Greetings OASFAA members!

I hope you all had a wonderful, relaxing, and productive summer. This summer allowed me to visit with the Presidents of several other states in our region and an opportunity to reflect on the organization and the wonderful people that are involved. I realized how fortunate we are in Oregon to have so many people working hard to keep the association strong.

Speaking of working hard, Helen Faith and Chippi Bello did a wonderful job organizing the Summer Drive In. Thanks also to their committee members, Sarah Arslanian, Melinda Dunnick, Darcie Iven, and Lloyd Mueller for their hard work in preparing a wonderful event.

I am excited to announce a new collaboration with our industry partners to provide webinar trainings. We have added paid sponsorships to our events calendar that will allow our vendor partners to announce free webinars for our members on pertinent topics. The webinars will be listed on the OASFAA calendar.

Finally, as we move into fall term, I encourage you to take some time to appreciate those around you that provide support and encouragement, and occasionally make you laugh. Whether they are family, friends or co-workers, showing appreciation can be a wonderful morale-booster for everyone.

Donna Fulton
OASFAA President
2012-2013
Letter from the Editor
by Sue Shogren, USA Funds

Have you ever been asked to “take the 30,000-foot view” on something? Lately, it seems like this phrase has become synonymous with focusing only on a few of the larger concerns before us – without considering many of the details inherent in any situation we face or decision needing to be made. As financial aid administrators responsible for compliance with literally thousands of regulations, we know it can be dangerous to simply ignore the details. All the same, that 30,000-foot view can be so helpful at reminding us of the bigger picture: why we do what we do and why we make the decisions we make. The ability to give both perspectives equal consideration and to ask ourselves the important questions once in a while can help us move beyond doing what’s expected to doing what’s right. We hope this issue of the Newsletter will help you find even greater perspective on the important role you play in the lives of your students.

In this issue, read an update from Peter Goss after attending the NASFAA Annual Conference in July, and look for updates about this year’s OASFAA Summer Drive-in and the plans under way for the next Annual Conference. Don’t forget to review the School Profile on the last page to learn more about Lane Community College!

On page 4, you’ll find information about a new service OASFAA is providing to its members. Sponsors of the Summer Drive-In were invited to list some of their free training events on the OASFAA calendar and in the OASFAA Newsletter. Be sure to check OASFAA’s online calendar often for updated information about upcoming training events.

This issue of the Newsletter also includes several articles on issues related to serving college students today. Check out Zack Duffy’s article on a new resource developed in-house to help students identify how well they’re doing compared to University of Oregon’s pace expectations. Review Josette Green’s update from OSAC, especially as we prepare for the 2013-2014 scholarship application season. From financial literacy to the use of blogs and social media, to considerations of why student-borrowers default and what your school can do about it, you’ll find lots of helpful suggestions and recommendations to consider.

Publication of the next issue is scheduled for early-January. We’re looking forward to receiving your contributions by November 15, 2012.
Member News

Alison Bryson and Lana Clay joined the Financial Aid Office at Klamath Community College. Alison previously worked in the Student Services Office and Lana has a Business/Case Management background.

Alex Gonzalez, formerly with the NELA Center for Student Success, joined the University of Portland as their Document Imaging Clerk. Alex is also working part-time for ASPIRE.

Janet Herron, formerly with George Fox University’s students accounts office, joined the financial aid office as Graduate/Adult Degree program counselor.

James Oshiro, George Fox University, became Director of Financial Aid after serving on an interim basis.

Lea Pandozzi, Oregon Institute of Technology, became the full-time Office Specialist in the Financial Aid Office. Previously, Lea worked part-time.

Dorothy Rigby, financial aid counselor at Lewis and Clark University, is relocating to Pennsylvania to be closer to family.

Joyce Staats, George Fox University, was promoted to Assistant Director of Financial Aid.

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

NASFAA Conference Wrap-Up

by Peter Goss, University of Western States

There’s so much that could be said about the 2012 NASFAA annual conference that it’s difficult to know where to begin. First, it was great to see OASFAA well-represented. Sue Shogren attended solely to remind us all to write something for the newsletter (I jest!).

