PRESIDENT'S MESSAGE

FASFAA Friends, Members, and Colleagues:

I cannot believe that it has already been six months since I became FASFAA President. I guess it is true what they say, “Time flies when you’re having fun.” I want to sincerely thank you all, from the bottom of my heart, for your votes and continued support this year. I cannot and will not achieve anything without your support. It is my duty, as your President, to ensure that I consistently strive to accomplish the goals of the membership.

I hope and pray that you all made it safely through the fall start. I know that at times you may feel your ability to make a difference is greatly diminished, but remember to celebrate the one. That one student’s life that you change today may influence the lives of many others in years to come. Many teachers, lawyers, doctors, financial aid professionals, and maybe even you had to sit in a financial aid administrator’s office one day. Financial aid is often the deciding factor between a higher education and a life of poverty. No matter how difficult the day may seem, you help make dreams come true. I can assure you that you are important and the world is a better place because of the sacrifices you make for students and their families.

You, my friends and colleagues, are leaders of today, and it is your job to prepare for a better tomorrow. The theme this year: Reshaping Tomorrow’s Leaders, Today is near and dear to my heart. We must be steadfast in our approach to making sure that our offices and our organization are equipped with the training and leadership necessary to remain relevant in the twenty-first Century and beyond. As a membership, we must work together to empower and mentor new members into leadership roles that accentuate their strengths and talents. Preparing leaders for tomorrow will ensure a lasting FASFAA legacy for years to come. Now is the time for you to get involved. Mentor a future FASFAA leader or allow yourself to be a leadership mentee. Be sure to complete the volunteer form and reply to the emails for session proposals/suggestions. We want to make sure that all training is timely and relevant.

Thank you for your continued support. I look forward to seeing you all in St. Augustine, May 19th – May 22nd, at the upcoming conference.

We Appreciate You!
The FASFAA annual conference will be held at the beautiful Renaissance World Golf Village Resort in St. Augustine. For 2015, the conference will take place the week prior to Memorial Day. Our theme is Honoring the Past, Treasuring the Present, Shaping the Future, which builds on the President’s theme, Reshaping Tomorrow’s Leaders, Today.

The goal of our committee is to create both an informative and exciting conference that will benefit all in attendance. We will have representatives from the Department of Education as well as a NASFAA representative joining us. Training will begin on Tuesday morning with pre-conference sessions (still to be determined) followed by the main FASFAA Conference beginning Tuesday afternoon. The conference will conclude on Friday morning where breakfast will be provided. We’ve already begun to plan educational sessions with the intent to meet the needs of all levels of financial aid. Watch for notices regarding our community service project – Florida School for the Deaf & the Blind.

Look for more information in the future, including hotel and registration information, on the FASFAA website and listserv.
The Clock Hour Sector of FASFAA held their annual workshop November 19 – 21, in Ft. Myers with 118 in attendance. Seven SASFAA members attended representing Tennessee, Virginia, and Mississippi.

Stephanie Watson, FASFAA President, welcomed attendees and introduced William (Bill) McCormick, Director of Fort Myers Institute of Technology, who provided an update from the Florida Association for Career and Technical Education (FACTE).

David Bartnicki, Federal Training Officer, US Department of Education, presented the following topics: Clock Hour Basics, Compliance Issues, SAP, Verification 1 – 6, State College Hot topics, R2T4’s, and Ask-a FED session.


Kristen Frias and Chris Hessberger, Special Agents with the US Department of Education, Office of Inspector General, discussed fraud.

FASFAA’s Annual Conference is scheduled for May 19th -22nd at the beautiful Renaissance World Golf Village Resort in St. Augustine. Clock Hour sessions will be offered. This is a great opportunity to learn about new federal regulations, changes in state guidelines, and to network with your friends and colleagues.

I would like to extend a special thank you to the FASFAA Board for their continued support. I thoroughly enjoy serving you as your 2014-15 Clock-Hour Chair.
I made my staff these cups, filled with Hersheys and Kisses. The message attached states: Happy Financial Aid Appreciation Day! I appreciate you more than words can say. Hugs and Kisses! We also took the day to decorate the office for Halloween in between seeing students. Fun day overall. :)

Through the generosity of FASFAA, each host site will be hosting a drawing for a $250 scholarship. These funds are an integral part of facilitating the College Goal Sunday mission of providing assistance to students and families who are applying for financial aid for postsecondary education. In addition to these funds, Florida’s College Goal Sunday’s state coordinators (Lori Auxier and Jan Smith) applied for and received a $24,000 grant from USA Funds to cover a portion of the administrative costs of College Goal Sunday.

But, we still need your help! As FASFAA members, you possess a world of financial aid expertise that many of our host sites would love to have available for their students and families. Consider volunteering at a site near you and let them know that you are affiliated with a financial aid office at a nearby institution. We are in great need of volunteers with your knowledge base! Registration is located at www.tinyurl.com/CGSFL-Volunteers.

If you have any questions, or need further information, please do not hesitate to contact me at 561-389-6346. ☝️

In partnership with FASFAA, OSFA is pleased to announce that we have 59 host sites for College Goal events in 2015. These host sites represent 30 counties and provide more coverage for our students in Florida. Many of our host site coordinators are brand new to the cause and we are excited to have them on board! To view the locations in a county near you, please visit www.tinyurl.com/CGSFL-Locations.
How many times have you walked a student to your office only to find out that their concerns were not directly related to financial aid? How do you respond? Do you help them? Do you send them to another office?

The financial aid professionals I know always, always help students in need. Do you often feel you should have several hats and a few more letters behind your name? I know I do! We need couches and boxes of tissues for counseling sessions, patents for our personal navigation endeavors, pom-poms for our cheerleading sessions, and a few more rooms in our homes for the amount of children we parent on a daily basis.

Although we frequently encounter challenges, changing regulations, demanding students and parents, and piecemeal attempts at departmental collaboration, having a career as a financial aid administrator has always been rewarding. We have the pleasure of working and networking with the most compassionate, knowledgeable, and caring individuals.

