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## President's Message:

# FAREWELL FROM JIM BROOKS



**Jim Brooks**, University of Missouri Columbia  
 MASFAA Past-President

About one year ago, I was chatting with someone at the church my family has attended since we moved to Columbia almost two years ago. He was talking about the search for a new minister about 4 years ago, and that one of the issues posed to the candidates was that the church wanted to be relevant. He said the then candidate asked whether the search committee knew what they meant by wanting to be relevant, and they responded that actually they didn't.

Relevance. An interesting word and something we all strive for, but many times we're not sure how to be relevant. This past year as MASFAA President, I've had an up close and personal view of the search for relevance for the organization.

On one hand, as an association, MASFAA is comprised of aid administrators from nine states; states that have strong financial aid associations. On the other hand, we're a part of NASFAA, a national level organization that is making great strides in re-establishing itself as the point of contact for issues on financial aid, and a resource to financial aid administrators who are members of the organization. The MASFAA Past-President and President sit on the NASFAA board, while the President-Elect serves as an observer. The MASFAA President, or his/her representative, visits each state, typically attending a state conference, and giving an update on the organization.

MASFAA was the first regional financial aid association, and has had a strong membership, great volunteerism, and financially, has been able to continue to function and offer services in spite of the economic downturn. Yet within the last couple years, everything we've hung our hats on has become less secure. For example, our annual conference was our big event for the year, but with the travel freezes that have been instituted by many of our educational institutions, attendance has decreased, and our October 2010 conference had the same experience. The summer institute training program has been scaled back due to the reduction in enrollments. During 2009, we did not even have a summer institute as the number of enrollments wasn't enough to meet our commitments to our training site. The changes we made for summer 2010 appear to have been successful, and the event, while smaller, appeared to better meet the needs of new financial aid administrators.

My big question is, are we still relevant to the professional lives of our membership? And if we're no longer relevant, or less relevant than we used to be, how do we become more relevant? I do believe that MASFAA has a place and a role in the professional lives of its members, but clearly

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MASFAA Moments is published quarterly with the purpose of providing a forum for communicating with members about issues affecting our profession as well as to inform members of the ongoing activity of MASFAA committees and the Executive Council.

Articles may be submitted by any person, committee, state association or organization. All submissions are subject to final acceptance and review by the editorial board prior to the publication of the newsletter. Submissions may be rejected, edited for content or edited for length. Articles must be intended for the benefit of MASFAA members and not for company marketing or promotional purposes.

Please send articles, photos and comments to:  
**Mary Jo Smith**  
 Newsletter Committee Chair  
 maryjo.smith@usbank.com

## President's Message — continued

that role is evolving, and we may not be completely clear what that evolution should be, and where it should lead. What are we offering to the membership that no other professional affiliation does? What else should we be offering to our membership? As we look down the road over the next five years or so, where does MASFAA need to position itself as an organization in order to be relevant?

One of my goals at the start of this year, was to be ready at the end of the year, to begin work on our long range plan, and to do that, we needed to know what our membership thought. This summer under the leadership of our Research chair, Al Hermsen, we surveyed both current members as well as non-members, the latter group being comprised of people whose membership may have lapsed, or individuals who have never been members of the organization. We were very pleased in the response rate that we had to the survey, both from members and non-members. We're beginning the process of reviewing our data, and using that data in Association Governance this next year, to put together the strategic plan for the organization for the next five years. That plan will guide our activities going forward, and will hopefully move us forward in our quest for continued relevance to our membership.

As I think back over this past year, I've had my share of uplifting times, and my share of frustrations as president of the organization. I've been very fortunate to have a great executive board that I've been able to rely on, that I've trusted, and who have never let me down. They've been honest, forthright, and outspoken. They truly believe in the organization, and they've given of their time to work for the membership in their various roles. I've also had association members that I've been able to turn to for feedback, advice, and guidance. I've really appreciated all of these people, and they are the reason that we succeed.

Thank you for your support this past year. The organization is in good hands under the leadership of president Kathy Purvis.

Regards,  
Jim

## President's Message:

# WELCOME FROM KATHY PURVIS



**Kathy Purvis**, Indiana University  
MASFAA President

Greetings and welcome to the Fall 2010 MASFAA Moments newsletter. In this edition, you will find information on our annual conference just held in October as well as informative articles from other MASFAA members.

Our annual conference was held October 17-20, 2010 in Chicago, Illinois. There were 400 attendees who were treated to a jam packed agenda. Chicago provided a perfect place for MASFAA members to come together to learn about all the changes to the financial aid for the upcoming year, explore other options for students to help finance their education, as well as an opportunity to network with colleagues. Of course who could pass up shopping and dining during the free time on the "Miracle Mile" of Chicago?

The conference program committee, chaired by Mo Amos of Northeastern Illinois University, provided a variety of speakers. We heard from Gregory M. Darnieder, Special Assistant and Advisor to the Secretary on the Secretary's Initiative on College Access. In 2003 Greg established the Department of Post secondary Education and Student Development at Chicago Public Schools, designing and implementing an assortment of postsecondary, academic, financial, and social support programs and building university, corporate and civic partnerships to enhance college access. The conference attendees had the opportunity to listen to a panel of scholarship providers from Dell, Gates, Coca Cola, and Kaufmann Scholars. The panelists provided a look into the scholarship side of higher education. Phillip Jackson, Executive Director of The Black Star Project along with Rodney Gore, Kappa Leadership Institute and Charise Williams, Links Unlimited challenged us to think about best practices for engaging the at risk student and their families while in high school. Of course, the program committee made sure that the conference attendees had an opportunity to release stress and laugh...and laugh we did at comedy relief provided by Walter Campbell. In 2007, Walter was selected as the winner of the "Funniest person in South Texas Comedy Competition". Walter's time with the MASFAA group had everyone laughing. It certainly was good to hear financial aid administrator's laugh with all the opportunities, challenges and changes we may face ahead. We also had the pleasure of hearing from Justin Dreager, President and CEO of NASFAA and Dr. Laurie Wolf, NASFAA National Chair. The conference offered a CORE track for new financial aid administrators as well as several interest

sessions for those not so new to the profession....notice I did not say "old timers"

I want to say thank you to the Local Arrangements committee, Chaired by Paula Luff, DePaul University, for all they did at the conference. It is a big job to pull off a MASFAA conference and to do it as well as both Paula and Mo "the Blues Sisters" did, they deserve another round of applause. Thank you!

