

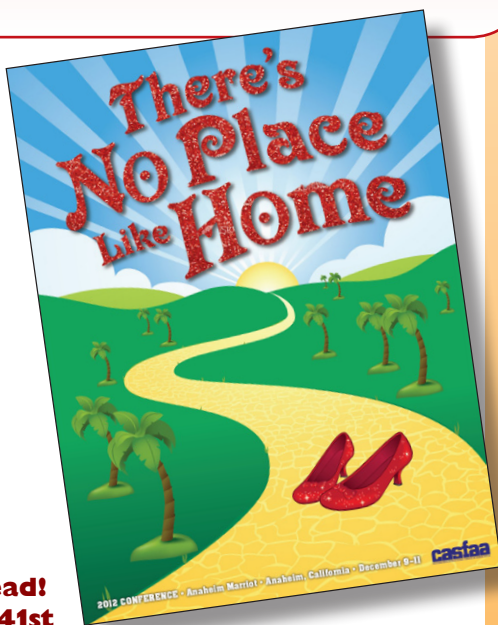
CASFAA NEWS

California Association of Student Financial Aid Administrators

September 2012 • Volume XXIX No. 3

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Plan Ahead!
CASFAA 41st
Annual Conference
December 9-11, 2012
Anaheim Marriott



President's Update

Deb Barker-Garcia
CASFAA President
Corinthian Colleges

Autumn Greetings!

In my last two updates, I've spent time discussing CASFAA 2012 goals as they relate to membership, training and professional development. This year, we've been able to provide our membership with up to date training sessions. We've been fortunate to have partners that help us grow in our understanding of concepts and issues so that we can help what is truly most important...our students. A round of thanks needs to be extended to Jim Briggs, The College Board and FSA, for working with us to provide in person training events, and to CLFE along with all of our vendor partners who have been providing additional training sessions via the web. Membership is continuing to grow and we've also seen a redesign of our website and newsletter, making it easier than ever to say on top of important trends. We're all excited about the upcoming conference, especially in light of the fact that CCCSFAAA members will now join us for all conference activities. Many of you have already registered and we're on a quick roll towards the culmination of the 2012 CASFAA Executive Council year.

While all of the above activities are vital to the success of a professional organization, I still need to focus on an extremely critical role that your membership dollars help support... advocacy and the support of critical issues facing the financial aid community.

This year has been extremely important in terms of the future of the Cal Grant program. Regulations regarding participa-

continued on next page

Autumn

President's Update *continued*

tion and eligibility have been changing at breakneck speed. Many of these changes have the potential to significantly impact the way a school administers the Cal Grant program, both in terms of administrative and monetary burden. Due to your membership in CASFAA, we have been able, through our State Issues Committee, to continually stay abreast of and work with CSAC on these new regulations. Our goal is to achieve outcomes that are both compliant with new regulations but also ensure that our schools needs and concerns are heard at the appropriate level.

We are fortunate to have Craig Yamamoto, VP State Issues and his entire State Issues Committee front and center during these challenging times. This committee has spent countless hours analyzing and understanding the requirements of the new IPA and now, the proposed SB70 reporting requirements. The State Issues Committee has representation from all segments and has also worked closely with statewide system offices to draft CASFAA responses and recommendations in regards to the proposed regulations. In addition, Craig Yamamoto along with Margie Carrington, CCCSFAAA President Elect, have spent long hours in CSAC hearings and meetings supporting the needs of our school community to ensure that the various pieces of legislation are implemented with as little impact as possible to the school community. I also want to thank Mary Gill, Mary Lindsay and Pat Hurley as they, in addition to the entire State Issues committee have been crucial to the formation of CASFAA opinion and response. Craig has provided an overview of current state issues in his update in this edition. I encourage you to read the update and reach out to Craig if you would like to be a part of the ongoing process. We need to keep in mind that CASFAA would not be able to do this type of activity without your membership in our association. Your membership is vital to this continuation of advocacy on your behalf.

I do hope that as we enter into this season of returning students, changing regulations and busy times that you still take a moment for yourself. Maybe it's just that brief walk across campus...a lunch shared with friends in the campus courtyard or a glance out your window at the students scurrying back and forth to class. Remember that what you do is important and that you have the power to change a person's life by the work you do every day. Not everyone can say that about their chosen profession...I think we're all pretty fortunate and I'm thankful that we're all in this together.

SHOW US!



**What's new at your school?
Has your office participated in
any exciting events lately?
Had an excuse to throw an
office party?
Gone to any trainings or events?**

**We want to see!
Submit your pictures to Kerri...
Khelfrick@cci.edu**

CASFAA NEWS

VOLUME XXIX, Issue 3

CASFAA News is an official publication of the California Association of Student Financial Aid Administrators and is available on the website four times a year.

EDITORIAL POLICY

Opinions expressed in this newsletter are those of the authors and not necessarily of the Association or of the institutions represented by the authors.

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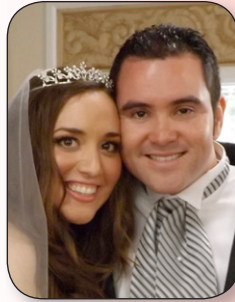
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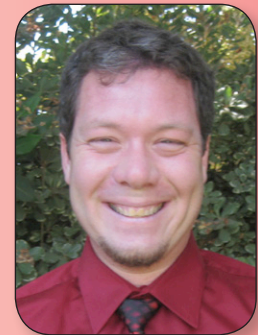
What's the Scoop?



Lily Ana Marquez got married on June 2, 2012 with Jose Santos Goussen to the man that stole her heart.

They got married in St. Paul's Catholic Church in San Francisco, CA, then a reception followed and they were surrounded by lots of family and friends.

Steve Skille has joined the Financial Aid Office at Golden West College in Huntington Beach as the Financial Aid Director. Prior to this, Steve worked as the Financial Aid Supervisor under the tutelage of Toni DuBois, Mike MacCallum, and Richard Yentch at Long Beach City College. In February, Steve celebrated 10 years working in the financial aid programs.



Congratulations!!!

Orange Coast College

Vincent Ngo is Acting, Financial Aid Supervisor (Picture Below).
 Katharine Marasigan, who welcomed the birth of her daughter, Jaylyn

Coastline Community College

Kathie Tran – Operations Specialist

Golden West College

Steve Skille – Director, Financial Aid

District Office

Daniela Thompson –
 Administrative Director, Administrative Services



2012 Conference Update



Lynne Garcia
Conference Chair

If I ever go looking for my heart's desire again, I won't look any further than my own back yard.

