

SASFAA Board Meeting  
Tampa Marriott Waterside  
Tampa, Florida  
December 1, 2001

## **CALL TO ORDER**

President Clark Aldridge called the meeting to order at 8:35 AM, EST.

## **WELCOME**

President Aldridge recognized FASFAA President Cindy Lewis who brought greetings to the SASFAA board from her colleagues in Florida.

## **INTRODUCTIONS**

The President welcomed Charles Bruce, NASFAA Chair-Elect. Mr. Bruce spoke briefly and encouraged the Board to encourage their state colleagues to become involved in NASFAA and to fill out volunteer forms. He indicated that the forms were available on the NASFAA website.

President Aldridge also recognized a new Board member from Mississippi. Brenda Paganelli recently assumed the responsibilities as President of MASFAA.

Randy Craig of ECMC was also present as a member of the Bylaws Committee.

The following 2001-2002 elected board members were present: Clark Aldridge, President; Ron Day, Vice President; Bill Cox, Past President; Karen Koonce, President-Elect; Sonja McMullen, Treasurer; and Guy Gibbs, Secretary.

State Presidents in attendance were: Dot Wikinson, Alabama; Cindy Lewis, Florida; Lisa Mitchem, Georgia; Michael Morgan, Kentucky; Brenda Paganelli, Mississippi; Wanda White, North Carolina; Margaret Hunt, South Carolina; Brent Tener, Tennessee; and Tim Freeman, Virginia.

Committee Chairs in attendance were: Charles Vinson, Finance and Audit; Karen Fooks, Legislative Relations; Dave Cecil, Management Institute; Clyde Walker, Membership; Julia Perreault, Newsletter Editor; Ron Gambill, Site Selection; and Dorenda Adams, Special Projects.

Liaisons present were Karen Gibson, Lender Liaison, and Greg Martin, US Department of Education Liaison.

## **CHANGES TO THE AGENDA**

There were no changes to the agenda; however, the President did pass out a Calendar of Events form and asked that it be updated and returned to him. The information provided will be used to update the calendar found on the SASFAA website.

## **SUBSTITUTE VOTING**

None

## **APPROVAL OF MINUTES**

**ACTION: Ron Day moved to accept the minutes of the July 7, 2001 board meeting held at the Galt House, Louisville, Kentucky. The motion, seconded by Lisa Mitchem, was approved.**

**ACTION: Bill Cox moved to accept the minutes of the November 1 executive board meeting that was held via a conference call. The motion, seconded by Michael Morgan, was approved.**

## **REPORTS FROM THE OFFICERS**

### **Report from the President, Clark Aldridge**

This fall the president visited four SASFAA states (Alabama, Georgia, Tennessee and Mississippi), attended the NASFAA Finance Committee meeting, the NASFAA Board of Directors meeting and SASFAA Conference Committee meeting. After each of these events, he came away feeling positive about how well of the states are doing and SASFAA as a whole. Several state meetings had record attendance. He was

impressed with the interest session content and how well each was organized. He indicated that there are some really good things happening within state associations.

SASF AA continues to be out front in a number of areas of operations. This was evidenced by the discussions among the regional presidents at the NASFAA Board meeting. Several regions are addressing archiving their records just as SASFAA records are now being imaged and stored at the South Carolina Student Loan Authority. Several regions are spending in excess of \$10,000 for development and maintenance of their websites. Thanks to Karen Fooks and Lester McKenzie SASFAA has developed and maintain SASFAA's Web site in-house. He thanked Ellen Green for her efforts in the area of imaging.

At the NASFAA Board of Directors meeting, some regions that held their annual conference in the fall reported a decline in attendance from last year. This decline was attributed to the terrorist events of September 11 and to state budget issues. Since little new is happening in new regulations at the Department of Education at this time, Jeff Baker did not attend the meeting. The time normally allotted to Jeff provided time for Dallas Martin to field a number of wide ranging questions. One issue discussed was the \$400 increase in the Pell Award, which is in jeopardy due to a short fall in last year's funding and high utilization of funds during the current year. It is important that individuals and state associations contact their members of Congress to urge their support for the \$400 Pell increase. Also discussed was the recently released College Board survey that indicated a 7.7% increase in public four-year college tuition and the reasons for the increase. Finally, it was reported that a consensus appears to have been reached that will resolve the 2003 interest rate issue. Under H.R. 2781 "Access Student Loan Act" the current return rate for lenders will remain as is, which will preserve the stability of the FFELP program. The current rate will remain in effect through 2006, after which the rate for borrowers in both FFELP and Direct Loans will be set at a fixed rate of 6.8%.

It was reported that this year's Conference Committee under the leadership of Lisa Tumer had done an outstanding job of putting together a conference that will be both informative and entertaining. The President thinks everyone will be excited about the tract program format, the business resource network sessions and the opportunities these sessions offer the membership.

### **Report from the Vice President, Ron Day**

Vice President Day reported on the activities for the 2001-2002 year. His discussion included the following training initiatives:

- New Aid Officers Workshop - SASFAA Annual Conference
- New Aid Officers Workshop - Summer
- SASFAA/SWASFAA Mid-Level Workshop
- Decentralized Training

### **New Aid Officers Workshop -- SASFAA Annual Conference**

As part of the SASFAA Annual Conference, the Professional Development Committee will present a one-day workshop for new aid administrators on Sunday, February 17, 2002, from 8:00 a.m. - 3:30 p.m. This workshop is designed for aid administrators with less than one year of financial aid experience. Registration and a continental breakfast will be from 8:00 - 8:30 a.m. Topics included during the workshop are:

- Application Process
- Federal Methodology
- Professional Judgment
- Verification
- Budgets and Packaging

The agenda is available on the web site ([www.sasfaa.org](http://www.sasfaa.org)) under the "Conference 2002" tab.

There is no additional charge to attend this workshop. If anyone plans on attending the workshop, they should check the appropriate box on the SASFAA Conference Registration Form. For questions, contact Ron Day at [rday@bsc.edu](mailto:rday@bsc.edu) or Sherwin Hibbets at [sherhib@regent.edu](mailto:sherhib@regent.edu).

### **SASFAA Summer New Aid Officers Workshop**

Planning is proceeding for the Summer Workshop. The instructors have been chosen and have been contacted regarding various dates and activities. Information regarding the workshop is now available on the SASFAA website. Registrants can also find a registration form under the "Summer Workshop" tab.

The workshop will be held June 16-21, 2002, at Furman University in Greenville, SC. A planning retreat will be held March 15-17, 2002 at Furman for training and planning of the workshop.

## SASF<sup>AA</sup>/SWASF<sup>AA</sup> Mid-Level Workshop

The Mid-Level Workshop will be held June 23-25, 2002, at Millsaps College in Jackson, MS. Planning for the workshop has begun. A meeting with the Co-Chairs, Mary Givhan and Ray Tripp, was held on November 16, 2001 at Millsaps College. Greg Thornburg, the SWASF<sup>AA</sup> liaison, attended the meeting as well. Patrick James, the site coordinator of the workshop, hosted the meeting.

The following agenda was determined:

Agenda  
Mid-Level Workshop  
June 23 - 25, 2002  
Millsaps College  
Jackson, Mississippi

Sunday, June 23, 2002

8:00 - 8:30	Breakfast
9:00 - 12:00	Federal Update Delivery System
10:30 - 10:45	Break
12:00 - 1:00	Lunch
1:00 - 2:30	Professional Judgment General Session
2:30 - 2:45	Break
2:45 - 3:45	Professional Judgment Breakout sessions
4:00 - 5:15	Satisfactory Academic Progress General Session
5:30	Dinner (cookout)

Monday, June 24, 2002

7:30 - 8:30	Breakfast
8:30 - 10:00	Verification General Session
10:00 - 10:15	Break
10:15 - 11:45	Interest Sessions: Private School Issues ISIR Corrections/Resolutions Advanced Tax Forms
12:00 - 1:00	Lunch
1:00 - 2:15	Interest Sessions: R2T4 Campus-Based Funds/ FISAP Loan Processing

## Personnel Management

2:15 - 2:30	Break
2:30 - 3:45	Repeat 2 <sup>nd</sup> Interest Sessions
3:45 - 4:00	Break
4:00 - 5:15	Delivering Quality Customer Service
6:30 - 8:30	Banquet/Guest Speaker

Tuesday, June 25, 2002

8:00 - 9:00	Breakfast
9:00 - 10:15	Interest Sessions: Leadership Development Utilizing Web Resources Preparing/Response to Audits
10:15 - 10:30	Break
10:30 - 11:45	Improving Efficiency in the FAO

Information for the workshop will be available on the SASFAA website in mid-December. Registration forms will also be available at that time.

### Decentralized Training

Several states participated on the tele-conference training presented by NASFAA in early October. A number of states presented workshops on the "Development and Maintenance of a Policy and Procedures Manual."

The NASFAA Decentralized Training for the spring semester will be:

- Verification
- Cash Management
- FERPA
- PPAs

Dorenda Adams will coordinate this activity.

**ACTION: Ron Day moved that SASFAA set the conference rate for the mid-level workshop at \$300 for SASFAA members, \$325 for those individuals who are from the SASFAA region but are not currently members of SASFAA and \$300 for anyone attending from outside the SASFAA region. The motion, seconded by Tim Freeman, was approved.**

### Report from the President-Elect, Karen Koonce

The President-Elect indicated that she had a busy fall attending several state conferences. She attended conference in Florida, Kentucky, South Carolina, Virginia, and North Carolina. She thanked the state presidents for their hospitality.

She joined Clark Aldridge and Bill Cox in Newport, Rhode Island for the NASFAA Board meeting. At the meeting she had a chance to talk with the President-Elects from other regions. They discussed the structure of their boards, who attended the board meetings, and the frequency of the meetings. It appeared that all had four meetings per year, as SASFAA does, but the structure varied from region to region. They also discussed some budgetary issues.

It was reported that Janet Sain from ECPI, North Carolina, is already working on the 2003 Conference as Conference Chair. She also attended the Florida conference in order to tour the site where SASFAA will be held in 2003. The conference will be at the Adams Mark in Jacksonville, FL, that opened its doors this past spring. It was reported to be a beautiful riverfront facility.

She reported that there have been some concerns brought to her attention that the Adams Mark is in a lawsuit with the NAACP over an incident at one of their hotels. The management ensured her that the issue will be settled well before the conference is to held. Also, the cancellation clause in the contract would not allow SASFAA to back out at this point. The association would incur a 60% cost of projected revenue for any cancellation between 12 and 24 months prior to the conference. This would be approximately \$176,535. She indicated that the association might want to look at having an escape clause in future contracts in case the property in question is the object of racial discrimination litigation.

In January, she plans to attend the MASFAA Board of Directors as an observer. This will be in St. Louis, MO. This should be a great learning experience for her.

She has been working on selection of committee chairs for the 2002-2003 year and the volunteer form is on the website. So far, she has conference, budget and finance, sponsor/vendor, and electronic services confirmed. Carol Mowbray, from Northern Virginia Community College has agreed to teach the president-elects workshop in Louisville for incoming state presidents.

### **Report from the Secretary, Guy Gibbs**

The Bylaws Committee comprised of Susan Little, Randy Craig, Bill Wall and Guy Gibbs had been involved over the past several months with a comprehensive review of both the bylaws and the SASFAA Policy and Procedure Manual. The Secretary of the Association is tasked with chairing this committee and reviewing the documents on an annual basis; however, every five years a comprehensive review is to take place. The bylaws were last revised in February 1990. The policy and procedure manual had minor revisions approved by the Board in 2000.

The committee met in Alexandria, Virginia, September 21-23. At that time the committee took a line-by-line review of the bylaws. As a result of that review, and in an attempt to bring the bylaws up-to-date, changes will be proposed. These changes will be presented to the SASFAA Board for their review during the board meeting.

If the board approves, the bylaws with proposed changes will be presented to the full membership for their review and approval at the business meeting of the Association. The business meeting will be held in conjunction with the annual conference that will be held at the Galt House, Louisville, Kentucky, February 17-20, 2002.

The committee is also reviewing and will be making recommendations for changes to the policy and procedure manual. The proposed revisions to the manual will be made to the Board at their board meeting to be held February 16, 2002, in Louisville. Once approved by the Board, the changes will be incorporated into an updated SASFAA Policy and Procedure Manual.

### **Report from the Past President, Bill Cox**

The 2001-2002 Nominations and Elections Committee met on October 27, 2001 in Asheville, North Carolina, to determine the next ballot of officers for SASFAA. The committee includes Sandy Neel, Kentucky; Steve Greenough, Mississippi; Lianne Masterson, North Carolina; Richard Ritzman, Florida; Gary Mann, Georgia; Darolyn Porter, Tennessee; Dorenda Adams, Alabama; Nancy Roberts, Virginia; and Mike Fox, South Carolina.

The slate of officers as approved by the SASFAA Executive Board is as follows:

#### President-Elect

Ron Day, Birmingham-Southern College (Alabama)  
Guy Gibbs, Northern Virginia Community College

#### Vice President

Ellen Green, Charleston Southern University (South Carolina)  
Anne Rader, Bryan College (Tennessee)

#### Secretary

Dee Talley, University of Alabama at Birmingham  
Donja Tripp, Georgia Southwestern State University

Deadline to complete and send the absentee vote ballot is February 8, 2001.

