



A Publication for the Members of the
**Southern Association of Student
 Financial Aid Administrators**

April 2007

on the web at www.sasfaa.org

From the President...

Did you attend the 44th Annual SASFAA Conference? If not, you missed a great meeting. I feel confident that those attending the conference left with a better understanding of where we are as a profession and what will be facing us in the future as we find better ways to assist students and their families in finding ways to meet educational costs. The conference committee, under the very capable leadership of Michael Morgan, did a fantastic job putting together a series of general and concurrent sessions dealing with the most pertinent issues



Brent Tener,
 SASFAA President

facing the profession. Michael has included a great review of conference happenings in his newsletter article included in this issue. Please make sure you read the section as it relates to our designated SASFAA charity for the conference, Katie's Helping Hand. What an awesome show of support for the great work that Katie and her family are doing to help families at Vanderbilt Children's Hospital.

Election results were announced at the conference, and my congratulations are extended to Heather Boutell, Pat Arauz and Terri Parchment on their election to the positions of President-Elect, Vice President and Treasurer respectively. They will begin their service to SASFAA in July. Thanks to all who agreed to run for office for this year. I hope all of you consider running for either state or regional office in the future. Yes, it does take time, but the rewards you can receive are immeasurable. Next year, SASFAA will be holding elections for the office of President-Elect, Vice President and Secretary.

Congratulations are also extended to David Cecil, who was presented the NASFAA State and Regional Leadership Award. This award was announced at the NASFAA conference last summer in Seattle and officially presented to David by Janet Dodson, NASFAA Chair, in Nashville.

SASFAA recognized Janet Sain and Rose Mary Stelma who each was awarded the SASFAA Distinguished Service Award; the highest honor that SASFAA can bestow. The award is presented to those individuals that have made outstanding, significant and meritorious contributions to the advancement of student financial aid. Janet

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President's Message *(continued from page 1)*

received her plaque and recognition in Nashville, while Rose Mary will receive her plaque at the upcoming North Carolina state meeting. Many thanks to the quick-thinking Bridget Ellis, who called Rose Mary during the presentation, which provided the opportunity for me to notify our newest recipient of her selection. It is fitting that Janet and Rose Mary were selected for this award during the same year, as they have been friends for a long, long time.

Bill Rodgers, former SASFAA President was presented with the a SASFAA Honorary Lifetime Membership Award. Bill has been a long-time member of SASFAA and will be retiring in April. We wish him many, many happy years of retirement.

As president of SASFAA, I would like to thank the TASFAA membership for their hospitality and hard work. They spent countless hours preparing for our visit and exhibited true "Southern Hospitality." To each of you, I would like to thank you for your personal support this year and for your continued support of SASFAA. You are truly an amazing group of professionals.

As I am writing this article, I am traveling home from the first-ever SASFAA Leadership Symposium. Our symposium leader, Barry Simmons, is providing additional details regarding this fantastic experience in a separate article. Thanks to Barry and his committee for their fine work, and to the 25 leaders from each of the 9 SASFAA states who participated.

I hope that your "ramping up" for the next academic year is going well. With all that is going on in Washington and an increasing number of articles regarding our profession, we should be ever mindful of our crucial role as impartial student advocates. In that role, it is essential for us to always maintain the highest ethical standards and make decisions that benefit the individuals we serve. I am mindful of some wise words once imparted to me: "If you wonder if what you are doing is right, just ask yourself if you would be willing to read about it on the front page of the school newspaper." While certainly not all ethical dilemmas can be decided so simply, that one statement has helped me a great deal over the years.

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Past President's Report

Guy Gibbs



Congratulations to Newly Elected SASFAA Board Members

The Nominations and Elections Committee thanks the membership for their active participation in the recent election of SASFAA Board Members. Electronic voting opened 10 days prior to the conference and was closed at 3 PM on Tuesday, February 13, during the conference. The following individuals were elected to SASFAA office and will assume their responsibilities on July 1, 2007.

President-Elect

Heather Boutell, Director of Financial Aid, Bellarmine University, KY

Vice President

Patricia Arauz, Director of Student Financial Aid, University of Louisville, KY

Treasurer

Terri Parchment, Assistant Vice President/District Marketing Director, Edamerica, TN

These newly elected members of the board have tremendous experience in both their state, regional and national associations. We all look forward to their leadership within SASFAA.

Governance and Planning (GAP) Committee

The GAP committee members are Betty Whalen, Dee Talley, Tom Morehouse, Jody Darby and Michael Gantt. Lisanne Masterson sits on the committee as an ex-officio member and Guy Gibbs, Past President, chairs the committee.

The committee met in Nashville at the annual conference to discuss the process of evaluating the activities of the board members and committee chairs in meeting their goals and objectives for the year, as well as, how well they have followed the outline of the Long-Range Plan. The committee will meet April 27-29 in Charlotte, NC, to develop the report that will be presented to the SASFAA board meeting June 2007.

SASFAA Foundation

A goal of Guy Gibbs during his year as SASFAA President was the creation of a SASFAA Foundation. The board approved \$50,000 as seed money to start the foundation. During this year the Audit and Finance Committee has been involved in the process of developing an investment strategy. Their recommendations will be presented in June. Prior to that time the operational aspects of the Foundation will be established and will also be presented to the board for approval. Additional information will be provided after the June board meeting.



Heather Boutell



Patricia Arauz



Terri Parchment

SASFAA Newsletter Publication Schedule Quarterly Newsletters:

October ~ December
April ~ June

Articles and advertisements are to be delivered to the Newsletter Editor no later than the 10th of the month preceding publication of the newsletter.

Information should be sent as a Word attachment, Times New Roman, 10 Pitch, and third person to Sharon Oliver at soliver@ncu.edu. Contact Sharon at (919) 530-7412 if additional information is needed.

The SASFAA Newsletter is published quarterly for its members. Articles submitted by any person, company, or organization to the editor of the newsletter is subject to final acceptance by the editorial board prior to the publication of the newsletter. The editorial board reserves the right to reject, edit for content, or edit for length any article or information submitted for the newsletter. Articles must be intended for the benefit of SASFAA members and not for company marketing or promotional purposes.



President-Elect's Report

Lisanne Masterson

It is hard to believe, but another successful SASFAA conference is now behind us! Next year's Conference Chair (Brad Barnett) and Local Arrangements Co-Chairs (Erik Melis and Michael Poma) and I met recently with our Catering and Convention Services Manager at the Hyatt Regency in Crystal City VA to begin making plans. While things are still fresh from this year's conference, I hope you will (if you have not already) complete the online Conference Evaluation form. These will help us tremendously in planning next year's conference.

I want to encourage all interested members who want to volunteer their time and/or services for next year, please be sure to complete the 2007-08 SASFAA Volunteer Form, which is available at <http://www.sasfaa.org/docs/forms/volunteer.html>.

This organization would not be what it is without the countless number of volunteer hours. Although committee chairs have been selected, they will begin the process of selecting their committees later this spring, so be sure to complete your form as soon as possible.

All nine state Presidents-elect attended a pre-conference day-long training session, and I am proud to say that SASFAA is blessed with dedicated and enthusiastic leaders. Not only will next year's group of state presidents do an exemplary job at the state level, they will provide insight and leadership at the regional level. The training included Association Governance, SASFAA History (presented by Past President Mary Givhan), Legislative Relations (presented by Bill Spiers), Team Building/Leadership exercises, and Parliamentary Procedure.

Also, as your official observer to the NASFAA board, please send me any comments, questions or concerns that you would like addressed there no later than **Wednesday, April 18th**. SASFAA will be hosting the NASFAA board members at the Westin in Charlotte, NC April 28-30. In addition, I will be attending the KASFAA and VASFAA spring conferences as the regional representative, as well as presenting a couple of sessions at the TASFAA spring conference. I am also excited about my first Inter-regional Visit, as I will be attending the SWASFAA Board Meeting in Dallas TX the end of April.



Vice President for Training & Professional Development Report

Sandy Neel

The Professional Development Committee met March 9-11, 2007 in Greenville, SC to plan the summer New Aid Officer's Workshop. On Friday, the committee met at the hotel to begin the planning session. The planning meeting began with some ice breakers and team building exercises. It was decided that Vice President Sandy Neel is not smarter than a 5th grader because she has difficulties with working AV equipment. On Saturday, the committee traveled to Furman University, the site of the summer workshop, to tour the facilities and to continue with the workshop planning. The retreat was very successful and the committee accomplished a lot!

SASFAA members don't forget that registration is now open for the Summer New Aid Officer's workshop that is being held at Furman University on June 17-22, 2007. This workshop is very popular and it reaches capacity very quickly so you are encouraged to register as soon as possible for the workshop.

The Mid-level Workshop is being hosted by SWASFAA this year. The workshop will be held at the Crowne Plaza Suites in Arlington, Texas on June 17-19, 2007. As soon as the information regarding registration for the Mid-level is available it will be sent out on the SASFAA List-serve.

The Professional Development Committee is looking forward to meeting all the New Aid Officer's this summer and will provide to them the best training possible!





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Budget & Finance Report

Clark Aldridge

The Budget and Finance Committee, consisting of Clark Aldridge, Ben Baker, Delores Bright, Randy Craig, Richard Hawkshead and Chris Tolson presented the annual SASFAA Financial Review to the SASFAA Board at the Feb. SASFAA Board meeting.

Primary areas included in the review were extracted from the financial requirements outlined in the Policies and procedures Manual and the SASFAA Guide to Financial Management. There were no material findings reported by the committee. The SASFAA Treasurer, Heather Boutell, is to be commended for an outstanding job of complying with the policies and procedures of the association and for maintaining the Associations records in an organized and orderly manner.

The Committee met on Feb. 13, 2007 to discuss a proposal prepared by Richard Hawshead concerning funding of the SASFAA Endowment. The proposal addressed by-laws, policies and procedures as well as investing strategies. Richard Hawkshead's sub committee will be updating the proposal over the next several months with a recommendation to the SASFAA Board at the June meeting.



Treasurer's Report

Heather Boutell

Another successful Annual Conference is now over, and Treasurer Boutell wishes to thank all of the people that assisted with the registration process. Under the wonderful leadership of Lester McKenzie, the Tennessee pre-paid registration crew did an amazing job! Soraya Welden, Membership Chair, also went above and beyond with her ivory cardstock and paper cutter to create great nametags for us all. Keith Reeves, Vendor/Sponsor Chair, kept all of the vendors and sponsors comp'd, happy and comfortable, and provided an awesome slide show to thank the companies that assist us so much. All in all, it was a team effort as usual!

It is now time to start accepting payments for New Aid Officers Workshop. Payments can be made via credit card on our web, or via check. The workshop will fill up quickly, so make sure you get your staff registered quickly, and at least \$100 in to Treasurer Boutell to reserve your spot.

SASFAA's 990 and 990T forms were submitted to the IRS in February. Special thanks to President Tener for hiring a firm that specializes in non-profit groups to assist us with this effort. SASFAA had to make some changes, and is now paying quarterly taxes for our advertising revenue.

Congratulations to newly elected Treasurer Terri Parchment. She and current Treasurer Boutell will work together to ensure a smooth transition. Checking and savings accounts will remain at Fifth Third since the bank is accessible in Nashville, TN. The treasurer role is an enormous responsibility, and both Terri Parchment and Tom Morehouse are to be commended for stepping up to the plate to run for that office.



Sponsorship Report

Keith Reeves

SASFAA continues to receive outstanding support from the sponsors and support for the Annual Conference in Nashville was no exception. The exhibit area at the conference featured 55 different vendors. The generous support received from sponsors allows SASFAA to provide the quality conferences that the membership deserves at reasonable costs.

The Sponsorship Chair is pleased to announce that the following organizations have provided general support for the SASFAA Leadership Symposium: Sallie Mae, Urban Ed Express, Regions Education Lending, Wachovia, Citibank and USA Funds.

As the 2006-07 year-end approaches, SASFAA still has a couple of events for which sponsorship is solicited. The New Aid Officers Workshop and the annual Transitional Board Meeting, both in June, are available. If any organization would like to provide sponsorship for these events, please contact [Keith Reeves](#), Sponsorship Chair, or follow the "Sponsorship" link on [SASFAA.org](#).





What Did Mr. Simon Always Say?

By Mona Ghuman, Citibank

As I nervously look around the room, I'm trying to remember what my Speech 101 teacher, Mr. Simon, would recommend. "Picture everyone in clown outfits." Haha! Oops, did I really just laugh out loud? Ok, that didn't work the way Mr. Simon said it would. Now everyone is staring back at me as though I'm from another planet. Think! What else would he suggest I should do when I get nervous?

