FASFAA Newsletter

FLORIDA ASSOCIATION OF STUDENT FINANCIAL AID ADMINISTRATORS

Summer 2007

Letter From the Editor

Greetings to all of you. It is with great pleasure that I have agreed to continue on as the FASFAA Newsletter editor for the 2007-2008 year. This is our second newsletter of the calendar year, and I hope you will enjoy the articles and information that are presented.

We are planning to continue publishing the newsletter twice each year, and in this and all subsequent newsletters, you will find the publishing dates, deadlines for article submission, and publishing parameters. You will also notice that we have begun retaining the old versions of the newsletter as well.

My thanks to all of you that submitted articles for the enjoyment and learning of our membership, and I look forward to hearing from many more of you in the coming year.

Respectfully,

Martie Adler

FASFAA Newsletter Editor

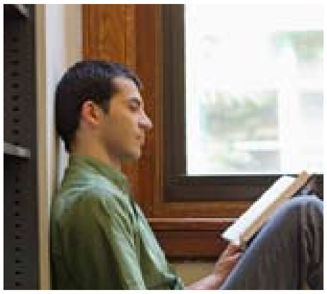
FASFAA Newsletter Publication Schedule

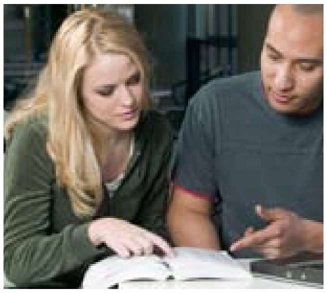
Winter Edition	Published Between: February 1-15th
Summer Edition	Published Between: August 1- 15th

Articles and advertisements are to be delivered to the Newsletter Editor no later than December 20th (for winter edition) and July 2nd (for summer edition).

Information should be sent as a Word attachment, Tahoma, 10 Pitch, to Martie Adler at **madler@amsa.com**. You may contact Martie Adler at: 407-865-5767, if additional information is needed.

The FASFAA Newsletter is published for its members. Articles submitted by any person, company, or organization to the editor prior to the publication of the newsletter will be considered. The newsletter committee 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 FASFAA members and not for company marketing or promotional purposes.





FLORIDA ASSOCIATION OF STUDENT FINANCIAL AID ADMINISTRATORS

Design and layout courtesy of American Student Assistance®

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Letter From the President

July 1, 2007

Dear FASFAA Friends:

Allow me to say it is indeed a privilege to serve as your President for a second time. I know of no finer group of people I could hope to represent!

Based on the current atmosphere surrounding our profession, this year promises to be interesting and challenging to say the least. Having said that, I trust you will agree we need as much experience as can be gathered on the Executive Board. I am purposely planning a "lean and mean" Board, but one sufficient to address the needs and planned activities of our association this year. My vision is that the Board will be "lean," without a lot of emphasis on the "mean" part—let's just say mean enough to be *mean*ingful.

FASFAA has an enviable history of doing things *right* (grammatically correct, that would be *correctly*). Training of our membership has always emphasized accuracy and thoroughness toward our primary purpose of providing service to our students within the federal, state, and other guidelines that direct our profession. We are, as we should be, quite proud of this. We know *how* to do our jobs because we've learned from each other and helped each other.

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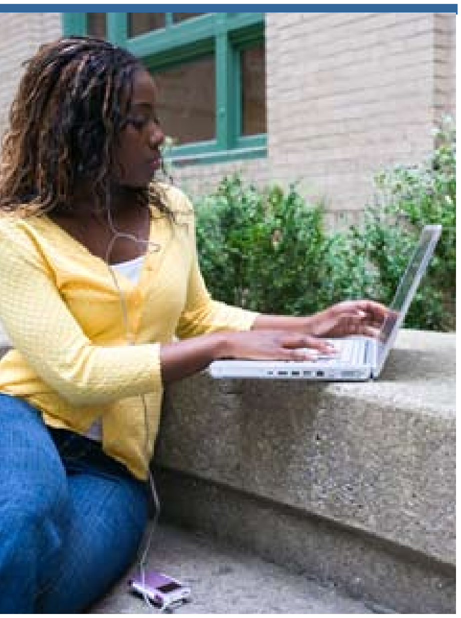
We have an excellent opportunity this year to continue to excel—not only in doing things *correctly*, but in doing the right thing. With this in mind, my overall theme this year is simply "Doing the Right Thing." It is my firm belief that the members of our organization have historically done the right thing. We have the chance now to display our commitment to continue this honorable path with a rededication to an existing high ethical standard.



Thank you for the opportunity to serve this year. I promise to do two things: 1) the right thing; and 2) to call on some of you to help meet the needs of FASFAA. I ask only that if you are asked to serve, that you give serious consideration to doing so because your service is needed. I have never (yet!) regretted volunteering to serve FASFAA; I have only learned and grown much from doing so.

My hope for you is much success and much recognition for all you do in 2007-08.