The 2010-11 MASFAA Executive Board is now official and already hard at work. Thanks to all of those who have volunteered their time this year to MASAAA. The board met at the President Elect retreat in Indianapolis, Indiana in September and mapped out the strategy for the upcoming year. Building off of the great work that Jim Brooks and his board did in 2009-10, this board will be looking at the 5 year strategic plan for MASFAA with the help of the survey completed by the MASFAA membership. It is my goal, as MASFAA President, to "rise to the challenges" that are being presented to MASFAA as well as the individual members and to students in this year.

The 2011 MASFAA conference is only 11 months away and already the local arrangements and program committees are working to provide you with a conference that you won't want to miss. It will be held October 9-12, 2011 in Grand Rapids, Michigan. When choosing the theme for the conference and for my year as MASFAA President I thought about all of the challenges that the financial aid community is facing as well as our students and it became clear to me that we have gone through a tremendous amount of change in the last few years and it is time for all of us to positively and together work through these changes and rise to the challenges ahead of us. So, our MASFAA hero will be guiding us through the various matters we will be facing.

Finally, I want to take this opportunity to again thank Jim Brooks, MASFAA Past President. I have learned so much this past year from Jim and continue to learn from him as he answers my many, many questions. Jim served the association very well as President. One of the great aspects of volunteering for MASFAA, in any capacity, is that you not only get to learn from your colleagues, but you find great friendships along the way.

Best Wishes to You All!

## MEMBER PROFILE: KATHY PURVIS



### **Q. How did you get started in the industry?**

**A.** I started working at Indiana University East in Richmond, Indiana right after I was married in 1983. I worked for the campus budget officer and after 3 months, a higher paying clerical position opened up in the financial aid department, so I wanted to make more money and moved into that position. I had no idea what they did in financial aid, but it was a promotion and that is all I cared about at the time. My husband took a job in southern Indiana and so I moved to the Bloomington area and began working in the IU Bloomington financial aid office until my husband and I moved to Indianapolis where I once again started in another financial aid office at IUPUI and I have been here at IUPUI ever since.

### **Q. How many years have you been in the industry?**

**A.** 27 years

### **Q. Have you worked for other institutions in the MASFAA region?**

**A.** I have been in the Indiana University system the entire time of my financial aid career.

### **Q. What steps have you taken to grow as a financial aid professional?**

**A.** I was fortunate enough to have colleagues in the financial aid office at IUPUI who encouraged me to get involved in committees at the state level in Indiana. I enjoyed the experience and just continued to volunteer for various positions, which then put me into the role of President of ISFAA, and that opened up several opportunities to be involved at the MASFAA level and ultimately at the NASFAA level. I also volunteered to do sessions at the conferences, moderate sessions. I took advantage of the networking opportunities at the various conferences.

**Q. Who or what has been the biggest contributor to your success as a financial aid professional?**

**A.** There are two individuals who have made impacts in my career along the way. Barbara Thompson was the Director of Financial Aid prior to my current role as Director and she encouraged me to push myself and learn as much as I could about financial aid. Then Susan Pugh, Director of Financial Aid at Indiana University, Bloomington, became a mentor and close friend when I became the Director and was critical to my success. Without these two individuals, I do not believe I would be as successful as I have been in the financial aid profession.

**Q. What steps do you and your colleagues take to best serve students at your institution?**

**A.** Communication is critical to serving the students at IUPUI. I have wonderful colleagues in the Registrar, Admissions, Scholarships and Bursar areas that work with financial aid to ensure that we remain compliant, but that we are creative and forward thinking on how we can continually better serve students. Also, we work closely with the academic departments on campus.

**Q. Describe one program or service provided by your office that has made the biggest impact on students at your institution.**

**A.** In 2002, our bursar office moved off campus and my office assumed responsibility for taking in person payments for the bursar office as they were not on campus. This change has allowed my office to expand services to students beyond just taking payments. We have been able to help students with a one stop service for all of their financial needs. Students on financial aid can get financial aid concerns resolved, and we then can explain how it has impacted their bill, offer to them other options for payment. For those not on financial aid, we can talk with them about their student account and then also share financial aid information with them. The students do not have to go to two offices to get all of their financial questions answered. Our counselors look at the student holistically, and not just financial aid. I believe this has created a great service to students at IUPUI.

**Q. What words of wisdom would you offer other financial aid professionals?**

**A.** Financial aid professionals are a very unique group. We don't do what we do for the money; we do it because we are making a difference every day in the lives of the students at our institutions. We support each other, we are not cut-throat people and we are always willing to share so that we can all do what we do successfully. I say any chance you get to be involved at the state, regional or national level with financial aid you should do it. I think that my involvement has made me a better financial aid professional for my campus. I have colleagues and folks I can contact to just bounce ideas off them or find out how they are implementing a new reg. The networking and friendships I have developed through my volunteering in the financial aid associations is priceless. So, long story short – get involved with a financial aid professional organization.

**Q. How does MASFAA membership benefit you as a financial aid professional?**

**A.** Being a member of MASFAA has allowed me the opportunity to volunteer within the organization. Through this volunteerism I have been able to meet individuals throughout the nine states and have developed a network of professionals that have shared their thoughts and best practices. Being able to call a colleague within the MASFAA region to get their input has been a huge asset for me as a financial aid professional. MASFAA has also allowed me to be involved at the National level so I am also getting the benefit of the expertise of other financial aid professionals across the US.

**Q. How does MASFAA membership benefit your institution and the students you serve?**

**A.** MASFAA provides a voice to the National Association (NASFAA) and so I am able to share my concerns through our regional association on issues surrounding financial aid that either is impacting IUPUI or the students at IUPUI. MASFAA is very active with NASFAA and because of this; I feel we are able to get our voices heard nationally.