- Dorothy, The Wizard of Oz

Dorothy's on to something, don't you think?

Many of you have perhaps just completed or will start planning a new fiscal year at your offices; even if you yourself are not directly involved in the budgetary process there is no doubt that each and every one of us feels the effects.

Doing more with less, trying to anticipate possible shortfalls – in many cases, unfortunately, training has and continues to take a back seat at many financial aid offices. At a time when our Golden State is facing dire financial crisis and our national economy continues to struggle, it's more important than ever for our leadership and staff at each of our offices to be as well-educated as we possibly can in order to handle effectively and efficiently the changes in policy, funding and regulations that we may face in the coming year.

Dorothy's right: If you're looking for ways to maximize what little funds your office may have for training, why look any further than your own back yard?

The 2012 Casfaa Conference Committee has worked diligently to deliver more this year – more and varied sessions, more meals, more networking and learning opportunities and more entertainment – without raising the cost of the conference. We're again offering the option of a one-day pass to the conference for a reduced fee. We're working tirelessly with our valuable vendor partners to increase sponsorship opportunities in an effort to bring you, our members, more for less. We've scheduled not one, not two but three general sessions/town hall forums with our Federal, National and State leaders.

And best of all? It's all right here, in your own back yard.

I'm also thrilled that the 2012 Executive Council has agreed to reinstate the Casfaa Conference Scholarships. We have one scholarship per segment to award, including Access and Diversity. There's a link to the application on the Casfaa homepage or you can e-mail Alfredo Perez, the 2012 Casfaa Scholarship Chair at alfperez@cci.edu with any questions.

Scholarships cover the cost of the conference (which includes your 2013 Casfaa membership), shared hotel expenses as well as airfare and/or mileage. A Casfaa Conference Scholarship is a great opportunity to ensure that someone from your office can attend California's premiere training and networking event or even to increase your school's representation at the conference. I highly encourage anyone interested to complete the scholarship application by the October 5 deadline or contact Alfredo for more information.

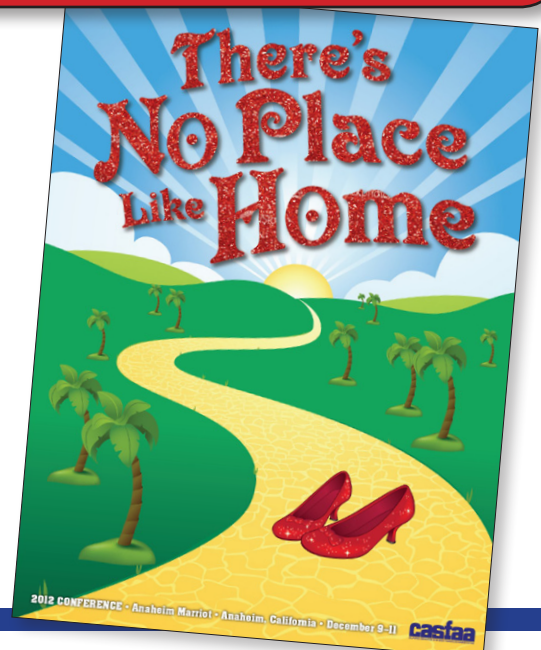
With Autumn right around the corner, December will be here before we know it. Register for the 2012 conference and secure your hotel room today at www.casfaa.org or apply for the Casfaa Conference Scholarship. We're looking forward to seeing you all right here, at the Anaheim Marriott this year:

Welcome home, right in our own back yard



News for Conference Attendees!

Room rates for this year's conference have been lowered from \$175 to \$139. Any attendees who already booked their rooms will receive the updated rate.



Committee Update



Access & Diversity Update

Denise Peña
Access & Diversity
Member at Large

Hello CASFAA!

EDC here with some very exciting news! We have been very busy this month!

Our most exciting news is that we have decided to change our name to the Access & Diversity Committee and expand our scope and purpose to better serve CASFAA. This past month at the Executive Council meeting, this change was accepted by the Executive Council and approved.

What does that mean for CASFAA?

The goal of the committee has now expanded to address issues that not only affect ethnic minority financial aid administrators and students, but all under-represented groups.

The Access and Diversity Committee will serve CASFAA by acting as a catalyst and advocate for the engagement of the association and its members in issues related to higher education access & diversity. The committee will continue to work with other CASFAA committees and engage you, the membership directly to stimulate discussion and promote awareness of how financial aid professionals can and do influence the status of the various underrepresented populations we all seek to serve. The Committee will also collaborate with other CASFAA committees to infuse their efforts with content related to access, inclusion, & diversity. We will also continue to focus on the professional development of under-represented financial aid professionals. *(In this context, under-represented indicates those groups who traditionally have not received adequate representation in proportion to the group's size within society in general.)*

By expanding our scope & purpose to reach out to various other under-represented groups, our committee hopes to better serve CASFAA and the changing needs of an increasingly diverse population in California.

SAVE THE DATE! We will be hosting an online training on the Changing Demographics of the California Student on Friday, October 12th. See sidebar!

Also in the works is a CASFAA Access & Diversity sponsored scholarship geared towards K-12 low income students. Our hope is to do outreach to these kids and essentially, create a college going culture in California. If you are interested in assisting with the development of this Scholarship, please contact me directly.

If you have any questions or concerns, please call or Email me, I would be happy to hear from you! Especially if you would like to join our committee!

Happy Start of Classes to Everyone.

Save the Date

College Completion Agenda- Latino Edition

**The WebEX portal is set for Friday
October 12th from 10am-11:30am PDT**

Last fall, the College Board released its College Completion Agenda: Latino Edition 2011.

This compendium that includes a Progress Report, State Policy Guide, A Research and Context Brief and an interactive website aimed at providing the best data and policies for increasing college completion rates among this important demographic.

The Latino Edition is based on the 10 recommendations issued in 2008 by the Commission on Access, Admissions and Success in Higher Education. State legislators, policymakers and educators play a large part in advancing each recommendation. Participants will explore the highlights of the 10 recommendations and will review Latino progress for each indicator.

The session will also include some best practices and resources when working with undocumented students.

