President’s Letter

Greetings OASFAA Colleagues,

As of our February Annual Conference, OASFAA will reach seventy-five percent of our goals for the 2011-12 membership year. Our final push is to complete our Financial Aid 101/201 training, slated for the end of February. By the time you read this, registration should be posted on the OASFAA website. Don’t miss this opportunity to engage in this very ambitious program. The conference and FA 101/201 will have Oregon FA professionals up to date and ready to go for the 2012-13 processing cycle.

The theme of our conference is “Financial Aid – the Real Groundhog Day: 6 More Weeks of...” As we have seen, Congress is hard at work changing the rules for Title IV. Let’s see what our shadow of information will predict. Our conference committee worked very hard to provide an informative agenda that we hope will result in a favorable forecast for the year ahead.

I want to acknowledge the following Chairs for making OASFAA successful this year:

- Annual Conference – Ryan West and Michele Holdway
- FA 101/201 – Mike Johnson and Kathy Campbell
- Fund Development – Robert Rogers
- Legislative – Geoffrey Wullschlager
- Membership – Stacie Englund
- Mentoring & Newsletter – Sue Shogren
- Outreach & Technology – Judy Saling
- Summer Drive-in Workshop – Chippi Bellow and Darcie Iven
- Support Staff Workshop – Nancy Hanscom

Wishing all of you a Happy New Year,
Bert Logan, President

Inside Every Issue...

Letter from/to the Editor ....................... 2
New Members ................................. 2
Member News .................................. 3
Member Profile .............................. 11
School Profile ................................. 13
On the OASFAA Calendar .................... 14
On the Lighter Side ......................... 14

Inside This Issue...

Support Staff Workshop ....................... 4
Reflections on the FSA Conference .......... 5
Conference Update .......................... 6
FA 101/201 ..................................... 6
Mentoring Program .......................... 6-7
OSAC Update ................................. 8
Proactive Preparation for 2012 .............. 8
Get Students Thinking About Repayment ... 9
Communicating to Debt Extremes .......... 10
Financial Literacy: Buy the Numbers? .... 10
Ideas for Default Prevention Plan .......... 12
Annual Conference Service Project ...... 14
Letter from the Editor
by Sue Shogren, USA Funds

I read an interesting article recently. In the February 2012 issue of a magazine that explores the entrepreneurial spirit, *Fast Company*, is an article entitled “The Four-Year Career.” The author, Anya Kamenetz, asked several individuals about their career paths and their expectations for the future. As prime examples of her perspective, each of them had experienced several job transitions, with one opportunity leading to the next – though not always in a traditional or “logical” fashion.

Buried within this article is a startling statement: “...the median number of years a U.S. worker has been in his or her current job is just 4.4, down sharply since the 1970s.” She attributes this to two factors, in play simultaneously. One is the decline in the availability of the “long job” – the kind of career where retirement tidily wraps up several decades of work for the same company – and the other is the rise of a prevailing attitude among employees toward professional work that embraces change and volatility.

As a financial aid professional, it’s hard for me to imagine that anyone can learn the true scope and nature of the work we do in just 4.4 years. For me, this trend underscores the need to develop and inspire those among us who will be our future leaders. To that end, on page 6, you’ll find an article describing a renewed effort OASFAA will launch next year to create an effective and sustainable mentoring program. Will you be a part of OASFAA’s future?

In this issue, you’ll find lots of news about your colleagues across the state, as well reflections from several members on their experiences after attending this year’s Federal Student Aid Conference. You’ll also meet Jim Brooks, Financial Aid Director at University of Oregon, and find out more about The Art Institute of Portland in our “School Profile.”

Be sure to review the report from this fall’s Support Staff Workshop and catch up on news about additional training and development opportunities offered by OASFAA this winter. In particular, note the FA 101 Committee’s innovative approach to offering training in the fundamentals of financial aid!

You won’t want to miss the information and advice we’ve gathered from far and wide, designed to help aid administrators prepare for the upcoming award year, and to help you help students prepare for repayment and make wise choices about borrowing and managing their finances. Finally, check out the back page for a description of the wonderful non-profit organization this year’s Service Project will support and several ways you could choose to help make a big difference in one of Oregon’s smallest communities.

Publication of the next issue is scheduled for March. We’re looking for contributions by **February 28, 2012**.

Keep warm!

---

Welcome, New Members!

**Rosie Breeden**, Everest Institute  
**Deana Dace**, Warner Pacific College  
**Nicole Gamel**, DeVry University  
**Melinda Leiva**, Everest Institute  
**Danielle Mercier**, East-West College of the Healing Arts  
**Katherine Turnbull**, ITT Technical Institute

---

A Friendly Reminder
by Stacie Englund, OASFAA Membership Chair

Is there a new staff person in your office interested in joining OASFAA? Do you have co-workers who are not currently receiving OASFAA updates? Encourage them to join or renew their membership at: www.oasfaaonline.org/docs/forms/memApp.html.

Questions? Please contact me at stacie@pacificu.edu or (503) 352-2858.
**Member News**

**Jessica Abblitt**, Oregon State University, is serving as Interim Assistant Director for the University Scholars Program.

