



ALABAMA ASSOCIATION OF FINANCIAL AID ADMINISTRATORS

AASFAA Newsletter

www.aasfaaonline.org

Spring 2007 Edition, March 5, 2007

PRESIDENT'S REPORT

by Jonna Gibson

It's hard to believe that this year is almost over! I would like to thank each of you for the opportunity to work with so many wonderful AASFAA members this year. I never imagined how rewarding this year would have been for me a year ago, and I strongly encourage the AASFAA members to get involved and experience what many of us have had the opportunity to experience. I am fortunate to have the dedication of the elected officers and committee chairs, and I want to thank you for making this year successful.

Thanks to President-Elect, Ben Baker and Committee Chair, Mike Reynolds, we had a successful Fall Conference held in Auburn, Alabama on October 13-15, 2006. Charles Markle, Auburn University, and Andy Weaver, University of Alabama Huntsville, did an outstanding job presenting the NASFAA Training Workshop on November 17, 2006 at Auburn University Montgomery. We had an outstanding attendance of 80 members; I want to thank each of you for attending.

I attended the SASFAA Conference on February 11-14, 2007, in Nashville TN. AASFAA had 59 members that were able to attend the SASFAA Conference. The Conference Committee did an excellent job providing us with a variety of sessions. AASFAA had several members that were on the Conference Committee, and I would like to thank you for volunteering.

Ben Baker, President-Elect will be attending the NASFAA Leadership Conference in Washington, DC on March 4-6, 2007. We have two AASFAA members that will be attending their first-time ever SASFAA Leadership Symposium, Dr Samuel Chukwuemeka, Faulkner State Community College and Dr. Henry Quisenberry, Enterprise-Ozark Community College on March 14-16, 2007, in Charlotte, NC.

Our Conference Committee is busy finalizing our 2007 AASFAA Spring Conference at the Perdido Beach Resort in Orange Beach, Alabama on April 11-13, 2007. Spring Conference Chairs, Pat Watkins, Faulkner University, and President-Elect Ben Baker, University of North Alabama, are planning a variety of concurrent sessions and general sessions. I hope you will take the opportunity to attend the conference. You can view

the tentative agenda as well as other conference information on our new website www.aasfaaonline.org.

See you at the Beach!

PRESIDENT-ELECT'S REPORT

by Ben Baker

The weather in Alabama is beginning to look more like spring. That means the AASFAA Spring Conference is coming soon. Our upcoming conference will be held at the beautiful Perdido Beach Resort in Orange Beach, Alabama on April 11-13, 2007. I hope you will register for the conference very soon on the AASFAA website, and make your room reservations immediately. The priority date for room reservations is March 10, 2007. Room reservations requested after March 10 are not certain. You may read about the conference details in the President-elect's letter on the AASFAA website.

The theme for the Spring 2007 Conference is "Serving Education in Alabama." Pat Watkins and the Program Committee have developed a conference schedule that will provide you with the opportunity to attend sessions on timely topics in the financial aid industry. There will be three general sessions featuring Deborah Tarpley from the U. S. Dept of Education. Deborah will provide us with a Federal Update on Wednesday, a session on SMART Grants and AC Grants on Thursday, and a Question & Answer session on Friday morning. I know you will benefit from Deborah's knowledge if you will make it a point to attend these three sessions. Pat and the program committee have also scheduled three different concurrent sessions from which you may choose financial aid topics of interest to you.

Contents

	<u>Page</u>
Reports	1-5
AASFAA News	5
SASFAA News	6
Professional Development	6-7

Linda Calvanese and the Local Arrangements Committee are working earnestly to see that you enjoy satisfactory accommodations for this conference. Several people have been working diligently to implement our new AASFAA website. I hope you have found the new website pleasing and user-friendly. Lora Kiser has worked with many different vendors to provide sponsorship to make this conference affordable for you. Please be sure to say thanks to all of these people for their efforts to make our trade association one of the best.

