

SASFAA Executive Board Meeting  
Adams Mark Hotel, Jacksonville, FL  
February 22, 2003

**CALL TO ORDER**

President Karen Koonce called the meeting to order at 8:52 AM in City Terrace 6 at the Adams Mark Hotel.

**WELCOME**

President Koonce welcomed Yolanda Blackmon, the new Department of Education training officer for Region IV. President Koonce announced that Lester Fernandez, a representative from the Inspector General's office would be joining the meeting later in the day.

**SUBSTITUTE VOTING AND CHANGES TO THE AGENDA**

There were no changes to the agenda. The following absences were noted: Julia Perrault, Georgia State President; Anita Kaminer-Elliott, South Carolina State President and Erik Melis, Electronic Services Chair.

**INTRODUCTIONS**

The following elected board members were present: Karen Koonce, President; Ellen Green, Vice President; Ron Day, President-elect; Clark Aldridge, Past President; Dee Talley, Secretary and Sonja McMullen, Treasurer.

State presidents in attendance were: Mike Reynolds, Alabama; Leonard Gude, Florida; Nancy Melton, Kentucky; Dewey Knight, Mississippi; Rosemary Stelma, North Carolina; Cara Suhr, Tennessee and Barry Simmons, Virginia.

Committee chairs in attendance were Jane McNaughton, Finance and Audit; Janet Sain, Conference; Deborah Clark, Diversity; Karen Fooks, Legislative Relations; Maureen McFarlane, Membership; Sandra Neel, Newsletter Editor; Ron Gambill, Site Selection; Alan Whittington, Vendor and Sponsor.

Liaisons present were: Ken Player, Agency Liaison, Karen Gibson, Lender Liaison and Greg Martin, U.S. Department of Education.

**APPROVAL OF THE MINUTES**

**ACTION: Clark Aldridge moved to accept the minutes of the November 9, 2002 board meeting held at the Franklin Marriott-Cool Springs in Franklin, Tennessee. The motion, seconded by Ron Day, was approved.**

**REPORTS FROM THE OFFICERS**

**SEE ATTACHMENT A**

**Report from the President, Karen Koonce**

President Koonce proposed the following wording for SASFAA's policy regarding out of region food per diem:

**Actual meal expenses for travel out of the nine-state SASFAA region will be approved to a maximum of \$60 per day. Receipts will be required for reimbursement.**

Discussion ensued about the wording of the policy, and a decision was made to accept the wording as proposed.

**Report from the Treasurer, Sonja McMullen**

It was suggested that Sonja be authorized to pay the Board of Directors and Officers insurance, which has an estimated cost of \$1100. This expense was in the President's Contingency last year to cover up to \$2000; therefore, the funds are there to cover the expense for this year.

**ACTION: Clark Aldridge moved to move forward with the Board of Directors and Officers insurance liability policy. The motion was seconded by Barry Simmons and was approved.**

**COMMITTEE REPORTS**

**SEE ATTACHMENT B**

**Report from Finance and Audit, Jane McNaughton, Chair**

Discussion was generated on the question of whether or not SASFAA should accept credit cards. Treasurer Sonja McMullen reported that approximately six people had inquired about using their credit cards to pay registration. It was stated that the cost to SASFAA would vary based on whether the association chose to swipe the card or key in the card number. Also, there is a monthly fee of approximately \$100 that SASFAA would have to pay even if there was no activity on the account during the month. It was determined that there is no fiduciary benefit to be gained by SASFAA in having the ability to accept credit cards.

It was recommended that when a new version of QuickBooks (the accounting software used by SASFAA) come out, the association should go ahead and update its software. The estimated cost is \$400 for the update and one year of technical support.

An error was reported on the SASFAA Investment Account under the interest accrual item. The interest accrual was reported as \$6,083.15, but was reported in total investments as \$5,617.59. This error will be corrected.

**Report from Membership, Maureen McFarlane, Chair**

Discussion ensued about the membership on-line directory that is available on SASFAA's website. It was determined that not all members are listed in the on-line directory. When an individual's membership is past, that member should be added to the on-line directory and SASFAA's listserv; however, this is not occurring. If this is due to a technical problem, the problem needs to be corrected because this has been occurring for a while. The problem may be that SASFAA's membership database is maintained by a university and the website is maintained by another entity. For some reason, the membership database is not getting posted to the listserv. Maureen will work with Erik Melis to see if they can resolve the problem.

**The board meeting recessed at 10:40 a.m.**

**The board meeting reconvened at 11:02 a.m.**

## REPORTS FROM THE STATE PRESIDENTS

### SEE ATTACHMENT D

The board meeting recessed for lunch at 12:00 p.m.

The board meeting reconvened at 1:07 p.m.

### COMMITTEE REPORTS CONTINUED – SEE ATTACHMENT B

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

There was a brief discussion about the possibility of the Department of Education offering a training session one day during the SASFAA Conference meeting, rather than offering sessions at various locations throughout the regions during the year.

Lester Fernandez, a federal agent with the Office of the Inspector General, was introduced. He briefly stated what his duties and responsibilities are in the IG's office. His primary purpose for attending the board meeting was to introduce himself to everyone, and meet the board members. He stated that it is his hope to be invited to each state's fall or spring conference so that he can present a session on fraud in the student financial aid programs. There are guidelines that must be followed in issues dealing with fraud, as well as signs to look for when one suspects fraud. He wants to offer sessions at the various state conferences that will address these issues.

The board recessed at 2:55 p.m.

The board reconvened at 3:12 p.m.

### COMMITTEE REPORTS CONTINUED – SEE ATTACHMENT B

#### Report from Site Selection, Ron Gambill, Chair

Ron presented the proposals for the 2006 SASFAA Conference. The potential sites were the Grove Park Inn Resort in Asheville, NC and the Sheraton Four Seasons Hotel in Greensboro, NC. The advantages and disadvantages of both hotels were discussed.

**ACTION: Rosemary Stelma moved that the 2006 SASFAA conference be held at the Sheraton Four Seasons Hotel in Greensboro, NC. The motion, seconded by Barry Simmons, was approved.**

It was suggested that SASFAA develop its own "contract" to be presented to hotels that are being considered potential sites for the SASFAA conference. Once this contract has been developed, it could be shared with the SASFAA state presidents to be used as a "specimen" contract for them to follow in their respective states. President Koonce asked Ron Gambill to work on developing this "contract" and report back to the board at its next meeting.

#### **Old Business**

None

#### **New Business**

President Koonce's announced that Carol Mowbray had sent her positive comments from the participants of last year's Presidents-elect workshop.

Vice-President Ellen Green asked the board members to contact their “mentee” and ask them to come to the first time attendees’ session. The board was encouraged to meet with their mentees and make them feel welcome at the conference.

**ACTION: Clark Aldridge moved to adjourn the Executive Board meeting. The motion, seconded by Ron Day, was approved. The meeting adjourned at 4:52 p.m.**

Respectfully submitted,

Dee Talley, SASFAA Secretary

## **ATTACHMENT A – OFFICERS REPORTS**

### **Report from the President, Karen Koonce**

Karen stated that she was very excited about SASFAA's 40th anniversary conference. Initially, her thoughts were of state budget restraints and national security issues. Even though these things are still of concern to her, it turns out that the conference numbers and support have not been adversely affected.

About a month ago Karen received a call from SASFAA's first president, Jimmy Carr. She was hopeful that he would be able to join us here for the conference, but at the ripe young age of 89, he is still employed and couldn't get away at this time. He did say that he had some paperwork and programs from the very first SASFAA conferences that he would be mailing her.

Once Karen receives this information, she will need to determine how the information can be added to SASFAA's archives; whether it should be placed directly on the web or placed on a disk. She will contact Eric Melis to see if the information can be scanned.

Karen recently signed and mailed the 990 tax form for SASFAA. She's sure everyone will hear more about this from Jane McNaughton. Also, she received a nice thank you note from Anne Rochester at EdAmerica. Karen would like everyone to thank Tony Holland for allowing Anne to complete this task for SASFAA during her work hours.

Karen had looked into purchasing refundable vs. non-refundable tickets for the two candidates for President-elect. Since one of the candidates lives in the Washington, DC area, and it appears one can still get those last minute deals out there, she decided not to purchase the tickets.

During the last board meeting, the association had discussed coming up with an out of region food per diem that was higher than our normal rate. Karen has the following proposal that she briefly discussed with Jane McNaughton.

“4. Actual meal expenses for travel out of the nine-state SASFAA region will be approved to a maximum of \$60 per day. Receipts will be required for reimbursement.”

Karen hopes to visit several more states during the spring. She's sure that she will be in touch with the state presidents.

During the conference everyone will see many of the initiatives from SASFAA's new Diversity committee. SASFAA has many special guest speakers and several representatives from the Department of Education. Karen can't say enough about Janet Sain and her committees' work on the conference. Karen believes everyone will have a great experience over the next few days.

### **Report from the President-Elect, Ron Day**

Ron Day, SASFAA President-Elect, reported that the selection process is on going for committee chairs for the 2003-2004 Board. He stated that following the election results, decisions would be made regarding certain committee chairs.

He also reported that the SASFAA State President-Elects Workshop will be Sunday, February 23, 2003, from 8 a.m. - 3 p.m. He recognized and commended Karen Fooks for being the coordinator for this very important event. All nine of the states will be represented.

Ron also stated that a meeting has been set for all SASFAA Past Presidents (those who have responded and will attend the conference) for Sunday, February 23, 2003 from 1 - 3 p.m. The purpose of the meeting is to determine the role that the Past Presidents should have in planning and suggestions.

### **Report from the Vice-President, Ellen Green**

The 2003 New Aid Officer's One-Day Workshop being offered as part of the annual meeting has a great beginning. Lisanne Masterson from Brevard College agreed to be the 2003 Curriculum Coordinator. The returning instructors will be doing the teaching during this one-day workshop. In addition, the workshop is tying the new aid track through out the annual meeting by giving some information then referring the participants to attend the further sessions in that particular discussion. The 2003 instructors are:

#### Returning

Zita Barea, Virginia Commonwealth University  
Wendy Hutchins, Millsaps College  
Gary Mann, Sun Trust/ Nelnet (DeKalb Community College)  
David Mohning, Vanderbilt University  
Deborah Tollefson, University of North Carolina - Greensboro  
Chip Quisenberry, Enterprise Community College

#### New

Thelma Ross, Clark Atlanta University  
Glenn Shumpert, University of South Carolina – Aiken  
Carolyn Sparks, Spartanburg Methodist College  
Kelvin Nichols, University of Mississippi  
Ron Anderson, University of Florida  
Sandra Neel, University of Louisville

The NAOW workshop is once again being held in Greenville, SC at Furman University, June 15-20. Registration material is included in the packets provided at this meeting and they will also be mailed to each college in mid-to-late March. In addition, there will be several SASFAA email messages advertising this workshop. Ellen is working with the staff at Furman and Linda Sayer (even though she is not "officially" helping) to get the forms and information ready for the June meeting. There is one issue about transportation, but Ellen thinks it is worked out.

A retreat is planned for the last weekend in March in Greenville with all of the instructors and support personnel. Lisanne already has some great ideas about training techniques which should make learning both interesting and enjoyable.