### **Report from the Treasurer, Sonja McMullen**

The treasurer provided the board with the latest budget analysis. The report provided budget vs. actual expenditures from July 1, 2001 through November 30, 2001. From the analysis of the budget and expenditures it appeared that revenue and expenditures were on target for the year.

## REPORTS FROM THE COMMITTEE CHAIRS AND LIAISONS

### **Report from the Conference Chair, Lisa Tumer by Clark Aldridge**

Planning is well underway for our 39th annual conference to be held in Louisville, Kentucky at the Galt House, February 17-20. The committee has planned informative concurrent sessions with four tracks: Management, New Aid Officer, Professional Development and Technology. Bill Hansen has been invited to be the opening session speaker. Although there is not a definite acceptance the committee has been encouraged in communications with his scheduler. Jeff Baker will be on hand to deliver the federal updates and Maurice Velasquez has been secured by the Diversity Committee to present a general session on Monday. Dallas Martin, NASFAA President and Cruzita Lucero, NASFAA Chair, have accepted invitations to attend the conference. Chair Lucero will deliver a brief address to the attendees Tuesday evening during the banquet and Dr. Martin will speak to the membership during the closing breakfast on Wednesday. In addition, Greg Woods and Kay Jacks have been issued an invitation to attend. As of yet no response has been received from either of them.

This year there will be offering Business Resource Network sessions in much the same way they are offered during the national conference. Sponsors must contribute at the Platinum or Gold Level to participate. It is anticipated that between ten and twelve sponsors will take advantage of this opportunity. These sessions will be offered Sunday afternoon prior to the official opening of the conference.

The conference website has information on the activities planned before and during the conference. School pride day will be continued on Monday with conference attendees encouraged to wear their school apparel. Bingo will be held Monday evening and a band has been hired for the dance following the banquet. The band, The Production Company, has been secured and is a favorite of SASFAA members. They offer a wide variety of music, have eight band members and are able to motivate the audience. The computer lab will once again be offered and will be housed in the vendor area. Greg Martin is assisting in identifying department folks to staff the lab. The lab will be open during the exhibit hall hours. The community service project will be with Kentucky Harvest, an organization that collects and distributes food to those in need. There will be a vendor on site for food purchases. The hotel will also be asked to donate any unused food from our meal functions.

A postcard will be mailed to the membership announcing the conference and directing members to the website shortly. Flyers were distributed to state associations with the request that they be placed in the registration packets for fall conferences. There will be newsletter articles in each SASFAA newsletter prior to the conference, as well as, in the state newsletters. In addition, posts will be made to the SASFAA list serve highlighting conference events and activities.

Saturday evening will be set aside for the traditional President's Reception for the Board and Conference Committee.

### **Report from the Sponsorship Chair, Ann Hendrick by Ron Day**

The following sponsors were thanked for the support that they have given to the fall board meeting:

- Friday dinner: edSouth, Karen Gibson
- Saturday training and breakfast: TSAC, Ron Gambill
- Saturday lunch: Fleet, Michael Brick
- Saturday dinner: Bank of America, Mike O'Grady
- Sunday breakfast: Sallie Mae, Tom Hood
- Hospitality suite: American Express, Steve Greenough

#### Conference sponsors to date

29 Sponsors: 6 Platinum, 11 Gold, 5 Silver, 7 Bronze, and 1 contribution (At this time last year there were 27 sponsors so the chair feels that budget projections will be met.)

#### Business Network Resource Participants

A total of 8 sponsors have requested to participate in the new Business Network Resource Seminars. This appears to have been an incentive to bump up to higher levels of sponsorship since 5 sponsors are contributing at a higher level.

#### Newsletter Sponsorship

To date there are 17 newsletter sponsors. Sponsorship is down from 2000-2001 for the newsletter probably as a result of moving to an electronic version.

### **Report from the Membership Chair, Clyde Walker**

The activities of the SASFAA Membership Committee since the Board Meeting in Louisville, Kentucky in July were summarized as follows:

- Updated the membership application for 2001-02, which was printed for inclusion in the membership mailing as well as published on the SASFAA website.
- Completed a membership mailing to all members in 2001-2002 and those who were members in 1999-2000, but were not members during 2000-2001.
- Began receiving applications from Sonja McMullen, SASFAA Treasurer, and entering application data into the SASFAA database. On November 19, 2001, McMullen and the membership chair met and reconciled their respective records.
- Prepared and shipped mailing labels for the summer and fall editions of the SASFAA Newsletter.
- Made membership database available to Lester McKenzie so that he could prepare members' email addresses for use in distributing the next newsletter electronically.
- Prepared and shipped labels for use in 2002 conference mailing.

Through November 25, SASFA has registered 945 members for 2001-2002.

#### **Report from the Agency Liaison, Ken Player by Ron Gambill**

The guaranty agency community is excited that there appears to be consensus on a solution to the FFELP interest rate problem. All interested parties, FFELP lenders, student groups, and congress, appear to approve of the compromise that has been reached. Everyone was anxious to avoid this being a major issue during the 2003 reauthorization.

FFELP lenders and guaranty agencies are gearing up for a round of negotiated rulemaking after the first of the year and also for reauthorization in 2003. It appears that a lot of the topics for both the Neg Reg session and reauthorization will stem from the recent "Fed Up" initiative started by Representative Buck McKeon.

Those agencies handling state grant programs are concerned with the budget shortfalls being experienced in most states. Some cutbacks have already been announced, and the fear is that there will be more to come.

Guaranty agencies were very pleased to see the cohort default rates decline once again from 6.9% to 5.6%. Agencies are working very closely with schools in their states in default prevention efforts.

Agencies are looking for new and innovative ways to make the communication and aid delivery processes easier on themselves and their students and schools. Websites are being updated and new electronic tools are being introduced to make these processes easier.

The following are the reports from individual states:

#### **Alabama Report**

A new national profile of federal student aid programs indicates a disparity in grant support for Alabama students when compared to the national average. The report (Federal Student Financial Aid) has been prepared and released by NASFAA. Data indicate that the average need-based grant award for students receiving assistance through the state's only need-based aid program, the Alabama Student Assistance Program, was \$466; the national average for students participating in this LEAP program was \$1,663. These figures reflect activity for the 1999-2000 academic year – the latest year for which data are available. Currently, Alabama ranks in the bottom tier of states providing need-based grant support to undergraduate students.

Commission staff plan to recommend to members of the Alabama Commission on Higher Education at their December commission meeting a nearly \$6 million ASAP funding request for the Alabama Legislature to consider during their regular session scheduled for January. Because of reductions in tax revenues, the outlook for funding increases in any programs seems unlikely.

William H. Wall, Ph.D.  
Associate Executive Director  
Student Assistance Programs

## Alabama Commission on Higher Education

### Virginia Report, ECMC

#### ECMC's Cohort Default Rate Drops

On September 19, the U. S. Department of Education released FY 1999 guaranty agency cohort default rates. ECMC's rate of 5.05 percent is again below the national average of 5.46 percent.

ECMC's FY 1999 cohort default rate of 5.05% represents a 22.8% decrease from FY 1998's cohort default rate of 6.54%. Nationally, many guarantors also experienced a reduction in their cohort default rate versus 1998, with the national average decrease being 20.1%. ECMC's percentage decrease in guaranty agency cohort default rate of 22.8% also outpaced the national average decrease.

#### ECMC Launches "Lunch Buddy" Program

ECMC's mission to help educate America is being taken literally by twenty-one ECMC employees in the Virginia office. These employees are taking part in the Lunch Buddy Program with Miles J. Jones Elementary School.

Each of the volunteer lunch buddies will be assigned a second grader to eat lunch with and share an activity in the school's media center. Although the school has a suggested reading list and will supply the books, the volunteers are encouraged to develop their own activities to share with the students.

ECMC's lunch buddies will serve on alternating Mondays at the school. The first visit to Miles J. Jones Elementary, one of the newest and most technologically advanced schools within the City of Richmond, took place October 8, and plans are to continue the program until the end of the school year.

#### ECMC Foundation's Default Reduction Project

ECMC recently hosted representatives from schools, lenders and servicers as part of the ECMC Foundation's default reduction project. These representatives reviewed over 100 randomly selected default claim files, concentrating on evaluating the quality of borrower contacts made by the lender/servicer, guarantor and school. The goal of this group was to identify potential areas of improving communications with the borrower.

The goal of this ECMC Foundation project is to design a school-based model for improving borrower contact efforts toward the larger goal of reducing defaults.

Mike Hawkes  
Director, Policy and Communications  
Virginia Center

Florida Report  
Janie Westberry

#### Office of Student Financial Assistance Management

OSFA has had some recent additions to senior management. The full senior management team is as follows:

Janie Westberry	Chief of Student Financial Assistance
Bucky Mitchell	Senior Attorney
Hamida Faquir	Director of FFELP Operations
Reita Kelley	Director of Guarantee Processing and Customer Service
Kelly Harrison	Director of Claims and Recovery
Joe Duggar	Director of OSFA Data Center
Joel Jarrett	Administrative Services Director
<u>Norma Parrish</u>	<u>Chief Financial Officer</u>
Judith Branch	Director of Program Policy and Institutional Review, Training, and Outreach
Theresa Antworth	Director of State Scholarships, Loans, and Grants

Monya Newmyer

Director, Bright Futures Scholarship Program

OSFA also welcomes Karen Hurrell as the new Outreach Representative for the Jacksonville/North East Florida region. Karen comes to OSFA as a highly recommended former Financial Aid Administrator for Jacksonville University.

#### OSFA Debt Management System

With the claims and collections prototype in development, OSFA's implementation of a web based Federal Family Education Loan Program Guarantee Processing and Debt Management System is right on schedule.

#### Florida K-20 Education System Reorganization

Florida's education system is getting a complete makeover with the implementation of the Florida Education Governance Reorganization Implementation Act of 2000.

The act specifically provides for the establishment of a Florida Board of Education and boards of trustees for each university in the State University System. The new Florida Board of Education will be comprised of seven members appointed by the Governor to oversee the entire Florida K-20 education system. The primary function of the board is to establish education goals and objectives consistent with the policies and guiding principles of the Florida Education Governance Implementation Act, and, together with the Commissioner of Education, to oversee the implementation of and enforce compliance with the education policies established by the Florida Legislature.

The position of Commissioner of Education will then transition from an elected position to one appointed by the Florida Board of Education in January 2003. The transition is the result of the passage of a 1998 constitutional amendment, which reorganized the Florida Cabinet and called for the creation of an appointed Education Commissioner.

#### OSFA State Programs

##### Florida Bright Futures

OSFA's merit based program, the Florida Bright Futures Scholarship, expects to disburse over \$90 million to about 80,000 students during the first half of the 2001-2002 academic year.

##### Florida Student Assistance Grant

OSFA's need based program, the Florida Public Student Assistance Grant, received additional funding this year to expand the program to part-time students. The Florida Legislature is committed to assisting these students in their pursuit of higher education.

##### State Student Financial Aid Database

The State Student Financial Aid Database (SSFAD) has been implemented for the 2001-2002 academic year.

For more information on any of OSFA's State Programs, call toll-free 1-888-827-2004 or visit the website at <http://www.firn.edu/doe.osfa>.

#### Federal Family Education Loan Program

For the state fiscal year ending June 2001, OSFA processed 249,673 student/parent applications for a total volume of \$879,989,450, an increase of 29,873 applications and \$179,343,302 in volume over the previous year. OSFA has \$546,367,185 in total loans guaranteed for the first quarter of the state FY2001/2002.

##### Default Prevention

OSFA now offers a Default Prevention Best Practices Workshop for schools and their staff. This training is designed to examine the factors that contribute to default and how financial aid staff and related offices can work together to help their students avoid defaulting on their student loans. Schools interested in the workshop should contact their local OSFA Outreach Representative.

#### OSFA Outreach

##### FASFAA Fall Conference, October 10-12, 2001, Jacksonville, Florida

Over fifteen OSFA staff attended the Florida Conference to provide hands-on training on OSFA's SSFAD (State Student Financial Aid

Database), New Reporting Procedures, and Fundamentals of Financial Aid.

AASFAA Fall Conference, October 16-19, 2001, Auburn, MS, and MASFAA Fall Conference, November 7-9, 2001, Jackson, MS

Outreach Manager Hamida Faquir and Outreach Representative Melinda Walker provided Alabama student aid administrators with an update on recent OSFA program and service developments and Policy and Training Director Judith Branch and Melinda Walker traveled to Mississippi to provide vendor support and address financial aid program services and issues.

NCHELP Fall Training Conference, Nov. 11-14, 2001, Salt Lake City, UT

Bureau Chief Janie Westberry and Judith Branch attended to obtain information on issues and regulatory changes pertinent to the administration of the Federal Family Education Loan program.

Southwest Student Services, Nov. 14-18, Phoenix, AZ

OSFA will provide hands-on training on OSFA/FFELP processing, policies and regulations.

#### Georgia Student Finance Commission (GSFC)

Following is a list of accomplishments and new initiatives completed by the Georgia Student Finance Commission (GSFC) since our last board 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:

Since the inception of the HOPE Scholarship Program in 1993, more than 568,000 students have received more than \$1.3 billion.