Sincerely,

Wayne Bodiford
President, 2007-08

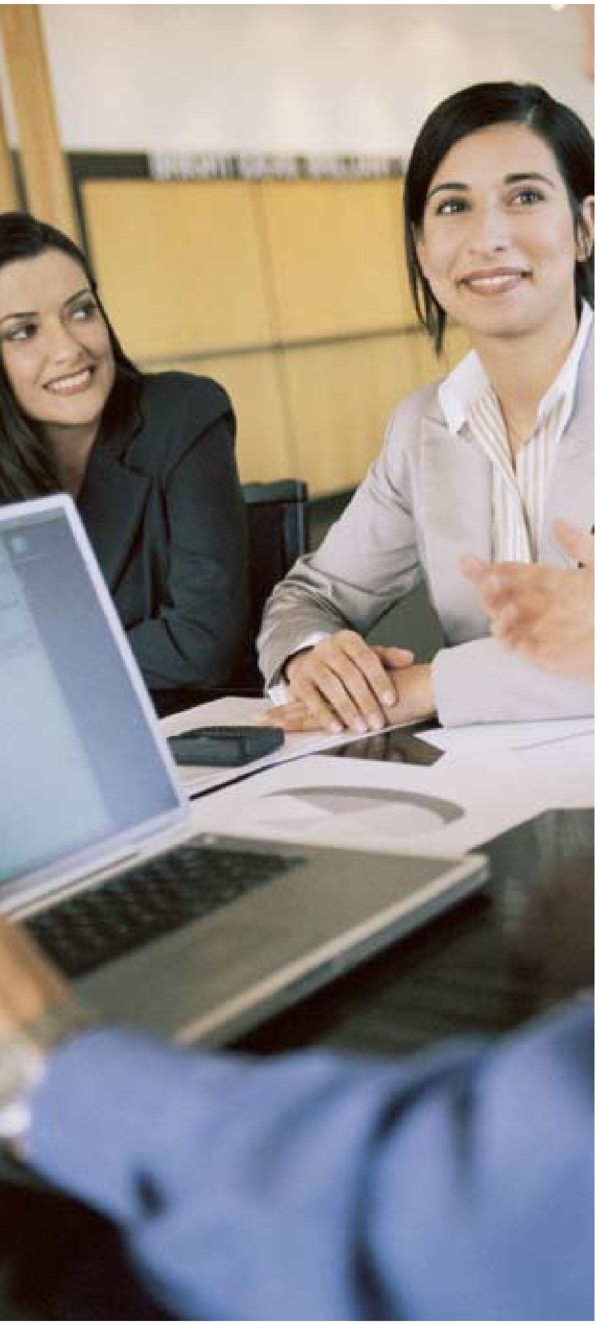
News from NASFAA

Submitted by: Justin Draeger

Yes, It's Still Worth It

Washington, D.C. (June 2007) – With average undergraduate debt levels hovering around $20,000 for a 4-year degree, many have asked if going to college is still worth the years of inevitable student loan debt. The answer, according to new report from the Education Research Center (ERC) is a resounding YES!

The report, **"Diplomas Count: Ready for What? Preparing for College, Careers, and Life After High School"** uses information from the **Occupational Information Network**, or O*NET, a database developed for the **U.S. Department of Labor**, and the **American Community Survey**, conducted by the **U.S. Census Bureau**, to show the strong, positive correlation between earning power and education level.



With politicians throwing around phrases like "student loan mortgage" and "mortgaging our future" in order to paint a doomsday-like picture of current student debt levels, it is important that prospective students aren't scared off from college by the thought of student loan debt.

As a student borrower myself, I would love to be able to finish my graduate degree without any student loan debt. As it happens, I won't, but I'm not complaining! My personal experiences confirm the findings of the ERC report: more education is worth moderate debt levels.

The Occupational Information Network was developed for the U.S. Department of Labor to classify U.S. jobs into one of five categories, or zones. Jobs are placed into each zone depending on worker attributes such as education level, training, and experience needed for that job. According to the ERC, the discrepancies between zones that require high skill and education levels (zone 5 jobs) and those requiring lower education levels (zone 1 jobs) is dramatic. But even more telling are the discrepancies between jobs that require moderate educational training, i.e., some college, and jobs that require no college.

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In job zone 3, where almost 40 percent of jobholders have some college education, the median annual income is a little over $35,000. Compare that to the bottom-end of the zone classifications in job zone 1 where the majority of jobholders have a high school diploma or less and the median annual income is less than $13,000 a year, and it is easy to see that even some college is better than none.

Still, the majority of college graduates are likely to end up in job zones 4 or 5, where the median incomes are around $50,000 and $60,000 respectively. Considering that the average student loan debt is less than the price of most new cars, $20,000 seems to be a reasonable price for an education that may yield $50,000 to $60,000 in annual income, and continue to grow for years into the future.

Labor - Market Mismatches

Higher education levels are especially critical for low-income students who may need to turn to loans in order to meet unmet need. The majority of low-income, minority students tend to live in urban areas where zone 5 jobs are available, according to the report. For example, in Washington D.C. more than 15 percent of all jobs are at zone 5 level, meaning that they require a high level of education, experience, and skills. More than 75 percent of zone 5 jobholders in D.C. have at least a bachelor's degree.

But the report notes that ironically, those zone 5 jobs are almost entirely inaccessible to the D.C.'s public school students, where 40 percent fail to earn even a high school diploma let alone go on to college. This mismatch between the demand for highly skilled and educated workers and the oversupply of low-income, underserved populations in urban areas is not unique to Washington.

Getting the message out that college is vital to the future economic well-being of these students – in spite of some possible college loan debt – should be part of college access initiatives. The report examines state policies in three key areas:

- **College and Work Readiness:** Eleven states define what students should know and be able to do to be prepared for credit-bearing courses in college, and 14 states are working on a definition. Twenty-one states have a definition of work readiness, and 10 are working on one. Approaches to defining readiness fall into four major categories: standards, skills, coursework, and assessments.

- **Advanced Diplomas:** Twenty-four states award advanced diplomas or some type of formal recognition to students who exceed standard high school graduation requirements. But while all of those states award honors for accomplishments in core academic subjects, only eight also provide recognition for accomplishments in a career or technical program.

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- **Exit Exams:** Twenty-two states require exit exams for the class of 2007 and three states—Maryland, Oklahoma, and Washington—plan to do so for future graduating classes. The number of states basing exit exams on standards at the 10th grade level or higher has increased from six in 2002 to 18 in 2007.

Students need to understand that college is still worth the price of moderate levels of student loan debt.

Surely there is work to be done to ensure that college access initiatives help prepare students for the real opportunity of college. But in the financial aid community, as part of our message that students should graduate with as little debt as possible, it is important to ensure that students do not forego postsecondary education entirely for fear of future debt burden. Students need to understand that college is still worth the price of moderate levels of student loan debt. No debt is better than some debt, and while debt-free graduates are a laudable goal, statistically speaking, a future of economic stability is certainly worth $20,000 in student loan debt.

By Justin Draeger, Assistant Director for Communications, NASFAA. Justin may be contacted at DraegerJ@NASFAA.org.

