NYSFAAA *Connection*

New York State Financial Aid Administrators Association I www.nysfaaa.org
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NYSFAAA at the Crossroads

By Curtis Gaume, NYSFAAA President, Canisius College

Our forty year has a rich history of service with thousands of accomplishments in providing access to higher education to the students of New York State. We have been able to shape public policy by sharing our expertise with legislators at both the state and federal levels. It has been our outreach projects through such activities as College Goal Sunday, Gear Up, School Counselor workshops and endless others that we have been able to provide valuable information and assistance to millions of students and other professional colleagues. We have provided training for each other through various professional training programs. NYSFAAA has for 41 years provided our nationally renowned Novice Training workshop for which so many of us began our career in financial aid. Our success is attributed to two major factors. First, NYSFAAA has been blessed with the financial resources through the generous support of our lending partners. And most importantly it has been literally hundreds of financial aid professional that have

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NYSFAAA Awarded College Access Grant

By Peg Stearns, Syracuse University

Through a grant proposal process that began last December, NYSFAAA was awarded a federal College Access Challenge Grant in the amount of $49,000, for the life of the two-year grant. Higher Education Services Corporation (HESC) is administering the federal grant program for New York State. Bids were due in January with notification to those who submitted grant proposals made in March.

Increasing the number of post-secondary financial aid applications from NY State Residents living below the poverty line is the stated purpose, through four programmatic areas: College Goal Sunday, Novice Training Workshop, NYS Fair Higher Education Day and Outreach and Training in the Eight Regions.

Students from designated, qualifying areas were bussed to the Fair on Higher Ed Day, September 3, to take part in the activities built to

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answered the call and volunteered their time and energy at both the state and regional levels.

The challenge we face today is one of not having the financial resources to continue our mission of providing outreach, training, and scholarship. Over the years NYSFAAA has been generously supported by our lending partners. For the most part our operational expenses were covered by the dues and some of the profit of our annual conference. Most of our outreach and training efforts were funded by the sponsorship of the lending community. Also, we receive financial support from guarantee agencies especially the Higher Education Service Corporation. To illustrate this fact our operating budget just a few short years ago was in the range of $600,000 and this year our budget is $250,000. Basically our revenue flow comes from four primary sources: membership dues, Gear Up, College Goal Sunday, and the College Access & Challenge Grant. Over the years we have been able to build a healthy reserve. Now we have had to use that reserve to balance the budget for the past two years. The Executive Council has had to make the pain staking decisions to cut our expenses and make some of our activities self supporting. Cost savings is one answer to our financial dilemma but it is not the long term solution. We must find new sources of revenue.

Part of the new sources of revenue is grant writing. Thanks to the successful efforts of Peggy Sterns of Syracuse University, NYSFAAA was able to obtain funding through the federally funded College Access and Challenge Grant (CACG administered by HESC. Through the CACG we are able to secure funding to carry out some of our outreach activities such as College Goal Sunday and the New York State Fair, as well as support our training efforts such as the Novice Training Workshop and regional activities. Grant writing is part of the solution but it is in no way the entire answer.

The crossroad that NYSFAAA faces is to examine who we are and where we are going and most importantly how do we get there. I am not suggesting that our mission statement or our Strategic Plan needs to be reviewed but rather we need to examine the paths we need to take to achieve our goals. At last year's 40th Anniversary we approved a Five Year Strategic Plan in which several audiences were identified. The very last audience was "Sources of Financial Support" and within this audience it calls for the creation of a task force, "to review the current model of financial support and to consider changes in it or new models that may be more appropriate."

Hence, the call to action that I am suggesting is the establishment of this task force. We need NYSFAAA members to step forward and once again accept this extremely vital challenge and opportunity. I am encouraging everyone and anyone to answer the call. We need the young and the more experienced aid professionals, the practicing aid professional and our retired colleagues, the downstate and the upstate colleagues, active and associate members, members from all the regions, those who have been actively involved and those who have had limited involvement. This task force will define our future and most importantly identify new resources to assist us in achieving the rest of the audiences that have been delineated in the Strategic Plan.

Give me a call to share your ideas (716-888-2300) or e-mails at gaume@canisius.edu. There are many things to accomplish, many roads to travel and I look forward to make this journey with you.

