Time is quickly coming to a close on this chapter of WASFAA’s history. It is very hard to believe that my year is coming to an end. This past year as your WASFAA Regional President has brought along many wonderful opportunities that I have been able to share in my President’s Highlights. In addition, I have enjoyed taking pictures of members from many of my visits to share in our Newsletter.

You will recall that I stated my goal was to work hard at keeping WASFAA fiscally sound and that has required us to be more strategic in our activities and expenses. We no longer make long term commitments for WASFAA allowing us to be more flexible and to use the economic situation of our region and a given area to help us make more sound decisions. We are working hard to review all our budget line items and to determine if we can make further adjustments in the year to come. I know your President Elect, Jack Edwards, is very committed to continuing working on this goal.

Speaking of President Elect Jack Edwards, he is already hard at work representing WASFAA during NASFAA discussions. I know Jack is committed to and has understanding of the challenges facing many in the states representing the WASFAA region. Jack has had the experience of working in Washington, Arizona and currently in California and has many personal contacts to help him keep abreast of issues. I challenge each of you in our membership to keep him informed of what is happening in your state and your institution. Drop him a quick e-mail and take advantage of getting your concerns heard. This information is shared with the Executive Council and the NASFAA Board of Directors and helps all to know what is happening in our Region. This will be especially important in the year ahead as we begin to think about Reauthorization and what we would like to see in the future of financial aid administration.

If you do not know Jack personally, get to know him; he is kind, friendly, an experienced financial aid administrator and will be happy to discuss the highs and the sometime lows in this exciting world of financial aid administration. I am proud and excited to turn over the leadership of this wonderful organization to the very capable hands of soon-to-be President Edwards.

The WASFAA Conference is almost upon us, I hope by now you have registered and secured a room to join me at our annual conference April 22-24 at the Benson Hotel in lovely Portland, Oregon. The Conference Committee has been hard at work to bring you a large variety of sessions that enforce the conference theme of “The Yin and Yang of Financial Aid: Reaching Harmony through WASFAA.” Please visit the conference website (http://www.wasfaa.org/docs/toc_conferences.html) to see the agenda and also don’t forget to visit WASFAA’s Face Book page (http://www.facebook.com/WASFAA) to see the latest news.

Last I’d like to take this opportunity to thank you all for allowing me to serve and represent WASFAA. It has been an honor to attend your State Conferences and to be part of your conference agenda. I had a great time. Each and every one of you extended me so much hospitality and good will that I will cherish always. I’d also like to thank the men and women of the Executive Council for your valuable time and effort in serving your association. No question, this is a wonderful organization to be a part of in whatever capacity be it a moderator for a session, a member of the Training Committee, working on the Federal Issues Committee, a State President, an officer of the Executive Committee or President of WASFAA. Please volunteer, WASFAA is a completely volunteer organization and it continues to be an outstanding organization because of its volunteers and members.

See you all in Portland!
Do you have employees who are relatively new to the financial aid profession? Do you have advisors or counselors that might one day move into a leadership role in your office or beyond?

If you do, consider sending them to the Sister Dale Brown Summer Institute at Occidental College in Los Angeles, CA.

The basic track runs from Sunday June 3rd through noon on Friday June 8. The target audience is staff members with less than 5 years of financial aid experience. The training is comprehensive and covers areas that are important for every financial aid administrator. More details can be found at www.wasfaa.org under the Summer Institute tab.

The intermediate track runs from Wednesday afternoon June 6th through noon on Friday June 8. The target audience is staff members who are in advisor or counselor roles. The training goes into more detail on topics like SAP, R2T4, Verification, etc. This is a great opportunity to get some additional training for your mid-level folks.

The faculty for the institute have many years of experience working at various types of institutions. We are also pleased to have one of our Region X training officers as part of the faculty.

Questions about the Sister Dale Brown Summer Institute can be addressed to Jim White, Chair, at whitej@gonzaga.edu.

Summer Institute
June 3 - June 8
Occidental College,
Los Angeles, California
Note from the Editor

Judy Saling
Newsletter Committee Chair
Assistant Director of Financial Aid, University of Oregon

Here we are spring 2012. I hope many of you are enjoying the Conference in Portland and that all of you are enjoying reading this, the last paper issue of the WASFAA Newsletter. Our article on page 13 will explain that decision and inform you of the Communication Committee’s plans for future interactions with you. We will continue the Newsletter in its electronic format.

We have a packed edition this spring with many letters of interest about committees (EDAC on page 8), trainings (SDBSI on page 2), and articles on so many things that can spark your interest and help you manage your responsibilities to your students.

This is my last edition as editor and I would like to say how much I have enjoyed the opportunity to work with and for so many of you, my colleagues. I encourage you to stay involved if you already are and get involved if you haven’t made that decision yet. WASFAA is run by many wonderful and dedicated volunteers who work to serve the membership by providing them with varied and valuable training opportunities.

I would also like to say thank you to Barry Age, the publisher of our Newsletters. I have worked with Barry via internet for many years beginning in the late 90’s when Mary San Agustin who was then the editor of the Newsletter suggested we use his services as publisher. (He’s part of the rafting group behind our editorial board.) Barry is creative, reliable, and fun to work with. We have a love of sports - and football in particular - in common and he always rubs in the fact that he is in sunny San Diego while I sit here in too-often-rainy Eugene, Oregon. In addition, we both have a great love for our families and, unfortunately, are bonded by the heartache of losing a grandson to cancer. Thank you, WASFAA, for providing the opportunity for me to make such a friend as Barry. I hope to meet him in person one day!
Transitions

Washington State University:  
**Patty Winder** has been named Associate Director for the Office of Financial Aid and Scholarships at Washington State University. The position had been vacant since 2009 when Chio Flores left to become Director. Winder began her new duties Nov. 16. Patty has 18 years of higher education experience, including stints at Keene State University in New Hampshire and Oregon State University in Corvallis. She came to WSU in 2006.