Beginning with the fall term of 2001, Georgia is participating in the Federal LEAP program. For the 2001-2002 award year, \$1,013,712 in state funds was appropriated, plus a federal allocation of \$525,883.

#### Georgia Higher Education Assistance Corporation (GHEAC):

- GHEAC's Cohort Default Rate for FY 1999 was 6.4 percent, its lowest ever rate, down from a high in FY 1991 of 19.1 percent.
- As a result of the consultant's report of the GHEAC Focus Groups, GHEAC is inviting schools and lenders to participate in several new task forces to address issues and to plan for the future. Two task forces will be internal: Customer Service to address training, organizational issues and communications. Two will be external: SSP Flexibility and Technology (separate school and lender task forces), Customer Service and Communications.
- Collections from inception, March 24, 1999, through October 31, 2001, due to Professional Licensing Denial or Suspension Program with five agencies and commissions actively participating, were \$4,924,451.

#### Georgia Student Finance Authority (GSFA):

Based on the success of the initial pilot program, the Authority added two additional pilots to its Service Cancelable Loan programs for nursing students. The new programs cover markets in Augusta and Northeast Georgia. These new programs mirror the pilot program started last year. Each of the programs provide a Service Cancelable Loan in the amount of \$9,000 (\$4,500 per year), and the loans can be cancelled with service as a nurse in participating hospitals in Georgia at a rate of \$3,000 per year.

The Authority provided a major increase of 113.5 percent of \$1,266,652 in the funds allocated to Allied Health Related Professions Service Cancelable Loan programs for fiscal year 2002.

#### Kentucky Higher Education Assistance Authority (KHEAA)

#### New Executive Director

Dr. Joe L. McCormick was appointed Executive Director and Chief Executive Officer of the Kentucky Higher Education Assistance Authority (KHEAA) and the Kentucky Higher Education Student Loan Corporation (KHESLC) effective October 1. Dr. McCormick most recently was

Vice President for National Affairs for the Apollo Group, Inc., of Phoenix, Arizona. Prior to that he was Chair of the Direct Loan Task Force, Acting Director of the Guarantor and Lender Oversight Staff, and Special Assistant to the Deputy Assistant Secretary of the U.S. Department of Education (USDE).

### KHEAA Joins Mapping Your Future

KHEAA is becoming a sponsor of Mapping Your Future, a Web site that provides information about higher education and career opportunities. KHEAA decided to become a sponsor to enhance the services the agency offers students and parents.

### Kentucky Counselor Survey Results

On a recent survey sent with the Counselor Connection, Kentucky high school and TRIO counselors were asked to rate the usefulness of KHEAA publications on a scale of 1 (not useful) to 5 (very useful). The weighted averages of respondents through the end of October were:

- Getting In - 4.9
- Affording Higher Education - 4.6
- Success Through Educational Planning booklets - 4.6
- Kentucky Educational Excellence Scholarship (KEES) brochure - 4.9
- Posters featuring KHEAA publications and programs—4.2
- Counselor Connection - 4.7

### Welcome to Kentucky!

The state agency welcomes all SASFAA members who will be joining us February 17-20 at The Galt House in Louisville for the SASFAA 2002 Conference. See you there.

### North Carolina State Education Assistance Authority

Submitted by Elizabeth V. McDuffie

Students, parents, and counselors in North Carolina are finding the information service, College Foundation of North Carolina (CFNC), [www.CFNC.org](http://www.CFNC.org) to be a great resource as they research colleges and financial aid in North Carolina. College Foundation of North Carolina was launched in May of 2000 as a one-stop source of information on financial aid and expanded this summer to include college admissions and career information. Since the service expanded in July 2001:

- Over 5,500 students have submitted admissions applications to North Carolina colleges online via CFNC.
- Over 45,000 students in the state have established CFNC accounts through which they can:
  - track high schools courses completed as well as the courses still needed to meet specific college entrance requirements;
  - explore careers;
  - investigate over 100 colleges in North Carolina;
  - transfer data to FAFSA On- the-Web, and
  - apply for college admission and student loans.
- The number of visitors to the Web site has continued to grow since its inception. During October, the site averaged 2,900 unique visitors each day and approximately 7 million hits for the month.

### College Foundation, Inc., North Carolina State Education Assistance Authority, and Pathways of North Carolina sponsor CFNC jointly

Another new endeavor for the State Education Assistance Authority and College Foundation was the creation of the new North Carolina EXTRA Education Loan program available for students in North Carolina. The EXTRA loan was developed to assist students needing additional funding beyond the Stafford Loan in order to attend college. Loans are made to credit-worthy students (co-signers permitted for students who do not demonstrate satisfactory credit history) enrolled in four-year eligible institutions. The interest rate is prime + 0; the length of repayment is determined by the amount borrowed and can extend to 30 years. For more information, visit

[http://www.cfnc.org/paying/loan/info\\_extra.jsp](http://www.cfnc.org/paying/loan/info_extra.jsp).

## South Carolina Student Loan Corporation

The SC Student Loan Corporation is extremely pleased to announce the return of two South Carolina schools back to the FFELP fold for the 2001-2002 school year. Trident Technical College and Claflin University both began participating in the Direct Loan Program back in the Nineties and both decided that the return to the FFELP would be in the best interest of their students. Both institutions have named the Corporation as their preferred lender and the Corporation is grateful to Claflin University and Trident Technical College for renewing their trust in the Corporation.

The SC Student Loan Corporation in conjunction with the SC Commission on Higher Education and the SC Tuition Grants Commission created **SCcollegeaid.org**, a centralized web site that has links to the various financial aid institutions and kinds of financial aid in South Carolina. This site is a valuable contribution for our parents and students as well as for the financial aid community in South Carolina by making it easier for students and parents to learn about the availability of financial aid in the state. Major links on the site include the SC Commission on Higher Education, the SC Student Loan Corporation, the SC Department of Education, the SC Income Tax Credit for College Tuition, the SC Tuition Prepayment Program and the SC Tuition Grants Commission.

The Corporation is also proud to boast the second lowest cohort default rate in the nation --1.4%. The low rate is due to the outstanding counseling given to borrowers beginning at origination, continuing during repayment, and given by the collection staff. Credit must also be given to the financial aid staffs of the colleges and universities who have worked diligently to provide guidance and counseling to their students to reduce the rates at their own institutions.

By: Cheryl Hughes

## SC Tuition Grants Program

The SC Tuition Grants Program provides need-based grants to eligible South Carolina students attending in-state, independent colleges on a full-time basis.

Due to budgetary constraints, a 1% reduction was mandated to all state programs near the end of the 2000-2001 fiscal year that ended June 30, 2001. This impacted the SC Tuition Grants Program for the amount of \$275,000. The grants program also lost approximately \$500,000 in 2000-2001 funds that was planned to be carried forward into the 2001-2002 award year.

For the current 2001-2002 award year, in addition to losing the carry forward funds, the program also lost \$500,000 in non-recurring funds that it received in 2000-2001. The State Budget and Control Board is likely to approve at its October meeting later this month an additional 2-5% state budget cut for the current 2001-2002 operating year.

At the writing of this update in mid-October, the commission is in the process of receiving the fall enrollment reports from the colleges that will tell us exactly how many students enrolled full-time in the fall, 2001, semester. Almost 2,000 more grant commitments were made this year compared to last year, so it will be interesting to see how many additional eligible students are in the award pool this fall.

With more students in the award pool, and with the funding level for 2001-2002 likely to be reduced by as much as \$1 million-\$1.5 million, the likelihood of a mid-year reduction to all tuition grants is very high. The reduction could be as much as 10-15% depending on the fall show-up rate and the final amount of the mandated state budget reduction. The results should be known in time for the SC Tuition Grants Commission to make a decision about a mid-year reduction at its December meeting.

Eddie Shannon  
Agency Director

## Tennessee Report

The Tennessee Student Assistance Corporation received the \$9 million request for improvements for the 2001-2002 budget year. Through these improvements TSAC was able to award an additional 8,800 need-based grants just prior to the beginning of the fall semester. TSAC was also able to extend 40 additional loan/scholarships for teachers based on the increased funding. The TSAC Board of Directors has already approved TSAC's budget request for 2002-2003, which seeks \$14 million in new improvements for awards to needy students.

TSAC loan volume increased to \$560 million for the 2000-2001 award year. For 2001-2002 TSAC is already ahead of last year's pace. With loan volumes increasing, TSAC is working with its servicing partners to increase default aversion activities. There is an industry concern regarding the impact of an economic downturn as it relates to the ability of students to repay student loan debts.

TSAC is working with TASFAA to provide statewide training for high school counselors and vocational rehabilitation counselors during December 2001 and January 2002.

Submitted by:  
Ron Gambill

### **Report from Site Selection Committee, Ron Gambill**

The State of Georgia via GASFAA has accepted the opportunity to host the SASFAA conference in 2005. Based on information provided by Thelma Ross, last year's Site Selection Chair, and a visit to Savannah, the hotel facilities are not sufficient at this time for that city. Therefore, attention is being focused on Atlanta. Four hotels have been contacted to date:

- Hyatt Regency Hotel – pending
- J. W. Marriott Hotel – facility not large enough
- Marriott Marque Hotel – no available dates
- Waverly/Renaissance Hotel – pending

Lisa Mitchem suggested Julia Perreault as a local contact to check for additional facilities in the Atlanta area. The Hyatt and Waverly will submit proposals and have February dates available in 2005. There was discussion relative to potential room rates in downtown Atlanta.

Discussion also ensued relative to contacting sites in North Carolina in the event that the Atlanta sites prove to be too expensive. The Board directed the Site Selection Chair to follow up with the Holiday Inn-Four Seasons in Greensboro or a similar North Carolina facility as an alternative.

The potential of swapping the annual convention between Georgia and North Carolina was discussed.

A site visit will be planned prior to the February SASFAA Board meeting. Proposals will be submitted with a recommendation at that time.

### **Report from the Lender Liaison, Karen Gibson**

The following information was provided as the student loan industry update from September through November 2001:

- The attacks of September 11, 2001, will alter budget debate agenda on Capitol Hill in the coming months. Congressional leaders are preparing to remove as many items from the agenda as possible as they begin to consider what will be needed to address immediate relief aid and emergency national security issues.
- According to Senate Budget Committee Chairman Kent Conrad it is too early to gauge how these events will affect efforts to address the 2003 student loan interest problem.
- Relief for borrowers in the works: Ed is preparing to release a proposed Dear Colleague Letter that provides relief for borrowers in the FFEL, Direct Loan and Perkins Loan programs that were affected by the recent national disaster.
- The Office of the Comptroller of the Currency is encouraging national banks to work with customers affected by the terrorist attacks in New York and Washington. Banks are encouraged to exercise prudent efforts to make credit available and to adjust or alter terms on existing loans for customers affected by this disaster and related problems.
- ED releases school default rate data: A searchable database containing FY 1999 school cohort default rate information is available via the website. The official cohort default rate notification packages will be mailed to schools via overnight mail on Monday, September 17, 2001
- From the General Accounting Office it was reported that the Department of Education has corrected many information security weaknesses identified by its Inspector General. The report finds that the Department did not adequately protect its network from unauthorized users.
- First Marblehead announces record student loan disbursement volume: Due to lender partner relationships and solid growth in existing business have contributed to record student loan disbursements for its peak processing weeks.

- Sallie Mae simplifies student loan consolidation with new online applications: Sallie Mae announced the introduction of a faster, more streamlined method for borrowers to apply for student loan consolidation, a repayment alternative designed to provide lower monthly payments.
- Interest rates for FFELP for July 1, 2001-June 30, 2002: ED published in the September 13, 2001 Federal Register the interest rates for the Federal Family Education Loan Program and the William D. Ford Federal Direct Loan Program.
- National Student Loan Default Rate Drops for Ninth Consecutive Year to 5.6 Percent:

By the end of FY 2001 on September 30, approximately 5.26 million students will have borrowed \$33.9 billion in federal student loans more than triple the 11.7 billion borrowed in FY 1990.

Credited for their considerable efforts, 6,700 colleges and universities that participate in the Title IV programs as well as the Departments financial partners, including 4,000 lenders and 36 guaranty agencies, were commended for their continued efforts to lower the default rates that began after 1990 when rates peaked at 22.4 percent.

The department cited a number of specific activities, for example: garnishment of wages, data match for tracking borrowers, flexible repayment options, and many others.

Only seven schools were subject to the loss of the student loan program and Pell Grant program eligibility due to official default rates of 25 percent or higher for three consecutive years or due to a 1999 default rate of greater than 40 percent.

- ED Continues Assistance for Victims: The Department of Education announced that it had directed lenders who have made or hold federal student loans to provide financial relief from monthly loan payments to those borrowers affected by the terrorist attacks.

Dear Colleague Letter (GEN-01-11) that provides guidance addressing the immediate needs of borrowers who are in repayment on Title IV loans and were affected by the recent terrorist attacks.

The Secretary authorizes FFEL guaranty agencies to cease collection activities without a request from the borrower from September 11, 2001 through January 31, 2002 for defaulted borrowers who reside or work in the designated disaster areas in New York City.