The job we do cannot and should not be taken lightly; WE MAKE A DIFFERENCE. You may have been accidentally hired into financial aid like many, or promoted from work-study to life-study, but however you arrived, we are glad to have you here. Sit back and think of the number of goals you have been instrumental in helping students and their families attain. We are more than professionals; we are servant leaders. We provide requisite training for our profession and we advocate for our students. WE MAKE A DIFFERENCE.

We may not get paid millions of dollars, but we receive an abundance of gratitude and smiles. If getting rich was a life objective, financial aid would not be our chosen profession. We are here because we genuinely love what we do and it shows in our state and regional associations. WE MAKE A DIFFERENCE.

As we switch hats throughout the day between being financial aid professionals, counselors, cheerleaders, therapists, and possibly more, life is easier when you recognize that you have colleagues to lean on who may experience the same hardships, challenges, and life-changing rewards.

WE DO MAKE A DIFFERENCE in the everyday lives of students! The reward of the accomplishments of students provides us each with additional compensation. While this compensation may not be monetary, it is fulfilling in many other ways. The power of networking and collaboration comes to life each time I call one of my friends in financial aid with the certainty that at the end of the conversation, I will feel less overwhelmed. Remember when you are working tirelessly, your SASFAA, VASFAA, and FASFAA families are here supporting you and working diligently as well and are more than happy to talk you through your day.

At the next in-person professional development event make sure you speak with someone you have not met before and exchange information. One day you will think to yourself, “Wow, I met this person at a conference, and I bet they will have the answer to this!” You may find yourself speaking to that same individual periodically throughout the year.

Be all that you can and gather as many resources as you can to continue to MAKE A DIFFERENCE!
The financial aid office at The University of Tampa recently held its annual planning day. It was held at BCYC, a more relaxed off-site location. We had a full agenda for the day including a review of the annual audit, goals & objectives of the coming year, and we went over procedures for completing budget adjustments, study abroad consortium agreements, the delivery of good customer service and awarding miscellaneous scholarships. We went around the table and each staff member had the opportunity to discuss any additional items. It was a great way for information to be delivered and a day of positive team building. Four of us went for a sunset sail before driving home. UT has an AWESOME financial aid team! 🌅
The Office of Student Financial Assistance (OSFA) hopes that your holiday season was restful. We are off to a new year of financial aid. The 2015-16 Florida Financial Aid Application got off to a rousing start with 3,477 applications for the Florida Bright Futures Scholarship, José Martí Scholarship Challenge Grant, Rosewood Family Scholarship, and Scholarships for Children and Spouses of Deceased or Disabled Veterans. This is a 69 percent increase over last year’s opening day applications.

OSFA has been posting eligibility notifications and other reminders to students’ online Financial Aid History screens. This year, in addition to posting all student correspondence, we are also sending reminder e-mails to alert students to any changes to their history screen, such as a new notification or a Social Security Number change. We hope that this additional alert will assist students in keeping on top of their state financial aid award activities.

Don’t forget to mark your calendars for the College Goal Sunday event, being held the weekend of February 21-22. Once again, OSFA is hosting sites throughout Florida. Last year, we hosted 44 sites; this year, we have grown to 59 sites. We still have a lot of room for volunteers. Fill out the volunteer form, available on the website, and share your wealth of information with Florida’s young people. If you have any question about College Goal Sunday events, you can contact any of OSFA’s Outreach Representatives.

The 2015 Florida Legislative session begins March 3 and OSFA has already begun tracking legislative action relating to higher education financial aid. Follow the bills on Online Sunshine and watch for memos from OSFA.
I recently read a book, titled “The Butterfly Effect—Everything You Do Matters” written by Andy Andrews. Reading this book reminded me that although we may never see the outcome of what we do in our lifetime, we do make a difference! Just like people who we may or may not know, have made a difference in our lives. In 1963 Edward Lorenz presented a hypothesis to the New York Academy of Science. His theory, simply stated, “A butterfly could flap its wings and set molecules of air in motion, which would move other molecules of air, in turn moving more molecules of air—eventually capable of starting a hurricane on the other side of the planet.” This theory is now a law called The Law of Sensitive Dependence Upon Initial Conditions. The butterfly effect engages with the first movement with any form of matter including people, so anything we do has an effect somewhere.

Looking back I can see that many people have made a difference in my life and also my children’s lives. I grew up in a very poor family. Neither of my parents had a college degree nor had anyone from previous generations attended college. I had a dream to attend college and took college preparatory classes to pursue that dream. When I was 13 years old my mother abandoned the family. At the age of 16 my dad died and I figured that was the end of my dream. When I graduated from high school I went to work in various low paying jobs. My sister was very worried about what was going to happen to me. She met a financial aid officer from a local community college at a party and started talking to him about what could be done to help me. He assisted my sister, on his own time, with all the necessary paperwork to get me accepted into college, receive financial aid and social security. I was the first person in my family to earn a college degree and now with my 2 children and 12 nieces and nephews only 3 have not attended college. Out of these 14 children, 2 have their doctorates, 3 have their masters, the rest bachelor’s degrees and none of them have had to experience the poverty that my family endured. My sister along with the financial aid officer who I never met, made a difference in my life, which in turn has made a difference in my children’s lives. This is a perfect example of the butterfly effect.

While employed at USF, I had the opportunity to see the difference I had made with a couple of students who I assisted with financing their education. I was being introduced to do a presentation at a local grade school, when two of the teachers stood up and said, if it wasn’t for her I would not be here teaching today. I almost started to cry. We rarely even receive a thank you for what we do, let alone see the effect we have made on someone else’s life. Just know that for every single student who walks across that stage at your school, you have played a role in making that happen. What you do matters.
Dear Members & Friends:

I know each of you have been very busy these past few months with fall registration. As financial aid professionals, we somehow find that energy within each of us to keep going to ensure that all students and their families receive their financial aid in a timely manner. We all have achieved that goal, and are now beginning to see a light at the end of the tunnel.

As SASFAA’s theme for the year: “Uncovering our Purpose, Power, & Passion,” we know the Purpose of our profession; to ensure that students and their families receive funding in order to achieve their goals and dreams. We have the Power; the Power to change so many lives each day, by advocating for our students to ensure that funding continues. We also have the Passion; Passion to listen to each of our students and to address their needs and concerns.