To register for this session, please follow the link below and click on the "register" button:

<https://collegeboardtraining.webex.com/collegeboardtraining/onstage/g.php?t=a&d=680916066>



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Los Angeles, CA 90095

CASFAA Response to SB 70 Reporting Requirements 8/16/12

California Student Aid Commission
Attention: Kristen Trimarche, Legal Services
P.O. Box 419029
Rancho Cordova, CA 95741-9029

Dear Ms. Kristen Trimarche:

We are writing on behalf of the more than 1,000 financial aid administrators who are members of the California Association of Student Financial Aid Administrators (CASFAA) representing over 500 postsecondary institutions of higher education. The following are our concerns regarding the Commission's intent to seek adoption of regulations regarding the Cal Grant Program and Participating Institution Data Reporting Requirements as a result of SB 70.

We are concerned with the manner that the Commission consulted with stakeholders and interested parties in developing the reporting regulations. The webinars were ineffective as they consisted mainly of one-way communication with information from the Commission going to the field. Additionally, the webinar announcements were late giving the financial aid community very little time to rearrange their schedules to attend the webinars. We feel strongly that the Commission should improve their communications with the financial aid community. Notices need to be sent out in a timely manner. Re-convening the Grant Advisory Committee that includes representation from all of the critical financial aid stakeholders would also facilitate two-way communication. The Commission's consultation process has significantly suffered as a result of their decision to end the Grant Advisory Committee meetings.

We are concerned with the Commission's filing of the Economic and Fiscal Impact Statement (form STD 399) to question B 5 which asks if there are comparable Federal regulations and to which the Commission answered no. There are comparable Federal regulations in the IPEDS and GE reporting and disclosure requirements to which institutions participating in the federal financial aid programs must comply.

We are concerned with the Commission's Notice of Proposed Rulemaking in which they report they have consulted with stakeholders and interested parties but the Commission did not consider any alternatives to the proposed regulations because it believes the proposed regulations are the best way to align with statutory imperatives. We believe there are alternatives that the Commission either has not considered or has not informed the stakeholders of the reasons why the alternatives would not work. Such alternatives include using federal IPEDS and GE reporting requirements.

The following are other areas of concern from the CASFAA membership regarding the Commission's proposed SB 70 institutional reporting regulations.

In the Statement of Reasons, the Commission states:

By requiring higher education institutions to report enrollment, persistence, graduation and employment data, SB 70 allows the California Student Aid Commission to bring valuable information for students together in one spot. By using this data as the cornerstone for a new user-friendly website, CSAC can provide a model for the rest of the nation in empowering students to understand their options and select the best opportunity that supports their aspirations.

While we applaud the Commission's aspirations, this new website significantly alters and enlarges the scope of SB 70 and overstates the intent of the legislature. We embrace transparency, but we welcome a thoughtful discussion instead of a rushed approach. We are concerned that the Commission delayed the regulatory process by fourteen months, and is now rushing through a complex regulatory process that requires more time and consultation. The current approach will result in a host of unintended consequences and make information confusing for students and parents. The website will only contain California information and make it difficult to compare California colleges with out-of-state colleges. Congress and the U.S. Department of Education are already progressing with the Shopping Sheet template. There are data that exist on websites such as the colleges' disclosures, Net Price Calculators, College Navigator pages, Federal Student Aid website, FAFSA website, and CSAC website. Because the information the Commission will be collecting is built on a different database than the IPEDS' data used by the U.S. Department of Education on their student websites, the graduation and enrollment data published for a school on the Commission's site could be considerably different from that published on the federal websites. The result will be more confusing than helpful to students and their parents. An agency must find that no alternative would be more effective in carrying out the purpose for which a regulation is proposed or would



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be as effective as and less burdensome to affected private persons than the adopted regulation. The Commission has not met its obligation with the proposed regulations.

Use of CIP Codes

The use of CIP Codes significantly enlarges the scope of SB 70 and is beyond other Cal Grant controlling statutes. We are concerned with the Commission's use of the CIP codes to identify undergraduate programs. Cal Grant awards may only be used for educational expenses of a program of study leading directly to an undergraduate degree or certificate. The Commission wants to use CIP codes to identify major programs of study. Majors and CIP codes are beyond the scope of the existing statute. There are many problems with using CIP codes. The names of CIP codes do not correspond with the names of the majors at schools which will be confusing for students. There are problems when students are undeclared majors or change majors. There are no national standards for using CIP codes as the Commission intends. The data, as a source of comparison for students, would be confusing and incomplete.

30040 Annual report on Enrollment, Persistence and Graduation

A rulemaking agency must determine whether the regulation "may have," or "will not have" a significant, statewide adverse impact directly affecting business. The agency must solicit alternatives if it "may have." CSAC failed to meet its rulemaking obligation of cost-effective alternatives. The Commission had the alternative to use IPEDS reporting that colleges are already using for federal reporting. Instead, the Commission is proposing a very different set of data that is going to be difficult to implement. This additional workload for public colleges constitutes a cost to the state.

A rulemaking agency must describe the potential cost impact of a regulation on a representative private person or business, if known. The Commission did not accurately describe the potential cost impact of these proposed regulations, which is estimated to be in the tens of millions of dollars. Our schools welcome transparency, but do not welcome additional complex requirements which will divert scarce campus resources, in all segments of higher education, away from being able to serve students and families under these strenuous economic times and instead to figuring out how to comply with the complex and duplicative reporting requirements. Many institutions will have problems with complying with the job placement and salary reporting requirements because they do not track "graduates unavailable for employment" as defined in the proposed regulations and do not have the resources to begin to do so. The fourteen month delay in writing these regulations guaranteed that institutions would be unable to comply, by simple virtue that they did not know what information to collect, but now are asked to provide data that must be retroactively collected. Although the Commission has offered to provide this data collection for community colleges, that merely transfers the cost from one state entity to another.

30040 Annual Report

The timeline as indicated is dictated by both the statute (requires institutions to provide data beginning in 2012) and regulatory process, but the regulatory process to define the data requirements is so late as to provide approximately 120 days to collect complex and heretofore untracked data. The timeline as indicated in (a) of the draft regulations needs to be revised to reduce burden and costs to schools since the dates are not in sync with federal IPEDS data reporting dates and the Commission's reconciliation deadline. The Commission's reconciliation deadline for institutions is December 31, and it is possible the data provided by schools by the November 15 deadline will be different than the institution's final reconciliation. We propose the following language:

(a) A qualifying institution shall annually report to the Commission, no later than April 30, for the academic year ending the preceding June 30th.