**Q. Do you have any other thoughts or comments that you would like to share with the MASFAA membership?**

**A.** MASFAA continues to serve the membership through its advocacy. MASFAA is a volunteer organization and is one that relies on its members to volunteer. I would encourage any individual who is a member of MASFAA to consider volunteering your time. You won't be disappointed. It has been the greatest opportunity for me to be able to serve MASFAA. I have grown as a professional and ultimately my campus and the students are benefiting from my involvement. I also have developed great friendships with other financial aid professionals that I will have with me forever. So, I encourage you to become involved in MASFAA.

# MASFAA MEMBERSHIP

**Kaye Caplinger Widney**, West Virginia University  
MASFAA Membership Services Chair

I have enjoyed serving as Membership Services Chair through 2010 and it has been interesting to be part of the transition that MASFAA has undergone with our membership period. I have been asked by our new president, Kathy Purvis, to continue as Membership Services Chair through her tenure and I'm happy to do so and look forward to 2011.

As I reported at the 2010 annual conference, our membership is currently at 855. While this is a decline from the prior year, MASFAA remains a strong regional association with representation across all sectors of higher education. The Executive Council continues to review our mission and to make sure that the needs of our membership are met to the extent possible.

As you now know, MASFAA membership runs concurrently with the calendar year and your 2010 active membership will expire on December 31, 2010, unless you are one of the 126 members who renewed 2011 memberships with the annual conference registration. If you did not opt to do that, the 2011 membership application is now open and available to you online.

Maximize your involvement with MASFAA by being an active member for the full calendar year! Your participation in this great organization is important to our continued impact on the profession.

Please contact me if you have any questions regarding your membership status or if you have questions about upcoming activities for our membership. I can be reached at [kaye.widney@mail.wvu.edu](mailto:kaye.widney@mail.wvu.edu). I look forward to hearing from you!



## 2010 MASFAA CONFERENCE IN CHICAGO

The 2010 MASFAA Conference Program and Local Arrangement Committees intended to provide MASFAA membership with cutting edge topics, varying tastes of Chicago, engaging entertainment and most of all tracks for various interests and institution types.

This year's conference included tracks for Best Practices, NASFAA CORE for new financial aid professionals, Financial Literacy and Regulatory/Compliance. The most popular Regulatory/Compliance sessions included Two Pell's in an Award Year and Reauthorization. Popular roundtable discussions included the NCAA Roundtable, Scholarship Panel and Engaging High School Counselors with At Risk Youth.

We had laughter with comedian Walter Campbell and we had a dose of reality from Philip Jackson, Director and Founder of the Black Star Project based in Chicago. We danced the Dualing Pianos and learned line dancing from one of Chicago's Best!

We believe the Blues Brothers and Blues Sisters met their mission in Chicago, but we need to hear that from you.

# NEW CONTRIBUTOR SHOWCASE: HEATHER GAUMER

**Amy Gaffney**, University of Dubuque



Heather Gaumer, Simpson College

This new series will consist of interviews with some of the region's new contributors to our industry. These are people who have exhibited a growing level of participation at the state or MASFAA level.

Heather Gaumer joined the financial aid profession in June 2006. Heather was working in admissions right out of college, when she took a new opportunity to become a financial literacy

officer for Iowa Student Loan. This experience introduced Heather to the Iowa Association of Student Financial Aid Administrators (IASFAA) and she was eager to get involved. She initially served on the community outreach committee which re-enforced her newly discovered passion for helping students. Other IASFAA committees in which Heather has participated have included site coordinating, mentoring task force, program, and currently she is chair of the Associate Member Relations committee.

Heather has faced a lot of change in the last 14 months as she married her college sweetheart, Doug. They live in Indianola, Iowa, the home of Simpson College where they both received their undergraduate degrees. Heather joined the Simpson College financial assistance office as the loan coordinator this summer. When asked what she has found as the biggest surprise working as a financial aid professional, Heather responded, "I did not realize how connected financial aid professionals are, it is a real community."

In discussing how the professional development opportunities through IASFAA and MASFAA have helped her, Heather says the number one benefit is the "ready group of colleagues I can call with questions." Heather also takes joy in the opportunities she has to help others in support roles in the association as well as outside the office, and looks forward to the possibility of escalating her participation at the MASFAA level.

Words of advice Heather offers to others new to financial aid or maybe those who want to be more involved in their state association or MASFAA, "Jump right in—don't be afraid." Great advice from the gal who is working full time and pursuing her graduate degree in Public administration at Drake University!

# MASFAA CONFERENCE SCHOLARSHIP RECIPIENTS

**Kaye Caplinger Widney**, West Virginia University  
MASFAA Membership Services Chair

All 9 mid-west states were proudly represented this year at the MASFAA Conference by MASFAA Conference Scholarship recipients. The ability to assist MASFAA colleagues who may not otherwise be able to attend the conference, to encourage participation in MASFAA, and to engage new members is just part of the reason behind this generous scholarship provided annually by the MASFAA Board.

The Professional Development Committee is charged with collecting, reviewing and selecting one recipient from each of the 9 mid-west states. Scholarship funds pay for the conference registration and hotel accommodations during the conference. This year's recipients expressed enthusiasm and appreciation for the opportunity provided them. Here are a couple of post-conference comments sent by Conference Scholarship recipients:

"I just want to thank you again for the scholarship to the MASFAA conference. I had a wonderful time in Chicago – even got in a short visit with my son who is at DePaul. I learned so much from so many of the sessions and from talking to people from a lot of different schools at the meals. It was really a great experience and I wouldn't have been able to attend without the scholarship."

"I wanted to say thank you for the conference scholarship and providing an opportunity for me to attend. I enjoyed the conference, and, in fact, had a meeting today to discuss how to incorporate some conference materials into what we do at Clarke."