**Valerie Alapai** left Oregon State University and joined the staff at Western Oregon University as Financial Aid Counselor.

**Anastacia Dillon**, Lewis and Clark College, was promoted to Director of Student Financial Services in September.

**Karen Fobert**, Lewis and Clark College, was promoted to Associate Director of Student Financial Services last fall.

**Peter Goss**, formerly of the University of Oregon, Oberlin College and Northern Essex Community College, returned to Oregon as Financial Aid Director at the University of Western States.

**Katie Jamieson** left Western Oregon University, where she worked as scholarship coordinator and financial aid counselor, to travel and do volunteer work in Africa.

**Ashley Kikukawa**, Lewis and Clark College, was promoted to Senior Assistant Director of Student Financial Services last fall.

**Jeff Lackey** joined U.S. Bank as Market Manager, serving schools in several western states, including Oregon.

**Kim Lamborn** left Western Oregon University to work at the University of Western States.

**Kim Pound (Pearson)** changed her name, but not her job. She continues to be Financial Aid Director at Concorde Career College and serve as OASFAA’s Vice President for Proprietary Schools.

**Jennifer Satalino**, Director of the NELA Center in Portland, left to become Director of the Oregon College Access Network (ORCAN).

**Aaron Waldron**, Oregon State University, was promoted to Assistant Director.

**Ben Wessel**, Oregon State University, was promoted to Associate Director.

**Jennifer Christian Wright**, Assistant Director of Financial Aid at Marylhurst University, accepted the position of Assistant Dean of Financial Aid at Amherst College in Massachusetts.

*If you or someone you know has received a promotion, taken a new job or experienced another type of significant life event, e-mail: susan.shogren@usafunds.org.*

---

**Change in Financial Aid Director**

_by Mellony Stratton, Umpqua Community College_

We here at Umpqua Community College are very sad to say goodbye to **Laurie Spangenberg**, our Financial Aid Director. Laurie has been our Director for the past six and a half years. She has accepted the position as Director of Financial Aid at Bay de Noc Community College in Escanaba, MI. Laurie’s last day at UCC will be January 20, 2012. This move will put her within driving distance of five of her eight children, 7 grandchildren with two more on the way, and her parents in Wisconsin. We will miss her and wish her well as she starts her career as a Upper Michigan Yupper!

**Michelle Bergmann** has accepted the position of Interim Financial Aid Director in Laurie’s absence. Michelle has been absent from Financial Aid for the past eight years, filling the Distance Education Coordinator and Lead Advisor position here at UCC. We are extremely happy to welcome Michelle back to Financial Aid and she is anxious to reestablish contacts with our OASFAA family.

---

**Volunteer Opportunity**

College Goal Oregon events take place at various community colleges and high schools around the state throughout the month of January. Free FAFSA and financial aid help is provided by knowledgeable volunteers. For more details, go to [www.CollegeGoalOregon.gov](http://www.CollegeGoalOregon.gov) and be sure to keep this opportunity in mind for next year!
On November 3, 2011, OASFAA held the biennial Support Staff Workshop titled “Finding your PACE: How to Keep Up with Change,” at George Fox University, Portland Campus. There were thirty-seven in attendance from both the public and private sectors.

Our sessions included a federal update from Kathy Campbell and Satisfactory Academic Progress with Mike Johnson. Jennifer Satalino from NELA presented a session regarding the communication styles of both a written culture and an oral culture. This helped us learn how beneficial it is for financial aid professionals to learn how to diversify communication efforts with students.

Sarah Loepker from Portland Community College provided a highly informative and thoughtful session about the challenges foster children face when attempting a higher education and explained some of the ways we can meet the special needs of these students. We finished the day with Levi Query, Department Chair of Physical Education and Dance at PCC. Levi provided all of us with an understanding of the importance of taking care of ourselves in the stressful financial aid environment and gave us tips on how to stretch and exercise in the workplace.

We would like to give a special thanks to Sandy Kingsley at the Oregon Business Institute O.E.M.B.A. program for the generous donation of items for our door prizes at the end of the day. Our efforts were well received and we hoped everyone had a good day.
Member Articles: Reflections on Attending FSA Conference 2011

by Peter Goss, University of Western States

After three years away from OASFAA, let me say what a distinct pleasure it is to be back in the best state association in the universe! Two weeks after arriving back in Portland, I zipped off to Vegas for the 2011 Federal Student Aid Conference to get my Fed fix.

It was really great to see OASFAA well-represented, including our illustrious president. At the Town Hall, Tracy Reisinger (Marylhurst) stepped up and challenged the federal panel on issues with resolving intransigent problems on NSLDS, and Helen Faith (Lane Community College) spoke of the problems caused by the exceptionally long delays on the federal side for students needing to obtain Selective Service status letters.