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encourage them apply to college, including the financial aid process. The Novice Training Workshop in June was able to purchase the famous NYSFAAA Training Manual this year because these funds were available and allowed the training in this economic downturn year to occur without increasing the registration fee. College Goal Sunday will be using their share of the funds to pay their webmaster, who keeps the links between CGS students to keep and for purchasing apparel that volunteers will wear on College Goal Sunday(s) after the '10-'11 FAFSA becomes available. Regional outreach plans are in various stages of planning and execution. These plans include middle and high school counselor workshops, middle and high school student, parent and counselor workshops and financial aid nights to supplement work already going on in those geographic area.

A mid-year report was sent to HESC on October 15, 2009.

Curt Gaume and Peg Stearns attended a workshop sponsored by HESC on September 25 that was geared to assist with completion of the mid-year and final reports. Additional information will be shared with representative from each of the grant's four programmatic areas about the reporting requirements. A key aspect for all membership to be aware of is to collect data to support our efforts to meet the goal to increase the number of NYS residents who apply for financial aid is critical. "Before and after" information collection is an example.

Due to the timing of the federal funding, roll-out of the grant process and fund release process the remaining 'real' time available to use these funds is less than a year. All funds must be spent or committed (encumbered) no later than June 30, 2010.

NYSFAAAs commitment to assisting students planning to attend and those attending post-secondary education and to financial aid professionals is able to continue its strong and admirable record through the support of the College Access Challenge Grant funds.

Mark Your Calendars for the Upcoming NYSFAAA Conferences:

Annual Conference 2010 at the Adams Mark, Buffalo October 19-22

Check NYSFAAA.org regularly for scheduled trainings & events in your region.

On the Death of the Liberal Lion

By Heather McDonnell, Sarah Lawrence College

. There are few among us who wouldn't recognize the legacy by simply saying, "Jack", "Bobby", or "Teddy". While the world is full of Johns, Roberts, and Edwards, we know these names to belong to one family- the Kennedys. They are often referred to as our monarchy but I prefer to remember them as our champions. I know the hope my entire family had that the Kennedy boys would change our world. Indeed each one did but for different reasons.

I was ten when Jack was killed and fifteen when his brother Bobby was gunned down. We were in the middle of the "Cold War" and Viet Nam was escalating. I was 20 when Teddy became better known nationally or at least by me. At that time, I didn't think he had it in him to fulfill my family's wish for a better life and a gentler country. How wrong I was as I reflect upon the Senator's life and accomplishments.

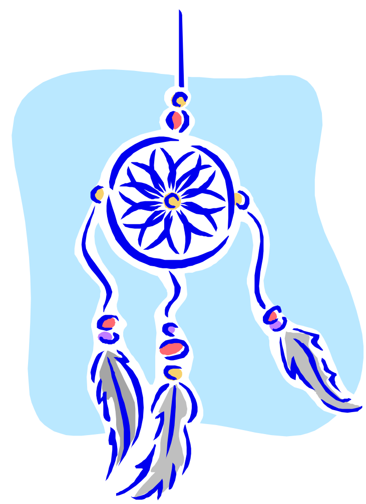
Senator Edward Kennedy authored over 2,500 bills during his tenure. Much of his work focused on providing a better life and educational opportunity for America's poor and disenfranchised. When you peruse his legislative work, you see these terms and phrases repeated in the titles of the bill: "freedom of access", "to ensure security through health care", "protection for homeless", "prohibit discrimination", "assist urban and rural education agencies", "provide health benefits", and "access to affordable health care or educational opportunities" to mention a few.

Teddy worked to ensure access to higher education. Whether the legislation carried the lofty title of "reauthorize the Higher Education Act" or "create the Direct Loan program", his commitment to learning opportunities from Head Start to Pell Grants was his major priority. We may not agree on his legislative agenda but certainly we can acknowledge this driving force for education for all.

There are no brothers left but the dream so eloquently voiced by Senator will guide us into the future;

"For all those, whose cares have been our concern, the work goes on, the cause endures, the hope lives on, and the dream shall never die."

May we all be the keepers of the dream.



NEW YORK'S COLLEGE GOAL SUNDAY

The Online Financial Aid Application Event For New York Students

New York's College Goal Sunday

BY Ambrose Price, Citizens Bank

Priorities

Offer professional assistance to students and families with the online completion of the FAFSA and state TAP application.

Encourage and develop relationships with high school guidance counselors.

Solicit community support to offset program costs and financial donations to enhance scholarship offerings.

Historical data

	2007	2008	2009
# CGS sites	13	15	17
# volunteers	260	309	416
# students	609	1351	1148

College Goal Sunday 2010 – Update

Event planning for College Goal Sunday 2010 started with a site coordinator's meeting in Syracuse on July 14.

The statewide event date is scheduled for Saturday, February 6, 2010. This is the day **before** Super Bowl Sunday!