The Mid-Level Workshop which is being co-sponsored by SWASFAA and SASFAA will be June 22-24 in Shreveport, Louisiana at Centenary College. A short planning retreat is scheduled for March 16-17 at the college. Greg Thornburg, Arkansas State University, and Linda Neel, New Mexico Junior College, are the contact persons for SWASFAA. SASFAA has a link on its web site advertising this workshop and taking interested persons directly to the SWASFAA site (permission from SWASFAA was received.) In addition, SWASFAA supplied fliers to go into the packets for this meeting. Currently, Mary Givham, Mississippi College, and Ray Tripp, formerly University of Georgia, are scheduled to present for SASFAA. Both Mary and Ray were instructors last year and were requested by SWASFAA to return. SWASFAA asked for one new if possible. Ellen has contacted one other person and has a tentative ok. Ellen will update the board when that is finalized this weekend. Mary Givham and Ellen will attend the planning retreat in March.

There are about 100 first-time attendees at this conference. Unfortunately, the calls for mentors resulted in only three responses! As a board member, Ellen took the liberty of assigning each of the board members a "newbie." If anyone did not get an email before leaving for the conference, Ellen has passed around a listing with everyone's assigned name. Ellen wants to THANK EVERYONE for agreeing to assist in this effort. A good number of SASFAA's newbies are from the lender sector, Ellen did not try to assign them since usually they already know several people.

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

The Nominations and Election Committee will meet with the candidates for SASFAA elected office at 3:00 P.M. on February 23, to go over the election procedures. The candidates will also be offered an opportunity to rehearse their statement of candidacy if they desire.

The polls will be open Monday from 8:00 A.M. until 5:00 P.M. and on Tuesday from 8:00 A.M. until noon except for times when there is a general session. The ballots will be counted at lunch on Tuesday and the results will be announced at the banquet that evening.

President Koonce asked that Clark remind the Board that its annual report is due to her by April 1, 2003. Since Clark will be using these reports to produce the GAP, he asks that everyone copy him when sending the reports. The report format is attached.

#### **Report from the Secretary, Dee Talley**

Dee reminded the board members about the expected format of their reports that are e-mailed to her for inclusion in the minutes. The reports should be in Microsoft Word; the type should be New Times Roman and 10 pitch. They should be written in third person rather than the present tense.

Dee stated that there are still a small number of board members that have not updated their section of the operational calendar. She will be sending an e-mail to these individuals when she returns from the SASFAA conference. She stated that changes have been made to various sections of the calendar based on updated information from the board members. Dee hopes to have the calendar completely updated by the transitional meeting in June.

Dee reported that former SASFAA Secretary Guy Gibbs had done an extensive review of the Policy and Procedures manual and had made many changes. However, the P&P manual must be reviewed annually, and she will be reviewing the manual within the next month. She will report any recommended changes to the board during the transitional meeting.



**Report from the Treasurer, Sonja McMullen**

**SOUTHERN ASSOCIATION OF STUDENT FINANCIAL AID ADMINISTRATORS, INC.  
BUDGET VS. ACTUAL  
JULY 2002 THROUGH FEBRUARY 2003**

<u>Income</u>	Jul'02-Feb'03	Budget	\$ Over Budget	% of Budget
<b>01 - Membership Dues</b>	<b>28,580.00</b>	<b>30,000.00</b>	<b>- 1,420.00</b>	<b>95.3%</b>
<b>02 - Professional Advancement</b>	<b>2,475.00</b>	<b>78,000.00</b>	<b>- 75,525.00</b>	<b>3.2%</b>
<b>03 - Annual Meeting</b>	<b>122,445.00</b>	<b>136,900.00</b>	<b>- 14,455.00</b>	<b>89.4%</b>
<b>04 - Vendors/Sponsors/Patrons</b>	<b>102,515.00</b>	<b>115,000.00</b>	<b>- 12,485.00</b>	<b>89.1%</b>
<b>05 - Advertising</b>	<b>12,130.00</b>	<b>15,000.00</b>	<b>- 2,870.00</b>	<b>80.9%</b>
<b>07 - Interest Income</b>	<b>21,344.74</b>	<b>16,000.00</b>	<b>5,344.74</b>	<b>133.4%</b>
<b>08 - Miscellaneous Income</b>	<b>0.00</b>	<b>500.00</b>	<b>- 500.00</b>	<b>0.0%</b>
<b>Total Income</b>	<b>289,489.74</b>	<b>391,400.00</b>	<b>-101,910.26</b>	<b>74.0%</b>
<u>Expense</u>				
<b>101- President</b>	<b>2,089.81</b>	<b>5,500.00</b>	<b>- 3,410.19</b>	<b>38.0%</b>
<b>102- President-Elect</b>	<b>3,019.11</b>	<b>6,500.00</b>	<b>- 3,480.89</b>	<b>46.4%</b>
<b>103-Vice President</b>	<b>753.31</b>	<b>4,000.00</b>	<b>- 3,246.69</b>	<b>18.8%</b>
<b>104-Secretary</b>	<b>1,075.21</b>	<b>4,000.00</b>	<b>- 2,924.79</b>	<b>26.9%</b>
<b>105 - Treasurer</b>	<b>772.54</b>	<b>4,000.00</b>	<b>- 3,227.46</b>	<b>19.3%</b>
<b>106 - Past President</b>	<b>4,944.16</b>	<b>12,600.00</b>	<b>- 7,655.84</b>	<b>39.2%</b>
<b>201-Membership/Directory</b>	<b>1,490.57</b>	<b>5,500.00</b>	<b>- 4,009.43</b>	<b>27.1%</b>
<b>202-Electronic Services</b>	<b>834.77</b>	<b>3,300.00</b>	<b>- 2,465.23</b>	<b>25.3%</b>
<b>203-Professional Adv</b>	<b>3,670.85</b>	<b>97,000.00</b>	<b>- 93,329.15</b>	<b>3.8%</b>
<b>204-Newsletter</b>	<b>778.22</b>	<b>4,500.00</b>	<b>- 3,721.78</b>	<b>17.3%</b>
<b>205-Finance and Audit</b>	<b>455.00</b>	<b>4,400.00</b>	<b>- 3,945.00</b>	<b>10.3%</b>
<b>206-Annual Meeting Program</b>	<b>40,164.19</b>	<b>185,000.00</b>	<b>- 144,835.81</b>	<b>21.7%</b>
<b>207-Site Selection</b>	<b>636.45</b>	<b>1,500.00</b>	<b>- 863.55</b>	<b>42.4%</b>
<b>210-Executive Board</b>	<b>9,261.70</b>	<b>30,000.00</b>	<b>- 20,738.30</b>	<b>30.9%</b>
<b>211-President's Contingency</b>	<b>108.35</b>	<b>3,500.00</b>	<b>- 3,391.65</b>	<b>3.1%</b>
<b>212-Archives/Research</b>	<b>0.00</b>	<b>800.00</b>	<b>- 800.00</b>	<b>0.0%</b>
<b>213-Advance Program Planning</b>	<b>935.71</b>	<b>1,500.00</b>	<b>- 564.29</b>	<b>62.4%</b>

<b>214-Diversity Issues</b>	<b>426.02</b>	<b>4,800.00</b>	<b>- 4,373.98</b>	<b>8.9%</b>
<b>215-Prior Administration Bills</b>	<b>60.64</b>	<b>500.00</b>	<b>- 439.36</b>	<b>12.1%</b>
<b>216-Legislative Relations</b>	<b>463.32</b>	<b>5,200.00</b>	<b>- 4,736.68</b>	<b>8.9%</b>
<b>218-Vendor/Sponsor/Patron</b>	<b>508.89</b>	<b>4,000.00</b>	<b>- 3,491.11</b>	<b>12.7%</b>
<b>219-Special Projects</b>	<b>0.00</b>	<b>2,000.00</b>	<b>- 2,000.00</b>	<b>0.0%</b>
<b>221-Computer Hardware/Software</b>	<b>52.98</b>	<b>1,300.00</b>	<b>- 1,247.02</b>	<b>4.1%</b>
<b>Total Expense</b>	<b>72,501.80</b>	<b>391,400.00</b>	<b>-318,898.20</b>	<b>18.5%</b>
<b>Net Income</b>	<b>216,987.94</b>	<b>0.00</b>	<b>216,987.94</b>	<b>100.0%</b>

## **ATTACHMENT B – COMMITTEE REPORTS**

### **Report from Audit and Finance, Jane McNaughton, Chair**

Jane reported that the SASFAA 990 tax return had been filed. An extension was filed to allow Anne Rochester, CPA, time to research why the bank reconciliation from QuickBooks 99 did not tie to the QuickBooks 99 trial balance report (listing of all accounts). QuickBooks 99 software did not have the reporting capability to reconcile these reports. QuickBooks 2003 has been purchased and will be installed by SASFAA Treasurer Sonja McMullen after the conference. Anne Rochester, Jane McNaughton and Sonja McMullen will run reports on the new software to compare them to the QuickBooks 99 reports or obtain additional reports. The purchase of the new software also comes with technical support.

Jane reported that she will contact Devonda Munson Collins with Bank One about performing the SASFAA audit for 2001-2002 after the conference and will report to the Board at the June 2003 Transitional Board Meeting.

Jane reported that she had contacted the members of the audit and finance committee (Terri Parchment from Tennessee, Buddy Jackson from Alabama and Chris Tolson from Kentucky) to help with balancing cash receipts each day of the conference after registration.

At the November 2002 Board meeting, the Board had asked Jane to survey SASFAA's membership about their willingness to use VISA and Mastercard for conference fees and membership dues payments in response to a proposal from Nova Merchant Services. Jane compiled the results of the survey and emailed them to the members of the SASFAA Board. Jane asked for discussion from the Board about the proposal.

Jane submitted copies of the current investments for the Board's review. Three certificates of deposit mature in 2003 (July 7, September 19 and December 29) and Jane will work with Jim Mills of SunTrust Bank Investment Services to reinvest these funds according to SASFAA's investment strategy.

### **Report from Conference Committee, Janet Sain, Chair**

The Conference Committee worked very diligently to ensure that all aspects of the annual meeting were provided for all the attendees. Major areas of responsibilities were as follows:

Local Arrangements-Making sure that all arrangements that needed to be completed at the local level were accomplished. Transportation, Flowers, Off-site events, copier, decorators, commuter suite, signage, conference headquarters, volunteers, registration, community service projects, welcome address, local talent, VIP gifts, entertainment, etc.

AV-seeking AV equipment from local colleges, set-up and teardowns, PC lab, special requests, technical assistance, troubleshooting, loading laptops, internet access.

Menus-selecting meals for all functions in conjunction with the conference whether they are on-site or off. Including breaks, receptions, meetings, etc. Arrange for special dietary needs.

Evaluations-Concurrent session forms are stored on-site at ecpi. There are enough forms for the next several years. Overall conference evaluation forms are created by the Conference Chair in training. The summaries are tallied for both by the Chair in training.

Sessions-Requested sessions from the membership and this was a very successful endeavor. DOE sessions were coordinated by the DOE rep on the committee. Due to travel budgets we decided to try all DOE sessions on one day. This enabled several DC DOE reps to participate. Each committee member was assigned sessions to follow-up on and prepare information sheets. Followed the “track” theme again this year. Used Management, New Aid Officers, Technology, DOE and Diversity.

General Sessions-Coordinated Opening, Lunch, Banquet and Closing session speakers. Some were sponsored by vendors in addition to the vendor exhibiting costs they had already paid.

