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2012



Newsletter

A publication of the Oregon Association of Student Financial Aid Administrators, a not-for-profit membership organization

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President's Letter

I anticipate the coming year to be both challenging and rewarding. As we transition into a new year, I am reminded of a quote from Heraclitus, the Greek philosopher, 'The only constant is change.' Just as we adapted to the new regulations for this year, we will valiantly move forward to incorporate the changes effective July 1, 2012, into our policies and procedures for the 2012-2013 year.



Our Association will continue to provide support to our members as we move forward into the coming year. We are currently in the process of filling the positions of committee chairs and members, after which we will begin identifying dates and locations for events. To get the most current information on training dates and locations, or to volunteer to serve on a committee, visit the OASFAA web site.

I understand the stress that develops in financial aid offices this time of year. The best advice I can give you is to keep your sense of humor. Laughter is more contagious than a cough, sniffle, or sneeze. It inspires hope, encourages connections, and helps keep you focused and alert. My hope through this next year is that we continue to grow, continue to learn, and continue to laugh, together.

Donna Fulton
OASFAA President
2012-2013

Membership Chair

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Inside Every Issue...

Letter from/to the Editor	2
New Members	2
Member News	3
Member Profile	4
Federal Legislative Update	8
State Legislative Update	9
School Profile	14
On the OASFAA Calendar	16
On the Lighter Side	16

Inside This Issue...

OASFAA Election Results	3
Annual Conference Service Project	3
Annual Conference Update	5
OASFAA's Inaugural FA 101/201	6
Keep Direct Loan Changes in Mind	10
New Lifetime Pell Grant Eligibility Limit	11
The FSA Two-Step	11
Financial Literacy in April	12
Managing Your School's Default Rate	13
Customer Service and Self Care	15
WASFAA Conference Announcement	16

Editorial Policy

Opinions expressed are those of the authors and not necessarily of OASFAA, its members, or the institutions represented by the authors.

OASFAA welcomes all views and invites submissions of articles, essays, photographs, or information of general interest to all members. Submissions should be brief and may be edited. It may not be possible to publish all articles submitted. Email items for publication to the [Editor](#).

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Letter from the Editor

by Sue Shogren, USA Funds

Recently, I was very fortunate to attend a conference of an association of academic advisors. After so many years spent viewing the college student's experience from the vantage point of the financial aid office, it was fascinating to me to listen to people who have a different perspective on working with the same students. Fundamentally, we have so much in common and, I believe, so much we can learn from each other. The true power of any organization is its people, and especially in today's world, the degree to which we communicate and collaborate across traditional boundaries will define – or limit – our success.

In this issue, you'll find many examples of communication and collaboration. Read about this year's highly successful Annual Conference, including the Service Project through which OASFAA gathered truck-loads of donations and provided an opportunity for volunteers to work together on an on-site improvement project for Seashore Family Literacy. Also be sure to review the re-cap of this year's innovative and highly effective FA 101/201 training workshop, piloted by Kathy Campbell and Mike Johnson, and their amazing faculty!

Through the Member Profile, meet Donna Fulton, OASFAA's new President. In the School Profile, you'll probably find out a few things about Southern Oregon University you didn't already know. From the Legislative Update, to articles on recent changes in financial aid legislation, to suggestions for increasing financial awareness on your campus, to advice for caring for yourself every bit as much as you care for your students... this issue is chock-full of information designed to keep you up to date and in touch with your colleagues from across the state.

Publication of the next issue is scheduled for March. We're looking for your contributions by **May 31, 2012**.

Hope to see many of you at the WASFAA Annual Conference in Portland next month. See the back page for further details.

Think sunny thoughts... spring really *is* around the corner!

Welcome, New Members!

Jennifer Alkezweeny, *NELA Student Success Center*

Sarah Arslanian, *American Student Assistance*

John Barber, *NELA Student Success Center*

Mary Kay Bean, *Mt. Hood Community College*

Michelle Bergmann, *Umpqua Community College*

Christina Dorrell, *ITT Technical Institute*

Sharon Fitzpatrick, *Valley Medical College*

Will Goette, *Valley Medical College*

Sandy Henry, *Eastern Oregon University*

Malissa Hice, *Central Oregon Community College*

Luis Juarez, *Mt. Hood Community College*

Beth Koroleski, *Pioneer Pacific College*

Christine Laduke, *Pioneer Pacific College*

Jason Luttrell, *Mt. Hood Community College*

Heather Martin, *Phagans School of Hair Design*

Gregory Mason, *Wells Fargo EFS*

Michael McFarlane, *Charter One*

Kelsey Neussl, *Lewis & Clark College*

Sherri Olson, *Southern Oregon University*

Janette Tims, *Pioneer Pacific College*

Jean Russell, *American Student Assistance*

Renuka Salinger, *NELA Student Success Center*

Danielle Welke, *Valley Medical College*

Colette Woods, *Phagans School of Hair Design*



Robert Rodgers (left), U.S. Bank, is congratulated by Bert Logan (right), Portland Community College, for being honored with OASFAA's Distinguished Service Award for 2012.

Member News

Jennifer Alkezweeny became Manager of the NELA Center for Student Success in Portland.

Sarah Arslanian joined American Student Assistance® (ASA) as the regional account executive for the Pacific Northwest.

Kevin Edge, Klamath Community College, became the proud father of a baby boy, Logan, on January 27, 2012.

Frankie Everett left Multnomah University in January to join Marylhurst University as Associate Director of Financial Aid.

Kathy McCutchen joined Portland Community College as Cohort Default Rate Coordinator.

Shelle Riehl, formerly with St. Martin's University in Lacey, Washington, joined Western Seminary as Financial Aid Director.