I frantically scan the room as though Mr. Simon will somehow pop up and rescue me with one of his clever tips, but instead, all I see is the upper management from the university sitting back in their cozy conference room chairs. They are all impatiently waiting to hear my wonderful idea that I've been ranting and raving about in order to run our department more efficiently. Here is my chance to present my idea, but I'm so nervous I've gone blank!

Ah ha! "Class, remember, you are the expert on your topic. Your audience is there to learn something from you. If you forget to make a point or stumble over something there is a good chance no one will even notice." I take a deep breath, pull out my back up notes, regain my confidence and silently thank Mr. Simon. Apparently, Speech 101 wasn't a complete waste of time after all.

There are many reasons people get anxious when required to speak to a group of individuals. It's important that you analyze where this fear is coming from. The fear or nervousness you experience is simply "extra energy". By reducing and controlling your anxiety, you can incorporate the "extra energy" into your speech in a positive way. Think about why you get anxious. Is it because one or more of the following thoughts are running through your mind?

- ✓ I'm afraid my mind will go blank.
- ✓ What if there is an audience member who knows more about the subject than me?
- ✓ I'll be embarrassed if others notice my nervousness.
- ✓ I don't know what I'll say if someone asks me a question I can't answer.
- ✓ I feel the group's opinion of me will be lowered because I haven't established my public speaking skills.

I have a few tips to share with those of you who would have been sitting with me in Mr. Simon's class, secretly rolling your eyes at him. The following may help to refresh your memory of good public speaking techniques and help reduce any fear or nervousness you may feel in the future.

- **Organize-** Lack of organization is one of the major causes of anxiety. If your thoughts are well organized and you are well prepared, you will feel more confident. Don't leave anything to chance. Be sure you have all your tactics laid out, all material prepared, unexpected events thought through and every detail taken care of. Leaving things to chance and not being prepared is preparing yourself for failure. Being organized will allow you to feel more relaxed, confident and the "extra energy" can be used appropriately.
- **Visualize –** Imagine yourself walking into a room, being introduced, delivering the speech with enthusiasm, answering questions with confidence and leaving the room knowing you did an excellent job. This will allow you to focus on what you need to do in order to be successful in your speech.
- **Practice –** Practicing is very important and necessary even if you feel you are familiar with the material. The more you choose to practice, the more comfortable and confident you will become with the material. Practice out loud by yourself, with a group of people, friends, relatives, roommates or maybe even your pet fish! Be sure you use all of the props, slides, handouts, enthusiasm, etc, during the presentation so you can get use to using the props. If you practice as though it is the day of the speech, you will be less likely to forget to use all the props on the actual day.
- **Relaxing –** Begin practicing your speech days before your presentation day rather than cramming the night before. Be sure you get enough sleep and that you are relaxed the day before in order to eliminate any stress.
- **Have a backup –** In case you do forget what to say, having your speech outlined on note cards, in workbooks, etc is good backup. Refreshing your memory by referring to your notes is a good technique to use to keep you on track. Just remember not to use your notes as a crutch too much. It's rarely a good idea to read word for word from your notes. This is a good way to put your audience to sleep!



Jeff A. Daniels
Director of Scholarships and Financial Aid
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What Did Simon Say? *(continued from page 7)*

- The audience is on your team – Visualize the audience as your equals rather than thinking they are your superiors, bosses, managers, or experts. Visualizing the individuals you're speaking to as equals rather than allowing their job title to intimidate you will help eliminate some of the anxiety you are feeling.
- Ooze Enthusiasm! – The more you show a passion for your topic of discussion, the more engaged your audience will be. Energize your audience with a great opener – be creative and think of a unique way to immediately grab and hold their attention.
- Do your homework – Know your topic inside and out, anticipate questions that may be asked and how you will respond. Build credibility with your audience by speaking confidently about the topic and being able to intelligently answer questions. If you do not know an answer to a question, that's ok. Don't let this throw you off. A simple statement such as "That is a great question and one I will need to look into for you" is much better than making something up just to have an answer or simply saying "I don't know."
- Watch your body language – What are you communicating to your audience without even saying a word? How you carry yourself, facial expressions, even what you decide to put on in the morning; all contribute to how your audience will "see" you. They will be forming an impression of you before you even speak, so take extra care to make sure it is a positive one!

These techniques can be useful but unless you seek opportunities to speak in front of people as much as possible, you may always feel butterflies in your stomach. Look for opportunities to speak to groups of people and use the anxiety as a stimulant to fuel enthusiasm throughout your presentation. The more you seek the opportunities, the more comfortable you will feel speaking in front of a group of people. Practice is essential, but you will find practicing the actual act of public speaking will be even more beneficial in order to build your professional communication skills and confidence.



Membership Report

Soraya Welden, Chair

Great news! SASFAA has just surpassed last year's final membership count and we have over three more months remaining in our fiscal year. Total membership as of March 9, 2007 is 1,590 (Total for 2005-06 was 1,573). Thank you again to the SASFAA community for your support of our regional professional association.

Membership stats and competition standing

There is still over one month remaining until the "winner" is declared in our membership competition, so please submit your membership application along with payment as soon as possible. Note: There are 164 members who are out of region.

Current 2006-07 membership by state and 2005-06 comparison:

State	Current 2006-07	Prior 2005-06	Number Difference	Percentage of 05-06 Reached
Alabama	93	85	8	109.41%
Florida	293	290	3	101.03%
Georgia	183	189	-6	96.83%
Kentucky *	132	96	36	137.50%
Mississippi	86	71	15	121.13%
North Carolina	152	234	-82	64.96%
South Carolina	133	119	14	111.76%
Tennessee	189	144	45	131.25%
Virginia	165	193	-28	85.49%

* Kentucky continues to lead the state competition with 137.50% of last year's numbers reached, with Tennessee in second with 131.25% and Mississippi in third with 121.13%.

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Best Practices in Student Communication

By Ken Garrett, American Student Assistance

Financial aid administrators everywhere are often faced with that most daunting of challenges: getting students to pay attention to communication from your office. Not those students who cross every T, dot every I, and call regularly to check on the status of their paperwork; they're not the ones who concern you. No, the students who keep you up at night are the hard-to-reach, slip-through-your-fingers cases – the ones who ignore every email, phone call and piece of mail from your office.

But don't give up! Here are some of the top tips for reaching the "unreachables":

Don't get lost in the tidal wave

Students are bombarded with massive quantities of junk email and printed mailings, often consisting of disingenuous advertisements masquerading as legitimate financial documents. Your student audience puts these ads where they belong—in the trash. To avoid getting discarded with them:

- Use your school's logo and colors on everything you send out, so students recognize an institution they trust.
- Identify yourself. In emails, use "ABC College Financial Aid Office" as the sender instead of your name. Students may delete a message from Jane Doe, even if she is the director of financial aid.
- Personalize email subject lines. Use the school's name, and be sure to use "you" or "your"—the Millennials tend to want to know "what's in it for me?" For example, a good subject line might be "Your XYZ University School Loans." If your e-mail's subject is "A message about student loans," how will students know you're not one of the crowd of consolidation advertisers?

Know your students

Once you get your students to open your email or letter, how will you know if they read and understand its content?

- Understand your students' level of financial literacy. Student borrowers at a business college may have a different financial vocabulary than a class of aspiring artists, and resumed education students may understand the concept of interest from their experience with mortgages in a way that 18-year-old first-time borrowers may not. Think about your audience as you construct your message, and don't be afraid to send different materials to different subsets of borrowers.
- Find out if they're listening. Using email is an excellent way to track whether borrowers are opening your correspondence and reading it. With the help of simple software, you can find out whether your message is getting lost in the shuffle or is losing their interest once they've opened it.
- Ask them about themselves. Inserting a survey with a few questions into an email or onto a postcard can allow you to learn about your students' concerns—what areas of the borrowing process still seem a bit fuzzy—or even prevent problems before they occur, such as identifying students who are considering taking time off from school and will need help with the financial transition. You'll find that students respond best when your message truly targets their concerns and interests.

Timing is everything

In communicating with borrowers, as in the rest of life, timing is key.

- Introduce yourself early. Don't let the first time borrowers hear your name or see your emails be in a crisis: for instance, when they've left school unexpectedly, or when an important financial aid deadline looms. Let students know who you are and that the financial aid office is available to help, provide guidance, and answer their questions. That way, they'll know where to turn if a problem does arise.
- Don't pester them. The research found that students who had recently consolidated their loans were more likely to respond to email and mailings six months after consolidation than they were one month after consolidation. Whether they were overwhelmed with all the financial talk and needed a break, or it took them a few months to realize that they needed some help even after consolidation, the message is clear. Our studies have shown that borrowers respond better when you wait longer between contacts. If they aren't overwhelmed with supply, they may have a greater demand for the help you provide!



Loan Consolidation While Enrolled in School - It Can Still Happen

Submitted By Wincy Jackson

In-school consolidation through the Direct Lending program and the FFEL Stafford early repayment option were officially eliminated as of July 1, 2006. However, there are still some circumstances in which consolidation can occur while a borrower is enrolled in school. Eligibility for loan consolidation is determined by the status of the loans being consolidated — not the enrollment status of the borrower. Students today may still consolidate while they are enrolled in school, provided their loans are in repayment status (this includes deferment and forbearance status). For example:

- A borrower with a Graduate PLUS Loan that has been fully disbursed is eligible for consolidation.
- A borrower with a Stafford Loan, who has used the entire grace period and whose loan is now in a school-deferred status, is eligible for consolidation.

Students may not consolidate Stafford Loans that are in an “in-school status”, that is, those Stafford loans which have not yet used their full grace period.

Keep in mind that with many Graduate PLUS loans fully disbursing in January or February 2007, this could create a situation in which borrowers with or without existing Consolidation Loans are heavily marketed to regarding consolidation and many may choose to consolidate or reconsolidate during this time period.

Before making the decision to consolidate, borrowers should carefully consider the benefits being offered by a lender. In most cases, the most beneficial benefits are those that reduce the loan’s interest rate. Some lenders require borrowers to notify them when they are eligible to receive the benefit; other lenders, track a borrower’s eligibility and automatically apply the benefit.

In addition, student loan borrowers should ask the consolidation lender to run numbers for individual situations rather than simply relying on the scenario presented in the marketing brochure; it may use assumptions that overstate the savings. Because of the longer terms of Consolidation Loans, students are committing to a long-term relationship, so it’s important to evaluate the depth and breadth of the services a lender or servicer is offering right now.

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Lender Liaison Report

Paul J. Mittelhammer, Chair



Here are updates on current legislative actions with regard to the Student Loan program. The 110th Congress on January 17, 2007 passed the bill H.R. 5 the College Student Relief Act of 2007 and is now referred to the Senate Health, Education Labor and Pensions Committee.

This bill would reduce the current fixed interest rate of 6.80% for FFELP and FDLP subsidized Stafford Loans made to undergraduate students provided such loans are first disbursed:

On or After	Before	Interest Rate
July 1, 2007	July 1, 2008	6.12 %
July 1, 2008	July 1, 2009	5.44 %
July 1, 2009	July 1, 2010	4.76 %
July 1, 2010	July 1, 2011	4.08 %
July 1, 2011	January 1, 2012	3.40 %

After January 1, 2012 the interest rate for subsidized Stafford loans will return to 6.80%.

Unsubsidized loans interest rate remains at 6.80% and Subsidized and Unsubsidized Stafford Loans for graduate students will remain at 6.80%.

No changes to FDLP PLUS interest rate or FFELP PLUS Loan interest rate.

With the changes in the interest rates for subsidized Stafford Loans Congress needed to demonstrate that the bill would meet paygo rules and the impact to FFELP lenders would be reductions in re-insurance and special allowance.

Reduction in the amount of unpaid principal and interest that guarantors insure if borrowers default on Stafford or PLUS loans. Current amount is 97% for loans made on or after July 1, 2006 but before July 1, 2007. This Bill would reduce this amount to 95%.

The Bill would eliminate the Exceptional Performer status for FFELP lenders and lender servicers on July 1, 2007.

The special allowance rate on Stafford and PLUS loans first disbursed on or after July 1, 2007 would be reduced by 0.10% (10 basis points). Small lenders would be exempt from this reduction. The term "small lenders" would be defined by the Department of Education compiling a list of all FFELP loan holders in descending order of the total principal and interest they hold, with "small lenders" being those holders on the bottom of the list that, collectively, hold principal and interest equal to or less than 10% of the total held by all holders on the list.

