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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:

# WELCOME FROM KATHY PURVIS



**Kathy Purvis**, Indiana University  
 MASFAA President

Welcome to the summer edition of the MASFAA Newsletter.....when I last spoke to you it was in March and I was excited to see that Indiana was going to thaw out from all the snow and ice we had .....well, now we are enduring temperatures that range from 70-99....and not just in Indiana, all throughout the Midwest. The fluctuation in all of our weather reminds me again of all the fluctuation in the federal regulations that we are doing our best to remain compliant.

And as I think about our spring/summer weather, I want to take a moment and share thoughts and prayers to all of the individuals in Missouri who were impacted by the terrible tornados that seem to have really hit that state hard this year. I think about every MASFAA state endured some periods of severe weather, but our friends in Missouri seemed to really be hit. Good thoughts and prayers to all impacted by the severe weather.

Since March I have spent several weeks traveling to many of the MASFAA state conferences. I have been so pleased to see the attendance either stabilizing or growing in each of your states. Many of the states have had significant "first time attendees" at their conferences and I think this is a great trend.

Recently, I had the opportunity to participate in our Summer Institute in St. Louis, Missouri. It was fantastic. We had a very energetic and fun group of financial aid folks there. As my time as MASFAA President is getting closer to being over, I thought that it is a perfect time to think about how you or others in your office can get involved in MASFAA going forward.

Now that the MASFAA elections are over, and congratulations to all that were elected and a huge thank you to all who were candidates, it is the time to think about being involved in the 2011-12 MASFAA year....and beyond. So, what can you do to get involved you ask????

- Right now, our President Elect, Paula Luff is putting together her committee chairs and those chairs are going to be putting together their committees so that they can begin to start to plan our conference in Wisconsin next year and to carry out all the other work that MASFAA does. You can be a part of this great experience. Just go onto the MASFAA website and volunteer!
- If you are a Facebook fan, start by joining the MASFAA group on facebook. This is a great place to get to know members in the MASFAA region.

## President's Message — continued

- If you are going to the conference in Grand Rapids, Michigan in October, the program committee is looking for moderators.....that is a great way to get involved with MASFAA if you haven't been before. Contact the program committee to let them know you are interested.
- Do you submit articles for your state newsletter or for a newsletter on campus? If so, why not submit an article for the MASFAA newsletter. You don't even have to leave your office to be able to participate that way!
- Many of our committees meet via telephone and skype type conferencing. Don't think because you can't take that much time away from the office that you can't be on a MASFAA committee, because you certainly can. Some committees do meet in person but they try to minimize the amount of time away from your office as much as possible.
- If you have already moderated and been on committees, then it is time for you to think about chairing a committee or running for an office or position on the Executive Board. It is not too early for you to think about running for an office for the 2012-13 MASFAA year. For those of us who have had the opportunity to be involved, it is our turn to help mentor those who have not been involved and encourage them to be an active participant in MASFAA.

As I have said at all of the conferences I have attended, YOU are MASFAA. MASFAA is only as strong and successful as our members.

So, before I pass the gavel to the next President, I wanted to take another opportunity to encourage you to get involved with MASFAA. Of course, I want MASFAA to continue to grow and thrive as a regional association and without volunteers that is a challenge. However, I am encouraging you to be involved as an opportunity to grow professionally and also to develop friendships with colleagues that will last forever.

Whether you are brand new to the profession or have been a member as long as I have, it is absolutely never too late to be a part of MASFAA.

As always, the MASFAA Executive Board and I welcome any feedback from the membership so that we may serve the members and the students in the Midwest Region.

Remember, you all make a difference in student's lives each day. Thank you and I look forward to seeing you all in October at the MASFAA Conference being hosted by our Michigan friends.

Kathy Purvis, IUPUI  
2010-11 MASFAA President

## MASFAA Membership

**Kaye Caplinger Widney**, Membership Services Chair  
Director of Financial Aid/Scholarships, West Virginia University

I am very happy to report that our membership numbers have continued to grow and MASFAA currently stands at 606 active members representing 289 institutions from the nine states that comprise our region. This includes the participants in MASFAA Summer Institute which was held in St. Louis.

Did you know that our region has 1549 post-secondary institutions eligible to participate in Title IV programs? MASFAA members' schools represent about 19% of those. The total numbers of financial aid professionals involved in the region's state associations exceed 3100. MASFAA individual memberships represent about 20% of those.