I enjoyed attending the SASFAA 2007 Conference in Nashville, Tennessee on Feb 11-14, 2007. I thought the Program Committee did an excellent job of providing a wide variety of sessions on timely financial aid topics. I believe we had about 60 people from AASFAA attending the conference in Nashville.

I am looking forward to attending the NASFAA National Leadership Conference on March 4-6, 2007. I hope to network with the other financial aid professionals representing their respective associations in various leadership positions. The conference will feature the opportunity to visit with members of our Alabama Congressional delegation. I have scheduled visits with both U. S. Senators from Alabama and one U. S. representative.

I hope to see you in Orange Beach.

PAST PRESIDENT'S REPORT

by Buddy Jackson

The Nominations and Elections Committee are pleased to present the following candidates for AASFAA office for the 2007/2008 year:

President Elect: Charles Markle
Manager Financial Aid Services
Auburn University

Vice President: Dr. Sam Chukwuemeka
Director of Financial Aid
Faulkner State Community College

Andy Weaver
Director of Student Financial Services
University of Alabama-Huntsville

Secretary: Ann Little
Financial Aid Counselor
University of Alabama at Birmingham

Endora Todd
Director of Financial Aid
Wallace Community College –Selma

Treasurer-Elect: Marcus Byrd
Scholarship Specialist/Financial Aid
Advisor
Alabama A&M University

Ann Campbell
Account Executive
Southwest Student Services

A statement of candidacy and a picture of each candidate will be on the AASFAA website within the next two weeks.

Please plan to attend the AASFAA business meeting at which time each candidate will give a brief speech regarding his or her statement of candidacy.

If you will not be attending the spring conference, an absentee ballot is available on the AASFAA website. Please note that absentee ballots must be received on or before April 2, 2007.

See you in Gulf Shores.

VICE PRESIDENT'S REPORT

by Charles Markle

Your Professional Development Committee has been working this year to provide the membership with training opportunities for 2006-07.

Alabama State University hosted the federal HERA training October 5, 2006, and was attended by some 90 participants.

The NASFAA Fall Workshop had "Verification as the topic and was hosted by AUM on November 17, 2006. We had some 80 participants.

The New Aid Officer Workshop series began at Auburn University on September 27, 2006. The November workshop scheduled at Lurleen B. Wallace Community College was canceled due to a lack of response. On February 6, 2007, Beville State Community College hosted a workshop with some 25 participants.

The final New Aid Officer Workshop will be at the Spring Conference at the Perdido Beach Resort April 11, 2007, 9 a.m. to 12 noon. A luncheon for New Aid participants will follow. Please be sure to encourage new Financial Aid professionals to sign up during online conference registration. As of now there are 10 participants.

Thank you to all who will have participated in this year's series of training sessions!

And special thanks go to these lender partners for their sponsorship:

AFC
AMSOUTH STUDENT LENDING
CITIBANK
COLLEGE LOAN CORPORATION
EDAMERICA
KEY BANK
ALABAMA STUDENT LOAN PROGRAM / KHEAA
NATIONAL EDUCATION
NELNET
PNC BANK
REGIONS STUDENT LENDING
TG
WACHOVIA

TREASURER'S REPORT

by Phillip Nelson

With the AASFAA Fall Conference, NASFAA Training, and SASFAA Conference all behind us, the AASFAA Spring Conference looms ahead... and not that far away. I have received 85 conference registrations as of this date.

Attendees who have not registered:

Please visit www.aasfaaonline.org in order to complete the registration form. The conference fee is \$100 and includes your meals. Your \$15 annual dues will be added to the charges if not already paid for 2006-2007. Registration Forms received after Monday, April 2, 2007, will be subject to a \$25 late fee.

The fiscal standing of our association is strong, with assets exceeding \$202,000. I have received several invoices for Spring Conference sponsorships. Many thanks go to Lora Kiser, Sponsorship Chair, for her efforts. Please also be sure to thank each of our lender partners in AASFAA for his/her efforts within the association, as well as for the continued financial support of the institutions they represent. Our conference activities in training and networking would be diminished by a lack of such support.