Your SASFAA 2014-15 Executive Board has also been busy addressing the needs of our members. We held our first meeting in July in Memphis, TN—the site of our 2015 Annual Conference, and our November meeting was held in Fort Lauderdale, Fl. I encourage you to please feel free to contact me at nbasford@fsu.edu with any concerns or issues you would like the board to address this year. We are here for you and we want to ensure that we are addressing your needs.

As you all know SASFAA is all about training.

We are very excited to offer our Leadership Symposium workshop November 20-22 in Birmingham, Alabama. Your SASFAA VP of training, Marian Dill, has worked very hard to ensure that those attending will leave with excitement and dedication to become future leaders within their profession. Please continue to check out our website for updates on this opportunity at www.sasfaa.org.

And of course there is our Summer New Aid Officer Workshop, please be on the lookout for more information on this as location and dates are set.

Your Immediate Past President, Zita Barree,
sent out an email earlier this year seeking nominations for the following positions for our up-coming elections in February. I am very pleased to announce the following submissions:

*Treasurer:* Jenelle Handcox / University of North Carolina at Pembroke

*Paul Mittelhammer / Inceptia, GA.*

*Vice President:* Felicia Alister/ Georgia Perimeter College

*Michael Morgan / Rhodes College, TN.*

*President-elect:* Marian Dill / Lee University, TN.

*Sharon Oliver / North Carolina Central University*

It is great to have these folks be nominated and willing to step up and become a part of SASFAA’s history and future.

Nominations for recipients for our SASFAA Awards have been received and approved by your executive board, and the recipients will be announced at our annual conference February in Memphis, TN.

Your conference chair, Chris Tolson, along with the entire conference committee is working to ensure that there are great sessions for all attending the conference. Registration is open, so please visit the conference site at [www.sasfaa.org](http://www.sasfaa.org).

I hope to see many of you there!

We are very fortunate to have the following individuals from Florida serving on committees this year:

- Allison Beaver/Keiser University/ Conference Committee
- Bill Spiers/Tallahassee Community College/ Long Range Planning
- Wendi Owens/University of Miami School of Law/ Membership
- Vanessa Whitley/Florida A&M University/ Membership
- Audrey Williams/Lake-Sumter State College/ Membership
- Brenda Brown/University of Miami School of Law/ Professional Development

We are here for you and we want to ensure that we are addressing your needs.”

Of the six candidates above, we have three (3) from four-year public institutions, two (2) from four-year private institutions and one (1) from a resource partner company. Four (4) are African American, two (2) are Caucasian. Four (4) are females, and two (2) are males. Four of the nine states will be represented on the ballot.
AN UPDATE FROM OUR SASFAA PRESIDENT
(CONTINUED FROM PAGE 9)

- Donna Kolb/ University of Florida/ Legislative Relations
- Joan Bailey/St. Petersburg College/ Chair Global Issues
- Jeff Daniels/PNC Bank/ Global Issues
- Francisco Valines/Florida International University/ Global Issues
- Maureen Anderson/ Sante Fe College/ Site Selection
- Wayne Kruger/ FASFAA Immediate Past-president St. Petersburg College/ Nominations & Elections
- Billie Jo Hamilton/ University of South Florida/ GAP Committee

Your current State President, Stephanie Watson has done a fantastic job representing your great state by serving on the executive board. Her dedication and commitment to her state association as well as to SASFAA is much appreciated, and I thank you FASFAA for supporting her. As you can see, we are off to a great start! We are here to serve you!

As your current SASFAA President, I have the opportunity to visit state conferences throughout the year. In looking at the schedule of state conferences for 2014-15, there are several conferences that overlap or occur at the same time. For years we have tried to work to ensure that this does not happen; however, due to each state having obligations based on hotel contracts and other reasons beyond one’s control we continue to find conference conflict. With that being said, we all understand that it is impossible for the current president to visit each state conference.

In the past years we have worked with having the President-elect, Immediate Past-President, and the current President working together to ensure that someone would be able to visit each state conference to provide a SASFAA update, and if possible, present a session. We appreciate the invitations from each state to attend as well as given the opportunity to provide a SASFAA Update. The hospitality from each state is always welcoming.

Zita Barree, our Immediate Past-president, will be attending your annual conference this coming May. Zita was unable to attend last year due to a family emergency. I feel that she should have the opportunity to attend the FASFAA conference this year and provide the SASFAA update and who knows, maybe present a session. I am sure that you will give Zita a very warm welcome, and I will be thinking of each of you during those days. I appreciate FASFAA supporting me, and value the time I was able to serve as your servant leader.

Thank you for your support and dedication to FASFAA as well as to SASFAA. As we head into the months ahead, I wish each of you the very best. Keeping our theme in our minds will hopefully help each of us to continue to make a difference.
THREE KEY COMPONENTS OF A SAP POLICY

SUBMITTED BY PAUL BURKE
VICE PRESIDENT, FINANCIAL AID TV

Knowing that federal regulations require that each school review each student’s Satisfactory Academic Progress (SAP) in order to continue to receive federal student aid, it’s essential to ensure that your school’s policy meets their standards. Every school’s SAP policy must include these three key components:

1. A qualitative measurement component, such as a grade point average (GPA)

2. A maximum timeframe of program completion

3. A quantitative measurement component, referred to as the student’s pace rate

Each component measures success in reaching students’ goals of program completion. The qualitative may be the same for all students (i.e., at least 2.0 GPA) or may be different by grade level or program (i.e., at least a 1.75 GPA for first and second year students, and 2.25 GPA for third and fourth year students).

The maximum timeframe of program completion works hand in hand with the pace rate, a quantitative component. For undergraduate and clock-hour programs, students must complete their academic programs within 150% of the published program length. For graduate programs, schools must establish a maximum timeframe.

