASFAA board members to submit suggestions for the newsletter this next year. I welcome your input.

The deadline for the October newsletter is September 6.

Report from Site Selection

No report

Report from Sponsorship Submitted by Lisa Tumer, Chair

The Sponsorship Chair for 1999-2000 has passed along the pertinent information regarding contacts for sponsorship solicitation. The solicitation for the 2000-2001 year has begun. We have successfully secured sponsorship for all Friday evening dinners of the Executive Board. Chase/Education First graciously offers this sponsorship. Saturday night dinner is sponsored by SallieMae/USA Group.

The conference committee meeting in Hilton Head next month will benefit from the sponsorship of First Union for the Saturday night dinner and ClassCredit will stock the Hospitality Suite for President Cox.

An electronic brochure is being developed to distribute to our known sponsors. As well, a notice will be available to the webmaster for inclusion on SASFAA's home page with contact information for interested parties. I am attempting to correspond in a pure electronic fashion this year. This includes the brochure, notices and invoices. Of course, if needed a paper copy can be printed and mailed to those who inquire.

I would ask that each of you direct any inquiries you may receive concerning sponsorship to me via e-mail.

REPORTS FROM LIAISONS

Report from Agencies Submitted by Steve Brooks

This report includes articles from most of the state agencies around the south, updating Board members on activities in the states. Additionally, I want to mention three issues affecting agencies around the nation:

1. The National Council of Higher Education Loan Programs, Inc. (NCHELP) has reformed its committee structure and has established an "Electronic Standards Committee." In addition to continuing work on CommonLine, the committee will be charged with broad responsibilities regarding electronic data exchanges between agencies, lenders, grants providers, the Department of Education, and others.
2. A number of NCHELP members have begun to develop an open standard Student Aid Information Services (SAIS) prototype, called "The Meteor Project." This project is designed to build upon NCHELP's comments on the Department's "Modernization Blueprint" that we share information with our federal partners in a multilateral manner. The Meteor Project reflects the strong view of the NCHELP Board that standards and development tools be open to all. The project will develop a prototype that will provide state grant and guaranty agencies with access to critical student-specific financial aid data available to the Department of Education in real time, via the Web. This effort, according to NCHELP President Brett Lief, should "influence the Department's delivery designs, assist in the update of CommonLine for single transaction, real-time access, and make our work available to the National Automated Clearing House Association (NACHA) and Postsecondary Electronic Standards Council (PESC) standards processes."
3. State grant agencies continue to wish for more ability to influence the FAFSA process. Through the National Association of State Scholarship and Grant Programs (NASSGAP) a communications process exists with the Department, but given cost constraints and a variety of state needs, many states either add their own separate supplement to the FAFSA or live uncomfortably without data they would like to have. As the Department's plans to move to more and more use of Web-based application, it may be possible for states to develop integrated models that collect FAFSA and state data simultaneously and provide only the FAFSA data to the Department. This is an issue about which I believe more will be heard over the coming months.
4. State agencies continue to support increased funding for the LEAP and Gear-UP programs. As usual, the outlook for these programs is unclear. Campus support is crucial in making the case for these important initiatives for needy students.

State Agency Reports

Alabama Submitted by William H. Wall, Ph.D.

STATE AGENCY APPLIES FOR GEAR UP FUNDS

The Alabama Commission on Higher Education is the coordinating board for higher education in the state and is responsible, among other things, for the administration of those titles of the Higher Education Act of 1965 (Public Law 89-329) as amended, requiring a single state agency, for which the commission qualifies, unless otherwise specified by executive order. Since its inception, the commission has administered the state's only federal need-based student assistance program -- the Alabama Student Assistance Program.

The Alabama Gaining Early Awareness and Readiness for Undergraduates Program (GEAR UP) would be an opportunity for the agency to provide early awareness and training activities for the state's existing GEAR UP partnership programs offered by Gadsden State Community College and Wallace Community College in Selma. Targeting middle school cohort groups in the Gadsden City and Perry County School systems, these early awareness partnership programs are geared toward preparing students in these groups for college.

The overall purpose of the Alabama GEAR UP program would be to support the activities of the partnership programs by providing information materials and training activities for counselors, teachers, and administrators in order to increase the likelihood that students who are at risk of educational failure will complete high school and go on to college. Scholarship commitments will be offered to students who

meet academic requirements and complete school.

If federal GEAR UP funds are awarded, the Commission will ask Alabama to provide the required matching funds. Notices of approval of federal grants are scheduled to be announced around September 15.