For me, there seemed to be a distinct subtext to the conference, alluding particularly to the budgetary uncertainties of the post-Supercommittee world. The Department of Education has made no secret of the fact that the planned verification changes for 2012-13 and 2013-14 are an attempt to reduce perceived waste and/or loss in the Pell program: Jeff Baker raised the issue again in the general session. Likewise, despite cuts to other programs (for example, loss of Subsidized loan eligibility for graduate students) to save current Pell funding levels, cuts in Congress to the Pell program may still be on the horizon.

In other examples from sessions I attended:

- During an EDExpress/DL Tools session, one of the presenters noted discussions on the federal side about whether the Feds should even be “in the software business” and raised the specter that EDExpress may be a target.
- Discussion of the Perkins loan program again included mention of future mandatory Perkins liquidation—which would shift ELC fund assets back to the federal ledger—and replacing the Perkins program with another unsubsidized “Direct” loan that would shift interest earnings to the government.
- Perhaps most tellingly, breaking with long-standing tradition, ED did not use the 2011 conference to trumpet the announcement of the 2012 conference site. Other explanations are possible, but my sense is that the reason is budgetary and not that they simply forgot to mention it.

Still, if changes come, we’ve weathered storms before. It’s a great blessing to know that here in OASFAA, we will all pitch in to help each other through it.

by Heather Hall Lewis, University of Portland

Oregon financial aid was well represented at the Federal Student Aid conference in sunny Las Vegas this year. Two of our esteemed colleagues – Helen Faith of Lane Community College and Tracy Reisinger of Marylhurst University – were brave enough to step up to the mic during the Town Hall meeting and asked the feds some pretty tough questions. Way to represent, ladies!

Highlights of the conference included many, many sessions on gainful employment, including how to report GE through NSLDS, the new disclosure templates coming soon from the Department of Education, and a contentious Q&A session with a panel of Department GE experts. Gainful employment was definitely the hot-button topic of the conference.

Verification changes – both for 2012-13 and 2013-14 – was another hot topic. If you were unable to attend the FSA conference in person, these sessions (#4, #14, and #31) in particular may be worth viewing at the FSA Conference Website.

I attended two sessions that were particularly helpful: Model Aid Offer (Session #42) and Two Factor Authentication (Session #56). Model Aid Year offered a glimpse of what could become the standardized award letter for schools nationwide. While not regulated yet, there is talk of standardizing certain aspects and verbiage on the award letter.

One particularly poignant comment was regarding use of the words “Room and Board” versus “Housing and Meals.” The presenters polled the audience to see which was a clearer description of that portion of the Cost of Attendance. The majority of the room felt that “Housing and Meals” was a clearer description, although most still use “Room and Board” in their literature. It sounds like a rather small take-away from the conference, but it helped me reflect on the words we use when we talk to students. We know what we mean because we talk about it all the time, but students may feel like we are speaking a foreign language. Our office is looking into the words we use and considering some changes we could make to help students understand the process better.

Two Factor Authentication was an interesting lesson in information security. While most of us are aware that we will be receiving tokens from the Department of Education soon that will act as another layer of security for the federal sites that we use, the session gave me a better understanding of why that is important and how the tokens will actually work. It also gave some good information about the nuts and bolts of the distribution and activation process. This would be another good session to watch in your spare time.

Overall, the conference was a success. The sheer volume of people attending is sometimes overwhelming and exhausting. However, the venue was good and able to accommodate us (even though meal-times were a little hectic) and I learned a lot. Spending a week in (mostly) sunny Vegas rather than cold, rainy Portland was also a nice treat.
OASFAA Conference
2012 Update
by Ryan West, Western Oregon University

The Annual Conference Committee has been busy planning the 2012 conference. As announced previously, the conference will be Wednesday, February 1 through Friday, February 3, 2012, at Salishan Lodge and Golf Resort (www.salishan.com). The conference theme is “Financial Aid – the Real Groundhog Day: 6 More Weeks of…”

Registration is open. The Pre-Conference Rate is available until January 26 for those who register online: Members $240; Nonmembers $275. After January 26, the On-Site Rate will apply: $285. The last day to cancel and request a refund is Thursday, January 26th, 2012. Meal tickets for guests of conference registrants may be purchased on site at the conference registration desk.

Make your room reservation right away, if you haven’t already, by contacting the Salishan at 1-800-452-2300. Be sure to mention that you will be attending the OASFAA Conference to get the correct rate.

More information about the conference, including the Master Schedule and session descriptions, is available online at: www.oasfaaonline.org/docs/conferences/conference_12/registrationinfo_2012.html. If you have any questions or ideas about the conference, please contact Michelle Holdway (mholdway@uoregon.edu) or Ryan West (westr@wou.edu).

Coming Soon: The Revised and Expanded FA 101/201
by Kathy Campbell and Mike Johnson, OASFAA FA 101/201 Committee Co-Chairs

After several years of doing what has generally been regarded as a successful OASFAA FA 101, we’re trying something new: FA 101 is becoming FA 101/201! We’re excited about the possibilities that this new approach promises to offer.

OASFAA FA 101/201 will be held on Friday, February 24th, at Chemeketa Community College in Salem. We’re holding it a little later than in previous years so we’ll have plenty of time to create and advertise the new curriculum.