Obviously, there is room to grow as an association and I hope that you share with the MASFAA Executive Board the services and benefits you would like see offered in the coming year. As the long range strategic plan for MASFAA is being developed in the next few months, this is a great time to think about how MASFAA can support you professionally and to voice those ideas. Encourage your co-workers and colleagues from around your state to become involved in MASFAA. Share with them the information on the fall conference as it is released. I am looking forward to seeing all you at that meeting!

As always, let me know if you have any questions regarding your membership. I can be reached at [kaye.widney@mail.wvu.edu](mailto:kaye.widney@mail.wvu.edu).

# ELECTIONS

**Jim Brooks**, University of Missouri Columbia  
MASFAA Past-President and Chair, Nominations and Elections

MASFAA is an organization that prides itself on serving the needs and interests of students and postsecondary institutions. Those words are taken directly out of the MASFAA Mission Statement.



In order for any organization to be successful, it must have dynamic, committed, and visionary leaders. In a professional organization like MASFAA, that is more of a challenge since we do not have paid leaders as do other professional associations. Yet, thanks to the commitment of association members, we always manage to find those people. All of our leaders are members who strive to assist the association by assuming the mantle of leadership on a voluntary basis. They frequently give of their personal time to help the association accomplish its goals.

Each year the MASFAA Past-President chairs the Nominations and Elections Committee (NEC), and the NEC works with state leaders and association members, to put together a slate of candidates to present to the membership for consideration as leaders. All of the leadership candidates realize that they are accepting the responsibility for not only maintaining the association, but for furthering its goals, and preparing for its continued growth. This year was no exception, with the NEC putting forward a slate of candidates from whom the membership selected the following individuals to lead the organization for the 2011 – 2012 year:

- **President-Elect:** Al Hermsen, Wayne State University
- **Vice President:** Lori Vedder, University of Michigan – Flint
- **Treasurer-Elect:** Sue Swisher, Saint Xavier University
- **Secretary:** Susan Fischer, University of Wisconsin – Madison
- **Delegate-at-Large:** JoAnn Ross, Mountain State University
- **Delegate-at-Large:** Michelle Trame, University of Illinois at Urbana-Champaign

Congratulations to these members, who will work on your behalf this next year, and beyond. Thank you to all of the individuals who were willing to run for MASFAA office. Your willingness to serve is greatly appreciated.

Thanks to the members of the NEC for another successful effort.

# DONOR DEVELOPMENT

**Jayne Dinse**, South Central Technical College  
Donor Development Chair

As details are being finalized for the upcoming MASFAA Conference “Rising to the Challenge” in Grand Rapids, Michigan, so are the opportunities for our MASFAA Associate Members to get involved. This information will be on the MASFAA Conference mini site real soon.

The MASFAA Executive Council has approved the Exhibit Information for the Conference. Exhibitors will be placed in the Foyer outside the registration area. This area will be used for all breaks giving all exhibitors excellent exposure to attendees and exhibitors will also have ample storage space adjacent to this area.

Associate Members can link directly to this information at <http://www.masfaaweb.org/docs/forms/memPVED1112.html>.

One can access this information from the MASFAA home page under Donors or through Conferences then Donors on the MASFAA Web Site.

Exhibit fee will be \$1800 with the opportunity to have an advertisement in our on-line conference program for those who respond by August 1st.

For this conference we are offering an opportunity for associate members to do a business solutions session during the conference. This is their chance to sell, promote, and demonstrate a product or service they provide to the financial aid community. We have sessions available on Sunday afternoon, Monday morning and Monday afternoon. With a limited number of spots available, we will be offering them to exhibitors for an additional \$200. If you do not wish to exhibit but would like to do a session, the cost for the session will be \$500. If you do not want to do a session or exhibit, but would like to promote your company or service through a brochure or magazine that would be available to all attendees, that too is an option for \$350 plus you supply the material that you want distributed.

Advertising opportunities for contingents allow you to advertise with a banner ad on our website for the remainder of 2011 at a special fee, as well as advertising opportunities for 2012. What a great opportunity to get your name in the face of our members, as our website anticipates increased traffic as members search for conference information.

Watch the conference mini website and your email for associate member information on the MASFAA Conference in Grand Rapids. If you have questions or need additional information, please contact Jayne Dinse MASFAA Donor Development Chair at [Jayne.dinse@southcentral.edu](mailto:Jayne.dinse@southcentral.edu) or 507.389.7269.