Lenders would see an increase in the loan fee charged from the current rate of 0.50% of principal and interest loans to 1.0% of principal and interest. This new rate would apply to Stafford and PLUS loans first disbursed after July 1, 2007.

Lenders would see an increase in the payment rebate fee charged on consolidation loans if 90% or more of a FFELP loan holder's portfolio is comprised of principal and accrued interest on consolidation loans. The fee is currently 1.05% and for affected lenders, it would increase to 1.30% for consolidation loans whose applications are received on or after July 1, 2007.

In the Senate, Senators Kennedy and Durbin have introduced the Student Loan Sunshine Act (S.486).

The bill would require schools and lenders to report certain activities if the school and the lender have an "educational loan arrangement," defined as an arrangement or agreement under which the lender provides education loans to students (or parents of students) at the school. The bill covers private education loans as well as FFELP loans. This bill would :

Required colleges that receive Federal funds to annually report to the Secretary of Education any financial or material benefits received from a lender, or agent of a lender, that originates student loans;

Require college to report yearly the interest rates on all loans disbursed to students through arrangements between the lender and institution, and provide written justification for why the institution believes the arrangement represents a highly competitive rate for students;

Ensure that proper information is provided to students at the institution;

Require lenders that originate student loans to annually report all gifts of over \$10 and any other financial or material benefits made to an institution;



Lender Liaison Report *(continued from page 13)*

Direct the Government Accountability Office (GAO) to conduct a study on inducements made by lenders to institutions to secure the institution's student loan business.

In the House of Representatives, U.S. representatives Miller, Hinojosa, Bishop, Courtney and Yarmuth introduced the Student loan Sunshine Act which requires full disclosure of lender relationships with Colleges and Universities and bans lender gifts. This legislation would apply to all lenders that make private educational loans through universities and colleges, lenders of direct-to-consumer educational loans, and all post-secondary educational institutions that receive federal funds.

The Sunshine Act would require the following:

Full disclosure of special arrangements that lenders and institutions of higher education have to offer loan products at the institution;

Ban lenders from offering gifts worth more than \$10.00 to college employees, including travel, lodging, entertainment, and in-kind services that lenders provide to college financial aid officers;

Full disclosure of the reasons why an institution of higher education has selected a lender for its "preferred lender list," including any special arrangements the lender has with the school;

Encourage borrowers to maximize their borrowing through the government's loan programs before taking out alternative loans and direct-to-consumer loans with higher interest rates.

In the Presidents FY 2008 budget there are a few proposals for the loan programs.

Annual Stafford loan limits would increase for Juniors and Seniors to \$ 7,500 per year. In addition the aggregate loan limit would increase for all borrowers. This limit is still to be determined.

The President proposes an increase in the lender fee on consolidation loans. This fee would increase from 0.50% to 1.00% of the loan balance.



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Lender Liaison Report *(continued from page 14)*

The President proposes to move the Account Maintenance Fee to a unit cost basis. Guaranty agencies are currently paid an account maintenance fee based on the original principal amount of active loans they have guaranteed, but the Administration would shift the basis for this fee to a unit cost payment tied to the number of accounts each agency manages.

The President proposes to reduce what guaranty agencies are allowed to retain from their default collections — those not made through consolidation or rehabilitation — from 23 cents of each defaulted dollar to the average paid to ED’s private collection agents beginning in 2008. ED’s budget documents say the average paid to ED’s private collection agents is 16%.

The President proposes to reduce lender interest subsidies by 0.5%.

The President proposes to reduce lender insurance from 97% to 95%. He also proposes to reduce the default guarantee by 2% for lenders deemed “exceptional performers”.

The President proposes to eliminate federal funding for Perkins loan cancellations in 2008. In 2007, Congress appropriated \$65.5 million for Perkins cancellations.

Now we wait to see how all this legislation will become law and determine the changes to the lending programs and the impact to students and schools.

Remember we begin new Annual Loan Limits on July 1, 2007 here is the recap on the changes:

Annual Loan Limits

Loans disbursed after July 1, 2007

Undergraduate First year students from \$ 2,625 to \$ 3,500

Undergraduate Second year students from \$ 3,500 to \$ 4,500

Graduate annual unsubsidized loan limit from \$ 10,000 to \$ 12,000

Pre-Grad/Prof and Teacher Certification increase annual unsubsidized from \$ 5,000 to \$ 7,000

Interest Rates

Stafford disbursed on or after July 1, 2006 fixed at 6.8%

FFEL PLUS disbursed on or after July 1, 2006 fixed at 8.5%

DL PLUS disbursed on or after July 1, 2006 fixed at 7.9%

Consolidation Loan weighted average rounded up to 1/8 % capped at 8.25%

Origination Fees (Stafford)

First disbursement on or after	FFEL	DFD	Direct
July 1, 2006	2%	1.0%	3.0%
July 1, 2007	1.5%	1.0%	2.5%
July 1, 2008	1.0%	1.0%	2.0%
July 1, 2009	0.5%	1.0%	1.5%
July 1, 2010	0.0 %	1.0%	1.0%

FFEL requirement that 1.0% Federal Default fee collected on all loans guaranteed after 7/1/2006.



NCASFAA State Report

Rance Jackson, President



North Carolina is proud to have two of our dedicated members receive the SASFAA Distinguished Service Award. Rose Mary Stelma and Janet Sain were both honored with this award which was presented to them at the 2007 SASFAA Conference in Nashville, Tennessee. This is the highest honor bestowed by SASFAA.

Individuals honored with a SASFAA Distinguished Service Award have made outstanding, significant, and meritorious contributions to the advancement of student financial aid or the profession. NCASFAA joins in the celebration of these two recipients and echoes the sentiments of SASFAA.

Final preparations are in place for the spring conference business meeting being held in Wilmington, North Carolina at the Hilton Riverside Hotel. The conference theme coincides with NCASFAA's celebration of 40 years of service to the financial aid profession. "NCASFAA at 40: A Riverside Celebration—40 years of promoting Leadership, Education, Access and Diversity." The program committee expects excellent participation from the membership and plans to offer presentations that will include opportunities for leadership training and informational sessions, and new aid officer training. The Nominations and Elections Committee has prepared a diverse slate of officers who will be running for leadership positions for the 2007 – 2008 academic year. The positions of President-elect, Treasurer-elect <new>, Vice President, Secretary, Independent College Representative, 4-year Public Representative and Agency Representative will be voted on at the spring conference.

This year's charity for the spring conference will be dedicated toward increasing participation, visibility and support of the Middle School Enrichment Scholarship Program. This worthy venture will provide six middle school children with an opportunity to participate in various summer enrichment programs throughout the state. NCASFAA strongly believes that such an experience will enhance students' enrollment in higher education, and foster overall interest in early awareness initiatives.

The 2007 NASFAA Leadership Training Conference was a tremendous benefit to the NCASFAA participants. President-elect, Tony Carter and Treasurer, Paul Coscia gained invaluable experience and information that will assist in continuity of organizational management and structure, along with promoting skills necessary to

advance and improve the functionality of the association. The visit on "The Hill" was very informative and an enriching experience.

NCASFAA would like to take this opportunity to acknowledge those entities that have supported their efforts over the past forty years. Their commitment to providing services to the association, the financial aid community and the profession has ensured members the ability to receive training, professional advancement and valuable information. Without such support these benefits may not have been accessible to its membership. Accountability, affordability and accessibility are themes NCASFAA plans to carry into the future along with the commitment to inform and educate the membership of the importance of maintaining credibility and use this concept as a dashboard for future planning and development.

Lastly, NCASFAA is very proud to have Lianne Masterson continue the legacy of leadership for North Carolina. Serving as President-elect, she will continue to represent our association regionally and with the support from the membership NCASFAA is confident that future endeavors will solidify the goals and objectives established by the association and the region.

VASFAA State Report

Erik Melis, President

VASFAA's "trek" this year is rapidly approaching its busy spring stretch. Springtime is right around the corner despite the two inches of freshly fallen snow on the ground. With the change in seasons come busier times in our offices as we gear up and dive into the 2007-2008 processing cycle while still buried up to our phasers in issues from the 2006-2007 cycle.

Our voyage this year has continued to move forward with great speed, warp speed even, and as happens with every crew sometimes, crew members depart. We report with mixed heart (sad for us, happy for her) that Robin White, one of our co-chairs for the Awareness Committee is leaving financial aid and VASFAA to become the Executive Assistant for the Chief Information Officer at the Library of Congress. We wish her the very best and hope she "lives long and prospers" in her new adventures.

The VASFAA Board had its winter meeting at the Marriott City Center in Newport News, VA on January 30th. During that meeting, the board approved the 2007 slate of candidates and proposed bylaws changes that will be voted on by the membership at the annual conference in May. The following slate of candidates was approved by the board:



Virginia Report *(continued from page 16)*

President-Elect: Brenda Burke, Virginia Commonwealth University

Secretary: Joe Dobrota, Regent University
Vera Riddick, Old Dominion University

Treasurer-Elect: Angie Hawkins, Virginia Wesleyan University
Keith Wellings, Hampden-Sydney College

Representative-at-Large (to fill 2 vacancies):
Suzanne Angheloni, PNC Bank
Sheila Nelson-Hensley, Bluefield College
Bill Wendle, University of Virginia College at Wise

Our committees have been very hard at work carrying out the missions of the five ships (Leadership, Membership, Fellowship, Partnership, and Scholarship) that we launched last July. Noteworthy committee activities that are in progress or have been completed since the last report include:

The Awareness Committee put together an outstanding 2007 Super Saturday event. There were 23 participating sites throughout the Commonwealth and preliminary numbers indicate a great turnout with some sites reporting more than 200 attendees.

The New Century Fund President's Council has received a number of applications for the New Century Educational Endowment (Buddy) Awards and has been evaluating those.

The Newsletter and Public Relations Committee have been hard at work promoting the exciting things that VASFAA is doing. The PR committee is also working with the President to send acknowledgment and thank you letters out to volunteers and their supervisors. The PR committee is also planning to send letters to the presidents of member institutions lauding the benefits of participation in VASFAA.

The State Relations Committee continues to monitor legislative activities related to financial aid and higher education. The committee, working in conjunction with the Awareness Committee, was able to get Senator Frank Ruff (R – 15th District) to act as a patron to enact a joint resolution declaring every February as Financial Aid Awareness Month in Virginia. The joint resolution, SJ334, was passed overwhelmingly by both the Senate and the House and has been adopted.

VASFAA had a booth set up at the conference to showcase the upcoming 2008 SASFAA conference in Crystal City (Arlington), VA from 17-20 February 2008. Over 300 folks stopped by the VASFAA booth and get some information about the conference in Virginia.

Now, while we want everyone to start getting excited about hosting SASFAA 2008, we also want folks to get excited about our annual VASFAA conference at the Hilton Oceanfront Resort in Virginia Beach this May 20-23. It promises to be a major galactic event and you'll definitely want to be there.

The theme of our 39th conference is "Be a Financial Aid 'Trekkie'" which is in line with our overall theme for the year to "Trek Boldly into New Frontiers." The conference is once again being held at the Virginia Beach Hilton Oceanfront Hotel in Virginia Beach.

Attendees do not have to be a member of the Starfleet to attend. They do not even have to know who the Ferengi, Klingon, and Borg are. They just have to want to attend a galactic quality conference, desire to learn lots of valuable information, look forward to sharing great times with your VASFAA colleagues, and participate in making our VASFAA voyage this year a stellar success. We definitely want them to be part of the collective and be fully assimilated into the VASFAA family. They have no choice really since, as the Borg are known to say, "resistance is futile."

The Conference Committee, Training Committee, and Diversity Committee are putting together an outstanding program. There will be something at the conference for everyone whether you're an experienced, seasoned aid professional or new to financial aid and VASFAA.

During our general sessions, Harvey Alston, who last year inspired us all with his poignant and entertaining perceptions, returns to bring us a new message on "Getting Down to Business", United States Congressman Bobby Scott will share with us an "Overview of Moving Forward", and Ed Spencer will discuss with us the unique nature and requirements of the "Millennium Student". Harvey Alston will also be presenting a concurrent session on Education Motivation. In addition, we will have a wide variety of concurrent sessions covering many topics of interest





from federal updates to personal and professional development. We will also have some fun with a thematic twist on our team building events. We'll also be doing some things to raise money for Project Discovery. There will definitely be something for everyone at the conference, so we hope no one misses the blast off.