ACHE LIASION REPORT

by Cheryl Newton

The Application Deadline is fast Approaching for the Alabama Student Assistance Program; Funds to include awards from the Knight v. Alabama Settlement.

Application as a participating institution in the Alabama Student Assistance Program for award year 2007-2008 is currently in process. Please return all required documents via US Mail to:

Alabama Commission on Higher Education
Alabama Student Assistance Program
P.O. Box 302000
Montgomery, AL 36130-2000

Please forward this information to all appropriate personnel at your institution. The deadline date is **March 26, 2007**. Please direct all questions or concerns by calling (334) 242-2273 or via email to cheryl.newton@ache.alabama.gov.

ELECTRONIC SERVICES COMMITTEE REPORT

by James Berry

The new AASFAA website is up and running at www.aasfaaonline.org and is very impressive. Check it out. If you have any problems with it or want to suggest anything to be added to it on a temporary or permanent basis please email me the information at jberry@southuniversity.edu. The Electronic Services Committee will review your request or suggestion, and upon approval pass it on to the webmaster to be developed and added to the website. Please let me know your impressions of the new website.

SPECIAL PROJECTS COMMITTEE REPORT

by Andy Weaver



Each year at the AASFAA Spring Conference, the association conducts a fund raising campaign to benefit a charitable cause. This year, the Executive Board has chosen as the beneficiary of our fund raiser the Kinsley Elizabeth Bulger Memorial Scholarship Fund.

As many of you know, Kinsley was the daughter of Christy and Daniel Bulger. Christy Serves as Director of Financial Aid at Reid State Technical College in Evergreen, AL. Five year old Kinsley lost her battle with leukemia on January 6, 2007, and the family has established the memorial scholarship fund in her honor. There will be an information table at the conference with pictures of Kinsley, details about her fund, and a guest book for everyone to sign. Please help continue the great AASFAA tradition and give generously in Kinsley's honor. You can read more at her memorial website at <http://www.shhqtg.com/kinsley/>, including information on how you can make donations directly to

the fund. Please keep the Bulger family in your thoughts and prayers.

LONG RANGE PLANNING COMMITTEE REPORT

by Dee Talley

During the fall 2006 fall conference, the Long Range Planning Committee presented a report of its activities for the year to the Executive Board and the membership. The committee made several recommendations to the Executive Board. Also, the committee presented the Board with a draft mission statement for the association, as well as a values statement and ethical statement of principles. These drafts are listed in this report and the committee asks that the membership review them and offer any suggestions. The Executive Board will vote on adopting these drafts at the spring conference. Please send any comments or suggestions you may have to Dee Talley at dtalley@uab.edu.

The following are the recommendations the committee made to the Board during the fall conference:

Recommendation: The committee recommended that the Executive Board approve the mission statement submitted.

Recommendations: The committee recommended that the AASFAA President encourage all officers and committee chairs to submit year-end reports for evaluation. Also, it is recommended that each year at the transitional meeting, the incoming President provide each officer and committee chair with at least one goal that he/she would like to see the officer or committee chair accomplish for the year. This will provide direction and guidance to the officer or committee chair.

Recommendations: The committee recommended an evaluation of the discretionary committees to determine if any should be changed to a standing committee. Also, the committee recommended that each incoming AASFAA President take a closer look at the committees from the previous year and the work that was accomplished before deciding which committees will be needed for the next year.

Recommendation: The committee recommended that the board retreat offer more leadership training in an effort to develop future AASFAA leaders.

Recommendations: The committee recommended that AASFAA President Jonna Moses charge the Nominations and Elections Committee with the task of reviewing the Nominations and Elections process as it pertains to determining the actual slate. What rules are adopted at this time and how are potential candidates decided on by the committee? Another recommendation was to form an ad-hoc committee, or charge a current committee, with the task of determining ways to involve minorities on committees

and in programs that will develop them into future AASFAA leaders.

Recommendation: The committee recommended that the Board approve and adopt the code of ethics principles and the value statements.

AASFAA's Mission Statement

AASFAA's mission is to provide an association which promotes the professional growth and collaboration of its members, and address the needs of students, families, and institutions in matters related to financial and informational resources.