Second, the conference renewed my enthusiasm for NASFAA as an organization. I’ve been impressed with Justin Draeger in the past, but his boundless energy, attention to policy detail, and passion for the organization and the work that we all do in financial aid really came across. Likewise Megan McClean, NASFAA’s director of federal relations, made an excellent impression, as did the many professionals across our field who volunteer their time on our behalf. Particularly in this time of political and budgetary change, it is reassuring to be reminded that there is such great collective dedication to trying to do the best for our students, our members, and our country.

Many of the sessions were quite lively, particularly those involving budget issues or politics. The Government Accountability Office (GAO) made an appearance at the conference. At the behest of Congress, they were holding hearings with conference attendees on regulatory burden. One might cynically suggest that the sessions represent just one more front in the political battle between Congress and the Obama administration, but regardless, the session that I attended (one of four GAO hosted) was very satisfying.

While the primary topic for our group was the ‘Consumer Information’ requirements, the moderator did let our group stray to other issues. While I’m limited in what I can divulge, I will say that I generated interest among the GAO staff when I highlighted that the ‘Withdrawals and R2T4’ section of the FSA Handbook is 200 pages long. Considering that, in the scheme of things, this is a fairly small part of what we do, that is the sort of thing that stands out in my mind when I think of regulatory burden.

I’m sure that, by the time this newsletter goes to print, the R2T4 regulations will have been streamlined to something much more reasonable!

OASFAA Annual Conference News

The Annual Conference Committee is hard at work planning the 2013 conference, which will be back at beautiful Salishan Lodge in Gleneden Beach, Oregon. The conference will be Wednesday, February 6 through Friday, February 8, 2013. Conference registration will be opening before you know it, so mark your calendars now.

The “Call for Proposals” was sent to the OASFAA membership in late August. Please email Russell Seidelman (seidelma@up.edu) if you are interested in presenting at the conference, have a session you would like to see presented, and/or if you have any fun and fabulous Financial MasquerAID ideas. We aim to make the 2013 OASFAA Conference educational, engaging, and – above all – enjoyable... “Laisser les bons temps rouler!”
The Summer Drive-In was held at Lane Community College in Eugene on August 21, and both our instincts and the evaluations we received tell us that it was a resounding success. OASFAA President Donna Fulton welcomed our attendees in the morning, and Suzanne Scheldt from the U.S. Department of Education in Seattle presented the federal update in two parts.

Josette Green, Executive Director of OSAC, provided an update at lunchtime. She was followed by Keynote Speaker Grant Law, a Ph.D. candidate in Biological Oceanography at Rutgers Institute for Marine & Coastal Sciences, whose life was changed when he visited the financial aid office at Lane Community College and embarked upon his childhood dream of becoming a marine scientist.

With 3 break-out sessions offering three choices each, there was something for everyone. Topics included SAP, Financial Literacy, R2T4 (now with modules!), "Surfing through Stress with Laughter," Financial Aid Fraud Investigation, Verification, Ask-a-Fed/Q & A, Consumer Information, and Loan Servicing & Minimizing Debt.

The roster of talented and accomplished presenters included Anna Manley (Rogue CC), Kevin Multop (Central Oregon CC), Jennifer Knight (Linfield), Jeff Southard (ECMC), Melinda Dunnick (Lane CC), Nathan Warthan (Corban), local treasure Leigh Anne Jasheway (www.accidentalcomic.com), Aaron Denbo (Lane CC), Susan Shogren (USA Funds), Sun Ow (Great Lakes), and newcomer Jacquie Carroll (ASA). Many thanks to all of our presenters and speakers for their hard work and eagerness to serve the Oregon financial aid community.

The 2012 Drive-In was co-chaired by Chippi Bello (Clackamas CC) and Helen Faith (Lane CC), and committee members included Sarah Arslanian (ASA), Melinda Dunnick (Lane CC), Darcie Iven (Clackamas CC), and Lloyd Mueller (Clatsop CC).