It has been said before but will be said again and again. VASFAA is what it is because of the people who are part of VASFAA and because of the many people that have stepped forward as volunteers on various VASFAA committees. None of what we have done this year would be possible without the sacrifice of all those who have given of themselves and their time to better the association. We salute all our volunteers and members.

We are very excited about where we've been this year; we are equally thrilled knowing that we have many voyages ahead of us on this year's trek. Let's set our engines to maximum warp and "ENGAGE!"

Student Survey Supports Need for Preferred Lender Lists as Valuable Tools in Student Loan Decision-Making Process

By Mike Mullaney, Vice President, Graduate Leverage

Transparent lender lists and analytical tools also critical for improving students' financial knowledge

Given the recent media attention focusing on preferred lender lists, including reports questioning whether financial aid professionals offer unbiased advice, clarification of the benefits of lender lists and the vital role played by financial aid professionals would be in the best interests of both financial aid officers and borrowers. There are good reasons to use these lists: without them many students would be forced to rely on solicitations and direct marketing materials sent from lenders. Moreover, a properly formed preferred lender list can be a great tool to help frame the lender selection process. Hallmarks of a solid selection process include:

- transparency in selection process and criteria,
- borrower cost as the top consideration for inclusion,
- and the absence of any quid-pro-quo for placement on the list.

Aside from direct outreach opening the door wide for unscrupulous behavior, there is another reason to be concerned about eliminating preferred lender lists. In recent surveys of graduate professional students, less than 15% of students identified the lowest cost loan alternative when presented with a sample list of five lenders - which is statistically worse than a random guess. This demonstrates the essential role college and university financial aid departments play in students' overall loan decision-making process - without expert guidance, including professional assessment of loan servicing elements that only financial aid officers are trained to evaluate, borrowers would be susceptible to predatory lending practices.

Financial aid officers can serve as a firewall protecting borrowers from predatory lenders while ensuring the maintenance of best-in-class terms, servicing and processing. One caveat: like all advisory services throughout the industry, preferred lender lists must be fully transparent in order to help students find the best possible loan program.



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*A 1.00% Federal Default Fee that is typically deducted from the loan proceeds may be paid by Citibank, N.A. or the guarantor on the borrower's behalf for loans guaranteed on or after November 15, 2006.

Interest rate reductions and all borrower benefits including these offers terminate upon loan delinquency or default. Automatic interest rate reductions are granted during periods of active repayment for Stafford and PLUS Loans with a first disbursement on or after November 15, 2006.

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Additional interest rate reductions when a borrower enrolls in the EC Pay Program, an automatic payment program, and agrees to only receive electronic statements. We reserve the right to modify or discontinue benefit programs at any time without notice.

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GASFAA State Report

Jenelle Handcox, President

The GASFAA Executive Board continues to be hard at work. The elected officers and the committees are accomplishing a great deal, thanks to the commitment and expertise of the individuals involved.

Below are the highlights of our activities:

- On December 6, GASFAA sponsored NASFAA's Decentralized Training on the topic of *Verification*. Members of the Professional Development Committee, under the direction of VP Josh Dasher, served as trainers for the workshop. Our attendance for this workshop was more than 150.
- Georgia Governor Sonny Perdue signed the Proclamation declaring February as Financial Aid Awareness Month.
- On February 18, Georgia held our first College Goal Sunday events at various locations across the state.
- On February 21, we again had "GASFAA Day at the Capitol". Members of the House and Senate Higher Education Committee were invited to breakfast so that we could make ourselves available as a resource on legislation regarding state aid.
- On February 27, GASFAA, in conjunction with Georgia Student Finance Commission (GSFC), hosted Georgia's

9th Annual Financial Aid Chat Night. Students were able to call or email to have their financial aid questions answered.

- On March 7, the Professional Development Committee held a day of training for admissions officers, registrars and financial aid directors. The morning was dedicated to an ACG/SMART update and GSFC presented an update on state aid in the afternoon. We had over 100 people in attendance at this workshop.

- The Nominations and Elections Committee, chaired by Past President Suzanne Pittman, has presented an outstanding dual slate of candidates for office for the 2007-2008 year. Voting will take place beginning in early May and concluding at the Spring Conference.

Candidates for office are listed below:

President-Elect: Patricia Simmons, Macon State College & Pennie Strong, Central Georgia Technical College

VP – Programs: Jon-Paul Keenan, Student Capital Corporation & Gina Repak, Georgia Institute of Technology

VP – Professional Development: Phillip Hawkins, Georgia Gwinnett College & Doug Tanner, Valdosta State University

Secretary: Tracy Ireland, Georgia Student Finance Commission & Charlene Morgan, Clayton State University

- The Program Committee, chaired by VP Letrell Thomas, is well on its way planning another educational and enjoyable conference. The Spring Conference is being held at the King & Prince Resort on St. Simons Island, May 23 – 25.

MASFAA State Report

Garry Jones, President

MASFAA offered the NASFAA Fall Training Workshop this past November. Verification is always an important topic which helped contribute to a great turn out. Marilyn James, MASFAA VP, and her committee did an excellent job organizing the event. Our 2 trainers, LaShanda Chamberlain, Director of Financial Aid at Mississippi Gulf Coast Community College, Jackson County Campus and Nancy Denson, Assistant Director for Counselors at the University of Southern Mississippi, did an outstanding job of presenting the information and fielding questions.

Thanks to the generosity of ATAC and Paula Gordon our website has a new look....and a great one at that! Last year Paula contacted Soraya Weldon, MASFAA President, letting us know that in light of the disaster of Hurricane Katrina ATAC would like to redesign our website at no charge to MASFAA. The Board contemplated the offer for about 30 seconds and replied with a resounding "YES"! We are very grateful for their show of kindness and support, particularly during such a devastating time.

Mississippi was well represented in Nashville this past February at SASFAA's annual conference with nearly 65 in attendance. The conference was a big success. There were many informative interest sessions and jam sessions, federal trainers with the latest updates, and opportunities to network with fellow colleagues. Thanks to Michael Morgan and his committee and everyone who helped make the conference such a valuable experience.

This year the MASFAA Board chose to invest in its future by sending 5 of its elected officials to the NASFAA Leadership Conference in D.C. We are grateful to NASFAA for providing this annual event. It has always proven to be a very important resource in further developing the skills and abilities of financial aid professionals.

MASFAA's annual Financial Aid 101 training will be in April. This will be our 7th year to offer this affordable, yet, highly instructive and fun-filled three day training event which typically targets the novice financial aid professional. The training staff is looking forward to working with all the "newbies" to help equip them with the necessary tools for their profession.

Our annual conference will be held on June 13-15 at the Marriott Downtown in Jackson. We will be celebrating MASFAA's 40th year as an association. "Growing Opportunities for the Future" is a fitting theme in that it captures the purpose for our existence as an association. Jeanie Hughes, Conference Chair, and her committee have been diligently working to provide us with another great conference.

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AASFAA State Report

Jonna Gibson, President

AASFAA held their NASFAA Fall Training Workshop on November 17, 2006 at Auburn University of Montgomery campus. Vice President Charles Markle, Auburn University, and Andy Weaver, University of Alabama at Huntsville did an excellent job presenting. The topic for this year was "Verification", we had 80 participants.



Vice President Charles Markle, and the Professional Development Committee, has been working this year to provide additional New Aid Officers Training opportunities. The New Aid Officers workshop series began at Auburn University on September 27, 2006. On February 6, 2007 at Bevill State Community College hosted a workshop with 25 participants; the final New Aid Officers workshop will be April 11, 2007 at the 2007 Spring Conference at Perdido Beach Resort in Orange Beach, AL.

A delegation of AASFAA officers and members witnessed Governor Bob Riley proclaim January 22- 28, 2007 as Financial Aid Awareness Week in Alabama. The ceremony was done December 15, 2006 in the State Capitol. Witnessing the signing were President Jonna Gibson, Vice President Charles Markle, Past President Buddy Jackson, Bill Wall, Dorenda Adams, ACHE Liaison Cheryl Newton, Vendor Sponsor Coordinator Lora Kiser and Newsletter Editor Anthony Richey.

Our Conference Committee is busy finalizing our 2007 AASFAA Spring Conference at the Perdido Beach Resort in Orange Beach, Alabama on April 11-13, 2007. Spring Conference Chairs, Pat Watkins, Faulkner University and President-Elect Ben Baker, University of North Alabama are planning a variety of concurrent sessions and general sessions. The theme for the conference is "Serving Education in Alabama" - Come **SEA** for Yourself.

Buddy Jackson, our Past President has finalized the slate of candidates for 2007- 2008:

President-Elect	Charles Markle Manager Financial Aid Services Auburn University	Secretary	Ann Little Financial Aid Counselor University of Alabama at Birmingham
Vice President	Dr. Samuel Chukwuemeka Director of Financial Aid Faulkner State Community College		Endora Todd Director of Financial Aid Wallace Community College - Selma
	Andy Weaver Director of Student Financial Services University of Alabama at Huntsville	Treasurer-Elect	Marcus Byrd Scholarship Specialist-Financial Aid Advisor, Alabama A & M
			Ann Campbell Account Executive Southwest Student Services

Site Selection Committee Report

Ron Gambill, Chair

In the SASFAA Executive Board Meeting held February 10, 2007, site proposals were submitted from three facilities in Kentucky for the 2010 conference. The Site Selection Committee is pleased to announce that the 2010 SASFAA Conference will be held in Louisville, KY February 21-24, 2010. The facility selected will be the Marriott Louisville Downtown with additional sleeping rooms available at the Louisville Hyatt which is one block away, but connected through a parking garage allowing for a covered walk to the Marriott.

There will be no interference with Valentine's Day, so mark your future calendar.



SCASFAA State Report

Kim Jenerette, President

The Professional Development Committee, chaired by Jeff Holliday, completed four Guidance Counselor Workshops. This new initiative allows us to further our relationships with Guidance Counselors and build a bond that will strengthen further relationships. A support staff symposium was also held in March in Columbia. I am appreciative of the effort and results of this committee – their work has served as a valuable tool for our state and our constituency.

The Counselor/Consumer Relations Committee, chaired by Regina Hailey-Smith, organized the Paying for College event at 5 different sites across the state. We appreciate the time invested by each of you and the service you provided to all in attendance.

The Spring Program Committee, chaired by Carolyn Sparks, has met on a couple of occasions and are feverishly planning on sessions, events, and an environment that will be stimulating for our sessions and relaxing (we are at the beach, you know).

SCASFAA will be voting on items as it relates to the by-laws and the addition of a new elected office; Treasurer-Elect. The by-law changes come as a result of desiring to ensure our verbiage protects the integrity and character of our membership. It has been no small task on this matter and we are appreciative of the legal counsel we have received. The Treasurer-Elect position is one in which we desire to have a smooth transition for this vital role.

SCASFAA will be voting on officers for the 07-08 fiscal year at the Spring Conference. The new positions will be President-Elect, Vice-President, and Treasurer.

The Electronic Services Committee, chaired by Keith Reeves, has brought up the new website. One will note the vivid contrast of colors and the format of the site itself. It is very easy on the eye and easily navigable. For many years we have discussed bringing up the SCASFAA website via this format and I want to thank many of you for your input into this finally happening. Under Keith's leadership, this move was very seamless and his work behind the scenes is well appreciated for our association now and for years to come.



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KASFAA State Report

Runan Pendergrast, President

KASFAA's Spring Conference will be held April 11 – 13 at the Holiday Inn University Plaza in Bowling Green, KY. The conference theme will be *KASFAA Karnivale: A Celebration of Financial Aid*. Conference Co-Chairs Wendy Dailey and Robin Buchholz, along with their team, are working diligently to provide an outstanding Spring Conference. We are currently exploring alternatives to providing a Federal Update in the event a representative from the Department of Education is unable to attend.

College Goal Sunday was a success. On January 28, 241 volunteers assisted 1664 students and parents complete the FAFSA. The funds saved by not using a public relations firm were redirected towards scholarships. Each of the 20 sites awarded a \$500 scholarship to a College Goal Sunday attendee.