The 2010 MASFAA Conference Scholarship recipients were:

**Illinois:** Karnella Kirkwood, University of Illinois at Chicago

**Indiana:** Jennifer Perry, Indiana University Purdue University Columbus

**Iowa:** Terry Kruse, Clarke University

**Michigan:** Alisha Cederberg, Western Michigan University

**Minnesota:** Dick Battig, Normandale Community College

**Missouri:** Jaime Newcomb, Missouri Baptist University

**Ohio:** Rhonda Austin, Ursuline College

**West Virginia:** Jeanie Spitznogle, Fairmont State University and Pierpont Community & Technical College

**Wisconsin:** Robyn Tanger, Northcentral Technical College

# MASFAA CONFERENCE AWARD RECIPIENTS

**Michelle Curtis**, University of Wisconsin-Madison  
MASFAA Awards Committee Chair

Given the significant reduction (50% less than in prior years) in funding available this year to recognize the accomplishments of our colleagues I am pleased to report that the committee was able to make some targeted reductions in actual hardware awarded to individuals but still maintain the integrity of the various awards. New this year was the creation of a permanent scholarship called the Legacy Scholarship to attend the Summer Institute rather than making a charitable contribution to an outside organization on behalf of the retiree's and the years of service individual recognitions.

Special thanks go out to those individuals who took the time to write up nominations. We had a competition for recipients of the Purdy and the New Professional awards. Read more about those winners and others below. Also rolled out new for this fall conference was the creation of 4 large sturdy posterboards that highlight some of our most prestigious awards and what they mean to MASFAA members. We incorporated the ability to see who the previous winner(s) are for the most recent year. These boards were on display at the vendor entrance. They will be re-used for the next several years.

## 2010 award winners:



The **Allan W. Purdy Distinguished Service Award** winner this year is **Vickie Crupper, Associate Director of Financial Aid at the University of Michigan, Ann Arbor**. The Purdy award is the highest award to an individual. It is for individuals who have made significant and outstanding contributions to the aid profession and to MASFAA goals over a period of time. Highlights from her nomination indicate she has served as President of MASFAA in 2006-07, MASFAA secretary in 2001, chair of numerous committees, and conference presenter to name a few contributions. Vickie is always willing to tackle a challenge and one of the first people to volunteer when help is needed. This year Vickie is also the recipient of the NASFAA State Regional Leadership Award as well as chairperson of the current year committee of the year: Summer Institute.



The **Meritorious Service Award** winner this year is our own newsletter editor **Mary Jo Smith, Assistant VP, Marketing Manager for US Bank**. The selection of this winner is based on leadership or work on special projects that don't have to last for an entire year or could be for an extended period of time. Mary Jo served in Membership Services for many years, working hard to increase membership, developing emails and brochures to promote the association. As newsletter editor she has been instrumental in getting the newsletter going after a number of years hiatus. She's also been heavily involved in delivering the newsletter electronically.

There were 2 additions to the **Lifetime Membership** category: **Ernesto Monge, formerly with the University of Wisconsin- Madison as a Senior Aid Counselor** and **Dick Battig, formerly with Student Loan Finance Corporation as VP for Business Development**. Both individuals have made significant and sustained contributions to MASFAA during their careers and have been recognized with other awards from MASFAA over the years.

The **Outstanding New Professional** this year is **Buddy Mayfield, Director of Financial Aid at Missouri Valley College**. Stepping into the role of director with no experience would be daunting for anyone, but not only has Buddy served his school and students well, he was selected to participate in Negotiated Rule Making and is currently President Elect for the Missouri state organization (MASFAP). Buddy's dedication to our profession is simply outstanding!

The **Presidential Award** went to **Al Hermsen, Director of Student Financial Aid at Wayne State University in Detroit MI**. Al exhibited leadership and collaboration in heading up the Research committee of MASFAA this year. The chief accomplishment was the comprehensive membership survey, whose results will help inform the next 5 year association plan.

The **Award of Appreciation** to recognize significant contributions to MASFAA and the Financial Aid Community over a sustained period of time went to an individual – **Lois Mullbrook, Director of Financial Aid at Hawkeye Community College in Waterloo IA** and our **FFELP colleagues**. Most recently in addition to establishing the State Exchange Program Lois has been instrumental in establishing the necessary documentation to allow our delegates to conduct the annual audit thereby saving the association thousands of dollars annually. Those of us who've been in the profession for any length of time can appreciate that our colleagues in the FFELP community have worked tirelessly to help us do our jobs just that much better, from the high school financial aid nights to exit counseling, we would not be as successful as we were and are without their help. It has been a difficult few years for our FFELP colleagues and many have moved on to other challenges but our appreciation remains.



Pam Fowler, Vickie Crupper, Joann Ross, Candi Frazier and Jason Crowe.

The **Committee of the Year** award went to the **Summer Institute Committee**, chaired by Vickie Crupper. Members of the committee were Leo Hertling, Candi Frazier, Pam Fowler, Joann Ross and Jason Crowe. These folks put together a professional training equal to what has normally been provided at a larger venue for Summer Institute but due to the current economic climate enrollments were down and an alternate plan was required. This was so successful that the format and scalability will most likely become the foundation of re-envisioned Summer Institute for MASFAA.

**MASFAA State Leadership Awards** went to the following professionals who were nominated/endorsed by their state executive councils. The awards are being presented at state conferences during the next year.

