



AASFAA Newsletter

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Summer 2003 Edition, July 2, 2003

PAST PRESIDENT'S REPORT

by Mike Reynolds

As my year in office comes to a close, I would like to thank the executive board and all of the Committee Chairs and members for a tremendous year. We will all need to continue the hard work as we prepare to host the SASFAA Conference in Birmingham this February. We are fortunate this year's SASFAA President is from the state of Alabama, and certainly want to support Ron Day in every way possible.



Thanks to Dot Wilkerson, Past President, for a strong slate of candidates for this year's election held at the Spring Conference. Congratulations to the following members that will represent AASFAA for the upcoming year:

- President: Deborah Byrd
Calhoun State Community College
- President-Elect: Dr. Chip Quisenberry
Enterprise State Community College
- Vice-President: Cindy Massey
SouthTrust Bank
- Treasurer: Charles Holloway
Bishop State Community College
- Treasurer-Elect: Ben Baker
University of North Alabama
- Secretary: Cheryl Newton
A.C.H.E.

At the Spring Conference, we also selected recipients for our two highest honors, the Buchanan Award for the individual outside the financial aid profession that provides support to the association, and the Padgett Award for the financial aid professional that has given continued support to AASFAA. This year's recipient for the Buchanan Award was Dr. Roy Johnson, Chancellor of Post Secondary Education in Alabama, and James Berry, Director of Financial Aid at South College in Montgomery, Alabama. In addition, there were two Merit Awards given to individuals that have given support to AASFAA. One went to David Bartniki, U.S. Department of Education, and the other went to Robin

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Reynolds, my wife and co-pilot, through this year as AASFA President. Congratulations to all our honorees for a job well done.

Deborah Byrd, Dee Talley, and I, attended the SASFAA Transitional Meeting at the Don Cesar in St. Petersburg, FL, June 5-8, 2003. As usual, it was a great experience meeting with members of SASFAA as well as members of our other state associations. I have enjoyed my time on the SASFAA Board and encourage every member of AASFAA to consider holding offices in both AASFAA and SASFAA. The AASFAA Transitional meeting was held at the 4-H Center in Columbiana, AL on June 26-27. It was a great time for fellowship as well as an excellent training opportunity for all AASFAA Board members. Dee Talley and Dr. Bill Wall provided a workshop on the protocol and responsibilities of holding office in AASFAA, which will benefit all attendees. Thanks Dee and Bill for all of your hard work putting this together. Plans are set for the Fall Conference to be held at the Auburn University Hotel and Conference Center, October 15-17, 2003 and the Spring Conference at the Perdido Beach Resort in Gulf Shores, AL April 14-16, 2004.

It has been an extreme honor to serve as AASFAA President and when I remember back to when I attended my very first AASFAA Conference, I never dreamed of having the opportunity to serve the association in this way. There have been so many people that have assisted me in my travels through the different areas of the financial aid community and hopefully I will remember to thank each of you personally, and face to face. One of the dearest and most cherished to me, I won't be able to thank in a one on one conversation, but can only remember with the fondest of memories. Ms. Theresa Duke taught me so

much about this business and supported me through many trials and tribulations that can arise (and often do) in this business. I can remember just like it was yesterday, the banquet when it was announced that I was Vice-President for the upcoming year, and Theresa said to the table that she was sitting at, "He'll be President next year" (in only the way that she could say it). I didn't believe that to be the case but since it did in fact come to pass and is coming to an end—My dear Theresa, I hope that I have done you proud. I look forward to entering the ranks of the Past Presidents, and once again thank all of you that have made this year a success.

PAST PRESIDENT'S REPORT

by Dot Wilkinson

Summer semester is a time of planning and processing aid for the upcoming year. As we prepare to 2003-04, it is a good time to plan for the future. A financial aid office without a plan is like taking a cross-country trip without a roadmap. Most professionals in financial aid have often felt the need to look at the map.

AASFAA is preparing for a transitional meeting that will shift duties and make plans for the new year. These leaders will build a map for their colleagues to follow and will provide information and training to new aid officers as well as not so new aid officers throughout 2003-04.

As I end the year as past-president, I am a little sad, but I am so grateful for the many friends I have in AASFAA, and I am very appreciative of the experiences I have had with SASFAA and NASFAA. I would like to encourage every financial aid professional to be active in AASFAA. Run for office. Be a committee chair. Get involved. The rewards are awesome.

AASFAA NEWS

by Carlos Clark, Cheryl Newton, & Jennifer Cosens

New Positions

Mr. Marcus Byrd is the newest addition to the Alabama A&M University Office of Student Financial Aid Default Management Team. A May 2002 business graduate of A&M and former business owner, Mr. Byrd brings a wealth of business expertise to the office. His professionalism and attention to detail made him an easy choice for the position of Default Management Analyst.