The National Association of Student Financial Aid Administrators (NASFAA) is a nonprofit membership organization that represents more than 13,000 financial aid professionals at nearly 3,000 colleges, universities and career schools across the country. Based in Washington, D.C., NASFAA is the only national association with a primary focus on student aid legislation, regulatory analysis, and training for financial aid administrators. Each year, members help more than 8 million students receive funding for postsecondary education. In addition to its member Web site at www.NASFAA.org, the Association offers a Web site with financial aid information for parents and students at www.StudentAid.org.

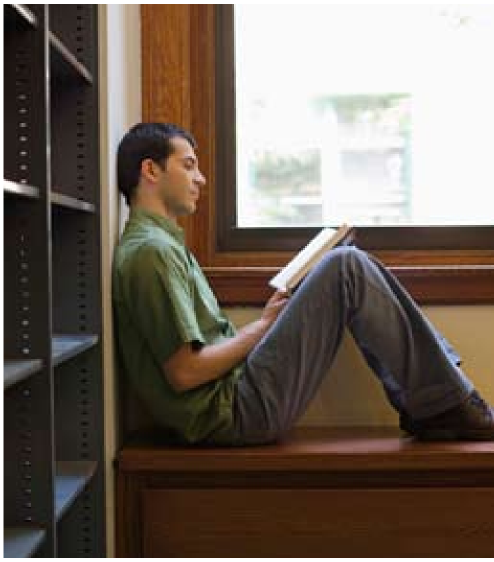
The Legislation You're NOT Hearing About – and How It Could Impact Your Students

Submitted by: Steve Smith, *American Student Assistance*

Whether you think the recent investigations into school and lender relationships are tarnishing the financial aid profession, or whether you believe the rise in accountability and transparency is actually a good thing for the industry, there's one by-product that we can all agree has been a positive: Student loan borrowers' ability to cope with their debt is finally getting the attention it deserves.

It's true that the ***Student Loan Sunshine*** and ***Student Aid Repayment (STAR) Acts***, if passed, could have long-term effects on the types of student loans available and benefits offered. But regardless of how a loan is originated, the end result for the consumer borrower is the same – it's a debt that must be repaid and fit into a monthly budget. And for some borrowers entering the workforce today, facing an average education debt of $20,000, there's a growing concern about the disparity between income levels and monthly payment amounts.

As a nonprofit with a mission of helping students and families manage higher education debt, American Student Assistance® is closely monitoring two pieces of proposed legislation that would directly impact current borrowers' ability to repay their student loans: the ***Student Debt Relief Act***, introduced by Senator Kennedy (D-MA), Chairman of the Senate Health, Education, Labor and Pension Committee, and the ***Student Borrower Bill of Rights***, introduced by Senator Clinton (D-NY). The repayment components of these bills may not be getting the same publicity as the Sunshine and STAR acts, but they have just as much potential to make a difference in borrowers' lives.



Student Debt Relief

While various repayment options exist in the federal loan programs, their effectiveness is limited, especially with the increasing debt burden experienced by students. Most options are based exclusively on the borrower's debt level rather than their ability to pay. This leaves borrowers with high debt and low family income repayment options that lead to negative amortization and increased debt.

As part of the Student Debt Relief Act of 2007 (S. 359), a Fair Payment Assurance program would be created for borrowers with high debt relative to income. This program would defer student loan payments for borrowers earning less than 150 percent of the poverty level for their family size. Borrowers with income above that level would have the option of having federal student loan payments capped at 15 percent of their monthly discretionary income. The government would take care of any unpaid interest that resulted from the lower payments on all subsidized Stafford and Perkins Loans.

Fair Payment Assurance would also forgive student loans after 25 years of steady payment on Stafford, Grad PLUS and Perkins Loans. Parent PLUS Loans could not be forgiven.

Fair Payment Assurance would also address the inequities of the current payment plans in regards to borrowers' family circumstances and available income. Today, a single borrower with no dependents is treated the same as a single borrower with multiple dependents, despite the fact that their monetary obligations are significantly different. Under the proposed new program, family size would be taken into consideration when a borrower's monthly payment amount is determined. According to an analysis of the Student Debt Relief Act by the Project on Student Debt (projectonstudentdebt.org), a nonprofit that works to increase public understanding of student debt's impact on society, a parent with two children would have a significantly lower monthly payment than a single borrower shouldering the same debt level at the same income. Other initiatives under the Student Debt Relief Act include loan forgiveness for public sector work; the much-talked about interest rate cut on subsidized Stafford Loans; and a $1,500 tax credit for interest on student loans.

Many of these ideas for student loan payment reform were actually originally included in the Project on Student Debt's Plan for Fair Loan Payments. In 2006, the Project submitted a formal petition to the Department of Education to make student loan payments more manageable for low-income borrowers. ASA was one of a few FFELP guarantors to join student groups, parent associations and college access providers in signing the petition. ED denied the petition, then agreed to make repayment reform part of Negotiated Rulemaking, but ultimately dropped the topic in the Rulemaking sessions. Now it remains to be seen if the reforms will eventually become reality through passage of the Student Debt Relief Act.

Student Borrower Bill of Rights

Another piece of legislation with the potential to directly impact borrowers' repayment efforts is the Student Borrower Bill of Rights (S. 511). After first presenting the bill last year, Sen. Clinton recently reintroduced this legislation that seeks to, in the Senator's words, "provide student borrowers with basic rights to ensure that loan payments are affordable, allow students to shop for loans in a free marketplace, and give students timely information about their loans."

To make payments more affordable, the bill would set limits on the maximum amount of a monthly student loan payment based on a formula involving the borrower's Adjusted Gross Income (AGI) and the poverty line of the previous year. Additionally, the bill would allow loan forgiveness for borrowers who are terminally or seriously ill (unable to work for 60 months or more). Borrowers who have declared bankruptcy could also discharge their student loans. The Bill of Rights would also prevent student loan interest rates from being "unreasonable and exploitative," as well as reduce the additional fees associated with student loan default.

The Bill of Rights would mandate that student loan lenders report not just delinquent, but also timely payments to credit bureaus. It would also allow FFELP loans to be consolidated multiple times. The original version of the bill included the repeal of the Single Holder Rule for Consolidation Loans, which was already passed last year through the Emergency Supplemental Appropriations Act for Defense 2006.