Florida

Submitted by: Mario Butler

The last few months have been very busy ones at the Florida agency. Our scholarship and loan programs are growing and developing through constituent input at meetings, and through advisory boards, telephone calls and school visits. Our loan programs feature continual improvements to make delivery and follow-up more user friendly. Our new systems are being created to deliver loan and scholarship funding to students simultaneously.

We are pleased to tell you that faith in us continues to grow as evidenced by additional loan volume and interest in our programs. Using the Florida agency to guarantee student loans passes funds back to Florida students that would otherwise leave our state.

Big News:

* Florida will not charge the 1% guarantee fee for all new FFELP loans guaranteed after July 1 of this year! Florida is able to make this cost reduction available due to its savings through increased volume, default aversion, increased collection efforts, technical improvements, and the strength of its reserve funds. We estimate that this reduction will save families as much as \$8,000,000 next year!

* Florida has increased its scholarship funds to help needy and achieving students this year to over \$300,000,000. This \$50,000,000 or 20 percent increase is due to the assistance and support of the Florida student financial assistance professionals, as well as to our legislature and governance's commitment to student assistance. During the last five years alone Florida has increased its scholarship funding for needy and achieving students by 60% and has awarded over \$750,000,000 in scholarship assistance. Our commitment to these programs is supplemented by our work with the Florida Federal Family Education Loan Program (FFELP). Support of Florida loan programs is essential to continue our technical growth in the administration and delivery of our scholarships.

Our thanks to the Student Financial Aid Community in Florida for their commitment to Florida students.

Other BSFA News & Recent Changes:

* Technology - The finishing touches are being added to our new imaging system. The technology we have selected is very advanced and will allow schools and servicers to electronically send data to us and to receive information and data back. It has a reporting component that will permit schools to get reports by date in formats that they can design. The system will be "free" to all schools using the Bureau, and will allow online viewing of student documents, e-mail images, online views of guarantee reports, the ability to cut and paste data with no special software. A meeting is being planned to offer this option to our schools for loan and scholarship assistance.

* Our new telephone system has been able to help with great results. We have added telephone people to our systems and have expanded our hours. We will soon have Saturday times. The system will be enhanced to permit a 24 hour access information system to help our students with basic questions.

The new system has also enabled BSFA to cut call wait time in half despite the busy tax season. The system will allow us to move scholarship and loan counseling together for additional services.

* C. Wayne Hood, Bureau Chief, and Joe Duggar, Chief Information Officer, traveled to ASA, Guarantech and Pheaa to talk with officials there about their systems and what options would be available. We have demonstrated ASA systems to our board and have talked with the other agencies about how we might partner with their software to continue to bring you the best in service for loans and scholarships. We plan to demonstrate the PHEAA system on June 28th. Our goal is a very modern system that Florida manages for its students and schools. We plan to make the conversion seamless to our schools and will have hands-on assistance to help.

This change is scheduled for the spring of 2001.

* The Scholarship Data Base Project is moving along on schedule and just received a solid report from the agency assigned to oversee our progress. We are well into the design phase for applications, administration, calculations and disbursement. This system when completed and connected to our loan system will provide the option for high school students to preview what can be available to encourage attendance. Getting our financial aid message out early to encourage students to know that money for college is available is a goal that the financial aid community has had for many years and this system will take national leadership in this area for our Florida schools.

* Other--Web site development underway, teleconferencing being reviewed, data cleanup underway, new equipment ordered. All tasks being prioritized for scholarship and loan development.

Marketing/Outreach/Training - During March and April, BSFA completed an educational tour of Florida with training in our loan and scholarship programs. The sessions were well attended and we got many great comments. We learned too about more of what student financial assistance professionals want. The staff is already talking about the next training events and about hosting another fall conference. Thanks to all that attended and to those schools that offered us assistance.

* BSFA has contracted with The Education Financing Group and Dr Jim Flippin to produce our first ever Default Aversion Program. Our goals are to help borrowers before they have problems. Our default rates are very low due to our aggressive program with our collection agencies; our internal management of defaulted loans, and a great economy that has reduced defaults at all agencies. This is not enough and we have petitioned other guarantors, collection agencies, private companies and colleges for their best ideas. Our final plan will allow modern technology and personal contacts to produce assistance for borrowers.

