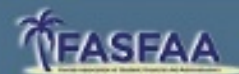




Annual Conference
May 24-27, 2016
Bonita Springs, FL

2016 FASFAA Annual Conference
Hyatt Regency Coconut Resort and Spa
Bonita Springs, FL
May 24-27





HOW TO SURVIVE AND THRIVE IN FINANCIAL AID

Dr. Pat Watkins
Eckerd College



Financial Aid Resume

- 1974 – Berklee College of Music – Officer
- 1975 – Laboure College of Nursing – Coordinator
- 1975 – Boston University – Assistant Director
- 1977 – Northern Essex Community College – Director
- 1981 – Lehigh County Community College – Director
- 1983 – Newbury College – Director
- 1985 – Fisher College – Director
- 1995 – University of South Florida – Assistant Director
- 1999 – Saint Leo University – Director
- 2004 – Eckerd College – Director



HISTORY OF FINANCIAL AID

- 1953 – John Monro, Dean of Harvard College, proposed the concept of needs analysis as the basis for distributing aid.
- 1954 – College Scholarship Service founded – 92 institutional members adopted a common methodology.
- 1956 – First state guaranteed student loan made in MA.
- 1958 – National Defense Student Loan program begins. CSS methodology used to determine eligibility.
- 1964 – Federal Work Study program begins.
- 1965 – The Higher Education Act passed, incorporating the NDSL, FWS and Educational Opportunity Grant (EOG). The Guaranteed Student Loan program was added.



HISTORY OF FINANCIAL AID

- 1972 – BEOG authorized with eligibility determined by the BEOG formula. Allowed all post-secondary accredited schools to receive. Colleges only determined award amount from payment schedule and disbursed. State Student Incentive Grant (SSIG) implemented to provide federal funds for state scholarship programs.
- 1972 – Sallie Mae established to warehouse student loans.
- 1973 – BEOG first awarded.
- 1974 – Pat Garrett hired by Berklee College of Music FAO.
- 1976 – Uniform Methodology implemented for aid, except BEOG
- 1978 – Validation introduced for BEOG recipients. Schools had to confirm information reported.
- 1978 – Multiple Data Entry allows students to complete FAF/FFS for all federal, state and institutional aid. Fee waiver program for students filing FAF/FFS.
- 1978 – Middle Income Student Assistance Act – expanded BEOG eligibility and eliminated needs test for GSL.



HISTORY OF FINANCIAL AID

- 1978 – Independent student definition changed to allow students who did not live at home for more than 2 weeks; were not declared by and did not receive more than \$650 per year from parents. More students became independent.
- 1979 – Interest cap on special allowance for lenders in GSL removed. By 1981, lenders were receiving 19.5% for each loan made. The interest rate to students was 9%.
- 1980 – BEOG renamed Pell Grant.
- 1981 – Loan origination fees introduced to reduce costs of program to the federal government and needs test reinstated for GSL.
- 1981 – PLUS loan and ALAS authorized.
- 1982 – Selective Service requirement for federal aid implemented.
- 1983 – Eligibility for Pell Grant went from a needs test to a means of rationing grant funds to eligible students from low income families.



HISTORY OF FINANCIAL AID

- 1985 – Validation was replaced by Verification and mandated for all need based financial aid programs.
- 1987 – GSL program renamed Stafford Loan.
- 1992 – FAFSA was mandated to be used for federal financial aid. Needs analysis simplified. Federalization of financial aid processing. Added unsubsidized Stafford Loan. Independent student definition changed, harder to become independent. Direct Loan pilot project implemented. Community Service requirement mandated.
- 1993 – Established Federal Direct Lending program.
- 1997 – Tax Credits – Lifetime Learning Credit and HOPE Scholarship.



HISTORY OF FINANCIAL AID

- 1998 – Parents in college removed; provided examples of professional judgment; authorizes loan cancellation for teaches; Authorized DOE to verify FAFSA income with IRS.
- 2005 – Pell ACG and SMART Grant programs authorized.
- 2005 – Origination fees reduced from 4% to 1%.
- 2007 – Andrew Cuomo charges conflict of interests between schools and lenders. New code of conduct which banned certain practices. (Also known as the '*Cuomo Weight Loss Plan for Financial Aid Administrators.*')
- 2007 – Cut federal subsidizes to lenders and guarantee agencies. Teach Grant of \$4,000 authorized.
- 2010 – Eliminated FFELP. All new loans would be Federal Direct Loans. ACG and SMART are not funded.
- 2011 – Verification required IRS DTR or tax transcript.
- 2016 – Implementation of “Early FAFSA” PPY income reported.
- 2035 – At 85, Dr. Pat Watkins retires to the HOME FOR THE PERMANENTLY BEWILDERED.