To measure the maximum timeframe, schools use the maximum timeframe to assess the cumulative number of credits/hours/units earned by the cumulative number of credits/hours/units attempted. Similar to the qualitative component, some schools publish a fixed pace rate as a percentage for all students (i.e., 67%) whereas others may differentiate by year in school or degree (i.e., 65% for first and second year students and 70% for third year students and beyond).

Since SAP compliance is consistently in the top ten audit and program review findings, check out your school’s policy to ensure that you define these three standards.
You have your school’s official cohort default rate for 2011. Now let’s look to the future and see how your default prevention efforts are faring with your existing cohorts of student-borrowers.

Consider your answers to these six questions. Those answers will help you gauge your future cohort default rates — and adjust your default prevention efforts accordingly.

1. Where are you getting your portfolio information?

Use reports from the National Student Loan Data System and servicers to get information regarding your active cohort periods. Delinquency reports received directly from servicers offer the most recent data. Review the reports to determine who’s in the cohort and whether their repayment status is current, delinquent or defaulted.

2. What is your current default rate goal?

Aim for a rate that’s at least in line with or below that of your peer institutions and the national average.

3. How many borrowers in your 2013 portfolio have defaulted?

If you know your current default rate, then you’ll have a better idea how close you are to your goal.

Say, for example, your 2013 cohort default rate goal is 10 percent. Your 2013 cohort has 200 borrowers. You see that 10 of those borrowers currently are in default, which means that the current cohort default rate is 5 percent. So now you know that 10 or fewer borrowers can default by the end of the cohort default rate period to achieve your 10 percent goal.

4. How many more borrowers are likely to default based on current data?

The number of borrowers who currently have defaulted represents your “best-case” default rate and assumes no additional borrowers will default. Now determine how many borrowers currently are delinquent. If there were no intervention for these delinquent borrowers, they could default — and that number plus the number of defaulted borrowers represents your “worst-case” default rate.

Let’s look at another example with our 2013 cohort of 200 borrowers. Ten borrowers have defaulted, and another 30 currently are delinquent. That makes your “best-case” default rate 5 percent.
To determine your “worst-case” default rate, add the 10 defaulted borrowers to the 30 delinquent borrowers — which would represent a default rate of 20 percent.

You also could determine the average number of borrowers who are defaulting each month. This step allows you to project what your cohort default rate would be if that trend continues.

Here’s another example. Ten borrowers from your cohort of 200 borrowers currently have defaulted. If you are averaging one defaulted borrower per month, and there are 12 months remaining in the cohort default rate period, then you are likely to have 12 more defaulted borrowers. That would bring your total number of borrowers at the end of the cohort default rate period to 22 — which translates to a default rate of 11 percent, slightly higher than your 10 percent goal.

5. Which borrowers are likely to default?

Determine the characteristics of the borrowers who already have defaulted to help identify borrowers who are at risk of defaulting in the future. Understanding who’s most likely to default helps you focus on those who are likely to need the most repayment help.

6. What percentage of the 2013 portfolio currently is delinquent?

Delinquent borrowers are a target audience for borrower outreach. And the lower the percentage of delinquent borrowers, the better the borrowers in the portfolio are performing in successfully repaying their loans.

You already may have determined how many borrowers are delinquent as you were figuring your projected cohort default rate. The percentage of the cohort that these delinquent borrowers represent is a good indicator of how your portfolio is performing. A delinquency percentage of greater than 50 percent would put your portfolio at high risk of exceeding a 30 percent default rate.

If your 2013 portfolio of 200 borrowers currently has 80 who are delinquent, for example, that means your current delinquency rate for the cohort is 40 percent.

Analyzing your cohort data helps you set expectations, identify trends, develop goals, inform future default prevention efforts — and, most importantly, establish the best ways to keep students on the path to successful repayment.

Visit the USA Funds® website at www.usa-funds.org if you need assistance with cohort management, borrower outreach, and financial literacy and student success training.
Most higher education professionals would agree that transparency is important in all aspects of higher education but even more so financial literacy in Student Financial Aid. Congress has passed H.R. 4984: The Empowering Students Through Enhanced Financial Counseling Act to address this issue. The bill was passed by the Committee on Education and the Workforce and has bipartisan support. Although it is not, or may not become law, financial aid administrators should be cognizant of this bill and ensure that their institutions are providing students with effective and financial aid counseling from matriculation to graduation.

According to the Fact Sheet, the purpose of the act is to provide students and parents with the necessary resources and information concerning the student financial aid process. This much needed financial literacy should help college ready students make smart decisions concerning their options to pay for a postsecondary education. The goal is to also educate families on the benefits of and responsibilities concerning student loans. A report from June 2010 indicates that the total student loan debt has surpassed credit card consumer debt (Kantrowitz, 2010). Please see a summary of the bill's stipulations:

Ensures borrowers, both students and parents, who participate in the federal loan program receive interactive counseling each year that reflects their individual borrowing situation.

Provides awareness about the financial obligations students and parents are accumulating by requiring borrowers to consent each year before receiving federal student loans.

Informs low-income students about the terms and conditions of the Pell Grant program through annual counseling that will be provided to all grant recipients.

Directs the secretary of education to maintain and disseminate a consumer-tested, online counseling tool institutions can use to provide annual loan counseling, exit counseling, and annual Pell Grant counseling.
If you’ve ever moved to a new city, traveled abroad, or just switched departments on campus, you’ve probably experienced some degree of culture shock, some disorientation in the face of what’s new or different. Most people adjust, but some folks may feel that sense of strangeness last, even turn into discontent or alienation. You’re likely to find such a group on your campus — first-generation students.

According to the National Center for Education Statistics, first-gens make up about a third or more of incoming freshmen each year, a number that will grow over the next few decades. Many first-gens come from low-income, minority families, and many struggle to feel at home the moment they set foot on campus. Their culture shock — based oftentimes on differences in race, social background, and income level — can last for months and even prove fatal to their pursuit of a degree or certificate. Dropout rates for first-gen students can be triple that of other student groups.

What makes the road to graduation tougher for first-gens? Studies show that many come to college unprepared academically, face steep financial hurdles to pay for college, and receive little psychological support from parents who by and large do not see the value of a college degree versus going to work immediately out of high school. On top of this, first-gens often don’t tap into the academic services and campus groups that help many students transition from high school to college.