- |                              |                                     |
|------------------------------|-------------------------------------|
| <b>Illinois:</b> Dan Mann    | <b>Minnesota:</b> Nichole Lien      |
| <b>Iowa:</b> Lois Mulbrook   | <b>Missouri:</b> Anne Fligge        |
| <b>Indiana:</b> Kathy Purvis | <b>West Virginia:</b> Candi Frazier |

The following individuals are recognized with a certificate for their retirement from our profession:

**Minnesota**

- Loreen Sankey, Minnesota West Community & Technical
- Frank Morrisse, St. Cloud State University
- Karen Taylor, Minnesota State University – Mankato
- Ella Meyers, Normandale Community College
- John Pogue, Inver Hills Community College
- Pat Berktold, Hennepin Technical College
- Sue Caquelin, Central Lakes College
- Marjorie Gildersleeve, Bemidji State University

**Ohio**

- Deborah Madden, Ashland University

**Illinois**

- Bill Bushaw, Western Illinois University
- Nancy Calvert, Southern Illinois University, School of Medicine
- Howard Florine, University of Illinois at Chicago
- Marshall Jennings, Northeastern Illinois University
- Bob McCarthy, Illinois Designated Account Purchase Program

**Wisconsin**

- Art Barlow, Nicolet Area Technical College
- Sandi Cechvala, UW-Madison
- Heather Egan, UW-Parkside
- Ann Everson, Gil-Tech Academy
- Bev Faga, Herzing University
- Marilyn Krump, UW-Colleges
- Kent Ohlfs, UW LaCrosse
- Ron Ronnenberg, UW-Green Bay
- Liz Tucker, UW Platteville

**Iowa**

- Bob Redman, Iowa College Access Network
- Nancy Boleyn, University of Northern Iowa
- Keith Greiner, Iowa College Student Aid Commission
- Del Jaramillo, University of Northern Iowa
- Jean Rasmussen, Wartburg College
- Gwen Scholer, Southeast Iowa Community College
- Pete Sidwell, University of Iowa

**Other MASFAA Award Winners:**



NASFAA Leadership Award Winner Vickie Crupper with Dr. Laurie Wolf



Student Success Story Award Winner Yvette Vazquez with Dan Mann

# The New Satisfactory Academic Progress Rules

by Rick Shipman, Michigan State University

The guidance released by the Department of Education on 10/29/10 included many changes to Satisfactory Academic Progress (or SAP) rules. Some of the changes simply consolidate rules which previously had been in several different places. Other changes add structure and consistency and strengthen the oversight aspect of SAP. Understanding the changes is best accomplished by looking at the Secretary's comments about what led to those changes. The following comments come from the 6/18/10 Federal Register.

– “Repeated uses of these [probationary extension] statuses, or use of a combination of these statuses, applied sequentially, may lead to prolonged periods during which students who are not making satisfactory academic progress nevertheless continue to receive title IV, HEA program funds.”

Perhaps another way of thinking of this is that the federal government doesn't care how long a student is allowed to continue as a student—it only cares about how long academically struggling students can receive federal funds for that pursuit. So what exactly is required under the new rules?

Schools must establish and make students aware of their SAP policies which, in turn, must meet federal requirements. You must specify the grade point average and course completion rate required for a student to be adequately progressing toward their degree. You also must specify the maximum time to earn the degree. The minimum grade point average is whatever your institution establishes as the graduation requirement, 2.0 at many schools. The time to degree is 150% of the standard time required to earn a degree; for a baccalaureate at most semester schools that would be 12 semesters total. The completion rate—what the rules call “pace”—for a 120 credit baccalaureate program might be 67%, meaning that a student must complete (but not necessarily pass) 67% of the credits attempted. (This allows the student to take 15 credits per semester for the maximum 12 semesters but only complete 67% or 120 of them.) Your completion rules can be more stringent than this and can measure completion over the last semester, the last year, or lifetime in the program, but you must set a completion rate and communicate it clearly in your SAP policy.

What happens when a student fails the SAP standards for a monitoring period is in large part up to you. As with past SAP regulations, the monitoring period can be each enrollment period or at least once each year for a program that is longer than one year. Regulations allow you to simply deny aid to a student who fails SAP standards until the standards are again met or you can allow the student to appeal the denial and potentially regain eligibility immediately.

The new rules include a new provision that might be considered an incentive for schools to monitor every academic period. Schools that do so can grant the student an additional semester of eligibility without making the student take any action. If the school monitors only once each year, however, they must deny aid to a student who fails the standards and restore eligibility only if the student successfully appeals the denial.

The new regulations define terms that schools are expected to use. At a school that monitors SAP every semester, a student who begins the monitoring period in good standing but fails SAP monitoring is considered to be in Financial Aid Warning. That student can receive aid for the next enrolled semester without taking any action. Although regulations do not exclude students who reach the 150% limit from the automatic Warning provision, it seems reasonable to treat such a student as a Denial and require an appeal for an extension of aid eligibility. At a school that monitors SAP once each year a student who fails the standards is considered to be in Financial Aid Denial and cannot receive aid. Similarly, a student who starts a semester in Financial Aid Warning and again fails standards at the end of the semester is in Financial Aid Denial. A student who successfully appeals for extension of federal aid while in Financial Aid Denial status is considered to be on Financial Aid Probation. This rubric leaves out the obvious status of Good Standing which can be applied to a student who is not in one of the defined statuses.

The SAP appeal becomes a critical element for schools that permit students to petition for reinstatement of lost aid. The new rules demand that the appeal be initiated by the student; the school cannot initiate it on the student's behalf. The appeal must include both the student's explanation of why the failure occurred and what has changed that will prevent failure again. Documentation supporting claims of special situations should be included. Although not required by regulations, it seems logical for a student to obtain a statement of support from an academic official as part of the appeal.

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## New Satisfactory Academic Progress Rules continued

An academic plan is not required by regulation but can be required by the financial aid office. I recommend that you require one for cases in which the appeal is due to GPA or maximum time to degree failure. An academic plan is simply a listing of the courses the student must take in the next one or more enrollment periods and the minimum acceptable GPA for those enrollment periods. The goal of the academic plan is to get the student back on track academically when there is a GPA problem and to graduation quickly when they have used the maximum time to degree. This is not a financial aid office responsibility and arguably is not something the student can do alone either. The academic plan should be developed jointly by the student and an academic official. Once a plan is established, the academic official and the aid office should monitor student adherence to the established plan, for different but equally important purposes.

If a student with a SAP problem returns to good standing at the end of the Financial Aid Probation period, aid eligibility is fully restored. If the student does not return to good standing but a multiple period academic plan was submitted and followed, the student can be continued in Financial Aid Probation status without any further intervention. If the student does not return to good standing but a one period academic plan was submitted and followed, the student can be encouraged to file another appeal with a new academic plan for another extension of aid eligibility. If the student does not return to good standing and the academic plan was not followed, the student returns to Financial Aid Denial status. You can either permit another appeal at that point or let the denial stand until the student returns to good standing. The idea is for the student to demonstrate at least incremental progress toward meeting SAP standards before you extend aid eligibility.