Breanna Sylwester left Central Oregon Community College to join Concordia University as Director of Financial Aid.

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

OASFAA Election Results

by Donna Fulton, OASFAA President

The results are official and congratulations are due to the following members who were elected to serve on the Executive Council for 2012-2013:

President-elect	Suzie Petersen Oregon Institute of Technology
Secretary	Ryan West Western Oregon University
VP Community Colleges	Pamela Robison Lane Community College
VP Independent	Frankie Everett Marylhurst University
VP Proprietary Schools	Kimberly Pound Concorde Career College
VP Public 4-Year	Ben Wessel Oregon State University

I want to thank all those who agreed to be on the ballot and their willingness to run for an elected position within OASFAA. Volunteers are the heart of the organization and I appreciate everyone's willingness to serve.

OASFAA Members Are Also WASFAA Volunteers

- Sam Collie
- Zach Duffy
- Helen Faith
- Lilly Foxx
- Daniel Herman
- Holli Johnson
- Valerie Karnes
- Tracey Lehman
- Leslie Limper
- Bert Logan
- Kathy McCutchen
- Tracy Reisinger
- Judy Saling
- Sue Shogren
- Ryan West
- Luhui Whitebear
- Lakia Wilson

If you volunteer for WASFAA and we missed you on this list, please let us know!

OASFAA Annual Conference Service Project Update

by Theresa Schierman, George Fox University

OASFAA volunteers had the enriching experience of participating in a "hands-on" community service project at the Seashore Family Literacy headquarters in Waldport. After hand-delivering donations gathered at the Conference, and following an inspiring tour of the facility, we brightened a dreary set of boys and girls restrooms with a fresh coat of paint!



OASFAA members' donations to Seashore Family Literacy Project.



Schools donated supplies and other desperately-needed items.



Contest participants devised creative ways to share their gifts.



George Fox University's "Friendly Groundhog!"

Member Profile: Donna Fulton

Donna is the Financial Aid Officer at Klamath Community College, where she has worked since 1998. Initially, she worked in the business office doing accounts payable and purchasing. She now oversees the processing of financial aid and she is responsible for compliance with financial aid regulations. She works closely with student services staff and academic advisors to help students move toward completion of their educational goals. Donna serves OASFAA as President, a role she assumed last month.

How long have you been in Financial Aid?

I have been in financial aid since 2002.

How did you get started in Financial Aid?

I was drafted from the business office by the president of the college. He promised me that if I hated the job after six months I could move to another department. Six months later I was so busy that I forgot to follow up with him, so I'm still here.

What has your involvement been with OASFAA so far?

I have served on the annual conference committee, as treasurer and currently as president. I love being involved with OASFAA because the members of the association are such wonderful people.

What is the most rewarding part of your job?

The most rewarding part is helping students resolve issues and seeing them be successful students.

What case/student will you be most likely to remember for the rest of your life?

I worked with a young woman who came from a terribly abusive home life. She was in a group home and initially too fearful to speak with anyone without her caseworker present for support. I worked one-on-one with her to complete her file and placed her in a work-study

position. I nicknamed her "Amazing Sarah" because she had such a positive attitude when she came out of her shell and began interacting with others. She moved on to a university after two years and I was sad to see her go, but ecstatic about her success. When things are difficult, in the office, I remember all she had to overcome to be successful and it minimizes the issues of the day.

What is the most difficult aspect of your job?

Keeping on top of all the regulation changes and making sure staff has the most current information available.



How do you cope with stress on the job?

I look for the humor and laugh. If that doesn't work, I take a walk.

Who has been the biggest influence/mentor on your career?

The biggest influence has been other financial aid directors who have guided me through the process of learning and growing into my position. This group provides a variety of insight and support.

If I had to name a specific person it would be Kathy Campbell. Thank you, Kathy, for all your support and guidance.

What is/was your favorite volunteer experience?

I serve on the board of the local food bank and we have a very small-scale Wishes program for families of terminally ill patients. One of the wishes that we were able to make come true was for the father of two preteen girls. He had leukemia and his wish was that his girls could have a birthday party because he had never been able to afford one. We planned a wonderful day of bowling, shopping and ended the day with dinner at Crater Lake. The girls were so excited, not only to have a birthday party for the first time, but also because they were able to share the experience with some friends. It was such a simple thing that brought joy to the family at a very difficult time and made a lasting memory for the girls and their father.

What do you do when you are not working?

I am completing my master's degree so I read textbooks, do research and write papers... and sometimes sneak away to Albany and spend the weekend with my granddaughter.

What do you like about living in Oregon?

Everything. I was born and raised in Oregon. I love the friendly people and the diversity of outdoor activities that are available.

What is the most unusual place that you have traveled?

I have not traveled to any unusual destinations, but I have had unusual travel experiences. Like attending the WASFAA MLI in 2004 when my dorm room decided it liked me so much it would not let me leave. It made for an interesting situation and an eventual escape through the window with assistance from the tall, dark and handsome security person.

What is your favorite restaurant?
Carino's Italian in Albany.

continued on page 16

OASFAA Annual Conference Update

by Ryan West, Western Oregon University

The 2012 OASFAA annual conference was a smashing success! Held at the Salishan Lodge, the Conference Committee timed things perfectly to ensure that the weather at the Oregon coast would be absolutely gorgeous. Beyond the beautiful surroundings, the substance of the conference was relevant and detailed.



Kay Soltis, WASFAA President, updates OASFAA members on the activities and accomplishments of the regional association through its volunteers.

Jason Stein provided a keynote address affirming the importance of the work that we do and the

impact on lives our work provides. He reminded us that we must take care to refresh and renew ourselves if we are to have continued positive impact.