The bill would also require lenders to report important information to borrowers in a timely manner during every payment period. Among other things, the statement would have to include the original principal amount borrowed, current balance, interest rate, total amount paid so far, monthly payment amount and due date, and lender contact information. Such statements and additional information on their rights and responsibilities would have to be sent to borrowers when they leave school, become delinquent, defaulted, or apply for loan consolidation.

Lastly, the bill would require certain higher education institutions to disclose a number of facts to their student loan borrowers, including the percentage of students who graduated within 150 percent of their expected dates; the percentage of graduates who found employment after six months; the median annual earnings of graduates; and the percentage of students who defaulted on student loans. Under the bill, any college administrator who received incentives to push students into loans would be liable for repaying the loans.

Regardless of whether any or all of these suggestions for repayment reform ever become reality, we can all be glad that the topic of student debt has risen to the forefront of our society's collective conscience.

Authors Note: As of July 11, 2007
The U.S. House of Representatives passed the student loan reconciliation bill, the College Cost Reduction of 2007 (H.R. 2669), which cuts nearly $19 billion dollars in subsidies to lenders and guarantors who participate in the Federal Family Education Loan Program. The House would use the money to increase spending on the Pell Grant and other forms of federal student aid.

Steve Smith is a Regional Account Executive with American Student Assistance, a nonprofit FFELP guarantor.

Credit Smarts for Students

Submitted by: Tasha McDaniel, *Great Lakes Higher Education Guaranty Corporation*

Recent ad campaigns have everyone—including students—thinking about their credit report. Help your students on the path to financial success by guiding them through key factors that make up their credit score and tips on how to improve it. Ensuring that your students understand credit and financial management, makes them more likely to become successful student loan borrowers.

What Matters

Credit bureaus use credit reports to calculate a simplified "credit score." This score represents how well a person has handled credit in the past. It also allows companies to quickly determine how financially responsible someone is. Scores above 650 are typically considered good; scores below 650 make it more difficult or costly to obtain credit. Educate your students by sharing the key factors that make up a credit score.

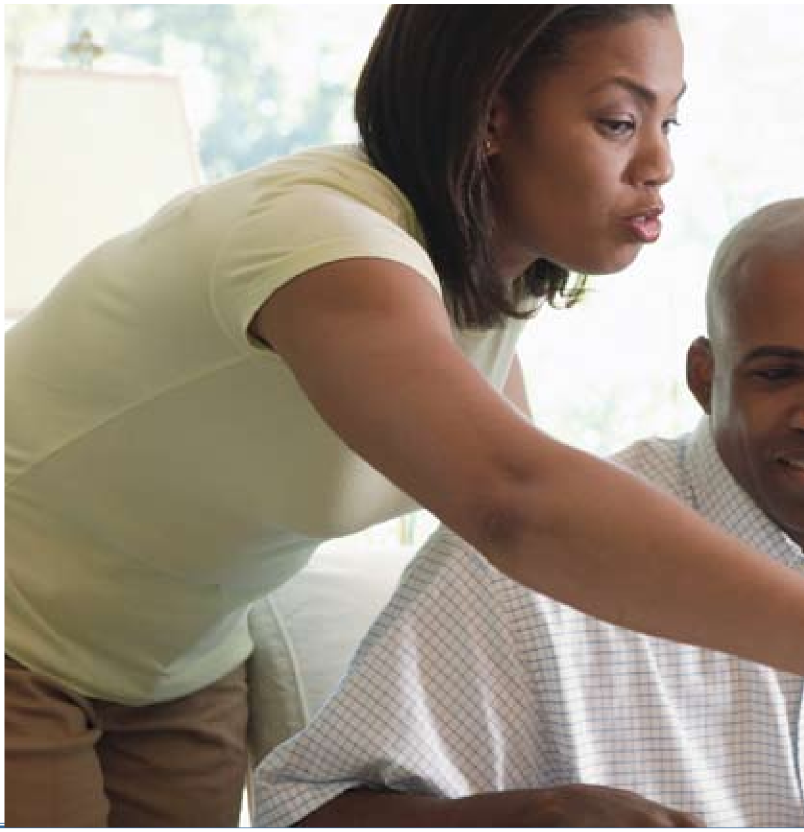
- **Payment History (35%):** Making payments on time is the single most important factor in building and maintaining a high credit score. Late or missed payments make you look less desirable to companies that might otherwise loan you money.

- **Amounts Owed (30%):** Owing a lot of money can hurt your score. When you get close to your credit limit, companies think you'll have trouble making payments. If you must keep a balance on your credit cards, try to keep it low—no more than 30–50% of your available credit limit.

- **Length of Credit History (15%):** If you have a short history of using credit, companies may have a difficult time evaluating whether or not you're a credit risk. Using credit responsibly over a number of years helps you build a good track record.

- **New Credit (10%):** With all of the zero percent introductory offers out there, along with the ability to easily transfer balances from one card to another at low interest rates, it can be tempting to accept every new offer that comes along or to roll existing balances over from one card to another. But opening a lot of new accounts in a short period of time may lead companies to assume that you're likely to overextend yourself—or that you've fallen on hard times. And every new account you open automatically lowers the average age of your accounts overall, which isn't good for your score.

- **Types of Credit Used (10%):** When companies see that you can manage credit responsibly, it generally translates to a higher credit score. A good balance of credit and loans helps you out by showing that you're able to handle multiple lines of credit.



Strengthen Your Credit

The choices people make today shape their credit rating for years to come, so it's vital that their decisions help rather than hurt. If students learn how to use credit cards responsibly and pay their bills on time, it shows that they know how to handle credit.