* BSFA Reorganization Complete & New Positions Added

* Following state procedures we have finally completed our formal Bureau reorganization. After all is approved we will adjust many of the positions to allow for individual and personal growth within our exciting organization. Currently we are also in the process of creating an additional twenty-six (26) positions for the agency. With our reorganization and refitting process ongoing we are adding to our program staff to ensure great service and depth of program knowledge in our loans and scholarships. Since we first began reorganizing in March of 1999, BSFA has created 103 new jobs for people to assist Florida students and their families get the financial assistance they need.

* Final Stages of Collection Contracts. Working through the state procurement process, we are in the final stages with student loan collection agency contracts. An internal team is managing our current programs to handle the transfer of files to these new contracts. We are pleased that the process has resulted in a stronger contract with more reasonable rates so that our earnings will continue to enhance our stability and be passed along to Florida students. In our new plan Florida will manage the first 150 days of the collection process allowing Florida to benefit from any collections earnings during the first part of the process. Further, this allows us to complete our Administrative Wage Garnishment Program for state and private Florida workers and to handle tax payments and lottery winnings programs. We are looking at a program to affect defaulted borrowers seeking state licensure too.

Georgia **Submitted by Glenn Newsome**

Following is a list of accomplishments and new initiatives completed by the Georgia Student Finance Commission since our June 5, 2000 report. The Commission administers Georgia's HOPE Scholarship Program and other grants, loans and scholarships for Georgia students seeking education beyond high school.

Georgia's HOPE Scholarship Program:

- PROMISE II, a new scholarship program for paraprofessionals to become teachers, is off to a good beginning. We already have made 140 awards for the upcoming school year.

-
- On Saturday, June 24, we coordinated a reception at the Governor's Mansion for Georgia's Class of 2000 high school Valedictorians and their parents. In addition to meeting and having their photograph made with Governor Roy E. Barnes, a program of speakers was provided for the participants throughout the day. More than 300 valedictorians attended. All Georgia valedictorians are eligible for the Georgia's Governor's Scholarship Program if they attend college in Georgia.

Georgia Student Finance Authority:

As of the quarter ending June 30, 2000, the Authority received and processed 7 percent more loan applications than the same period last year for SSP.

As of the quarter ending June 30, 2000, the Authority received guarantees from GHEAC on 18,107 loans totaling \$59,698,940. This is an increase of 4.98 percent over the same period last year.

Georgia Higher Education Assistance Corporation

GHEAC and the Georgia Single Source Partners implemented the PLUS Pre-approval process on the Georgia Student Finance Commission Web site, www.gsfc.org. Schools and PLUS borrowers can access the PLUS Pre-Approval Request Form on the Web site and submit this request to GHEAC/SSP Servicing. Notification of the results is sent to the PLUS borrower either by e-mail or by regular mail and to the school for initiation of the applicable loan process.

On June 2, 2000, GHEAC began collecting newly defaulted loans in-house for up to 90 days rather than sending them immediately to its third party collection contractors. This new collection program allows GHEAC to proactively promote its successful Loan Rehabilitation program to these borrowers.

To facilitate talking directly with borrowers, GHEAC's hours of operation in Default Collections have been extended until 8:30 p.m., Monday through Thursday. Collections staff also will work alternating Saturdays from 9 a.m. to 1 p.m.

Kentucky **Submitted by Janice Ernst**

In June, Jane L. Stewart, KHEAA Director of Federal Relations and Loan Policy Services, was presented the second annual Jean S. Frohlicher Outstanding Service Award at the National Council of Higher Education Loan Programs (NCHELP) spring convention in Long Beach, California. In presenting the award, John Frohlicher, husband of the late Mrs. Frohlicher, recognized Jane for a lifetime achievement of leadership in the student loan industry. He cited her work as chairman of several national committees, her service as NCHELP's chief negotiator for the U.S. Department of Education's Negotiated Rulemaking Teams, and her position as the first and only woman in the organization's 30-year history to serve as Chairman of the NCHELP Board of Directors. Larry E. Matejka, Executive Director of the Illinois Student Assistance Commission, was a co-recipient of the award.

Over 18,200 students who graduated in the spring of 1999 took advantage of their Kentucky Educational Excellence Scholarship (KEES) awards for the 1999-2000 academic year, receiving a total of \$8,330,000—an average of \$458 a student. An amendment to House Bill 462, passed by the 2000 Kentucky General Assembly, expands the use of KEES awards by eligible students attending out-of-state institutions if they are pursuing degrees in programs not available in Kentucky.