Eighteen locations are planned for 2010. Our sites are: Buffalo, Niagara Falls, Jamestown, Rochester, Syracuse, Ft. Plain, Troy, New Rochelle, Yonkers, Manhattan, Bronx, Brooklyn, Staten Island, Brooklyn-on-the-Bay, LI-Suffolk, LI-Nassau, Queens and possibly Cobleskill (Oneonta). The Buffalo event will be held in conjunction with the 2nd Annual Buffalo Public School Scholarship Fair.

This year we continue to develop our partnership with the YMCA as the sponsor institution. New York has been selected as a pilot state for the "Y" as they look to expand their role and support.

Adrienne Day and Wayne Harewood will be state coordinators. Adrienne replaces Ken Storm who will continue his involvement as a member of the task force.

Region I has enthusiastically supported this event over the past three years and we once again call for volunteers across the state to assist with this worthy cause in your area.

If you are interested in supporting our efforts please contact Ambrose Price at 716-434-0231 or by email at ambrose.m.price@citizensbank.com.

NYSFAAA Statewide Training

By Vera Senese, CUNY Central Administration

The NYSFAAA Statewide Training Committee is planning Fall Training Sessions across the state on Thursday 11/12.

The training session will cover two very hot topics – Veteran's Education Benefits and the transition.

Preventing Student Loan Default in Withdrawn Borrowers

By William Cavin, American Student Assistance

"Attainment," "persistence," "retention" – these are the buzzwords in the higher education community today. President Obama's administration has set its sights squarely on improving the nation's graduation rates. Today, a disturbingly low 18 out of every 100 students who enroll in a certificate or degree program will actually manage to attain that degree. Among industrialized nations, the United States ranks 15th in college completion. Worst of all, these withdrawn borrowers are **10 times more likely to default** on their student loans.

The plight of withdrawn borrowers looms large for many schools. Not only do financial aid officers worry about those students who leave school without attaining degrees to better their lives, but these professionals also know that high student loan cohort default rates can jeopardize their school's ability to participate in any federal aid programs. Fortunately, guarantors can help schools develop and successfully implement programs to aid withdrawn students and positively impact default rates. Here are some top strategies.

- **Focus on early detection.** Guarantors can do much to help withdrawn borrowers—once they've been identified. But a natural lag time exists in the reporting process between servicers and guarantors. Don't depend on that process as your first line of notification. Find out about withdrawals as quickly as possible though close coordination between the registrar and the financial aid office. And use well-trained peer debt counselors as a resource—not only are fellow borrowers receptive to their message, but a peer debt counselor might learn of a student's withdrawal weeks before the school does. It's vital to collect and communicate early signs of withdrawal wherever they originate.

- **Capture contact information at every opportunity.** You can't help a withdrawn student if you can't reach him or her. In addition to the references on borrowers' loan applications, collect references during Entrance and Exit interviews, during peer debt counseling, and at any points of contact with borrowers.

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Happy New Year!

By Mike Stein, EdFund Default Prevention Initiatives Specialist

Happy new cohort year, that is. As we bid farewell to CY 2008, it's time to focus our efforts on CY 2009. The "new year" is a good opportunity to reflect on your school's default prevention practices and make a resolution to improve them. Were you successful in calling your delinquent borrowers or could you have averted more defaults? Were there any default prevention strategies you intended to implement last year but never did?

It's time to redouble your default prevention efforts! Default prevention is as important now as ever and continues to be a focus of the U.S. Department of Education (ED). **As you may know, CY 2009 is the first year subject to the three-year cohort rate calculation.**

Official rates for CY 2007 were released on September 14, 2009:

- The national rate for CY 2007 was 6.7 percent, up from 5.2 percent in CY 2006. Increases were seen for all types of schools—public, private and proprietary as well as four year and two year. ED attributes the rise to the recession and a growth in student loan debt.
- New York's rate for CY 2007 was 5.8 percent, up from 4.3 percent in CY 2006.

As you begin to shift your focus to CY 2009, keep in mind that any borrowers who attended and took out Stafford loan(s) at your school and entered repayment on those loans between 10/1/08 and 9/30/09 make up your 2009 cohort. These borrowers will continue to be tracked for default until 9/30/11. This means any borrower who entered repayment between 10/1/08 and 9/30/09 and defaults by 9/30/11 will impact your 2009 cohort default rate. These are the borrowers who should receive your immediate attention!