Whether you decide to allow students to appeal a SAP denial or not is up to you. If you do permit appeals, you have broad latitude in determining what circumstances you will accept as reasonable and valid for extension of aid eligibility. Federal rules do specifically list death of a relative or injury or illness of the student as circumstances you must approve if you allow appeals. Beyond that, you have to establish procedures that make sense for your institution and your students and then follow them. Like many other areas of financial aid, we have more gray than black and white in the new rules.

## MINNESOTA STATE REPORT

Jayne Dinse, South Central Technical College

Currently the Minnesota Association of Financial Aid Administrators (MAFAA) is preparing for our annual Fall conference at the Marriott Hotel in downtown Minneapolis. The theme for the conference this year is 'People, Purpose, & Passion: The Pathway to Success'. About 300 Minnesota Financial Aid Administrators and other industry professionals will gather from November 17 – 19, 2010 for training opportunities and to share ideas and experiences. This is the final scheduled Fall Conference in Minnesota as the organization moves to one annual conference per year. The Spring Conference up at Maddens Resort in Brainerd, Minnesota will be the lone conference each year, beginning in 2011. That conference is scheduled for May 4 – 6, 2011 next year.

Other events in Minnesota for 2010-2011:

October 13 & 14, 2010  
Fundamentals Financial Aid 101

December 7, 2010  
First Impressions Customer Service Training

April 2011 (TBD)  
Student Work Study Roundtable



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# ILLINOIS STATE REPORT

**Michelle Trame**, University of Illinois at Urbana

The Illinois Association of Student Financial Aid Administrators is off to a busy year. In June we hosted the ILASFAA Leadership Retreat. The retreat provided attendees with an overview of a number of professional organizations including ILASFAA, MASFAA and NASFAA, we participated in a low ropes team building course, and discussed various communication styles. Everyone came away from the retreat with many new friends and a better understanding of the importance of being involved in professional organizations.

Over the past several months a number of ILASFAA members worked very hard to make the recent MASFAA Conference a huge success. ILASFAA members also participated in the MASFAA Reality Store and plans are currently underway to host an ILASFAA Reality Store in conjunction with our Annual Conference.

The training and professional development committee recently held two one day drive-in workshops. Sessions ranged from Direct Loans, Two Pell Grants in One Award Year, Veterans Benefits, Professional Judgment, and Lenders Lists. Over 100 financial aid professionals participated in these workshops.

Other committees have also been very busy. The diversity committee is coordinating an event for our membership to participate in Chicago Cares, Celebration of Service in Honor of Dr. Martin Luther King, Jr. which will be held in Chicago January 15, 2011. The conference committees have been working hard to plan our annual conference which will be held March 30 – April 1 at the Embassy Suites in East Peoria. The theme for the conference is "In Pursuit of Excellence."



Front Row (left to right): Beth Juehne, McKendree University; Bobbi Smith, Spoon River College; Joni Scott, Lewis University; Dawn Good, Parkland College; Jana Albrecht, Illinois State University; Daphne Tucker, ITT Technical Institute  
Back Row (left to right): Maria Mekerdij, Roosevelt University; Justin Wilderman, Danville Area Community College; Nancy Askins, Millikin University; Doug Pump, DePaul University; Ron Hoppe, University of Illinois at Urbana-Champaign; Michelle Trame, University of Illinois at Urbana-Champaign; Andrew Reddington, Illinois Wesleyan University; Jerry Donna, Eastern Illinois University; Tom Schillo, Saint Xavier University



## NEW CONTRIBUTOR SHOWCASE: CHRISTY MILLER

**Amy Gaffney**, University of Dubuque

Christy Miller is the Supervisor for Student Services for the University of Notre Dame, but she did not start there. Christy was actually initially hired in a temporary position in the MBA Admissions Office. When the opening in financial aid for a Customer Service Representative arose, she had to choose between a permanent position in the MBA Admissions Office or the Office of Financial Aid, and she actually chose financial aid. Christy says the biggest surprise to her working in the financial aid profession is "how much it changes. It feels like it is minute to minute at times. But I am never bored and love change."

In financial aid now for eight years, Christy has been very involved in the Indiana Student Financial Aid Association (ISFAA).

Currently Christy is serving as Delegate-At-Large and is on the ballot for the office of Treasurer-Elect. Other committees with which she is currently involved are the College Goal Sunday Steering Committee, the Audit and Finance Committee, and the Fiscal Policy Committee. She has also been involved on the ISFAA Winter Program Committee, MASFAA's former Corporate Support Committee, and currently serves on the MASFAA 2011 Program Committee. Christy says these association experiences have helped her "in so many ways." The most valued benefits are the contacts she has made, "having people you can call for professional insight." For any newcomers to the industry, Christy recommends attending conferences--- "they (conferences) are very important not only for training, but for the connections. Get involved, find a committee that you can identify with and get plugged in!"

Personally, Christy works full-time, but is also pursuing her undergraduate degree while being a wife and mother of two. She is very appreciative of the support she gets not only from her family, but from ISFAA and MASFAA, and loves being a part of something that benefits so many people in so many ways. Christy's words of wisdom for anyone considering a career in financial aid, "If you don't like change, financial aid may not be for you. If you do like change, hold on for the ride!"

# INDIANA STATE REPORT

JoAnn Laugel, University of Evansville, Chair

## 75th ISFAA Diamond Anniversary – Celebrating Our Past, Building Our Future December 16-17, 2010 \* Indianapolis Marriott North



Planning has been underway for several months to provide views of ISFAA's milestone Diamond Anniversary that will be historical, celebratory, thought-provoking and fun. This special two-day conference will begin Thursday morning with strong traditional sessions designed to help you improve in your daily work. Beginning with lunch on Thursday and continuing throughout the afternoon sessions and to dinner in the evening, our focus will be honed on historic and current issues critical to our field. High level speakers from various constituencies will offer their insights on higher education and financial aid. Lively discussion and Q and A opportunities are expected. A wonderful dinner is planned for that evening – special in all ways – as a 75th Diamond Anniversary should be. The after-dinner speaker will be Dallas Martin, former president of NASFAA. Conference attendees will receive their own copy of ISFAA's past 25 years, as compiled by a committee led by Doug Irvine.