Special thanks go out to our sponsors for their generous support: ASA/SALT, ECMC, Financial Aid TV, and Great Lakes. You may notice that there are some free training opportunities presented by our sponsors listed on the OASFAA Calendar of Events. This is the first time that the Summer Drive-In received sponsorship, and we’re delighted by this new support for our association.
OSAC Update
by Josette Green, Oregon Student Access Commission

OSAC plans to unveil its new and improved online scholarship application on November 1. The new application is easier to use, and guides the user through the application process by asking prompting questions and actively filtering out irrelevant scholarships. This new application will customize each user’s list of eligibility-based scholarship recommendations more than ever before, increasing likelihood of success. OSAC hopes to roll out additional enhancements during the 2013-14 scholarship application season. In the meantime, the current application will remain closed until the new application is released on November 1. However, students can search for scholarships (in the catalog online) for which they may be eligible, draft their four required Personal Statements, and update their Activities Chart. If students applied last year, their application will be available to refresh and update.

Oregon Opportunity Grant Priority Awards for Foster Youth

OSAC is continuing to award Oregon Opportunity Grants (OOG) for 2012-13 to eligible foster youth planning to attend college fall term, regardless of when they submit their FAFSA. Financial aid administrators are encouraged to watch for the roster announcing new OOG awardees for the coming academic year and stay apprised of new OOG developments.

House Bill 3471 Provides Tuition Waiver to Oregon Foster Youth

Current or former foster youth are now eligible to receive a tuition waiver from their postsecondary institutions if a balance remains for their tuition and fees after all their federal aid scholarships or grants, Oregon Opportunity Grant, and any aid from their respective college or university, has been applied. The federal scholarships or grants do not include the Chafee Education and Training Grant vouchers.

OSAC Commissioners Approve OOG Policy

In June, OSAC Commissioners approved a policy to award any remaining 2012-13 OOG funds in December, if available, in the following priority order:
1. Dependent-status overrides;
2. Students who are half-time and transition to full-time enrollment in the remaining terms; and
3. Awarding of eligible students remaining after the February 2012 cut-off.

In August, OSAC Commissioners approved parameters for 2013-14 and the same priorities will remain in effect, including the February 1 FAFSA priority deadline to determine awardees. Commissioners also approved increasing the OOG flat award for both two- and four-year postsecondary institutions to $2,000 from $1,950 in 2012-13.

Oregon Leaders Talk about the Future of the Oregon Opportunity Grant

Governor Kitzhaber continues to express his commitment to education in the state, which includes a discussion about infusing the OOG program with more funding. While nothing has been decided at this point, it’s reassuring to know that the Governor is having many levels of conversations about this very important financial aid topic.

Oregon Chief Education Officer Randy Brew’s Leadership Extends to OSAC

OSAC Executive Josette Green welcomes the drive and commitment of Oregon’s new Chief Education Officer Randy Brew, who was appointed by Governor Kitzhaber in late May. As one of several leaders Green reports to, OSAC’s mission is aligned with the vision of the state’s top education officer tasked with producing results. Brew is leading the charge to make education in Oregon more efficient, innovative and seamless from preschool through college and to dramatically produce results. The goal by 2025 is that all Oregon students will graduate from high school and 80 percent will earn college credentials: half bachelor’s degrees and the other half a two-year degree or industry certification from a community college. OSAC’s mission is to create a college-going culture for Oregonians by providing access through information, mentoring, and financial support.

November 1st Deadline for the Chafee Education and Training Grant (ETG)

November 1 is the deadline for the Chafee ETG if a student wants funding starting winter term! The Chafee Education and Training Grant (ETG) is a federally-funded program for former foster youth administered by the Oregon Department of Human Services (DHS). DHS contracts with the Oregon Student Access Commission (OSAC) to supply an on-line application, complete the awarding process, and disburse funds.

The Chafee ETG application has a deadline for each academic term:
- Fall: August 1
- Winter: November 1
- Spring: February 1
- Summer: May 1

If you know of a foster youth on your campus who doesn’t appear on the Chafee portal on OSAC’s website, please refer them to Peggy Cooksey at: peggy.d.cooksey@state.or.us or 1-800-452-8807, ext. 7443.