NASFAA President Justin Draeger provided an update from a Washington, D.C. education insider perspective on the things that are being discussed at the national level right now and those issues

likely to impact our profession in the next couple of years.

Breakout sessions were varied, covering many nuts-and-bolts issues in the administration of financial aid, along with ways to help us reach out to and understand students. Kim Schreck from the US Department of Education provided an excellent federal update series, including a new take on the Asset Threshold test which few are expected to forget.



Conference meals together provide opportunities to meet, connect and learn from each other.

Chris Baum provided wonderful musical Thursday evening which resulted in some dancing and singing as the perfect warm-up to the incredibly popular and fun OASFAA karaoke in the Attic Lounge.

Looking ahead, the 2013 OASFAA annual conference will be **Wednesday, February 6, through Friday, February 8, 2013** at Salishan Lodge and Golf Resort. Planning for the next conference begins soon. If you're interested in helping, contact 2013 Conference Co-chairs Michelle Holdway and Russell "Russman" Seidelman.



Conference Committee Co-Chairs Ryan West (front row, left) and Michelle Holdway (front row, right) with their dedicated team of committee volunteers.



Conference attendees listening intently to NASFAA President Justin Draeger's legislative update.

Kim Schreck, Region X Training Officer, provided copies of the handouts for the federal update, verification and gainful employment sessions she presented. They are available on the OASFAA website under the conferences link: www.oasfaaonline.org/docs/toc_conference.html

OASFAA's Inaugural FA 101/201

by Kathy Campbell, Chemeketa Community College, and Mike Johnson, Pacific University

On Friday, February 24, 2012, 54 participants from all four school sectors and a few education-related organizations, along with nine faculty members representing public two-year, public four-year, and private schools, spent the day at Chemeketa Community College making OASFAA history. While that statement suggests that we don't yet have the ability to be completely objective, even if we could, we think we'd describe OASFAA's first combined FA 101/201 workshop an unqualified success.



The day began with the usual discussion of agenda and logistics necessary for such events. Elaine Robinson (Linn-Benton Community College) then set the workshop's tone and context with her session to the entire group on what happens in financial aid offices and what decisions are involved in determining how those activities and processes are organized. After her presentation, the 201 participants left the large meeting room to the 101 participants, and the experiment began.



The 101 group was treated to Nathan Warthan's (Corban College) presentation on the financial aid programs, Jennifer

Knight's (Linfield College) lively session on how an applicant's basic eligibility for financial aid is determined, and Ryan West's (Western Oregon University) discussion of FAFSA and SAR details.



While those sessions were happening, Mike Johnson (Pacific University) talked with the 201 group about how policies, procedures, and best practices govern and guide our operations, and Jim Brooks (University of Oregon) followed with a detailed discussion of advanced need analysis and professional judgment concepts and examples.

After a quick break, the groups combined for Janet Turner's (University of Portland) presentation on where to find helpful financial aid and related resources on the Web. The groups then split again and the 101 participants learned about Federal Methodology from Ryan West – and got to do their first hand calculation of the day – while the 201 group, led by Kevin Multop (Central Oregon Community College), discussed the many changes – most the result of changes to federal regulations – that are in store for financial aid administrators in 2012-2013.



Lunch then provided a well-deserved break – and a tasty one, thanks to the excellent food and service provided by Chemeketa's dining services staff. At the end of the hour, Kathy Campbell (Chemeketa Community College) transitioned the groups back to learning mode with an exercise that gave participants some insights into how they communicate and interact with each other.



More need analysis was then in store for the 101 group. Jim Brooks split the participants into five small groups and had each group look at information about a different hypothetical student, decide what Federal Methodology formulas and variants were appropriate, and calculate an EFC. On the 201 side, several faculty members led wide-ranging discussions on a variety of current topics of interest to attendees.



After another short break, the groups came back together for the rest of the day. Kevin Multop and Jennifer Knight gave the most interactive session imaginable on how costs of attendance are determined, how financial aid packages are created, and how

continued on page 7

continued from page 6

awards are made and revised. Their cost of attendance exercise involving candy and jars, and their Family Feud-inspired exercise on aid revisions, had to be seen to be believed.



Kathy Campbell then provided a thought-provoking session on the internal and external communications that are so important to our

success as school administrators. The raffling of faculty-donated prizes, and the participants' completion of the evaluations so important to future versions of this workshop, brought the day to a close.

We hardly know how to begin to thank everyone for making the day such a success. All participants were actively engaged in the day's activities – a sure sign to us that things were moving in the right direction – and they genuinely seemed to enjoy everything they did. The time that faculty members had taken to prepare their sessions – time they likely had to steal from a variety of pressing concerns – was obvious, as was the talent that allowed them to be so effective. Our thanks to you all.



In closing, we would like to thank the OASFAA Executive Council for green-lighting this event and supporting our efforts to create and plan it. We look forward to reading the evaluations and beginning the process of fine-tuning this training event to make it even better.

In Their Own Words...

"Thank you for a great training! The sessions were extremely informative and fun, and the information was delivered in a way that didn't overwhelm (Thank goodness! The world of financial aid is already overwhelming enough!). I would highly recommend that anyone who works in the financial aid field or advises students in financial aid matters in any way attend this training!"

*~ Stacey Wells, Executive Assistant
Student Development and Learning Resources*

"This was definitely one of the better workshops I have been to. The information was delivered in a lively fun manner and the time just flew by. The biggest benefit I received was being able to meet other financial aid folks who are dealing with the same issues as we are."

*~ Genevieve Wittman
Financial Aid Specialist*

I was really impressed by the entire event. Not only was it extremely well organized, but the content was on point. It was a nice refresher for me and it was clear that even the newest of financial aid professionals got a lot out of the training.