Carlos Clark, Director of Student Financial Aid at Alabama A&M University, has been selected as the new Director of Financial Aid at Florida A&M University in Tallahassee, Florida.

Participants in the Alabama Student Assistance Program (ASAP)

The second half of each institution's annual award for 2002-2003 will be disbursed July 15, 2003. The deadline date for second half payments was March 31st. If you have not submitted your invoice, please do so at this time. Although you have not received your funds for the second term, you may submit your completed roster at this time. If you do not receive your payment by July 21st, please contact Cheryl Newton at (334) 242-2273 or cnewton@ache.state.al.us.

GET THE MOST OUT OF AASFAA-L

All AASFAA members are encouraged to be subscribers to the AASFAA listserv, AASFAA-L. It's an invaluable tool any member can use to quickly communicate with the entire membership. Do keep in mind that your message will go to over 200 of your colleagues, so try to make sure it's relevant and appropriate. In order to get the most out of the listserv, you need to know how it works. Here are some of the most commonly asked questions—and answers—about AASFAA-L.

Am I subscribed to AASFAA-L? If not, how do I subscribe?

To find out if you are subscribed to AASFAA-L, send an e-mail to listserv@listserv.kheaa.com with only "Query AASFAA-L" (without the quotes) in the body of your message. If you are subscribed, the listserv will send you an e-mail that lists your subscription options and the date your AASFAA-L subscription began. If you are not subscribed the listserv will reply with a message telling you so.

If you wish to subscribe to AASFAA-L, send an e-mail to listserv@listserv.kheaa.com with only "Subscribe AASFAA-L *your full name*" in the body of the message. Be sure to replace *your full name* with your name and don't include the quotes. If you have trouble subscribing, send an email to jcosens@kheaa.com. Include your name, e-mail address, and that you wish to subscribe to AASFAA-L.

Is my e-mail address up-to-date? If not, how do I update it?

If your email address has changed recently, your institution may let you keep your old one either temporarily or on a permanent basis. However, the listserv doesn't allow non-subscribers to post to AASFAA-L, and it will no longer recognize you as a subscriber since your messages will be sent from your new e-mail address. The simplest solution is to subscribe again with your new email address. You may also want send a message to jcosens@kheaa.com indicating that your old e-mail address should be deleted so you don't get two copies of every message.

How do I post a message?

Just send your e-mail to AASFAA-L@listserv.kheaa.com. It's that easy!

What happens when I reply to a posted message?

When you reply to a colleague's post, only that person will see your reply. If you want the entire listserv to receive your reply, you'll need to change the address in the "To" line of your e-mail to AASFAA-L@listserv.kheaa.com.

Why can't I attach a file to my message?

In an effort to reduce all subscribers' vulnerability to computer viruses, file attachments generally cannot be posted to AASFAA-L. If you have a file that needs to be sent, you can often simply copy the text from the document you wish to send, paste it into the body of your e-mail, and send it to the AASFAA-L that way. It might not look quite as pretty as it did in your Word document, but you get your message across! If the copy and paste technique just won't work, you can send your message, along with the attachment, to jcosens@kheaa.com, and it will be posted to AASFAA-L for you.

Can I read old messages that were posted to AASFAA-L?

All messages that are posted to AASFAA-L are archived and available on the web site. To read them, go to <http://listserv.kheaa.com/archives/AASFAA-L.html>.

PROFESSIONAL DEVELOPMENT

by Dan Brent

A Page from the Airlines

Have you had occasion to book an airline reservation lately? You don't have to be an accountant or even a frequent flyer to know that airfare pricing is a mess. My hometown of Rochester, NY (ROC in airline talk) has brought in two low-fare airlines – JetBlue and Air Tran – and improved its market position from the country's second most expensive city to the fourth most expensive city to fly from.

But it's also destination cities that drive pricing, the airlines tell us. This I could understand if larger cities were cheaper to fly to. But it doesn't regularly work that way either. A few months ago I flew to Philadelphia. The ticket cost \$550. A few days later I flew to Harrisburg – through Philadelphia. That ticket was \$280. Go figure.