The Kentucky Education Savings Plan Trust helps families save, in a planned way, for a child's higher education. Recently passed legislation lifted the restrictions that participation may not begin after the child turns 15 years of age and that accounts can be used or closed when the child turns age 18. These changes will allow Kentuckians to begin saving for a child's higher education and use their savings at any time regardless of age.

Mississippi

No Report

North Carolina

Submitted by Elizabeth V. McDuffie

The North Carolina State Education Assistance Authority is actively involved in designing a new Internet-based grant delivery system to streamline the delivery of state grant funds to institutions. By creating a system in which colleges can access files containing their students' awards earlier in the cycle, NCSEAA is giving colleges the opportunity to provide complete information to students earlier in the award process and reduce the need to adjust aid packages. The new delivery system is designed to enable institutions to receive and submit data electronically for the three grant programs administered by College Foundation: NC Student Incentive Grant, NC Community College Grant, and the UNC Incentive Grant. The latter two programs are new to the state and precipitated the need for a system which all institutions could access for their respective information. The new delivery system is expected to be in place by January 2001, for use in awarding funds in the 2001-2002 cycle.

The North Carolina General Assembly funded the new UNC Incentive Grant program with \$6.3 million and continued funding for the one-year old \$5 million Community College System program for the 2000-2001 academic year, thus recognizing the importance of need-based aid in keeping college affordable in North Carolina. Funding for new programs was rare in this economically challenged fiscal year; therefore, the funding of these programs is notable and indicates the value the General Assembly places on higher education and access to the State's institutions.

South Carolina

Submitted by Cheryl Hughes

The interest rate for the state-funded SC Teachers Loan Program (TLP), which is administered by the SC Student Loan Corporation, was reduced in October 1999 from 12% to 8.32%. The prior rate was high in hopes of discouraging recipients of the TLP from renegeing on their commitments to teach in South Carolina's critical areas. And discourage it did, to the point that some qualified students refused to apply altogether. Thus, the Corporation has spent the last few years pitching a more borrower-friendly rate to the SC Commission on Higher Education, something preferably closer to the Stafford loan rate. The Commission agreed, and the new rate of 8.32%, effective in October 1999 and good through June 30, 2000, was introduced. As of July 1, 2000, the annual interest rate on the Teachers loan will be the rate of the Stafford loan plus 2%. This will be a variable rate with a cap of 10.25%.

The Corporation is once again offering an "In-House Training Series." This series of monthly training sessions will be conducted in our office for our campus colleagues. Each session is designed to enlighten our colleagues on certain aspects of our programs and procedures. The goal being that these insights into what we do and why will help them in their respective jobs. The Series is open to members of the financial aid, business and registrar's offices, regardless of years of experience. We believe one of the most attractive features of the Series is the professional but relaxed tone in which each session is conducted. This induces more of a friendly and one-on-one approach to training that cannot be found in your typical workshop and conference. Those interested in attending a training session may now register on-line via the Corporation's web site at www.slc.sc.edu.

The Corporation is pleased to announce the addition of the Palmetto Assistance Loan as its newest supplemental loan for students and parents of students who are enrolled at least half time in an eligible school. Loans for undergraduate study may be as much as \$10,000 per year and loans for graduate study may be as much as \$15,000 per year. The variable interest rate is based on the Prime Rate plus 1% and is adjusted quarterly. Borrowers have a six-month grace period and repayment may be made over 12 years for undergraduate loans and 15 years for graduate loans. Borrowers may also be eligible for in-school deferments.

Tennessee

Submitted by Ron Gambill

The Tennessee Student Assistance Corporation is pleased to report that the agency received the greatest single increase for the need-based grant program in its history. Nine million new dollars will allow TSAC to serve over 6,500 additional needy students. The Governor's Office and the General Assembly worked to protect this money from the budget cuts in higher education. TSAC's need-based grant program focuses on students with EFCs from 0-1900. Awards will range up to \$1,746 at public and proprietary institutions and up to \$4,050 at independent colleges.

This past award year also provided an \$87 million increase in loans guaranteed. TSAC guaranteed a total of \$490 million in federal Stafford, PLUS and Consolidation loans in the 1999-2000 award year. Many of the lenders and schools working with TSAC have switched to the Internet software called e-clips to submit loans electronically. This software is provided to schools and lenders at no cost.

TSAC is currently working to provide more services through its website. The TSAC Board of Directors recently approved the addition of College Aid Calculator for families to use to estimate EFCs for federal methodology.