Basic and intermediate training tracks will be held concurrently. FA 101 will be primarily for those who have less than two years’ experience in the profession who want to be sure that they have a solid understanding of basic financial aid information and approaches. FA 201 will be for those who have been in the profession for two to five years who are poised to become the next group of campus, state, and regional financial aid leaders.

FA 101 topics will include:
- 2012-2013 FAFSA and SAR details
- Federal Methodology
- Need analysis case studies

FA 201 topics will include:
- The development of policies and procedures
- Advanced need analysis concepts
- Small group discussions of timely topics of interest

Both groups will meet together to learn about and discuss:
- Office operations and processes
- Finding useful resources
- Awarding policies
- Effective communication

Please plan to join us if you feel that this training will benefit you, and please also let your colleagues know about it. Registration will be available on the OASFAA website soon.

Fresh Start for the OASFAA Mentoring Program
by Sue Shogren and Ashley Kikukawa, OASFAA Mentoring Committee Co-Chairs

The mentoring program offered most recently to OASFAA’s members met with moderate success and served several of the participants well. An experimental model was used, involving mentoring circles within which participants would work together on a project of their choosing. One team – out of the three teams originally established – presented a report on the outcome of their project at the OASFAA Annual Conference in early 2011.

Since then, the Mentoring Committee’s efforts have focused on researching alternative options for structuring a mentoring program that is both effective and sustainable. Research included interviewing several past participants, reviewing literature describing generally-accepted practices, and examining professional development and leadership programs offered by other membership-based professional associations. Based on OASFAA’s previous experiences and the research conducted, a proposal for a new approach was submitted to the OASFAA Executive Board in December 2011. The Board approved moving forward with a plan that asks for a two-year commitment from program participants, with ongoing oversight by the members of the Mentoring Committee.

continued on page 7
The goals of the program are to offer professional development and networking opportunities, while encouraging the involvement of new financial aid professionals in the work that OASFAA does. OASFAA’s new mentoring program is structured to support participants, while allowing them to help develop and implement a program that meets their needs. The new plan incorporates the following key components.

**Develop mentoring partnerships.**
The Committee will identify program participants through a combination of applications and outreach. The application will collect profile data and information about each participant’s goals and preferences, as well as confirmation that both the participant and the participant’s supervisor commit to supporting the goals of the program while on the job. Using this information, the Committee will establish primary mentoring pairs consisting of one Mentor and one Mentee, making new assignments during the year if needed. The first cohort of participants will be limited to 20 OASFAA members.

**Structure the Mentoring Program to include a Planning Year and an Activity Year.**
During the **Planning Year**, the Committee will evaluate the outcomes of the previous year’s efforts, including surveying and interviewing past participants, determining whether any changes are necessary, facilitating the design of the next year’s program and identifying the next year’s participants. Mentors will actively participate during the Planning Year AND lead or participate in programs offered during the following Activity Year, while serving as a Mentor to an assigned Mentee.

During the **Activity Year**, Mentors will implement the plan they developed. The Committee will facilitate meetings and conference calls, and generally support the ongoing communication between Mentors and Mentees. Mentees will work with a Mentor and actively participate in programs offered during the Activity Year and serve as a volunteer for OASFAA in any capacity during the following Planning Year.

<table>
<thead>
<tr>
<th>Planning Year</th>
<th>Activity Year</th>
<th>Planning Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mentors</td>
<td>mentoring activities</td>
<td>Mentees</td>
</tr>
<tr>
<td>Planning</td>
<td>mentoring activities</td>
<td>volunteering</td>
</tr>
</tbody>
</table>

**Evaluate the program at its conclusion.**
Committee Chairs will ask Committee members and all program participants to share feedback and offer suggestions for the future as they wrap up their period of involvement. For Committee members, this may be after only one year. For Mentors and Mentees, this should occur at the end of the two-year commitment, though input will be welcome at any time. The primary evaluation and adjustment period will be at the conclusion of each Activity Year, before applications are collected from Mentors wishing to participate during the next two-year cycle.

**Develop a certificate program.**
The Committee will explore the potential for creating a leadership program at some point in the future that is similar to the “Above & Beyond” program sponsored by the Western Association of Student Employment Administrators, which allows members to volunteer to pursue a certificate of completion based on specific actions. Such actions might include involvement with OASFAA as a volunteer or presenting at conferences, and will be designed to develop and enhance leadership skills. This program can serve as a next step in the ongoing professional development of participants who begin their journeys through the Mentoring Program.

Clearly, this project will require resources, including speakers, training materials and support technologies. We anticipate that program costs can be minimized by enlisting the expert help of staff and faculty at various colleges and universities throughout Oregon, including – but not limited to – Human Resources personnel and training professionals. A specific budget request will be prepared by Mentors during each Planning Year for funding consideration by the OASFAA Executive Board.

Information about this program will be share at the Annual Conference, including during a brief information session on Wednesday, February 1, at 5:15pm near the registration booth. The application phase will be announced soon.