**Joy Scourey** has been named Assistant Director of Scholarship Services and Athletic Aid Compliance. In her new role, she will manage the day-to-day operation of the Scholarship Services Office as well as oversee the athletic aid compliance program. Scourey has worked in the Office of Financial Aid and Scholarships for over 16 years.

**PeopleSoft Transition – Jennifer Steffen**, Associate Director of Systems and Operations cuts the ribbon for entrance to the conference room on the first day of training for the phase one of the Financial Aid module in PeopleSoft. Anxious staff looks on. WSU’s PeopleSoft implementation project launched on July 1, 2010 and the implementation process is estimated to be completed by November 2012.

**WSU Vancouver** partnered with local community college, Clark College, and hosted approximately 400 students/families on campus for our College Goal Sunday. We also presented the entire event in three languages: English, Russian, and Spanish. We are excited to be the largest CGS site in the state of Washington and the only to offer a tri-lingual event in the state, most likely in the nation.

http://admin.vancouver.wsu.edu/marketing-and-communications/publications/nw-crimson-gray-magazine

Charter College—Canyon country, California Campus—  
**Sara Jones** – This past year, I began going to the gym and working off the “baby weight” and have been successful and maintaining a healthy lifestyle for myself and my daughter. At my campus, I have been designated the “guru” of Veteran’s Affair benefits. I have held numerous training sessions for our other campuses through webcasts as well as one-on-one training sessions on campus for other employees. This week I assisted another campus set up their school for VA Once which is always a big accomplishment for a school as this allows us to certify VA benefits online rather than paper and snail mail. Recently, my financial aid director and I built an excel spreadsheet that calculates the progress and accuracy of files reviewed during each of our start dates to monitor turnaround time for files to be reviewed, error rate of information in the files found and how many files are submitted to our corporate office within the deadline.

American Student Assistance (ASA)  
**Sarah Arslanian** joined American Student Assistance® (ASA) as the Regional Account Executive for the Pacific Northwest. She looks forward to making new friends at the upcoming WASFAA in Portland, Oregon where she has called home for the past 4½ years.

Truckee Meadows Community College, Reno, Nevada:  
**Nick Boschert** joined the TMCC staff in October and serves as the Financial Aid Coordinator for Compliance.

**Craig Organek** joined the TMCC staff in November and serves as the Financial Aid Coordinator for Customer Service.

**Shari Cropper** joined the TMCC staff in December as an Administrative Assistant.

Simple Tuition  
**Colleen MacDonald** of SimpleTuition married **Bob Krumwiede** in a ceremony in Arizona in November. The happy couple resides in San Mateo, CA.
ALASFAA Report

Ashley Munro
WASFAA Vice President
ALASFAA Representative

After a long, cold, dark winter, we’re beginning to see signs of spring in Alaska. To celebrate the return of the sun and of greenery, ALASFAA had a Spring Conference in Anchorage. Thirty-four members were able to get together for our business meeting and training opportunities. We heard reports from the Alaska Commission on Post-Secondary Education about the AlaskAdvantage Education Grant and the new Alaska Performance Scholarship. We also had an opportunity to group together based on our job duties (outreach, processing and VA). Each work group was responsible for coming up with three training requests that ALASFAA would try to fill for the upcoming year. One of the requests, a webinar that will teach attendees how to film and post short videos online, is being planned this summer for those who do Financial Aid Outreach.

During our conference, we had a successful business meeting. We opened up nominations for the 2012-2013 officers and had nominations for Secretary, Treasurer, President-Elect and President. Elections are going on now, but it looks like this could be the first time in a long time where each officer position is filled!

After our conference, we all headed home to enjoy Spring Break. Now, we’re anxiously waiting for the ice to melt. And “anxiously” is not an exaggeration. The Nenana Ice Classic officially started during our conference. A tripod was placed on the Tanana River in Nenana, Alaska (55 miles south of Fairbanks). Little red buckets are placed in nearly every store, where Alaskans can buy tickets to guess when the ice will go out on the river. The person (or people) with the closest guess will receive the pot of money. The ice usually goes out late April or early May, which will cause the tripod to shift and a clock to stop. Past winners have split a pot of over $325,000. A few of us have even helped lucky students try to account for their winnings on the FAFSA!

Not only are we watching ice melt, we’re enjoying dog races, ice sculptures and outhouse races. We’re also counting down the days when we can join with our friends and co-workers from warmer states at the WASFAA Conference.

Winners of the “What do you know about WASFAA” left to right: Kacey Miller, Christine Clendenin, Ashley Munro and Hellen Fleming.

WFAA Report

Darcy Keller
WFAA Past President
University of Washington

“Greetings!

The WFAA Executive Board recently met at the site of our October 2012 Conference; The Coast Wenatchee Conference Center. The Board was led on a tour of the hotel and conference center. The hotel has had a recent facelift and the rooms feature lovely granite and wood detailing – but still at a very affordable rate. The Restaurant on the top floor is currently going through a remodel that will feature 360 degree views, a communal fireplace, bar and banquet rooms. Wenatchee is, of course, centrally located in our state. It features local wine production, ski resorts, river sports and more.