The Chafee ETG application is found at: www.oregonstudentaid.gov/chafeeetv.aspx.
Financial aid is an ever-changing field. Keeping up with the changes can be a challenge! Even if you have been in financial aid for many years, it’s sometimes difficult to decipher exactly what the Feds are saying.

Imagine what it is like to be a student these days. Students need to know a variety of information such as interest rates that seem to be constantly changing, loan disbursements, FAFSA deadlines and so much more while studying for their next exam. Typically when students have issues with their Satisfactory Academic Progress they have an idea they have been doing poorly, but may not understand the consequences of their actions – this is a very important teachable event.

With the changes in SAP, at the University of Oregon we realized that we were going to need to create tools to educate our students as well as our fellow campus partners. We created a Pace Calculator to help students and academic advisors track their course completion rate.

Our office, along with some help from our friends in the technical world, led the charge in our attempt to create a simplified tool that we could distribute to our students and academic advisors to use. Using screen shots of our Student Portal, we showed students where to pull their information from and how to calculate their own Pace percentage (see sample below). This helps students see for themselves where they are at and gives them a better idea of exactly where they stand. In addition to students needing to keep their course completion rate above 66.67%, students also need to keep their GPA above a 2.0. We have included our Registrar’s GPA calculator to help students figure out what grades they need to achieve to get them back to satisfactory standing.

With our Pace Calculator, we have been able to educate our students on their progress as well as help explain the new rules to our academic advisors. Taking classes and dropping them to save a GPA is not a healthy way to educate oneself.

Students typically don’t know about SAP until they are suspended. This is a critical juncture for many students and making sure they and their advisors have the tools to create a useful plan are important in these teachable moments.

Editor's Note: We asked Zack to write this article. For more information about University of Oregon’s resource for helping students know how about their own progress, contact Zack directly at: zduffy@uoregon.edu.
Most of us have seen photos of Occupy Wall Street demonstrators wearing signs declaring their student debt. They know how much they owe, but they don’t know what to do about it. And they’re not alone. A recent USA Today article noted what many of us in higher education already know: paying for college is a major concern for most of the population. An Alger Association Poll surveyed “1500 students ages 14-23 and found that three out of four students have major concerns about whether they will be able to pay for college (Aug. 8, 2012).”

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

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

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

What students do want is practical and accurate information from experts. And they want it right when they need it. Dain Zylstra is an osteopathic medical student who has access to financial experts through a financial literacy program paid for by Western

If You Build It, Will They Come? The Benefits of Using Social Media in the Financial Aid Office

Higher education at large has responded to the social media boon by strategically utilizing Facebook and other platforms to improve admissions, yield, community relations and even alumni giving. Why, then, has the financial aid community been slower to respond? Concerns about office resources and how and when to post content are the most common reasons offered by aid leaders when asked about their lack of a social media presence. Ironically, schools with a successful financial aid social media presence have reaped substantial returns on investment with minimal use of staff time when they have deployed a strategic approach to a social media plan.

“Start with your mission,” advises Amanda B. Carter, associate director of financial aid at the University of Rochester. “We made the decision to enter the space based on who we are as an aid office and our desire to communicate more regularly with students.” The University of Rochester successfully launched a Twitter account for financial aid in January and currently uses it to push out critical information about deadlines and policies. Strategically, they made the decision to only adopt Twitter and to continue to share a Facebook presence with the admissions office. Carter reports that one staff person is responsible for posting tweets and monitoring responses and generally spends about 30 minutes a day on this effort.

Northeastern University took a broader approach to using social media tools. “Financial aid offices often have a difficult time building trust and good communications with students so we saw social media as an important strategy for us,” explains Jim Slattery, Senior Director of Financial Aid. Anya Morozkina, assistant director of communications and administration for the office, and the staff person responsible for the social media presence, concurs, “We wanted to change the perception among the students about the aid office. We are not the grinches on campus. We want students to know that they can reach out to us and we are ready to help them.”