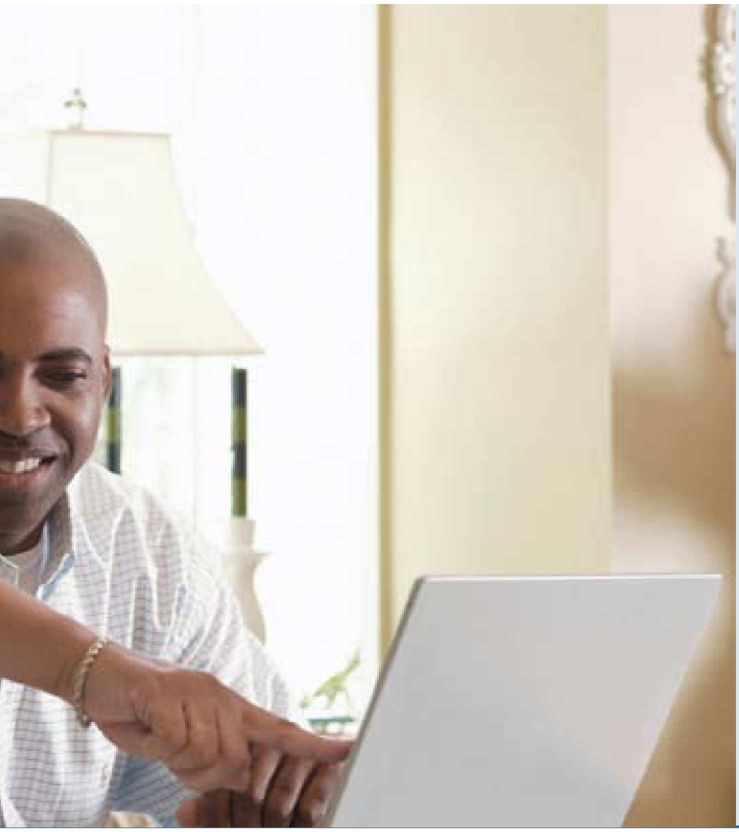
Building good credit takes time and effort, and keeping it that way takes vigilance. There are certain things everyone should do on a regular basis to strengthen their credit. Even if a student's score isn't good right now, there are always steps they can to take to improve it. Share these tips on building and establishing good credit with your students:

- **Make All Payments on Time:** Timely payments are very important to building and keeping good credit. If you're late on a payment, get current as fast as you can. And if you have a good reason for missing a payment (like a health emergency), report it to the credit bureaus so that it will show up on your report.

- **Don't Take Out More Loans than Necessary:** It's always tempting to borrow more money than you really need. But doing that will not only increase the debt you'll have to pay back in the future (plus interest), you may also hurt your credit today.

- **Keep a Low Limit on Your Credit Cards:** Credit card companies often raise your credit limit as a "reward" for being a valuable customer. But if you don't need more credit, ask them not to raise it. Having low limits can help you avoid racking up high balances, which can do serious damage to your credit.

- **Have as Few Credit Cards as Possible:** Resist the urge to sign up for credit cards you don't need, no matter what kind of free gift they're offering. Having a lot of unnecessary cards will hurt your credit—especially if you sign up for multiple cards in a short period of time. You can opt out of all pre-approved credit offers—and cut down on the junk mail—by calling 1-888-5-OPTOUT.



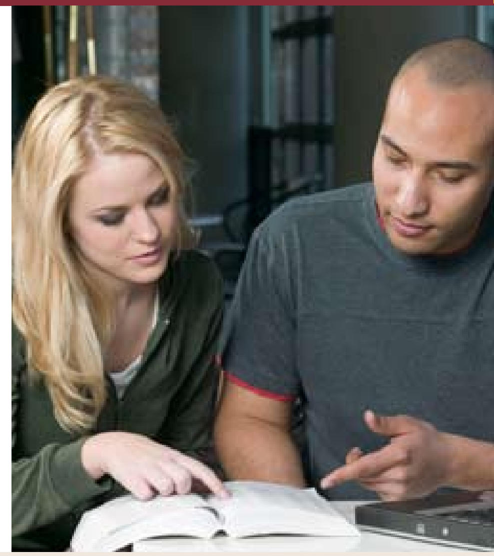
For a more detailed explanation of how credit ratings and credit scores are determined and how to manage credit effectively, visit www.myfico.com.

Excerpted from "I Am Just a Number", a free financial management guide from Great Lakes.

Tasha McDaniel is a training consultant with Great Lakes Higher Education Guaranty Corporation.

Help Borrowers Cut the Cost of Borrowing for College

Submitted by: Scott Tubbs, *USA Funds Services*



From students taking out education loans for the first time, to recent graduates, to borrowers in repayment, education-loan borrowers can benefit from advice about how to reduce their costs of borrowing for college.

Financial-aid administrators can remind borrowers that, effective July 1, 2006, interest rates on new Federal Stafford and Federal PLUS loans are fixed at 6.8 percent and 8.5 percent, respectively.

Borrowers who have Stafford or PLUS loans issued prior to July 1, 2006, should be advised that their interest rate will continue to be variable. The rate will be adjusted annually effective July 1, based on prevailing interest rates on short-term government securities.

The following are cost-cutting items that financial-aid administrators can recommend that their borrowers consider:

- **Reduced loan fees.** Financial-aid administrators can remind borrowers that, effective July 1, 2007, a federal law reduces the maximum origination fee that may be charged Federal Stafford-loan borrowers to 1.5 percent. Some lenders may subsidize all or a portion of this origination fee.

  The same law requires that education-loan guarantors collect a 1-percent Federal Default Fee on all Federal Stafford and PLUS loans that they guarantee. In some cases lenders or guarantors will pay this fee.

- **Borrower benefits.** Some lenders offer interest-saving borrower benefits. Typically, these benefits provide a reduction in the interest rate for borrowers who permit their loan payments to be deducted automatically from their bank account or consistently make on-time loan payments for several years.

- **Student-loan-interest deduction.** Borrowers may qualify to deduct up to $2,500 of the education-loan interest that they paid during the tax year, subject to income limits and other restrictions. Recent tax-law changes enhance this student-loan interest deduction by eliminating the 60-month limit on deductible interest previously in effect and by permitting certain higher-income taxpayers to qualify for at least a partial deduction. Borrowers don't have to itemize deductions to claim the student-loan interest deduction; however, they must file Form 1040 or Form 1040A. Borrowers who are married must file jointly to claim the deduction.