Tracking borrowers for default for a third year requires different default prevention strategies. A single deferment or forbearance will no longer push a borrower outside of the cohort tracking period. Borrowers that exit a deferment or forbearance period may still have time to default and count against your 2009 cohort. This means you need to focus your efforts on finding a long-term solution for your delinquent borrowers.

Below are some industry best practices for working with delinquent borrowers.

- *Call!*
  Delinquent borrowers need counseling; so don't be shy about providing it. A phone call is the next best thing to speaking face to face. Delinquent borrowers often just need to be educated on repayment or postponement options. Sending letters is a "feel good" task but is rarely effective, and takes up valuable time and resources that could be better spent picking up the phone. Did you know that a delinquent borrower who reaches the late stage of delinquency will have already received up to 15 letters just from the lender and guarantor?

  Another best practice is to call your borrowers at the end of their deferment or forbearance period to determine if they can begin making their monthly payments, or if they need a new deferment, forbearance or repayment plan. Remember, the Income-Based Repayment plan became available 7/1/2009. Borrowers under this plan can greatly lower their monthly payments!

- *Maintain control of default prevention activities.*
  Many deferment and forbearance requests are denied because information or documentation is missing. Because lenders are not required to contact the borrower to advise them of a denial, consider sending the form to the borrower with a self-addressed envelope, and submitting it to the lender yourself. Or, consider faxing the form to the borrower and having them fax it back to you so you can check their work. Then you can submit the form to the lender on the borrower's behalf.

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- *Grandma is your friend.*
  Anyone who spends a lot of time calling delinquent borrowers quickly realizes just how challenging it can be to successfully reach them. Students frequently change addresses and often use cell phones as their primary means of communication. The one reference that always seems to know where the borrower is—you guessed it, grandma! If you're having trouble reaching a borrower, and grandma is listed as a reference on their master promissory note, give her a call!

- *Don't lose sight of the big picture.*
  Default Prevention is, in many ways, a numbers game. No lender, guarantor or school can contact and avert 100 percent of their delinquent borrowers. There will always be those who can't be reached or, once reached, can't be helped, either because they don't want help or they've run out of options. But don't let those situations dissuade you from picking up the phone again. Remember—for every borrower who can't or won't be helped, there is 10 more out there whose life can be positively affected by your call.

- *Reach out to your partners!*
  Schools play a vital role in default prevention, but you are not alone! Your lender and guarantor partners are also trying to contact borrowers. They can also offer you a range of useful tools to help you in your default prevention efforts. NYSFAA's Web site has an excellent page devoted to the New York Statewide Default Prevention Project, and a list of handy tools can be found on the "Tools" page located at www.nysfaaa.org/docs/DefaultPrevention/tools.html.

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- **Greet borrowers with a name they know.** It's vital to introduce borrowers to their guarantor and servicer early in the borrowing process. Borrowers should know who these entities are and understand the role each company plays in the student loan repayment process. That way, contacts via phone, mail, or email from their guarantor or servicer will be welcome during times of need.

Provide solid debt management advice during withdrawal—and from day one. Work closely with your guarantor to provide financial literacy guidance such as budgeting advice and thorough debt management education throughout students' school experience. Guarantors provide handouts, on-campus trainings for students and financial aid professionals, Web resources, and one-on-one guidance for borrowers throughout the life of the loan.

Guarantors can play a key role in both supporting school's efforts to lower cohort default rates, and providing counseling and proactive, positive outreach to withdrawn borrowers toward successful debt repayment. But services like these are in jeopardy of being eliminated by Congress this fall. American Student Assistance believes all student loan borrowers, regardless of how their federal loan is originated, should be entitled to free support services from a guarantor. Eliminating the FFELP shouldn't mean eliminating our commitment to higher education borrowers and their families. It's not about the status quo; it's about the students. For more information, visit www.borrowersrights.org.

Financial Literacy Programs 101: Starting a Program on Your Campus

By Ben Loya, TG Regional Account Executive

Effective money management and financial literacy skills are among the most important real-life lessons for students and families in today's challenging economy. Beyond the short-term implications of mismanaging money and debt, poor financial habits can adversely affect a student's ability to continue his or her education, buy a house or car, or even find a job. The need for better financial literacy education has never been more acute. To help students avoid financial pitfalls, a growing number of campuses are looking for ways to reach their students by developing and implementing financial literacy training programs.

Determining student needs

As a financial aid administrator, consider your campus's needs to help you define and develop a plan for an effective financial literacy program. Some schools mandate specific financial literacy courses for all students, while other campuses have opted for a more comprehensive program to address all aspects of personal finance. Other schools prefer a more piecemeal approach that lets students select topics they feel are relevant to their unique situation. Regardless of the structure you choose, remember to focus on reaching students during key transitional periods, such as when they enter and leave college or move on- or off-campus.