Morozkina notes that Northeastern’s strategy is focused on gaining a larger student audience and improving perceptions about the office. As a result, they have implemented a long term plan for posting content and updating their Facebook page every other day. Content updates might include information about broader financial aid topics including articles reposted from
University Health Sciences. Dain reflected that “As complicated as our economy and our finances can be, it’s great to have someone to call who can provide me with timely and appropriate answers. Even though I’ll be in a high earning field, good financial planning is necessary for all income levels.”

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

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

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

“Let’s face it: blogs speak to students in a way they understand.”

NASFAA and other financial aid sources. Morozkina also recommends seeking topical ideas from student employees. “They know what their peers want.”

Liz Gross, director of university marketing and communications at the University of Wisconsin-Waukesha, also encourages aid offices to embrace social media as part of their mission to serve students. “Social media can allow you to inform, connect and make a positive impression. Most aid offices are still thinking about it as only a one-way communication platform.” She notes that aid professionals need to think about “the social media space as a community where you can publicly help students solve problems. It’s really a way to turn your complainers into your champions.”

Fullerton College has successfully embraced Facebook as an opportunity to improve customer service and student impressions about the financial aid office. Greg Ryan, director of financial aid, notes that their Facebook presence allows them to respond to student concerns within minutes and has resulted in dramatic decreases in phone calls to the office and shorter lines during peak periods. He also reports that over the three years since Fullerton implemented a Facebook page for the office, the amount of time he spends responding has diminished. “The student community now does most of the work. Students respond to each other and answer financial aid questions through the community page. And also publicly thank the office when we’ve been responsive to their concerns.”

Gross says that Fullerton’s experience is exactly what the goal should be for the financial aid office in the social media world: “You need to think about cultivating a community over time so that students begin to answer the questions for their peers. That’s what you want in the long run. Students want to hear from other students about how to resolve processing or deadline issues.”

Financial aid offices that have developed a social media presence based on strategy have successfully improved student service and campus perceptions about their office. As Gross sums up, “A social media presence provides public proof that your office is there to help.”

Suggestions for starting your financial aid office social media effort:

- Start with your mission and build your communication plan from there.
- Build a semester-long communication calendar so you can plan content in advance.
- Refresh your content as often as you can—every other day if possible.
- Use student employees to help write content and respond to posts.
- Develop a social media policy in advance, including guidelines for how you will handle derogatory comments.
Online Financial Literacy Training That Works: Making Lessons Stick
by Sharon Cabeen, TG

Online financial literacy training is an efficient and helpful way to teach important concepts if — and this is a big “if” — the lessons actually stick with the students. What strategies can boost the “stickiness factor” in online financial literacy training?

Background

Malcolm Gladwell coined the term “stickiness” in his now-classic book The Tipping Point. Gladwell, writing about educational television shows like Sesame Street and Blue’s Clues, was referring to the qualities that make messages better understood and remembered. Chip and Dan Heath, two brothers who are both experts on communication, took the term as inspiration for their 2007 book Made to Stick. Whether it’s political communication, classroom teaching, or urban legends, the Heath brothers argued, there are common elements to messages that catch on.

Of course the best teachers, through years of trial and error, know when to shift strategies to enhance the lesson’s stickiness factor. One concern that skeptics have expressed about online learning is that it lacks that feedback loop, as well as the expert teacher’s understanding of students.

Skepticism aside, online learning isn’t going away anytime soon. For any number of reasons — budget, scalability, desire to engage technologically-inclined 21st-century learners — online learning continues to grow in popularity. A September 2010 study by the U.S. Department of Education (ED) found that online learning is one of the fastest growing trends in education. Not only that, the review reports that online learning was slightly more effective than face-to-face learning under some circumstances, and that a blended approach (online and face-to-face learning) was more effective still.

Given the potential suggested by those findings, it’s worth asking: what are ways that online learning can be most effective? Since we’re going down this road, how can we get the best results? Here are some tips to make online lessons stick.