Values of the Alabama Association of Student Financial Aid Administrators

AASFAA values: Students

AASFAA's primary role is to serve its students. All students are unique and derive from many different backgrounds and have different needs and concerns. Students are valued and worthy of respect.

AASFAA values: Education

Our society is enriched by education and the standard of living for all citizens is raised as a result of an educated citizenry.

AASFAA values: Diversity

As our society grow more diverse, creating an environment of inclusiveness and respect is more important than ever. Each individual offers a perspective from which all can gain knowledge and skills, and should encourage all members of the profession to listen to, understand and learn from each other.

AASFAA values: Integrity

As financial aid administrators, we have fiscal responsibilities as stewards of public, local, institutional and private funds. We must fulfill this responsibility in a legal, ethical and trustworthy manner. As AASFAA members, we expect and encourage excellence and quality in all our professional endeavors.

AASFAA values: Professionalism

Each AASFAA member is expected to pursue personal and professional development. The growth of our Association depends on the growth of our members. Excellence is our common goal and professionalism is our standard.

Alabama Association of Student Financial Aid Administrators

Statement of Ethical Principles

The primary goal of the financial aid professional is to assist students in pursuing higher education opportunities. In the process of working to achieve this goal, the financial aid professional should exhibit certain standards and conduct appropriate to the profession. With this in mind, AASFAA has adopted the following ethical principles that serve as acceptable standards of conduct.

The Financial Aid Professional shall:

1. Practice honest and integrity in the profession and in our lives.
2. Respect and honor students and their families' financial confidentiality.
3. Provide the highest quality of services to students and not discriminate on the basis of gender, race, religion, age, ethnicity, disability, economic status or sexual orientation.
4. Build and maintain a sense of community that fosters mutual trust, cooperation and respect.
5. Treat students and their families with sensitivity and fairness and continually strive to make decisions that are consistent and equitable.
6. Promote personal and professional development and continuing educational opportunities.
7. Provide access to financial resources and removing any hindrances that may exist for those wishing to pursue postsecondary education.
8. Maintain the highest level of ethical behavior without vested interests or personal bias.
9. Strive to meet the financial need of students.
10. Promote the free expression of ideas and opinions, and foster respect for diverse viewpoints within the profession.
11. Recognize the issues affecting students and advocate their interests at the institutional, state, private, local and federal levels.

Commit to excellence as a common goal and maintain the highest level of professionalism as a standard.

AASFAA NEWS

by Dr. Bill Wall

Governor Issues Proclamation Declaring Financial Aid Awareness Week in Alabama

A delegation of AASFAA officers and members witnessed Governor Bob Riley proclaim January 22-28, 2007 as Financial Aid Awareness Week in Alabama. Held in the old Archives Room of the State Capitol, the signing ceremony was done on December 15, 2006.

Witnessing the signing were President Jonna Gibson, Vice President Charles Markle, AASFAA Past Presidents Buddy Jackson, Bill Wall, Dorenda Adams, ACHE Liaison Cheryl Newton, Vendor/Sponsor Coordinator Lora Kiser, and Newsletter Editor Anthony Richey.

Alabama Student Loan Program Hosts Workshops on the New Alabama College Loan Program

The Alabama Student Loan Program has scheduled informational workshops on the new Alabama College Loan Program the second week in March. The workshops are planned so financial aid officers can learn about zero fees, plus specialty benefits for teachers, nurses, and Alabama National Guard members and their families.

The dates and locations of the workshops are:

- March 6 University of Alabama in Huntsville
- March 7 Huntingdon College (Montgomery)
- March 8 Faulkner State Community College, Bay Minette campus

Each workshop is from 10 AM – Noon (with lunch provided after the session).

Aid administrators are asked to RSVP by calling (800) 721-9720 or by sending an email to tsexton@kheslc.com

Policies and Procedures Committee Will Evaluate Impact of New Voting Procedures and Website on Operations

Policies and Procedures Committee Chair, Bill Wall, announces this committee will evaluate the impact of the new AASFAA website, with its technological enhancements, on the association's operational and election procedures. Changes were made to the Policies and Procedures Manual last year to allow for electronic voting and other matters pertaining to operations. The committee will make its evaluation following the annual Spring Conference in April.