*~ Sarah Arslanian
Regional Account Executive*

"The training was great. The faculty was friendly and patient with the new folks and we were able to learn a lot about the work of financial aid."

~ Financial Aid Adviser

"These important workshops are an essential part of our learning curve. I was glad to participate, network with experienced colleagues, and excited that our new staff could learn and be trained from some of the best financial aid professionals our state has to offer."

*~ Luis Juárez, Co-Manager
Financial Aid Office*

Federal Update: Legislative Notes as of February 29, 2012

by Geoffrey Wullschlager, Portland State University



There has been significant movement at the federal level with respect to Title IV appropriations for the remainder of the current fiscal year and the upcoming fiscal year set to commence on October 1, 2012.

Current state of affairs

It was stated at the commencement of the OASFAA Annual Conference that the political climate we find ourselves in as citizens – and more importantly, as financial aid professionals – should be viewed completely through the lens of the Federal budgetary process. This is a very apropos description of the current state of continued funding of Title IV programs.

In years past, concern may have centered around legislation and the debate of funding taken up on the floors of the two houses, but now we must look entirely to the budget appropriations process to understand what is in store for continued funding of Title IV. This is primarily due to the fact that the United States Government has been operating without a budget being passed into law for over 900 days, as of the end of February. As a result, appropriations (which must originate in the House of Representatives, primarily), have been allocated over the last several years directly through continuing resolutions or measures to address needed spending in the absence of an approved budget. Unlike the budget laws that states must adhere to, the federal government can do this mainly because it is not required to run on a balanced budget from year to year and can deficit-spend to meet its responsibilities.

Consolidated Appropriations Act of 2012

As has been the trend for some time now and for the foreseeable future, we must look to the continuing resolutions that have been appropriated to continue to fund Title IV programs. Our most recent allocation for the 2012-2013 award year can be found in the Consolidated Appropriations Act of 2012, signed into law by the president on December 23, 2011. The finer points of the law have made significant changes to Title IV for the upcoming school year.

- The previously established 2012-2013 automatic-zero EFC threshold of \$32,000 (anticipated for 2012-2013) was reduced to \$23,000.
- Students beginning a program of study on or after July 1, 2012, who do not have either a high school diploma (certificate of graduation from a school providing secondary education) or the recognized equivalent of such a certificate (General Equivalency Diploma) will no longer be eligible for Title IV programs. As it currently stands, alternative forms of high school

equivalency that have been acceptable in the past will most likely fail to qualify students moving forward. It is anticipated that this will cause many issues for our members, especially in the community college sector, and all schools should prepare accordingly. Note that Department representatives have stated that students affected by this legislation and the institutions they have been attending *prior* to July 1, 2012, will not be scrutinized.

- Pell Grant awards will remain at a maximum of \$5,550 for 2012-13, but with several caveats.
 - First, this full award will be maintained by removing the subsidies for graduate borrowing beginning in 2012-2013. Those of us working for institutions with graduate programs should be preparing graduate and professional students for the potential “borrower shock” now.
 - Second, the regulations for minimum Pell eligibility have also been adjusted, allowing only those eligible to receive 10% of the maximum award to receive a minimum award. This contrasts to previous awarding guidelines, allowing those between 5-10% of eligibility to qualify.
- Pell Grant duration of eligibility has also been adjusted, now permitting undergraduate students a maximum of 12 semesters or equivalent (roughly 6 years) of eligibility as compared to the previous 18 semesters or equivalent (roughly 9 years).

Whether an institution runs on a semester or quarter format, the duration is the same. This also does not allow for “grand-fathering” of previous Pell receipt; all students will be measured from where they stand at the beginning of the 2012-2013 school year.
- With respect to the Direct Loan program, the major adjustment for 2013-2013 other than the sunset for graduate subsidies will be the rate jump of the current 3.4% for undergraduate borrowing to 6.8% commencing July 1, 2012. There is talk that the President is pushing to maintain the current rate of 3.4%, but there is sizeable congressional pushback as the increase is expected to save over \$4 billion in expenditures. There also will be adjustments resulting in the elimination of the subsidized loan interest subsidies during the currently allotted 6-month grace period for loans first disbursed between July 1, 2012, and June 30, 2014.

“...we can expect more of the unexpected in the coming year.”

What to expect going forward

As we can see from the major adjustments to Title IV discussed so far, we can expect more of the unexpected in the coming year. Within the last 5 weeks, the White House has rolled out a rather ambiguous plan directed at increasing accountability and standards within higher education. Much of this is directed at state institutions as the current administration wants to shift more responsibility and priority to the individual states in funding higher education within their own borders.

continued on page 9

continued from page 8

Specifically the administration has released the following 5 point plan:

1. Reforming student aid to promote affordability and value

The President wants to institute a program aimed at moving campus-based aid away from schools that do little to mitigate rising tuition costs. This program is meant to incentivize states to reform higher education, increase success rates at state universities, and to readdress the measure of value in higher education particularly in serving high need students.

2. Creating a Race to the Top for college affordability and completion

This program will put aside \$1 billion in Federal funds for states and colleges that make much of the aspirations previously mentioned a reality. In summary, states and institutions that show systemic change within their organizational policies, and administrative adjustments that reflect this change under the metric of cost control and ease of earning a degree will be potentially awarded funding.

3. A First in the World competition to model innovation and quality on college campuses

\$55 million will be invested to schools, both public and private, as well as nonprofit organizations. The measurement for awarding will be based on those organizations that show strategic development in – and operationalization of – methods that increase student performance and degree attainment. The focus will be on efficiency and increasing productivity in teaching and learning practices.