1. Keep it active.

ED’s study found that when learners are prompted to take control of their interactions with media, there is an increase in reflection and achievement. These moments of learner activity or learner reflection are especially effective at boosting understanding when students are pursuing online learning individually. That makes intuitive sense if we speculate that active engagement disrupts the tendency to skim along the surface of the material. At the same time, it’s worth noting that online learning — particularly with interactivity — is highly conducive to expanding learning time. When the student can keep at the activity as long as attention lasts, better learning outcomes can be expected.

How might this apply to online financial literacy training?

For online financial literacy training, it might be a good idea to break content into short chunks, with frequent opportunities for assessment and some student control of navigational paths. When students are regularly coming to natural stops, answering questions, and clicking on meaningful navigation choices to determine what comes next, better outcomes are likely. When game-like activities with fun interfaces are part of the training, brain switches are more likely to be in the “on” position.

2. Ask thought-provoking questions.

Studies show that material that is dry and difficult in the abstract can be made interesting when presented in concrete, student-adapted terms. Online learning, like face-to-face learning, must prepare the way by provoking thought and curiosity on the topics at hand.

How might this apply to online financial literacy training?

It’s easy to see how financial literacy content could be made concrete for students. For example, getting students to understand the differences between a defined-benefit retirement plan and a defined-contribution retirement plan may seem daunting at first. Not only is the material inherently unflashy, retirement is also far from the thoughts of most college students. However, job offers are very much on students’ minds, so framing that information in terms of choosing the best job offer creates leverage in gaining and holding student attention.

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3. Appeal to the eye
Dr. John Medina, author of Brain Rules, writes that it’s obvious that vision is our dominant sense, but what’s surprising is how far the other sense lag behind. For example, on hearing a piece of information, a typical human being will remember only about 10% of it three days later. What’s the effect of adding a strong visual component? Retention moves quickly northward, with most people remembering 65% or so of the message!

Good visual design, including animation, charts, motion graphics, and appealing colors and fonts, can go a long way toward helping the brain learn and retain concepts.

How might this apply to online financial literacy training?
An under-designed, text-heavy lesson isn’t going to carry the day. Conversely, it’s just as true that an overly busy design will be distracting, confusing, and cluttered. The recipe for likely success is consistent use of appealing fonts, clear page design, and engaging visuals. The way things look isn’t just ornamental. It’s an important pedagogical factor we should all pay attention to.

All these strategies help to make solid online learning courses effective. With this kind of approach, the advantages of online learning are available in conjunction with the best educational practices to help make financial literacy lessons that stick.

6 Easy Budgeting Tips for Students
by Colleen MacDonald, SimpleTuition

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

- **Compare textbook options.**
  Decide if you can use the one at the library. If not, look into reducing your costs by looking into all your options — new, used, rentals, or ebooks. Compare online textbook marketplaces with your bookstore to find the best option for you.

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

- **Maximize free or affordable entertainment options.**
  Use the school library for free access to pleasure reading, tons of tasty fast food and restaurants to tempt you, maximizing your meal plan treats your wallet kindly.

- **Don’t drive a car.**
  Avoid the temptation of spending cash on gas, parking, or even the possibility of getting tickets. Leave your car at home. If you need to get around, use public transportation, school shuttles, chip in for gas for a friend’s car, or consider walking.

- **If you have a meal plan, use it.**
  If you’re paying for a comprehensive meal plan, skip the off-campus restaurants or snacks at the campus coffee shop. While there are always access. Seek out movies, music, and internet concerts, dance recitals, and plays on campus or in your community. These options are just as fun as the latest block-buster.

- **Use student discounts.**
  Remember that everything from hair salons to museums give discounts when you show your student ID. Check out websites or local ads for more details or just ask. It’s always worth exploring.
Does Financial Literacy Education Matter?
by Jeff Southard, ECMC

All of us make financial decisions every day. When we have the education and background to make those decisions wisely, we are “Financially Literate.” The term Financial Literacy was coined in the late nineties and has become mainstream enough that people are studying to be financial educators in college. Recently though, there have been some experts proclaiming that financial literacy education is ineffective. Students who receive financial literacy education in high school and college do not show significant improvement in tests covering money management topics.