The Board was also busy at work making sure we are keeping our association in excellent working order. The discussions of the day included ideas of increasing revenues through conference advertisements, funding to support student scholarships, volunteerism and the need to secure member participation, and making sure our bylaws, policies and procedures reflect “the now.”
Winter Executive Council Meeting Summary

Wendy Olson
Secretary of WASFAA
Director of Financial Aid, Whitworth University

On February 29, and March 1, 2012, the WASFAA Executive Council gathered in Summerlin, Nevada, to have its quarterly meeting. Kay Soltis, President, presided.

The first morning began with the Fiscal Planning Committee meeting. As in the past, much of the time was spent discussing ways to keep costs down so that costs to our membership are kept to a minimum.

The Fiscal Planning Committee was followed by the Strategic Planning Committee. Past President, Sandi Guidry, shared the information that she is compiling to track our progress towards meeting the goals of our strategic plan. For 2012-13 a new strategic plan will begin to be developed for the years following.

Wednesday afternoon began the executive council meeting itself. The meeting went through Thursday morning and then the council members met with the 2012-13 council members to help them transition to their new roles.

Here are some of the highlights of items discussed at the meeting:

1. WASFAA will be interviewing to find an attorney to represent our organization as needed.
2. WASFAA has set up an investment fund with NASFAA to improve our interest income for the association and to have a safe investment as well.
3. Sun Ow, our Fund Development Committee chair has had success in obtaining more support from our vendors as can be seen at the conference this year.
4. The Communications and Newsletter Committee sent out a survey this winter to the membership and found that a good percentage of responders do read our Newsletter.
5. The Executive Council looks forward to the following events coming up: the WASFAA conference, the Sister Dale Brown Summer Institute, the spring training event with Jim Briggs, “The Tax Guy,” the Jerry R. Sims Management and Leadership Institute and of course fall training in 2012.

The minutes from the meeting will be posted to our website. The next quarterly meeting will be in June.

Well-Read Portland

Tami Sato
WASFAA Volunteer Chair
Director of Financial Aid, Southern California College of Optometry

One of the rewards of volunteering for your state, regional or national financial aid associations is that you have a chance to visit new cities or states. In my travels I always try to seek out the independent bookstores. Here is a list of one’s I have visited:

- Seattle – Elliott’s Bay
- San Francisco – Stacey’s
- Denver – Tattered Page
- Savannah – E. Shaver
- Spokane – Aunt Alice
- Salt Lake City – Sam Wellers
- Portland – Powell’s

You may not know this but Powell’s is the largest independent bookstore in the U.S. (maybe the world). Great news is that it is walking distance from the Benson Hotel. So find some time to drop by this book lover’s paradise. There are nine color coded rooms, and 1 million books in 3,500 sections covering 68,000 square feet. The store has 3,000 visitors a day. View the store map at www.powells.com/pdf/burnside_map_2011.pdf

I keep a list of interesting books I have learned about from sources like the Higher Education Chronicle or newspaper. At the WASFAA Transition meeting recently some of the council members shared their recently read books. Maybe you can look for them at Powell’s.

- A Many Colored Glass (Freeman Dyson) Reflection on the place of life in the universe
- The Immortal Life of Henrietta Lacks (Rebecca Skloot) True story of how her cells were duplicated for scientific research and cures
- 11-22-63 (Stephen King) The day that JFK was shot and a time traveler who is trying to prevent the event
- Lady Blue Eyes (Barbara Sinatra) Her life as Mrs. Sinatra
- The Hiding Place (Corrie ten Boom) Family that tries to rescue Jews but ends up in one of the camps, but survives
In winding down my involvement with the WASFAA 2011-12 Graduate Professional Issues Committee I’m reflecting on some of the major changes and challenges that the graduate and professional schools have had to face this past year. Here are several:

**Subsidized Loans to Unsubsidized Loans**
As a result of the Budget Control Act of 2011, effective for loans made for loan periods beginning on or after July 1, 2012, graduate and professional students are no longer eligible to receive Federal Direct Subsidized Loans. Instead of cutting the undergraduate Pell Grant program to save money, Congress moved to eliminate the graduate student loan subsidies. This means that unless the student makes interest payments while in school, the Federal Direct Unsubsidized Loan will accrue interest at a fixed rate of 6.8 percent. The Unsubsidized Direct Loans will also have a 1 percent origination fee beginning July 1, 2012. The terms and conditions of Direct Subsidized Loans received by any student for loan periods beginning before July 1, 2012, for either graduate or undergraduate study, are not affected by this change.

**And as a result of the Direct Loan subsidies going away—**

**Verification**
Graduate students remain eligible for subsidized Title IV aid in the form of Federal Work-Study and Perkins Loans. If the institution participates in one or both of these programs verification is required for the graduate student. However, remember that outside of the verification requirements, you always must resolve any conflicting information - 668.5.54(b)(1)(iii).

**Satisfactory Academic Progress (SAP)**
As part of the Program Integrity Final Rules, every institution is required to have a policy to ensure that all of its students are achieving Satisfactory Academic Progress (SAP). This had many of us reevaluating our SAP policies probably for the first time in many years. The terms “financial aid warning,” “financial aid probation,” and “academic plan” must be used in institutional policies and consumer information to ensure standard usage among institutions. SAP standards must now include a minimum GPA component, maximum time frame, and a pace component that measure completion rate.