- **Federal interest subsidy.** Students who qualify for subsidized Stafford loans can receive a substantial savings in interest. For an undergraduate student who borrows a total of $10,000 over four years of college, the interest subsidy on a subsidized Stafford loan could produce interest savings of more than $2,000.

Scott Tubbs is a Vice President and Region Executive with USA Funds Services.

Drowning Under an Avalanche of Work?

Organize your financial aid office practice to get more done faster

Submitted by: Doug Savage, *Texas Guaranteed Student Loan Corporation*

Does this sound familiar? You've got a line of students snaking out the office door, the phones are ringing off the hook, and the stack of FAFSAs waiting on your desk for verification are piling up with each passing day. If this is anything like what you've experienced in your financial aid office (FAO), you're not alone.

Even outside peak season, FAOs can find themselves besieged by phone and e-mail, working hard to keep up with the latest changes in federal regulations or the newest department project. To manage the demands on your office, consider changes that build efficiency into processes and give you more control over your schedule. By introducing just a few modifications, you may be surprised at the extra time you have to devote to other priorities like campus enrollment or student outreach.

A streamlining formula

Even the best-run businesses can be improved. Good office managers consider every aspect of operations as an opportunity for making the business stronger. If you're looking for areas to strengthen in your office, think about some of the following suggestions.

- **Design your work space to be efficient for you and your customers:** Plan a space that moves foot traffic logically and efficiently to any available window or front-counter staff. If you have the budget, consider an information kiosk staffed by someone who can answer questions or direct students. Behind the lobby counter, create an area for your staff that gives them easy access to what they use most, e.g., applications and procedures. Set up an archive room or section for outdated files and books; this helps minimize clutter.

- **Automate your processes with technology if you can:** Student applications, loan management, student job placement — these are all areas that can be automated to some degree with the help of software. Even setting up mail merges in your favorite word processor can cut down on the huge volume of correspondence schools handle. Consider buying off-the-shelf software if you have the budget, or look more closely at the capabilities of the software your office currently uses.

- **Manage interruptions:** Sometimes the key to getting things done is to safeguard your time as much as you can. For phone calls, voice mail may be the best answer your customers can expect, at least for a couple of hours. For e-mail, check your messages at designated times and consider turning off any automatic notifications. "E-mail addiction," the compulsion to check e-mail on a constant basis, is running rampant in many offices, according to publications like the *Chronicle of Higher Education*. And if you have too many walk-ins to your office behind-the-counter, offer to meet at another time.

- **Learn to say "no" diplomatically:** If you're overwhelmed with work, you may need to occasionally resort to politely refusing a request. You can offer to help at another time. Or you may be able to bargain for additional time also.

- **Review your processes:** Have a committee from your office team evaluate procedures on an annual basis. You'll be able to tap into your staff's insight about the best ways to get things done. Ask for a report at the end of their evaluation that offers recommendations and provides a blueprint for making more improvements.

To learn more

Industrial engineers analyze the work of plant assembly lines and industrial complexes. Various organizational consultants have been doing something similar for business offices for years. If you're looking for books on improving office practice, read through some of the following suggested titles.

- *First Things First* by Steven Covey
- *Getting Things Done* by David Allen
- *Organizing from the Inside Out* by Julie Morgenstern

Doug Savage is a Regional Account Executive with TG.

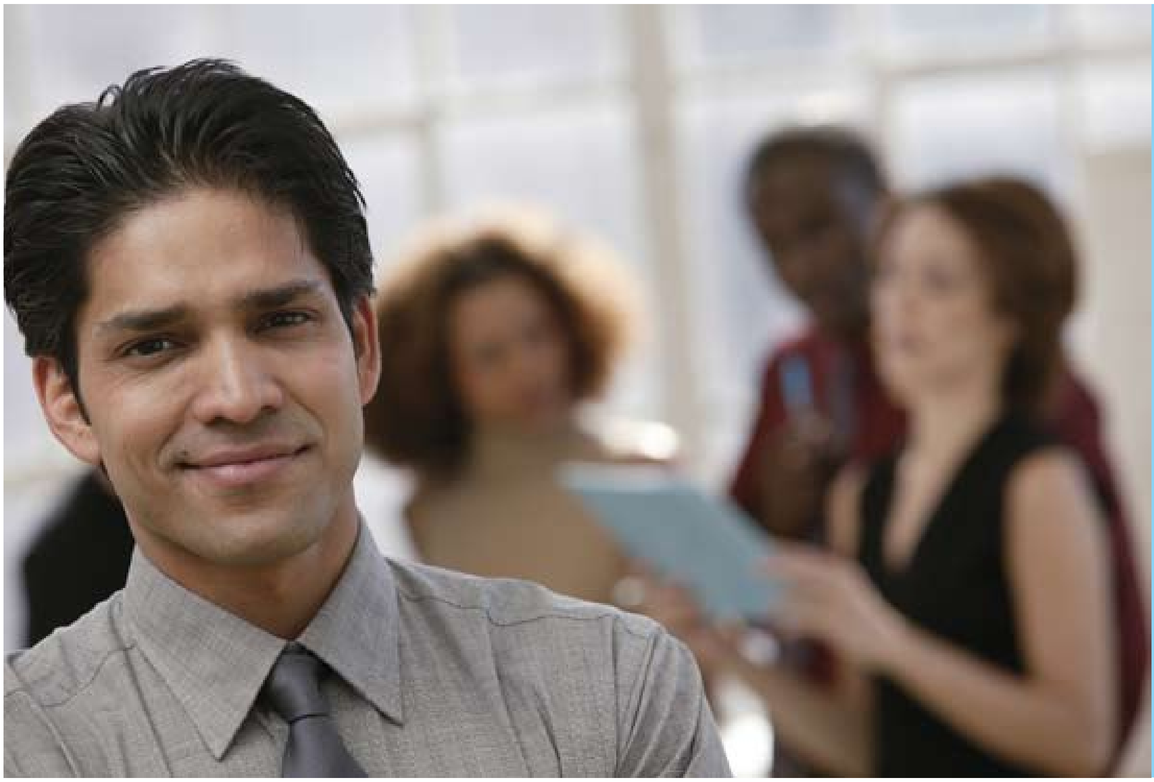
Dancing With Change, Part II

Submitted by: Martie Adler, *American Student Assistance*

Dancing requires either, enough expertise to trust that our body knows and remembers how to move to the music or, being very aware and conscious of how we are moving to the music. **Our level of skill will determine the amount of focus we give to the dance**. The emerging theme here is that as with any new activity, learning to dance with change will become much easier as our skill level and ability increase with practice. And the opportunities for growth will be never ending!