Attaché is the in-flight magazine of US Airways. A recent article was by David Siegel, the CEO of US Airways. In the article, he introduced his two top price-setters, two young ladies named Kathryn Cochran and Bernadette Cestone. Then he attempted to explain how the pricing works. Nice try! He did concede that prices change as often as three times a day for the same route. "Industry-wide, there have been as many as one million domestic fare changes in a single day," Siegel admits. One million price changes! The goal is to soak the business traveler who can't plan very far ahead and then bulk up the passenger numbers with leisure travelers who will trade flexibility to get cheaper tickets. OK, OK, Siegel didn't say "Soak the business traveler." What he said was that the pricing is set to

"reflect the value of time." He explains that "A mix of business and leisure travelers is necessary to support frequent flights in major business markets."

At least this may explain why I can buy a 2000 mile cross-country ticket from Rochester to Los Angeles for \$260 and would have to pay \$729 to fly 150 miles from Rochester to Erie, Pennsylvania. Apparently in the first case I'm mistaken for a leisure traveler! But they know that nobody goes to Erie for vacation.

Here's a thought. How about if the colleges hire some price-setters from the airlines and ask them to set tuitions like they set airfare prices! Maybe Kathryn or Bernadette could be persuaded to give it a try! For instance, low enrollment classes would have lower tuition charges. Maybe bargain-priced professors could be hired to teach red-eye specials in the dead of night. Early enrollment would get a discount. A "companions-attend-free" feature could be introduced. First Class students could be charged more, given soft chairs in the front of the classroom, and perhaps served hot breakfasts at the breaks in three-hour classes.

Auditing a class would, of course, be cheaper, and a middle price could be set for "Certification Only" credits. Classes whose enrollment doesn't reach a minimum threshold level would be canceled. Student who had enrolled would be given a meal voucher and rescheduled in a later class. When overbooked classes occur, a free voucher would be offered as an incentive for students to drop out. Something similar to frequent flyer miles could be introduced for students who need to repeat classes. Perhaps a certain number of failed classes would get you a free or discounted -tuition class. It could even be a class you don't need; if you're flunking anyway, it doesn't make much difference what the class is.

The objective is to have no two students who are paying the same tuition for a class!

Won't work, you say? The airlines have flown themselves into bankruptcy with this arrangement, you say? Yea, you're probably right. But it was a thought! After all, creativity is the fuel of our free-enterprise system.

Dan Brent is a Professional Development Officer with Citibank. He regularly does workshops for Financial Aid Office staff and management people.

LENDING MATTERS

by Lori Powers, Grady Collins, David Long, & Jay Powell

Alabama Student Loan Program-KHEAA Update

New Financial Aid Reference Book

The Alabama Student Loan Program?KHEAA will publish a new financial aid reference book this year

specifically for Alabama students called *Affording Higher Education*. The book, now in progress, will contain information about various financial aid programs available to Alabama students and at Alabama higher education institutions.

Getting In Redesigned

KHEAA has redesigned *Getting In*, the free college-planning guide for Alabama high school seniors. The seventh edition of this popular and useful book now uses full color on the cover and in the first two chapters, which contain information about planning and paying for higher education. Color was added to make the books more attractive to high school students. *Getting In* is shipped directly to Alabama high schools for counselors to distribute to seniors. A free copy is also provided to each financial aid and admissions office as well as public, academic, and high school libraries.

PLUS MPN

KHEAA implemented the new PLUS Master Promissory Note on June 1 to allow parent borrowers to use eSign.

FFELP Program

Chattahoochee Valley Community College joined KHEAA’s FFELP program in May 2003.

Loan Guarantees

During the first nine months of FY2003, KHEAA loan guarantees increased 23.3 percent.

Default Aversion Loan Reoccurrence Rate

KHEAA experienced a dramatic decrease in its default aversion loan reoccurrence rate in February and March 2003. KHEAA has been using new default aversion tools since September 2002 to help reduce and/or eliminate loan delinquencies.

Reoccurrence Rate			
Months	2002	2003	Decrease
February	44.81%	32.93%	11.98%
March	66.8%	46.67%	20.13%

**Your First Step With Distance Education:
Claim Your Place At the Table!**

How have you and your colleagues fared in maneuvering the waves of change brought on by distance education?

Across the country, financial aid professionals are realizing the unique challenges brought on by progress. Students and higher education administrators are among the first to support distance education, but unfortunately many fail to recognize the unique challenges these initiatives create for financial aid.

Consider the following:

- Current financial aid laws and regulations were developed and adopted at a time when distance education was rare or non-existent. The flexibilities that distance education offers for students can create unique situations that are rarely addressed in the current rules;
- The face of the “typical” higher education student is changing, particularly when it comes to distance education. Distance education students tend to be older than average, are more likely to work full time and have higher than average incomes, and are more likely to be married; and
- The pool of “best practices” that exist in the current arena are as varied as the flexibilities that distance education programs offer. Delivery methods, course time periods, institution types, and other factors mean that effective practices that work at some institutions may not work at others.