The Program and Site Committees have also been hard at work in planning the general sessions and various other interest sessions, as well as all meals and entertainment. A wonderful spirit of cooperation has existed as the activities have been planned for the Conference. Registration information will be on the ISFAA web shortly.

From 1935 to the present, we have many individuals to thank for fostering and growing ISFAA. When I think of the vision the original campus leaders had who saw the need for a "state" association; or the countless telephone calls and paper correspondence among early ISFAA leaders; or the miles various officers have driven through the years for executive committee meetings; or of all the training and mentoring opportunities ISFAA has fostered, I am very proud of what ISFAA has become. Our history is long and proud. All committees involved with our Winter Conference hope to see you at this "once in a lifetime" event to learn and celebrate our Diamond Anniversary.

Members of Task Force Planning Committee include:

- Sue Allmon – Western Governor's University
- Dick Bellows – Butler University, retired
- Clarence Casazza – Ball State University, retired
- Maralee Clayton – Ball State University
- Mark Franke – IPFW
- Linda Handy – University of Indianapolis
- R. Douglas Irvine – Holy Cross College, retired
- Steve Morris – Indiana University - Bloomington, retired
- Thomas Ratliff – Indiana Wesleyan University
- Jon Riestler – Hanover College
- Bill Wozniak – Indiana Secondary Market



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# STUDENT LOAN DEFAULT RATES: WHAT EVERY SCHOOL NEEDS TO KNOW

**Heather Kerrigan**, NASFAA Web Reporter/Editor

The Department of Education plans to release unofficial three-year cohort default rates (CDRs) later this year or in early 2011 as it prepares to implement provisions in the Higher Education Opportunity Act of 2008. The change from a two-year to a three-year CDR is expected to dramatically increase CDRs anywhere from 30 to 50 percent for most schools when it is implemented in 2014, according to internal test calculations performed by the Department.

Once the three-year CDR is implemented, any school with a CDR equal to or greater than 30 percent must establish a default prevention plan in accordance with Department regulations. Moreover, the first year a school's CDR is 30 percent or more, the school must establish a Default Prevention Task Force. Noncompliance can lead to a loss of eligibility to participate in Pell, Title IV and Direct Loan programs.

Between now and 2014, the Department plans to publish unofficial three-year CDRs to help schools prepare for the stricter default standard. NASFAA and the Department are encouraging aid administrators to begin collaborating with the institution's administration and colleagues today to ensure campuses dedicate sufficient resources to help borrowers avoid default to avoid the negative consequences of a high CDR. Failure to plan early could result in immediate Title IV sanctions or program participation limitations effective late September 2014.

There are significant internal challenges that institutions may face when trying to prevent default. While loan counseling is highly recommended, a record number of college students are applying for aid which dramatically increases a financial aid offices' workload and decreases the availability of one-on-one counseling. A smaller institutional budget leading to less staff and fewer resources also leaves less time for counseling students. Add to this new Congressional regulations and declines in default prevention partnerships, and many schools are facing a perfect storm.

There is no silver-bullet solution to keep the CDR low. Instead, financial aid offices must help campus leaders, lawmakers, policymakers and the public fully understand all the factors that contribute to default so comprehensive and coordinated strategies can be implemented to help struggling borrowers. Student loan default is not a financial aid office issue. It is a campus-wide student success issue on which early planning can have a direct, positive effect.

Some recommended default prevention steps include:

- Remedial education to help students who are not academically prepared for college success
- Academic counseling for students with low grade-point averages
- Institutional grant aid provided to needy students to reduce borrowing and debt levels
- Financial aid counseling to ensure that students only seek loans after exhausting all eligible grant aid and work-study options, and don't borrow a penny more than they need
- Loan entrance counseling that ensures borrowers understand all loan terms, repayment obligations and options, and the consequences of default
- Loan exit counseling to refresh borrowers as they get ready to leave school and enter repayment
- Financial literacy education to help borrowers understand budgeting, money management, and the basics of personal finance

The success of an institution is intrinsically tied to the success of its students, so financial aid administrators—and others at the school—must do everything they can to ensure borrowers have the tools they need to make prudent borrowing decisions and successfully repay their loans.

While an institution can put these prevention methods into place, there are factors out of a school's control that present challenges.

"Issues such as high unemployment rates and family income can't be controlled by colleges," said NASFAA President Justin Draeger. "However, colleges and universities should embrace the concept that they can have a positive impact on student loan repayment rates by helping struggling students succeed academically; helping them set realistic expectations in terms of salary and work goals; and by counseling them on smart borrowing, repayment options and avoiding default."

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## Student Loan Default Rates continued

It is imperative that an institution develop and implement a plan to address loan default today in order to avoid Title IV sanctions and limitations with the onset of three-year CDRs. Remember that today's students will be borrowers in repayment when the Department switches to the three-year default rate. Additional efforts to inform and assist these students can have a positive impact on their ability to repay their loans in the coming years.

To help keep default rates low, NASFAA and the Department of Education offer various informational tools for schools and borrowers including:

- CDR Information for Institutions (Department of Education)  
<http://www.nasfaa.org/publications/2010/eaofficialcdr091410.html>
- What Borrowers and Families Need to Know to Avoid Student Loan Default (NASFAA)  
<http://www.nasfaa.org/publications/2010/prdefaultavail090710.html>
- Student Loan Default Facts and Repayment Tips for Struggling Borrowers (NASFAA)  
<http://www.nasfaa.org/defaulttips.html>

## NEW CONTRIBUTOR SHOWCASE: CHARLES “BUDDY” MAYFIELD

**Amy Gaffney**, University of Dubuque

Charles “Buddy” Mayfield, Director of Financial aid at Missouri Valley College, joined the financial aid industry six years ago. He was invited to apply for the position after working as the college's intramurals coordinator and successfully reinventing the student “check-in” process. Someone identified Buddy's ability to see the need for change while meeting the needs of the students. They obviously understood how these skills could translate and help Buddy successfully manage the financial aid office.