Additionally, work is being done to allow students to view their loan information on TSAC's database with information updates as recent as 24 hours.

Virginia
Submitted by Mike Hawkes

ECMC's 1999-2000 Loan Volume

For the 1999-2000 award year, ECMC's guarantee volume showed a major increase over the previous year's numbers. Guarantee volume was up over 15 percent, with out-of-state volume almost doubling. We appreciate the confidence schools have placed in us to provide customized loan processing solutions. We also appreciate the role our participating lenders have had in recommending our services.

Educational Brew

In the two years that the Educational Brew Scholarship program has existed, over \$13,000 in scholarship funds have been awarded to Virginia students. We are currently in the process of securing sponsorship commitments in order to offer these scholarships again this year. We appreciate VASFAA's continued willingness to administer this scholarship program.

The new version of the Educational Brew, scheduled for release in September, has even more schools participating than in previous years. We have also enhanced the new version to accommodate the needs of the hearing-impaired.

Report from Lenders
Submitted by Kathy Campbell

STUDENT LOAN INDUSTRY NEWS – JUNE/JULY 2000

- Sallie Mae announced on June 15 its acquisition of USA Group Guarantee Services, Secondary Market Services, Education One Group – the marketing agent for Bank One's student loans—and USA Group/Noel-Levitz.

Key figures:	Sallie Mae	USA Group
Loan Portfolio	\$54.7 Billion	\$6.0 Billion
Loan Acquisitions	\$13.7 Billion	\$3.1 Billion
Guarantee Processing	N/A	\$10.2 Billion
Servicing Portfolio	\$49.3 Billion	\$15.5 Billion
Borrower Base	5.3 Million	1.5 Million

- First Union announced plans to close its Money Store home equity lending operation.
- National Education Loan Network (NelNet) and InTuition Holdings Inc (includes InTuition Inc. and Class Credit Inc.) announced a merger.
- Master Promissory Note (MPN) effective use is mandatory for loan periods beginning on or after July 1, 2000 or for any loan certified on or after July 1st regardless of the beginning date. A Plain Language Disclosure is required for all borrowers applying for a second or subsequent loan.
- The Study Group on Market Mechanisms, the congressionally mandated study of market mechanisms for federal student loan

programs, has produced an analysis plan and will be holding its third meeting in Washington on July 26. The study is to address the current loan system, Treasury funding, loan origination rights auction, loan paper sale/auction and student shop.

- US District Court recently sentenced a Florida man, Conrad Cortez, to 1 to 3 years imprisonment for submitting fraudulent FFELP applications to Massachusetts's banks (Fleet Bank and Bank-Boston) and agencies. The Department of Education incurred a loss of over \$900,000 in the scheme that involved enrollment in a foreign school. Cortez was ordered to pay American Student Assistance \$350,000 in restitution.
- E-SIGN, Digital Signature Law was enacted with President Clinton's signature on June 30. The law's impact on the student loan industry is still uncertain.
- House Education and the Workforce Committee Chairman Bill Goodling (R-PA) and Committee member Rep. Buck McKeon (R-CA) expressed the need for a FFELP amendment simplifying the student loan interest deductibility under the Taxpayer Relief Act. A letter was sent to the House Ways and Means Chairman requesting consideration of the amendment as part of the tax cut legislation.
- NASFAA President Dallas Martin, in connection with an anticipated \$1.87 trillion budget surplus over the next 10 years, requested on behalf of the Student Aid Alliance that the surplus go towards the Pell Grant Program making it a "true entitlement". Elimination of the student loan origination fees was also requested.
- National Council for Higher Education Loan Programs (NCHELP) held its Spring Conference in California on June 4-7. The primary focus was on modernization of the industry, e-commerce, funding higher education, VFA's and the students of the future.
- Net Wizard, USA Group's Web-based loan delivery system enhancements allow schools to now connect directly with USA Group's Borrower database and Alternative Loan Processing System data. A modified Notice of Loan Guarantee/Disclosure Statement was added to accommodate new MPN requirements and an option for separate disbursement when dates are in the past was included.
- Loan Locator, a new Web service offered to students by the National Student Loan Clearinghouse, helps track student loans efficiently by providing loan holder names, customer service numbers and web links. The service has proven useful during exit counseling. Since its spring roll-out, the system has been accessed more than 20,000 times.
- FAFSA on the Web was one of 20 programs receiving the Pioneer Award for best practices in government. The judging was done by reps for GSA, the National Partnership for Reinventing Government, the Department of Commerce and Industry.
- ELM resources appointed 3 new members to its Advisory Council—Dewey Knight, student loan manager, University of Mississippi, Darryl Marshall, director of financial aid, Florida State University, and Maura Richman, associate director of financial aid, University of California, San Diego.
- Tom Babel was elected to a three year term of the board of directors of the National Student Loan Clearinghouse upon recommendation by NASFAA. Babel is the corporate director of student finances for the DeVry University system, overseeing DeVry Institutes of Technology, Denver Technical College and the Keller Graduate School of Management.
- The last session of "Neg Reg" concluded on July 19-20 and will be followed by the issuance of notices of proposed rulemaking (NPRMs) by the Department of Education. The committees addressed loan issues and program/eligibility issues. Consensus was reached in the majority of cases. Two exceptions, the entire package of death and disability discharges was rejected and an ED modification of "just-in-time" provision for payment method regulations was forestalled. In cases where there was no agreement, ED can issue an NPRM of its own.
- The Congressional Budget Office (CBO) this month estimated the federal budget surpluses at \$4.6 trillion over the next decade, including revenue from the Social Security trust fund. This figure is \$1.5 Billion more than forecasted six months ago. The FFELP community will propose that savings be used to fix the 2003 interest rate issue for lenders, increase borrowing limits, funding for Pell Grants and liberalizing income-contingent loan repayment.
- Sallie Mae signed on to provide federal education loans to students of sessions.edu, an on-line school of visual communications and new media with a curriculum based solely on the net. Sessions.edu is among the first distance educational institutions to be approved by Sallie Mae, who only accepts established online schools with a good credit history.