With all of the challenges that distance education represents, it is critical that financial aid administrators work to be included early in the dialogue on distance education initiatives starting up or progressing on their campuses.

“The financial aid office is not always asked to participate in the planning and execution of new programs,” said Steven Smith, TG’s assistant vice president for strategic planning and development. “And sometimes, even great, innovative educational efforts can put the college out of compliance with federal aid.”

According to Smith, the consequences of poor planning can unfortunately damage the ability of financial aid offices to serve students effectively. Although they may have had little control or knowledge of new developments taken on without their involvement, financial aid offices are still responsible to students. Financial aid professionals frequently exchange stories of students who show up at financial aid offices to claim assistance as distance education students, when no one is aware that their institution even offers distance education programs. The confusion created by trying to respond to such requests creates increased opportunities for mistakes and frustrations.

“College administrators don’t always think about inviting the financial aid office to discussions about distance education or new innovative programs, so it’s in your best interest to ‘invite yourself’ sometimes,” said Smith. “As distance education grows, the Higher Education Act will grow to support it. In the meantime, financial aid offices should take an active part on campus in helping these programs emerge responsibly.”

Get more perspectives on distance education

To learn more about the critical role financial aid administrators should play in distance education, and how some financial aid administrators have met these

challenges, get a copy of *TG Connection* titled "Clicks and mortarboards: Trends and issues affecting distance education and financial aid." The issue offers commentaries and perspectives on various policy, regulatory, and best practice issues on distance education and the critical role that financial aid officers can play in influencing its future.

To order free copies for you and your colleagues, send your full name, institution, mailing address and phone number to TG Communications at communications@tgslc.org. Please specify that you are requesting copies of the "Distance Education" issue. Tell us how many copies you are requesting, and whether you would like to be added to our subscription list.

Grady Collins is a National Account Representative with TG serving schools in Alabama. You can reach Grady at (800) 252-9743, ext. 4970, or by e-mail at grady.collins@tgslc.org. Additional information about TG can be found online at www.tgslc.org.

USA Funds releases *Guide to Student Loan Issues* to inform reauthorization

To provide helpful background to the student-aid community and federal policy-makers during the upcoming reauthorization of the Higher Education Act, USA Funds® has released a briefing paper, *Guide to Student Loan Issues*.

Britta Anderson, who has more than 20 years of experience in student-loan legislative and policy issues and serves as a consultant to USA Funds on student-loan issues, is the paper's author. The publication provides a balanced overview of the Federal Family Education Loan Program and the William D. Ford Direct Loan Program; their histories, program cost comparisons and competitive aspects of the two programs; as well as a summary of management issues in the student-loan program.

Special sections of the paper offer a primer on the student-loan programs; discuss policy issues regarding loan consolidation; and provide background on lender special-allowance payments, the alternative market mechanisms study, the functions and funding of student-loan guarantors, and voluntary flexible agreements.

Visitors to the USA Funds Web site may download the briefing paper as a Portable Document Format (PDF) file at www.usafunds.org/news/upd/guide_student_loan_issue.pdf.

David Long, USA Funds Services, (866) 497-8723, Ext. 0906.

Sallie Mae goes live on NCHelp's Meteor network

As of May 1, 2003-Sallie Mae's student-loan data is now accessible to all higher education financial aid professionals through the National Council of Higher Education Loan Program's (NCHelp) Meteor network. By making available its loan servicing and origination data through this channel, Sallie Mae, the nation's leading provider of education funding, has met its commitment to provide universal data access.

"This effort has the potential to improve customer service and enhance debt management by showing financial aid administrators a student's full borrowing picture, regardless of the company holding the loans," said Thomas J. (Tim) Fitzpatrick, president and chief operating officer, Sallie Mae. "Financial aid administrators will be able to provide enhanced debt counseling, and borrowers can begin to manage their debt earlier. Sallie Mae is pleased to make our student-loan data available through this non-proprietary channel."

Meteor has provided Federal Family Education Loan Program (FFELP) participants with open, real-time, student-specific data access. Along with Sallie Mae, leading members of the student loan community have also made their loan information available through Meteor. Twenty-three guaranty agencies are currently in production or are actively pursuing implementation, making this collaborative industry initiative led by NCHelp a portal to 70 percent of the FFELP and private student loan information in the industry.

Participation in the Meteor project is part of Sallie Mae's universal data-access strategy, designed to provide all schools with technology solutions and financial aid processing options to improve the student loan process. Sallie Mae's school customers can now access Meteor through the company's OpenNetSM and School Self Service products.