In the meantime, if you have any questions or suggestions, contact Sue Shogren (susan.shogren@usafunds.org) or Ashley Kikukawa (ashleyk@lclark.edu).
A state hiring freeze plus budget restrictions – What does this mean to our students and the Oregon Opportunity Grant?

The news is good for 2011-2012. All students who have OOG awards will continue to receive the money as committed. Now that the November disbursement reports are in, OSAC has remaining dollars and these dollars were awarded to students. Schools were notified of these awards on December 16, 2011.

The fate of the 2012-2013 OOG funds is yet unknown and there is still time for this to be determined before the next awarding cycle. The legislature allocated $46 million of OOG for 2011-12 and $53-57 million for 2012-2013 so that, if there are cuts, funds would be reduced in the second year of the biennium. We’ll know more with the announcement of the state revenue forecast in early February 2012, so stay tuned.

OSAC recognizes that our students deserve problem free financial assistance and we will continue to keep you informed on the OOG situation. For now relax and know our students are in good shape for 2011-2012 and OSAC will strive for the same in 2012-2013.

You Have The Power – Use It!
The legislative session begins on February 1, 2012 and lasts for one month. Have you ever considered the difference you can make to secure more OOG dollars on behalf of our students? Every day you work with students, hear their stories and know the positive impact of the Oregon Opportunity Grant. You have an important message.

Our legislators need to hear your story and support of the OOG. It is so easy. Oregon legislators are very approachable and love to hear from their constituents. A simple phone call to the district office is all it takes to set up an appointment. Meetings are typically 30 minutes and it’s your opportunity to talk about 10 minutes on the power of the OOG. Advocating serves a more positive purpose than grumbling in your office about insufficient dollars for our students.

Stand up, make a difference and tell your senator or representative why our students need more money. OSAC can support you with coaching and added insight to particular legislators. Give me, Josette Green, a call if you’d like to strategize about a legislative visit. Who knows? Your visit may make all the difference in an increase in funding. You won’t know until you speak up.

What do you have to lose? What do our students have to lose?

OSAC Update
by Josette Green, OSAC

Effective January 1, 2012, the state’s financial aid agency officially has a new name: the Oregon Student Access Commission (OSAC). The agency’s websites have all been replaced with a new site name: www.OregonStudentAid.gov. From this main site, visitors can reach all agency services and programs administered by OSAC.

Proactive Preparation for 2012
by Sun Ow, Great Lakes Educational Loan Services

Being proactive about preparation now can help your entire academic year go smoothly. There are a number of areas to keep in mind as you prepare. By following them, you can ensure you are maintaining compliance and staying informed, that your office is taking consistent action, and that you are helping your students while protecting their privacy.

Policies and Procedures
Stay in compliance and avoid institutional liability by reviewing your policies and procedures. Make updates to satisfactory academic progress, verification (which has been completely overhauled for 2012-13), FAFSA, professional judgment, and any other areas that need it. Having a P&P manual not only helps you be prepared in the event of an audit, it gives everyone in your office step-by-step instructions, so their actions can be consistent.

FERPA
To make sure you’re protecting the privacy of student records and reducing the risk of fraud and identity theft, review FERPA policies at least once a year, incorporating any changes that are needed. Take note that the U.S. Department of Education is expected to release final rules in the coming months. Think about creating a policy review committee containing members from various departments on campus.

FAFSA
Make sure your IT networks, financial aid budget, and student aid forms are ready for the latest FAFSA updates by reviewing the ISIR guide for changes. When it’s available, explore the FAFSA test website (fafsademo.test.ed) to experience the FAFSA from a student’s point of view. The User ID is eddemo and the password is fafsatest.

Cost of Attendance
A great way to help your students avoid over-borrowing and/or being under-funded is to make sure your school’s
cost of attendance is a realistic representation of expenses. You can research costs through student surveys (for items such as transportation, clothing, etc.), the Bureau of Labor statistics, realty websites for apartment rental costs, and by interviewing the student housing office. Then make changes to your cost of attendance as needed.

**Consumer Information Requirements**

It’s important that students and families have the information they need to make an educated decision about the upcoming year. Create a central repository to allow students to access the appropriate department for each section. For example, provide students with information on new procedures for verification, satisfactory academic progress, R2T4, where to locate their aggregate loan balance, and more.

**Resources**

You are not alone! There are resources to help you as you prepare, including:

- NASFAA tools at nasfaa.org
- Ed.gov
- Ifap.ed.gov
- Guarantor and servicer websites
- Webinars
- State, regional, and national association conferences and training opportunities

By being proactive in your preparation, you can do everything it takes to maintain compliance, stay informed, and make sure you are ready to help your students, while you protect their privacy.

---

**Get Students Thinking About Repayment While Still In School**

*by Sharon Cabeen, TG*

With student debt balances higher than usual and a job market that remains challenging, worsening cohort default rates are a worry on many campuses.

Raul Lerma, interim executive director of financial aid and veterans affairs at El Paso Community College, says that his school’s numbers have been bucking the trend. Here are some tips he offers based on his experience. These three methods all involve ways schools can engage current students now to actively prevent default later.