# MASFAA Summer Institute

Candi Frazier, West Virginia University

The 2011 MASFAA Summer Institute was held from June 8-10, 2011 at the beautiful Hilton Frontenac in St. Louis, Missouri. Sixty four financial aid professionals attended and successfully completed the Summer Institute curriculum.

A very special thanks to the following individuals whose time and energy make Summer Institute a success:

- Dick Battig, Normandale Community College
- Jo Cassar, St. Clair County Community College
- Brandon Fowler, Artist
- Leo Hertling, Webster University
- JoAnn Ross, Mountain State University
- Brian Weingart, Alderson-Broaddus College

- Jim Brooks, University of Missouri-Columbia
- Vickie Crupper, University of Michigan
- Pam Fowler, University of Michigan
- Kathy Purvis, IUPUI
- Michiale Schneider, Great Lakes Higher Education
- Keith Williams, Michigan State University

## MASFAA Summer Institute Awards & Photos



Sheila Cunningham - Muskegon Community College



Jayme Jarrett - Ohio Northern University



Eric Oberbroeckling - Clarke University



Taryn Hendershot - University of Michigan - Ann Arbor



Martha Schraff - Indian Hills Community College

## MASFAA Summer Institute Awards & Photos continued



Tanika House - Purdue University



Zach Greenlee- Missouri Baptist College



Candy Persichetti - Noel-Levitz



Chris Schonegg - Ivy Tech Community College



Vinny Vincent - IUPUI



from left to right Scott Guerrero, Vinny Vincent, JoAnn Ross, Candi Frazier and Kathy Purvis



Michiale Schneider



MASFAA Faculty - from left to right front - Leo Hertling, Michiale Schneider, Kathy Purvis and Pam Fowler - from left to right back - Vickie Crupper, Jim Brooks, JoAnn Ross and Candi Frazier (not picture Jo Cassar)

# Are You Ready for Program Integrity?

Val Meyers, Michigan State University

MASFAA Colleagues, are you ready for the new Program Integrity Rules? Regulatory changes are always a challenge, but these rules, published on October 29, 2010, are unusual in that they affect many functions and processes outside of financial aid. Here's a quick checklist to help you in your compliance planning, but keep in mind that these regulations go into effect on July 1, 2011 unless otherwise noted.

## 1. High School Diploma

If the Secretary of the Dept of ED or the institution have reason to doubt the validity of a student's high school diploma, the school now MUST verify the validity of the diploma. The Dept of ED will begin collecting the student's high school on the FAFSA, and a flag will be sent to the school with the electronic FAFSA record if the Dept of ED cannot verify the validity of the high school. The institution must then validate the diploma (CFR 34 – 668.16). Per ED, data will be gathered beginning 2011-12 but validation of the diploma is not required until 2012-13.

## 2. Ability to Benefit

Regulation allows a student without a high school diploma or GED to prove ability to benefit by satisfactorily completing 6 credits of college work. Federal financial aid may not be paid to the student in the payment period when these credits are earned. "Testing out" credits do not qualify for this exception. (CFR 34- 668.32)

## 3. Misrepresentation

The definition of misrepresentation is expanded in regard to educational programs, placement of graduates, preparation for certification in a profession, cost, and availability of financial aid in marketing, advertising, recruiting and admissions services. Make sure this is known by all departments and programs, web designers, Office of Admissions, Financial Aid, and Career Services or other office(s) publishing placement data.

## 4. Incentive Compensation

Merit compensation for success in the rate of admissions or financial aid packaging is forbidden. This includes payment of third-party recruiters, admissions officers for the institution or in colleges within the institution, and recruiters for other special student populations. The sole exception is that employees may be compensated based upon success in recruiting international students who are not eligible for federal aid. (CFR 34 – 668.14)

## 5. State authorization

Institutions with distance education courses have to obtain approval from the state authorizing agency in all states where students participating in those courses reside. If that State does not regulate educational institutions, approval is not needed . See sec. 600.9(c) in the final regulations. The provision applies to all institutions whether public, nonprofit, or for-profit. Note that ED has said they will not assess penalties on schools not in compliance on July 1, 2011, as long as they are making a good-faith effort to comply.

## 6. Gainful Employment

Non-degree programs require additional reporting to the Department of Education. Institutions must report student-specific information for students in certificate programs that are aid-eligible regarding the placement rates and debt to income ratio of those enrolled in the programs. See CFR 34 – 668.6(a) for detail of reporting requirements. New disclosures are also required that should be added to institutional web sites and printed material as listed in CFR 34 – 668.6(b).