**And if all of this is brand new news to you then you might think about subscribing to the following—**

**NASFAA Graduate and Professional Listserv**
I have found this past year that the NASFAA Graduate and Professional Listserv has been invaluable. It is a free service for NASFAA members at graduate and professional institutions. It serves as a communications forum for issues specifically related to the administration of financial aid at Grad/Prof schools, and as a way to facilitate networking between financial aid officers. This listserv does not clutter up your inbox and stays current on need-to-know information. Non-members and business partners may also participate, on the condition that they refrain from marketing, advertising, or soliciting (see below). Here is how you subscribe:

- Step-by-step instructions to subscribe and unsubscribe are online at: [http://alturl.com/thyb2](http://alturl.com/thyb2)
- Grad/Prof Listserv Policies and Procedures are online at: [http://alturl.com/kpa72](http://alturl.com/kpa72)
What is the EDAC?

Luhui Whitebear  
2011-2012 EDAC Chair  
Scholarship Coordinator,  
Confederated Tribes of Grand Ronde

The Ethnic Diversity Action Committee (EDAC) serves to enhance and promote the ethnic diversity of the WASFAA membership and Executive Council. The EDAC Chair is an elected position and is a voting member of the Executive Council. The EDAC itself represents the ethnic diversity of the WASFAA membership.

So, what does the EDAC do? One of the main duties of the EDAC is to promote cultural awareness and educate the membership about ethnic diversity related topics. To do this the EDAC sponsors a session at the annual conference each year. This year the EDAC session is a two-part session titled “Working with Undocumented Students.” Gerardo Ochoa (Linfield Portland) and Joel Perez (George Fox Portland) will be co-presenting on this important and complex topic. Undocumented students face a variety of barriers in their journey to obtain a higher education. Mr. Ochoa and Mr. Perez are outstanding speakers on this topic and offer ways to help support undocumented students as they prepare for and complete a higher education.

This year the EDAC has also arranged to have a welcoming from Toby McClary, Confederated Tribes of Grand Ronde Tribal Council Member. Mr. McClary was invited as a way to show respect to the Native American community that ceded their land (signed off in their treaty with the U.S. Govt.) in the Portland area. It is a common practice in many Native American communities to welcome visitors to their land. Mr. McClary will be welcoming the WASFAA members that traveled from all across the WASFAA region to his ancestral lands here in Oregon. The Tribal welcome is a way to educate the WASFAA membership about this part of Native American culture and enhance the diversity of the conference, as well as show respect to the original people of this land.

In addition to helping bring a diversity component to the Annual Conference, the EDAC also offers scholarships for the three main WASFAA events each year. Yuliana Chavez Camarena from Truckee Meadows CC (NV) and Muniece Bruton from the Charter College Long Beach (CA) both received scholarships to attend the 2012 Annual WASFAA Conference. The goal of these scholarships is to ensure that WASFAA members from ethnically diverse communities are represented at WASFAA events. It is the hope of the EDAC that scholarship recipients will become more active in WASFAA committees, and even with the Executive Council at some point.

Some people may wonder what the point of having an Ethnic Diversity Action Committee is. Others may wonder why the word “ethnic” is still attached to “diversity” in this day and age. It is no secret that racial identity is still a major issue in this country today. One thing to think about is how much there is to learn from each other, and how great it is that WASFAA recognizes and supports its members from communities of color. By understanding the ethnic diversity of our membership, we can better understand not only each other, but our students we serve as well.

2012 NASFAA Leadership & Legislative Conference Update

Mindy Bergeron  
WASFAA 2011-2012 GPIC Chair  
Director of Financial Aid,  
John F. Kennedy University

WASFAA was well-represented at the 2012 NASFAA Leadership Conference recently held March 4-6 in Washington, DC. NASFAA held this three-day event to provide future leaders an opportunity to plan for their upcoming year in office. Topics covered during the event included Governance, Regional and State Exchange of Ideas, Contracts, Transparency, Long Range Planning and Legislative Affairs. Fiscal Responsibility and Communication were also topics of discussion for attendees. The first ever Legislative Forum included a keynote address by Representative Robert Andrews (D-NJ) discussing the importance of federal student aid funding. The Legislative Forum included the following speakers:

Rohit Chopra, Student Loan Ombudsman for the Consumer Financial Protection Bureau  
Jason Delisle, Director for the Federal Education Budget Project at the New America Foundation  
Amy Jones, Education Policy Counsel & Senior Advisor for the US House Committee on Education and the Workforce

Ben Miller, Policy Advisor in the US Department of Education’s Office of Planning, Evaluation and Policy Development  
Zakiya Smith, Senior Advisor for Education in the White House Domestic Policy Council  
Joan Wodiska, Director of the Education, Early Childhood, and Workforce Committee at the National Governors Association (NGA)

The Leadership Conference concluded on the third morning with attendees visiting with their respective Congressional delegates discussing federal student aid funding issues. The WASFAA region attendees included:

Mindy Bergeron, John F. Kennedy University, CA  
Margie Carrington, Canada College, CA  
Sunshine Garcia, California State University, Channel Islands, CA  
Jordan Grant, Seattle Pacific University, WA  
Maureen McRae, Occidental College, CA (Leadership Conference Committee)  
Calvin Rankin, Los Angeles City College, CA
So You Want To Be A Financial Aid Director!