- USA Group Online News release offers some useful information to borrowers and financial aid officers for avoiding administrative delays in loan guarantees and disbursements during peak season. Duplicate loan requests, invalid or missing grad dates, choosing an ineligible lender and incomplete references were addressed.
- Judith Winston, general counsel to ED, was nominated by President Clinton to serve as ED's Undersecretary. In this role, Wilson will be the principal advisor to Secretary Riley and ED rep on the president's management council.
- NCHelp newly elected officers to the board began a one year term starting July 1, 2000. These include Scott Freedman, executive director of New Jersey Higher Education Student Assistance Authority, as new chair; Steven Brooks, executive director of North Carolina State Education Assistance Authority, is chair-elect; Clark Wold, president of Education Assistance Corporation of South Dakota, is treasurer; and Pat Kaiser, vice president of student services at Vermont Student Assistance Corporation, is representative-at-large.
- Final Department of Education regulations amending regulations implementing the Family Education Rights and Privacy Act were issued. Effective August 7, 2000, amendments permit postsecondary institutions to disclose certain student information to parents and the public in circumstances involving violent crimes and illegal alcohol and drug use.

**Report from the U. S. Department of Education
Submitted by Greg Martin**

Recently, the Department published seven notices of proposed rulemaking (NPRMs) in the Federal Register. Proposed regulations reflect the activities of the two committees involved in the negotiated rulemaking process concluded in the spring. Final consensus was reached on all but a few issues, which will be discussed later.

All of the NPRMs may be obtained by accessing the Department's website, ifap.ed.gov. We strongly encourage you to read and comment on the proposed regulations, an overview of which is offered below. Please note the deadlines by which comments must be received.

Loan Default Reduction and Prevention Measures

Proposed rules move the requirements in this area from 34 CFR 668.17 to a new Subpart M of part 668 and revise them to be more consistent and logical. Submission deadlines have been made consistent and are clearly outlined in proposed Appendix A. While no explicit requirements pertaining to the electronic submission of challenges, requests for adjustments, or appeals have been included, language that would unnecessarily restrict the use of technology is removed from the regulations.