- Direct loan schools list reasons for returning to FFELP: The most frequently cited reason is the administrative nightmare of the reconciliation process in the Direct Loan Program. Charles Vinson, Director of Financial Aid at Murray State, shared reasons why schools are leaving the Direct Loan Program as follows: cheaper rates for borrowers; better service for schools; reconciliation problems; better customer service; the fact that it is easier to make a change in FFELP than with DL; and change in servicers by the Department.

Lost and torn Promissory notes become a liability to the institution under Direct Lending.

- edamerica signs another loan servicing partner: edamerica has welcomed the Louisiana Education Loan Authority a division of the Louisiana Public Facilities Authority as a servicing client.
- ELM Resources announces new memberships: ELM Resources announced that its Board of Directors has approved two new memberships the Oklahoma Student Loan Authority and the LoanStar Funding Group.
- College Costs and Student Aid rise in Tandem: The College Board released data that show the price of higher education increased significantly this fall. Tuition increased an average of 7.7 percent at public colleges and universities and 6.6 percent at private institutions.

The 7.7 percent increase (nearly triple the rate of inflation -2.6 percent) at public colleges represented the highest rate of increase since 1993. This marks the first time since 1996 that increases in the public sector have outpaced those in the private sector.

The good news, however, is that a record amount of financial aid was available to students to help deal with the rising costs. The available student aid topped \$74 billion in 2000-2001, an increase of 7.1 percent over the preceding year.

- College Board points out that the loan-grant imbalance remains a significant concern. Student loans now represent 58 percent of all aid, compared to just over 41 percent in 1980-1981.

Student use of the unsubsidized loan option, introduced in 1992-1993 and available to students regardless of need, continues to grow while borrowing in the subsidized loan program has leveled off.

Unsubsidized borrowing, by students (Stafford Unsubsidized) as well as parents (PLUS), now accounts for more than \$18 billion, almost

half of federal education loan volume.

- Consensus interest rate proposal moves forward: Chances for a legislative solution to the 2003 student loan interest rate problem before Congress adjourns for the year improved dramatically (Nov. 2, 2001) when consensus was reached on a compromise proposal that would ensure the continuation of affordable interest rates for borrowers and maintain an adequate rate of return for loan providers. The student loan community has agreed that the problem should be fixed by retaining the current commercial-paper index for FFELP providers and the current T-bill formulas for borrowers until either 2005 or 2006 at which time the rate for borrowers would convert to a fixed rate of 6.8 percent for Stafford loans and 7.9 percent for Plus loans.
- Education spending bill heads to conference: The Pell Grant shortfall remains a concern and the Senate voted this week 89 to 10 to approve the Fiscal Year 2002 Labor-HHS-Education appropriations bill, which includes a \$1.6 billion increase for the Pell Grant program, a record amount, but the financial aid community is pushing hard for additional funds to deal with a shortfall in the program identified by the White House last week (Nov. 9, 2001).
- Regula introduces legislation to change rules on student loan consolidation: Chairman Ralph Regula, of the House Appropriations Subcommittee on Labor-HHS-Education introduced on November 9 legislation to allow students and graduates greater flexibility in refinancing their student loans.
- The legislation amends the Higher Education Act that requires students seeking to consolidate their loans to do so only with one of their existing loan holders. Under his bill, provisions limiting a borrower's choice of consolidation provider would be eliminated from the law.
- The single holder rule was enacted into law in part because of the frustration among financial aid administrators with the direct marketing practices by some loan providers as well as concerns that providers may offer attractive benefits to only certain borrowers (high balance loans with low likelihood of default).
- Under current law, if a borrower has loans from more than one holder, the borrower may seek a consolidation loan from any provider.
- Panel of experts talk consolidation loan limit increase: The Coalition of Higher Education Assistance Organizations (COHEAO) sponsored an informative teleconference on consolidation loans.
- The information and materials include specific case studies and a checklist for financial aid administrators to use to assist them as they counsel students about consolidation options.
- Some of the financial aid administrators said that proposals to raise loan limits would be one of the, if not the most important issues debated during the next reauthorization of the Higher Education Act in 2003.
- Current PLUS Loan application materials approved through October 2004: The Department of Education announced this week the final approval of the Federal PLUS Loan Application materials, making the current PLUS loan application and promissory note effective until a Master Promissory Note for the PLUS program is unveiled.
- With economy faltering loan defaults could rise: In a recent Education Daily article, student aid specialists said it is too soon to tell whether the looming recession will leave students unable to pay back their loans when they leave school. Students have been honoring their loans in record numbers, according to Education Department statistics.
- New report suggests education loan forbearance reduces risk of default: As the number of education borrowers and their indebtedness increase, policy-makers and lenders continue to scrutinize the use of education loan forbearance to ease borrower repayment burdens and cut default costs. Forbearance also benefits student borrowers by helping them avoid default, but this benefit increases the cost of borrowing, sometimes substantially. About 6 percent of the borrowers in this research sample repaid their loans in full during the study period. Only one in six borrowers who were in forbearance defaulted. Forbearance reduced the default losses to taxpayers by at least 4 percent.
- FFELP Community Opposes Regula Consolidation Bill
- Rules governing consolidation loans have a widespread negative impact in the student loan marketplace, the FFELP community lined up this week (November 6, 2001) to oppose the proposal.
- Under current law, borrowers whose FFELP loans are held by a single provider must initially request consolidation from that provider.

- Education Finance Council members are pointing out that current law strikes a crucial balance between allowing borrowers choice in consolidation and protecting vulnerable borrowers from unnecessarily consolidation their student loans.
- In addition, borrowers could be susceptible to aggressive direct marketing campaigns, which pass school financial aid experts, and do not fully disclosure the risks of consolidation.
- Education Secretary Rod Paige says universities are critical to national security: Educators are now engaged in a war against terrorism. He stated, "Education is the soil from which liberty grows."

### **Report from Department of Education Liaison, Greg Martin**

#### DCL CB-01-13 Perkins Promissory Note

This letter announces the availability of a new Perkins promissory note to replace the notes issued as part of Dear Colleague Letters CB-96-8 and CB-93-9. Both the closed and open-ended notes are included as attachments to CB-01-13 and may be downloaded from the IFAP.ed.gov website. The new notes incorporate numerous changes resulting from passage of the 1998 Amendments to the HEA among them:

- Provisions of the loan rehabilitation program including notice that the 24% cap on collection costs assessed on a rehabilitated does not apply if the borrower defaults again;
- Retained grace periods for borrowers ordered to active duty for a period of more than 30 days;
- Availability of the Student Loan Ombudsman;
- Expansion of borrower eligibility for volunteer service cancellations for NDSL loans;
- Addition of a new section on discharges; and
- Revisions to the deferment section reflecting that deferments no longer need to be requested in writing.

No further use of notes issued as part of Dear Colleague Letters CB-96-8 or 93-9 will be permitted after May 1, 2002.

#### DCL CB-01-14 Campus-Based Programs 2002/03 FISAP Edit Corrections and Update of Federal Perkins Cash on Hand

This letter discusses the FISAP edit correction period reminding institutions of the December 15 deadline for submission of corrections. The letter further reminds institutions to update Federal Perkins cash on hand to reflect cash on hand as of October 31, 2001. Many institutions fail to update this figure the result of which is often receipt of an excess liquid cash notice from the Department. The appropriate field for this update is found in Part III Section A Field 2.1. The Campus-Based customer service hotline is 877-801-7168.

#### DCL GEN-01-17 FAFSA and Renewal FAFSA Drug Worksheet

Final 2002-2003 Drug Worksheets are available on IFAP. The worksheet explains the three codes students may use to answer FAFSA Question 35:

- Eligible for the period July 1, 2002 to June 30, 2003
- Ineligibility will end during the 2002-2003 award year
- Not eligible for all of the 2002-2003 award year

For help, students convicted of possession or sale of illegal drugs are directed to [www.fafsa.ed.gov](http://www.fafsa.ed.gov) or 1-800-433-3243. Students who answer "Yes" to Question 35 or leave it blank will receive a worksheet with their SARs. Renewal FAFSA applicants who responded to Question 35 with 3 or left it blank will receive a worksheet with the 2002-03 Renewal Application.

#### Training Issues

There will be no additional regional SFAU staff hired at least through spring 2002. Until this situation changes, it is Martin's recommendation that the current arrangement with David Bartnicki and he sharing responsibility for SASFAA state conferences remain in effect. If a state association plans to incorporate a federal update as part of its spring conference agenda, let Martin know the exact date as early as possible. This will greatly assist scheduling efforts when it is necessary to attend multiple conferences within a given week. He encouraged everyone to feel free to provide him with any comments or suggestions regarding this arrangement.

**The meeting was recessed at 12:05 PM, EST, for lunch.**

**The meeting was called back into session at 12:55 PM, EST.**

## REPORTS FROM THE STATE PRESIDENTS

### **Report from State Presidents Chair, Michael Morgan**

The state presidents did not meet before the board meeting as a group and had to specific report to share with the board.

### **Report from FAFSA, Cindy Lewis, President**

#### Fall Conference, October 10-12

The conference was held at the Adam's Mark Hotel in Jacksonville with the theme "New Directions, Sharing the Vision." Allison Beaver of Barry University chaired the conference attended by 404 members. Lou Heckler delivered the keynote address. Karen Koonce, SASFAA President-Elect, and Janet Sain attended the conference and addressed the group with a SASFAA update. Janet spoke to the group and asked for Florida support for the SASFAA 2003 conference to be held at the same hotel.

The conference committee designed the program to build unity among the five state regions. There were region meetings held during the conference where plans were made for training activities for the rest of the year. The regions also planned for the "Survivor Party" on Thursday night where they competed against one another for the best region. Each region had wonderful participation.

#### Regional Training

"Fundamentals of Financial Aid" workshops were held in November in each region. The workshops were designed for new staff members to financial aid and were well attended across the state. Regional support staff workshops are being planned for February or March.

#### Elections

The nominations slate for 2002-2003 officers was presented to the membership at the Fall Conference. Leonard Gude, President-Elect is the chair of this committee.

#### Scholarship Donation

FASFAA donated \$1000 to the Families for Freedom Scholarship to commemorate the victims of the September 11 tragedies. This need based scholarship will be given to the children of the victims and is offered by the Lumina Foundation and endorsed by President Bill Clinton and Senator Bob Dole.

#### New On Line Service

FASFAA Executive Board and members may now file for reimbursement on-line. Tony Gordon, Webmaster, designed the process that emails the president for approval and then forwards the expense to the treasurer. This has been a delightful new feature.

#### Spring Conference 2002 Dates

The conference will be June 5-7 at the Sanibel Harbour Resort and Spa, Fort Myers, FL with Kurt Wolf as Chair.

### **Report from VASFAA, Tim Freeman, President**

The fall conference was held at the Sheraton West Richmond, Richmond, Virginia and was a huge success with a record number of members in attendance. The conference began with New Aid officer Workshop. Several special sessions were held throughout the conference and were designed specifically for new aid officers or persons interested in refresher workshop. This concept was well received as many of the 41 new VASFAA members selected to follow this track. The Secondary Relations Committee also conducted a high school Counselor's Workshop for those involved in this project.

During the Executive Board meeting prior to the conference, the Commissioners reported on their various committees. It seems that all of the committees are busy planning, organizing activities and meeting their goals that they set for the 2001-2002 year.

The Membership Committee sponsored a breakfast where the new members were introduced to their mentors. Servicing as mentors are Guy Gibbs, Debra Harber, Jeanne Holmes, H.S. "Buddy" Johnson, Marvin Ragland and Jeff Schofield. New members also met Executive Board members Melissa Ellyson and the president.

Two dynamic speakers were heard from during the conference. Hallerin Hilton Hill of Wisdom House presented a "WOW" presentation during

lunch and Dr. Belle Wheelan, President of Northern Virginia Community College, was the keynote speaker for the afternoon general session.

Two philanthropy activities were conducted during the conference. The Diversity Committee raised \$650 to donate to the Red Cross September 11 fund. The board decided to match the funds collected, resulting in a donation of \$1,300 for the Red Cross. Also, the Public Relation Committee held a book drive to benefit the Richmond Boys and Girls Teen Center. Conference attendees donated 78 books to this cause.

The VASFAA Winter Board meeting will be held January 24-25, 2002 at the Hospitality House in Williamsburg.

The VASFAA spring conference will be held April 21-24, 2002 at the Norfolk Waterside Marriott.

### **Report from Kentucky, Michael Morgan, President**

The Kentucky Association of Student Financial Aid Administrators, Inc. (KASF AA) depends on its members for support, ideas and future leadership. To ensure the long-term stability of the organization, it must capitalize on the increased interest in the association. In order to "Strengthen the Membership," the association must focus on four areas: education, communication, initiation and collaboration. The benefits of this approach will not only build strong leadership in the association, but will increase the base of members who will be available to support service projects endorsed by KASF AA.

October 24-October 26, KASF AA held its fall conference, "KASF AA - Your Keys to Success." In an effort to nurture its new membership, the conference began with a New Members Welcome and Partnership Program. Twenty-six new members participated in this program that matched them with mentors. Liza Bruce from Educational Credit and Management Corporation was the opening speaker of the conference. Ms. Bruce gave an inspiring presentation on her life and her work with diversity relations. She spoke about diversity and compassion and reminded us diversity is not about race, it is about people. Sessions included, but were not limited to, Professional Judgment I and II, Conflict Management, Federal Issues, Adoptive and Foster Care Statutes, E Signature and the Basics of Awarding Campus-Based Aid.