Watching the Dance

As discussed in Part I, if you have taken the time to consciously observe yourself and your reactions to events in your life, you have begun to notice how our beliefs can trigger all sorts of emotional responses, especially when we are confronted with change. **One reader asked whether self-directed change was any easier to deal with.** The answer is not necessarily. Self-directed change can cause an upheaval of emotion in our lives just as often as change directed by others. The difference is that in self-directed change the emotion is often delayed until we've begun planning for the change, whereas in outside directed change, it often rises immediately. In both cases, the emotion may show up as self-doubt, indecision, or anxiety and is often experienced physically (nervous stomach, headaches, etc.) before we are conscious enough to become aware of it mentally.



Remember that you have no control over anything or anyone but your self however, the possibility to influence is certain.

If you have been practicing the art of self-observation discussed in part one, you may or may not have experienced the actual activity of practice as change. If you have been able to simply observe your beliefs without any judgment, you probably have not had much emotion arise from it. If, on the other hand, you became mentally involved with your observation, you probably experienced quite a bit of self-judgment stemming from your beliefs. In either case, we're going to continue our dance with change and take a look at two methods that have helped others in observing and managing their responses to change.

New Dance Routines

We all acquire skill through knowledge and practice, so until we learn different methods and gain expertise through practice, our dance with change usually begins with resistance. We have a "zone" of comfort and complacency that is derived from our beliefs, thoughts, and convictions all designed to keep us from becoming uncomfortable. Feelings begin to arise that we really do not want to deal with—the emotional triggers that change is the catalyst for. People go to great lengths to insure that things do not change. In fact, a great deal of energy is expended in the resistance to change rather than in learning the dance. **We want to believe that we are in control.**

The first routine that can assist us in learning the dance is to realize that **the only control we have is over ourselves and our behavior**—nothing else. We may be able to influence but we actually have no control over anything else (test this one, you'll see the proof). The model is actually one question you can ask yourself when faced with an event or situation. Take a few minutes to observe your response and reaction to the event, and then ask yourself -- **Do I Have Control Over This?** If yes, then you have the opportunity to decide how you are going to react and what action you are going to take. If you truly have control, then you can begin to utilize the practice of seeing where your resistance is coming from. If the answer is no, then let it go. This is the stage where so many of us fall into habitual response……we are not able to let it go. And the longer we stay in resistance the greater the emotion will be. It begins to take on a life of its own and entire stories get created that are based upon emotion rather than fact. It is a common cycle and one that uses a great deal of energy. It seems rather obvious that it would be in our best interest to use that energy toward a positive outcome, dancing rather than resisting.

This brings us to the second dance routine, learning how to move with the music.

Allowing the Music to Move You

Allowing ourselves to be moved by a piece of music requires a letting go, a desire to experience rather than to restrain our expression. How that translates to dancing with change is to **allow ourselves to release the perceived control and look at a situation or event without our triggered emotional responses.** Use of the word allow is deliberate---give yourself the freedom (from emotionally driven responses) to look at a situation as an observer. Separate yourself from the dance, become part of the audience, and see what is really happening.

Begin to realize that **WHAT IS-- IS.** And, **WHAT ISN'T – ISN'T.** A piece of the resistance pattern is that we want something to be different than it is. We either refuse to accept what it is, or we believe it should be something different. In either case, we refuse to acknowledge that in this very moment, the situation is just what it is. It is a waste of time and emotion to wish something was different than it is. Once we can accept the facts of a situation, we can then put our energy into a decision about how we are going to respond to it. We can consciously choose the nature of our response, whether that is acceptance and agreement, or whether it will be an attempt to influence the final outcome. This type of response is much more clear and focused and will give us the freedom of dancing with change rather than resisting it.

Choosing a Partner or Dancing Alone

Practicing the new routines described here will positively modify your response to change. You will regain control over habitual and, often unconscious, responses and deliberately focus your energy and attention on the change. I am often asked if this will work when no one else is responding in this manner, and the answer is yes. Remember that you have no control over anything or anyone but your self however, the possibility to influence is certain. **As others in your work group and team begin to observe your new way of responding, you will become a living model of a different way of interaction with change.** Dancing with Change is relatively easy to bring into an organization or team and we will explore those possibilities in part three. Enjoy the dance!

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Expanded Role of Financial Aid Officers

Means Better Service to Students and Higher ROI for Colleges and Universities

Submitted by: Leonard Gude, *Regent Education*

Financial aid officers at colleges and universities across the country are becoming an increasingly important part of the institutions they serve. It wasn't always that way. I have observed that at many institutions the FAAs work in something of a silo and are excluded from the strategic planning process of the institution. Amazingly, the part of the financial structure of the institution that most directly touches students and families – one that could be a powerful force for success – was operating essentially on its own. With limited tools and only sporadic participation in the strategic planning process, there was a serious disconnect between the financial aid office and the other economic centers of the institution.

New technology becomes a powerful tool for financial aid officers

Hopefully, those days are over or, at least, they are fast coming to a close. The trend today is that, at many institutions, the financial aid office has become a much more important part of the overall financial strategy of the institution in ways that might surprise even veteran aid administrators. FAAs are taking on a higher profile role. One significant reason is that new innovative tools, using the latest technology, now enable the financial aid office to track and report key performance information in real-time. They also – for the first time – allow these metrics to be shared instantly with senior administrators within an institution. These new tools enable greater accuracy, access, speed and accountability.

The effects? Financial aid has become 1) a stronger ***recruitment*** tool that can act more quickly in the application process to attract top students who might otherwise go elsewhere, 2) a more ***service-oriented system*** with technology doing much of the administrative grunt work and enabling financial aid officers to devote more of their time to interacting directly with students and families, 3) a means for ***retention*** of students who would otherwise leave for financial reasons, 4) a ***better fiscal management*** system and 5) a more successful way to handle ***compliance and audits***.