The process of determining a cohort rate for institutions that have undergone a change in status, an area of much confusion in the current regulations, is streamlined. Proposed regulations are specific to the type of change, ie, acquisition or merger of institutions, acquisition of branches or locations, and branches or locations becoming institutions. Any institution, including those with a one-year cohort default rate of greater than 40%, will be able to file a participation rate index (PRI) appeal. Currently, an institution with a cohort default rate greater than 40% for any fiscal year is subject to limitation, suspension, or termination (LS&T) under subpart G of the General Provisions. Under proposed rules such an institution will experience the automatic loss of participation in FFEL and DL rather than discretionary action by the Secretary to end its participation in Title IV. The loss of due process inherent in the LST procedures is addressed by giving institutions with a single FY cohort rate above 40% the same challenge, adjustments and appeals as those schools subject to loss of participation based on three years of cohort rates of 25% or greater. Institutions losing participation in FFEL and DL due to a FY cohort rate greater than 40% will not lose participation in the Pell Grant program. Appeals based on erroneous data, currently restricted to institutions subject to loss of eligibility, will be extended to any institution subject to Provisional Certification under 34 CFR 668.16(m). All institutions will be allowed to appeal cohort rates due to improper servicing or collection.

No consensus was reached on the calculation of cohort rates for proprietary non-degree granting institutions. Currently, one of the default criteria for purposes of determining such an institution's default rate is a loan repaid under the Direct Loan Income Contingent Repayment plan for 360 days, with scheduled payments less than \$15 per month and negatively amortizing, before the end of the fiscal year following the end of the cohort's fiscal year. Many negotiators felt that this provision unfairly singles out proprietary institutions. However, the Department maintained that its inclusion is valid (note reasons outlined in NPRM) and chose to propose no changes to this regulation.

Application, Reapplication, and Certification Process, Written Agreements, FAT Requirements, FWS Record Retention, Non-Traditional Program Disbursement Rules, Loan Notification Requirements

The current procedures for applying to participate in the Title IV programs are contained 34 CFR 600.20 (application process) and 34 CFR 668.13 (certification). Proposed regulations incorporate the administrative procedures for submitting an application, as well as those for obtaining certification for participation all in 34 CFR 600.20. Public institutions will not have to apply for approval of additional locations if those locations are licensed, accredited, and in the same state as the main campus. Additionally, changes in governance at a public institution will not constitute a change of ownership or control if the institution remains public after the change. Consensus among negotiators was not reached in these areas. However, the Department has exercised its prerogative to propose regulations.

There was also a lack of consensus among negotiators regarding the use of incentive payments for which no new regulations have been proposed. It is worth noting that current regulations prohibit incentive payments based on retention (03/28/94 Federal Register, page 9539).

Despite urging by the financial aid community, the Department chose not to propose changes to either the 12 hour or one day rules. Citing the lack of information on alternative measures, ED indicated it would continue to study possible changes. Clarification on the definition of an academic year is contained in language stating that homework does not count as instructional time and that in terms of preparation for instructional exams, only study for final exams that occurs after the last day of class for a payment period counts as instructional time.

Proposed regulations eliminate redundancy in the provisions governing written arrangements (consortium/contractual agreements) by eliminating 34 CFR 600.9 and 690.9 and consolidating requirements in a new 668.5(b). This new regulation will allow eligible institutions to have written agreements with study-abroad organizations representing one or more foreign institutions. In the case of written arrangements between eligible institutions, any of the participants will be permitted to disburse aid without being considered a third-party servicer.

Current regulations allow for electronic notice of loan proceeds credited to a student account but require the student or parent to confirm receipt of the message. Because a literal reading of this language is not consistent with the Department's interpretation of the requirement, revised language is proposed. Proposed rules will require institutions to confirm receipt by the student or parent and maintain documentation of that confirmation.

Federal Work-Study regulations currently require certification that a student has worked the hours for which he was paid. In order to facilitate the use of electronic payroll systems, proposed rules eliminate the requirement that such certifications contain the handwritten signature of the supervisor. This is contingent upon the institution's adopting reasonable safeguards against fraud and abuse.

Existing FFEL regulations require a lender to retain documentation demonstrating extenuating circumstances when making a PLUS loan to a borrower with adverse credit. Proposed rules require only that the lender maintain a record demonstrating its basis for such a decision. The requirement that a lender give notice to an institution that loan proceeds from a late disbursement are being disbursed based on allowable circumstances would be dropped. The current requirement that prohibits a second disbursement of an FFEL or DL for a non-standard term program until the later of the calendar mid-point of the loan period or completion of one-half of the course work would be removed. This would allow disbursement by nonstandard terms.

Finally, proposed rules eliminate the requirement to obtain a paper FAT for mid-year transfer students and mandate the use of NSLDS. Institutions will no longer need to respond to paper FAT requests. For all current year transfers, institutions will request updated eligibility information from NSLDS as soon as they become aware a student is interested in transferring. Disbursements would not be made for seven days after requesting updated information unless, within that period, the institution obtains updated information from NSLDS or requests the information itself. Discussions on the details of the electronic process involved in requesting updated information continue.