Exhibit area-Received bids from Drayage companies. Coordinated all efforts with them for delivery of booth items and registration packet materials. Worked with drayage to develop exhibit hall layout, last minute changes, electrical requirements, shipping, etc.

Printing-Included the conference program, pocket directories, pre-conference postcards, invitations, signage. Worked in conjunction with vendors for their section.

Website-Worked in conjunction with Electronic Services chair to create Conference web pages and all appropriate links. Keep information up-to-date and assisted as conference photographer.

Initially, 650+ pre-registered for the conference. Final tally was 753 registered and 31 speakers attended the conference. Printed materials for 800 was ordered. Conference totes were ordered at 750 for attendees (red bag) and 1000 (canvas bags) to include enough for the summer workshop attendees at the summer workshop.

Suggest we include Diversity chair as ex-officio for future if we decide to include them in sessions and activities.

#### **Report from Diversity Committee, Deborah Clark, Chair**

The schedule of activities coordinated by the SASFAA Diversity Committee is as follows:

Sunday, February 23

◆ Diversity Exhibit - A display design to share materials, ideas and suggestions that can be implemented in our various places of employment.

◆ Diversity Expo – *Representatives from organizations who offer services to assist those with disabilities will bring materials and maintain a table from 1:00 – 5:00. We have confirmed: Florida School for the Deaf, Spencer for Independent Living, Florida Division of Blind Services, Florida Business Leadership Network, and Southeastern Dog Guides.*

Monday, February 24

◆ **Diversity Tract - Two of the Diversity Sessions will be presented.**

◆ Mardi Gras Night - An International Event inviting the membership to enjoy deserts, drinks, dancing. There will also be a costume contest with a cash prize.

Tuesday, February 25

◆ **Diversity Tract - Two of the Diversity Sessions will be presented**

◆ **General Session Speaker – Mr. Hallerin Hilton Hill: Make ‘em Say WOW!** CEO and founder of Wisdom House (a multimedia company), Mr. Hill is a radio talk show host, TV commentator, motivational speaker and trainer. He is the author of the book the *Seven Pillars of Wisdom* and a Grammy-nominated songwriter. Whitney Houston recorded His song, *Who Would Imagine A King*, for the movie The Preacher’s Wife.

◆ **Multi-Cultural Leadership Luncheon** – The entire membership was invited to attend this event, with seating limited to 100. Approximately 65 reservations have been received. Two of SASFAA’s icons, **Joel Harrell** and **Cruzie Lucero**, will be sharing their personal experiences.

Sponsorship

The Committee was successful in securing sponsorship in the amount of \$6,500.00 to cover the cost of the General Session Speaker and the Multi-Cultural Leadership Luncheon.

**Acknowledgement**

*Sincere appreciation is extended to Liza Bruce, Kathleen Caldwell, Tim Freeman, and Mike O’Grady for the invaluable services rendered as members of the 2002-2003 SASFAA Diversity Committee.*

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

***APPROPRIATIONS***

**FY 03 Omnibus Appropriations Act**

A mere four months (!) after the start of the fiscal year, we may finally have a FY 03 budget for education. Last week, both the House and Senate passed a consolidated appropriations bill that funds most areas of the federal government. As of this writing, the President had not yet signed the bill but was expected to do so shortly. The Labor, HHS and Education portion of the bill appropriates \$130.9 billion, approximately \$3.3 billion more than last year. It also provides \$53.4 billion for Department of Ed discretionary programs, about 7% more than last year but less than half the average annual increase from 1997-2002. The final bill provides for a \$4,050 Pell maximum award, increases SEOG by \$40 million to \$765 million and increases TRIO and GEAR-UP. The Pell appropriation includes \$576 million more than the President requested to help address the estimated \$2 billion Pell Grant shortfall from prior years' appropriations. despite the increases, some programs will still actually see a decrease in appropriations because of a provision to make .65% across the board cuts in order to stay within a level the President could support. This means that FWS appropriations will actually fall from \$1.011 billion to \$1.004 billion. Budget details are attached.

**FY 04 Budget**

On February 3, the President released his FY 2004 budget. It includes a \$1.9 billion increase for Pell Grants which would eliminate the Pell Grant shortfall but would only fund a \$4,000 maximum Pell Grant award. The spending plan would also level-fund SEOG and FWS and would not provide any new federal funds for the Perkins Loan program and eliminate LEAP.

## REAUTHORIZATION

*A number of higher education associations, including SASFAA, have released their reauthorization proposals. Most proposals to date are fairly general in nature and have left "place markers" for more contentious issues such as inducements and loan consolidation. By far the most comprehensive and detailed recommendations have been from NASFAA. The SASFAA recommendations closely follow the NASFAA proposals except for a few areas of difference or certain recommendations that were technical in nature or specific to NASFAA. SASFAA sent its recommendations to the House Education Committee on December 31.*

The U.S. Department of Education is also asking for comments on reauthorization by February 28. ED has taken a different approach, however. They are requesting comments designed to address specific questions including:

- How can ED improve access for all students, especially those with disabilities?
- How can the federal government encourage greater persistence and completion among higher education students?
- How can existing HEA programs be changed and made to work more efficiently and effectively in today's environment?
- How can the federal government eliminate any unnecessary burdens on students, institutions or the government and still maintain taxpayer accountability?
- How can ED best prioritize the use of federal funds?
- How can the federal funding already provided best help improve educational quality, expand access and ensure affordability?
- Are there innovative ways ED can use tax credits and deductions to improve access and choice?
- How can program effectiveness be measured?

## UNIVERSITY OF MICHIGAN SUPREME COURT CASE

On January 16, the U.S. Justice Department filed a friend of the court brief for the plaintiffs against the University of Michigan admissions policies, arguing that they were thinly veiled quota systems and that diversity was no a compelling enough government interest to allow the UM affirmative action admissions policies to stand.

The move was roundly criticized by the higher education community. Most of the Washington higher education associations as well as a number of individual colleges and universities and a number of Democratic members of Congress filed/will file briefs in support of UM position.

The Supreme Court is scheduled to hear oral arguments on April 1.

## LEGISLATION

### **H.R. 12 "Fed Up" Higher Education Technical Amendments**

Description: Makes clarifying and technical changes. Reinstates waiver of 30-day delay/multiple disbursement in a single term loan provisions.

Status: Introduced January 7 by Rep McKeon (R-CA). Failed to pass the House on July 16. Currently on motion to suspend the rules and pass the bill as amended.

### **S. 174 Tuition Assistance for Families**

Description: Expands Lifetime Learning Tax Credits from \$10,000 to \$12,000, increase income limits for Hope and Lifetime Learning from \$40,000-\$55,000. Increases Pell Grant awards from \$4,000-\$4,500.

Status: Introduced January 15 by Sen. Biden (D-DE). Referred to finance committee.

### **H.R. 129 Higher Education Affordability and Fairness Act**

Description: Amends the tax code to provide a deduction for higher education expenses. Creates an annual study by the Comptroller General to examine whether higher education tax incentives affect tuition rates.

Status: Introduced January 7 by Rep Holt (D-NJ). Referred to finance committee.

### **S8 Educational Excellence for All Learners Act**

Description: Raises the maximum Pell Grant to \$4,500, makes Hope and Lifetime Learning tax credits refundable. Phases out the loan origination fees.

Status: Introduced January 7 by Sen Daschle (D-SD). Referred to education committee.

### **S. 55 Veteran's Higher Education Opportunities Act**

Description: Provides veteran's assistance for the average monthly costs of tuition and expenses for commuter students at public institutions that award baccalaureate degrees.

Status: Introduced January 7 by Sen. Johnson (D-SD)

### **H.R. 227 Student Loan Disbursement**

Description: Reinstates waiver of 30-day delay/multiple disbursements in a single term.

Status Introduced January 7 by Rep. Wu (D-OR)

**Sources for articles: AASCU, NASFAA, Student Aid Alliance, Student Aid News**

### **Report from Membership Committee, Maureen McFarlane, Chair**

No report was submitted.

### **Report from Newsletter Editor, Sandy Neel, Chair**

The winter newsletter was placed on the web before the Christmas Holiday break and before the deadline for the election information. Getting the newsletter to the web was a much easier process this time for Erik and Sandy. The printable version of the newsletter looked very similar to the old paper versions of newsletters. Sandy hopes this is more of what the people who liked the old paper newsletter are looking for. It is slow to print but it is more reader friendly. There were eleven advertisements for this newsletter and Sandy is expecting a few more for the remaining two issues.

The next copy deadline for the newsletter is March 15<sup>th</sup>. This is a revised date. The Newsletter will be published in late March or early April. The last copy deadline date is May 12, 2003 with the newsletter being published in June. Please have any articles to Sandy by those dates. Sandy will not be sending out reminders. If you would like to send pictures to Sandy electronically so that they can be published in the newsletter, please do so and she will try to make it happen along with Erik's help of course!

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

Site visits were made to the Grove Park Inn Resort in Asheville, NC and to the Sheraton Greensboro Hotel at Four Seasons. Janet Sain, from ECPI and current Program Chair participated in the site visits and contract discussions.

Both facilities meet the meeting space requirements. The Sheraton can provide a sufficient room block for sleeping rooms. The Grove Park is offering 485 rooms at peak nights with overflow at the Renaissance Hotel in Asheville, under a separately negotiated contract.

An overview of the two hotels and special arrangements offered by each is attached to this report. Following the Executive Board's approval of one of these sites, a final contract will be negotiated for the 2006 conference.

#### **Report from Vendor/Sponsor Committee, Alan Whittington, Chair**

We have 52 sponsors for the annual conference as classified below:

10 Platinum  
11 Gold  
15 Silver  
16 Bronze

One Gold sponsor, College Foundation Inc., will not have a booth in the exhibit area.

One new Bronze sponsor, TERI, is coming at the last minute. The drayage company is working with us to provide booth space for them. This would give us 17 Bronze sponsors, for a total of 53 sponsors for the conference.

The drayage company contracted for the conference, Echo Expo, has been easy to work with. They estimate their charges will be around \$4,000. Echo Expo has expressed a desire to bid on drayage services for the 2004 conference in Birmingham.

Special thanks to Suntrust Education Loans for sponsorship of the Board and Conference Committee dinner last night.

We will continue to work with Sandra Neel to get new sponsorships for the upcoming newsletters.

We will continue to work with Ellen Green to get sponsorship of several items for the new aid officers workshop (NAOW). The first thing needed is sponsorship of dinners for the NAOW instructors meeting to be held in March.

#### **Report from Electronic Services Committee, Erik Melis, Chair**

The 2002-2003 Electronic Services Committee chair, Erik Melis, was not able to attend the November 2002 board meeting and will not be able to attend the February 2003 board meeting.