KASF AA has also had the privilege of drawing strong presenters from the Department of Education including, Greg Martin, John Pierson and Woody Mason, as well as incredible guest presenters such as, Peg Creech, Ivy Tech State College, IL; Fawn Conley, Cabinet for Families and Children; Janice Thomasson, Murray State University; and Dr. Tim Todd, Murray State University. Chris Tolson and the program committee provided an informative, well-rounded conference to the 267 members in attendance. Information about KASF AA conferences can be found on their website <http://www.kasfaa.com>. The spring conference will be April 17-19, 2002 at the Executive Inn- Rivermont, Owensboro, KY.

On November 13 the University of Kentucky hosted the NASFAA Fall Training session on Policies and Procedures. Through the direction of Lynda George, the Professional Development Committee and the support of the Kentucky Higher Education Assistance Authority, KASF AA boasted of record attendance for this important training opportunity.

Over 650 high school guidance counselors attended the Kentucky Counselors Workshop "Access to Success" from November 1 to November 16. At each of the nine locations across the state attendees received a presentation on: Changes in Free Application for Federal Student Aid, College Admissions Assessments and a Federal Programs Update. Rhonda Swim, Tim Rhodes, and Lisa Caldwell did an outstanding job of coordinating the project.

KASF AA has a growing list-serve of over 250 members regularly exchanging ideas and financial aid policies. The association has made great strides over the past several years in web design under the direction of Jennifer Cosens. To find the latest information about KASF AA go to <http://www.kasfaa.com>.

On January 29, 2002 KASF AA and the Kentucky Educational Television (KET) will team together to produce the tenth annual "Student Financial Aid, 2002." This live financial aid call-in show featuring four panelist from the financial aid community is designed to answer basic questions about the financial process, including grant and scholarship opportunities. In the past calls have been received from Tennessee and Ohio as well.

February 10, 2002 is the date chosen for the second annual "Kentucky College Goal Sunday Event." Kentucky is the first state in the southeastern region and tied as the third state nationwide to hold this financial aid event. This one-day event provides statewide assistance to students and parents in and around the state of Kentucky in completing the FAFSA. The purpose, as financial aid administrators, is to promote "opportunities, equity, and access in and to higher education." College Goal Sunday is a chance for to put this mission statement into action. In the inaugural year of 2001 approximately 1,200 individuals attended one of the thirteen workshops and that number will likely double.

KASF AA continues to explore alliances with organizations with similar missions, including professional organizations and associations whose mission is "to serve the parents and students of the Commonwealth and encourage their pursuit of higher education." Partnering with agencies and corporations such as the Kentucky Educational Television, the Lumina Foundation, Kentucky Higher Education Assistance Authority, Kentucky Department of Education, ACT Assessment Services, and the Kentucky Association for Secondary and College Admissions Counseling has allowed the state organization to provide quality education and informational opportunities to our members and students for which we strive to serve.

## Honorary Life Members

Four members were honored as “Honorary Lifetime Members” of the KASFAA at the most recent State Conference: Susan Luhman, NASFAA formerly at Eastern Kentucky University; Barb Smith, Asbury College; Jane Stewart, KHEAA; and Londa Wolanin, KHEAA.

As President Morgan said, “You can tell, I am really excited about the work KASFAA has continued to do as a professional organization. Visit our website to learn more about us and come visit our state and meet us at the SASFAA Conference. KASFAA welcomes our colleagues with open arms.”

## **Report from GASFAA, Lisa Mitchem, President**

On October 17-19, the Georgia Association of Student Financial Aid Administrators (GASFAA) held its annual Fall Conference at the Crowne Plaza in Macon, Georgia and it was a tremendous success. With almost 300 registrants, GASFAA took pleasure in “Rebuilding and Renewing Our Commitment to the Financial Aid Community.” Many thanks were extended to Kathy Odom and her committee for putting on a great conference.

GASFAA continues to “Unlock it’s Potential” by holding the statewide NASFAA Decentralized Training on “Policy and Procedures.” The workshop was held on the campus of Macon State College November 30. There were a total of sixty registrants. Lenora Jackson, Vice President of Professional Development, coordinated the training session. Immense appreciation is extended to Lenora Jackson and Jill Rayner who were also the trainers.

Governor Roy Barnes signed the proclamation, for the third consecutive year, declaring February Financial Aid Awareness Month. In recognition of this great event, a Financial Aid Chat Night is being organized under the direction of Ned Watson, Chair, Mentoring and Community Action. Plans are also underway to develop statewide activities at several institutions for Financial Aid Awareness Month.

Gary Mann, Past President and Chair of the Nominations Committee has begun the process of soliciting nominations for GASFAA offices and awards. Nomination forms were distributed to the membership at the Fall Conference and are also available on our website at [www.gasfaa.org](http://www.gasfaa.org). Nominations are needed for President-Elect, VP-Profession Development, VP-Program, Treasurer and Secretary for the 2002-2003 year.

The Spring 2002 Conference will be held at the King and Prince Beach and Golf Resort on St. Simons Island. The dates for the conference are May 15-17, 2002. The Program and Professional Development committees are prepared to put together another excellent conference!

## **Report from MASFAA, Brenda Paganelli, President**

The Mississippi Association of Financial Aid Administrators fall conference was held November 7-9 at the Clarion Hotel and Convention Center in Jackson, Mississippi. The conference theme was a “Fistful of Dollars.” There were 158 members in attendance, 5 speakers, 11 presenters, and 34 vendors and contributors. The conference was very successful.

Dr. Larry Ridgeway, Associate Vice Chancellor of Student Life, the University of Mississippi, presented the history of financial aid that began with the first scholarships in 1643 and continued through the present day. Although his presentation was titled “A Study of the Impact of the Mississippi Eminent Scholars Grant Program on the Enrollment Frequency of High Ability Students at Mississippi Colleges and Universities,” the historical increments were fascinating to those employed by the financial aid community.

David Barnicki, Department of Education, presented the Federal Update. He has a special talent of presenting the never-ending changes of the federal regs with harmony and song.

There were 11 sessions and three sector meetings. Some of the topics included: Electronic Signatures; Title IV for Non-Standard Terms; Maximize your Organization’s Potential; A Budget, Credit and Investment Primer; Advanced Topics in Verification; Stress, A Part of Everyday Life; Highly Motivated Employees; the Mid-year Transfer Students and NSLDS; and Imaging in the Financial Aid Office.

MASFAA hosted its first annual first-time conference attendee luncheon. Each attendee was assigned a mentor, and the attendee and mentors had lunch together. Throughout the week, the mentors encouraged the new members to join in the various activities and to become involved in MASFAA.

It was indicated that everyone had a great time at the conference. Many important issues were covered. This included the discontinuation of the fall conference, which will be replaced with a one-day training summit; the mail ballot, which will address changing the constitution and bylaws to decrease the Board of Directors from four to three and giving them voting privileges beginning in July 2002; and the discussion of moving the spring conference from June to possibly April or May beginning in 2004. The conference committee can take a deep breath and relax for a week or two before beginning to plan the spring conference, that will be June 19-21, 2002 at the Grand Hotel in Biloxi,

Mississippi.

Mississippi participated in the fall NASFAA decentralized training, "Policies and Procedures 2001: An Aid Odyssey." A special thank you goes out to Mary Givhan, Vice-President of Training, and to the training committee, Garry Jones and Juanita Russell, who served as the trainers. There were 25 schools in attendance.

MASFAA is pleased to be represented in SASFAA by Ms. Wendy Hutchins, Millsaps College, who will be serving as SASFAA New Aid Trainer.

Many committees have been working hard, and the president invited the Board to go to the web page to see how MASFAA is serving Mississippi. The site address is [www.olemiss.edu/orgs/masfaa/](http://www.olemiss.edu/orgs/masfaa/).

### **Report from AASFAA, Dot Wilkinson, President**

The mission of AASFAA is to provide training for all financial aid professionals in the state by providing two conferences each year that offer a great variety of interest sessions. The most recent conference was in October. "Learning to Soar Like an Eagle" was the theme held at Auburn University-Dixon Conference Center, Auburn, AL. Although the theme was chosen prior to the September 11 tragedy, it was certainly very appropriate due to the national focus and the patriotic feelings of all who attended the conference.

The excellent training offered at the workshop prepared financial aid staff to soar forward in their profession. Greg Martin from the US Department of Education provided the federal update. There was an excellent turn out for the new aid officer's workshop under the direction of Vice President Deborah Byrd. Mike Reynolds, AASFAA President-Elect did an outstanding job in preparing for the conference. All came away from the conference with a better understanding of federal regulations and most everyone had a little Auburn dust in their belongings as they left the conference. The decorations for the banquet were amazing. Other added attractions at the conference included Dr. Wes Williams, AU's Vice President for Student Affairs and Associate Provost, AU's Coach Tommy Tuberville, AU's mascot Aubie, the AU Singers, and Ryan Robertson's Band. AASFAA is very grateful to the vendor/sponsors who made this conference successful.

AASFAA was honored to have Clark Aldridge, SASFAA President, to provide an update on SASFAA activities. The association presented Clark with a commemorative gavel to assist him with his administrative duties at SASFAA.

The winner of AASFAA's lowest award, peanut award, fun award-whatever, was awarded to Cindy Massey. Cindy has been a long-time member of AASFAA and never had the honor of receiving this distinguished award. Congratulations Cindy for whatever faux pas you were accused.

AASFAA, under the leadership of Tommy Dismukes, is working to form a coalition with the Alabama High School Counselors Association. Dr. Stephanie Rogers-Howard from the counselors association spoke at a luncheon during the AASFAA Conference.

A lot of work has been done on the AASFAA website during the past year. Jennifer Cosens from KHEAA is to be commended for the excellent job she has done with support from Tommy Dismukes and Anthony Richey.

Anthony Richey is chairman of publications and produces the AASFAA Newsletter on line. To see the newsletter, the AASFAA website is [www.aasfaaonline.org](http://www.aasfaaonline.org).

AASFAA is preparing a brochure to explain the five AASFAA scholarships that are awarded each year at the spring conference. Four of these scholarships are named for former outstanding AASFAA members. Theresa Duke, Bill Gentry, Shirley Speers and Floyd Johnston. These brochures will be included with the scholarship awards so that the recipients will be aware of the history of their particular scholarship.

AASFAA is offering a \$1,000.00 scholarship award to the winner of a new design for the AASFAA banner. All high schools and colleges in the state have received information concerning the scholarship and how students may participate in the design competition.

NASFAA decentralized training is to be held at Calhoun Community College, Decatur, Alabama, December 6. Deborah Byrd, AASFAA Vice President is in charge of training.

AASFAA is preparing for the spring conference that will be May 8-10, 2002 at the Holiday-Inn, White Sands Resort, Gulf Shores. The fall conference of 2002 will be held at Guntersville State Park, Guntersville, Alabama, October 16-18.

### **Report from the Management Institute Committee, Dave Cecil**

At its July meeting, the SASFAA Executive Board approved plans to hold the fourth SASFAA Management Institute in December 2002.

At that time (and again in August) the Board members were solicited for potential committee members and prospective sites to hold the

Institute.

After reviewing the Board's input and in consultation with President Aldridge and President-Elect Koonce, a list of proposed committee member names was agreed upon. The following people have agreed to serve on the committee:

Joel Harrell, Clark Atlanta University  
Susan Little, University of Georgia  
Sandra McKee, Education First  
Lisa Turner, James Madison University  
Betty Whalen, Winthrop University

The chair is in the process of contacting two other people to serve on the committee. Additionally, Ron Day, current SASFAA Vice President, will serve on the committee until June 30. His successor will serve on the committee beginning in July 2002.

Some progress has been made on site selection. Three locations were initially suggested as possible sites for the Institute: Nashville, Tennessee; Charleston, South Carolina and the Northern Virginia area. Additionally, the chair has recently determined that he may find very attractive sites in either Tampa or Orlando, Florida, and is working with the Convention and Visitors Bureau in these cities to find a site.

He plans to have a full committee selected by the February board meeting and hopefully a site located by that time.

The committee timeline is as follows:

- February 2002                      Finalize committee and site  
    Announce dates and location at the SASFAA Conference, if possible
- April 2002                              Committee meeting at site to determine tentative agenda
- June 2002                              Final agenda presented to the SASFAA Executive Board for approval
- July 2002                              Publicity to all SASFAA members
- September 2002                      Possible committee meeting, if needed
- December 2002                      Management Institute held

### **Report from Legislative Relations, Karen Fooks**

Representatives from all the SASFAA states have now been added to the SASFAA Federal Relations Committee. The members are:

- Chair, Karen Fooks, University of Florida
- AL, Jim Bradsher, University of Alabama-Montgomery
- FL, Dolores Davis, Florida A & M University
- GA, Darryl Jackson, Gwinnett Technical College
- KY, Linda Scott, Murray State University
- MS, Wanda Partridge, Education Services Foundations (ESF)
- NC, Anthony Grady, St. Augustine's College
- SC, Ken Player, SC Student Loan Corporation
- TN, Claude Presnell, Tennessee Association of Independent Colleges
- VA, Michael Barree, Virginia Commonwealth University

### **Fed Up Response**

Based on feed-back provided by the SASFAA Executive Board at the last meeting and via email, SASFAA provided recommendation to Rep. McKeon's Fed-up initiative for regulatory relief. A copy the issues and suggested resolutions are included on the SASFAA website.