NATIONAL DEFENSE STUDENT LOAN PROGRAM

Promissory Note Form

Boston, Massachusetts 02215

I, Gazart, Patricia, hereinafter called the maker, promise to pay to Trustees of Boston University, hereinafter called the Institution, located at Boston, Massachusetts, the sum of such amounts as may from time to time be advanced to me and endorsed in the Schedule of Advances below together with all attorney's fees and other costs and charges for the collection of any amount not paid when due according to the terms of this note.

Schedule of Advances						
	Amount	Date	Signature	Amount	Date	Signature
1	450.00	4-17-73	<i>Patricia Gazart</i>	6		
2	450.00			7		
3				8		
4				9		
5				10		

The maker further understands and agrees, and it is understood between the parties that:

I. Repayment of such principal, together with accrued interest thereon, shall be made over a period, commencing (except when Paragraph III (2) applies), nine months after the date on which the maker ceases to carry, at an institution of higher education, (as defined in the National Defense Education Act of 1958 as amended and Regulations pertaining thereto) or at a comparable institution outside the States approved for this purpose by the Commissioner, at least one-half the full-time academic workload as determined by the institution granting the loan, and ending ten years and nine months after such date. Interest, at the rate of three per centum per annum, shall accrue from the beginning of such repayment period. Repayment of principal together with accrued interest thereon, shall be made in equal (or if the maker so requests, in graduated installments determined in accordance with such schedules as may be approved by the above named institution and the Commissioner) quarterly installments in accordance with the schedule which is attached to and made part of this note.

II. All sums advanced pursuant to this note are drawn from a fund created under the National Defense Education Act of 1958 as amended. Such terms of this note as are subject to interpretation shall be construed in the light of Federal Regulations pertaining to such Act, a copy of which shall be kept by the institution.

III. This note is subject also to the following conditions:

- (1) The maker may at his option and without penalty prepay all or any part of the principal and accrued interest at any time.
- (2) Interest shall not accrue on the loan, and installments need not be paid during any period (A) during which the maker is carrying, at an institution of higher education or at a comparable institution outside the States approved for this purpose by the Commissioner, at least one-half the normal full-time academic workload as determined by the institution, (B) not in excess of three years during which the maker is a member of the Armed Forces of the United States, (C) not in excess of three years during which the maker is in service as a volunteer under the Peace Corps Act or (D) not in excess of three years during which the maker serves as a volunteer under Section 603 of the Economic Opportunity Act of 1964; any such period in (A), (B), (C) or (D) shall not be included in determining the ten-year period during which repayment must be completed.
- (3) If the maker undertakes service as a full-time teacher in a public or other not profit elementary or secondary school or institution of higher education in a State, or in an elementary or secondary school overseas of the Armed Forces of the United States, the amount of this note shall be reduced at the rate of ten

WHY I CHOOSE FINANCIAL AID?

- I enjoy working long hours and my evening conversations with the custodial staff.
- I enjoy working in an office cluttered with several thousand pieces of paper.
- I enjoy developing forms, having them printed, and then cutting them up to use as scratch paper.
- When enrollment declines, I don't get blamed, the Admissions Office does.
- I enjoy reading federal registers and other fiction.
- I like to answer every question asked by students with the words "It depends."
- I enjoy explaining to auditors the difference between grants and loans.
- I like to talk in secret code when explaining financial aid to students and parents.



WHY DID I CHOOSE FINANCIAL AID?

- I HELP PEOPLE
- I MAKE A DIFFERENCE
- MY COLLEAGUES ARE MY FRIENDS
- BEING AROUND STUDENTS KEEPS ME YOUNG
- THE ONLY THING CONSTANT IN FINANCIAL AID IS CHANGE



WHEN I STARTED

- NO FREE APPLICATION FOR FEDERAL FINANCIAL AID
- NO PERSONAL COMPUTERS
- NO VERIFICATION
- NO ENTRANCE COUNSELING FOR GSL
- NO LOAN ORIGINATION FEE
- NO SELECTIVE SERVICE REQUIREMENT
- NO FINANCIAL AID TRANSCRIPTS OR NSLDS
- NO SOCIAL SECURITY NUMBER CONFIRMATION
- NO CITIZENSHIP CONFIRMATION