It’s easy to see why we’re not seeing obvious results in our efforts. I have delivered workshops where it was clear that students weren’t paying attention and didn’t seem to care. Or did they? Sometimes it’s difficult to tell. I do think that students understand that it’s important to make wise financial decisions. The challenge is opening a dialogue with students about financial education to help them in meaningful ways.

I recently had the pleasure of attending the Summer Drive In for OASFAA where I participated in a workshop on whether financial literacy education matters. I came away refreshed and eager to continue to reach out to our students with this vital information.

Here’s some of what I learned from you about effectively educating students:

1. “Just in Time” education is different for everybody.
   Most of us may not hang onto what we find to be irrelevant when we’re learning about money. Many times, though, that information is available right when we need it and we use that information to help us make a good decision. Availability of information for “just in time” learning can make a difference.

2. How students learn best:
   Students are generally either proactive or reactive about their money. Proactive students ask questions during the awarding process. They open their mail. They do what you’d like them to do. Reactive students charge into your office two weeks later than they ought to have. They may be on fire. Eyes wild, nails

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3. There is room for creativity:

As yet, there’s no easy and instant solution for delivering financial literacy education. Many of us wonder how financially literate a student should be by the time they graduate. Are we trying to build financial experts? Are we looking to cover the vital stuff that will help students avoid chaos and calamity? And it ought to be fun?

One professor who’s been getting a lot of press is Dr. Lauren Willis, of Loyola Law School. Dr. Willis wrote a paper entitled “The Financial Education Fallacy,” in which she says that it’s too much of a burden on students when we expect them to understand financial concepts. She uses the analogy of “we aren’t our own doctors and we shouldn’t be expected to be able to diagnose our own illnesses.”

Refuting Willis’ paper, Annamaria Lusardi of Dartmouth takes more of a wellness approach. For Lusardi, understanding finances is akin to regular exercise. While you may not become an Olympic athlete, you will be a healthier financial being. Or to put it another way, you wouldn’t want people to drive without a license. We want responsible money users who ask for help when they need it.

I came away from the OASFAA session thinking about how we can focus on Financial Literacy education as a wellness concept. If we follow a wellness analogy and apply it to finances, we’re probably looking at just a few major topics.

My list looks like this:
1. Budgeting (this would include banking as well)
2. Money behavior to drive positive change
3. Credit reports and scores
4. Borrowing wisely (student loans, credit cards, etc.)
5. Avoiding fraud

Tucking these topics into interaction with students and considering when those teachable moments occur for students can deliver a lot of useful information at the right times.

Special thanks to OASFAA for the continued strength of the organization as a whole and the dedication of its volunteers and members.

### Know the Reasons, Remedies for Student Loan Defaults

*by Carole Ann Simpson, USA Funds*

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

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

- **Reason for defaulting**: Left school without receiving a degree.
  
  In the Federal Direct Loan Program, 70 percent of students who default on their loans withdrew from school without completing their academic programs. Student-borrowers who leave school before completing their programs end up facing debt that, without a degree, too often they cannot find a job that gives them the means to repay.
  
  **How to address the issue**: Go beyond the financial aid office to tackle the problem of default prevention and student retention. Ensuring that students stay in school to get their degrees should be a campus-wide concern, one that also merits having dedicated default prevention and retention staff on campus.

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

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

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

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

**Reason for defaulting:** Didn’t know my repayment options.

From income-based repayment to deferment and forbearance and a variety of choices in between, federal student loan borrowers have a number of flexible repayment options to fit their own specific situations. Borrowers need to be aware that repayment help is available if they need it.

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

To help you stay in contact with your student-borrowers, even after they leave school, make it a priority to have up-to-date contact information for them. Along with a permanent address and phone number, that contact information should include a non-school email address and a cell phone number. And since you’ve established yourself as a trusted adviser on debt management issues, student-borrowers will understand that they can reach out to you if they have questions or need repayment assistance. One school makes a pledge to its students that, no matter what, those students will have life-of-loan counseling available from the school.