### **Appropriations Letter**

On August 13 SASFAA also sent a letter to all members of the House and Senate appropriations committees encouraging them to make student

financial aid a priority and endorsing a \$600 Pell Grant increase. A copy of the letter is on the SASFAA website.

## Legislation

### Stafford Loan Interest Rate Compromise

Student groups and lenders have agreed on a plan to change in the formula that would be used to calculate the interest rate that students pay on their loans.

Under the formula currently scheduled to go into effect July 1, 2003, the cost to borrowers would decrease significantly, but the lenders believe their profits on student loans would drop so low that they would have to leave the guaranteed-loan program.

The new compromise, if approved by Congress, would halt the change in the interest-rate formula.

Currently, the interest rate that borrowers pay is set once a year based on a Treasury-bill auction held each May. The present rate that borrowers must pay six months after they leave college is 6 percent, down from 8.2 percent last year.

Under the proposed plan, which would go into effect July 1, 2006, the interest rate charged to borrowers would change from a variable rate based on market conditions to a fixed rate of 6.8 percent. When financial conditions force lenders to charge a higher rate, the government would make up the difference between what borrowers pay and lenders are due.

Although the proposal would have increased the rates that borrowers pay now, student groups argued that borrowers would benefit from the relatively low fixed rate over the long term. The advocates said they arrived at the 6.8 percent rate by determining the average rate that borrowers would pay over the next 10 years, as projected by the Congressional Budget Office, if the formula change were to take effect.

The U.S. Senate Committee on Health, Education, Labor, and Pensions may meet as early as next week to consider the proposal, which has received the backing of key lawmakers and the White House.

### H.R. 3273 Consolidation Student Loan Flexibility Act

Introduced by Ralph Regula (R-Ohio), Chairman of the Education Subcommittee of the House Appropriations Committee, the legislation would provide student loan borrowers with a choice of lender for loan consolidation by eliminating from law the provision of the HEA which requires that students seeking to consolidate their loans do so only with one of their existing loan holders.

Status: Referred to the House Ed and Workforce Committee

### S. 721 Nursing Education and Employment Development Act (NEED)

Introduced by Senators Tim Hutchinson (R-AK) and Barbara Mikulski (D-MD) in April, the legislation seeks to establish a Nurse Corps and develop retention and recruitment strategies to address the nursing shortage. The Act would create a scholarship program for individuals who want to enter the nursing profession in exchange for service in an urban or rural area that is experiencing a nursing shortage. It would also provide financial assistance to develop career ladder programs and strengthen nursing faculty, and would fund grants for community-based partnerships to do outreach to recruit and retain nurses in the community.

Status: Reported out of the Senate Health, Education, Labor and Pensions Committee and referred to the full Senate

### H.R. 3086 Higher Education Relief Opportunities for Students (HEROES) Act

Introduced by Buck McKeon (R-CA), the legislation would give the secretary of education broad authority to waive federal student aid statutory and regulatory requirements for individuals, higher education institutions, lenders, and other participants affected by the September 11 terrorist attacks or subsequent incidents. During the Desert Shield and Desert Storm operations, the secretary of education received the same waiver authority.

The Secretary would have the authority to grant waivers to reservists called up for active duty, relieving them from making federal student loan payments while they serve in the Armed Forces and provide relief for victims and their families by extending repayment terms and deadlines, to help those directly affected by the September 11 terrorist attacks.

The bill also includes a non-mandatory section stating that it is the "sense of Congress" that higher education institutions should provide full refunds to students who withdraw to serve in the Armed Forces.

Many of the provisions addressed in the act confirm actions already taken by Secretary Paige in several "Dear Colleague" letters issued in

September.

Status: Passed unanimously by the House. Referred to the Senate Committee for Health, Education, Labor and Pensions.

#### H. R. 768 Need-Based Educational Aid Act of 2001

The act would grants schools, formerly known as the "Overlap Group," an anti-trust exemption to discuss financial aid packaging and need policies through 2008 and orders the General Accounting Office (GAO) to analyze and report back to the Congress on this matter. The GAO's study will look at the effect of the antitrust exemption on institutional student aid and its report is to be issued no later than September 30, 2006.

Status: Passed by the House and Senate and sent to the President for signature.

#### H.R. 2219 Amending Hope Scholarship Tax Credit

Introduced by Representatives Dave Camp (R-MI), and Jim McGovern (D-MA), the bill modifies the Internal Revenue Code to allow the Hope Scholarship Tax Credit to cover tuition, fees, books, supplies and equipment and exempts Pell Grants and Supplemental Educational Opportunity Grants from counting against Hope Tax Credit eligibility.

Status: Referred to House Ways and Means Committee

#### H.R. 1992 Internet Equity and Expansion Act of 2001

Introduced by Johnny Isakson (R-GA), the bill would modify the "50% rule" to allow more than 50% of courses via telecommunications if the institution already participates in federal student loan programs and their cohort default rate is less than 10%. The bill also proposes to eliminate the 12-hour rule and require instead that non-term and non-standard term programs use the same attendance criteria as term-based programs and would modify the incentive compensation rules for recruiters to apply to non-salary payments.

Status: Passed by the House. Referred to the Senate Committee for Health, Education, Labor and Pensions

#### H.R. 1291 21<sup>st</sup> Century Montgomery GI Bill Enhancement Act

Introduced by Representative Christopher Smith (R-NJ), the legislation would provide for a nearly 70% increase in Montgomery G.I. Bill benefits to be phased in over three years. This would raise the maximum benefit from \$650/mo. this year to \$1,100 per month in 2004 for veterans with at least three years of service and from \$528 to \$894 for veterans with two years of service. The full value of the benefit for a bachelor's degree would be \$39,600.

Status: Passed by the House and referred to the Senate Committee for Veteran's Affairs. No action since 6/2001.

### Appropriations

#### FY 02 Appropriations: Pell Grant

The House and Senate have each passed their respective FY 2002 appropriations bills for Labor, HHS and Education programs. Both bills state the FY 2002 Pell Grant maximum award level should be set at \$4,000 (a \$250 increase above the FY 2001 maximum award). However, the costs for the Pell Grant program have risen and therefore the total amount of funding included in the Senate and House bills for the Pell Grant program (an increase of \$1.7 billion and \$1.6 billion respectively) are not adequate to pay for a \$4,000 maximum award because much of the money is needed to pay for current Pell Grant shortfalls. The shortfall is the result of an unprecedented 9.66% increase in eligible applicants and has nothing to do with adding more funding for national defense, homeland security, or combating terrorist activities. The Congress is not taking funds from Pell to pay for anything to do with the murders of September 11 or the anthrax poisonings. The \$1.7 billion recommended by the House is only sufficient to maintain the current \$3,750 award.

It appears that the increased eligibility for Pell grants can be carried forward and allow for the \$250 maximum award increase. Therefore, the education community is requesting that Congress include the \$4,000 award for FY 2002 and provide the funds to pay for this maximum award.

The House increased Supplemental Education Opportunity Grants (SEOG) by \$34 million to \$725 million, while the Senate increased it by \$22 million. The Senate increased both Leveraging Educational Assistance Partnerships (LEAP), and Perkins loans by \$15 million. Neither the House nor the President's request had any increase for these programs. Work Study did not receive any increase. GEAR-UP was decreased by \$68 million by both the Senate and the President, while the House decreased it by \$10 million to \$285 million. TRIO received a \$75 million increase in the Senate to \$805 million and a \$70 million increase in the House. The President requested an increase of \$50 million.

The House and Senate are expected to conference shortly to resolve the differences and pass the education appropriations bill before adjourning for the holidays.

## Miscellaneous

### NASFAA Reauthorization Task Force

NASFAA National Chair Crusie Lucero, in consultation with National Chair-Elect Charlie Bruce, has selected the members for the association's Reauthorization Task Force. The group's members, who will serve at least a two-year term, will develop NASFAA's recommendations for changes in the Higher Education Act (HEA) during the next reauthorization of the law. Those recommendations, vetted by the NASFAA membership, will be presented to the Board of Directors for final approval. Upon Board approval the recommendations will be transmitted to the Congress and Administration for their consideration.

Task Force members are representative of the Association's membership, but have not been selected to represent specific campus constituencies or points-of-view. The Task Force members are:

- Laurie Wolf, Des Moines Area Community Colleges, IA (Chair)
- Pat Hurley, Glendale Community College, CA
- Bob Collins, University of Phoenix, AZ
- Norm Finlinson, Brigham Young University, UT
- Jack Taylor, University of Kansas Medical Center, KS
- Edward Schroeder, University of Arkansas, AK
- Arnoldo Trejo, Texas A & M, TX
- Karen Fooks, University of Florida, FL
- Mark Bandré, Ohio Wesleyan University, OH (Liaison Federal Issues Committee)
- Bonnie Joerschke, Purdue University, IN
- Eileen O'Leary, Stonehill College, MA
- George Chin, City University of New York, NY
- Richard Woodland, Rutgers University, NJ (Liaison Graduate/Prof Issues Committee)
- Willie Williams, Clark Atlanta University, GA (Liaison Technology Initiatives Committee & Commission Director)

To help lessen the workload on the Task Force, three standing committees will make recommendations for changes in the law in three critical areas.

This year's Federal Regulatory Issues Committee will examine and make recommendations to the Task Force in the area of reducing the regulatory burden on schools and students building upon Fed.Up efforts. The Graduate/Professional Issues Committee will examine and make recommendations to the Task Force in the area of the federal role in financing graduate and professional education. The Technology Initiatives Committee will examine and make recommendations to the Task Force in the area of distance education and financial aid as affected by technology.

NASFAA also plans to form a Reauthorization Task Force Advisory Group. This Advisory Committee will not meet, but will be available by e-mail to provide opinions and advice on policy options and in other areas as requested by the Reauthorization Task Force. If you are interested in serving on this Advisory Committee, let Larry Zaglaniczny know of your interest. Regional and state associations will also be asked to participate in the Advisory Group. The associations can designate a special Reauthorization Task Force created by the association, or its existing federal or governmental relations committee to serve on the Advisory Group.

### Student Exchange Visitor Program (SEVP)

Sen. Dianne Feinstein has decided not to introduce legislation mandating a six-month moratorium on international student visas. Her decision was in response to the proposals of the higher education community for tightening the security of the student visa system, which would make a moratorium unnecessary. The financial aid community generally supports the tracking of international students and implementation of the Student Exchange Visitor Program (SEVP) formerly known as CIPRIS provided that the Congress appropriates the funds necessary to implement the system. This would avoid the earlier fee-based payment plan whereby schools would have to collect \$95 from each international student and remit the funds to the federal government.

### AASCU Advisory Concerning Military Call-Up

AASCU President Deno Curris developed the following advisory for its members detailing the actions taken by federal agencies to provide

immediate relief for students and recommendations for colleges and universities that they allow flexible re-enrollment options and provide for full refund of tuition and other institutional charges for affected students.

Dear Colleague:

President Bush has issued the largest Reserve and National Guard call-up since the Persian Gulf War in response to the recent terrorist attacks. Roughly one-fourth of those called to active duty will be college and university students.

Students called to active duty will have their academic progress disrupted. In previous call-ups, institutions responded with policies that returned tuition, provided for course completion at later dates, and otherwise showed flexibility to ensure that no service member suffered a loss of funds or educational opportunity because he or she was called to serve.

On September 24, 2001, the U. S. Department of Education directed lenders and colleges and universities to provide relief from student loan obligations by postponing student loan payments for borrowers during the period of the borrower's active duty service. Additionally, the Department urged colleges and universities to provide full refund of tuition and other institutional charges and encouraged flexible re-enrollment options for affected students. Student aid recipients who withdraw from school because they are called to active duty, or are otherwise affected by mobilization or terrorist attacks, will not be required to return financial aid funds they received for books and living expenses.

We know that virtually all of our Nation's colleges and universities have already implemented these recommended policies. However, even a few unfortunate examples may be all that is necessary to prompt congressional action to compel colleges and universities to take specific actions regarding refunds of tuition and fees, the enrollment status of these students, and the awarding of academic credit for work that is in progress. We are convinced that both the students and academe are best served by positive, voluntary actions from our Nation's colleges and universities. We encourage you to review your policies regarding students who are called to active duty, and to consider revising those policies if necessary to assure they are more than fair to students who are asked to serve their country at this critical time.

Sincerely,

Constantine W. (Deno) Curris  
President,  
American Association of State Colleges and Universities

#### National Science Foundation (NSF) Funding Update

The appropriations bill that funds the NSF has been passed by the House and Senate and is awaiting the President's signature. The bill provides an 8.4 percent increase for NSF, and includes funding for several new education programs.

The bill appropriates \$160 million for the new math science partnership initiative that was included in the President's budget request; \$5 million for the Noyce Scholarships program that awards grants to institutions of higher education (or consortia) to provide scholarships, stipends and programming designed to recruit and train math and science teachers at the elementary and secondary level and; \$5 million for a new undergraduate workforce initiative to award competitive grants for institutions of higher education for increasing the number of undergraduate degree recipients in science and engineering.