SASFAA NEWS

by Sharon Oliver

Graduate Leverage Student Survey Supports Need for Preferred Lender Lists as Valuable Tools in Student Loan Decision-Making Process

Transparent lender lists and analytical tools also critical for improving students' financial knowledge

WALTHAM, Mass. – February 28, 2007 – Graduate Leverage, a leading educational debt advisory service provider, today reiterated its support of preferred lender lists. Graduate Leverage made this announcement in response to recent media attention focusing on the pros and cons of these lists, including reports questioning the ability of financial aid professionals to offer unbiased advice. The position rests on the results of extensive student surveying, through which students have demonstrated an inability to determine which student loan offering is most attractive. Graduate Leverage's intermediary approach focuses on working with financial aid officers and students to provide a comprehensive debt management consultation service, during which its advisors address students' individual needs and helps them mitigate the cost of their debt.

"Just as college and university financial aid departments play an essential role in students' overall loan decision-making process, so too do preferred lender lists," says Dan Thibeault, Graduate Leverage president and co-founder. "We agree with financial aid experts who say that there are good reasons to use these lists: without them many students would be forced to rely on solicitations and direct marketing materials sent from lenders. When presented with a sample Preferred Lender List containing five lenders, less than 15% of graduate professional students surveyed identified the best deal—which is statistically worse than a random guess. So without expert guidance, borrowers would be susceptible to predatory lending. In addition, loan servicing elements typically require professional assessment that only financial aid officers – and not borrowers – are trained to evaluate."

Graduate Leverage also suggests that these lists, like all advisory services throughout the industry, be fully transparent in order to help students find the best possible loan program. Financial aid officers can serve as a firewall protecting borrowers from predatory lenders while ensuring the maintenance of best-in-class servicing and processing.

Graduate Leverage's position, that additional guidance beyond preferred lender lists is often necessary, is supported by a survey of graduate professional students. In addition to students' inability to select the best lender from a sample list, 73% of those surveyed reported not knowing what their rate was or how it was calculated.

"Students are frustrated by a lack of transparency and most acknowledge the need for an advisory service to

assist them with navigating the often overwhelming decision-making process," says Thibeault. "Because of the complexity and variety of borrower benefits, it has become nearly impossible for lender lists to offer a single lowest-cost deal."

By utilizing custom analytics and debt measurement tools, Graduate Leverage's model helps students identify the lowest-cost lender based on his or her unique circumstances. "When we launched our service in 2003 students were somewhat confused by our model, given that we possess a Lender ID but offer advisory support for lender selection," added Thibeault. "They quickly realize however this gives us the ability to ensure accountability and exert collective bargaining on behalf of the students. Ultimately, this is what gives us the ability to secure them the lowest cost of borrowing."

About Graduate Leverage

Founded in 2003 by Harvard MBA students, Graduate Leverage is a free educational debt advisory service that was created to help students manage their debt effectively. The first student loan intermediary, Graduate Leverage helps students, parents and Financial Aid officers better understand borrowing options in an increasingly complex market by providing analytical tools, APR analyses and advisory services that mitigate the cost of borrowing. In its goal to secure the best deals for all students, Graduate Leverage has helped more than 50,000 students and serviced more than \$2.5 B in loans. For more information, visit www.graduateleverage.com

PROFESSIONAL DEVELOPMENT

by Allison Wynne

Don't Be a Victim...Simple tools you and your students can use to prevent identity theft

Identity theft has become an all too common term in today's world. It has become the latest catch phrase and one of the last things you want to have happen to you or your students. Simply open the morning newspaper or the latest news magazine and you are certain to find an article on someone who has become a victim of this growing crime. So, what can you do to protect yourself and what do you do if it happens to you? Keep reading to find out simple techniques to keep you on guard. And, don't forget to pass this important information on to your students as well. College campuses provide the perfect environment for identity thieves to strike on unsuspecting students.