4. Better data for families to help them choose the right college

The President wants to begin keeping score through a points measuring system of “all degree granting institutions.” The idea is to offer greater transparency in the process of institution selection for students and their families. This scorecard will potentially report costs, graduation rates and earning potential of program graduates. This will, in theory, assist students in choosing the appropriate institution for their higher education goals.

5. Federal support to tackle college costs

The President wants to continue funding at current and potentially increased levels through a number of means. He hopes to double work-study jobs over the next 5 years, make the current American Opportunity Tax Credit permanent, and to keep interest rates on Federal loans low. This last aspect is illustrated through the President’s calls for the maintenance of current undergraduate subsidized loan interest rates.

From what little has been released, it can be said that the President would like to tie grant in aid, and potential challenge grants, to institutions that meet benchmark standards in increasing graduation rates, job placement and career facilitation. For Oregon, this will be difficult as the state currently ranks 47th in funding of its state university system and OUS has seen a steady stream of increases in tuition over the last decade to compensate for declining state appropriations.

One point of certainty though is that little will change between now and the presidential election in the fall. It is estimated that the ambiguity of the President’s plan elicits a more direct policy position that will be unveiled in finer detail if the administration is to return for a second term, or after the conclusion of the electoral cycle. It is also speculated that a period of legislative inactivity to hot button issues such as higher education reform will be realized between now and the ensuing general election.

State Update: Legislative Notes as of February 29, 2012

by Geoffrey Wullschlager,
Portland State University



In this shortened regular session of the legislature (29-day session for the current even-numbered year), our lawmakers have

had much to consider in a very brief time period. At the forefront of discussion and of concern among constituents, as well as assembly members and senators, has been the state’s worsening economic condition. Per State Representative Dennis Richardson (R. Central Point / Co-Chair House Ways and Means Committee), the legislative session has had two goals:

1. Rebalancing the State budget;
2. Passing key bills that would promote jobs for Oregon workers, improve Oregon’s Medicaid system and promote reformation of Oregon’s education system.

Oregon is currently facing a \$200 million shortfall as revenue forecasts set forth in the beginning of the 2011-2013 biennium have fallen shy of target. This is most directly being addressed by the Joint Committee on Ways and Means submission of its budget rebalancing plan – aimed at immediately reducing state expenditures by \$28 million – which plans to address the fiscal shortcoming in a number of ways. As it relates to the interests of OASFAA and higher education in Oregon, we are most fortunate that no severe reduction measures are being taken with respect to educational programs.

This is seen most predominantly in the continued funding of the Oregon Opportunity Grant program with no changes to the originally allocated \$99.5 million

continued on page 10

continued from page 9

for the 2011-2013 biennium. This allocation is 4.8% above what was allocated for the 2009-2011 biennium, and has appropriated \$44.6 million for the current year and \$55 million for the 12-13 school year. Many of us in the financial aid industry are already aware of these figures, but it is important to note that they have not been put on the chopping block in the interim of the 2-year budget cycle.

While measures are being taken to decrease state appropriations immediately and most directly in agency funding reductions aimed at the cutting of many middle management jobs, for the time being it can be gleaned that our legislature understands the importance in the continued funding of higher education and the support our most fiscally vulnerable students. It should also be noted that the legislature is helping to close the current gap by using the process of one-time measures, which will help reach the \$28 million target in the current session but will need to be filled by other revenue sources during the next budget cycle. One-time stopgaps have a way of resurfacing at a later period in time in the form of cuts that were averted initially by the use of this policy as a budgetary instrument.

It should be noted that no legislation resulting from the shortened session and relating to higher education has been signed into law by the governor as of yet. A summary will be presented on the OASFAA listserv in the coming weeks.



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Keep Direct Loan Changes in Mind When Packaging Aid

by John Blaine, USA Funds

As the aid packaging season for 2012-2013 gets under way, keep in mind two upcoming changes to Direct Loans that are the result of the **Budget Control Act of 2011**.

Elimination of subsidized Stafford loans for graduate and professional students

For loan periods or enrollment periods that begin on or after July 1, 2012, graduate and professional students will remain eligible for up to \$20,500 in Stafford loans per academic year. That amount may be higher for some health professions students. You must originate the entire amount of the loans, however, as unsubsidized Stafford loan funds.

Note that if your school is making Stafford loan disbursements to graduate and professional students for enrollment periods that begin on or after July 1, 2012 — even if those disbursements occur prior to July 1 — then those loans must be unsubsidized.

End of interest rebate on Direct Loans

The upfront interest rebate currently available will end for all Direct Loans — including those made to undergraduate students as well as to graduate and professional students — effective with loans first disbursed on or after July 1, 2012.

As you plan aid disbursements for the summer and beyond, you'll need to note the timing of the first disbursements on each student's Direct Loans to determine if that student is eligible for the interest rebate. If a loan's first disbursement will occur on June 28, for example, then all disbursements of that loan will be eligible for the rebate because the first disbursement is before the July 1, 2012, effective date.

The Direct Loan Program changes are among several provisions in the Budget Control Act of 2011 that affect federal student aid. The U.S. Department of Education issued a Dear Colleague Letter that outlines the changes to Direct Loans that are related to the law:

Dear Colleague Letter (GEN-12-04), issued February 22, 2012
Subject: Federal Student Loan Issues
www.ifap.ed.gov/dpcletters/GEN1204.html

New Lifetime Pell Grant Eligibility Limit

by John Blaine, USA Funds

A recently issued Dear Colleague Letter from the U.S. Department of Education provides details about federal student aid changes related to the Consolidated Appropriations Act, 2012. Included in the letter are points you'll want to note when determining students' 2012-2013 Federal Pell Grant eligibility — and one point, in particular, stands out.