On January 30, KASFAA held its annual KET Call-In Show. This was a live broadcast shown across the state as well as boarding cities in Ohio and West Virginia. On air panelist included: Charles Vincent, Murray State University, Heather Boutell, Bellarmine University, Becky Gilpatrick, KHEAA/Student Loan People, and Runan Pendergrast, Bluegrass Community and Technical College. Aaron Gabeheart and the Public Relations Committee did a great job coordinating this project.

For the first time, KASFAA held elections prior to the Spring Conference. Members voted online for the following candidates: President-Elect Chris Tolson, Campbellsville University, and Jennifer Cosens, KHEAA/Student, Vice-President for Training Cindy Burnett, Western Kentucky University and Morgan Kells Southwestern College, Treasurer Andrea Spry, Transylvania University, Four Year Public Representative Michael Abboud, University of Louisville, and Penny Asalon, Northern Kentucky University, Lender Representative Michael Morgan, EdAmerica and Marion Shute Fifth Third Bank Education Lending. Election results will be announced during the State Meeting at the SASFAA Conference.

On February 6, KASFAA held a second NASFAA training workshop on Verification at Western Kentucky University in Bowling Green KY. The training was conducted by Pat Arauz and Victoria Owens.

KASFAA Support Staff Workshop will be held March 20, in Lexington, KY. Gina Kuzuoka and committee are planning an informative and fun day for those staff members who keep our offices running daily.



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Agency Report

Mike Hawkes

By law, every guaranty agency is either a State governmental entity or a private non-profit corporation. Given that several legislative proposals would cut guaranty agency revenues, it is important to remember that fact.

Guarantors have used their revenues to strengthen default prevention efforts, resulting in historically low cohort default rates.

Guarantors have used their revenues to provide benefits directly to students. Students have been the beneficiaries of millions of dollars in savings on student loans, either through the waiving of guarantee fees or the payment of Federal default fees on their behalf. This is in addition to loan forgiveness and scholarship programs offered by many guarantors.

Guarantors have used their revenues to take a lead role in college access and awareness efforts. Individually, every guarantor supports or operates programs to help students pursue postsecondary education. Collectively, guarantors are working collaboratively on the College Access Initiative featured in the report from NCHelp that follows.

Guarantors have used their revenues to invest in systems and processes that benefit schools and the students and families they serve by streamlining loan processing.

In short, regardless of the precise legal status of a particular guaranty agency, it exists for the public good. In a time when guaranty agency revenues are subject to significant reduction, this is certainly another fact to keep in mind.

Submitted by: Mike Hawkes, Director,
Government Affairs, ECMC Group

National Association of State Student Grant and Aid Programs (NASSGAP)

No report submitted.

National Council of Higher Education Loan Programs (NCHelp)

This week marks the first anniversary of the College Access Initiative, which was included in the Deficit Reduction Act that was passed into law on February 8, 2006. The Initiative formalizes a foundational role of guaranty agencies in promoting access to postsecondary education and requires that they develop a comprehensive listing of the postsecondary education opportunities, programs, publications and other services available in their designated states.

Guaranty agencies have been busy in the past year building on their existing access and outreach efforts and expanding their partnerships at the national, state and local level. A work group of guaranty agencies continues to meet every month to discuss how to coordinate efforts, share information and improve the Going2College.org Web site that was created as a result of the Initiative.

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Agency Report *(continued from page 26)*

The guaranty agencies worked together to create the Going2college.org site, which includes comprehensive information on career planning, college planning, and paying for college. The site, developed in conjunction with Mapping Your Future, provides a central location for students, families and educators to learn about every stage in the college planning process and includes links to relevant Web sites and a comprehensive listing of postsecondary education opportunities, programs, publications and other services available in each state. Detailed information is included on the academic, emotional and financial support available through mentoring and tutoring programs in the state, college access resource centers, college and financial aid awareness events, and state and federal financial aid. To expand the number of access programs on the site, particularly those geared to low-income and first-generation students, agencies have been reaching out to state partners for information that can be included on the site.

The Web site is an ongoing project that will be constantly updated by guaranty agencies. Some agencies recently conducted focus groups with students to get their feedback on the site. Students suggested we include more graphics, games and “kid-friendly” content. The work group is currently working on ways to incorporate these ideas and make the site more appealing to students.

In addition to the Web site, the Initiative requires that guaranty agencies undertake activities to promote access to postsecondary education for students through providing information on college planning, career planning and paying for college, and to coordinate with other entities committed to similar goals. Guaranty agencies currently reach out to millions of students and families — through a variety of channels including brochures and newsletters, financial aid workshops and hotlines, comprehensive Web sites and resource centers — to inform them about how to prepare for college, plan for their career, pay for their postsecondary education and manage their finances. These free resources are used by schools, organizations and families throughout the country to boost awareness and early intervention efforts.

In 2006, agencies provided more than 6 million print pieces on financial aid, financial literacy and college awareness and participated in over 8,400 financial aid workshops and events. These events reached 7,800 high school guidance counselors and nearly one million students and their families. Most agencies also either participate in College Goal Sunday or a similar FAFSA completion event in their state and many are also involved in their state’s GEAR UP and TRIO programs. At the local level, agencies partner with schools, community organizations, libraries, state agencies and churches to increase awareness of college and financial aid opportunities.

The guaranty agency work group is developing resources to help agencies expand their outreach activities and reach a broader number of students, families and organizations. Agencies are sharing information about best practices and effective programs through meetings, workshops and conference call forums. They are also sharing resources about the technical assistance available in starting programs, the potential college access partners in the state, and the Federal and non-Federal programs that are operating throughout the country that may be seeking partners and supporters. A good example of this is the Know How 2 Go Campaign, recently launched by the American Council on Education, the Lumina Foundation and the Ad Council, which many guaranty agencies are involved with. In addition, agencies are working with national access organizations, including the National College Access Network, Pathways to College Network and the Council for Opportunity in Education, to help support national and state initiatives and leverage existing resources.

Members from the guaranty agency work group will be presenting next week at the SASFAA Conference in Nashville about the College Access Initiative. We want to continue to spread the word about what agencies are doing and receive feedback and suggestions to strengthen the Going2college.org site. One year down; many, many more to go.

Submitted by: Brett E. Lief, President

Alabama

Alabama Commission on Higher Education

The Alabama Legislature will convene the 2007 Regular Session on March 6, 2007. ACHE’s Executive Budget Request for 2007-2008 was approved by the Commission Board for submission to the Legislature. The budget recommends a 100 percent increase in the Alabama Student Assistance Program, the state’s need-based grant aid program. During the 2005-2006 award year, this program was able to make 3,742 awards.



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After 26 years of litigation, an agreement has been finalized in the Knight v. The State of Alabama court ordered settlement. As part of the settlement agreement, the Alabama Student Assistance Program received \$10 million. The purpose is to make a good-faith effort to meet the cost of attendance for students attending Alabama institutions. Awards will begin Fall 2007.

Governor Riley proclaimed the week of January 22- 28 as Financial Aid Awareness Week. Many of the institutions conducted activities such as, Financial Aid Open House on campuses to better inform current and prospective students about financial aid.

Submitted by: Cheryl Newton, Student Assistance Administrator

Kentucky Higher Education Assistance Authority, designated guarantor for Alabama

See Kentucky.

Florida

Florida Office of Student Financial Assistance, State Scholarship and Grant Programs

No report submitted.

Florida Office of Student Financial Assistance, Federal Family Education Loan Programs

Web Enhancements:

OSFA has added cohort default rate monitoring reports to its Online Student Loan Reports product for schools. These reports allow institutions to review and monitor their estimated cohort default rates based on their guarantee volume with OSFA. Institutions can also run reports showing the estimated cohort default rates for their lenders as well. These reports can be run at any time by institutions, so they can monitor their rates on a weekly, monthly, quarterly, etc., basis.

Cohort Default Rate:

OSFA's official cohort default rate dropped this year from 8.7% to 8.6%, while the national rate increased from 4.5% to 5.1%. We are proud of the work we have done in the area of Default Prevention and feel that our proactive approach has enabled us to decrease our rate despite the rise in the national average.

OSFA Regional Workshops

OSFA is in preparations to facilitate its annual spring regional workshops for postsecondary institutions across the State of Florida. These workshops will be held in six locations across the state and will include hands-on sessions including cohort default management, loan certification and administration of the state funded grant and scholarship programs.

Submitted by: Kelly Harrison, Director, Training and Development

Georgia

Georgia Student Finance Commission

On January 25, 2007, Governor Sonny Perdue and former Governor and U.S. Senator Zell Miller were among those who celebrated a major milestone in Georgia's HOPE Scholarship Program: As of mid-January, more than one million Georgians have received a HOPE award in their pursuit of education beyond high school.

The event took place at Georgia State University in Atlanta before a crowd of students, reporters, and dignitaries. Three college students, each a current recipient of one of the three types of HOPE awards, participated in the ceremony. The three students represented the one million Georgians who have received a HOPE award since the program began in 1993.

- John Thomas Smith, a student at Georgia State University, is a HOPE Scholarship recipient. The merit-based Scholarship is awarded to eligible students enrolled in an undergraduate degree program at a



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Agency Report *(continued from page 28)*

Georgia college. For students enrolled at a public college or technical college, the Scholarship pays tuition, some student fees, and a book allowance. For students enrolled at a private college, the Scholarship pays \$3,000 a year.

- Marilyn Findley, a student at Albany Technical College, is a HOPE Grant recipient. The Grant can be used by any Georgia resident enrolled in a certificate or diploma program at a public college or technical college. There is no academic requirement to meet, other than satisfactory academic progress. The Grant pays tuition, some student fees, and a book allowance.
- Tiffany Tuders, a student enrolled at Brenau University, is a HOPE GED Grant recipient. The GED Grant is a one-time \$500 award available to GED recipients enrolled as a freshman at a Georgia college.

At the January 25 event, brief remarks were made by Georgia Lottery CEO Margaret DeFrancisco and Georgia Student Finance Commission (GSFC) President Tim Connell. GSFC is the state agency that administers HOPE.

Then, Governor Perdue and Governor Miller spoke, and Perdue presented Miller with a special plaque, in recognition of the contributions Miller has made to HOPE and the overall improvement of education in Georgia. As Governor in the 1990s, Miller championed the creation of the Georgia Lottery for Education and is recognized as the founder of HOPE and the statewide prekindergarten program, which also is funded by the lottery.

To date, HOPE has provided \$3.5 billion to help more than one million Georgians attend college.

Submitted by: Tim Connell, President

Kentucky

Kentucky Higher Education Assistance Authority

Student Aid

The Kentucky Higher Education Assistance Authority (KHEAA) disbursed nearly \$100 million in student aid in the first half of FY 2007. Of the \$100 million disbursed, \$95 million was in need-based grants and merit-based Kentucky Educational Excellence Scholarships (KEES). These programs were funded by Kentucky Lottery proceeds.

New Go Higher Grant

A new grant program has been created to encourage non-traditional students to enroll in Kentucky colleges and universities. The Go Higher Grant will award \$1,000 per academic year to Kentucky residents, age 24 or older, who are Pell eligible and plan to enroll in a participating Kentucky college for the first time as less than half-time students. Priority consideration will be given to GED graduates.

KEES Study

H.R. 323, approved by the 2006 General Assembly, requested that KHEAA “study the impact of a policy change to permit students to use KEES awards at out-of-state schools with reciprocal in-state tuition agreements with postsecondary institutions in Kentucky.”

Currently, Tuition Reciprocity Agreements (TRAs) are in place between Kentucky and five states (Illinois, Indiana, Ohio, Tennessee, and West Virginia) for residents living in the 40 counties bordering these states. If KEES was changed so that Kentucky students attending an out-of-state institution under a TRA could use KEES, the study indicated approximately 2,000 Kentucky students would be affected at an initial annual cost of approximately \$3 million. The study pointed out additional factors for the legislature to consider including the:

- Impact on KEES program funding, given that current projections indicate a shortfall of net lottery proceeds in FY 2008.
- Impact on KEES program objectives, given that this change would allow students to use KEES awards out-of-state for programs of study that are offered in Kentucky.
- Impact on current enrollment at Kentucky postsecondary institutions, which may be reduced because of a reduced cost differential with in-state institutions.
- Differential KEES treatment that would be provided to students who live in 40 of Kentucky’s 120 counties.



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- Lack of reciprocity offered by other states' merit-based scholarship programs for their students attending Kentucky institutions.

Kentucky's Affordable Prepaid Tuition (KAPT)

From July through December, KAPT disbursed over \$1.8 million on behalf of 529 beneficiaries for the 2006-2007 academic year. As of December 31, KAPT held over \$130 million in assets for over 7,100 participants.