## 7. Definition of a credit hour

A credit hour is now formally defined as one hour of classroom instruction plus at least two hours of out-of-class work for 15 weeks (semester or trimester credit) or 10-12 weeks (quarter credit); or the equivalent amount of work in laboratory, internship, practical, studio work or other work. (CFR 34 – 600.2).

## 8. Agreements between Institutions

Applies only to for-profit institutions, and limits the amount of a program of study that may be provided by another institution as part of a program. This regulation is intended to prevent a school from admitting a student to a program, and then having the student take a portion of the program at another school under consortium arrangements. Institutions that are Title IV eligible may contract with other eligible institutions for "a portion" of the program. Stricter limitations are imposed on eligible institutions that contract with Title IV ineligible institutions.

## 9. Verification

- Changes in language allow for the IRS data match as well as redefining the base year to allow for future prior-prior year data.

- Changes verification to allow the Dept of ED to select different data elements for verification on different student records according to assessment of the likelihood of error on those elements.
- Allows updating for marital status change mid-year
- Removes 30% verification cap
- Requires submission of all corrected ISIRs
- Continues to allow interim disbursements
- Removes \$400 tolerance

*Changes do not go into effect until July 1, 2012.*

#### 10. **Satisfactory Academic Progress**

- Defines SAP terms of Probation and Warning
- Allows for one semester of automatic warning and continued eligibility if the school assesses SAP every payment period
- Qualitative (GPA or similar assessment) and Quantitative (pace) criteria continue to be required
- Schools must specify required pace in their policy as well as required GPA (or other quality measure)
- Schools must count transfer credits
- Schools are not required to allow appeals, but if they do, they must specify the appeal requirements and processes
- An appeal may be approved only if the school:
  1. Has determined that the student will be able to meet SAP standards after the subsequent payment period; or
  2. Develops an academic plan with the student that, if followed, will ensure that the student is able to meet SAP standards by a specific point in time.

#### 11. **Enrollment status and Repeated coursework**

Allows repeating any coursework previously taken in the program to determine enrollment status as long as it is not a result of:

- More than one repetition of a previously passed course, or
- Any repetition of a previously passed course due to the student failing other coursework.

#### 12. **Return of Funds – Term based modules**

Modifies the criteria under which a student is considered withdrawn to include a student who enrolls in a number of modules (courses which do not extend for the full length of the standard semester) to consider a student withdrawn if he or she does not complete all courses for which he or she is enrolled. This will significantly impact summer enrollment processing, as this is the term when students are most likely to enroll in sequential rather than concurrent coursework.

#### 13. **Return of funds – Taking attendance**

- Schools required to take attendance must use attendance records when determining student's last date of academic activity for purposes of R2T4 calculations.
- Schools not required to take attendance but who do take attendance are subject to the same rules.
- If the institution takes attendance for a period of time (e.g., through the drop/add period), and the student does not officially withdraw, the school uses the attendance data during the period it takes attendance. If the student is considered in attendance on the last day attendance is taken, but subsequently withdraws, the school uses current rules (last date of academic activity or midpoint of the term).
- If the institution does not take attendance, it must determine the last date of attendance or determine that a student never attended for a student who receives a failing grade, if that failing grade changes the student's enrollment status. If the student is determined to have never attended, aid eligibility must be re-calculated based if the student's enrollment status changes to three-quarter, half, or less than half-time.

#### 14. **Timely disbursements**

Students who are Pell-eligible and who have a Title IV credit balance, or would have such a balance on the first eligible day of disbursement (10 days before the student's first class date or start of the payment period) must have a disbursement/refund or other means to purchase books and supplies no later than seven days after the term start. The amount of the disbursement is the student's credit balance or the book and supply cost, whichever is less. Book vouchers, credit extensions, or other methods may be used to meet this requirement.

Hopefully, this checklist will help you inform others on your campus of the new regulations or simply give you peace of mind as you cross off every item.

# NASFAA Leadership Conference

**Keith Williams**, Michigan State University

**Brian Weingart**, Alderson-Broaddus College

Thanks to our great association, we both were able to attend the 2011 NASFAA Leadership Conference. The purpose of this annual event, held in Washington, D.C., is to provide more in depth training for financial aid professionals who are currently, or soon to be, in financial aid association leadership positions at the state or regional level. Some of the training topics included organizational issues, effective communication among peers and advocating for student aid issues with elected representatives.