30041.5 Persistence data

(b) (2) ...An institution electing to have the Commission prepare its report shall provide the following student unitary data:... enrollment status...

The term "enrollment status" is unclear. It needs to be clarified and defined.

This alternative provided to institutions directs that the following data be submitted to the agency, "student's first and last name, date of birth, social security number, race/ethnicity, gender, original term enrollment date, educational level, enrollment status, high school code, institution campus code". To provide student specific data on their entire student population may conflict with Federal Family Education Reporting Privacy Rights (FFERPA).

30042 Graduation data

(a) Asks for data segregated by "educational level".

It is not clear what this means and why it is needed for graduation data. This regulation lacks clarity and appears to enlarge and amend the statute.

300342.5 Annual Job Placement rate

(a) Beginning in 2012, a qualifying institution shall report to the Commission no later than December 31st, for the academic year ending the preceding June 30th, the total number of students graduating during the 2011-12 academic year aggregated by campus and CIP code from all of its undergraduate programs



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It appears the placement and salary data is based on a different cohort than for the cohort the graduation reporting described in 30042; it appears there will be two different, unrelated sets of graduation data being reported.

300342.5 (c)(5) regarding teacher certification programs

The Commission should adopt the same standard as the U.S. Department of Education's teacher certification programs where the institution itself does not provide a certificate but which consists of a collection of course work necessary for the student to receive a State professional teaching credential or certification are not gainful employment programs and therefore not subject to the GE Programs' disclosure and reporting requirements. There is no justification to move away from nationally accepted standards.

30033. Withdrawal of a Cal Grant

(f) Fails to meet institutional Satisfactory Academic Progress requirements for a period of time that exceeds two consecutive semesters or three consecutive quarters.

This should be changed to "Fails to meet institutional Satisfactory Academic Progress requirements as related to federal Title IV programs." There is no need to include the time periods since the institution determines satisfactory academic progress according to their policy, and thus this, depending on the Commission's interpretation, is either in conflict with federal regulations or duplicative of federal regulation (as referenced in the Ed Code.) The education code states:

(m) "Satisfactory academic progress" means those criteria required by applicable federal standards published in Title 34 of the Code of Federal Regulations. The commission may adopt regulations defining "satisfactory academic progress" in a manner that is consistent with those federal standards.

30041.5. Persistence data

(a) Persistence data shall consist of the total number of students by cohort who have continued in, or persisted in, their education by enrolling in and completing at least one course at the institution during the academic year following initial enrollment, and every academic year thereafter, segregated by enrollment status, race/ethnicity and gender for each campus.

This proposed regulation is unclear, creates confusion, and attempts to amend the statute. This does not include students who complete the program and do not need to enroll, or who have completed a program that is one year in length. We think these students have successfully persisted and thus should be included in the statute.

30042. Graduation data

(a) "Graduation data" means, for each undergraduate program offered by a qualifying institution, the number of students within the cohort who complete a program and upon whom the institution has actually conferred the degree, diploma, certificate or other formal award, within 100%, 150% and 200% of the published program length of the program, reported by CIP Code, enrollment status, race/ethnicity and gender. Graduation data shall be segregated by each campus of qualifying institution.

(1) In order for an institution to report a student as completing within 100% of the published program length, the student shall have completed the program, certificate or degree in 100% or less of the published program length regardless of the enrollment status of the student.

The enrollment status is a concern since students who are attending on a part time basis because they have to work and cannot attend full time will not be considered as successful.

(c) In addition to reporting graduation data, a California community college may report a transfer-out rate by reporting, for each cohort, the number of students who are known to have transferred from the California community college to a California baccalaureate degree granting institution.

This regulation both enlarges and amends the statute. By restricting the clarification to only California baccalaureate degree granting institutions, students who transfer to out-of-state colleges are excluded but are no less successful than those who transfer to a California college.

We thank you for the opportunity to provide comments on the SB 70 Draft Regulations on Institution Data Reporting Requirements. We are available to assist in making the reporting requirements manageable for all Cal Grant participating institutions.

Sincerely,

Deb Barker-Garcia
2012 CASFAA President

Craig Yamamoto
2012 CASFAA Vice President for State Issues

Committee Update



State Issues Update

Craig Yamamoto
State Issues Representative

The State Issues Committee has been busy working on the SB 70 Cal Grant Program and Participating institution data reporting requirements proposed regulations, and I thank the committee members for their hard work and quick turnaround. We are concerned with the Commission's consultation process in developing the regulations and feel the webinars did not foster two-way communication. We are concerned that the proposed regulations are over-reaching and unnecessarily complicated. We are concerned with the long amount of time it has taken for the Commission to develop the proposed regulations and the short time institutions have to submit the data. We are concerned that the regulations will be costly for some institutions to establish mechanisms and staffing to collect and report the data. We are concerned if institutions will be able to comply with the reporting requirements as a condition to continue participation in the Cal Grant programs. We are concerned that the data will be suspect and will have unintended consequences. We are concerned that the data and new CSAC website will not help students and families make an informed decision about the quality of the Cal Grant participating institutions.

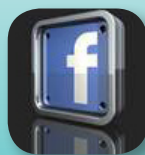
The Commission held a public hearing on August 22 at Sacramento City College by CSAC's Student Impact Committee, which included Chair Johnny Garcia Vasquez, Brian Conley, and Michele Siqueiros. I attended the hearing to voice our concerns along with other financial aid administrators. No action was taken at the hearing, and there will be a full CSAC Commission meeting in Sacramento on September 13-14.

On a related note, I was pleased to visit Sacramento City College and the wonderful Financial Aid Office staff. It was at Sacramento City College where I first attended college, learned that financial aid was available, received assistance to complete the complex Student Aid Application for California (predecessor to the FAFSA), received financial aid awards including work-study and EOPS, worked in the Financial Aid Office, earned my AA degree in Fine Arts, and met my wife Alice Kwong who is still dedicated to the profession as the Financial Aid Supervisor at Cosumnes River College. I thought by now there would have been many advances to make financial aid administration easier, but as I reflect back over the decades, our focus remains on the administrative complexities and computer systems necessary to comply with the federal and state regulations and away from counseling students and families. I thank all of you who work tirelessly in our financial aid profession and who face great challenges and extreme work-related pressure in order to help students achieve their higher educational objectives.