The following additional updates were made to the SASFAA web site since the November Board Meeting:

- Updated Calendar by Date and Calendar by State listings
- Posted November 2002 Board Meeting minutes in "draft" version
- Updated the 2002 version of the SASFAA P&P manual (The manual has been converted to Adobe PDF format and the bookmarks are being added to allow for easier online navigation)
- Worked with Sponsorship Committee Chair to post updates to Sponsorship information for 2002-2003
- Updates made to 2002-2003 budget information for December 2002
- Posted December issue of SASFAA Newsletter to the web
- Posted 2003 SASFAA election information including candidate bios and absentee ballot
- Enhanced Listserv section of web site to allow people to subscribe and unsubscribe to and from the SASFAA listserv directly from the web site

The following web-related projects are in progress or will soon be:

- Providing web-based information for the 2003 SASFAA Conference (this is actually be done primarily by last year's Electronic Services chair, Lester McKenzie, who is serving on the 2003 Conference Committee). Electronic Services is posting updates as received from Lester and the Conference Committee
- Posting updated membership directory information to the web site
- Working with the Membership Committee to post an updated online version of the SASFAA membership database to the web
- Evaluate the possibility of member-protected areas for the web site
- Evaluate the possibility of board and committee specific areas for the web site
- Evaluate web site functionality on other state and regional financial aid association web sites to determine what additional functionality might be of benefit to SASFAA

The following items related to SASFAA Listserv maintenance have been completed:

- Created a SASFAA Summer Aid Workshop list for the New Aid Officers Aid Workshop

The following items related to SASFAA Listserv maintenance are in-progress or will soon be:

- Continue to resolve problems with members' e-mail addresses that cause a large number of messages to get bounced back to the list server every time a posting is made to the list
- Continue to look for other potential listserv hosting options since our current host no longer provides technical support

Throughout the course of the upcoming year, the Electronic Services Committee will continue to work with the elected Board, State Presidents, and Committee Chairs to get input on improvements and updates for the SASFAA web site and to determine ways that the Electronic Services Committee can assist in meeting goals and objectives.

## ATTACHMENT C – LIAISON REPORTS

### Report from Lender Liaison, Karen Gibson

- **CONGRESSIONAL RECORD, JANUARY 9, 2003** - The government, under the President and under Republican leadership, has increased spending for education by 132 percent. The President has more than tripled the loan forgiveness activities in areas such as math and science, special education teachers, and low-income schools. And under the President's proposal, teachers would qualify for up to \$17,500 in loan forgiveness, up from the current \$5,000 that teachers get if they go into high-need schools.
- **TAX CUT HAS WORKED, TRANSLATED INTO REAL DOLLARS** – A new above-the-line reduction for qualified higher education expenses. It is a \$3,000 deduction today. It is going to go up to \$4,000 in 2004. And it represents an \$11 billion tax cut for Americans who are sending their kids to school. Eliminated is the 60-month limitation on the student loan interest deduction. That represents a \$3.4 billion benefit to kids who get out of school with lots of loans. We know that is one of the big issues for kids today. They leave the school system and their college experience with a lot of loans, and they have to pay them back. This is a \$3.4 billion attempt to try to reduce that burden. He has increased the annual limit on the contribution to the educational savings accounts from \$500 to \$2,000. That is a \$1.2 billion benefit to people who are trying to save to make sure that they can go to college and participate in the American dream.
- **CONSOLIDATION LOANS, BANKS, PROFESSORS, GRADUATE STUDENTS, COLLEGE COSTS DISCUSSED** - The Chronicle of Higher Education continued to hold its online discussion on the “renewed debate in Congress” over the student loan consolidation program this week. The discussion has traveled widely from its initial focus on consolidation loans to cover a wide variety of opinions on higher education in general.
- **GUARANTOR SUBMITS REAUTHORIZATION PROPOSALS TO HOUSE COMMITTEE** – In response to the request for reauthorization proposals from the House Committee on Education and the Workforce, USA Funds submitted a series of proposal meant to “supplement and, in some cases, re-emphasize” the proposals submitted by the student lending community trade associations. The agency explicitly noted its support for the elimination of in-school consolidation, creating consistency of interest rate structures for Stafford and consolidation loans, requiring borrower counseling for consolidation loans, broadening eligibility for extended borrower repayment, and correcting the PLUS SAP Gap problem. The document also expressed concern about the volume of defaulted loans directed at the Direct Loan consolidation program and heavy reliance on this process as a collection mechanism, with an indication that additional work was being done to develop appropriate alternatives.
- **RISING TUITION + SLUMPING STOCK MARKET BUILD PRIVATE LOAN VOLUME** – According to the College Board, alternative loan borrowing grew 39% in just one year to about \$5 billion for the 2001-2002 academic year and many schools expect to see similar growth figures this year. The cost and availability of these alternative loan programs vary widely depending upon a family's credit history, a student's field of study, historical default rates at the school, and potentially even the lender's relationship with the school.
- **EDFUND TO OFFER NEW ROUND OF BORROWER EDUCATION GRANTS** - Edfund announced this week it will begin accepting applications this month for the second round of funding under its three-year \$12 million, borrower education grant program, EDSHARE.
- **EDUCATION LENDING GROUP ANNOUNCES \$1.45 BILLION IN VOLUME** – Education Lending Group, Inc announced this week it originated in excess of \$1.45 billion dollars of guaranteed student loan volume for the year ended Dec. 31, 2002. All of the Company's marketing channels, Student Loan Xpress, Inc., the Grad Partners Program, Consolidation Assistance Program, and Education Funding Resources, LLC, contributed to the final volume figure.

- **DIRECTORY OF LENDERS FOUND AT LOANDIRECTORY.COM** - Launched January 1, LoanDirectory, com, a free online directory of lenders, allows consumers to contact Lenders directly as they shop around for the most competitive loans. LoanDirectory.com currently lists over 200 lenders offering all types of financing, including home loans, commercial loans, auto loans, business loans, personal loans, credit cards, student loans, and venture capital. Consumers can search for loan programs that meet their specific financing needs.
- **ED SUBMITS FOR OMB REVIEW ELECTRONIC DEBIT PAYMENT OPTION FOR STUDENT LOANS** – The Department of Education invites comments on the Electronic Debit Payment Option for Student Loans. An Electronic Debit Account Program will give the borrower another option in which to repay federally funded student loans via automatic debit deduction from their checking accounts.
- **PLUS MPN IS NOW AVAILABLE FOR THE 2003-2004 ACADEMIC YEAR** – After a one-year transition period, it will replace the current approved promissory note for Federal PLUS loans made under the FFEL Program beginning with the 2004-2005 academic year. The PLUS MPN is designed for a parent borrower to use as a multi-year note for one dependent student. Under the PLUS MPN process, a parent borrower will sign a PLUS MPN only once, at the time the parent first borrows for that dependent student. The parent may obtain additional loans for that same dependent student based on the originally signed MPN during the same year or in subsequent years, for up to ten years after the date the parent first signed the PLUS MPN. Generally, as long as the parent borrower, the dependent student, and the lender do not change, a new PLUS MPN is not required. However, as with the Stafford Loan MPN for student borrowers, the parent borrower, the school or the lender may request that a new PLUS MPN be signed for each new loan period even if doing so would not otherwise be required.
- **ED ISSUES GUIDANCE ON CONSOLIDATION LVCS** – The Department of Education issued a Dear Colleague Letter reminding FFEL loan holders of their obligation to respond to loan consolidation verification requests in a timely manner. All loan holders, within 10 business days after receiving a written request for a certification from a lender, must provide the requesting lender with the requested certification information or a reason why it is unable to provide the information. Failure to comply could result in fines or other sanctions.
- **STUDENT LOANS VITAL FOR COLLEGE ACCESS** – the College Board published a research report written by Sandy Baum, Ph.D., Professor of Economics, Skidmore College on the “The Role of Student Loans in College Access”. She concludes that there is “no evidence to date that typical student debt levels are unmanageable “. Although increase borrowing is a valid concern. Baum refers to a 1998 study of student borrowers in repayment with an average total debt of a bout 19,000 and monthly payments averaging close to \$200. The study found that half of the respondents felt burdened by their loan debt, but two-thirds said the loans were very important in allowing them to continue their education after high school and that the payments were worth the benefits. The study revealed that fewer than 20% said they had altered their career plans because of student debt. Moreover, there was no evidence that debt levels measurably affected other major lifestyle options, such as home ownership and marriage. The report notes that for many, higher education simply is not affordable without some student loan debt and the personal benefits from a higher education outweigh the burden of the debt.
- **NASFAA CALLS LOAN CONSOLIDATION A ‘FOREMOST CONCERN’** – Loan consolidation and increasing loan limits are issues that are foremost among the concerns for financial aid administrators. Nassau’s recommendations state that “nowhere in setting up the loan consolidation program years ago did Congress contemplate using the system as a means of refinance.” With respect to the single holder rule on consolidation loans, NASFAA is recommending that the rule be maintained, but clarified to state that Perkins Loans can be consolidated, but are not considered to be held by another holder in order to get around the single-holder rule. NASFAA continues to recommend in this area to promote consumer protections and awareness, industry stability, and reduce unnecessary increases in loan debt.
- **DEPARTMENT STUDIES DIRECT LOAN ASSET SALE** – The authority given the Secretary to sell Direct Loans was first examined by the Clinton Administration under the direction of Secretary Riley and specifically Greg Woods of the Office of Federal Student Aid, paid two separate outside contractors to conduct two extensive studies on the feasibility of liquidating the entire Direct Loan portfolio. The article

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- also noted that the Department is currently considering two options: selling the Direct Loans outright or securitizing them. The Department appeared to be leaning more seriously toward the second option, loan-industry officials said. Many of the largest lenders in the guaranteed-loan program sell the loans they hold to investors as a way to raise capital quickly so they can finance new loans. Federal student loans are attractive to investors because they come with a guarantee from the government that it will cover most losses that occur when a borrower defaults.
- **EDAMERICA TO SERVICE TEXAS LOANS FOR NTHEA** - Edamerica announced this week it has formed a strategic alliance with North Texas Higher Education Authority, Inc. (NTHEA) to service student loans for schools and borrowers in Texas. Edamerica will add over \$650 million in NTHEA student loan volume to its servicing system over the next to years.
- **SALLIE MAE PARTNERS WITH ASSOCIATION OF AMERICAN MEDICAL COLLEGES ON CONSOLIDATION LOANS** - Sallie Mae and the Association of American Medical Colleges announced this week the introduction of the MEDLOANS Consolidation Loan, a federal consolidation loan program created especially to help medical school borrowers manage their education loan debt. This new product allows eligible borrowers to lower their monthly student loan payments by up to 50 percent or more, lock in historically low interest rates, and potentially save thousands of dollars in interest expenses by taking advantage of special borrower benefits.
- **DEFAULTS HIGH ON CONSOLIDATION LOANS** – Defaults in the student loan consolidation program are considerably higher than those in the traditional Stafford and PLUS loan programs and the Direct Loan program consolidation loan program is experiencing default rates significantly higher than the defaults in the FFEL Program, budget data released this week by President Bush shows. These differential rates of default do not have a direct impact on program costs, however, because ED assumes recovery rates of about 113 percent. In terms of actual collections, FFEL has consistently performed above ED budget projections while DL has collected less than anticipated.
- **FOUR BORROWERS ARRESTED FOR OVERDUE STUDENT LOANS** – U. S. Marshals arrested four people in Minnesota for failure to appear for court-ordered debtor examinations related to overdue payments on student loans. The arrests were the result of “Operation Anaconda Squeeze” where the federal government seeks financial information from delinquent borrowers that it needs to collect federal debt such as student loans. The U. S. Attorney began with a list of 150 borrowers who had not responded to several requests for information. Those who did not respond were then issued a court order to go through a debtor’s examination to provide the information. If they failed to show, a warrant for arrest was issued. Fifty seven debtors provided the information to void the warrants, 30 were either dead or no longer in Minnesota, 6 cooperated when Federal Marshals appeared at their door, and 4 were arrested and taken into custody. The arrested four turned over the information and were released. U.S. Attorney Thomas Heffelfinger said he hopes that “Anaconda Squeeze” will show delinquent debtors that the federal government is serious about collecting the money it’s owed.