Leading a Program Review

Doug Severs
Financial Aid Director
Oregon State University

It was like some financial aid karma. After I submit an article on financial aid compliance, my school gets selected for a Federal Program Review. Of course, I was on vacation when the President’s Office was notified of the review. The review team contacted our office and talked with one of our Associate Directors. They will always try to talk to the Director at the same time they are contacting the school’s President. When I was an Assistant Director at the University of Nebraska-Lincoln I actually received the call. I think they thought that I was Director since I had called the Region Office asking policy questions. So, as a Director you will get a call and copy of the letter the President receives.

The letter the President receives outlines that the program review will assess your schools administration of the federal financial aid programs and the year or years that it will cover. It will list departments that will be involved in the review and of course the day they will arrive on your campus. The information in the letter that a Director needs to be very concerned with is all the information listed to be sent to the review team and the things they expect to review while they are on campus. Once the Director has this letter she/he should form a team to provide the information. The Director should lead this team as it will be on her/his shoulders if things don’t go well.

It is important to begin to establish a good working relationship with the review team. While I was not there to receive their initial call, I contacted the team leader once I was back in the office. My goal for working with the team was to make sure we provide all that they would need and be very positive in our working relationship. I had heard that some schools would put reviewers in very poor working areas and not be friendly. That is not a productive strategy. They are at your school to do an important job and the Director should support their efforts.

Once it gets out on campus that you are having a program review it seems like everyone will be asking “Why were you selected for the review?” I think because many program reviews in the past at other schools were tied with poor aid administration or a high default rate, people are wondering what happened to cause this review. First, you are not told why you are selected and second, it is much like the way we select our students for verification. Sometimes it is random and sometimes the selection is caused by problems. I did tell those inquiring that I heard a Department of Education (DOE) official state at a conference that they were going to make an effort to select large state schools for review. While talking with some of my DOE friends I learned that it is important for them to review schools that are doing well to balance some of the negative things found in poor performing schools. So, if you are selected, don’t take it negatively.

We worked really hard to get the documents and data sent to the team. We spruced our policy and procedure manual and made sure it contained what they were concerned about. We double checked all our consumer information web links. We received the third party contract information from our Business Office and put them in a notebook for review. We double checked our R2T4 calculations and made sure that we followed our policy and procedure for each calculation. The main job of a Director in this process is to make sure everything is sent to the review team on time and other resources ready for them when they arrive.

To kick off the program review, the team has you schedule an entrance meeting. This is where they outline their authority for the review and outline their work plan. My goal was to have as many relevant campus folk at the meeting. This does two important things, it shows the reviewers that the school is investing more than financial aid staff in the administration of federal funds and it shows all the campus folk that federal financial aid administration is very important. We did have a large group at the entrance and I believe it impressed the review team. The review team then did a nice job outlining the importance of all our work to keep our school eligible for federal aid.

The review team’s work was basically broken into three areas—review of the information we provided them, review of student files, and interviewing staff. The interview with the Director is very important. This is where they get a good feeling about the general administration of the office and how up-to-date the Director is on what is going on in the financial aid world. They will also touch on things that are timely issues such as implementing Gainful Employment. This confirmed for me how important it is for the Financial Aid Director to be knowledgeable and up-to-date with all financial aid info.

Well, the review went well. We had a couple of minor glitches, but they were easily remedied. Our exit interview was conducted with most of the same people who attended the entrance interview. The review team gives a report of how the review went and if there were any findings that we needed to act on. It was great to hear that they had no findings. This is probably the number one thing a Director wants to hear as we administer very complex programs!
There's No Place Like Home

Get involved in association activities.
Discuss the latest financial aid policy issues.
Learn how to take a leadership role in the profession.
Network with peers, policy makers and other educational partners.

2012 CONFERENCE • Anaheim Marriott • Anaheim, California • December 9-11

The premier training and networking event for financial aid professionals in the Golden State.
Recently, the first draft three-year cohort default rates (CDRs) were sent to schools. The switch from a two-year rate to a three-year rate means that this calculation includes an additional year of defaulted loans. The draft calculation includes the percentage of borrowers who first entered repayment between October 1, 2008, and September 30, 2009, who subsequently defaulted on or before September 30, 2011. With the additional year included, almost every school is seeing a higher three-year CDR.

The draft three-year rates are for informational purposes only and are not challengeable. However, the Department of Education has provided them to give schools a preview of what to expect once the three-year rates become real. While not every school will need to challenge the information used to calculate their three-year rate once they are officially released, every school should want to ensure that its newly-released rate is accurate and become familiar with the challenge/appeal process before next year. Take time to make sure that correct information was used to calculate your school’s CDR, so that your official rate, when released, is as accurate as possible.

Know what the cohort default rate package contains.
The cohort default rate package comes to you in an electronic format and arrives via the Student Aid Internet Gateway, and is issued in early February of each year. You will find a cover letter and two types of Loan Record Detail Reports (LRDR), the extract-type and the reader-friendly version. The extract-type file is best used for loading CDR data into a database while the reader-friendly version is best used for schools that wish to simply view the information.

Know how to read the LRDR.
Many of the challenges that are submitted to the Department every year are unwarranted. Save your school time and effort by ensuring you are reading your school’s LRDR correctly.

The LRDR—created for the Department by the National Student Loan Data System (NSLDS) using the information that schools, data managers, and various offices within the Department have submitted to the NSLDS—lists specific information for each loan that was included in your school’s CDR.

In addition to demographic information about your school, you will be able to find information about the borrowers included in the CDR calculation, and the date the CDR was calculated.