The variety of possible approaches point to the first step in any financial literacy initiative: finding out what students need and want from such a program. Counselors planning a program have a wide variety of elements teaching options to choose from, including workshops, online courses, traditional classroom-based academic courses, individual counseling, student mentor programs, and using content developed by other schools and institutions.

Employ focus groups to determine what best fits your students' needs. Start with students most likely to participate in a financial literacy program, and then target portions of the student population less likely to be involved. Internal surveys of faculty members and other student service-oriented offices can also provide direction when planning and developing financial education programs.

Securing approval and funding

Once you have identified the scope of your campus' financial literacy program, you must then define the program's goals and get buy-in from school leaders. As with any new initiative, this entails finding resources and determining logistics. A clear vision of the program's plan and intentions should be established, and it should be consistent with the school's existing culture.

One of the most challenging aspects of launching a new financial literacy program involves funding it. Your campus might consider linking the program to a degree-granting department, with funding provided through course fees. Other options for securing the necessary funding include assessing a flat program fee from every student, seeking outside grants or alumni donations, or receiving funds from for-profit financial institutions like banks and insurance companies. If possible, secure multiple funding sources in order to assure that money will be there should one source dry up.

Implementing the program

Once a program has cleared the hurdle of administrative approval and found the needed funding, it's time to get started. While the enthusiasm of a new venture can carry a program a long way, remember the importance of starting small, being patient, and expecting a few lean years at first.

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The most important thing during this early period is to seek out and draw on the program's character and strengths. Find out early on what part of the program works best and then develop it.

Use this primary strength as a foundation on which to build the program's continued recognition and reputation on campus. Marketing a new program must be a top-of-mind priority, not least because financial advising programs are still a relatively new presence on campuses throughout the country. Many students might not expect money management courses to be made available in college, so financial literacy program developers must work diligently to get the message to their students, and then do so repeatedly. Possible communication channels include booths and flyers in the student union, bus ads, and advertising on the school's Web site or in other campus publications. Given the increasingly plugged in lifestyle of today's students, consider reaching them through social networking sites like Facebook® or Twitter™.

Moving forward: Improving established programs

Some of you may already have funding sources established, and perhaps some students know about, use, and benefit from your program's services. Where do you go from here?

In order to address all aspects of students' financial concerns, work closely with other campus offices, and keep in touch with the individuals working closely with students every day. Also, take the time to regularly evaluate students' responses to your financial literacy initiatives, and set relevant, measurable goals for improvements. Student surveys are an effective method of achieving one essential goal of any financial education initiative — expanding the range of programming offered — by revealing new services and topics students want.

Ultimately, the end purpose of measuring outcomes and expanding services reinforces the purpose of implementing financial literacy programs in the first place — improving the lives of students. If your campus is in the early stages of considering program options, remember you have colleagues who have been down this road already. Seek them out. The exchange of ideas, experiences, and information with other financial literacy program administrators will help make your program that much more effective.

Ben is a regional account executive with TG serving schools in NYSFAAA. You can reach Ben at (800) 252-9743, ext. 6718, or by e-mail at ben.loya@tgslc.org. Additional information about TG can be found online at www.tgslc.org.

Members on the Move . . .

Cherith Meeks has been hired as the new Financial Aid Counselor at *Houghton College*. Cherith is taking the place of **Kayann Taylor** who is a new mom and we wish her well and congratulate her on the birth of her daughter. Good Luck Kayann! Welcome Cherith!

University of Buffalo welcomes **Rachel Barker** as Associate Director of Student Academic Records and Financial Services. Rachel was formerly at *Niagara County Community College*.

Congratulations to **Marcie Krause** who has been promoted to Assistant Director of Financial Aid at *Roberts Wesleyan College*.

Congratulations go out to both **Lisa Treman** and **Lynn Chilson** on their promotions to Assistant Director of Financial Aid at *Buffalo State College*.

Daemen College would like to announce and welcome **Melissa Montgomery** to the staff as Financial Aid Counselor.

To contribute to The NYSFAAA *Connection,* please contact

Laura Worley, Editor or Vince Scalise, Assistant Editor

Below is the schedule for the NYSFAAA Webletter. If you have an article to submit please do so by the deadline date indicated.

Edition	Articles due	Posted to site on or about
Winter	January 15	February 1
Spring/Summer	June 1	July 1
Fall	September 15	October 1