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

Training Issues

Region IV has a new Training Officer, Yolanda Blackman. Although many of you have already met Yolanda, it is my pleasure to formally introduce her at this Executive Board meeting. Yolanda will gradually assume responsibility for state conferences throughout SASFAA (not including Virginia in Region III) beginning this spring.

Yolanda will attend the Kentucky and Tennessee conferences with me, and the remaining spring conferences with David Bartnicki. She is already conducting Department sponsored training workshops in the SASFAA region. Yolanda is enthusiastic about being about being a Training Officer in Region IV. Please join me in wishing her what I know will be a successful tenure in this position.

## Title IV Issues

In view of the number of Federal presentations scheduled to take place during the SASFAA Conference, including a Federal Update from Jeff Baker, the scope of this report is limited to a few changes and publications about which you should be aware. Foremost among them is DCL GEN-03-03 (February 2003), announcing a PLUS Master Promissory note. After a one-year transition period, it will replace the current approved promissory note for Federal PLUS loans made under the FFEL program beginning with the 2004-05 academic year. Copies of the PLUS MPN and related forms are included in the enclosure to the DCL. The PLUS MPN may first be used for loan periods beginning on or after July 1, 2003 and must be used for loan periods beginning on or after July 1, 2004 or for any loan certified on or after July 1, 2004, regardless of the loan period.

The PLUS MPN is designed as a multi-year note for one dependent student borrower. Generally, as long as the borrower, the dependent student and the lender are the same, a new PLUS MPN is not required. Each loan received under a PLUS MPN is a separate and distinct loan. The terms applicable to each loan are dependent on the terms in effect at the time each loan is made.

Each school and lender must establish and document the process under which one of the parties will collect the requested loan amount from the parent borrower. The school certification form is designed to be utilized for this purpose. However, schools may use any number of other methods including a separate PLUS loan amount request form, a parent response section on the institution's award letter, or documented telephone or electronic requests. Loan adjustments are permitted. Such adjustments may be requested by the parent borrower in writing, by telephone, or electronically. A record of adjustment requests must be made.

02-12-2003 Electronic Announcement addresses notification of stop payment due to unprocessed deobligations. Effective February 17, 2003, the Department has begun placing a stop payment on funding in the Pell Grant and Campus Based programs. This stop payment action will effect approximately 200 schools and school system offices that have not taken actions necessary to resolve negative balances.

A negative balance occurs in Pell when the net amount of funds drawn by a school through GAPS for a particular year exceeds the net amount of student level transactions accepted by our systems. This frequently happens when a school reports a downward adjustment to a student's previously reported Pell disbursement without either (1) reporting that it spent the released funds on other students, or (2) returning the unspent funds to the Department.

02-18-2003 Electronic Announcement addresses distribution of the FY 01 draft cohort default rates. On February 18, 2003, the Department distributed the fiscal year 2001 cohort default rate notification packages. For schools enrolled in the Electronic Cohort Default Rate (eCDR) process, delivery was made to the SAIG destination point designated by the school. Each eCDR package contained (1) a cover letter (message class SHDRLROP), (2) a reader friendly loan detail record report (message class SCHDRRPOP), and an exact-type loan record detail report (Message class SHCDREOP).

Time periods for challenging the FY 01 draft cohort default rates begin on Wednesday February 26, 2003. For domestic schools that had not enrolled in the eCDR process and for all foreign schools, the Department mailed a hard copy notification package on February 18, 2003. Schools that have not already done so are strongly encouraged to complete an eCDR enrollment form available at [www.sfawebenroll.ed.gov](http://www.sfawebenroll.ed.gov).

02-19-2003 Electronic Announcement is a compilation of frequently asked questions regarding the eZ-Audit process. Ez-Audit will provide schools with a single point of submission for financial statements and compliance audits through the web. Ez-Adit will be available in April of this year. OMB still requires submission of A-133 reports to the Federal Audit Clearinghouse. Essentially, this means that public and private nonprofit institutions cannot use eZ-Audit at this time.

Sources of Assistance for Schools, updated through February 2003, is now available through [fsadownload.ed.gov](http://fsadownload.ed.gov). Contact and/or customer service phone numbers for all Department process are listed in this publication.

### ***INS Issue***

The SFA Handbook Volume 1, Student Eligibility, states that a student with a non-immigrant visa isn't eligible for SFA funds unless he or she has an I-94 with the appropriate endorsement (Processed for I-551; Temporary Form I-551; Refugees; Asylees; Conditional entrants, Parolees; Cuban-Haitian entrants). The Handbook lists some, but not all, of the possible non-immigrant visas a student might possess. A complete list of non-immigrant visas is available on the INS website at [www.ins.gov/services/visas.htm](http://www.ins.gov/services/visas.htm). The INS chart available at this site clearly identifies and explains all of the non-immigrant classifications.

### **Report from the Agency Liaison, Ken Player**

State budget shortfalls continue to be a major concern in almost every state, especially with those agencies that handle state grant programs. One result of these budget woes is that tuition is being increased sharply to make up for shortfalls in state education funding. The other result of the budget cuts is reduced funding for state grants, further complicating the issue.

Guaranty agencies continue to be concerned about the new wave of consolidation loan marketing efforts and the methods being employed. There are several entities conducting aggressive telemarketing and mail campaigns to encourage borrowers to change lenders when they consolidate. Loan consolidation is high on many higher education groups' lists to be reviewed during the upcoming reauthorization process.

Guaranty agencies continue to be aggressive in developing debt management programs for lenders and borrowers. Credit card debt continues to mount for students and some borrowers are experiencing problems when entering repayment. The goal of debt management programs is to educate borrowers prior to their incurring excessive debt and teach them how to manage their finances during and after school.

Guaranty agencies and lenders are busy programming for the PLUS Master Promissory Note, which was recently finalized. The PLUS MPN allows parents to borrow in subsequent years without having to sign a new note.

Reports were received from the following states:

### **Alabama Report**

Members and staff of the Alabama Commission on Higher Education presented to Legislative Review Committee in February the following reasons for increasing funding for the state's only need-based aid program, the Alabama Student Assistance Program:

- Family and per capita incomes in Alabama are significantly below national averages.
- Tuition, spurred by proration cuts last year, rose on average 6-15% this year alone. National sources report that even after adjusting for inflation, tuition and fees have more than doubled in 20 years.
- The vast majority of students today are older, attend part-time, or have work or family responsibilities while in college. Very few aid programs address the needs of this large (and growing) population.
- Need-based aid provided through the state's need-based aid program helps only 2% of Alabama's undergraduates. The national average is nearly 6%.
- The gap between college costs and family resources continues to widen.
- Far too many students and families are paying for college with two and three federal and private loans – and mortgaging their futures to do so. As a result, these graduates must postpone the purchase of homes, cars, and other goods and services after graduation. Thus, their financial contributions to our economy are deferred.
- Too many students are forced to revamp career goals because of quickly mounting debts.

By increasing funding for Alabama's need-based aid program, the state will be investing in Alabama's future by helping students pursue a college education without mortgaging their futures.

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

### **ECMC Update**

#### ECMC Winter Workshops

ECMC recently completed three regional training sessions for schools and lenders in Virginia. The workshops covered several topics including:

- Serialization of the Stafford MPN for 2-year and private career schools,
- Implementing the new PLUS MPN,
- Understanding the Consolidation loan program,
- Results of the 2002 negotiated rulemaking sessions,
- Reauthorization of the Higher Education Act,
- ECMC's default prevention strategies, and
- Common Origination and Disbursement.

All participants were provided with a CD-ROM containing a complete set of training materials, allowing them to provide the information to those in the office who were not able to attend.

#### PLUS MPN Implementation

ECMC has completed much of the programming necessary to accommodate the PLUS Master Promissory Note. Some relatively minor programming remains to be done since both the current PLUS note and the PLUS MPN can be used during the 2003-2004 academic year.

ECMC is also planning to incorporate the PLUS MPN into the e-signature process. Since the student does not have to sign the PLUS MPN, we expect a much larger percentage of parents will sign their PLUS notes electronically this year.

Submitted by: Mike Hawkes

### **Georgia Student Finance Commission**

Following is a list of accomplishments and new initiatives completed by the Georgia Student Finance Commission (GSFC) since the last board report. The Commission is a three-division agency that administers Georgia's HOPE Scholarship Program, other scholarships and grants; student loans; and lender guarantees for FFELP borrowers.

#### **New GSFC Executive Director:**

The Georgia Student Finance Commission board named Shelley C. Nickel as executive director on Feb. 4. She replaces Glenn Newsome who retired on Dec. 31. Ms. Nickel previously served as Special Assistant and Senior Policy Advisor to the Chancellor of the Georgia Board of Regents. Prior to that, she served as Budget Director for the Board of Regents, administering the USG's budget of \$1.7 billion. She earned a bachelor of science degree in Community Development in 1978 and a master's of Public Administration in 1982, both from Penn State University.

#### **Scholarships and Grants:**

Due to the state's slow economy and declining state revenues, it was necessary to reduce award amounts students received for the second half of the academic year in all of the state-funded scholarship and grant programs. Additional reductions for the 2003-2004 school year currently are being considered by the Georgia General Assembly. However, the Georgia State Lottery continues to provide sufficient funds to fully fund Georgia's HOPE Scholarship Program and other lottery-funded programs.

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

The Georgia Student Finance Authority continues to strive to help students in achieving higher education through the many means available to the agency.

Service-cancelable loan programs administered by GSFA for fiscal year 2003 have so far awarded 6,246 (new and returning) students with more than \$15,529,735 dollars in 15 different programs of study. These students are able to repay the money borrowed through these programs by working in their specific field of study in the state of Georgia for a specified period of time.

The traditional loan program for the Authority has shown substantial increase for the fiscal year '03. This business has shown an increase in loans guaranteed of 21% (\$45,708,276) for all schools through the end of January.

The Georgia First program, GSFA's educational alternative loan, continues to perform well. Thus far for fiscal year '03, more than \$300,000 has been disbursed utilizing this educational cost tool.

All of these programs continue to be a focus for the GSFA Business Development team. In addition to visiting schools to talk about these products, the team is participating in a number of financial aid awareness fairs at schools throughout Georgia during the month of February.