To get more first-gens to the graduation finish line, many schools are reaching out with a support system of sorts. Generally, these initiatives are designed to boost academic skills and strengthen the bond between student and school. If your campus is considering how best to serve first-gens, consider the initiatives of peer institutions, some of which are described below.

1. Make allies of the parents — The parents of first-gen students can be one of your greatest sources of student support, but getting them on your side may be a challenge. First-gen parents may resent time spent on an activity that doesn’t contribute directly to family income. To turn them into college advocates, you’ll need to demystify the admissions and financial aid processes. You’ll also need to make clear that college is an investment which should pay off right after graduation with a long-term benefit — higher income over a lifetime. To get your message across, meet with parents as often as you can. Hold college fairs at high schools with large first-gen populations and talk with parents directly. Invite first-gen parents to an orientation modeled on freshmen orientation. You should make clear what college life will be like and how they can help make that a successful experience for their dependent. You could invite them back during the semester to make sure they see the value of college and play a role in keeping their child on track.
FIVE WAYS TO HELP
(CONTINUED)

track to a degree or certificate.

2. Start a buddy system — Once they’re on campus, pair up your first-gens with senior classmen who are also first-gens. Mentors with the same background can offer insight on how to handle college life as well as empathy drawn from the same well of experience. Research shows that students who drop out do so in the first year on campus and often because they don’t feel connected to campus life. Mentors can help ensure that connection as well as answer questions on basic things like managing coursework and keeping a good school work-life balance.

3. Get them college-ready — More colleges use “bridge programs” to acclimate students to academic work and living on campus. Often offered in the summer, these classes introduce students to college coursework, outline effective study habits, and even provide a primer on managing personal finances. More colleges are also turning to developmental coursework, classes designed to bring a student’s academic skills up to college level. Consider offering your first-gens tutoring services that can supplement these initiatives, especially in subjects like math and English. Also, make financial literacy training part of the standard curriculum for students, and target first-gens for special help in this area, given the financial barriers many first-gens face.

4. Build a campus support network — A sense of community can be vital to young adults away from home for the first time. Organize a campus group just for students first in their family to go to college. At the same time, promote other social groups that can provide first-gens an opportunity to meet people with a similar background and interests. A rich campus life for first-gens will reduce culture shock and provide a stronger connection with the school, which will translate into higher degree completion rates.

5. Target aid just for first-gens — Reduce the financial burden on first-generation students and you’ve gone a good way toward keeping them in school. You also reduce the worry of first-generation families, who often see cost as a reason not to pursue a higher education. A good proportion of first-generation students may work as well as go to school, and they may have dependents of their own to support. A financial break will help them handle some of these challenges and keep them focused on coursework.

Enhancing your first-gen initiative
If you’re looking to expand your first-gen efforts, you’ll find inspiration in the work of colleges and universities across the U.S. Talk to colleagues at association conferences and attend conference events that focus on first-generation student topics. You could also go online to learn how the latest research is shaping first-gen college outreach and support.
The arenas of rock and roll and leadership are strikingly similar. Leadership is leadership whether you are trying to create great performances on stage or inspire them from your work team. Many of the practices that enable musicians to be successful translate well in the fields of business and academic leadership.

When I began developing the ten principles presented in the Rock ‘n’ Roll Leadership model, this one resonated with me the most: It’s okay to have a ballad in your set list. This principle speaks to the softer side of leadership — traits like empathy, compassion, emotional connection. While we may not use each of these traits every day in our capacity as leaders in the workplace, they form a vital part of leadership effectiveness nonetheless.

By comparison, rock bands have experienced some of their greatest successes in composing ballads that showcase a different side of the group’s talents (like “Beth” for KISS or “Stairway to Heaven” for Led Zeppelin). The key is not to write a ballad for the purpose of scoring a commercial hit, but to express something genuine and heartfelt from the composer or songwriter.

The best ballads are often autobiographical, expressing something personal that the musician feels compelled to put into words and music. Ballads are vulnerability exemplified, and the result is often a connection between the band and its fans. I can tell you from my experiences in several bands as well as from researching others that ballads are not usually band favorites — they are often seen as soft and not much fun to play. Rock bands quite frankly prefer to rock.

But ballads are often among fans’ favorites. And in the music world, you quickly learn to give the fans what they want.

Similarly, when leaders express these traits — empathy, compassion, emotional connection, and other traits associated with emotional intelligence — they connect with those they are leading by creating more trusting relationships. This seemingly “soft stuff” is often the hard stuff for leaders to embrace and to execute. Leaders would do well to heed the advice of that great poet and sage Maya Angelou, who said that “People will forget what you said, will forget what you did, but will never forget how you made them feel.” When leaders lack emotional intelligence, when they don’t have a ballad to pull from their set list, the whole team suffers.

Music can have a powerful effect on our emotions. We all have certain songs that we connect with, that remind us of different stages in our lives. When we hear them we are transported back to a moment when that song held special meaning for us — a first date, our college years, the song we danced to at our senior prom or even our wedding.

Wouldn’t it be cool if we could have those kinds of positive emotional connections with our leaders? To have a leader’s passion or compassion inspire us to do our best work or to overcome a seemingly insurmountable challenge? How rockin’ would that be for both leaders and followers?

It’s okay to have a ballad in your set list — at times, it is essential to your effectiveness as a leader.
BEWARE OF THE QUICK FIX: WHAT YOUR STUDENTS NEED TO KNOW ABOUT STUDENT LOAN DEBT RELIEF

SUBMITTED BY AMY GERBER
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As student loan debt levels continue to rise, some struggling student loan borrowers are seeking out relief through the "student loan debt relief industry," an offshoot of the debt settlement industry. The student debt relief industry poses a real danger to some of the most vulnerable borrowers. The best way to protect borrowers is to provide them with information about their student loans and student loan brokers.