Sources for articles: AASCU, AACRAO, AACC, ACE, NACUBO, NAICU, NASFAA, NCHELP

#### **Report from Special Project, Dorenda Adams**

The main special project for the year is to assist with the Mid-Level Workshop. SWASFAA has joined with SASFAA to offer a workshop for those individuals in the financial aid office who are experienced but who are not the chief administrator (Associate Director, Assistant Director, etc). This workshop is being offered to assist these individuals with enhanced training in the financial aid office processes. The curriculum will include advanced financial aid training, regulatory updates, and to a much lesser degree some management issues and communication within and out of the financial aid office.

The workshop will be held at Millsaps College in Jackson, MS. The dates are Sunday, June 23, 2002 through Tuesday, June 25, 2002 with travel days on Saturday, June 22, 2002 and departure either Tuesday evening, June 25 or Wednesday June 26, 2002.

The next scheduled meeting of the committee is July 21, 2001 at NASFAA with Ron Day and Greg Thornburg. The Board was asked to submit any topics that they would like to see on the agenda.

The second project is Decentralized Training. Ron Day and State Presidents have submitted the proposal for the Board's approval. The Special Projects Chair will assist with the trainers and coordinate the dates and locations with the State Presidents.

### **Report from Archives, Ellen Green by Guy Gibbs**

The South Carolina Student Loan Corporation has been updating their software during the fall and this software conversion has slowed down the scanning process of the SASFAA records. It was reported that the archives have been researched and are being sorted to ensure easier access and a more organized scanning process.

The folks at SCLC have been extremely helpful with each task requested and will continue to be responsive to our needs. The scanning process should be completed prior to the February meeting.

### **Report from Finance and Audit, Charles Vinson**

On March 6, 2001 a review was conducted of the treasurer's records for fiscal year July 1, 1999 through June 30, 2000. Assisting in the review were the following representatives: Charles Vinson, Chair, Finance and Audit Committee; Terri Parchment, Member, Finance and Audit Committee; Vernon Kreun, Accountant, Nashville, TN; and Sonja McMullen, SASFAA Treasurer-elect

#### Statement of Financial Position as of June 30, 2000 and related Statement of Activities for the year then ended.

The Financial Statements presented are reported on a "modified cash basis" of accounting rather than a "cash basis" of accounting. Certain adjustments were made to the Treasurer's reports to properly reflect the activity for the year ended June 30, 2000.

"Prepaid Expenses" in the amount of \$3,928 represents a deposit made during February 2000 for the facility to hold the Executive Board meeting scheduled for December 2000.

"Accounts Payable" in the amount of \$1,424.05 represents monies due to suppliers for the New Aid Officers Workshop held June 2000.

"Prepaid fees" in the amount of \$175 represents membership fees received in advance.

The entire balance of "Miscellaneous Income," \$7,077.95, resulted from an audit adjustment for the period ended June 30, 1999. It represents deposits improperly recorded in June 1999, instead of July 1999. The breakdown of the deposits was not available to the Treasurer or the F & A Committee. (This can be seen in the Report of Audit FY 1998-99)

The expense account "Prior Administration Bills" was established during the fiscal year ended June 30, 2000 to identify costs associated with the fiscal year ended June 30, 1999. \$9,800.45 represents an audit adjustment. (See Report of Audit FY 1998-99)

#### Background and Scope of Review:

At the recommendation of the 1999 Financial Securities Task Force, the SASFAA Board approved establishing the Finance and Audit Committee. One responsibility of the Finance and Audit Committee is to conduct an annual review of the Treasurer's records and procedures.

This review covered financial transactions and related documentation occurring from July 1, 1999 through June 30, 2000. Transactions were evaluated to verify that established Association guidelines and reporting requirements were followed. A review of posting and payment records was conducted to ascertain if sound accounting principles were consistently applied.

This report should not be considered to be all-inclusive. The absence of reference to specific practices should not be deemed approval of those practices. Rather, it is an evaluation of a sampling of records intended to be representative of the majority of activities associated with the duties of the Office of Treasurer for the stated period of time. Specific recommendations resulting from this review, where appropriate, are included wherever an exception is noted.

It should also be noted that this review was conducted on files presented by the 1999-2000 Treasurer for the stated period covered by the review. During this period, the Treasurer used QuickBooks to tract financial transactions.

#### Documentation

Hard copy records were reviewed to determine if the following critical records were retained in good order.

Membership Registration Forms

Conference Registration Forms

Summer Workshop Registration Forms  
Bank Statements  
Canceled Checks  
Credit Card Statements  
CD Statements of Interest Earned  
Expense Forms  
Copies of Contracts (Meeting Events)  
Financial Statements

Management Institute Registration Forms  
Checkbook, including unused checks  
Voided Checks  
Copies of Certificates of Deposit  
Deposit Slips  
Third Party Invoices  
990 Report for 1999

All documentation appeared to be complete except where noted.

### Findings

#### Prior Year:

#### Recommendation

The treasurer must retain all conference registration forms until they have been audited.

#### Finding

The conference registration forms had not been supplied to the treasurer or available to the Finance and Audit Committee for audit.

#### Recommendation

Copies of all contracts or agreements for meetings and other events must be retained as part of the treasurer's records. The treasurer should be using these contracts to verify the accuracy of charges to the Association.

#### Finding

Some contracts were supplied to the treasurer. The contracts or agreements were not available to the audit committee.

#### Dual Signature Requirements:

The policy the all checks in excess of \$5,000 requires the signature of both the treasurer and the president are required.

#### Finding

The team examined 100% of manual checks written in excess of \$5,000. There were a total of 25 manual checks written. Four of these checks were in excess of \$5,000. One check had proper dual signatures; two had documented approval from the President. Only one check did not have dual signatures or documented approval from the President. Check number 502 payable to Grand Casino, Biloxi, MS in the amount of \$7,345.58 did not meet the requirements.

#### Current Year:

#### Recommendation

Since dual signatures are not feasible for electronic checks, the Finance and Audit Committee recommends that documented approval from the President be on file prior to the issuance of the check.

#### Matching Check Date to Posting Date

#### Recommendation

In no instances should checks that are dated beyond the end of the fiscal year be posted as transactions that occurred before the end of the fiscal year. Caution should be taken to ensure that the outgoing treasurer relinquishes financial records (checkbook, etc.) at the end of his/her term of office AND that the financial institution has acknowledged the transfer of signatory authority.

Additionally, the current treasurer is required to make appropriate postings to the Association's 2000-01 account to reflect these transactions.

## Finding

Total compliance

### Accurate Posting to Categories

#### Recommendation

Given the significance placed on proper allocation of expenditures, measures should be taken to ensure that all income and expenses are posted to the appropriate expense categories established for the operating budget for that year. To help provide this assurance, periodic reviews should be conducted that focus directly on the accuracy of the treasurer's postings. Where the category used to post charges is different than that reported on expense documents, the variance should be explained by notations on, or attached to, the expense form.

## Finding

The treasurer is currently complying with this recommendation.

### Expense Documentation

#### Recommendation

Documentation is required for all expenses paid by the treasurer. It is the responsibility of everyone that submits requests for payment of expenses or that incurs charges for which the treasurer will receive a bill for payment, to provide complete documentation to explain the nature and purpose of those expenses. The best philosophy to apply to providing any documentation is to question if the documentation could withstand questioning by any member of the Association. Additionally, given the magnitude of responsibilities presently assigned to the treasurer, it can be unreasonably burdensome on the treasurer to have to follow up for the necessary documentation.

## Findings

Improved compliance. However, it was discovered that copies of credit card receipts were submitted for reimbursement rather than the originals. It was also noted that the hotel bills itemized on the credit card bill did not show meeting dates and copies, rather than the original bills, were attached.

### Current Recommendation

All credit card receipts submitted for reimbursement must be the originals.

### Membership Dues

#### Prior Recommendation

A refund was to be made to Levis Hughes in the amount of \$5.00 for overpayment of membership dues. In addition Mary Hendrix was to be billed for \$5.00 for underpayment of membership dues.

## Findings

As far as the Committee could determine, these adjustments were never made.

### Reimbursements to the Treasurer

#### Recommendation

It is important to note that in no instance did any of the treasurer's expenses appear to be unreasonable; all expenses appeared to be reimbursable for legitimate SASFAA business. In future instances, both the treasurer and the president is encouraged to adhere to recommended guidelines for authorizing payments to the treasurer. In all cases, the president should indicate in his/her authorization, the amount that is being approved for reimbursement. In the event additional expenses are realized, they should be handled on a separate expense reimbursement report and not added to one that has previously been authorized.

## Findings

-

All checks the treasurer had written to herself had proper approval by the President.

#### Posting Sponsorship Income

##### Recommendation

At least quarterly, the treasurer and Vendor/Sponsor Chairperson should compare records to verify both the amounts received to pledged amounts and to ensure that the income has been posted to the correct sponsorship income categories.

##### Findings

The Vendor/Sponsor Chairperson did not submit proper documentation for billed amounts. The Board report was incorrect and never corrected.

#### General Income Posting

##### Recommendation

Splitting deposits for the purpose of recording them into QuickBooks may increase the potential for posting errors. Since postings into the QuickBooks software are intended to reflect actual financial transactions of the Association, deposits should be posted as they actually occurred so that Association records actually match the records of the financial institution.

##### Findings

The deposits did not list/detail the payor. Making it impossible for the Finance and Audit Committee to audit the receipts and income portions of the financial statements.

#### Current Recommendation

A list detailing the payor, amount, and purpose of payment received be attached to the deposit slip. This will provide an audit trail for all receipts and proper posting of income to the general ledger. The membership fees and vendor/sponsor reports submitted by each chairperson should be reconciled to the income accounts on a regular basis.

#### General Findings and Recommendations

##### Finding

Lack of Segregation of Duties - Internal control is most effective when duties of financial personnel are segregated so that the possibility for accounting errors or irregularities are reduced to a minimum and if they occur, employees in the normal course of their assigned functions will discover them.

Due to the limited number of financial personnel, recommend management, whenever possible, prevent individuals from having complete control over transactions from beginning to end without independent internal review.

##### Recommendation

It is recommended that professional assistance/support review the SASFAA books at least quarterly to ensure compliance of established policies and procedures in all accounting areas, receipts and disbursements. Whenever possible, chairpersons should review reports and assist the Treasurer.

##### Finding

It was noted during the examination that written bank reconciliation was not available. The treasurer stated that the bank reconciliation had been completed, but not printed off from the computer system.

##### Recommendation

Bank reconciliation should be completed and printed at the end of each month or statement period. The treasurer stated that printed copies of the reconciliation had started during October 2000.

## Finding

Upon examination of the financial statements and general ledger produced by the treasurer, it was noted that the beginning balances for July 1, 1999 were not entered. The treasurer stated that these balances had not been provided.

## Recommendation

During the transition to a new treasurer, it is imperative that a timely cutoff is established and the ending balances be communicated to the new treasurer. A Statement of Financial Position (Balance Sheet) should be generated and disbursed on a monthly basis. Each account contained in this statement should be reconciled monthly.

## Summary Notes

It is important to note that the errors noted above are procedural in nature and are not indicative of any improprieties.

The responsibilities of the Office of Treasurer are more demanding of time than many of the other positions on the Board. Adequate training for the treasurer has been an issue on which the Association has taken serious measures to address. Expanding the responsibilities of the Budget Committee when it evolved into the Finance and Audit Committee was one step toward helping the Association provide needed training and oversight.

It is imperative that the Board understands this responsibility in the oversight process. This ensures the Association of financial accuracy and integrity.

## **Report from the Diversity Committee, Penni Hill**

Pennie Hill, chair, was not able to attend the Board meeting. The following report was provided.

The Diversity Committee guest speaker will be Maricio Valasquez, president and founder of The Diversity Training Group. The speaker will present a general session topic entitled "Diversity Today: What You Don't Know You Don't Know." Valasquez has trained companies such as Toyota, Visa and Microsoft.

## **Report from Electronic Services, Lester McKenzie by Guy Gibbs**

Chair McKenzie was sorry that he was not able to attend the Board meeting; however, he reported that he was attending an Appalachian Region private school conference in Kentucky with his boss and the Director of Admissions.

He reported that he had been trying to keep the website updated and the list serve virus free. Both had been a challenge. He is looking into alternatives for the list serve. He has been informed that while they will still be available, Interland will no longer be offering technical support for list serves. He will have a recommendation by the meeting in February for Board approval.

It was reported that the conference section of the website has taken the majority of his time. At the writing of his report, he had not tackled the first electronic newsletter. He reported that that should be fun. He expressed thanks to those committee chairs that had provided updates on the activities of their committees. The sponsorship page, lists serve pages, conference page, membership page, budget page, and the legislative page have been updated. He needs the Board's help to keep the website updated. He asked that the Board let him know if anything is required to be updated, changed, removed, etc.

## **Report from Newsletter Editor, Julia Perreault**

The last paper edition of the SASFAA Newsletter was produced in September and mailed to more than 1,400 members and associates for a cost of approximately \$3,000. Thanks were extended to all board and committee members and sponsors who contributed.