Financial aid plays a bigger role today than ever before. In 1993, $41.9 billion in student aid was awarded, 75% of it in federal funds. Today, that figure has increased to $200 billion with nearly two thirds of students getting some form of assistance. This underscores the important role that financial aid plays in the decision-making process of America's top high school students as they search for the right fit in a college or university. According to the National Center for Education Statistics (NCES), the percentage of students receiving assistance at various types of colleges are:

- Two-Year Public Colleges: 46.8%
- Four-Year Public Colleges and Universities: 68.6%
- Four-Year Private Colleges and Universities: 83.3%
- Private, for Profit (Proprietary) Institutions: 89.9%
- Total (All Institutional Types): 63.2%

Here are five primary ways in which technology has increased the importance of the financial aid officer and how those officers in turn, help their institutions to a far greater extent than ever before:

Recruitment

Research has shown that increasing the number of contacts with prospective students increases the likelihood of their enrolling at your institution. While the admissions office may contact a prospective student three or four times during the decision process, the financial aid office does so even more frequently. The use of technology enables institutions to correspond via mail and electronically with prospective students and parents at home and at multiple email addresses at the same time. Responding quickly has become another important aspect of the admissions process. By automating the application processing and communications processes, the financial aid office increases its efficiency and effectiveness in reaching students early and quickly. Staying in front of the students, at the appropriate intervals, reminds them that the institution is truly interested in them, and ultimately improves the yield for the institution.

Quality Student Service

An important component of success is quality student service. FAAs can make a good impression on students and parents – by being available, responsive, and helpful. Technology is automating many of the rote but necessary administrative chores in the aid office. By automating key processes, such as tracking, packaging, awarding, communicating, reporting, and disbursing of funds, less time entering data and creating reports means that the staff can devote more time interacting (face-to-face and on the phone) with students and their parents.

Retention

Prompt awarding and delivery of funds to students is imperative. For example, if students do not know how much aid that they will receive, they may elect not to register for classes. If they have not received funds necessary to purchase books, pay housing, meal and transportation costs, they may withdraw from classes. This can be costly in several ways. First, the institution loses enrollment funding. Secondly, if the student withdraws before 60% of the term has ended; a portion of federal aid may have to be returned resulting in a receivable for the student. Both the student and the institution lose. Use of current technology enables the FAA to speed up the awarding and aid disbursement processes. Students get their money on time, pay their tuition on time and are less apt to leave.

Sound Fiscal Management

Enrollment optimization is a strategic imperative for every institution. Financial aid plays a key role in the realization of this goal. At many institutions, funding is contingent upon enrollments. If an institution can't process financial aid in a timely manner, it won't be able to maximize enrollment at the beginning of a term. Even if students have a firm promise for tuition deferments, they are uncertain as to whether they will have money for books and their other education-related expenses. Consequently, they may enroll only part time (if at all) as a result -- thus the institution's enrollment and/or FTE count goes down costing the institution money that it would otherwise have received. Also, any delay in receipt of funds for payment of tuition and other institutional charges negatively impacts the cash flow of the institution. Once again, the use of newer technology to speed up the awarding and aid disbursement processes can improve both cash flow and revenue of the institution.

Compliance and Audits

In this day of ever-changing federal regulations, accountability and compliance have gained increasing importance. Major mistakes discovered during financial aid audits could result in institutions having to repay millions of dollars. Insuring that you have the proper security, controls and safeguards embedded in your financial aid management system can help institutions avoid them. These controls significantly reduce the incidence of mistakes, and when they do occur, lessen the negative impact on the institution. The use of modern technology tools breed confidence throughout an institution and have made the role of the financial aid officer more important than ever.

Leonard Gude is Vice President, Financial Aid Solutions with Regent Education.

Mapping Your Future Now Offers Stafford and Grad PLUS Combined Entrance Counseling

Submitted by: Sherry Hildebrand, *MYF*

Mapping Your Future introduces Stafford and Grad PLUS combined entrance counseling Mapping Your Future (MYF) now offers Stafford and Grad PLUS combined entrance as part of Online Student Loan Counseling (OSLC).

The counseling session describes the rights and responsibilities of borrowing both a Stafford (subsidized and unsubsidized) Grad PLUS Loan, defining the differences between the two, when applicable. Current guidance doesn't require borrowers to complete an entrance interview for Grad PLUS Loans; however, some schools might recommend they do so, especially if they have to complete Stafford entrance counseling.

To experience Stafford and Grad PLUS combined entrance counseling from the student perspective, follow these steps:

1. Go to the Mapping Your Future home page at: mapping-your-future.org
2. Mouse over "Student Loan Counseling Interview" on the site menu on the left-hand side of the page
3. Select "Stafford and Grad PLUS Combined Entrance"
4. Choose Texas as your state
5. Select the MYF Demo School

OSLC enables schools and students to meet federal loan counseling requirements conveniently. It also enhances the loan management education of the student by actively involving them in the counseling - making OSLC an important default prevention tool. OSLC can provide busy school staff with an opportunity to spend more time with those students needing assistance in the loan process. It is a free service provided by the guaranty agencies from around the country that sponsor MYF, as well as the Friends that support the web site.

MYF now offers a total of 15 OSLC sessions including Stafford and Grad PLUS combined entrance counseling:

- Stafford entrance (English and Spanish)
- Stafford exit (English and Spanish)
- Perkins entrance
- Perkins exit
- Stafford and Perkins combined entrance
- Stafford and Perkins combined exit
- Nursing entrance
- Nursing exit
- Health Profession entrance
- Health Profession exit
- Grad PLUS entrance
- Grad PLUS exit

If you have an existing OSLC account and would like to add Stafford and Grad PLUS combined entrance counseling to your participation categories, contact Beth Ziehmer at feedback@mapping-your-future.org or (573) 796-3730. If you don't have an OSLC account, complete the school submission form at mapping-your-future.org/fao/signup/ to request participation.