WHEN I STARTED

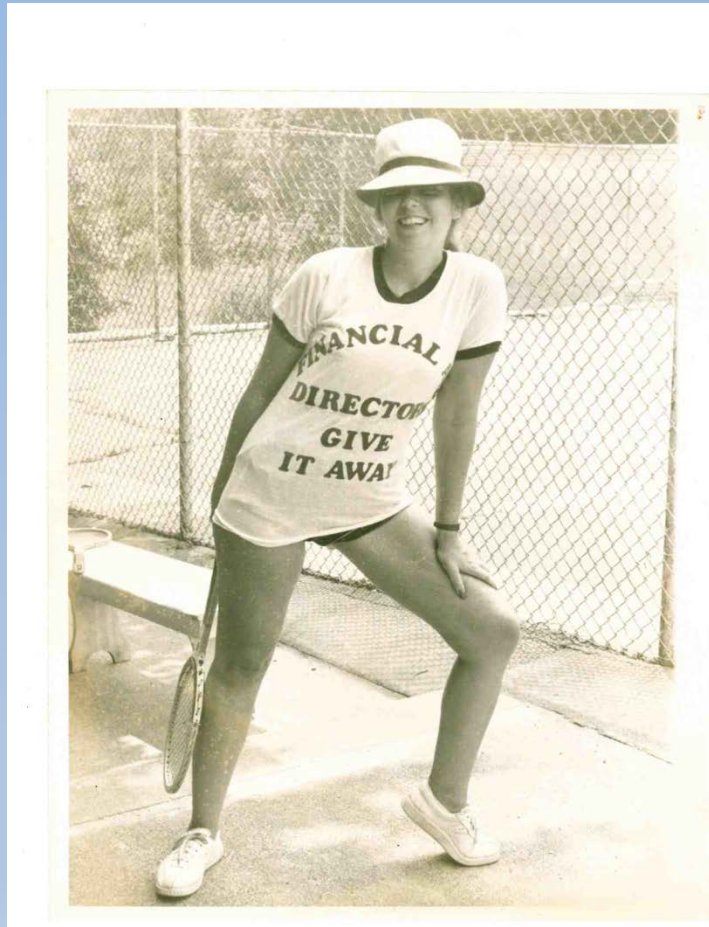
- NO STUDENT CONSUMER PROTECTION
- NO EFFORT TO INFORM STUDENTS ABOUT FINANCIAL AID
- NO INSTITUTIONAL ADMINISTRATIVE CAPACITY REQUIREMENTS
- NO STUDENT RIGHTS AND RESPONSIBILITIES
- NO TRANSPARENCY ON EDUCATIONAL COSTS
- NO STANDARDS OF ACADEMIC PROGRESS REQUIREMENTS
- NO INSTITUTIONAL STUDENT INFORMATION SYSTEMS
- NO STANDARD NEEDS ANALYSIS



WHAT WE DID HAVE

- MULTIPLE FINANCIAL AID APPLICATION – PCS-SFS- FFS – BEOG
- DIFFERENT NEEDS ANALYSIS METHODOLOGIES
- STUDENT REQUIRED TO BRING BEOG/PELL SER TO INSTITUTION TO RECEIVE AWARD
- TRAINING BY NEEDS ANALYSIS SERVICERS (CSS; ACT; PHEAA)
- NO MARKETING OF STUDENT LOANS TO AID OFFICES
- COLLEGIALITY BETWEEN SCHOOLS – SHARING IDEAS
- COLLEGIALITY BETWEEN SCHOOLS AND DHEW/DOE
- AID OFFICE NOT UNDERSTOOD BY ADMINISTRATION
- DEPENDING ON SCHOOL – WE HAD FREE TIME

SUMMER 1978





WHAT WE WERE

CSS taught aid administrators to view their discipline broadly, considering compliance with program rules as a necessity but not a virtue in itself. The broader purpose was to create equity for student, which in turn would bring about educational opportunity. Aid administrators were viewed as educators with a specialized role in delivering funds to needy students.

Steven E Brooks, 'Celebrating 50 Years of Excellence' 2004



HAVE WE NOW BECOME..

TECHNICIANS ASSURING
COMPLIANCE WITH FEDERAL AND
OTHER RULES BUT HAVING NO SAY
IN THE RESULTS

Steven Brooks



SURVIVAL SKILLS

- KNOW YOUR CRAFT
- EXPAND YOUR CIRCLE OF COLLEAGUES
- GET INVOLVED WITH PROFESSIONAL ASSOCIATIONS
- SUBSCRIBE TO - FINAID-L@LISTS.PSU.EDU
- IF YOU ARE CONFUSED, ASK FOR ADVICE
- SPEAK UP WITH YOUR OPINION

WE ARE INGENIOUS

Financial Aid Administrators are the MacGyver's of the higher education world.