**Start repayment now**

“The basic challenge,” he says, “is to help the students understand that they really do have to pay this money back. Sometimes it doesn’t seem real to them that they actually will need to make payments at some point.

“Therefore, it’s a good idea to get them making payments while they’re still in school. That might just be $50, but it’s still a good idea, because it creates two benefits. First, it chips away at the amount a little, and that’s obviously good, but the second benefit is more important: that tiny payment creates the habit and makes repayment real for them.”

**Use in-person entrance counseling**

Another strategy Lerma uses to manage default rates is to require in-person entrance counseling every academic year. “A lot of schools do this counseling online,” he says, “or it’s in-person the first year and online after that. But I think in-person counseling makes more of an impact, so we require it every academic year.”

Besides the impact of being in a session with an actual instructor, Lerma notes that there is also the benefit of teachable moments as students can ask questions, with an expert to answer at that moment.

**Reinforce with brochures or even intermediate sessions**

Lerma says that his office has also been employing a tactic of reinforcing loan repayment concepts often. “Whenever a student comes in our office for any reason,” he says, “we ask if they have loans. If they do, we give them an informative booklet.” The idea is that it might take several attempts to gain the student’s deep attention and have them engage the subject matter. Reinforcing the material with the brochure boosts the likelihood that students will read and understand the important information they need to grasp.

He adds, “We’re also considering the idea of getting students in for intermediate counseling sessions to reinforce what they may have forgotten from entrance counseling.”

In short, getting students to start repaying their loans while still in school (even if it’s only $50 per month), using in-person rather than online entrance counseling, and reinforcing the importance of repayment at every opportunity, may be effective ways to keep cohort default rates under control. The results at El Paso Community College seem to confirm that they are.
Communicating to the Student Debt Extremes
by Francie Campbell, SimpleTuition, Inc.

Despite Shakespeare’s advice to “neither a borrower, nor a lender be,” student loans have allowed millions of college students to pursue their academic dreams. It’s not surprising that student loans often generate conflicting emotions for applicants. Our advice: identify your extremes – the debt-phobic and the over-spenders – for targeted communications to create a balanced approach to the emotional response student debt may cause during the admission process.

Help the debt-phobic student understand the benefit of having more choices. Prove that it’s do-able to go to your school.

- Sample repayment: communicate the average monthly payment in comparison to average post-graduation income.
- Credit Scores: explain how student loans are considered “good debt” for establishing a positive, high credit scores.
- Alumni Case Studies: share success stories of alumni who will testify that repayment of student loans is possible.

Raise the awareness of over-spenders whose heavy borrowing may result in uncomfortable debt levels that threaten their future financial security. By continuously educating these over-spenders about the consequences of spending and borrowing, you can instill positive financial habits.

- Salary information: relate student loan repayment to future income using salary data from your Career Development Office or national or regional data from websites like www.payscale.com, using the average debt for your recent graduates.
- Budgeting Classes: offer student budget workshops to encourage reduced borrowing through good spending habits.
- Work-Study: promote student employment to earn the pocket money to pay for the “plus factor” – pizza, laundry and trips.

Both types of students could benefit from seeing estimates of their student loans payments after graduation. Consider encouraging them to use calculators to see the total monthly loan payments for all loans they have or will borrow for several years of college.

As financial aid professionals, we want students to focus on fit without regard to finances, and yet cost is increasingly a driver in the conversation. To help families balance the financial piece of the college decision, understanding the emotional side of how students and their families feel about borrowing can improve your communications and shift attitudes toward the educational experience and persistence.

Financial Literacy: Buy the Numbers?
by Jeff Southard, ECMC

As the sun sets on 2011, it’s gratifying to realize that all of our students manage their money properly and are making solid financial choices to ensure a prosperous future. The economy is back on track, the wealth is spreading to the 99%... well, perhaps not.

While we’re still steadily ensconced in a “lucky to have any job” sort of economic situation in this country, our students seem to continue on much as they have for the past twenty years or more. Students still snap up the latest electronic gadgets, eat out too often and generally make their decisions based on their emotions rather than using a more prudent “spend less than you earn” model.

Recent numbers still indicate that financial literacy education has little effect on the choices that students make while they’re in college. Statistically speaking, a student with solid and varied access to good financial decision-making information will often still make a foolish financial choice. It seems that immediate emotional reward of an impulse purchase continues to trump what makes financial sense.

And what of the studies? In the twittersphere, facebookatopia and throughout cyberspace, there are lots of bloggers mentioning studies showing that financial literacy education is largely ineffective. True, perhaps? The truth is it’s pretty hard to tell. Many of the efforts that we do to educate our students don’t include rigorous methodology to capture the overall effectiveness of what we’re doing. Measuring efficacy requires additional time, tracking, and analysis while many of us are truly delighted if there are more than ten attendees at an information session on putting together a budget.

And that’s okay. Really, it is. The great thing about financial literacy education is that it’s mostly common sense. The most important concepts seem to boil down to about five basic areas:

1. Spend less than you earn
2. Pay your bills on time
3. Monitor your credit rating
4. Set goals and follow through
5. Understand financial behavior patterns

“...we can teach our students to thrive...”
Member Profile: Jim Brooks

Jim is Financial Aid Director at University of Oregon.