Be aware of the codes used by the Department on this form, including:

- Loan type codes
- Enrollment status codes
- Usage codes
- Claim reason codes
- Loan status codes
- Academic level codes
- Data manager codes
- Guarantor/Servicer

More information about these codes is available at http://ifap.ed.gov/DefaultManagement/guide/attachments/Ch2pnt3LRDRpt2.doc, page 2.3-7 and 8.

Know what actions to take.
Save a copy of all of your school’s LRDRs:

- To use in the event of a challenge, adjustment, or appeal
- To compare draft and official rates
- To compare rates from one fiscal year to the next

Also, take the time to review the accuracy of the data used to calculate the draft CDR. Compare the information in the LRDR to your school records to ensure that the students on your system match those listed in the report.

Take action if you find an error.
If any of the information used in the draft rate is inaccurate, your school should file the appropriate challenge. Be aware that a school that fails to challenge the accuracy of its draft CDR may not contest the accuracy of the data in the official CDR. Incorrect data can be resolved by taking these steps:

- Locate the Guarantor/Servicer number on the LRDR, and use it to obtain the name and address of the data manager who is responsible for the loan. You will need to have this information in order to submit a challenge, adjustment, and/or appeal. Be aware that there could be a cost for review of your information by a servicer.
- There are several categories of errors, and it is important to find the correct category for the error you have found. Note that incorrect data challenges apply to the draft rate, while adjustments and appeals apply to the official rate. More information on these categories can be found at http://ifap.ed.gov/DefaultManagement/CDRGuideMaster.html.
- You must use the eCDR Appeals System to submit a draft rate challenge. The eCDR process includes registering for a user account, creating an organizational and individual profile, creating a new case, uploading the applicable LRDR extracts, adding detail, and submitting the case.
- If additional documentation is requested, you will be contacted via email by the data manager or the Department of Education, depending on the type of challenge or appeal.

Analyze your default management plan
Always take the time to look at the borrowers from your school who have defaulted. What do borrowers who have defaulted have in common, and how do they compare to your broader student body? Think about what steps you could take to lower your default rate, so that your school can avoid sanctions and benefit from a lower CDR, and your former students can avoid the consequences of default while building a more solid financial future.
It’s a perennial challenge for financial aid administrators: how to deliver loan counseling so that students walk away ready to practice what they’ve learned about borrowing and fiscal responsibility. Think about entrance counseling, for instance, typically provided at the start of school. Not only are students adjusting to new schedules, they’re juggling assignments, acclimating to dorm life, and meeting dozens of classmates in a short time. The experience can be a recipe for cognitive overload and a barrier to receiving one of the more important messages students will hear in their academic careers — that is, what to know and how to manage the debt they’re taking on, perhaps for the first time in their lives.

How can you engage students in loan counseling so that they’re more likely to live by what they learn? Survey colleagues at other Title IV schools and you’re sure to find some surprising ideas. The key strategy for many schools: Reinforce counseling concepts in multiple ways at multiple times. Tallahassee Community College (TCC) offers just one example.

Preparing for the long haul
More than 40 percent of TCC’s student population comes from a widely dispersed, tricounty area surrounding Tallahassee, which means the school has a large online student community.

To serve the needs of this remote group along with other students, the school relies on the Department of Education’s online entrance counseling module for Federal Direct Loans. TCC makes entrance counseling a requirement for each year that a student borrows. And it supplements counseling information with seminars on financial literacy topics as part of a general academic and life skills course offered to freshmen.

“In the seminar, we talk about concepts from entrance counseling,” said Bill Spiers, TCC’s director of financial aid. “We focus in particular on how to borrow responsibly and manage debt. We also describe the consequences of default.” TCC will inaugurate a new version of the seminar next year that explores such money management skills as balancing needs and wants. It may also offer online financial literacy training as a way to broaden audience reach and make content available at a student’s convenience.

Like a lot of schools, TCC’s financial aid philosophy is based on some simple but important ideas: Make students aware of what they borrow and educate them on what that means for the future. “When students reach 50 percent of their aggregate loan limit,” said Spiers, “we ask them to come in for an in-person discussion. We want them to understand the obligation they’re taking on and make sure they’re prepared for the long haul.”

Campus allies in counseling
PCI Health, a proprietary school based in Texas that trains students for jobs in the healthcare industry, takes a similar approach to financial aid counseling. Lori Ordoñez, director of student loan services at PCI Health, says the school tries to amplify basic ideas from entrance counseling with in-person interaction.

“We gather the students five to ten days after classes start for a talk about loan debt,” said Ordoñez. “We want to make sure they’re thinking realistically about how to pay loans back.” The school also tries to weave in awareness about borrowing throughout the term — for example, by adding financial literacy assignments in some classes.

A key stage in PCI Health’s loan education effort is exit counseling. The school offers exit counseling online or in person but prefers to meet with students. “We can talk to them about interviewing strategies and prepare them for the job market,” said Ordoñez. The school then follows up throughout the loan grace period, talking with borrowers to make sure contact information is up to date and offering placement help as needed.

“Something Ordoñez and her staff have on their side — the commitment of the entire campus staff in terms of helping students,” said Ordoñez. “Our staff is aware of default and its consequences and dedicated to helping students manage their responsibilities as borrowers.”
Four Tactics for Enhancing Counseling

Counseling isn’t a science, but techniques for delivering counseling have grown in number as schools focus on default. Here are a set of four suggested strategies. Many schools subscribe to one or more of these tactics as a way to complement borrower education. Consider incorporating these into your own counseling practice.