All we need are:

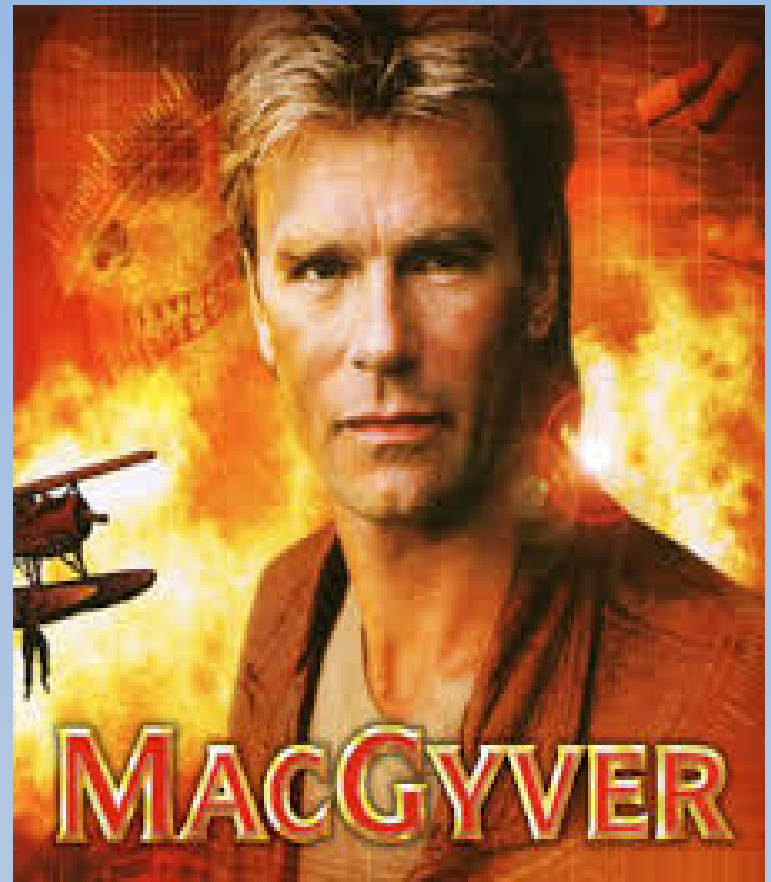
Federal Regulations

Ingenuity

Commitment and a

Paper Clip.

We can make anything work.





WHAT I LEARNED

- WHEN YOU CONTROL THE MONEY, YOU CAN AFFORD TO BE NICE
- HAVE A SENSE OF HUMOR – LAUGHTER IS THE BEST MEDICINE
- BE HONEST
- DON'T JUST SAY “NO” – THINK ABOUT IT FIRST
- NO ONE IS INDISPENSIBLE – TRAIN A REPLACEMENT
- SPEND TIME WITH PEOPLE YOU CARE ABOUT
- TAKE TIME FOR YOUR OWN WELL BEING
- DON'T PUT THE JOB FIRST
- HAVE A HOBBY – DO SOMETHING ELSE BESIDES AID



HOW TO THRIVE

Our relentless pursuit of the two traditional metrics of success -- money and power -- has led to an epidemic of burnout and stress-related illnesses, and an erosion in the quality of our relationships, family life, and, ironically, our careers. In being connected to the world 24/7, we're losing our connection to what truly matters. Our current definition of success is, as *Thrive* shows, literally killing us. We need a new way forward.

THRIVE – ARIANNA HUFFINGTON



THERE'S NO BUSINESS LIKE THE AID BUSINESS

There's no business
Like the AID business
Like No business we know
Everything we do is always changing
Nothing stays the same from day to day
New Regs the Feds are always making
Then six months later
They're thrown away!

There's no people
Like the Aid people
The extra mile they go
Program Reviewer says,
"That's not right."
Can't find the reg
Search with all your might
Ask your friends on fin-list
BAM, you've got the cite.
There's No Business Like Aid

The manuals, Dear Colleagues, the FISAP, the Regs
All the stuff you don't have time to read
The parents, the students, the president all say,
"Why don't you just meet their need?"

Sitting in your office, 3 A.M.
Will you ever see your family again?
BUT there's No Business,
Like the Aid business,
Like no Business we know!

Yes, we grumble, grimace and we know it's tough!
You're out of money,
There's never enough!
Then someone says "Thank you"
And you know you're stuck!
Cuz there's no business like aid!
There's no business like aid
There's no business like aid

Dr. Pat Watkins