STAY CONNECTED ON FACEBOOK

Did you know that CASFAA has its very own Facebook page?

Become a member of the CASFAA Facebook page to ensure that you get all of the latest updates! The conference is just around the corner and you don't want to miss anything!



<https://www.facebook.com/#!/groups/169935263093/>

Committee Update



Federal Issues Update

Noelia Gonzalez
Federal Issues Representative

The US Department of Education (ED) and the Consumer Financial Protection Bureau have issued the final version of the Financial Aid Shopping Sheet. This is to support their efforts to make information about the cost of college and financial aid packages more transparent and comparable for students and parents. Schools that have agreed to comply with the Principles of Excellence with the Veterans Administration are required to give the Shopping Sheet to prospective undergraduate students who are veterans or active duty military, and their families.

ED is not requiring the Shopping Sheet to replace the financial aid award letters that colleges and universities currently use. The Shopping Sheet can be used as the award letter or as

a supplement to the institution's award letter. The Shopping Sheet has been updated from the original draft and major updates include:

- Providing an area for institutions to add customized information
- Separating work-study aid from student loan aid
- Including information about family contribution—as calculated by the FAFSA or Institutional Methodology (IM), at the school's discretion
- Revising the monthly loan payment estimates with more nuanced information about median debt levels and loan costs. In addition the sheet provides a link to ED's website with repayment options and a loan calculator so students can make more customized estimates
- Removing retention rate information and information that compares costs with other institutions



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Costs in the 2013-14 year

Estimated Cost of Attendance for full-time enrollment		\$ XX,XXX / yr
Tuition and fees	\$ XX,XXX	
Housing and meals (on-campus resident)	X,XXX	
Books and supplies	X,XXX	
Transportation	X,XXX	
Other educational costs	X,XXX	

Grants and scholarships to pay for college

Total Grants and Scholarships ("Gift" Aid; no repayment needed)		\$ XX,XXX / yr
Grants from your school	\$ X,XXX	
Federal Pell Grant	X,XXX	
Grants from your state	X,XXX	
Other scholarships you can use	X,XXX	

What you will pay for the 2013-14 year

Net Costs (Cost of attendance minus total grants and scholarships)	\$ XX,XXX / yr
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Options to pay net costs

Work options

Work-Study (Federal, state, or institutional)	\$ X,XXX / yr
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Loan options*

Federal Perkins Loans	\$ X,XXX / yr
Federal Direct Subsidized Loan	X,XXX / yr
Federal Direct Unsubsidized Loan	X,XXX / yr

*Recommended amounts shown here. You may be eligible for a different amount. Contact your financial aid office.

Other options

Family Contribution (As calculated by the institution using information reported on the FAFSA or to your institution.)	\$ XX,XXX / yr
--	-----------------------

- Payment plan offered by the institution
- Military and/or National Service benefits
- Parent PLUS Loan
- Non-Federal private education loan

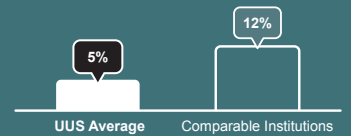
Graduation Rate

Percentage of full-time students who graduate within 6 years



Loan Default Rate

Percentage of borrowers entering repayment and defaulting on their loan



Median Borrowing

Students at UUS typically borrow \$XX,XXX in Federal loans over X years. The Federal loan payment over 10 years for this amount is approximately \$X,XXX per month. Your borrowing may be different.



Repaying your loans

To learn about loan repayment choices and work out your Federal Loan monthly payment, go to: <http://studentaid.ed.gov/repay-loans/understand/plans>

For more information and next steps:

**University of the United States (UUS)
Financial Aid Office**
123 Main Street
Anytown, ST 12345
Telephone: (123) 456-7890
E-mail: financialaid@uus.edu

Customized information from UUS

Money & Advice



Dennis Zanchi
ECMC
Senior Financial Literacy
Trainer



Income based repayment - plain & simple

The goal of the IBR plan is to provide a payment a borrower can afford. To determine a borrower's IBR payment we need to know a few simple things:

- 1 The borrower's adjusted gross income
- 2 Household size
- 3 Poverty level based on household size
- 4 Amount of student loan debt

Once we have these answers, we need to ask one question to determine IBR eligibility:

Is the IBR payment lower than the standard plan payment?

If the IBR payment is lower than the standard plan payment, then the borrower meets the definition of partial financial hardship and qualifies for the IBR payment.

It's easy to determine the IBR monthly payment.

Tip: The AGI is found on 2011 federal tax forms on:

- Line 4 on Form 1040EZ
- Line 21 on Form 1040A
- Line 37 on Form 1040

2012 Poverty Guidelines for the 48 Contiguous States and Washington D.C.		
Household size	Poverty guideline	150% of Poverty guideline
1	\$11,170	\$16,755
2	\$15,130	\$22,695
3	\$19,090	\$28,635
Each additional person	Add \$3,960	Add \$5,940

Step	Example
1	Determine student loan debt \$25,000
2	Calculate standard plan payment \$287.75
3	Adjusted gross income & family size \$30,000 for one person
4	Determine 150% of poverty level for household size -16,755
5	Subtract from adjusted gross income \$13,245
6	Multiply the amount remaining by 15% \$1,987
7	Divide amount above by 12 - this is the IBR monthly payment \$166

There's No Place Like Home



Get involved in association activities.
Discuss the latest financial aid policy issues.
Learn how to take a leadership role in the profession.
Network with peers, policy makers and other educational partners.

2012 CONFERENCE • Anaheim Marriott • Anaheim, California • December 9-11

The premier training and networking event for financial aid professionals in the Golden State.



7 Easy Budgeting Tips for Students



Colleen MacDonald
Simple Tuition
Vice President of School
Channel

We all want students to think creatively about ways to reduce expenses. Here are some simple budgeting tips to pass along to your students:

- 1 Compare textbook options.** Decide if you can use the one at the library. If not, look into reducing your costs by looking into all your options – new, used, rentals, or ebooks. Compare online textbook marketplaces with your bookstore to find the best option for you.
- 2 Don't drive a car.** Avoid the temptation of spending cash on gas, parking, or even the possibility of getting tickets. Leave your car at home. If you need to get around, use public transportation, school shuttles, chip in for gas for a friend's car, or consider walking.
- 3 If you have a meal plan, use it.** If you're paying for a comprehensive meal plan, skip the off-campus restaurants or snacks at the campus coffee shop. While there are always tons of tasty fast food and restaurants to tempt you, maximizing your meal plan treats your wallet kindly.