- Student loan brokers attract some of the most vulnerable student loan borrowers.
- Students who have completed less than 2 years of schooling, and who have dropped out.
- Students who have little to no contact with their schools or student loan servicers, and are therefore unaware of the repayment options available to them.
- Some student loan brokers use the following tactics to appeal to borrowers.
- Some charge borrowers high upfront or recurring fees for programs otherwise offered for free through the U.S. Department of Education (ED).
- Some use lead-generation firms to find and get personal information about vulnerable borrowers.
- Some claim to be affiliated with the United States Government or ED servicers.
- Some advertise loan forgiveness programs that do not exist.
- Some offer the same solution—consolidation—to borrowers irrespective of whether consolidation is in borrowers’ best interest.

What Your Students Need to Know

The best way to protect borrowers is to inform them so they do not fall prey to misrepresentations or false hopes, and are able to make informed decisions about student loan brokers. Here are a few things you can share with your student loan borrowers to keep them protected and on the path to successful student loan repayment.

 Myth:
I have to pay a fee to consolidate my student loans.
BEWARE OF THE QUICK FIX
(CONTINUED)

**Truth:** Remember—you never have to pay to get help with your student loans. You can always get information about your student loans, including additional information on federal student loan consolidation, from your servicer, or at studentloans.gov.

**Myth:** Consolidation is the only option I have to reduce my monthly student loan payment.

**Truth:** While student loan consolidation may be a beneficial option, it’s not the only option. Federal student loans allow you to lower the payment amount, postpone your payments, or sometimes even have your loans forgiven depending on your life circumstances. And again—these options are all available to you free of charge. In addition to contacting your servicer for assistance, you can also visit studentloans.gov for information on loan consolidation, requirements for loan forgiveness, and helpful information on picking the repayment plan that best fits your situation.

**Myth:** There are student loan forgiveness programs, with names like “the Obama Forgiveness Program,” that aren’t on ED’s website and that my servicer hasn’t told me about.

**Truth:** Some student loan brokers use sophisticated marketing tactics, such as advertising enticing student loan debt relief offers that appear to be United States Government-affiliated, to attract potential customers. While it’s true the federal government may forgive part, or all, of your federal student loans under special circumstances (e.g., for teachers whose schools serve low-income communities, in cases of total and permanent disability, etc.), not everyone qualifies for loan forgiveness. As always, these programs are available free of charge. Your servicer is your best resource to find out what student loan forgiveness programs are available. Contact your servicer to find out which ones you may qualify for.

**Myth:** Great Lakes contacted me, requesting personal information and/or offering services for a price.

**Truth:** The Great Lakes you trust and work with—’your’ Great Lakes—will never ask you to pay to get help with your student loans. If you’re contacted by a company with a similar name and website asking you to pay a fee, you should know they are NOT affiliated with our company. If you’re ever unsure of whether you’re dealing with Great Lakes or an imposter, you can always contact us.

We’re here to help you!

Amy Gerber is a Senior Marketing Associate with Great Lakes, serving schools in Florida. You can reach Amy at 1-877-684-9260, or by email at aegerber@glbec.org. Additional information about Great Lakes can be found online at schools.mygreatlakes.org.
‘TRIPLE-A’ APPROACH GETS ENTIRE CAMPUS ON BOARD WITH DEFAULT PREVENTION

SUBMITTED BY GEORGE COVINO
USA FUNDS VICE PRESIDENT FOR CONSULTING

Student loan default prevention should be a campus-wide endeavor, and efforts to begin this all-encompassing approach should start at the top.

But getting the support of your institution’s leadership and others may take some work. When I help schools with default prevention, I suggest that they lay out the importance of stopping student loan default by using the “Triple-A” approach with administrators and other groups across campus. Here are those “A’s” and how to put them to work to change the culture at your school:

Awareness

Historically school personnel have seen default prevention as an issue of the financial aid office alone. But it’s important that campus officials understand that default prevention actually is the responsibility of the entire school. Help them with that understanding by educating them about the institution-wide impact of the cohort default rate.

Recently I met with a group of faculty and staff at a campus that was experiencing an increase in its cohort default rate. I let them know that more than 80 percent of that institution’s funding came from federal Title IV programs — and that this Title IV funding could be in jeopardy if their cohort default rate continued to rise. I challenged them to imagine if that funding no longer were available.

That explanation helped faculty and staff to understand the seriousness of the situation facing their school. Being clear about the implications of a high cohort default rate can help administrators, faculty and staff to see the importance of default prevention at your school as well.

Accountability

The cohort default rate is a measurement of how well a school manages its federal financial aid programs, so each school is held accountable for its rate. Most financial aid offices alone do not have the capacity to effectively and consistently provide students with the breadth of default prevention and debt management information necessary to keep those all-important default rates low.

So, once you have school administrators on board, ask that they lead the way in spreading the word about the importance of default prevention. Again, challenging everyone on campus to consider the consequences of student loan default can help in encouraging them to step up to the plate.

For example, when your faculty think of
their former students who later defaulted on their loans, do they think they could have done more in the classroom to prevent those students from defaulting? Would those faculty members be willing to offer extra class credit to those who take part in financial literacy and student success training?

**Action**

There are many default prevention tactics that your school can include in its current processes. But you also need a broad strategy, and that should begin with the formation of a default prevention task force and creation of a debt management plan — regardless of whether the U.S. Department of Education requires those actions from your institution.

Include representatives from a variety of areas on your task force, including student leaders and information technology staff. Build in ways to analyze trends in your school’s student loan data that can inform your default prevention planning.

And don’t forget one of the most crucial parts of implementing a default prevention plan: tracking those efforts to lower your cohort default rate. Too often schools believe that if they have a default prevention plan in place, that alone will reduce their default rates. But there is a difference between simply having a default prevention plan and actually conducting cohort management activities that are data-driven and measurable.

**Learn more**

If you need default prevention assistance, contact USA Funds at [https://support.usafunds.org/ContactUs](https://support.usafunds.org/ContactUs), or visit the USA Funds website at [www.usafunds.org](http://www.usafunds.org).
If your institution is stepping up efforts to manage its cohort default rate, a key question to consider is: Who should do the default prevention work? Can your institution and its staff manage default prevention activities? Should you contract those efforts to third parties? Or should you take a blended approach involving some in-house activities and some activities contracted to others?