The Consolidated Appropriations Act, 2012, reduces to 12 semesters from the current 18 semesters a student's lifetime eligibility for Pell Grants. The Dear Colleague Letter notes that this change applies to all Pell Grant-eligible students effective with the 2012-2013 award year. This change is not limited to only those students who received their first Pell Grants on or after the 2008-2009 award year, as it was when the lifetime eligibility limit was 18 semesters.

Under the new provision — regardless of when they received their first Pell Grant — some of your students who would have been eligible for Pell Grant funds may no longer qualify for those funds. Others who are close to their eligibility limit may be eligible for less Pell Grant funding than they would have been previously.



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The FSA Two-Step

by Ben Wessel, Oregon State University

Like something from the movies or a secret, undisclosed CIA bunker deep in the heart of <CENSORED>, financial aid professionals are joining the ranks of the high tech security elite. In an effort to better secure the over 80 million records currently considered unprotected based on industry best practices, Office of Management and Budget, and the Department of Homeland mandates, the Department of Education is implementing Two-Factor Authentication (TFA) in an effort to better secure the data we all need to function. By implementing a two-factor identification system, data breaches and the siphoning of information by malicious programs such as key-loggers will be thwarted.

Many of us are still getting used to things like Facebook and Twitter, but in an attempt to make it seem less daunting and more routine, the Department offers this analogy:

In essence, two factor authentication means providing two independent pieces of evidence that you are who you say you are. Something that you know is the first factor. The second factor is something that you have. Two-factor authentication can also be achieved with something you are, using biometrics such as a retina scan or fingerprint. If you have ever used an ATM Card issued by a bank, you have used the two-factor authentication process. Something that you know is the First Factor: Your PIN number. Something that you have is the Second Factor: The physical ATM Card.

The DOE has chosen to use a “key fob” that will generate a one-time password for second factor identification. That means you will enter your User Id and password, but will then be prompted for your One Time Password or OTP — because we all *love* acronyms — generated by your key fob on a random basis. The One Time Password (OTP) is a six digit numeric code generated by the token. According to the DOE, “To generate the OTP, the user presses the button on the front of the token. A different OTP will be generated each time the button is pressed and display for 30 seconds. When the number displayed is entered along with the User ID and Password access will be granted for the user.” This is great for those of us who already hate remembering their passwords; those of us prone to losing our keys are on our own.

The DOE will establish a Primary Destination Point Administrator (PDPA) or Security Administrator at each school who will identify individuals within their organization that access FSA systems in their institution. They will in turn be provided “tokens” by the FSA to distribute to authorized users to access FSA systems to be distributed to the users. Once you receive your “token,” you will register it online.

The rollout began in the fall of 2011 and is scheduled to be complete by fall 2012, so for those of you not already doing the “FSA two-step,” your time will come soon. Oregon is in Group 5 of the rollout process, which is slated to run between July and September of this year. By better securing data we can be better stewards of our records and protect our students from those who seek to do them harm.

Financial Literacy in April

by Jeff Southard, ECMC

“April is the cruelest month...”

~The Wasteland, by T.S.Eliot

With tax forms due and the school year starting to wrap up, award letters sent, budgets blown, and the like, April can be a stressful time financially. At this time of year many of us think about our finances with hopes of improving the way we handle them. Making a decent filing system today would make filling out tax forms less aggravating next year. With thoughts like these, in 2003, the legislature established April as **Financial Literacy Month**.

On a national level though, few events are planned. The most high profile event, held on April 17, 2012, will be Financial Literacy Day in Washington where legislators will gather to meet with many organizations currently working to improve education on personal finance. Beyond that, most April financial literacy events are planned on a state basis. The governor of Oregon has already approved a proclamation for April to be Financial Literacy Month. The purpose of the proclamation is to encourage schools, businesses, nonprofits and community members to hold events to increase personal finance awareness. Many community members are focused on holding their events during April 21-28, specifically proclaimed as Money Smart Week.

Money Smart Week was developed by the federal reserve of Chicago. It's a great opportunity for organizations to hold events to educate the community on personal finance. The program has been running for a few years now and is just getting off the ground in Oregon. To participate in the event, contact the Oregon JumpStart Coalition at: www.jumpstart.org/state-coalitions.html.

If you're planning to hold an event, Oregon JumpStart will list it on their web site. They also have listings of events planned across Oregon that you can join in on.

What IS a financial literacy event and why do one? Honestly, just about any money related event counts. From ice cream socials with brochures available, workshops and webcasts, posters, dollar sign pastry contests and thrift store fashion shows, Financial Literacy Month and Money Smart Week are great ways to be a part of a larger effort to reach people with important information.

Book a speaker, hang up posters and tweet your way to financial awareness on your campus. The more organizations involved, the more the importance of financial literacy education is recognized. And then maybe April rains will give way to a May flower or two!

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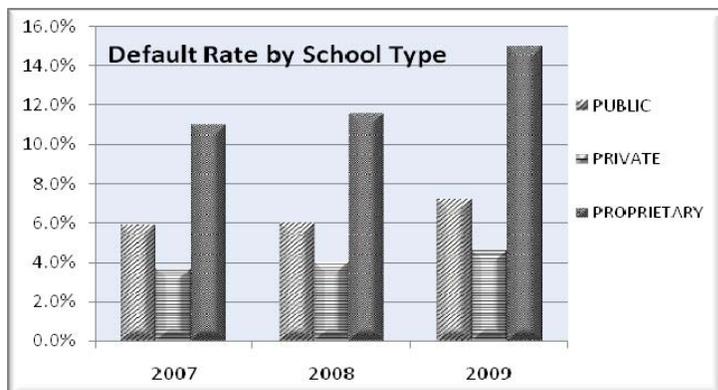


Managing Your School's Default Rate: Contacting Student Borrowers

by Dave Macoubrie, NSLP

Whether you represent a public, private or proprietary school, your ultimate goal is to provide students with the means to become educated citizens. That responsibility doesn't end when students leave campus. Helping students navigate the financial aid repayment process is in the school's financial best interest.