Kentucky National Guard Tuition Award Program (KNGTAP)

In consultation with the Office of the State Budget Director, the Secretary of the Finance and Administration Cabinet determined in February 2006 that KNGTAP would be fully funded for the 2006-2008 biennium. As a result, Kentucky National Guard members attending private, postsecondary institutions are also eligible to participate in the program for the 2006-2007 and 2007-2008 academic years. The program covers up to the average full-time tuition charged at public, four-year institutions, which is \$2,755 a semester for 2006-2007.

College Goal Sunday

College Goal Sunday was held January 28, 2007, at 20 sites across Kentucky, including one at KHEAA. Financial aid professionals were available to walk students and their parents through the 2007-2008 FAFSA. KASFAA sponsors College Goal Sunday, in cooperation with the Lumina Foundation, KHEAA, and The Student Loan People.

Staff Contribute to Success of KET Call-in Show

Several staff participated in KASFAA's financial aid call-in show on Kentucky Educational Television (KET) January 30. KHEAA Student Aid Branch Manager Becky Gilpatrick was a panelist, while Crystal Dempsey-Gillum, Ted Franzeim, Sheila Hilderbrand, and Chester Priest helped answer the phones. The phones rang during the entire hour of the show, with many more questions coming in than could be answered on air.

Guarantee Volume

KHEAA guarantee volume for FY 2007 through December 2006 was \$949 million, an increase of nearly 4% from the same period last year.

State Legislation

The 2007 session of the Kentucky General Assembly convened January 2. The legislature went into recess January 5 and will reconvene February 6. The following bills were filed during the opening session.

KEES

SB 46 would permit eligible high school students to use a portion of their KEES award to pay for tuition for dual credit courses beginning with the 2008-2009 academic year. The funds they would have received during their postsecondary program would be reduced over a four or five-year period equal to the amount used for dual credit.

MERR Scholarship

HB 96 would establish the Minority Educator Recruitment and Retention (MERR) Scholarship Program in statute. It would permit a resident of another state to participate in the program based on in-state tuition and fees.

Veterans

SB 52 would waive the public tuition of a person who is the child of a deceased veteran or permanently and totally disabled veteran or member of a reserve component and is under the age of 26 (rather than 23). The bill would also increase the period of eligibility from 36 to 45 months.

HB 106 would waive the public tuition of a person who is the child of a deceased veteran or permanently and totally disabled veteran or member of a reserve component and is under the age of 26 (rather than 23). The bill would also increase the period of eligibility from 36 to 45 months.

HB 213 would require a state-supported university, junior college, or vocational institution which collected tuition fees from an eligible dependent of a deceased veteran to reimburse the dependent the total amount of tuition fees paid if a request for reimbursement is made within eight years of the date the last fee was paid.

Submitted by: Crystal Dempsey-Gillum, Information Officer

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TG



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Mississippi

USA Funds, designated guarantor for Mississippi

USA Funds enhances college-planning resources

USA Funds® announced new resources to help families who need guidance about planning and paying for college.

As part of the federal College Access Initiative signed into law last year, USA Funds has put together a Web site full of resources, tips and information to help Mississippi residents make the most of their postsecondary-education opportunities.

By accessing www.going2college.org and choosing "Mississippi," students and parents can find information about careers and about planning for, finding and paying for college. The Web site features specific information about higher-education agencies and institutions in Mississippi, savings plans, state financial-aid programs, benefits for veterans, special programs and publications. USA Funds offers additional college-planning advice on its Web site at www.usafunds.org/planning.

Mississippi Next receives support from USA Funds

For the third-consecutive year, USA Funds provided financial support for *Mississippi Next* magazine, a college-planning publication whose 2006 edition recently was provided to each Mississippi student in grades 10-12. As part of its sponsorship of *Mississippi Next* magazine, USA Funds is funding a \$1,500 scholarship to a 2007-graduating Mississippi high-school senior for use at any Mississippi postsecondary-education institution.

USA Funds' sponsorship of *Mississippi Next* is in support of USA Funds' mission to enhance higher-education preparedness, access and success.

Submitted by: Louanne Langston, Account Executive, USA Funds Services
Vicky Keller, Customer-relations Manager, USA Funds

North Carolina

North Carolina State Education Assistance Authority

FAFSA Day

FAFSA Day is scheduled for Saturday, February 17 at 52 sites, an increase over last year's 42 sites. We anticipate over 2,500 students will be served on FAFSA Day. NCSEAA is exploring a partnership with the community colleges to offer an April date to assist late applicants on six community college campuses in completing their FAFSA forms. The State Education Assistance Authority is grateful to our NCASAA colleagues who donate their time and service to this project each year.

College Application Day

In November, CFNC, assisted by members of the Carolinas Association of College Registrars and Admission Officers (CACRAO), held a college application day at 12 locations around the state to facilitate the submission of college admission applications by high school seniors. Approximately 1000 applications were submitted via the CFNC website during the pilot project. The event was successful and plans are being developed to expand the event in future years to more high schools across the state. The State Education Assistance Authority along with its CFNC partners, is pleased to continue its commitment to improving access to college for North Carolinians by helping all students plan, apply and pay for college.

Submitted by: Elizabeth McDuffie, Director, Grants, Training and Outreach

South Carolina

South Carolina Tuition Grants Commission

The \$3.7 million increase in lottery funds approved by the 2006 SC General Assembly for the SC Tuition Grants Program for the 2006-07 award year enabled the SCTG Commission to increase the program-wide maximum grant to all eligible students by \$300 from \$2,800 to \$3,100. Rather than waiting until mid-year to award the \$300 increase to the grants, the SCTG Commission voted in June, 2006, to notify eligible students of the increase prior to the beginning of the 2006-07 school year.



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At the June, 2006, meeting of the SC Tuition Grants Commission, the commission approved the budget request to the State Budget Division for funding of the SC Tuition Grants Program for the 2007-2008 fiscal year. The SC Tuition Grants Commission submitted documents in September, 2006, requesting sufficient funds in 2007-2008 to increase the 2006-2007 program-wide maximum grant of \$3,100 by the 2005 Higher Education Price Index (HEPI) percentage of 3.5 percent. This will enable an increase in the maximum grant to \$3,200 in 2007-2008.

A funding increase of \$11,167,283 is needed to raise the present \$3,100 maximum grant to \$3,200. If current year lottery funding flowing to the SC Tuition Grants Program (\$9,751,510) is renewed in 2007-2008, an increase of \$1,415,773 is needed.

The 2007 General Assembly convenes in January to begin the legislative year for the State of South Carolina. The subcommittees of the House Ways and Means Committee are holding 2007-08 budget hearings in early January. The SC Tuition Grants Commission is scheduled to appear before the Higher Education subcommittee of the House Ways and Means Committee on Wednesday, January 17, 2007, beginning at 10:00 a.m. in the Solomon Blatt Building in Columbia. The Higher Education subcommittee is chaired by Representative Chip Limehouse (Charleston) and he is joined on the subcommittee by Representative Denny Neilson (Darlington), and Representative Lanny Littlejohn (Cherokee/Spartanburg).

Governor Mark Sanford, re-elected in November for a second term as Governor of South Carolina, will unveil his 2007-08 Executive State Budget in early January. Last year, the Governor's generous recommendation for funding of the SC Tuition Grants Program was the initial step in the commission securing the \$3.7 million increase received in 2006-07.

Submitted by: Edward M. Shannon, III, Executive Director

South Carolina Student Loan Corporation, designated guarantor for South Carolina

Financial Aid Outreach

Our financial aid presenters are logging some serious miles as they travel the State making presentations. During the last quarter they have visited 87 high schools as part of CACRO's Association of Admissions Representatives. In addition they spoke with the Teacher Cadet classes at 14 high schools and another four high school classes received training on 'Handling the Transition from High School to College.' Of course, our Financial Aid Nights have been in great demand and have been conducted at 19 high schools just this past quarter, along with four 'Career Day' programs.

Furthering Higher Education

South Carolina Student Loan continues to seek out alliances with programs that advance the cause of furthering higher education for South Carolinians. A substantial grant has been made to the 'Call Me Mister' program, which is designed to assist in the recruitment of African-American men into the teaching profession. In addition, we have implemented a Military Loan Forgiveness program where borrowers serving in the U.S. military can have a portion of their loans forgiven.

Submitted by: David Roupe, Vice President of Guaranty Services

South Carolina Commission on Higher Education

The South Carolina Commission on Higher Education is monitoring several SC House and Senate bills that address student aid during the 2007 South Carolina Legislative Session.

Among the proposed legislation during the 2007 session is House bill 3170, which provides for additional incentives for South Carolina Palmetto Fellows and LIFE Scholarship recipients who are in their second, third or fourth year (sophomore, junior, or senior) and who are majoring in sciences or math.

Section 1 of House bill 3170 amends Section 59-104-25(A) of codified law. It provides an additional scholarship for Palmetto Fellows Recipients of up to \$3,300 to a resident student who:

- 1) is at least a sophomore attending a 4-yr public or private institution. (Each year is defined by 30 credit hours or its equivalent);
- 2) is majoring in science or math (as defined by CHE in regulation but at a minimum including sciences, math, computer sciences, informational technology, engineering, health care and related disciplines including medicine and dentistry);



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- 3) has completed during the freshman year at least 14 credit hours in math and life and physical science courses (including a minimum of 6 hours in math and 6 hours in life and physical science including 1 laboratory course);
- 4) is receiving the Palmetto Fellows Scholarship for that year and making satisfactory academic progress each year toward a degree in science or mathematic major;
- 5) may receive for not more than three years including sophomore year if in a four-year program, or not more than four years if enrolled in a five-year degree program or "3+2" program;

It further requires the Commission on Higher Education to define what constitutes majors in science and mathematics and provides that the additional Palmetto Fellows Scholarship funds if lost may be regained in the same manner underlying the Palmetto Fellows Scholarship.

Section 2 of the bill adds 59-149-15(A) to provide a similar enhanced scholarship for those receiving LIFE. The provisions here that are added are similar to that above for Palmetto Fellows except that stipend is \$2500.

An amendment to House bill 3170 enables students to use AP credit in fulfilling the minimum required hours in math and science that must be taken in the freshmen year in order to become eligible for the additional incentive. That is, students who have taken advanced placement (AP) courses in math and Life and physical sciences in high school and earned scores high enough on the AP test to receive credit toward the minimum required hours may apply the credit count toward the minimum hours. The amendment would provide additional opportunity for some students to meet the eligibility requirements for math/science incentive. It applies to both the LIFE and Palmetto Fellows Scholarship incentive that is proposed.

House bill 3144 is a student aid bill that amends state code of laws 59-111-41 –et seq to provide free tuition for members of the armed forces and SC National Guard. House bill 3098 would allow students enrolled in and residing on a (two year) campus maintained residence facility to receive SC Lottery Tuition Assistance in addition to state and federal grants, and Senate bill S.7 would allow home schooled students to have their transcripts signed by a parent for LIFE Scholarship GPA eligibility.

Submitted by: Dr. Karen Woodfaulk, Director, Student Services

Tennessee

Tennessee Student Assistance Corporation

The Tennessee General Assembly is in session and currently four bills have been submitted to modify the Tennessee HOPE Scholarship. TSAC expects more legislation to be introduced to modify the program. Some areas of which legislation has been introduced include:

- Critical shortage areas of teaching
- Foster child
- Raising the maximum adjusted gross income to qualify for a portion of the scholarship

Tennessee Education Lottery Scholarship Program

Expenditures for 2006-2007 for the Tennessee HOPE Scholarship are currently at \$92.4 million. TSAC expects to disburse approximately \$172 million to almost 60,000 students for the academic year.

TSAC held a Lottery Scholarship Open Forum on November 21st and invited members of the high school and financial aid communities along with members of the Tennessee General Assembly. There were approximately 40 participants who attended the forum. Various topics ranging from eligibility requirements to overall simplification of the program were discussed.

Tennessee Student Assistance Award Program

A task force is finalizing a recommendation to the TSAC Board of Directors for simplifying the TSAA program. A decision is expected when the meets on March 22nd. In addition to simplifying the program, the task force has been charged with the following:

- Continuing administration as a centralized program
- Advancing the priority application date from May 1 to March 1
- Consolidating the award payment schedule to a smaller number of cells



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- Varying the award amounts so there is greater variation between cells

New Loan Forgiveness Programs Available through TSAC

TSAC will add two new programs for the 2007-2008 academic year. First, the Math and Science Teachers Loan Forgiveness Program will be available to Tennessee public tenured teachers who seek an advanced degree in math or science or a certification to teach math or science. This program requires a service commitment of two (2) years for each year of funding received.