Identity theft happens every 79 seconds when a thief steals someone's identity, opens accounts in the victim's name, and goes on a spending spree. ID theft is the unauthorized use of personal information to establish or assume credit under someone else's name. Identity theft manifests itself primarily in two ways: 1) Fraudulent Applications – establishing a new credit relationship using someone else's personal information

2) Account Takeover – assuming an existing credit relationship using someone else’s personal information.

According to the Federal Trade Commission’s 2003 statistics, there were 7 million victims of ID theft in the US. 70% of ID thieves were unknown to the individual, 13% were from an employee of a business that had the persons information, 11% were relatives of the victim, 10% were friends or roommates, 5% were coworkers of the victim, 4% of thieves were former spouses or significant others, and 2% of ID thieves were caregivers of an elderly or disabled person.

Identity theft can occur through various means in which thieves steal your personal information. Common ways that identity theft occurs:

Dumpster diving – Ever receive a credit card statement in the mail and after taking a brief look at it, toss it in the garbage? Think twice before doing this again. Identity thieves often rummage through your garbage looking for just that, or other personal information that you may have discarded without a second thought.

Phishing – Identity thieves will pretend to be a legitimate financial institution and send email spam to get you to reveal your personal information. Any legitimate financial institution will never ask you for personal information through an email.

Changing your address – Identity thieves will simply fill out a change of address form at the post office and have your mail diverted to another location.

Stealing – Identity thieves will steal your purse, wallet, mail, social security card, and any other personal information they can get a hold of. Never carry your social security card with you. This is just asking for your identity to be stolen! This is one number you should commit to memory and keep the card in a safe place. Having a locked mailbox is also critical. Identity thieves can simply go through your mail, come across a bank statement, or other personal information, and you have just gotten yourself into months - and hundreds of hours - of trying to recover from becoming a victim.

What can you do? Take the following precautions to prevent an identity thief from striking:

- Protect your mail
- Safeguard your wallet and personal information
- Buy a shredder...and use it! This is one of the most simple and vital ways to avoid identity theft. All personal identifiable information should be shredded before being thrown away. All pre-approved credit card offers should also be shredded.
- Monitor and review your credit report to ensure that it is up-to-date and reflects accurate information. Any inaccurate information could signal identity theft.
- Sign your credit cards immediately
- Never loan your card to anyone

- Notify your bank directly when you change your address
- Report all lost or stolen cards immediately
- Never put your account number on the outside of an envelope. Any account numbers you have are generally identifiable (by your creditors, not ID thieves) by the last four digits.
- Photocopy all credit card and bank account information.
- Always keep credit card receipts to verify against the statement
- Place a fraud alert on all credit reports
- Contact the card issuer if new credit cards do not arrive on time
- Keep passwords safe and not easily identifiable – don’t use the last four digits of your social security number, mother’s maiden name, birth date, or pets name – these are all too obvious to identity thieves.
- Check social security earnings statements each year for fraud
- Install a firewall on your computer
- Encourage students to log onto Citi Cards’ free, comprehensive website: www.Students.UseCreditWisely.com for information on how to protect themselves from credit card fraud and identity theft, as well as ways to manage their credit wisely.

What to do if identity theft happens to you:

- Place a fraud alert on all credit cards by calling the credit reporting bureaus (Equifax, Experian, TransUnion)
- Review reports from all three agencies and report any discrepancies directly to the agencies
- File a police report and get a copy of the report
- File a complaint with the Federal Trade Commission
- Citi offers Identity Theft Solutions –free- to both Citi card members and also to those that have student loans through Citibank. ID Theft Solutions teams victims of ID theft with a Citi Cards personal representative to help them through the process in a timely and efficient manner.

Every new semester for college students means new classes, new textbooks, and new professors. For identity thieves it can also be a time to steal a new identity – that of an unsuspecting student. Consider the information above as your shield of defense against identity theft. Don’t let yourself or your students become a victim of this growing crime - know the facts and arm yourself upfront!