**General considerations**

As you evaluate who will handle your default prevention activities, start by considering these high-level questions:

**How does default prevention fit with your school’s mission?**
- Is there a firm commitment and buy-in from leadership?

**What are your default prevention goals?**
- Are you working only to maintain your existing cohort default rate?
- Are you trying to reduce your rate?

**Will you leverage existing relationships with your students or work with an outside entity?**
- Who knows your students better?
- Who is the trusted adviser?

**What are the necessary resources?**
- What are the staffing requirements?
- Do you need additional infrastructure, tools or resources?
- What are the expected expenses for outsourcing?

How will effectiveness be measured?

- What types of reports or tracking will be provided and how often?

**Pros and cons**

Next, consider the plusses and minuses of each option for performing the default aversion activity identified by your institution.

**Insourcing:** Performing default prevention activities internally leverages the existing activities you already have with your education loan borrowers.

Determine your current and projected account volume levels and portfolio amounts.

Identify internal resources and campus partners to be involved.

**Consider the necessary staff resources.**

- What is the staff reporting structure?
- Will staff be dedicated only to default prevention activities or a combination with other responsibilities?
- What are staff working hours? Will they be available after normal business hours and on weekends when borrowers are most likely to be available to answer phone calls?
- What kind of training will be required?
INSOURCING OR OUTSOURCING?
(CONTINUED)

- Is an auto-dialer a good option?
- Could scripted, recorded calls be used?

Determine which tools and infrastructure will be required, and evaluate the financial strength of potential vendors.

- Will you purchase software?
- Will you license a Web-based application?
- Will you build a custom tool in-house?

Develop policies and procedures.

Outsourcing: Supplementing default prevention efforts through an external entity offers assistance for schools that may not have the tools and resources to perform all activities and functions.

- Evaluate whether vendors can — or should — cover the entire portfolio.
- Does it make sense to use a vendor for skip-tracing or for late-stage delinquencies?

Consider the budget for using external vendors.

- Will the investment occur at the beginning or will it be spread out over time?
- Is an auto-dialer a good option?
- Could scripted, recorded calls be used?

How will the vendor contact my borrowers?

- Ensure experience, competence and financial strength of vendors.

- Are the financial statements available in the annual report?
- Do vendors have strong ties with lenders and servicers?
- Should you use more than one vendor to create a competitive environment?

Conduct regular business reviews and audits.

- What are the defined goals and performance standards?
- Are there established benchmarks to monitor over regular periods of time?
- Is there a performance dashboard to assist with evaluation?

Develop an incentive agreement and revisit it on a regular basis.

- What is the incentive for cures that occur during the cohort window?
- Is there a rebate percentage for non-performance, default or missed objectives?

Blended approach: A third option is to manage some of the default aversion activities in-house while contracting out services that require more specialized staff, technology and processes. For example, skip-tracing borrowers for whom current contact information is not available is a specialized service schools frequently outsource.

Learn more
Visit the USA Funds® website at www.usa-funds.org for more information about the USA Funds Borrower Connect™ suite of default prevention solutions.
The U.S. Department of Education distributed 2011 three-year cohort default rate notifications to schools in September. Are your school’s rates higher than you’d like? If so, now’s the time to beef up your default prevention efforts to help make sure your future rates improve. Eight tips can help guide your work:

1. **Communicate with borrowers at key decision points.**

   Think of the life cycle of a student as having four phases: application and first 90 days, in-school, final year and award completion, and post-graduation. Each phase represents a new opportunity to make a difference. Tailor your methods and messages according to the stage in the life cycle of the student, and you’ll be communicating what they need to hear when they need to hear it.

2. **Introduce financial literacy programs.**

   Many schools today are recognizing that financial literacy is a key component of a college student’s educational experience. If your school has a required student success class for new students, for example, your school’s financial aid staff could conduct a financial literacy workshop during that class. The presentation could cover budgeting, saving, credit and credit card management, identity theft, federal loans, consumer loans, and repayment options on federal loans.

3. **Communicate across campus.**

   Too often, when a concern is related to financial issues, other campus offices consider that concern to be the sole responsibility of the financial aid office. But default prevention should be a school-wide effort. Student success includes leaving campus with manageable levels of debt, equipped with information to successfully pay back student loans. Everyone has a vested interest in helping make this success possible.

4. **Focus on retention and student success.**

   The Department studied its student loan portfolio and found that more than 70 percent of students who defaulted on their federal education loans left school before completing their programs. Many schools now are dedicating staff to student retention activities, in an ef-
fort to boost student and school success and reduce default rates.

5. **Identify and counsel at-risk students.**

Know which types of your students are most likely to default on their education loans. Whether you’re studying data or polling students about their concerns directly, learn the key indicators of default risk at your campus. Once you create a profile of your at-risk students, then you can develop a data-driven plan that works.

6. **Use timely and accurate enrollment reporting.**

This practice not only is a regulatory requirement, but it also promotes school and student success. You’ll help ensure that your borrowers who are in school continue to qualify for deferment, and that those who leave school enter their grace and repayment periods on the correct dates. Having accurate separation dates on file for your students places them in the correct cohorts when calculating default rates.

7. **Review NSLDS and repayment information.**

Regularly look at your reports from the National Student Loan Data System to promote good debt management for your students — and simplify your life as well. Use the data to inform your outreach to borrowers once they leave school. And keep tabs on the accuracy of your NSLDS data to make it less likely that you’ll need to challenge draft cohort default rate data. USA Funds Borrower Connect™ also offers on-demand reports to help you gauge your borrower communication efforts.

8. **Maintain contact with former students.**

Start your outreach to former students early in their grace periods, when they need guidance from a trusted adviser to get off on the right foot in repayment. Staying in contact and assisting borrowers who become delinquent in making their payments will help you get them back on track and prevent default. Use targeted strategies to assist your borrowers who already have defaulted as well.