Meteor is a Web-based universal data access point for borrower financial aid information. Meteor's free software provides open, real-time access to aggregated student financial aid information for financial aid professionals, helping them to more effectively and efficiently work with their students. For more information about Meteor, visit www.nchelp.org/Meteor.htm or contact Jay Powell, Account Executive Sallie Mae at (850) 767-7291 or jay.powell@slma.com.

Southeastern Bible College's Joanne Belin Recognized by Sallie Mae

Joanne Belin, Southeastern Bible College's Director of Financial Aid was featured in the April edition of Sallie Mae's publication "The Educator". Learn how Southeastern Bible College is reaching out to students to inform them about financial aid.

Excerpt from the Sallie Mae Educator, April 2003

The absence of a theater department at Southeastern Bible College has not deterred Joanne Belin from putting on performances for students. What types of performances? Naturally, those that deal with financial aid.

When Joanne arrived at Southeastern Bible College, she realized that students would learn more about financial aid if the information were presented in an entertaining way. Since the school does not have an auditorium, she requested a 10-minute time block in the university's chapel. Now 11 years later, the presentation has evolved into a full-fledged performance lasting more than an hour. The shows have in fact become so elaborate that planning for next year is already in the works.

Joanne is a veritable creative powerhouse, responsible for almost every aspect of the production. She has written skits, songs and scripts for numerous shows. In many of them she adapted elements of pop culture to the financial aid scene. For example, one play was a spoof on the Scrooge story in which ghosts of semesters past, present and future haunted students. Another year, The Wizard of Aid was the theme. This year, the chapel was rigged up and filmed like a TV talk show with students acting as a live audience and a local producer was called in to help with the multimedia component.

Sallie Mae awarded Joanne their FAA award, given out to financial aid administrators who demonstrate "innovative efforts in assisting students" as a result of the energy she puts into these shows. Recognizing how well her efforts serve students, The Sallie Mae Fund has committed \$5,000 every year to help support Joanne's show.

The April 2003 edition of Sallie Mae's "The Educator", may be viewed online at:

http://www.salliemae.com/news/pubs/AprilEducator_SOUTHEAST.pdf

To learn more about the Sallie Mae Fund or if you school does not currently receive "The Educator" please contact Jay Powell, Sallie Mae, at (850) 767-7291 or jay.powell@slma.com.

Sallie Mae NewsLink

Sallie Mae NewsLink is a free publication providing weekly news on a variety of topics including industry news and trends, legislative/regulatory, and other education highlights. To subscribe to receive a free weekly e-mail that tells you what's in the latest issue go to: <http://www.salliemae.com/news/index.html> and click on subscribe. For more information, contact Jay Powell at (850) 767-7291 or jay.powell@slma.com.

SASFAA NEWS

by Chip Quisenberry

2003 SASFAA New Aid Officers Workshop a Success

The annual SASFAA New Aid Officers Workshop was held on the campus of Furman University in Greenville, South Carolina the week of June 15-20, 2003. 110 new financial aid administrators attended the workshop and learned everything they ever wanted to know (and more!) about the wonderful world of financial aid. Alabama schools represented at the workshop included Auburn University, UAB, Oakwood College, and Huntingdon, among others.

Sessions on the following were offered: Overview of the Application Process, Electronic Data Exchange (EDE), FISAP, FERPA, Study Abroad, Customer Service, Review of IRS Forms, Calculating COA, Calculating Pell, Packaging and Award Notifications, Overawards, Veteran's Benefits, Clock Hour programs, R2T4, a Federal Update, and others. The participants also worked through several case studies, including a hand calculation of an EFC!

Faculty for the workshop were Brad Barnett (James Madison University), Carolyn Sparks (Spartanburg Methodist College), Zita Baree (Virginia Commonwealth University), Kelvin Nichols (University of Mississippi), Wendy Hutchins (Millsaps College), Ron Anderson (University of Florida), Dr. Dave Mohning (Vanderbilt University), Thelma Ross (Clark Atlanta University), Dr. Chip Quisenberry (Enterprise-Ozark Community College), Sandy Neel (University of Louisville), Tolly Tollefson (University of North Carolina - Greensboro), and Glenn Shumpert (University of South Carolina - Aiken).

I would strongly encourage any Financial Aid staff with fewer than two years of experience to attend the New Aid Officers Workshop next summer! Give me a call at (334) 347-2623 extension 2214 if you need more information!

UPCOMING EVENTS

NASFAA Conference	July 9-12
Salt Lake City, UT	
AASFAA Fall Conference	Oct. 15-17
Auburn, AL	
AASFAA Spring Conference	April 2004