One common feature stands out in the U.S. Department of Education's most recent cohort default rates for schools: the average default rate increased in *every* category. This isn't shocking news to most schools, since external factors like the economy place greater pressure on students. It follows that many borrowers struggle to repay their student loans.



Source: U.S. Department of Education, Default Prevention & Management

A silver lining does exist, however. Schools *can* help maintain or lower their cohort default rate. There are a number of options available—from exit counseling, financial education and grace contact efforts, to actual default prevention on delinquent borrowers. Schools may choose to do some, all or none of these depending on budgets and overall risk involved with the school's student loan default rate.

Three options for tackling default prevention:

1. Do it yourself;
2. Hire an expert vendor;
3. Use a combination of efforts.

It is a challenge to counsel borrowers who are delinquent on their student loans. A borrower's initial reaction may be one of anxiety and concern. Each borrower's response is based on his or her individual experience.

Take this statement for example: "Hello, I'm calling on your student loan...." Not only is this statement an awkward beginning, it violates the student's confidentiality. One of the many challenges when contacting a student borrower is that your counselors cannot disclose information before verifying that the person they are speaking with is the borrower.

Before you decide to take on the challenge of conducting the default prevention effort yourself, consider the answers to the following questions. They will impact the overall success of your initiative.

How do I attempt to contact the borrower?

Will you be mailing letters, sending e-mails, making phone calls, or using other means? Determine your contact strategy before starting and formulate a plan that achieves optimal success.

Once you determine how to contact the student, make sure your letters, e-mails and scripts for phone calls are legally sound. Consult with your legal counsel before starting the assignment and whenever you make changes. While some believe that schools don't need to abide by the Fair Debt Practices Collection Act (FDPCA), you should follow the guidelines for your own protection.

Who will perform this service?

Your staff must have good phone skills, be organized and be highly structured to ensure all letters, e-mails and calls are done according to your established contact strategy.

Make outbound phone attempts *when* the borrower is available, including days, nights and/or weekends.

How many people do I need?

Unfortunately, borrowers don't become delinquent on your schedule. So, one person may not be enough and, if it is only one person, outline a plan for when that person is sick or on vacation.

The best time to communicate with borrowers is on *their schedule* and *in the medium they choose*. The wider variety of methods you use to contact a borrower the more successful you will be. Make outbound phone attempts when the borrower is available, including days, nights and/or weekends.

continued on page 14

continued from page 13

When will the staff person(s) be available?

To have the greatest success your counselor must be available when the borrower calls back. The longer your hours of operation, the more likely you'll make contact with the borrower. This can create difficulty for schools that use only one person, since one person generally cannot be available from 7 a.m. to 9 p.m., *each and every day*.

How will I train my staff?

In addition to reaching the borrower, a successful resolution relies on an ongoing training and quality assurance program. Repayment plans, discharge options, as well as deferment and forbearance options, can change regularly. Provide regular and ongoing training.

How much effort will I spend on default prevention before the account becomes delinquent?

A great deal of time and effort is required to ensure successful default prevention. Initially, your efforts will help borrowers who would have been easiest to resolve. That's because it's always easier to work with students who are not yet delinquent, since the stress of resolving a delinquent account is not an issue.

The borrowers whose accounts are more difficult to resolve are those who become delinquent. More time and effort is required to resolve these accounts.

Once I have the borrower on the phone and a resolution determined, what's next?

You can immediately resolve the delinquency if you are the agency in charge of the debt. However, if this is a Federal Direct Loan or a FFELP loan, only the borrower and the lender/servicer can process the resolution.

Many vendors use a "warm transfer" process where you, the borrower and the servicer are on the line at the same time, and the servicer helps with the resolution before anyone hangs up. While this is more expensive and takes more time on the call, this effort creates a significant increase in the number of borrowers who complete the resolution agreement.

How will I manage quality control?

Strict adherence to laws and regulations will help to prevent future liability. Quality control is often done by recording all calls and then reviewing a percentage of randomly selected calls to determine compliance.

Finally, how will I evaluate success?

The answer to this question is two-fold. First, there is the reporting system used to monitor performance. Many vendors use a form of batch tracking to track when accounts become delinquent and how many were resolved.

In addition, this system also tracks the history of conversations, letters sent and calls made. This can be done using a spreadsheet if you have a low number of borrowers. However, a more sophisticated system is needed if you have many borrowers.

The second answer is concerned with how you define success. Since the cohort default rate is moving to a three-year rate, the lag time between your efforts and the rate of overall success or failure is very long. Look at the cure rate you have on a batch-by-batch basis and determine your goal.

School Profile

by Christina Negrete, SOU

Southern Oregon University, according to the school's website, is a four-year university that specializes in a strong liberal arts and sciences curriculum balanced with career-focused preparation. SOU has 35 majors and more than 100 areas of study to choose from. (Read more about SOU at: www.sou.edu.)

What year was your institution founded? Was your institution ever known by any other name?

SOU was founded in 1872 and has been known by many names, including Ashland Academy, Southern Oregon Normal School, and Southern Oregon College.

What is your current undergraduate and/or graduate enrollment?

We have a current enrollment of 6,859 undergraduate and graduate students.

What types of degrees do you offer and what's your largest or most popular program?

We offer Bachelor of Arts or Science, Bachelor of Fine Arts, Bachelor of Applied Science and several types of Master's degrees, as well. Business, Criminal Justice and Theatre are some of the most popular programs..