- **Focus on “at-risk” students**: If you’ve done any demographic analysis on your cohort default rate and found that certain factors can predispose a student to having problems with repayment — for example, a low grade point average (GPA) or part-time status as a student — then you can focus your counseling accordingly. You could do this by, say, offering in-person counseling and financial literacy training along with academic support to students with low GPAs.

- **Mix it up: in-person and online**: If your student population reflects the diverse demographics on many campuses, then it may include both distance learners and part-time students. You can offer online counseling to these groups along with other online resources, including budget worksheets and debt calculators. For students living on campus, in-person counseling might be the way to go if your staff can handle it. You can answer student questions more easily and engage them on such issues as borrowing responsibly.

- **Add in financial literacy concepts**: Most students are novices in terms of managing money. For freshmen and new students, consider in-person financial literacy training that emphasizes such fundamentals as creating a spending plan, distinguishing needs from wants, and establishing realistic long- and short-term financial goals. You can provide tools, such as calculators, for this content online through your website.

- **Offer an exit counseling folder**: Better than a note on the fridge or a letter in the mailbox, how about a small portfolio of resources and information that students can take with them when they leave? Say, a folder stocked with vital loan servicer contact information, brochures on repayment options, and tips on money management and post-college budgeting, to mention just a few items.

**For help**

To improve counseling, schools should start by reviewing the basic requirements, which are described in the Federal Student Aid Handbook. This resource itemizes what information to provide to students and offers ideas on how to deliver content. Schools can also look to colleagues in the field for suggestions on how to reinforce loan counseling. Industry associations, such as the National Association of Student Financial Aid Administrators (NASFAA), also offer some help in this regard. Finally, schools might also consider research in the field of “active learning,” which creates a laboratory out of a teaching environment and engages students by offering quizzes, group exercises, and other interactive pedagogy.

Results of Communication Survey

In February, the Communications Committee asked members to reply to a survey that allowed respondents to identify their preferences for receiving information from WASFAA. The Newsletter Committee was very happy to hear that out of the 159 respondents 63.5% said they read each issue and another 32.1% said they read it “sometimes.” With the work involved in getting an issue out, it is nice to know the Newsletter is being read. Only 3.2% of those readers were interested in a paper copy of the Newsletter. In an attempt to follow the wishes of our membership— and as a cost savings measure, this issue of the Newsletter will be the final paper copy. The Newsletter will continue in electronic format.

People told us that while they read the Newsletter, they would like to receive time sensitive information more quickly. The preferred manner for respondents to receive that communication is via email. WASFAA trainers and committee chairs will continue to use the listserv to get information out to members.

In addition to these tried and true methods of communication, the Committee will continue to use WASFAA’s Facebook for posting information for more than just conference events. The Committee is taking the step to start a Blog, which will allow discussion of issues by non-members as well as members and is being provided on the WASFAA webpage at no additional expense. Stay tuned for the inaugural blog! We are always looking for anyone interested in writing about issues in financial aid and higher education. You may notify Zack Duffy, next year’s Communication Chair, at zduffy@uoregon.edu if you are interested in contributing to the blog or newsletter.

Come by the WASFAA Volunteer Booth to talk not only about volunteering, but also about Twitter accounts, RSS feeds and anything else you might suggest as a future communication method. We want to keep our membership connected and informed, but not overloaded, so you will be able to pick and choose the methods by which you wish to remain informed. Join us in the new age of communication.
Justin Draeger is the President of NASFAA (National Association of Student Financial Aid Administrators). NASFAA is a national nonprofit membership organization with a primary focus on student aid, legislation, regulatory analysis, and training for financial aid administrators. Justin began his tenure as President of NASFAA on July 1, 2010. He is a first-generation, four-year college graduate with more than 14 years of experience in assisting disadvantaged populations achieve their goals and better their communities, including 11 years in administering, interpreting, communicating, or developing student aid policy. Justin acts as the Association’s primary spokesperson.

He began his career in student aid working as a Financial Aid Director in Michigan and went on to work for the Michigan Guaranty Agency as a lead regulatory analyst before joining NASFAA in 2006. Justin volunteers and serves on the Board of Directors of other organizations that promote health and education, including Pueblo-a-Pueblo, a charitable nonprofit that seeks to build sustainable, viable and healthy indigenous communities in Guatemala. He earned a Bachelor of Science in Resource Management from Brigham Young University and a Masters in Business Administration Finance from Baker College.

Recently, Justin took time out to answer a few questions for WASFAA.

Sandi: With 2012 being an election year what can the financial aid community expect from Congress?

Justin: The financial aid community can expect very little movement from Congress during this election year. Congressional inaction is quite common, especially during a presidential election year—members of Congress, especially those up for re-election, tend to shy away from drafting legislation or voting on issues that might be seen as controversial.

President Obama’s FY 2013 budget, which was released in January, included several student aid-related provisions. In theory, the budget is to be passed by Sept. 30, in order to be ready for Oct. 1, the beginning of the federal government’s fiscal year. However, this timeline is rarely met, and is even less likely to be met given that it’s an election year. We anticipate that the FY 2013 budget will not be resolved until after the November election.

There is one exception the higher education community may want to keep an eye on: the subsidized interest rate. As of July 1, 2012, the undergraduate subsidized interest rate will double to 6.8 percent. In his FY 2013 budget request President Obama proposed maintaining the current 3.4 percent interest rate for an additional year. While we are unclear if this will actually happen (and more importantly, how it will be paid for), action would need to occur before July 1, in order to stave off the scheduled increase.