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

- In its Feb. 4 meeting, the GSFC Board announced that GHEAC is waiving the 1% guaranty fee once again for the 2003-04 academic year.
- GHEAC will hold its annual conference March 4 and 5, 2003, at the Georgia Center for Continuing Education in Athens, Georgia. This year's Mardis Gras theme will focus on the new loan processing options being offered by GHEAC to its schools and lenders for the 2003-04 academic year. In addition to the one-stop Single Source Partners (SSP) process provided since 1995, schools now can choose alternatives to SSP. Alternatives include:
  - SSP Plus, in which schools utilizing ELM can receive SSP disbursements and disbursement rosters, and send refunds through ELM's National Disbursement System;
  - Lender Flow/Guaranty Only, wherein schools will transmit all loan data, promissory notes, disbursements, adjustments and refunds to the lender. GHEAC will guarantee the loan after the lender approves it.
  - Blanket Certificate of Guaranty (or BCG), which is similar to lender flow, but the lender releases the first disbursement before the loan is guaranteed by GHEAC.
- In observance of February as Financial Aid Awareness Month, representatives of GHEAC will participate in seven student financial aid fairs throughout Georgia. Students will be given information regarding default prevention and personal money management.
- Recent activity with some of GHEAC's task forces include: The New Options Task Force had its first meeting on Feb. 5. Schools, lenders and GHEAC staff are working together to ensure the new loan processing options meet the needs of the institutions that will utilize them. Also, the long-standing MPN Task Force is working on the implementation of the PLUS MPN.
- The Peer Financial Counseling (PFC) program has been adopted by 14 schools in slightly more than one year since it was initiated. PFC is a "train-the-trainer" approach that teaches a core group of students about student loans, credit and personal money management. The trained students then conduct sessions to pass the information on to their peers.
- GHEAC tallied the results of its Customer Service Satisfaction Survey, and among the results were the following:
  - 75.3% of the respondents feel that communications with GHEAC has improved in the past year.
  - 86.2% believe telephone customer service has improved, and
  - 92.7% say that the training programs offered by GHEAC meet their needs.

Submitted by: Shelley C. Nickel

## **Florida Department of Education, Office of Student Financial Assistance (OSFA)**

### **Meteor Project and Software Implementation**

The Meteor Project is a collaborative effort within the student aid industry to simplify and consolidate access to student financial aid information. Sponsored by over forty industry participants, and coordinated by the National Council of Higher Education Loan Programs, Meteor software provides open, non-proprietary, real-time access to all available aid information for a student, and consolidates it for display to students and financial aid professionals. OSFA is a Meteor sponsor and an active participant on the Meteor Advisory Team and its various sub-teams. We are proud of our contribution to the development and implementation of this revolutionary web services tool for schools and borrowers. OSFA plans to implement the Meteor software for use as an access and data provider in early March 2003.

### **Default Prevention**

OSFA welcomes Default Prevention Specialist Patty Ceci, to the Customer Service Team. One of Patty's primary roles will be to work closely with schools, lender partners and OSFA's outreach representatives to establish and customize effective default prevention plans for each school. She is currently working with several schools in a default prevention pilot program.

### **Mapping Your Future**

OSFA continues to support the collaborative efforts of *Mapping Your Future (MYF)*. An excellent resource for our school partners, *MYF* is a free public service web site sponsored by OSFA and other guaranty agencies. The site offers participating schools:

Online Entrance and Exit Student Loan Counseling

ExitExpress – exit interview reports sent directly to OSFA

Customized School Page with full technical support

The *MYF* site is an excellent source of information for students and families about college, career, and financial aid choices. OSFA continues to provide *MYF* materials for financial aid offices of postsecondary institutions and high school guidance counselors.

### **OSFA, State Programs Activities**

#### **2002-2003 Appropriations**

State-funded financial aid programs have an appropriation of \$400 million to expend on 22 programs for the 2002-2003 academic year. The Bright Futures Scholarship Program expects to fund over 106,000 students; the Florida Student Assistance Grant (FSAG) expects to serve over 75,000 students.

## **Web Applications at [www.FloridaStudentFinancialAid.org](http://www.FloridaStudentFinancialAid.org)**

Our customer friendly web homepage invites students to apply online with one application for all state programs. Last year, the online application was used by over 86,000 applicants. We expect over 100,000 applicants to utilize this service this year. Postsecondary institutions participating in financial aid programs have found the web capabilities for processing state financial aid to be comprehensive and a time saver for their staff.

### **2003-2004 Budget**

Currently, state appropriation and education committees are working with our office in preparation for the 2003 Florida Legislative Session. Budget is the top priority.

### **KHEAA/KHESLC Update**

- For the first six months of FY2003, KHEAA disbursed:
  - 33,260 need-based College Access Program (CAP) Grants totaling \$19.8 million.
  - 8,950 need-based Kentucky Tuition Grants (KTG) totaling \$8 million.
  - 53,000 merit-based Kentucky Educational Excellence Scholarship (KEES) awards totaling \$29.4 million.
- College Goal Sunday was held February 9 and provided one-on-one assistance to students and families in filling out the FAFSA at 18 sites in 16 cities around Kentucky.
- KHEAA will participate in the annual call-in show on Kentucky's statewide educational television station on February 27. Financial aid administrators, lenders, and KHEAA staff will answer calls from viewers about student financial aid.
- KHEAA, KHESLC, Jefferson County public schools, and local colleges and universities held several workshops in January and February to provide free assistance to students and parents in the Louisville area who wanted help filling out the FAFSA.
- Brett Leif, President of the National Council of Higher Education Loan Programs (NCHELP), has appointed KHEAA/KHESLC Executive Director Dr. Joe L. McCormick to the NCHELP Board of Directors. Dr. McCormick will serve on the board until June 2005.
- Ted Franzeim will become Senior Vice President for Customer Relations for KHEAA and KHESLC starting March 1. Franzeim brings several years of experience working in student financial aid and educational consulting.
- Access Group, Inc., extended KHESLC's contract to service its loans through December 31, 2006. KHESLC currently services over 250,000 Access Group loans totaling more than \$2.4 billion.
- During the first six months of FY2003, KHEAA loan guarantees increased 20.6 percent, KHESLC FFELP disbursements increased 15 percent, and KHESLC loan consolidations increased 174 percent.
- Northeast Alabama Community College joined KHEAA's FFELP program in January 2003.

- Servicing agreements between KHESLC and the Alabama Higher Education Loan Corporation and SunTrust of Alabama have been finalized. All of these loans are guaranteed by KHEAA. Eight servicing staff members from the Alabama Higher Education Loan Corporation were hired by KHESLC and are working in KHEAA's Alabama office.

**Submitted by: Dr. Joe L. McCormick**

## **North Carolina State Education Assistance Authority**

### **Counselor Internships**

NCSEAA is once again sponsoring the summer internship for school counselors in financial aid offices across the state. The internship has proven to be a great way for school counselors to learn the aid process; in addition, the aid offices benefit from the extra help with processing during the summer. Approximately ten campuses will serve as host institutions during the summer of 2003.

### **Scholarship Reference Guide Now Available**

NCSEAA's comprehensive guide to financial aid resources, "Financial Aid for North Carolinians" was updated and distributed in November. Copies of the guide were distributed statewide to local high school libraries and school counselors, county libraries, financial aid directors and various state officials and agencies. The guide is also available online at [www.CFNC.org](http://www.CFNC.org), under the Paying for College tab.

### **College Foundation of North Carolina Statistics**

Use of the College Foundation of North Carolina information service continues to soar among students. During the 2002 calendar year, approximately 152,000 accounts were established and nearly 48,000 admissions applications were filed via the CFNC website. The total number of CFNC accounts now exceeds 250,000.

CFNC is an information service helping students and their families to plan, apply and pay for college and sponsored by the North Carolina State Education Assistance Authority, Pathways of North Carolina and College Foundation, Inc.

Submitted by: Elizabeth V. McDuffie

## **South Carolina**

The South Carolina Student Loan Corporation will hold its Annual Loan Programs Workshop on March 11, 2003 in Columbia, SC. Workshop topics will include Navigating our Web Site, Adverse Credit Determinations, Mapping Your Future, Repayment Options, Separation Date Reporting to the NSLDS and the Clearinghouse, Training for New Financial Aid Staff, Debt Management, and a Reauthorization Update.

For nine months of the year the Corporation offers training opportunities at its office. Our in-house training series was designed to afford our colleagues the opportunity to learn or revisit important subject matter in a relaxed, yet professional manner. By keeping the number of people

in each session low, usually 6 – 10, instructors are able to provide attendees with more of a one-on-one approach. Training session topics include Certifying and Recertifying Loans, Receiving and Returning Funds, Borrower Rights and Responsibilities, Repayment Options and Maintaining a Low Default Rate, just to name a few. Our sessions are well received and well attended.

The Corporation has developed a new program called the "\$1K Giveaway!" Each month the Corporation will be awarding a \$1000 scholarship to a student who registers on our web site. Students who take out a Federal Stafford or alternative loan are automatically entered as well. The Corporation's first drawing to award scholarships for the 2002 – 2003 academic year will be March 15 and will be held monthly thereafter. Registrants' names are kept "in the pot" and will remain eligible until September 14. Beginning September 15 new registrations will be accepted for the 2003-04 academic year.

Last summer, 9 high school guidance counselors from across the state participated in the Guidance Counselor Internship Program sponsored by the South Carolina Student Loan Corporation and the South Carolina Association of Student Financial Aid Administrators (SCASFAA). This program is designed to enable counselors to be better prepared to assist students and parents in gaining an awareness of the financial aid process and the availability of student financial assistance. The counselors agreed that they learned information about student financial aid that made them a more effective counselor, and strongly agreed that they would recommend the program to a colleague. The Corporation is pleased to be a part of this exciting program.

The Corporation is pleased to report that its Federal Stafford Loan volume has increased 11% over last year and the Federal PLUS loan volume has increased over 21%.

Submitted by: Cheryl Hughes

### **SC TUITION GRANTS PROGRAM**

On December 9, 1999, the SC Tuition Grants Commission unanimously adopted a provision that, beginning with the 2000-2001 award year, would raise/lower maximum grants on a schedule at all 20 participating SC independent colleges to a \$3,100 program-wide maximum grant. At the time of the policy change, maximum grants at 14 colleges were below the \$3,100 figure, and maximum grants at 6 colleges were above the \$3,100 amount. The provision established a maximum of 5 years for the conversion to the \$3,100 maximum grant and also provided that upperclassmen were to be held harmless through graduation.

Mid-year budget reductions experienced in 2000-2001 and 2001-2002 totaling almost \$2 million plus the addition of almost 1,500 additional eligible students in the award pool mandated that the targeted program-wide maximum be reduced from \$3,100 to \$2,200. The \$3.5 million received in 2002-2003 in one-time lottery dollars basically made a one-time replacement of the base funds lost through budget reductions, but unless the lottery funds are annualized will do little toward the goal of reaching the \$3,100 program wide maximum grant. A temporary proviso was also included in the 2002-2003 budget bill that exempts the grant funds from mandated mid-year budget reductions.

The state budget request presented for the upcoming year is related to the program increase needed to get all eligible students to a \$3,100 program-wide maximum grant and hold harmless the upperclass students in 2003-2004. Should insufficient funds be appropriated to meet that request, a minimum increase of \$1.8 million is needed to continue on schedule with the 4<sup>th</sup> year of

the conversion to the \$2,200 reduced program-wide maximum grant and hold harmless the upperclass students. The request would also include that lottery funds received by the SC Tuition Grants Program be made permanent and that the temporary proviso exempting the SC Tuition Grants Program from mid-year budget reductions also be made permanent. A new permanent proviso is being requested that would guarantee, similar to the Palmetto Fellows and LIFE Programs, sufficient funds each year for the SC Tuition Grants Program to cover all eligible applicants applying through the June 30 application deadline at the maximum grant level equal to 60% of the average per undergraduate student subsidy (\$5,316) at the SC four-year public colleges in the prior-prior year. Since the current SC Tuition Grants statute allows the maximum award to be as high as the average per student subsidy at the SC public colleges, the methodology of computing the maximum award as 60% of the public college per student subsidy is consistent with the statute.