Is your campus primarily residential? Commuter? Online?

Our campus is a mix of residential, commuter, and online students.

Do you offer programs using credit hours or clock hours, or both?

We use credit hours for our programs.

If you have athletic programs, what is your most successful program?

We have 11 different athletic sports and compete in the NAIA Conference with Wrestling, Track and Field, and Women's Volleyball being our most successful programs. Our School Mascot is the red-tailed hawk, Rocky the Raider, and our school colors are black and red.

continued on page 15

Guest Article: Customer Service and Self Care

by Jason Stein, Chair of Professional Development, Oregon College of Oriental Medicine

In February, I was giving a breakout session presentation on "Customer Service and Self Care" during the OASFAA Annual Conference at the Salishan in Lincoln City.

It was a great session filled with laughter and fun; however, the real training came after the session was over.

A woman from an Oregon college came over and said she had come to my breakout session last year. She was excited to get her self-care back into alignment and had committed, some 300 days earlier, to buying a new pair of walking shoes and walking at work on a daily basis.

On the verge of tears, she shared that she got the shoes... and they were sitting next to her desk at work. Not once had she gone for a walk.

Now I could spend the next 300 words sharing about the secrets of Self Care and Customer Service; however, I'd just be reminding you of the simple wisdom you have heard before.

I know this woman is not alone. We've all had good intentions, maybe even taken a step forward with action, only to get stuck in our tracks, paralyzed day after Ground Hog Day, hoping, wishing, and even praying for a shift to occur.

Why are the simple things so hard to achieve?

Simple things are often hard to do because we have wired our brains, from a very early age, to believe that it is better to make others happy and to be compliant with their needs rather than to take a deep look at our own.

How many times growing up did your parents or teachers say, "Focus over here!" or "Stop being selfish!" or "Stop asking me that!"

In addition to the external forces of others taking focus away from ourselves, we are biologically designed to see outwards. You can read these words and you can look up and see the co-workers walking by you; however, you are unable to see your own eyes.

So, with this upbringing of focusing on others' needs and this design of having outward-facing eyes, it's too easy to give to others first.

The human condition is so strongly programmed to help others before ourselves that every flight on every airplane starts with a reminder that if the cabin loses pressure you must put your oxygen mask on first.

So, what is the cost of not putting your mask on first? Is it an extra 10 pounds, or a pile of guilt when you say "no" to others, or is it a workplace that feels like the walls are closing in on you?

Where can we begin to start to give to ourselves?

To break through the resistance to putting yourself first, there are a few key points:

- **Be specific.** If finding time to rejuvenate by taking a walk is nourishing, then declare the time and days of a week that you are going to walk. If walking isn't your thing, then what specific step could you take to start putting yourself first?
- **Get some accountability.** There's no better motivator than knowing someone else is going to be checking on you. Once you've declared something specific you can do for self care, ask someone in your life to support you by following up to see if you've been consistent with your self-care.
- **Reward yourself.** There is a reason that sticker charts work for my four year old. He knows that if he gets enough stickers he earns a prize. What could you earn for your self-care action?

The beauty of self care is you'll be making little deposits to the most important account in your life: YOU! From here your tolerance for the frustrations in your life grows.

Yes, it's simple. And I'm hopeful this article makes it just a little less difficult.

continued from page 14

How many staff do you have in your financial aid office?

We have a total of six staff. Peggy Mezger has been our Financial Aid Director since 2009.

Do you offer institutional grants and/or scholarships?

We offer institutional grants and scholarships, as well as athletic, international, foundation and department scholarships. 75% of our students receive financial aid.

Do you run on semesters, quarters, trimesters or another schedule?

We are a quarter-based school.

What type of financial aid management system do you use?

We use PowerFAIDS and it is integrated with our Banner Student Information System. We also developed a scholarship application, which uses Banner and PowerFAIDS information.

What should EVERYONE know about your institution they may not already know?

We are the public liberal arts university of the West, AND...

- Ty Burrell, from the ABC TV comedy *Modern Family* and the 2008 National Teacher of the Year, Michael Geisen, are two of our SOU alumni.
- Many of our students are the first in their families to attend college.

continued from page 4

What was the last book you read?

(Other than textbooks...) The Last Juror, by John Grisham.

Who is your personal hero?

A hero is someone who is admired for outstanding qualities or achievements. This definition fits so many people, especially people within OASFAA. However, my personal hero would have to be my husband, Bryan, who supports and encourages me through the highs and lows that exist in everyday life and helps me stay focused and grounded.

If you could change anything in our industry, what would it be?

If I could change anything, it would be the student loan program. I am concerned with the amount of loan debt students can accumulate to obtain an education.

Do you have any advice for your fellow financial aid administrators?

Keep in contact with your colleagues through good and bad times, ask for guidance when you need it, and laugh often.

If you were not in financial aid, what would you be doing?

If I were not in financial aid, I would probably be living in Albany being a full time Grandma.

On the OASFAA Calendar

March 16 OASFAA Board Transition Meeting
May 31 Newsletter submissions due

On the Lighter Side

My office mate and I are lucky to have a large window overlooking a freeway – great entertainment during rush hour – and a beautiful tree-lined sky. At the end of one particularly grueling day, we were rewarded with a beautiful pink sunset outside of our window. It was so beautiful we turned off the office lights and called in as many co-workers as we could to see the amazing view.

I went online and found a recording of “Kumbaya.” We put our arms around each other’s shoulders and swayed to the music as we enjoyed the sunset. Then we all realized how lucky we were to work with a bunch of dorky saps and went back to work... but with a little bit lighter step.

Don’t take it all too seriously. Take time to enjoy the little things every day.

~ An Anonymous Aid Administrator

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