4 Wash full loads of laundry. Wait until you have a full load of dirty laundry since a small load and full load cost the same. Those quarters add up.

5 Maximize free or affordable entertainment options. Use the school library for free access to pleasure reading, movies, music, and internet access. Seek out music concerts, dance recitals, and plays on campus or in your community. These options are just as fun as the latest blockbuster.

6 Exploit student discounts. Remember that everything from hair salons to museums give discounts when you show your student ID. Check out websites or local advertisements for more details or just ask. It's always worth exploring.

7 Take advantage of rewards programs. Addicted to lattes, make certain you get your coffee card punched so the 10th one is free. There are a ton of rewards programs, a few even pay down your students loans to reward you for making everyday purchases like groceries and gas. Find one that helps you save money or get out of debt faster.

Have some more ideas of easy tips, SimpleTuition would love to hear them and share them with the community. Send an email to cmacdonald@simpletuition.com with your ideas.

CASFAA CONFERENCE SCHOLARSHIPS AVAILABLE

Would you like to attend the annual conference in December, but your office can't afford to send you? Sounds like you're the perfect person who needs to apply for a CASFAA scholarship!

We are offering seven scholarships for attendance at the annual conference, for each segment of CASFAA. Simply complete the scholarship form which is located on the CASFAA.org website under the Conference tab, and return it to [Alfredo Perez Alfperez@cci.edu](mailto:Alfredo.Perez.Alfperez@cci.edu) by Friday, October 5th, 2012.

Don't miss out on this exciting training event just because your office is short of funds!

Helping Students Become College Savvy:



Amy Kasper
TG Regional Account
Executive

One million dollars is the oft-cited figure representing the difference in lifetime earnings between a person with a bachelor's degree and one with a high school diploma. A new study from TG challenges the usefulness of that one million dollar figure by demonstrating that the financial benefit of a bachelor's degree is heavily dependent on the academic major and profession that a student selects, with nearly no increased earnings in some occupations and very large boosts in others.

In *Balancing Passion and Practicality: The Role of Debt and Major on Students' Financial Outcomes*, data collected from the U.S. Census Bureau and the National Center for Education Statistics (NCES), along with case studies at three Texas colleges, provide an in-depth look at debt-to-income ratios for the most popular majors in the U.S. and Texas. With national economic and unemployment numbers fluctuating, this report underscores the importance of responsible borrowing and careful selection of major in pursuing a career passion without sacrificing financial health.

The study's authors provide recommendations to students on how to better understand debt-to-income measures, and to schools on how to better counsel students about estimated debt-to-income ratios. At the institutional level, counseling a student about the estimated debt-to-income ratio requires cooperation between three distinct and separate offices: financial aid, academic advising, and the career center. Some of the recommendations made by the authors are included in the following:

Integrate student counseling: Coordinate messages about choice of major, amount borrowed, and career pursuits to emphasize the interactions these choices have on a student's future.

Prioritize personal counseling: Spend time and resources on early student counseling efforts to help maximize successful student loan repayment.

Practice intrusive counseling: Use data to identify students who may face challenges in repaying student loan debt, and urge them to receive financial literacy training.

Promote financial literacy: Emphasize the importance of money management skills to help students better evaluate financial opportunities and hazards.

While it's generally true that lifetime earnings and rates of employment increase with higher levels of educational attainment, students need to know how their choice of major and occupation may affect their ability to repay any debt incurred to achieve a college degree. Armed with this knowledge, students can make financial and academic decisions that allow them to pursue their passions without sacrificing their practical needs. ***Balancing Passion and Practicality*** lays the groundwork for thinking about ways to inspire students to think more carefully about the long-term consequences of the type of college they select, their academic choices, and how they will pay for college.

To learn more about how choosing a major can affect a student's ability to repay student loans, take a look at ***Balancing Passion and Practicality: The Role of Debt and Major on Students' Financial Outcomes***, published by TG in August 2012. The report is available online at www.TG.org/research.

The screenshot shows the TG Research website interface. The main content area displays the report title and a list of sections with expandable/collapsible options:

- Section 1: Texas Demographics
 - Entire Section
 - Population in Texas to 2040
 - Ethnicity in Texas by Region
 - Median Income in Texas and the U.S.
- Section 2: Texas College Readiness
 - Entire Section
 - High School Curriculum and College Success in Texas
 - High School Completion Rates in Texas and the U.S.
 - High School Promotion Rates in Texas
- Section 3: Profile of Texas College Students
 - Entire Section
 - Undergraduates in Texas by School Sector and Grade Level
 - Undergraduates in Texas and the U.S. by Enrollment Intensity
 - Retention Rates of Community College Students in Texas
- Section 4: Cost of Education and Source of Aid in Texas
 - Entire Section
 - Four-year Public University Costs in Texas and the U.S.
 - Two-year Public College Costs in Texas and the U.S.
 - Four-year Private University Costs in Texas and the U.S.

Additional features visible include 'TG Research' navigation, 'School Fact Sheets', 'Key features' (HTML and EXCEL versions), 'Types of statistics', 'Back to Top', 'States of Student Aid and Higher Education in Texas (SDBA)', 'Featured Reports' (including the current report), 'Summary Handout', and 'Digging Deeper: An Analysis of Student Loan Debt in Texas'.

Know the Reasons, Remedies for Student Loan Defaults



Brent Dove
USA Funds

If your school is looking for ways to prevent student loan default and lower its cohort default rate, it's important that you know the most common reasons that students default. Knowing the factors that often prevent students from successfully repaying their loans can help you establish debt management measures that specifically address those issues — before they cause more of your students to default.

Although students' reasons for defaulting are many, listed below are three of the most likely causes. Here are those common reasons for defaulting, and some ways your school can tackle each of those problems to encourage successful repayment:

- **Reason for defaulting: Left school without receiving a degree.** In the Federal Direct Loan Program, 70 percent of students who default on their loans withdrew from school without completing their academic programs. Student-borrowers who leave school before completing their programs end up facing debt that, without a degree, too often they cannot find a job that gives them the means to repay.

How to address the issue: Go beyond the financial aid office to tackle the problem of default prevention and student retention. Ensuring that students stay in school to get their degrees should be a campus-wide concern, one that also merits having dedicated default prevention and retention staff on campus.