Use the tools that your student loan partners offer to help you with reaching out to your borrowers to help with debt management.

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**Updated Application and Verification Guide Has Answers on Marital Status Data Changes**

by Carole Ann Simpson, USA Funds

Recent revisions to the Application and Verification Guide include answers related to the question: **When is verification required for applicants who want to make marital status changes to their Free Application for Federal Student Aid data?**


The revised Application and Verification Guide does not state that verification is required for students whose dependency status will change as a result of marital status, as its previous version did. Instead, the guide now indicates that verification is required only for financial aid applicants whose dependency status will not change as a result of marital status updates.

So, if a student’s dependency status will change because of an update in marital status, you don’t have to select that applicant for verification and your school may process that marital status change. If the student’s dependency status will not be affected by the change in marital status, however, verification is required — either as selected by the federal Central Processing System or your school. Once you’ve conducted verification, you can process the marital status update.

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**Verification Updates**

On August 21, 2012 – during the OASFAA Summer Drive-In – the U.S. Department of Education released important new guidance regarding acceptable documentation when verifying Free Application for Federal Student Aid information:


On September 13, 2012, the Department revised guidance issued previously through a Program Integrity Q&A (DOC-A2) to clarify the school’s responsibility when aware that an amended tax return was filed by an applicant or a dependent applicant’s parent(s):


As a result, for individuals who filed amended returns, **schools now must obtain a tax transcript or a signed copy of the original filed return, as well as a signed copy of the tax filer’s IRS Form 1040X**. This new guidance is effective immediately, which means that this change affects both the 2012-2013 and 2013-2014 award years.
**School Profile: Lane Community College**

by Pamela Robison, Lane Community College

**Lane Community College** is “…a learning-centered community college that provides affordable, quality, lifelong educational opportunities,” according to the school’s website. “The goal of Lane Community College is to help students achieve their dreams and transform lives through learning.”

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

Lane Community College was founded on October 19, 1964. A quality technical-vocational school had existed in Eugene since the 1930’s. In 1938, the Eugene Vocational School was established. In 1958, the name of the school was changed to Eugene Technical-Vocational School. In October 1964, Lane was founded and ETVS was folded into the new community college.

What is your current undergraduate and/or graduate enrollment?

More than 36,000 students take credit or noncredit classes at Lane each year. Lane has the third largest enrollment of the 17 community colleges in Oregon.

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

Lane Community College offers a variety of two-year Associate degrees, as well as one and two-year certificate programs. Transfer programs are available for students who wish to transfer to a four-year university to obtain a Bachelor’s Degree or higher. Some of Lane’s most popular programs are Nursing, Dental Hygiene, Flight Technology, Energy Management, and the Culinary Arts program.

Is your campus primarily residential? Commuter? Online?

Lane Community College’s main campus is rural, located outside of the main Springfield/Eugene area, and does not have on-campus housing. Students commute by car, bike, or use the city bus system. Bus passes are discounted for credit students and are included in their student fees.

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

Lane has a number of athletic programs. The most successful are basketball (both men and women’s), baseball, and track and field.

Do you have a School Mascot? What are your School Colors?

Ty the Titan, and the school colors are blue and white.

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

The financial aid office at Lane Community College consists of the Director, ten Financial Aid Advisors and an Office Specialist, for a total of twelve staff members.

Who is your current FA Director?

The Financial Aid Director is Helen Faith.

Do you offer institutional grants and/or scholarships?

Lane offers a number of foundation scholarships and Talent Grants in specific areas such as athletics, music, dance, theater, forensics, student government and Phi Theta Kappa.

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

Lane is a quarter-based school.

Do you offer programs using credit hours or clock hours?

Credits hours.

What type of financial aid management system do you use?

The financial aid management system used at Lane is Banner.

How long have you been DL?

Lane has been part of the Direct Loan program for 16 years.

What is the one thing EVERYONE should know about your institution that they may not already know?

Lane Community College is the perfect home for anyone aspiring to be a DUCK.