Having received financial aid while pursuing his degree from Missouri Valley, Buddy says he understood there were rules to follow. However, early on as the Director of Financial Aid, the high number of regulations necessary to administer aid did surprise him. A more recent surprise for Buddy is the rate of how quickly things change in this industry. He has come to strongly identify with the industry coined term “master implementer” and embraces it to take his office forward and meet the challenges.

Buddy feels the professional associations of the Missouri state association (MASFAP) and MASFAA have helped him a great deal. The MASFAP especially helped a lot and he realized early on his financial aid colleagues are so willing to help. “It feels like ‘pay it forward’; so many were willing to help, to do whatever it took to make sure we all administer the programs correctly. Now I am actually getting calls from others.”

When not at work, Buddy loves to be home with his wife Rachel and six month old son Connolly. However, he also manages to be very involved in his state association. Prior to his current position as the Missouri state association president, Buddy served on the program-legislative issues and newcomer committees. He is also currently serving on the 2011 MASFAA program committee, and as state president, sits on MASFAA's executive council.

When asked how he first got involved, Buddy says his first financial aid conference intrigued him and he wanted to know how it all came together. He felt a strong need to “give back” and joined the newcomer committee. This involvement helped make connections with others. He tells others new to the profession “Do not be afraid to use your resources—do not be afraid to ask. There is a huge knowledge base and they are willing to share.”

# THE CHALLENGE OF SUPPORTING BORROWERS WITH SPLIT LOAN PORTFOLIOS: UNDERSTANDING THE CHALLENGE, OFFERING SOLUTIONS

**Chansone Durden**, TG Account Executive Team Manager

In today's environment, with schools transitioning to the Federal Direct Loan Program (FDLP) and lenders putting Federal Family Education Loan Program (FFELP) loans to the Department of Education (ED), many borrowers, including both students and parents, are likely to have federal education loans under multiple programs, serviced by multiple servicers. This phenomenon, known as split-loan servicing, has the potential to create confusion for some borrowers. Unfortunately, this confusion may impact their ability to repay their federal education loans successfully.

## **A short-term solution: Build greater awareness of NSLDS**

One key to helping borrowers manage split-loan servicing of their federal education loans is to educate them about the of the National Student Loan Data System, better known as NSLDS. NSLDS is ED's database for federal student aid, including student loans. Through NSLDS, a borrower can view pertinent information about grant and loan aid received over the course of his or her educational career, including who holds and services the borrower's federal education loans.

Specific to loans, NSLDS allows a borrower to obtain detailed, current information about his or her federal loans, including outstanding balances, loan statuses, disbursements, and loan holder name and contact information. The NSLDS website, [www.nsls.ed.gov](http://www.nsls.ed.gov), is available 24 hours a day, 7 days a week. To access NSLDS, a borrower will need to provide his or her Social Security Number (SSN), the first two letters of the borrower's last name, his or her date of birth, and his or her Personal Identification Number (PIN).

## **A long-term solution: Encourage borrower connection with loan holders**

Another habit to instill in borrowers over the course of repayment is ongoing communication with their loan holders. Under the borrower rights and responsibilities section of the Stafford and PLUS master promissory notes, a borrower must promptly notify his or her loan holders if any of the following events occur before the borrower's loans are repaid:

- The borrower's address, telephone number, or e-mail address changes.
- The borrower changes his or her name (for example, from maiden name to married name).
- The borrower (or student, in the case of a parent PLUS loan) transfers from one school to another.
- The borrower (or the student, in the case of a parent PLUS loan) withdraws from school, begins attending less than half time, or fails to enroll at least half time for the period of enrollment.
- The borrower (or the student, in the case of a parent PLUS loan) graduates, or the expected graduation date changes.
- The borrower changes his or her employer, or the employer's address or telephone number changes.
- The borrower has any other change in status that would affect his or her loan (for example, the loss of eligibility for an unemployment deferment by obtaining a job).

Establishing connections with loan holders works to the borrower's advantage. If a borrower experiences difficulty in repayment, the loan holder may be able to provide the borrower with several repayment options and help him or her through that financial rough spot.

## **More help and information**

For questions about NSLDS, borrowers can call the Federal Student Aid Information Center at (800) 433-3243, or send an e-mail message to [studentaid@ed.gov](mailto:studentaid@ed.gov).

# “There’s No Business Like Our Business”

**Aaron Steffens**, Luther College

More than one hundred forty IASFAA members recently converged on Iowa City to attend the premiere of “There’s No Business Like Our Business”, this year’s Iowa Fall Conference. The theme was chosen in honor of our state President’s (Joan Meyer) passion for acting and the theatre. Celebrities making their way to the red carpet (yes, we really had a red carpet) included Jeff Baker and Dr. Laurie Wolf. Additional offerings included everything from a presentation by Vangent on the Federal Student Aid Information Center to sessions on financial literacy, Income Based Repayment and Direct Loan reconciliation. An awards luncheon recognized some of the stars of IASFAA including Paula Mitchell – Indian Hills Community College (John Heisner Lifetime Achievement Award), Michele Dunne – Grandview University (Distinguished Service Award) and Kristi Fuller- Drake University (Meritorious Service Award). In an effort to promote our theme and save money, movie treat bags were distributed to attendees at registration. These bags, made by Mary Jo Smith and her grandsons, were a big hit and a budget saver as they were given in lieu of pricier break snacks provided by the hotel.

The producer and cast will take a short Christmas break before planning begins for the Spring conference which will be held in April.



IASFAA welcomes a large group of newcomers to the fall conference.



Joan Meyer, IASFAA President and Dr. Laurie Wolf, NASFAA Chair