*Visit the USA Funds website at [www.usa-funds.org](http://www.usa-funds.org) to learn more about default prevention tools to assist with borrower communication and financial literacy and student success training.*
The world of financial aid is broad and complex. From policies that span federal requirements to internal guidelines and everything in between, financial aid professionals are challenged to provide all of this information to students in a way that makes sense and engages them in managing their educational finances. Easier said than done, right?

Luckily, there are tools like the National Student Loan Data System (NSLDS) that empower students to manage their federal loan borrowing as they progress through school. To help you guide your students toward utilizing this site, we thought this quick overview on the basics of NSLDS may be a helpful resource for you to share with students.


2. Click "accept" on the next two pages. These pages simply provide details regarding priva-
3. Student borrowers may log in to the system by entering their social security number (SSN), the first two letters of their last name, their birthdate, and the same federal PIN used in order to sign up for FAFSA. Click “Submit” to enter. Please note - many student borrowers may not remember their assigned PIN, but don’t fret. It is easy for them to recover their pin by visiting www.pin.ed.gov. By simply clicking on "request a duplicate PIN," entering ID information and answering a quick security question, they can gain immediate access to their PIN.

4. Student borrowers can now view their profile, including all federal loans and grants in their name. Something important to note: this summary isn’t all
inclusive. If a student also has private loans, or if their parents have outstanding parent PLUS loans, these will not be listed on NSLDS, so borrowers will need to tally these debts separately.

Under the profile page, simply click on the number icon to the left of each loan to view the details associated with each loan (see below for more info). Keep in mind that each loan may have a different servicer, so you should advise borrowers to familiarize themselves with each of their loans’ specific details.
5. Once the number icon to the left is clicked, borrowers can view details like which type of loan it is, the current status (i.e., in grace period, in repayment, loan originated, etc.), the principal amount of the loan, and any interest that has accumulated.

Details on the "current servicer" of each loan are also available. This is notable because student borrowers are able to reach out to this contact if they have questions regarding that particular loan and to discuss repayment options. Many student borrowers aren’t aware that their loan servicers are often willing to proactively work with them to provide a multitude of repayment options to help prevent default.
Paying off student loan debt can feel like a long and complicated process for the students you advise. So give them all the goods! By guiding students toward useful online tools like NSLDS, it is easier than ever for them to keep tabs on the details of their loans so they may repay their debts successfully. They can feel more confident about their loan status with just a few quick clicks. Be sure you advise them to log on today to get started!

ABOUT INCEPTIA

Inceptia, a division of National Student Loan Program (NSLP), is a nonprofit organization providing premier expertise in higher education access, student loan repayment, analytics, default prevention and financial education. Our mission is to support schools as they arm students with the knowledge needed to become financially responsible adults. Since 1986, we have helped more than two million students achieve their higher education dreams at 5,500 schools nationwide. Annually, Inceptia helps more than 120,000 students borrow wisely, resolve their delinquency issues and successfully repay their student loan obligations. Inceptia educates students on how to pay for college, guides borrowers through loan repayment counseling, and provides default prevention strategies and services to schools. More information at Inceptia.org.
DEALING WITH DIFFICULT PEOPLE AND SITUATIONS: 9 TIPS TO PUT IN THE MIX

SUBMITTED BY BECKY DAVIS
GREAT LAKES EDUCATIONAL LOAN SERVICES, INC.

Working in a financial aid office means occasionally encountering conflict and difficult situations, and even the best communicators and most experienced professionals may appreciate a refresher on how to survive these types of challenges.

Difficult situations in the financial aid office often arise because they start with an emotional topic: money.

Now add the fact that your job entails helping students, while still complying with guidelines and rules. Throw in the additional complication that students, parents, and other external and internal customers are often challenged by complicated policies, procedures, and paperwork. Misinformation and misguided expectations? They’re in the mix, too. It’s no wonder that this recipe often leads to an interesting combination of ingredients.

While the following tips won’t completely solve all your dilemmas, they may help make the next tough situation more palatable.

1. Advocate and adhere. Remember that the individual’s problem is unique and critical to them. Convey sincerity to help your customer, but remember—and clearly state as needed—that you also need to adhere to policy.

2. Use the secret of Socrates. Ask questions that the other person has to agree to (i.e., “So it sounds like our first priority is to get this resolved so that Jake can register for his classes, right?”) so that you can establish some common ground. Beginning your discussion from a place of agreement can lead to finding solutions to more troublesome issues later. Saying yes gets the other person moving forward.

3. Choose responses over reactions. Automatic reactions may be triggered by emotion, but deliberate responses require reigning in your emotions and using thought, too. Take the time and perspective needed to gain important information and see the larger picture.

4. Connect. While difficult situations ultimately require a solution, if you start out by connecting with the other person, they are more likely to feel heard and understood—and more willing to work with you on a solution that works for both of you.

5. Ask questions to clarify. While you need to listen carefully to key information...

“Remember that the individual’s problem is unique and critical to them.”
DEALING WITH DIFFICULT PEOPLE
(CONTINUED)

you hear your customer or colleague provide, make sure you also tune into the emotions behind their words, and what they say they expect or want from the situation. If they aren’t clear about their expectations, don’t assume; ask what they hope the end result can be.

6. Reflect your understanding. Confirm the information that’s been provided to you, address and acknowledge emotions you’ve heard expressed, and summarize what you heard the other person say they hope to achieve.

7. Engage in problem solving to move the situation forward. Emphasize that you’re in this together by asking your customer or colleague to help find solutions, and to prioritize what’s most important to them. Give pause to allow them time to process information and respond.

8. Summarize the solution. Clearly state what you will do, and what you need the other person to do, to resolve the situation. Ask for their confirmation that the plan sounds like a good one, and ask what else you can do to help.

9. Call for backup if needed. If you can’t move on to the problem-solving phase, refer to your office’s escalation policy. Continue to acknowledge your customer’s or colleague’s emotion, but try to remember that the other person’s frustration is most likely caused by the situation, and generally is not intended to be a personal attack on you.

There are many great resources available on this and other topics to help you survive busy and sometimes stressful days in the financial aid office, and instead make going to work a treat. Like other servicers and organizations who understand the challeng-
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