SASFAA members and sponsors have been notified via a number of emails of the newsletter's transition to an electronic format beginning with the winter 2001 issue. Sponsors will now submit logos instead of ads. The change from paper to electronic format and from ads to logos resulted in numerous questions and need for clarification but gradually everyone is becoming accustomed to the new concept. The winter issue is well under way.

As a result of the change in format, the SASFAA Policy and Procedure Manual section relating to the production of the newsletter and the responsibilities of the editor required some revision and will be completed once all the news steps have been confirmed.

One of the benefits of going to an on-line format is that we are no longer limited by cost in the number of photos and articles put in each issue. Everyone is encouraged to make or to solicit contributions to the newsletter.

### **Report from the Bylaws Committee, Guy Gibbs**

The Bylaws Committee, comprised of members Susan Little, Randy Craig, Bill Wall and Guy Gibbs, met at Northern Virginia Community College from September 21-23 to review the current bylaws and the policy and procedure manual. The last revision to the bylaws was made in February 1990.

The committee carefully reviewed the bylaws to ensure that they were in line with current policy and procedure and to make sure that the Association activities reflected compliance. The committee found no major instances where the bylaws were out-of-step with current policy and procedures; however, a number of instances were found where the bylaws needed to be updated, grammar corrected, etc. Those proposed changes had been emailed to the Board prior the December 1 meeting for their review and comment.

**ACTION: Brent Tener moved that the bylaws changes as presented by the Bylaws Committee be accepted and presented to the SASFAA membership for their approval during the business meeting of SASFAA scheduled for February in Louisville, Kentucky. The motion, seconded by Tim Freeman, was approved.**

The bylaws changes will be posted to the SASFAA website for review by the membership. The membership will be notified of the proposed changes and the fact that they have been posted to the SASFAA website via the list serve. The Chair of the Bylaws Committee will present the proposed changes to the membership during the business session and the membership will either approved or not approved the changes presented.

**The meeting was recessed at 2:15 PM, EST.**

**The meeting reconvened at 2:30 PM, EST.**

### **Report from NCASFAA, Wanda White, President**

The North Carolina Association for Student Financial Aid Administrators (NCASFAA) held its fall conference November 5-7 at the Embassy Suites Hotel in Greensboro. The conference was a great success. The conference theme, "*Under Construction: Paving New Roads,*" was not only appropriate for the association but also for the nation as well. The theme exemplifies the constant change; rebuilding and restructuring that everyone must do to continue to meet the challenges required of all. The Conference Chairperson Philip Roof and the Program Committee were commended for a job well done. The sessions offered through the conference were creative, informative and thought provoking.

Conference highlights included General Session Speaker, Steve Morgan; Concurrent Session Speakers, Sallie Mae President, Tim Fitzpatrick; Dr. James Seymour, Professor of Philosophy and host of the TV show "Issues of Life;" Susan McCrackin, College Board; Diversity Speaker, John Beard; Federal Update, David Bartnicki. A total of (24) vendors, sponsors and patrons participated in the conference. A variety of concurrent sessions were available for professional and personal growth. Over 40 individuals attended the New Aid Officer and Intermediate Aid Officer Training. Sherri Avent of NC A&T State University chaired the New Aid Officer Workshop. Kristina Ringler of NC State University chaired the Intermediate Aid Officer Workshop.

Rose Mary Stelma was elected President-Elect during the conference and will serve as President during the 2002-2003 academic year.

NCASFAA and SCASFAA will offer NASFAA Training on Thursday, December 6, 2 at Wingate University. Over 75 NCASFAA members have registered for the training. It is estimated that the total participation will include more than 150 individuals. The presenters for the training from North Carolina will be Bruce Blackmon, NCASFAA Vice President and Patty Cope. The NC State Education Assistance Authority is covering the cost for training materials for NCASFAA members.

NCASFAA Membership Chair, Bridget Ellis recently submitted to all NCASFAA members a membership directory on disk. The disk lists the contact person, telephone number, fax and email of each member and all post-secondary institutions in North Carolina.

A NCASFAA Support Staff Workshop will be held on December 6 at NC Central University and December 7 at UNC-Charlotte. Sharon Oliver, Support Staff Training Chairperson, and her committee has done a wonderful job putting this training together.

NCASFAA members are also gearing up for FAFSA Day that is sponsored by College Foundation of North Carolina and NCASFAA. FAFSA Day will be held on Saturday, February 9, 2002 at 25 locations across the state. FAFSA Day provides the opportunity for students to receive assistance from financial aid professionals as they complete and file their FAFSA forms online.

NCASFAA developed a new website at [www.ncasfaa.com](http://www.ncasfaa.com). The website is constantly updated with new information for the members. The website includes a Fall NCASFAA Newsletter, links to various committees, board members, pictures, membership forms, etc.

## **Report from SCASFAA, Margaret Hunt, President**

SCASFAA held its fall conference, Financial Aid Condensed Training (F.A.C.T.) Workshop, and celebrated its 35<sup>th</sup> Anniversary from October 24-26, 2001. The conference was held at the Conference Center and Inn at Clemson University, Clemson, South Carolina. It was reported that everyone had a great time and that the conference was very informative and loaded with fun.

Prior to the start of the conference, SCASFAA held its Financial Aid Condensed Training (New Aid) Workshop (FACT). A luncheon was given for first-time attendees. After the welcome, opening and recessing of the business meeting, the conference began with a general session: Federal Update. SCASFAA was blessed with the presence of David Bartnicki from the USDE Atlanta Regional Office. As always, he provided the association with a very informative and fun update. Immediately following the Federal Update, he facilitated a "Federal Hot Topics" and Q&A session and the audience appreciated his down-to-earth approach.

The President's Reception was well received. The celebration of SCASFA's 35<sup>th</sup> year was the highlight of the reception. Cheryl Hughes, Chair of the 35<sup>th</sup> Year Anniversary, provided the participants with a brochure, which gave the history of SCASFAA and outlined all of SCASFAA's firsts. She retrieved pictures from archives and produced a slide show that showed throughout the reception. The slideshow was a hit, as it brought back lots of memories and the newer members got to see the "old timers" when they were younger. Much thanks goes out to SCASFAA for sending Karen Koonce, President-Elect to provide a SCASFAA update, warm greeting, and support. The conference provided many interesting concurrent sessions and the membership's evaluation revealed that Keith Reeves (Fall Program Chair) and his committee did an excellent job.

The conference ended with a luncheon and the crowd was in awe as the keynote speaker was being introduced. Jeff Davis was the keynote speaker and his message was very touching. He is a former football player for Clemson University and former Tampa Bay Buccaneer who was attracted to Call Me Mister because as he says, "The type of young man we're trying to reach simply reminded me of me." The Call Me Mister program was SCASFAA's Community Service project and conference participants gave willingly to support Mr. Davis's efforts. The Association presented a check to Mr. Davis as well.

The "Call Me Mister" project seeks to recruit, train, certify and secure employment for 200 black males as elementary teachers in South Carolina's public schools. The project combines the special strengths and resources of Clemson University with individualized instructional programs offered by three small, private, historically black colleges in South Carolina: Benedict College, Claflin University and Morris College. (For information about the Call Me Mister program, please contact [Dr. Tom Parks](#), Director, Call Me MISTER; [Jeff Davis](#), Field Director, Call Me Mister or call toll-free at 1-800-640-2657.

As of the conference, we had 264 paid members; 23 attended the F.A.C.T. Workshop, and 138 attended the fall conference.

### Highlights:

- The Budget Committee, chaired by Nancy Garmroth, submitted a proposal for SCASFAA to make use of credit cards, and was approved by the Board.
- The Counselor Relations Committee, chaired by Elizabeth Milam Lomas, secured a Proclamation by Governor Jim Hodges that February 2002 is Financial Aid Awareness Month.
- Ken Player, chair of the Legislative Concerns Committee continues to provide the membership with "hot" sites and information. David Bartnicki has been heard saying, "I appreciate what Ken does. This is one method I used to stay informed."
- The Professional Development Committee, chaired by Sandra Davis, has teamed with North Carolina to present the membership with the Fall Decentralized Training Workshop. The workshop will be held on December 6, 2001 at Wingate University. Andrea M. Perry of Midlands Technical College was to represent South Carolina as a facilitator. South Carolina will not participate in NASFAA's Spring Workshop.
- The spring conference (Program Co-chaired by Sallie M. Glover of USC-Regional Campuses and Marjorie Belton of Sallie Mae) will be held at the Springmaid Beach Resort, Myrtle Beach, SC – April 14 – 17, 2002. The 35<sup>th</sup> Anniversary celebration will be continued during our spring conference.

The SCASFAA Executive Board will hold its next meeting on January 28, 2002 at Midlands Technical College Columbia, SC from 10:00 AM until 1:00 PM

## **Report from TASFAA, Brent Tener, President**

Fall Conference, October 21-23: The theme for the fall conference was, "TASFAA: Crossroads to Success." Under the leadership of TASFAA President-Elect Cara Suhr, the conference consisted of a keynote address from Joe Elmore, host of the PBS television show *Tennessee*

Crossroads. A record number of over 300 individuals attended the event, with a good time had by all. A concerted effort was made to make sure the membership and conference mailing was sent to the widest possible audience. This extra effort was reflected in the excellent numbers of individuals attending. In addition, over 50 individuals attended the New Aid Officers Workshop. As always, the association was fortunate to have had excellent sponsorship support, coordinated by Bobbie McClain, which allowed for the presentation of a quality conference at a very reasonable fee.

District Meetings: Each of the six TASFAA districts hosted the Department of Education Video Conference on November 1. Each district will also provide a support staff appreciation gathering at some point during the academic year, with at least one other professional development meeting also being scheduled, typically including area high school guidance counselors.

Association Governance: Under the leadership of Dr. David Mohning, TASFAA is undergoing an examination of various policies and procedures to insure adherence to the organization's mission and goals. The TASFAA Executive Board, during the October board meeting, approved the opportunity for the association to purchase NASFAA training materials for Tennessee institutions. The decision to purchase the materials will be made on a training-subject basis. In addition, the Association Governance Committee will coordinate the annual audit of the TASFAA treasurer.

Awareness: TASFAA's award-winning "Funding Your Future: Financial Aid for Students" broadcast will again be broadcast live by WSJK-TV (Knoxville) on February 10, 2002 from 5:00-6:00 PM EST. Financial aid administrators will be on hand to answer questions from the viewing audience. This program was moved to February 10 from February 3 so as not to conflict with the Super Bowl. Stephen White from Nashville State Technical Institute is coordinating this effort. The Awareness Committee will also continue TASFAA's award-winning work with home-schooled students and parents. Deborah Nuchols is the chair of the Awareness Committee.

Elections: TASFAA will be holding its annual officer election in early 2002 with the results announced at the SASFAA Conference in February. TASFAA Past-President Darolyn Parks-Porter is leading this effort.

Governmental Relations: TASFAA has recently renewed its membership with the Tennessee Student Aid Alliance. The Alliance is a coalition of business, education, and advocacy groups dedicated to improving student access into Tennessee's higher education institutions. The Government Relations Committee will be providing the TASFAA membership with a web-based legislative action center. The center will allow TASFAA members and their students to react in a timely manner to key funding and policy issues at both the state and federal level. Work will soon begin in assembling a financial aid information packet for the Tennessee General Assembly. The packet will be distributed to each member of the Legislature in January just prior to the beginning of the second session of the 102<sup>nd</sup> General Assembly. Claude Pressnell is the chair of the Governmental Relations Committee.

Project Development: The Project Development Committee, under the leadership of Judith Kerzner, is busy working on a number of new projects that support the mission of TASFAA. These projects include a welcome wagon and mentoring program for new members and the development of a ready-for-broadcast public service announcement.

Training: TASFAA sponsored and coordinated the NASFAA decentralized training topic of "Policies and Procedures" on November 8. Thanks were extended to Ray Holbrook from Tennessee Technological University for serving as the trainer. TASFAA will also sponsor and coordinate NASFAA's spring training series. Joanie Hall is the chair of the Training Committee.

#### Upcoming Events:

February 10, 2002 - PBS Broadcast: Funding Your Future: Financial Aid for Students.

April 21-April 24, 2002 - TASFAA Spring Conference, Marriott Hotel, Memphis, TN.

June 20-21, 2002 - TASFAA Transition Workshop, University of the South, Sewanee, TN.

#### Honorary Life Members:

Four members were honored as "Honorary Lifetime Members" of the KASFAA at the most recent State Conference: Susan Luhman, NASFAA formerly at Eastern Kentucky University; Barb Smith, Asbury College; Jane Stewart, KHEAA; and Londa Wolanin, KHEAA.

President Morgan said he is really excited about the work KASFAA has continued to do as a professional organization. The Board was invited to visit the KASFAA website to learn more about the association and everyone was invited to come visit the state and meet the KASFAA members at the SASFAA Conference. KASFAA welcomes its colleagues with open arms.

### **OLD BUSINESS**

There was no old business presented to the Board.

## NEW BUSINESS

There was not new business presented to the Board.

President Clark Aldridge indicated that upon adjournment of the Board meeting that an Executive Board meeting would be called.

**ACTION: Brent Tener moved that the board meeting be adjourned. The motion, seconded by Tim Freeman, was approved.**

Respectfully Submitted,  
Guy F. Gibbs, Treasurer