Submitted by: Eddie Shannon

### **Tennessee Report**

On December 1, 2002, Michael C. Roberts was appointed Executive Director of the agency. Michael's previous position was Compliance Administrator at TSAC. He has served in this position for more than 8 years. Prior to that, Michael was financial aid director at a number of schools; Lane College (TN), Franklin College (IN), and the University of Tennessee at Chattanooga.

Over the years, many of you have worked with Jan Lassiter, TSAC Administrative Assistant. Jan retired on December 31, 2002 after faithful service of 30 years with TSAC. Jan will definitely be missed. We wish her much success in her new endeavors.

TSAC will continue to sponsor training workshops.

- TSAC and Guarantec will present four federal regulations workshops throughout Tennessee and one in Mississippi in mid-February 2003. These regulations will become effective on July 1, 2003. If anyone was unable to attend the workshop and would like a copy of the handout, please contact Stephanie Aylor, TSAC Loan Program Administrator at 1-800-342-1663.
- Mark your calendars for April 8-9, 2003. TSAC will also sponsor its annual Lender Conference at that time. Topics will include default aversion, loan status updates, new lender and guarantor regulations, eSignature, blanket guaranty, and Common Account Maintenance. Registration and conference agenda will be mailed shortly.
- The Quality Quest Program is designed to assist schools in reviewing policies and procedures in the administration of Title IV assistance programs. At no cost to the school, this is an excellent tool to use for improving office performance, ensure compliance, or to communicate successes or needed improvements to upper management.
- Schools may contact the Compliance Division to schedule training sessions which are conducted at TSAC. This is particularly useful for new staff members with minimum training in Title IV programs. Contact Martin McGirt, TSAC Compliance Coordinator at 1-800-342-1663.

A Lottery Task Force was formed to recommend a lottery scholarship system for Tennessee students. The work on this effort is proceeding, and the state legislature may act on recommendations during the current legislative session. TSAC and TASFAA have submitted recommendations on the administration of this new source of financial assistance. It is expected that funds will be available to students for the 2004-05 academic year.

Submitted by: Michael C. Roberts

## **ATTACHMENT D – STATE PRESIDENTS REPORT**

### **Report from Alabama State President, Mike Reynolds**

The Alabama Association is proud to have completed the preparations for the “Star’s Fell on Sweet Home Alabama... Catch One” booth for this year’s SASFAA Conference. He hope that we will encourage everyone will be encouraged to come to Birmingham to enjoy all that the Iron City has to offer from food, entertainment, arts and the sciences.

The Spring Conference Program Committee met on February 5 in Montgomery at the RSA Union Building to prpeare3 for the upcoming conference. The theme of this spring’s conference will be centered around Reauthorization. Most of us have encountered this process before and realize that the “seas can become rough” but have decided to take a “cruiseline approach” and try to enjoys the trip on the “high seas’. This year’s spring conference will be held at he White Sands Resort in Gulf Shores, Alabama beginning May 12 and ending May 14. It promises to be a very informative and exciting conference and hope to have a wide attendance from the Alabama professionals.

### **Report from Florida State President, Leonard Gude**

No report submitted.

### **Report from Georgia State President, Julia Perreault**

The GASFAA Program Committee met at Georgia College and State University in Milledgeville, Georgia, January 24<sup>th</sup> to continue their work on plans for our Spring Conference. The conference will be held Wednesday through Friday, May 28<sup>th</sup> to the 30<sup>th</sup> at the King and Prince Hotel on St. Simons’ Island, Georgia. The committee is full of enthusiasm and energy and is planning on a theme very appropriate to our St. Simon’s Island setting. Although we are outgrowing the facility, this is one of GASFAA’s favorite locations and we expect attendance to be good in spite of state and school budget constraints.

The GASFAA Executive Board held their winter meeting January 31<sup>st</sup> at Emory University, in Atlanta, Georgia. In addition to the officer and committee chair reports, we had a preview of the updates to the GASFAA website and a description of the changes yet to come. Unfortunately, the chair of our Mentoring Committee, Gigi Burke-Carr, had to step down from her position. However, our thanks go to Pennie Strong, GASFAA’s treasurer, who offered to assist with mentoring activities for the remainder of the year.

February has been designated “Financial Aid Awareness” month for the state of Georgia. The first official event was February 2<sup>nd</sup> when Susan Little from the University of Georgia, Marie Mons from the Georgia Institute of Technology, Gigi Burke-Carr from Georgia State University and Julia Perreault from Emory University participated in WSB Radio’s “Money Matters” program hosted by Mike Cavanaugh. During the two-hour show, the panelists answered questions from Mike as well as from listeners who called in.

Cindy Abbott, chair of the Community Action Committee, organized the annual Financial Aid Chat Night held February 25<sup>th</sup>. Financial Aid administrators from numerous schools helped to answer questions via email and by phone. The group of volunteers assisted in responding to 168 emails and 78 telephone calls.

Jill Rayner, Vice President for Professional Development, reported on the busy spring she has planned with numerous training activities available to GASFAA members. On March 12<sup>th</sup>, there will be a Mid-Level Managers Workshop at Macon State College covering topics including advanced verification, understanding tax forms, maintaining institutional eligibility, team building and increasing office efficiency. There will be a Support Staff Seminar April 9<sup>th</sup>, also at Macon State College. GASFAA conducts two such trainings each year, one in the fall and another in spring to enable more people to attend. NASFAA Spring training will be held April 10 on the topics of Consortium Agreements; Federal work-study Community Service; and When Title IV Aid Isn't Enough. The last professional development offering will be a "Hot Topics" session just prior to the spring conference. The topic is the Common Origination and Disbursement system. What a busy spring for the Professional Development Committee!

Glenn Newsome, Executive Director of the Georgia Student Finance Commission, retired in December, and Shelley Nickel was appointed as the new Executive Director on February 4<sup>th</sup>. Ms. Nickel comes from the Office of Planning and Budget. GASFAA welcomes her and looks forward to the continuation of a good partnership with the commission.

In February, the Nominations and Elections Committee presented the slate of candidates for the elected positions on the GASFAA Executive Board. They are as follows:

Candidates for President elect

Suzanne Buttram  
Freida Jones

Candidates for VP Programs

Jenelle Louder  
Jon-Paul Keenan

Candidates for VP Professional Development

Melody Hodge  
Robin Winston

Candidates for Secretary

Erica Pickens  
Patricia Simmons

The election will take place during the spring conference in May. With candidates of this caliber, GASFAA clearly will be the winner.

**Report from Kentucky State President, Nancy Melton**

Kentucky has been like most states and we have had to deal with possible budget cuts at the state as well as national level. One positive step taken during this time was a pulling together all of the educational organizations in our state to form the Partners of Education, through the Prichard Committee. This group of people represented pre-school through post secondary and adult education. They became a very pro-active group in our state stressing the importance of education at all levels. Fortunately all of the phone

calls, letters and other conversations with our state legislatures has paid off. The state has recommended a significant increase in our state funding. We will know soon the actual awards. Many of you as well as those Kentuckians called and wrote to encourage our increased Pell funding. Even though we only got the \$50.00 increase, I think the message was sent that Pell grants were very important to our students and they need to be increased yearly.

Beside budget concerns, we have been very busy as an association. We had a financial aid support staff work-shop in December for about 30 people, Runan Pendergrast, chaired that committee and did an excellent job of getting presenters and providing information to our support staff. We had over 15 high school counselors' workshops in November. These stressed the importance of completing the FAFSA accurately and submitting on a timely basis. Rhonda Swim and Lissa Caldwell co-chaired that committee and had the help of many others. The high school counselor's workshops have been well received by our high school counselors and we have been able to offer continuing education credits for the workshops. The month of February was a very busy one for us; besides having the Ice Storm of 2003, we sponsored College Goal Sunday for the third year. College Goal Sunday is a collaborative effort with the Lumina Foundation, KASFAA, and KHEAA to help seniors in Kentucky complete their FAFSA and give information to students and their parents about applying for financial aid. College Goal Sunday was co- chaired by Sandy Neel, Scholarship Director at University of Louisville and Ron McMakin, President elect of KASFAA, and their committee makes up the largest group of volunteers in KASFAA. This is a really large project which takes a lot of volunteers to get completed. We had over 2000 students and their parents attend College Goal Sunday at 16 different sites in Kentucky. We ended February with a KET Call In Show for students and parents to ask questions about financial aid. The TV panel consisted of Bob Sprague, Director of Student Financial Aid at Northern Kentucky University, Michael Morgan, Student Aid Branch Manager of Kentucky Higher Education, Assistance Authority, and Nancy Melton, Director of Financial Aid at Alice Lloyd College and KASFAA President. Those answering phone calls to the show were, Chester Priest, Shelly Park, Runan Pendergrast, Laura Keown, Elaine Larson, Don Brown, Kitty Hall and Bill McCord. March 13, Lynda George, Training Chair helped organize another workshop at the University of Kentucky campus. Manual McMillan Sr. went for NASFAA training in Washington D. C. and was the presenter for this workshop on community service and other collaborative issues. As already expressed in newsletters, training is one of our main goals and we work hard to successfully meet that goal. Much thanks goes to all those mentioned and others whom we haven't had a change to mention by name. A special thanks to all the vendors and sponsors as well who help us make these things happen.

We are getting ready for our Spring Conference in Bowling Green, Kentucky, April 9-11 at the Holiday Inn. Chester Priest is our Vendor Chair and Rosemary Tutt is our Program Chair. Both have been working hard to get all of our sessions, presenters, and special events organized. Our conference will be highlighting the Past, Present and Future as we celebrate 35 years of KASFAA. We are having a Past President's reception on Wednesday evening and are inviting all the past presidents for this celebration. We hope to have a great time looking at the past and trying to prepare to help student afford a higher education.

### **Report from Mississippi State President, Dewey Knight**

The Mississippi Association of Student Financial Aid Administrators continues to focus on this year's objectives of *Inclusion, Involvement, Informing, and Innovation.*

*Inclusion*--I am pleased to report that MASFAA's paid membership for 2002-2003 has increased by 20% over 2001-2002. We have added 63 new members!

*Involvement*-- MASFAA's committees have been busy. The MASFAA High School Relations Committee, under the leadership of Chair Jeanie Hughes, has developed a poster campaign aimed at prospective students that will actively assist and involve high school guidance counselors. The Legislative Committee, chaired by Wanda Partridge, developed a comprehensive survey instrument to elicit input from every MASFAA member with respect to the upcoming reauthorization of the HEA. A Position Paper has now

been published based on the results of the survey. This Position Paper will be shared with SASFAA and NASFAA as positions are formulated in support of the needs of our students and aid offices. The Electronic Services Committee and a special steering committee are actively involved in the development of a new Web site for MASFAA. The MASFAA Board has contracted with ATAC Corporation to design and maintain our Web site, as well as, to act as host of the Association's list serves. MASFAA joins many other State and Regional Financial Aid Associations in using ATAC as a third-party provider of these electronic services. The new site will be launched prior to the Spring Conference. It will feature more user-friendly navigation, expanded information, more on-line functions, and be a state-of-the-art site that will present MASFAA on the World Wide Web in a most professional and positive way.