How long have you been in Financial Aid?
I started in financial aid in September 1987, so it’s been 24 years.

How did you get started in Financial Aid?
I was finishing graduate school and wasn’t sure what I was going to do next. I saw a position listing for a Financial Aid Counselor position, and thought that might be interesting to try until I figured out exactly what I wanted to have as a career. I caught the bug, and never left the profession.

What has your involvement been with OASFAA so far?
I haven’t been involved in OASFAA so far. I’ve only been in the state since August 2011.

What is the most rewarding part of your job?
Like many financial aid professionals, I am excited when students who would not have the finances to obtain a degree are able to earn a degree based on the efforts of a financial aid professional.

What case/student will you be most likely to remember for the rest of your life?
I worked with a young woman who was filing a dependency appeal. Her parents were divorced and her mother had gotten custody of the student and her siblings. Her parents divorced when her mother was diagnosed with cancer, and her father did not want to deal with it. The mother, knowing she was going to die from the cancer, put all of the assets she received in the divorce in the student’s name. When the mother died, the father wanted the assets. The student refused to sign everything over to him, and since he now had custody of her siblings, refused to let her see her siblings. He also was suing her for the assets which tied everything up in the courts. She was counter-suing him trying to get the courts to give her permission to see her siblings. It was a real mess, and I truly felt for the student who was a freshman when she came in to see me.

What is the most difficult aspect of your job?
Trying to take limited resources and stretch them as far and as widely as you can. There are so many students you’d like to be able to help, but don’t have the resources to help everyone.

How do you cope with stress on the job?
I focus on my family outside of work. Yes, I take work home with me, and on vacation with me, but I try to remember that I am a husband and a father and my family is important, so I need to separate my professional life from some of my home life.

Who has been the biggest influence/mentor on your career?
I worked for Dr. Susan Pugh at Indiana University for many years. She probably has had the greatest influence on me as a financial aid professional. I tell people that I find myself channeling her very often, and I chuckle every time I realize that I’m doing it again.

What is/ was your favorite volunteer experience?
College Goal Sunday. I was involved in CGS from its inception, and I’ve always enjoyed the event and think it has been very successful.

What do you do when you are not working?
I love to read, especially thrillers. I love music (everything but country), and at times get my guitars (bass and acoustic) or drums out and make some noise.

What do you like about living in Oregon?
I love the scenery. Having lived in the midwest for so many years, it’s very different living in the Willamette Valley. My family is thoroughly enjoying it.

What is the most unusual place that you have traveled?
I’m not sure that it qualifies as unusual, but visiting Sweden is probably a trip that I remember the most.

What is your favorite restaurant?
McCormick and Schmicks. I’ve never lived close to one, which is probably good since they are expensive, so they become an occasional treat - typically, when I travel.

What was the last book you read?
The Postcard Killers, by James Patterson.

Who is your personal hero?
I don’t know that I have one. I admire people who are willing to give their all for what they believe.

If you could change anything in our industry, what would it be?
More regulatory relief for institutions who are effectively administering federal financial assistance. I think the experimental sites program is a start along these lines, but with Congress only using certain results of the past experiments to make legislative

continued on page 13
Lowering default rates is priority for many financial aid administrators these days.

When the U.S. Department of Education released the most recent cohort default rates in September, many schools saw increases in their rates when compared with the previous cohort. And the change to a three-year cohort default rate from the previous two-year cohort is expected to result in a significant increase in rates for most schools.

Add to those scenarios the sanctions that schools with high cohort default rates will face under the new three-year cohort default rate rules, and it’s easy to see why schools are looking to develop plans to lower their rates. In fact, the new three-year cohort rules will require schools with a single-year cohort default rate of 30 percent or higher to establish a task force to develop a default prevention plan.

But having a school default prevention plan is a good idea regardless of your school’s cohort default rate. Helping students successfully repay their education loans should be a process that focuses on every stage in the loan cycle — application and loan origination, in-school, grace and repayment — so your borrowers get the help they need every step of the way.

Looking for ideas of what to include in your school’s plan? Consider the following ideas:

- Establish a campus-wide team to address the issue of preventing default.
- Analyze cohort default rate data, to help you determine which of your students are at greatest risk of defaulting and to inform your strategies to prevent those defaults.
- For those students at greatest risk of default, provide additional counseling beginning early in their in-school period.
- Offer entrance, exit and interim loan counseling that goes beyond the basic requirements to further ensure that students understand the specifics of their loans.
- Provide overall financial literacy training throughout the entire loan process — and in a variety of formats.
- Communicate with your borrowers entering repayment — and do it early. Reaching out to borrowers by their grace period helps to establish contact information for the remainder of the loan cycle.
- Shortly after they leave school, counsel students who withdraw. Share with these borrowers the importance of meeting their loan obligations — and the benefits of returning to school to complete their education.
- Establish specific programs or teams that are dedicated to working with borrowers in the early stage of loan delinquency and late stage of delinquency, to allow them to test different approaches for these specific groups of borrowers.
- Take advantage of tools from partner organizations to help you communicate with borrowers.