And here's another point to keep in mind: Work to keep students in school and on the road to successful repayment begins when they walk in — not when they walk out. One benefit of working with students from the beginning of their academic careers is that it helps to establish you as a contact, one who will be a trusted adviser for debt management during their time on campus and beyond.

In its sample default prevention plan materials, the U.S. Department of Education suggests staying in contact with your school's borrowers to encourage them to stay in school. And, if they do withdraw, offer services that facilitate their return to school and job placement services so they they'll have income to keep current on their education loan debt.

- **Reason for defaulting: Lost track of my loans and what organizations are servicing them.** In these days of split servicing, multiple loan types and “put” loans, student-borrowers too often don't know what entity or entities are holding their loans or worse, they may be completely unaware of one or more of their loans that, meanwhile, are headed toward default.

How to address the issue: Here's another area where regular communication with your student-borrowers pays off. In your communications with students, help them stay aware of the loans they have, what organization is servicing them, and the amount they owe. Some schools send students to the National Student Loan Data System for students each time students take out new loans, and require them to download their financial aid transcripts and attach the transcripts to their loan applications. This practice keeps information about what they've borrowed fresh in students' minds.

Here's an easy way to point students in the right direction to learn about their loans: USA Funds offers “Know What You Owe” magnets that direct students and parents to NSLDS to access loan information. The free magnet is available for order online.

- **Reason for defaulting: Didn't know my repayment options.** From income-based repayment to deferment and forbearance and a variety of choices in between, federal student loan borrowers have a number of flexible repayment options to fit their own specific situations. Borrowers need to be aware that repayment help is available if they need it.

How to address the issue: During your frequent communications with your borrowers, you should be informing them — and then reminding them — of the flexible repayment options they'll have available to them as they enter repayment.

To help you stay in contact with your student-borrowers, even after they leave school, make it a priority to have up-to-date contact information for them. Along with a permanent address and phone number, that contact information should include a non-school email address and a cell phone number. And since you've established yourself as a trusted adviser on debt management issues, student-borrowers will understand that they can reach out to you if they have questions or need repayment assistance.

One school makes a pledge to its students that, no matter what, those students will have life-of-loan counseling available from the school. Use the tools that your student loan partners offer to help you with reaching out to your borrowers to help with debt management.

Counseling and Blogs



Jacquie Carroll, ED.D.
Campus Engagement and
Education Consultant
American Student Assistance

Most of us have seen photos of Occupy Wall Street demonstrators wearing signs declaring their student debt. They know how much they owe, but they don't know what to do about it. And they're not alone. A recent *USA Today* article noted what many of us in higher education already know: paying for college is a major concern for most of the population. An Alger Association Poll surveyed "1500 students ages 14-23 and found that three out of four students have major concerns about whether they will be able to pay for college (Aug. 8, 2012)."

Clearly, student loans are on everyone's mind. Studies from the American Student Assistance® (ASA) portfolio revealed similar findings across a student population up to age 36 (*What Students Think about Financial Literacy*, 2010). But this isn't just an issue that affects younger people. A recent Barclays report found that Americans ages 50-59 hold about 16% of the national student loan debt. Also surprising, *The Wall Street Journal* reported that the biggest jump for the student loan burden lies with upper-middle class families, and the average amount borrowed among upper-middle-income families rose more sharply than did those borrowing in lower-income households.

Across the U.S., the focus of the conversation has prompted plenty of discussion about the staggering student loan debt, with strategies aimed at lowering tuition and increasing financial aid opportunities. But not a lot of discussion has surrounded the issue of students with their repayment. It seems we've identified many of the issues that drive this problem, but we've yet to find appropriate solutions. Coming up with the right solution can be trial and error. At times, it may even lead us back to best practices and solutions from the past, but with a new spin.

Making smart financial decisions—not only about college, but about life goals in general—is something students are interested in. The ASA® study mentioned above also revealed that students want to learn more about finances; they just don't know where to turn. While some students noted that they ask for advice from their parents, many also acknowledged that their parents are probably not the best resource to give financial advice. Another set of students said that even though they get advice from friends about many things, finances are generally not

one of these, since many students believe their friends (in their words) "know as little as I do."

What students *do* want is practical and accurate information from experts. And they want it right when they need it. Dain Zylstra is an osteopathic medical student who has access to financial experts through the SALTSM membership program provided by Western University Health Sciences. Dain reflected that "As complicated as our economy and our finances can be, it's great to have someone to call who can provide me with timely and appropriate answers. Even though I'll be in a high earning field, good financial planning is necessary for all income levels."

There are two tools that can help in this area. They both provide access to experts, but they use different venues. In many cases, that expert is in the financial aid office. But many progressive schools such as Dain's institution are providing access to student loan counseling through an avenue such as SALT. Instead of bogging down the financial aid office with calls that can be handled by a student loan counseling professional, institutions are freeing up their staff to take care of other financial aid issues. Linda Frenza, Associate Director of Financial Aid, states "It allows our staff to be more effective. We know that 80% of our students take up 20% of our time, and 20% of our students take up 80% of our time. Being able to direct them to another resource essentially buys us all more time." The response from students has been positive, as well. One student explained, "I love the fact that I can call someone and actually speak to a person when I need help. Timing is very important."

Since timing is essential, on-demand communication should also be considered. A blog is a great tool to provide students with information right when they need it. And let's face it: blogs speak to students in a way they understand. Students want advice from someone who's been there—someone who has walked a mile in their shoes, so to speak. Financial literacy blogs resonate with students because people share personal stories about where they've been and where they're going. Couple that with engaging posts about everyday things that relate to finances, such as food, pop culture, and anything else that seriously (or not so seriously) relates to money and students' lives, and what do you get? A winning formula for effective communication.

As you work to get your message out to students, think about how you can use these two tools to help your offices, and also to help your students find the answers they need. Maybe in the near future we'll be reading more positive headlines. After all, effective communication with our students is what matters most. We can send all the letters or emails we want, but if they aren't reading or acting on what we're sending, it doesn't matter. Let's give students what they want—and what works.