*Informing--* The Mississippi Association of Student Financial Administrators (MASFAA) held its first-ever Fall Training Event on November 14, 2002. The event was hosted by Mississippi College ( and its Director, Mary Givhan) and attended by over 150 Financial Aid Administrators and Lender/Service/Guarantor Professionals. The event, which replaced MASFAA's traditional Fall Conference, was a huge success and everyone (school people, lenders, servicers, guarantors, state agency folks) felt the change to a one-day, drive-in/drive-out format really met the needs of the financial aid community in Mississippi. This change is a great example of our emphasis on developing innovative ways to serve the needs of our membership. The day included training using NASFAA Fall Training curriculum, a Federal Update delivered by David Bartnicki in his own wonderful and entertaining style, an update by Peggy Sledge, Executive Director of the Mississippi Office of State Financial Aid, a MASFAA business meeting, and lots of good networking and collegial exchange. Special thanks to the 25 sponsors that provided over \$6000 in sponsorship support of the event.

MASFAA provided NASFAA's Spring Training curriculum (Consortium Agreements, Alternative Loans, and Work-Study/Community Service Issues) at a one-day workshop on February 5<sup>th</sup> at Belhaven College in Jackson. Linda Phillips of Belhaven and Betty Yeatman of Mississippi State did a super job as our trainers. The event was attended by 55 Aid Administrators representing 17 universities and colleges. Everyone in attendance agreed that this was one of the best training offerings that NASFAA has developed in recent years. The materials and lunches were underwritten by 13 very generous and supportive vendors/sponsors.

Plans are underway for other events in 2003. Garry Jones and his Training Committee will be conducting our extremely successful 3-day training workshop for new (and not so new) aid administrators, Financial Aid 101, in April. Our annual conference will be led by Conference Committee Chair Chuck Parker and held at the Grand Hotel and Casino in Biloxi beginning June 18 and ending June 20, 2003.

*Innovation—*Many, many innovative projects/and changes have and are occurring— the High School Relations Committee's Poster Campaign, the contracting of Web and listserv services to a third-party (ATAC), the change from two conferences per year to one conference supplemented with other training events each year, the increased use of Conference Call Meetings to reduce time and costs, and the production of an Association Position Paper on the Reauthorization of the Higher Education Act.

#### **Report from Tennessee State President, Cara Suhr**

**NASFAA Leadership Conference:** TASFAA's newly elected Treasurer and President-elect will be attending the NASFAA Leadership Conference in Washington, D.C., March 2-4.

**Spring Conference, April 27-30:** The TASFAA Program Committee, under the leadership of Joanie Hall, met on January 24, 2003. The theme for the spring conference is "Sentimental Journey – Past, Present & Beyond". We will be celebrating with a 35<sup>th</sup> Anniversary Banquet – Jazz Supper Club. The session topics have been established and committee members are busy preparing. In addition to the federal update, we will be having a Washington update focusing on reauthorization. As a change in tradition, we will be conducting the business meeting as a general session instead as part of the luncheon program.

**District Meetings:** The six TASFAA districts have been very busy hosting programs for local high school and vocational rehabilitation counselors. The districts will also be coordinating programs this spring to recognize financial aid support staff.

**Awareness:** TASFAA's award-winning "Funding Your Future: Financial Aid for Students" broadcast was broadcast live by WSJK-TV (Knoxville) on February 2, 2003. The broadcast was also carried by four out of five of the other PBS stations in the state. Financial Aid Administrators answered questions from the viewing audience. To date we have mailed out 230 financial aid information packets requested during the broadcast.

**Elections:** Election results will be announced at the State meeting at the SASFAA Conference. TASFAA Past-President Brent Tener is leading this effort.

**Governmental Relations:** A letter was sent to the Tennessee General Assembly, which welcomed the legislators of the 103<sup>rd</sup> General Assembly, provided TASFAA's input on the proposals for increasing access to college through a lottery scholarship, and directed them to the TASFAA website for contact information about our membership. Our main concerns with the first proposed lottery scholarship were defining financial need and renewal criteria.

**Training:** TASFAA, later this spring, is sponsoring the NASFAA decentralized training topics of Debt Management, FWS and Consortium Agreements. TASFAA will be purchasing one set of training materials for each institution in the state with a TASFAA member. Many thanks are extended to Forrest Stuart from Rhodes College who will serve as our trainer. Robbie Snapp is the chair of the Training Committee.

#### **Upcoming Events:**

April 27 – April 30, 2003. TASFAA Spring Conference, Marriott Hotel, Franklin, TN.

June 16-17, 2003. TASFAA Transition Workshop, University of the South, Sewanee, TN.

October 19 – October 21, 2003. TASFAA Fall Conference, Marriott Hotel, Franklin, TN

#### **Report from North Carolina State President, Rosemary Stelma**

The Spring 2003 NCASFAA Conference will be held at the Hilton Riverside in Wilmington, NC April 14-16, 2003. The opening speaker will be Arthur Coleman. Mr. Coleman served in the Clinton Administration as Deputy Assistant Secretary of the U.S. Department of Education's Office for Civil Rights. Mr. Coleman will discuss affirmative action in higher education, focusing on the issues in the Michigan case.

Members will elect a secretary, vice president, and president-elect. Members will also vote on a by-laws change concerning membership classification.

Next board meeting will be held April 13, 2003 in Wilmington, NC.

#### **Report from South Carolina State President, Anita Kaminer-Elliott**

Our winter board meeting was held on January 31 in Columbia at the SC Student Loan Corporation. Margaret Hunt, Past President and Chair of the Long Range Planning Committee, presented a draft of a Long Range Plan for SCASFAA. Proposed changes and additions will be discussed at our spring board meeting with plans of adopting a final document by the Transitional Board Meeting this June. Ed Miller, Chair of Peer Support, submitted a written report that proposes a mentoring database for the association. He will make a formal presentation and outline the implementation of the program at our next

board meeting. Keith Reeves, chair of Nominations and Elections, presented the slate the candidates for the election of officers for 2003/04. The candidates are as follows:

- President Elect: Sandra Davis, SC State University  
Betty Whalen, Winthrop University
- Vice President: Tamy Garofano, USC  
Nancy Garmroth, Spartanburg Technical College
- Treasurer: Jeff Dennis, Southern Wesleyan University
- Member-at-Large: Sandra Rhyne, Lutheran Theological Southern Seminary  
Bill Whitlock, Central Carolina Technical College

During Keith's reporting on the difficulty the committee faced in trying to represent a dual slate for the office of treasurer, he also shared concerns that he faced as serving as chair of the committee as President Elect. Along with others in his committee and among our association Keith felt as though he was placed in an awkward position where bias could be misconstrued. A discussion then followed that resulted in a proposed a change in the current By-Laws that would change the duties of President Elect. Nomination and Elections would return to the Past President, and President Elect would be in charge of special projects. The Board supported the proposed By-Laws change and membership will vote on the change of duties for those two officers at spring conference.

Financial Aid: The Winning Ticket is the theme for the Spring Conference that will be held April 6-9 at Springmaid Beach. An early review of room reservations shows that we should meet budget in number of attendees.

#### **Report from Virginia State President, Barry Simmons**

##### VASF AA 2002-03 Theme

- ❑ EMBRACING CHANGE

##### VASF AA 2002-03 Focus

- ❑ Diversity in Action...striving for a better understanding of diversity...educational diversity. Educational diversity is a state of mind and atmosphere characterized by the inclusion of people and ideas from different, dissimilar backgrounds. These differences can include geographic origin, language, socioeconomic status, national origin, gender, ethnicity, sexual preference, disability, age, veteran status, religion and political philosophy. Particular to educational diversity is an openness to examining old ideas, challenging different ideas and championing new ideas in a setting that is intellectually and emotionally secure with an appreciation for reality. In dealing with professional organizations, organizational diversity should also be included.
- ❑ Increased Policy-Making Presence
- ❑ Early Awareness

#### Fall Board Meeting

The VASF AA Fall board meeting coincided with the VASF AA Fall Training Conference 11/12-15/02 in Roanoke, VA at the Hotel Roanoke, the Heart of Hokie Country. In addition to the standard committee reports, other discussion included the following:

1) subsidizing committee chairs attending VASF AA conferences when their home institutions have eliminated travel funds...Task Force appointed to study and report at the January board meeting.

- 2) clarification of life membership benefits regarding waiver of conference fees if employed part-time...no action taken
- 3)renewal of model agreement with the Virginia Department of Rehabilitative Services...tabled until January board meeting.

#### Winter Board Meeting

The Winter Board Meeting was hosted by President-elect Sherwin Hibbets at the Founders' Inn on the Campus of Regent University in Virginia Beach January 30-31. Items of discussion included:

- 1) VASFAA board members have again raised the issue of one meeting versus two meetings. There will be a called conference call meeting in the near future to discuss this issue.
- 2) Task force report on subsidizing committee chairs' attendance at VASFAA meeting was presented. The Board felt it's current policy of not subsidizing attendance was appropriate.
- 3) The renewal of the model agreement with the Virginia Department of Rehabilitative Services was approved based on adjustments to be made by President Simmons and Board Member Barnett.
- 4) Sharon Clough, chair of the Strategic Planning Committee was instructed to revise the strategic plan to include a diversity element and a mechanism for planned review and revision. Both of these elements will be incorporated into the plan and presented at the Spring board meeting. At our planning retreat this past June, we did add common elements of goals and objectives to the strategic plan. Evaluation of each committees progress toward achieving those common elements may be useful in determining the selection of committee of the year.
- 5) Nominations for 2003-04 officers were presented. Past President Freeman reported there was difficulty in locating qualified candidates for all offices. After extensive discussion, the nominations were held open until there can be a full slate.
- 6) VASFAA currently restricts the offices of president and president-elect to practicing aid administrators. Discussions will be held regarding a possible change in the bylaw to be voted on in the Fall of 2003.

#### Advanced Aid Officers' Symposium

This training opportunity for seasoned aid administrators, originally scheduled for Spring 2003, has been postponed until a later date.

#### VASFAA Brochure

The VASFAA Public Relations Committee, chaired by Joann Carreras, has published a brochure that tells what VASFAA is all about. This brochure will be used in membership drives, legislative activities, fund raising as well as other activities.

#### New Century Award (Buddy Award)

VASFAA maintains a competitive professional development fund that is also available for improving professional services that VASFAA members might provide. VASFAA has awarded a grant to Linda Miller of James Madison University to partially fund a one stop student employment center. Further details on the Buddy Award competition are in our newsletter.

#### Treasurer-elect Position Added to Board

VASFAA will elect a treasurer-elect during its Spring 2003 Training Conference in Virginia Beach. During the first year of office, the incumbent will assist the elected treasurer with investments, insurance and audit issues and assume full operational duties during their second year of office.

### Super Saturday

Under the leadership of Scott Morrison of VCU, VASFAA's Early Awareness efforts included Super Saturday activities at the following locations.

Richmond: Virginia Commonwealth University - 19 students / 39 in attendance  
Wise: University of Virginia at Wise - 16 students / 40 in attendance  
Arlington: DeVry University - 1 student / 4 in attendance  
Lynchburg: Randolph Macon Woman;s College - 4 students / 6 in attendance  
Hampton: Thomas Nelson Community College - 3 in attendance  
Additionally, there were 133 callers during the 90 minute NBC-12 financial aid hotline on January 13

### Budget Crisis

Revenue shortfalls continue in Virginia. As the legislature is in session, much is up in the air. There is a proposal to increase student aid to state institutions, but at the expense of study centers located at the senior institutions. It does appear the private college grant will suffer also in spite of a tremendous public relations campaign. There's also a proposed cap on tuition increases. More to come after the legislature adjourns.