Second, the Graduate Nursing Loan Forgiveness Program is designed to increase the number of nurse educators in Tennessee. It encourages nurses to become teachers and administrators in nursing education programs. Recipients will have 25% of the amount borrowed for each year of continuous full-time employment in a teaching or administrative capacity. Part-time employment will allow for 12.5% of the amount borrowed.

Loan Division

This past fall, TSAC's loan division hosted its first Default Prevention Summit that brought Tennessee institutions together to discuss default prevention initiatives. Attendees moved from table to table to hear discussion leaders describe potential strategies along with target audience, purpose, and benefit potential. Attendees were also invited to play a role in the development of new default prevention initiatives going forward by participating in a new TSAC default prevention advisory group. By all accounts, the Summit was a success.

Since the fall meeting, the Default Prevention Advisory Group has begun work on the initiative that was decided was the highest priority. That initiative is planned to be rolled out within the next few months. The group looks forward to starting the second initiative in the second quarter of 2007.

Compliance Division

Recruitment of school counselors and post-secondary institutions to participate in High School Counselor Internship Program is off to an early start for the summer 2007 program. This NASFAA award winning program is a joint effort between TSAC and TASFAA to provide opportunities for high school counselors to learn more about financial aid and to actually have hands on experience working in a financial aid office. Last year we had 16 high school counselors to participate and 11 institutions to serve as host. Of course, we are hoping that we will have increased participation from our school counselors and post-secondary institutions this summer.

Tennessee's second College Goal Sunday event is scheduled for February 18, 2007. We have 35 College Goal Sunday sites across the state and over 400 volunteers to date. We expect a record turn-out due to an increase in promotions of the event. Production is complete on a 30: television public service announcement that will be aired across Tennessee and radio PSAs were recorded by 32 legislators during the first week's legislative session which has sparked interest among them to participate at the sites in their local districts. With the wonderful volunteer spirit of our financial aid community we know we're going have another successful College Goal Sunday Program.

Business Affairs

The State of Tennessee is in the process of implementing an Enterprise Resource Plan (ERP) to automate the State's financial accounting, procurement, personnel, payroll, budget development, and other administrative business processes into a single database. This will eliminate complex, expensive links between computer systems that were never intended to communicate with each other and will update technology that is, in some cases, 30 years old.

The first phase of integration to the new systems has begun with the financial management and other modules to be implemented in the near future. With more effective and efficient internal processes, TSAC will be able to serve our customers and constituents in a more timely and productive manner.

Communication Services

Several exciting endeavors are underway to improve our outreach and promotional services. We have received final approval to fill two new Outreach Specialist positions, further increasing our ability to serve our constituents more



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successfully and at a grassroots level. Additionally, we are investigating new electronic mediums with which to reach students, such as chat rooms and texting. A live chat function will be operational on the CollegePaysTN.com site in the near future, enabling students another venue to receive important financial aid and college access information. We will be revamping our website as well, making it more receptive and supportive to the needs of students and parents. Reaching traditionally underserved students is a high priority at TSAC; therefore creation of several programs/projects is underway to address the specific needs of minority, low-income, non-traditional and middle school target audiences across Tennessee.

Submitted by: Robert Ruble, Executive Director

Virginia

State Council of Higher Education for Virginia (SCHEV)

Virginia's financial aid programs received a substantial increase for FY07. Undergraduate need based awards increased by \$10.9 million or 12.9 percent; now for FY08, the Governor has recommended an additional increase of \$13.8 million.

Virginia adopted a policy that will ease the ability for military family members to obtain the in-state tuition rate. This change puts Virginia in line with 45 other states in providing this benefit. The legislature is now considering whether to expand that benefit to active duty military members.

The 2007 General Assembly is considering a wide variety of financial aid related bills including one that encourages early graduation, community college transfers, as well as Math, Science, and Technology majors.

Submitted by: Lee Andes, Assistant Director for Financial Aid

Educational Credit Management Corporation (ECMC), designated guarantor for Virginia

ECMC Foundation

ECMC Foundation announced that it will fund the fifth cycle of its Virginia ECMC Scholars Program, committing \$3 million in scholarships to Virginia public high school students, as well as fund the second cycle of its Oregon ECMC Scholars Program, committing \$840,000 in scholarships to Oregon public high school students. A combined 640 students now are eligible to earn up to \$6,000 each in scholarships for higher education. The ECMC Scholars Program is designed to increase participation in postsecondary education by economically or otherwise disadvantaged students, and challenge these students to better prepare during their junior and senior years of high school.

The ECMC Foundation has also announced an expansion of TheCollegePlace with two additional locations:

- Richmond, Virginia in cooperation with Virginia Commonwealth University
- Bend, Oregon in cooperation with Central Oregon Community College.

These new centers will be modeled on the original TheCollegePlace in Manassas, Virginia and will provide one-to-one counseling to students seeking to enroll in postsecondary education.

VirginiaCAN

At its second annual conference in December, the Commonwealth College Access Network announced it would now be known as VirginiaCAN. ECMC, along with SCHEV and VASFAA, was instrumental in the development of VirginiaCAN. At the opening banquet, ECMC presented VirginiaCAN with a check for \$50,000, bringing ECMC's total contribution thus far to VirginiaCAN to \$125,000. ECMC is also in the early stages of assessing the interest in creating a similar network of access providers in Oregon.

Submitted by: Mike Hawkes, Director, Government Affairs



Conference Committee Report

Michael Morgan, Chair

Dear SASFAA Colleagues and Friends,

With deep appreciation, I would like to thank the 945 members who joined us in Nashville to participate in the 44th annual SASFAA Conference. SASFAA prides itself on its ability to provide a conference filled with quality sessions which improve the membership's knowledge of financial aid processes and policies while creating an atmosphere conducive to the exchanging of ideas and developing long lasting friendships. We hope that we were able to fulfill this expectation this year.

The Conference Committee composed a program rich with the sounds and texture of the entire southeastern region. The conference's opening act on Sunday was designed to provide a little something for everyone. The New Aid Officer Workshop was well attended this year led by Pat Arauz and taught by several of the instructors who will teach again during this year's summer workshop. Simultaneously we held a pre-conference workshop led by Bonnie Joerschke, Mary Anne Coughlin and Barry Simmons. The pre-conference Research Seminar was designed to provide tools and techniques helpful to the more experienced financial aid professional. And all those who attended indicated it was all that.

The 2007 SASFAA Conference got off to great start with the Tennessee State Percussion Ensemble led by Teddy Hall, Jr., while Tara Burns, the 2005 Miss Tennessee, sang of our national anthem. Our keynote speaker, Dr. Hurley shared an upbeat, yet contemplative riff that set the tone for the entire conference. His humor inspired us all to look on the bright side of life. He also reminded us "without education we cannot purchase a dozen of anything but we can get twelve of whatever we want". As always, it was a pleasure to have Dr. Hurley with us.

Finally, Hot Latin Night at SASFAA coordinated by the diversity committee was incredible. Clyde Harris and his dance troop performed an incredible exhibition and gave great instruction on many dances with Latin origin. SASFAA President, Brent Tener, even showed off a few dance moves of his own.

Multiple members throughout the association have lent their talents and expertise to provide quality concurrent sessions. The Department of Education with Carney McCullough provided a steady tempo to keep us on pace with the policies from Washington. The Diversity Committee has collaborated to provide "Excelencia" throughout the conference and share the Spanish influences prevalent in our educational culture. Our general session speaker, Sarita Brown, who has spent more than two decades working to raise academic achievement and opportunity for low-income and minority students inspired us with her comments on Tuesday.

This year's community service project, Katie's Helping Hand, gave our conference soul. Thanks to your generous hearts SASFAA was able to present Katie Mitchell of Katie's Helping Hand with a check for \$15,000, a new giving record for our association. This money will go to provide 3,000 meals to families who are struggling to deal with the needs of their sick child. Thank you SASFAA. If you would like to find out more about this worthy cause, please visit www.katieshelpinghand.org.

During the Tuesday night banquet attendees were asked to don their country finery, and they did. Denim, Cowboy hats, boots and rhinestones were the rave at this special event which honored the Past-Presidents of the Association. Guy Gibbs, Immediate Past President, Sandra Neel, Vice President and Heather Boutell, Treasurer were recognized for their service to SASFAA. Each spoke of the importance and rewards of volunteering for at the state and regional level. SASFAA bestowed Honorary Membership to Bill Rodgers. The recipient of the SASFAA Distinguished Service Award, SASFAA's Highest honor recognizing outstanding service on the national, regional and state levels, were Rosemary Stelma from East Carolina University and Janet Sain from SunTrust. Ms. Stelma joined us via cell phone to accept her award, I believe a SASFAA first. The SASFAA recipient of the NASFAA State and Regional Leadership Award was presented to Dave Cecil from Transylvania University by NASFAA Chair and longtime friend Janet Dodson. Herb Vescio would be proud. Tuesday night concluded with a little number we will refer to as 'Nash Vegas' that very few attendees missed. Attendees played, danced and sang till midnight and several won great prizes.

Larry Z provided us with an interesting interpretation of a common tune in from NASFAA to SASFAA and its state associations. It is important that we raise our collective voices to support legislation and proposals we believe in, likewise it is also important to speak out against those which undermine our profession and affect the lives of our students.



Thank you for your great attendance of sessions and conference functions. Special thanks go out to Brent Tener, SASFAA President and the Tennessee Association of Student Financial Aid Administrators for hosting such a great conference. Thanks also to members of the Conference Committee and Leaders of the Local Arrangements Committee who have worked extremely hard over the past 14 months to make sure that your stay in Nashville would be one that you would not soon forget. They are Karen Hauser, Sandra Neel, Andrew Weaver, Brenda Brown, Deborah Clark, Chris Tolson, Dana Kelly, Jeff Dennis, Sara Reese, Brad Barnett, Laura Devin-Brown, Todd Woodlee, Ron Gambill, Heather Boutell, Soraya Weldon, Keith Reeves, Janet Sain, Levis Hughes, Cara Suhr, Sandra Rocket, Wendy Hutchins, Joannie Walker, Carita Waters, Lester McKenzie, Bill McCord and Melissa Smith. And thanks to the hundreds of those of you who volunteered and served this year.

Thank you for allowing me the opportunity to serve you this year, we look forward to seeing you in Crystal City, Virginia next year.

Conference Photos









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Leadership Symposium, March 14-16 2007, Charlotte, NC

Barry Simmons, Chair

Many thanks go to Citibank, Ed Fund and TG for their contributions to the curriculum and to Citibank, Regions Education Lending, Sallie Mae, Urban Ed Express and Wachovia for underwriting meals and breaks.

The Airport Sheraton in Charlotte, NC is the site for this workshop. The facility is only two miles from the Charlotte airport and provides 24hr free shuttle service.

Participants have been notified and will be assigned the following items:

1. Participation in an orientation to be held during the SASFAA Annual Conference in Nashville.
2. A reflective exercise involving reading and reporting on the book Certain Trumpets regarding leadership traits of great leaders.
3. Completion and submission to the committee chair of a Personal Professional Autobiography prior to March 5, 2007.

Workshop sessions will be taught by organizational development professionals from various industry vendors as well as by SASFAA institutional members. Topics will include team building, change management, conflict management, ethics, coordination issues and many more as well as topics dealing with 'the cognizant authority.'

Curriculum

Wednesday, March 14, 2007

12:30	Lunch
2:00	Welcome and introduction
2:15	MBTI (CB)
4:15	Break
4:30	Diversity Topic, "I Don't Trust Martians" (CB)
5:30	Participant Introductions
6:30	Break
6:45	Dinner
7:45	Teamwork
9:00	Day ends

Thursday, March 15, 2007

7:15	Breakfast
8:00	Leadership Toolkit (TG)
9:30	Break
10:00	Conflict Resolution (TG)
12:00	Lunch
12:45	Ethics (TG)
2:45	Break
3:00	Evaluating Your Environment (EdFund)
5:00	Break
5:45	Dinner
6:30	Movie, <u>City Slickers</u>
8:30	Group Work
????	Day Ends

Friday, March 16, 2007

7:00	Breakfast
7:30	Group Reports
8:45	Break
9:00	Dealing with Change (EdFund)



10:15	Accountability (TG)
11:15	Wrap Up
11:45	Eat and run

SASFAA will cover room and meal expenses during the workshop and provide up to a \$400 stipend to each participant to cover transportation expenses.