Teacher Loan Forgiveness

The Higher Education Amendments of 1998 instituted FFEL and DL loan forgiveness for teachers serving in certain low-income school districts. Proposed rules clarify that new borrowers may have up to \$5,000 forgiven after teaching for five consecutive years (one of which was completed after the 1997-98 academic year) in a low-income school qualifying for funds under Title I. Eligibility is limited to new borrowers (never had an FFEL/DL before 10/01/98 or repaid before 10/01/98).

Perkins, FFEL, DL Death and Disability Discharge

An Inspector General report issued in June 1999 identified numerous instances of borrowers whose loans had been discharged due to permanent and total disability earning substantial incomes. Two percent of those whose loans were discharged due to death reported

earnings. In response to this report and other indications of abuse of this provision, the Department has proposed new regulations to strengthen monitoring of such discharges. Specifically, original or certified copies of death certificates will be required for discharge due to a borrower's death. Only the Secretary, or the CEO of a guaranty agency or the CFO of an institution would be allowed to authorize use of alternative documentation. Applicants for a discharge due to total and permanent disability would receive a three-year conditional discharge, at the end of which, the Department makes a final determination. A discharge request granted by a holder of a loan would result in automatic assignment to the Department.

FFEL and DL Program Changes

Except in the case of an in-school deferment, an FFEL deferment may not be granted for a period beginning more than six months before the date the lender received the request for deferment. Proposed rules remove this limitation from all categories of deferment except unemployment deferment. The DL program does not have such a restriction.

Regulations governing the discharge of an FFEL or DL to false certification of ability to benefit would eliminate the requirement that the borrower was unable to obtain employment. Additionally, a discharge could be granted based on information already in possession of the Department or a Guaranty Agency.

Perkins Loan Collection

Currently an institution is required to reimburse the fund for the amount of defaulted loans for which documentation was not maintained. Proposed rules allow the Department to accept defaulted loan for assignment even if all documentation is flawed or not available. The Department has the discretion to determine when the fund must be reimbursed.

Proposed rules clarify that the 24% cap on collection costs on a rehabilitated loan does not apply if the borrower again defaults on the rehabilitated loan. Lastly, an institution that is an agency of the state may invoke its right of sovereign immunity and would no longer be required to file a proof of bankruptcy under Chapter 7 proceedings.

Special Leveraging Educational Assistance Partnership Program (SLEAP)

The SLEAP program (established by 1998 Amendments) is an additional component of the LEAP program, formerly known as the SSIG program. The SLEAP program was created by Congress to provide incentive grants to states to assist them in providing financial assistance to needy postsecondary students and services to needy preschool, elementary and secondary school students.

Proposed regulations specify the requirements that a state must meet to receive funds under SLEAP. A state is required to submit an application for each fiscal year it wants to participate in the SLEAP program. In its application to participate, the state must identify the authorized activities that it will fund. Allotment formulas and a list of activities that may be funded under the SLEAP program are included in the NPRM. The LEAP and SLEAP programs are funded under one appropriation. The initial 30 million dollars of the appropriation funds the LEAP program. Any amount in excess of the initial 30 million must be used to carry out authorized activities under the SLEAP program.

OLD BUSINESS

None

NEW BUSINESS

ACTION ITEM: Steve Greenough moved that a committee be appointed to look into the feasibility of a web based newsletter rather than a printed newsletter format. Clark Aldridge seconded the motion. The motion failed.

ACTION ITEM: Clark Aldridge moved that a committee be appointed to look into the feasibility of an electronic newsletter but no decision be made as when to implement an electronic newsletter until the matter is brought back to the board for their approval. Steve Greenough seconded the motion. The motion failed.

ACTION ITEM: Clark Aldridge moved that the President appoint a committee comprised of the lending community, the membership committee, the newsletter editor and others deemed appropriate to explore the possibility of having an electronic

newsletter available to the membership for 2001-2002. The committee is to make a report at the February board meeting. Steve Greenough seconded the motion. The motion passed.

Mary Givhan moved that the board meeting be adjourned at 4:50 PM. Steve Greenough seconded the motion. The motion passed.

Respectfully Submitted,
Guy F. Gibbs, SASFAA Secretary

The minutes of the July 29, 2000 Executive Board Meeting were approved by action of the board meeting in Chapel Hill, NC, December 9, 2000.

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