Sandi: What is NASFAA University? Who do you foresee taking advantage of this new educational program?

Justin: NASFAA University is a new learning program that will raise the level of training for student financial aid professionals and provide a platform for building a professional reputation in the field. The new program is about creden-tialed training – rigorous coursework and learning opportunities resulting in a topic-specific NASFAA credential, augmented with lots of personal support and guidance.

NASFAA University will be rolled out during the next few months through multiple learning formats. The first self-study guide is available now, with two more guides coming soon. You can expect to see more self-study guides introduced next year. The first two online facilitated courses will be available in August, with more coming in 2013. And a new testing center will be introduced this year to provide you with a true credential upon completion of the test.

NASFAA University benefits beginning aid professionals who want to differentiate themselves from the pack, as well as intermediate and experienced professionals who seek new opportunities and career advancement. If you’re an employer, when your staff earns a NASFAA credential, you can feel confident that he or she is trained to the highest

continued on next page
industry standards. You can enjoy increased employee satisfaction by providing the opportunity to grow professionally, and ensure that employee training is consistent and measurable. When it’s time to hire, employers can visit the NASFAA Career Center where it will be easy to locate credentialed candidates. Multiple campuses have told us they plan to provide NASFAA U courses to their staff as their core training program. We’ll be offering bundled training options to NASFAA members in the coming year.

Folks can learn more about NASFAA U online at http://www.nasfaa.org/University/.

**Sandi:** WASFAA board members recently discussed areas of concern and one topic was raised more than once – the restructuring of the Perkins Loan Program. What advice do you have for schools that are opposed to the possible changes to the current program?

**Justin:** Schools who are opposed to the President’s proposal should make their voices heard! However, we should all be mindful of the current environment. Unfortunately, the Perkins Program as we know it is languishing, and there doesn’t appear to be much political will or monetary resources to build or even sustain it in the near term. The President has proposed expanding the program dramatically, but doing so by changing it to an unsubsidized Stafford loan. Republicans appear ready to end the program entirely or continue to let it languish into nonexistence.

Faced with those two possibilities, we’ve chosen to engage the President and Congress on the current proposals. The NASFAA board has not accepted any proposals as our official policy.

The President’s proposal, as many have commented, does not include many of the provisions of the current program, and the question has been asked “Why call it Perkins?”

We understand this point of view and the associated frustrations. Whether it’s called Perkins or something else, it’s important to remember that the proposal does still contain a key component of the original program—institutional discretion over the use of the funds (a provision that NASFAA sees as vital to the program).

**Sandi:** In President Obama’s State of the Union Address he stated, “So let me put colleges and universities on notice: If you can’t stop tuition from going up, the funding you get from taxpayers will go down. Higher education can’t be a luxury - it’s an economic imperative that every family in America should be able to afford.” What could this mean to institutions who continue to increase tuition costs?

**Justin:** President Obama has launched a large college affordability initiative that contains many different pieces. In the statement above, the President is specifically referring to his proposal (in the FY 2013 budget request) to tie campus-based aid (FWS, SEOG, Perkins) to institutional outcomes. The administration has broadly identified those outcomes as 1) keeping low net tuition, 2) having good quality and value, and 3) serving needy students well. To date, the administration has not defined any metrics as to how these three areas will be evaluated – but they have indicated they intend to work closely with the higher education community on this issue. Just this week we visited the White House to continue discussions on these metrics and will stay engaged on this issue going forward. It is important to remember, that these proposals would require Congressional action, of which we predict little this year.

**Sandi:** Are there any trends that make you hopeful or give you concern about the future of financial aid?

**Justin:** Frankly, the national spending picture is bleak. However, there have been small signals that continue to give me hope!

The recent bipartisan solidification around the Pell Grant program gives me great hope and encouragement that despite heated rhetoric, there is still a lot of respect on both sides of the aisle for the federal student aid programs. I think the way our community rallied around our flagship student aid program in a very public way and changed the conversation from cutting Pell Grants to preserving them also gives me hope that we can continue to influence legislation. I’m an optimist at heart! I believe in our programs, in our members, and in our students! Our collective efforts will need to be continuous over a long period of time, and I think we can do it and bring about great things for our students going forward.

A huge thanks to Justin for being so accessible to the NASFAA membership—financial aid professionals are fortunate to have his leadership in Washington.
It has long been said that the one constant in financial aid is change. We can always rely on changes in legislation, technology, regulations, methods, and guidance. It’s easy to be blindsided by important issues that have fallen off, or never even made it to our radar.

Any seasoned financial aid administrator understands the value of membership in our state, regional, and national associations, and how these associations are vital to managing our ever-changing environment. Joining your colleagues in WASFAA ensures a network of professional contacts and information sources vital to a successful financial aid career.

WASFAA is currently 790 members strong. That is our highest since 2008. For those who are curious about where we all come from, here are some interesting facts about our membership:

Professional development opportunities within WASFAA are abundant. You can volunteer to become a trainer, present or moderate at the annual conference, or join the faculty at the Summer Institute. If you have more time to give, consider participating on a committee or the Executive Council. Our industry leaders weren’t produced by chance, leadership grows from taking advantage of the opportunities as they are presented.

One of the most important benefits of WASFAA membership is representation. A great idea can never be realized without exposure or an audience to endorse it. WASFAA provides you with that voice to an audience at the national level. But that’s not all. Additional membership benefits include access to federal updates, our quarterly newsletter, and several WASFAA sponsored training opportunities throughout the year.