Syllabus

The symposium begins at 2pm, Wednesday March 14th and ends at 12pm, Friday, March 16th. Lunch will be served from 12:30-2:00pm on Wednesday, March 14th. Breakfast will be served at 7:15am Thursday and 7:00am Friday.

Participants should be prepared to immerse themselves in the symposium with a minimum of outside distractions. Short breaks will be scheduled and meal time will be minimal. Symposium work will not conclude prior to 9:30 pm each evening in Charlotte.

Participants will be assigned to groups for group functions.

Assignments

Due March 5....Professional Autobiography...600-900 words

Please submit an essay which includes family background, education, work history, etc. Please note high and low points thus far. Describe how you chose financial aid as a profession and include your philosophy of life, work, financial aid and how, if at all, they fit together. Include continuing education plans, career aspirations and timeline. Conclude with how this fits into your personal/family life.

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Complete March 14....read Certain Trumpets: The Nature of Leadership by Gary Willis (furnished by SASFAA)...participants will find it helpful to refer to the book after hours during the symposium dates. Each group will be assigned a chapter of the book on which to concentrate, analyze and report.

Submit March 16....Group Report/Presentation/Skit that acts as a report on each group's chapter in Certain Trumpets, concepts gleaned from various presentations and leadership lessons contained in the film City Slickers. Groups are encouraged to be as creative as possible in the format of the report...identify and illustrate three to six positive 'ah-ha' leadership moments experienced by symposium participants as well as three to six negative such moments. What changes in individual behavior, if any, are members of the group considering as a result of the symposium. Each report limited to nine minutes.

March 14-16 and March 20...participants will be expected to **maintain a journal**, real time and reflective commenting on symposium content...overall reflective conclusion and summation to be composed March 20 in the form of a letter to current or future daughter/son. More instructions will be given on March 14.

Dr. Barry W. Simmons, Sr. Symposium chair, simmons@vt.edu
Earl Mayo earl@sctuitiongrants.org , Todd Woodlee twoodlee@educationfinancepartners.com and
craby@educationfinancepartners.com, Symposium Committee



Institute Participants:

Robin Buchholz, KHEAA Guarantee Services Branch Manager, Kentucky Higher Education Assistance Authority (KHEAA)
LaShanda Chamberlain, Director of Financial Aid, Mississippi Gulf Coast Community College
Kenneth Cole, Director of Financial Aid, The University of South Carolina, Lancaster
Chip Quisenberry Jr., Director, Student Financial Aid, Enterprise-Ozark Community College
Letrell Thomas, Director of Financial Aid, Ogeechee Technical College
Melissa Barnes, Associate Director, Norfolk State University
Samuel Chukwuemeka, Director Office of Student Financial Assistance, Faulkner State Community College
Celena Rader-Lambdin, Director of Financial Aid, Lincoln Memorial University
Rebecca Vega, Senior Financial Aid Counselor, Mississippi University for Women
Deborah Clark, Director of Financial Aid, Atlanta Technical College
Victoria Owens, Director of Student Financial Aid, Jefferson Community College
Tony Patterson, Assistant Director, University of North Carolina-Chapel Hill
Keith Wellings, Director of Financial Aid, Hampden-Sydney College
Lee Ann Wolfenden, Director of Sales, Florida, Sallie Mae
Sandra Davis, Director of Financial Aid, South Carolina State University
Aaron Gabehart, Assistant Director of Financial Aid, Cambellsville University
Valerie Horne, Assistant Director of Financial Aid, Pearl River Community College
Sharon Oliver, Director of Scholarships & Student, North Carolina Central University
Melissa Smith, Assistant Director, Vanderbilt University
Brenda Brown, Director of Financial Aid, University of Miami-School of Law
Josh Dasher, Director of Financial Aid, Southeastern Technical College
Torrence McKnight, Account Manager, Citibank The Student Loan Corporation
Donna Taylor, Assistant Director, Virginia Tech
Caroline Thornton, Director of Financial Aid, Orangeburg-Calhoun Technical College



Debt Management as a Campus-Wide Priority Small Steps Can Make a Big Difference

By Chansone Durden, TG Account Executive Team Manager

As a financial aid professional, you recognize the importance of instilling effective debt management practices in your students. Frequently, however, one of the greatest challenges lies in getting your campus partners (admissions, student services, and alumni affairs, for example) to recognize how promoting effective debt management can positively impact your institution's and, more importantly, your students' success.

Understandably, every campus office is focused on their core functions and responsibilities. Growing student enrollments, budget cuts, and the consolidation of institutional functions make it difficult for higher education professionals to think beyond their immediate "working world." However, for the success of the institution as well as the student, every area must contribute in some way to providing students with the knowledge and tools necessary for managing their finances effectively.

Surprisingly, some of the simplest actions can make the greatest contributions to this effort. In this article, we will share some simple information you can use to advance campus-wide awareness and action on this important issue.

Sharing the big picture with colleagues

The first step in fostering campus-wide commitment and action to debt management awareness is to share how this effort can contribute positively to your institution's success. When making an effort to educate others, it can help to point out the following:

- The typical graduate with a bachelor's degree now leaves school with about \$18,000 in student loans.

School Bill of Rights.

- Schools and students have the right to freedom of choice.
- Schools have the right to work with any lenders, guarantors, and servicers they choose without changing their school loan process.
- Schools have the right to provide their students constant, real time access to the best financial aid solutions available.
- Schools have the right to a student loan delivery system that allows them to process their student loans in the quickest, most efficient manner possible.
- Schools have the right to a student loan delivery system that has a truly open platform and is lender neutral.
- Schools have the right to a student loan delivery system that provides free comprehensive training resources for the life of the relationship.
- Schools have the right to a student loan delivery system that involves Financial Aid Administrators in the identification and prioritization of enhancements and the development of new features and functionality.
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- Schools have the right to a student loan delivery system that minimizes the number of difficult to process exception loans.

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- Students are often unaware of how their earning potential will compare with the monthly payments they will have to make to service their education debt and general living expenses.
- The level of student indebtedness can have an impact on the student's perceived satisfaction with their education, their experience at your institution, and their willingness to support the institution financially after graduation.

Focusing on area-specific approaches

Fostering debt management awareness requires comprehensive collaboration and commitment. This can be challenging, given time and resource constraints. However, there are some simple tactics you can use to begin a campus-wide alignment. One approach is to invite colleagues from other departments to brief, one-hour brown bag lunch, or "brainstorming" sessions to identify awareness opportunities and simultaneously create "buy-in." To get started, here are some best practices that can be explored further with some other departments within your institution.

Admissions

The first opportunity to promote effective debt management often begins with the admissions team. Find out their approach for recruiting students and how they manage and communicate financial aspects of access to higher education. Parents are usually in the picture early on in this relationship – are they being provided with the tools to explore and evaluate their higher education opportunities from a financial perspective? Do your admissions team members know the Median Borrower Indebtedness (MBI) for your student population, and how it factors into a students' long-term success?

Student Services and Career Counseling Services

Student services plays a key role in retention and, thus, in the success of the institution. When meeting with this team, explore the scope of initiatives and services that they provide to students, particularly those related to personal finance. Determine whether students are offered opportunities to take short trainings on money management issues. Often, non-profit organizations and financial institutions are willing to come to your campus to provide training and materials for students. Campus career counselors also play an important role in this endeavor; gainful employment is a key factor to long-term student success.

Academic Affairs

Cumulatively, perhaps no area has more "face-to-face" time with your students than those in academic affairs. Faculty and staff in this area also influence your student population, and they also play an important role in retention. Therefore, it is important that faculty not only understand why promoting debt management is important, but that they also encourage students to enhance their money management skills whenever possible. Long after students have completed their studies, they may play an important role in contributing to future enrollment and supporting your school financially or academically. It is in the faculty's best interest to encourage success.

Alumni Relations

For your alumni relations team, it is much easier to identify the benefits of fostering an awareness of effective debt management in the student population. Current students are future financial contributors to your institution. Effective money management skills enhance the possibility students will be able to give back long after they have left your campus. However, other less obvious opportunities may exist as well. For example, alumni relations may assist in delivering training and resources to alumni on debt management. It is also possible that this group may be able to perform research on the status of alumni based upon efforts you implement to increase debt management awareness.

Time to get started

When it comes to promoting effective debt management on your campus, sometimes even small efforts can make a big difference. Good luck in promoting the importance of campus-wide debt management awareness, and remember to call us if you need assistance.

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Easy Ways to Promote Early College Awareness

By Haley Chitty, Assistant Director for Communications, NASFAA

Washington, D.C. (March 2007) – Two new public service media campaigns make it easier than ever to promote early awareness of higher education among underserved student populations.

The U.S. Department of Education and the American Council on Education recently rolled out their respective media campaigns to encourage and prepare more students, especially first-generation, low-income, and minority students, to actively pursue higher education and benefit from federal student aid.

The Campaigns

The Department of Education's "Only a Dream" effort is a national early awareness public service campaign sponsored by the Office of Federal Student Aid (FSA). The campaign includes TV, radio, and print public service announcements highlighting Federal Student Aid's core mission: ensuring that all eligible individuals benefit from financial assistance for education beyond high school and to champion the value of postsecondary education. You can view the public service announcements at <http://federalstudentaid.ed.gov/onlyadream.html>.

The public service announcements and literature, which are produced in both English and Spanish, explain that each year, FSA awards more than \$80 billion in grants, work-study and low-interest loans to help finance the dreams of tomorrow's leaders. Unfortunately, many qualified students do not attend college or apply for financial aid. Using the slogans, "Remember, the most costly education is the one not gotten." and "Federal Student Aid: Start here, go further," the campaign urges families to go to the www.federalstudentaid.ed.gov Web site for further information.

The American Council on Education's "KnowHow2Go" campaign is aimed at encouraging and preparing more low-income and first-generation students to actively pursue higher education.

The campaign advocates four steps that young people should take to prepare for college and communicates these steps through exciting multi-media formats. It encourages students to:

- (1) Actively search for mentors to help them prepare and access college,
- (2) Put in the work needed to qualify for college,
- (3) Do research to find the right college to meet their needs, and
- (4) Find financial aid to help pay for college.

The campaign consists of television and radio public service ads, outdoor billboards, posters, print ads, a national Web site (knowhow2go.org), educational brochures, template documents to use to promote events, a national 1-800 number (1-800-433-3243), and how-to guides to support local outreach efforts. Most of these resources are available in English and Spanish.

Supporting the Campaigns

The success of these campaigns requires effective local participation. Individuals are encouraged to collaborate with education organizations, youth-oriented groups, local colleges and universities, businesses, churches, synagogues, mosques, and others to amplify the impact of the campaigns.

You can easily help these campaigns, and make more students aware about the benefits of higher education, by contacting local radio and TV stations and asking them to play the public service announcements created by the Department and ACE. In addition, you can contact local print media outlets and encourage them to run the print public service announcements created by ACE. You can also encourage others to do the same.

Media outlets receive many public service announcements. The more people that ask them to use the public service announcements provided by the two campaigns, the greater the chances these public service announcements are used. These campaigns rely on grass-roots support to compensate for the lack of large budgets. Simply contacting local media is a great way to leverage this campaign material to have the greatest possible impact and encourage students to set and achieve higher education goals.



Future Collaboration

Educating individuals who work with middle and high school students about financial aid is another area where financial aid administrators can have a big impact in creating early awareness about college and available resources. Many volunteers and professionals working with underserved youth do not have a good grasp on the basics of federal financial aid. Educating these people creates a ripple effect as they pass this information on to the many students they work with.

FSA receives countless requests for speakers to address audiences about the basics of federal financial aid. It is working to develop a list of financial aid expert that are willing to volunteer at these events to educate high school counselors, as well as those working in TRIO, GEAR UP and similar programs.

In addition to the Department, other groups in the higher education community are exploring ways to leverage financial aid administrators' knowledge so more students can benefit from financial aid and higher education.

Financial aid administrators interested in increasing college awareness among students should consider speaking at these types of events. A little time and effort can have a big impact and help raise financial aid and college awareness among student populations that are traditionally underrepresented on college campuses.

For more information about the media campaigns including links to a wealth of free materials, visit www.nasfaa.org/Subhomes/ABCs/other.html.