The Department offers a sample default prevention plan, as well as a page of Default Prevention Resource Information on its website at www.ifap.ed.gov.
School Profile
by Mickey Jacobson, Art Institute of Portland

The Art Institute of Portland, according to the school’s website, is dedicated to undergraduate design education. The school “...seeks to be an innovative center for design, a lively supporter of the arts, and a positive community partner in the city of Portland, the state of Oregon, and the greater Pacific Northwest” (read more about the college here).

What year was your institution founded? Was your institution ever known by any other name?
We were founded in 1998, and we were previously known as Bassist College.

What is your current undergraduate and/or graduate enrollment?
We are currently an undergraduate institution.

What types of degrees do you offer and what’s your largest or most popular program?
We offer Associates, Bachelors and Diploma programs.

Do your campus primarily residential? Commuter? Online?
Our campus is primarily residential and commuter.

If you have athletic programs, what is your most successful program?
We do not offer any athletic programs at our institution.

Do you have a School Mascot? What are your School Colors?
We don’t have a school mascot, but our colors are Red, White and Black.

How many staff do you have in your financial aid office?
We have 14 total staff.

Who is your Financial Aid Director?
I am the current Director of Student Financial Services.

Do you offer institutional grants and/or scholarships?
We do offer Institutional grants and scholarships to our students.

Do you run on semesters, quarters or another schedule?
We are a quarter-based institution.

Do you offer programs using credit hours or clock hours, or both?
We use credit hours for our programs.

What type of financial aid management system do you use?
We use CARS as our system.

How long have you been DL?
Since July 2010, we now use Direct loans.

What is the one thing that EVERYONE should know about your institution that they may not already know?
We have one of the longest running Fashion programs in the state of Oregon, since 1963.

continued from page 11

changes, it dilutes the incentive to participate in the programs.

Do you have any advice for your fellow aid administrators?
Volunteer in the profession. All of our state and regional financial aid associations are staffed by people who volunteer, people who care about our profession and are willing to give of their time and efforts. You need to join in that effort. It is very rewarding.

If you were not in financial aid, what would you be doing now?
I’m not sure. If I could, I would be involved in music somehow, or be a beach bum in some warm, sunny climate.
It’s doubtful that many would look at these basic ideas and dismiss them. And most of us don’t dismiss them. We ignore them. I still do at times; I just bought my son an Xbox 360 for Christmas as proof. But we get better at it when we start to focus on numbers four and five. Understand why you do what you do and figure out what you want life to look like. A lot of that comes with age and wisdom and appreciation for what resonates with each of us. We begin to realize that we don’t have to be rich to be successful, and that buying new toys may feel good, but probably only for a little while.

That’s where we can teach our students to thrive. Many students are still figuring out their dream and mission in college and we know that finances play such an important role in achieving those dreams. Providing the basic information for students to reference is helpful. To thrive though, our students need to mature, develop strong values and a sense of place in their community.

Where we really help our students is in providing good skills and a nurturing environment for the beginning of their adult journey.

---

**OASFAA Brings An Early Spring, One Brush Stroke At A Time!**

*by Theresa Schierman, George Fox University*

Each year the Annual Conference Committee chooses a non-profit organization that can benefit through the donations and/or services provided by OASFAA Conference participants. We are very happy to be given the opportunity to, once again, support the mission of Seashore Family Literacy.

Their mission? Seashore Family Literacy promotes education, community, health — and **life literacy** — through numerous programs, including youth and adult tutoring, parenting classes, after-school activities, summer camps, a clothing bank, free meals and more. All programs offered are free at the Waldport Community Learning Center. Seashore operates almost entirely through the resources provided by generous volunteers and donations. For more information: [www.seashorefamily.org](http://www.seashorefamily.org).

<table>
<thead>
<tr>
<th>Currently Most-Needed</th>
<th>Ongoing Needs</th>
<th>Always Welcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>Warm blankets</td>
<td>School supplies</td>
<td>$Money$</td>
</tr>
<tr>
<td>Coats, hats and gloves (children and adult sizes)</td>
<td>Hygiene products (soap, shampoo, toothpaste, etc.)</td>
<td>Checks made out to: Seashore Family Literacy</td>
</tr>
<tr>
<td>Boots and shoes (children and adult sizes)</td>
<td>Snacks for after-school program</td>
<td></td>
</tr>
</tbody>
</table>

For those folks who would appreciate the opportunity to participate in a “hands-on” service project, Senitila (Founder and Director) has expressed the need to have the bathrooms of the Waldport Community Center painted. Interested participants will go as a group, leaving Salishan directly following the conference. Estimated time of involvement is 1:00 – 4:00 p.m. Make sure to bring appropriate painting attire, rollers and/or brushes. The paint will be provided.

We are very excited that Senitila has agreed to join us at the conference for breakfast on Thursday morning. She plans to provide us with an update on the needs and successes of Seashore Family Literacy.