Becoming a Paperless Office



Malina Chang
Assistant Director,
Financial Aid Operations
California Institute of
Technology

In 2006, the Financial Aid Office at the California Institute of Technology embarked on its voyage to the brave new world of paperless operations. It took four years, a new financial aid management system (PowerFAIDS), a third-party imaging service (IDOC), a document imaging and management system (ImageNow) and a financial aid student portal (NetPartner), but we couldn't be happier with the results. Our offices are now airy and clutter free, the ranks of filing cabinets have shrunk to one, and the black hole behind the credenza is no longer a purgatory of lost student files. Whereas completing a file for review used to occupy a week, it is now accomplished in typically two days. Similarly, responding to student inquiries regarding the status of a document now takes minutes rather than days. Freed of the tedium associated with tracking paper, our staff is meeting their application processing goals more efficiently, and with far less stress.

Year 1: The paperless application review

We started by implementing a new financial aid management system [FAMS]. This was by far the largest task and the most important one to get right, because the FAMS was the central infrastructure around which all other processes were defined. With the new FAMS, we were able to automate packaging and—most importantly—the generation of missing-information emails to students.

The next step was the engagement of a third party imaging service (IDOC), which provided us with electronic versions of documents submitted to them by applicants, as well as a document manifest file that directly updates an applicant's tracking status. An important decision made up-front was that we would introduce changes incrementally, using hybrid processes during the transition as necessary. This minimized pushback from staff. Therefore, while we reviewed student documents for application processing online, we still created paper student files, populated with printed ISIRs and documents not directly associated with the application itself—e.g. copies of outside scholarship checks, award letters, etc.

Years 2 and 3: Doing away with the paper file

The big change came the second year when we implemented a document imaging and management system ImageNow, doing away with the paper student file. ImageNow—which is software

running locally within our office—became the repository that integrated documents transferred from IDOC (instead of viewing those documents online on the IDOC website), as well as locally scanned versions of all paper documents received in our office.

As is often the case with large software packages, ImageNow had many more features than we chose to use. This was consistent with our general approach of introducing changes incrementally. We did not change any process already implemented in PowerFAIDS—e.g. defining document requirements for applicants, and generating tracking-emails—even though ImageNow had comparable capabilities.

The switch away from having a physical student file was probably the most difficult change for the financial aid professionals in our office. Therefore, from a human interface point of view, it was important to maximize commonality with the properties—and limitations—of paper files. A simple example is file-locking. While the system would permit simultaneous access to a student-file by multiple users, we chose to limit access to one user at a time—just like a paper file. Another example is the assignment of files for review. While the system would support a free-form approach to matching files to evaluators, we chose instead to retain the practice of having one person in charge of making assignments, populating an evaluator's virtual "Inbox" instead of placing a physical stack on his or her desk.

Year 4: Becoming a paperless office

The final step in becoming a true paperless office was the implementation of paperless award letters—both the notification and the acceptance steps. Notification was now via automatically-generated email, while award-acceptance utilized a student financial-aid portal, for which we chose NetPartner. NetPartner was a locally hosted web server which integrated with PowerFAIDS. While the function it provided was straightforward, the fact that it was locally hosted was behind the two year deployment time-span, most of which were taken up with security vetting by the Caltech IT staff.

What you need to make it happen for you

1. A solid return-on-investment proposal to get the necessary technology funding, and enlist the support of your superiors. Most of the companies we worked with were more than happy to provide the data.
2. A very competent analyst/diplomat to bridge the gap between the users and the IT staff, who is fluent in both financial aid- and IT-speak.
3. Extensive communication with students, parents, colleagues and the entire campus community throughout the transition process.

I wish you the best of luck on your journey.

The outsourcing dilemma: Some considerations



Amy Kasper
TG Regional Account
Executive

In many organizations, when the topic of hiring an external service provider comes up, there are usually two schools of thought. On one hand, getting help from the outside is perceived as less than ideal; decision makers may cite cost, expertise limitations, and a lack of understanding of organizational culture as factors that discourage outsourcing. On the other hand, outsourcing may provide many advantages, including relief for overtaxed staff, reduced training and maintenance needs, and a resource to augment internal expertise.

So how do you determine which way to go in your situation?

1 Define the need

The most important factor in making the decision whether to outsource is the business objective. What specific need is your organization trying to meet? Surprisingly, many organizations make outsourcing decisions without clearly defining their objective. This results in frustration, because different people will have different perspectives on the challenge that needs to be addressed, and that leads to different solutions. Once you clearly define your objective, it becomes easier to address it.

2 Quantify the risk

Next, determine the risk that your organization will face if your objective is not met. This is a consideration that is often disregarded. Is your business objective attempting to address an issue that is critical in nature? Will you incur financial loss, revocation of licenses or privileges, or experience a loss of business opportunities if you do not meet the business objective? What is the impact? Determine this in advance; this will give you an understanding of the importance of an effective solution. It may also open doors to consider less costly or less labor intensive options.

3 Identify needs versus wants

After you have determined the business objective, and identified the risks involved in not meeting the objective, the next step is to outline all of the functions, features, and expectations for the solution. Once you have identified them, categorize them as “essential” versus “nice to have,” and rank them within these specific categories. Your completed list now prioritizes all elements.

4 Evaluate existing capabilities

Once you have defined the business need, evaluated the business risk, and identified the needs versus the wants, look at your existing resources to determine feasibility in addressing the business challenge internally. Some issues to consider include:

- Do you have support from the highest levels of management to support addressing the business objective with existing resources?
- Do you have existing staff to address the objective, and do they have the necessary expertise and time?
- If not, will you be able to hire staff and provide a budget for them to address the need?
- Will workflows need to be adjusted, and do you have the capability to adjust them with existing personnel?
- If the function or activity has not been performed in your organization before, do you have best practices determined, or can you somehow acquire them?
- Is your organization able to assume the risk associated with performing the function or activity, if there are errors or failures? This may include financial, market share, and reputation loss incurred due to errors or failures.
- Have you projected demand growth for this function, product, or service, and are you reasonably prepared to address this growth?

5 Determine approach

After taking each of the steps above, you should have enough information to make a decision. Determine whether you will attempt to address the business challenge using existing resources, or consider outsourcing instead. Even if you end up making the “wrong” decision, going through these steps will provide you with a way to identify where failures might have occurred. And if, ultimately, you choose to hire a service provider, your answers to many of these questions can help you evaluate your options in the marketplace, helping you ultimately to meet your business objective.

Save the Date

**Plan on Attending
Pre-Conference Sessions:
December 8th-9th, 2012**