## Reflections from Keith, MASFAA Treasurer-Elect

The NASFAA Leadership Conference was one of the best experiences of my professional career. Being able to network with a small group of financial aid professionals from across the entire country was absolutely fantastic! It is amazing the wealth of knowledge that exists from aid administrators in our region and throughout the entire nation.

Having an opportunity to advocate for student financial aid directly with our U.S. Congressional Delegates was by far the highlight of the leadership conference. I was able to express concerns related to the potential reduction in Pell Grant, as well as the possible elimination of the FSEOG program and in-school subsidy on Direct Loans for graduate and professional students. Along with two other colleagues from my home state (Kristin Bhaumik, University of Michigan and Debra Kollenberg, Lawrence Tech University), we were able to meet with representatives from a total of four Congressional Delegates from Michigan.

## Reflections from Brian, MASFAA Treasurer

Attending the NASFAA Leadership Conference was a great opportunity to pick the brains of the leaders within our profession. The wealth of knowledge and experience at the conference was amazing. We work in a great profession that faithfully serves not only our students but is committed to preparing the next generation of professionals.

The chance to advocate for our students on Capitol Hill is an obligation that we cannot back away from. We need to let our elected representatives know how their decisions impact our students and schools. What I found out at the conference is that our Congressional Delegation want to know and want to hear, especially from our students, about the impact of federal policy on the lives of students, both positively and negatively. I am now looking at how to encourage my students to write a letter or send an e-mail to Congress and that they can make a difference.

## Joint Reflections

First and foremost, thanks again to our wonderful leader, Kathy Purvis, for selecting the two of us to attend this year's leadership conference. We strongly encourage all aid administrators (new and more experienced) to get more involved at the state and/or regional levels. A desired outcome would be for you to go through the same professional development training that we recently attended. Remember, it is current and future leaders like you that keep our profession strong at the state, regional and national level.



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# MASFAA Federal Issues Committee Members Sound Off

**Marvin Smith**, Purdue University  
Federal Issues Committee



The MASFAA Federal Issues Committee continues to meet and discuss how we can best serve the membership. Our monthly meeting minutes are posted on the MASFAA website.

Recently we circulated a survey among our committee asking members to comment on timely legislative issues.

## **What is the most important legislative issue facing financial aid administrators today?**

Financial aid is on the chopping block. Financial aid administrators need to be at the table when financial aid discussions occur or financial aid will be on the menu for budget cuts at the federal level as well as individual state level.

My personal opinion is that the most important issue we have is funding for student aid. Until funds are available that assure access for all students there isn't enough money. Given the country's budget situation, programs will be cut. We need to be the group that reminds legislators that funding for student aid is important for the welfare and prosperity of the country. No one else will do it if we don't. Aid for students is easier to cut than funding for other programs because high powered lobbying groups are not advocating for student aid.

The ever-growing administrative burden on financial aid departments and employees is the most important legislative issue facing financial aid administrators today. Budget cuts and decreasing grant and scholarship aid are difficult enough burdens within themselves, but to be coupled with the administrative burden of implementing new rules and regulations constantly is having a much larger, long-lasting impact on financial aid departments across the country.

The most important issue I believe is compliance with Department of Education regulatory guidance, some of which can be viewed as intrusive as the Department has a tendency to over-regulate.

The answer to this question will be determined by institutional type, e.g., proprietary, community college, 4-year public, non-profit, and graduate/professional. It is difficult to single out the most important legislative issue. Gainful Employment regulations will have a major impact for proprietary and community college institutions, but will also have an impact on any school with non-degree certificate Title IV-eligible programs. Taken as a whole, implementing all of the Program Integrity rules will overburden, overwhelm, and overtax even the best financial aid office in the land.

The proposal to eliminate the administrative cost allowance (ACA) paid to schools for Pell Grant administration will affect every school who participates in the program. This has real potential to devastate aid office budgets and for many schools their institutions won't be able to replace the lost revenue. Those costs could eventually be passed on to students. The worry is that the ACA may be seen as an easy budget fix and the reality is these funds help to ensure the professional administration of all the complex aid programs and allow us to be good stewards of public funds in order to remain compliant.

## **What advice and tips do you have for financial aid administrator to educate their campus legislative administrators regarding financial aid issues?**

Anytime you can track/calculate or estimate what the cost to your office and campus will be to implement compliance driven changes is good information for getting not only your immediate chain of command's support but wider campus support. Gaining as many champions of the aid office as possible can prove useful for any number of reasons.

Regulatory burden has a huge impact on our offices but I think our issues have to be framed differently to have the desired impact or we run the risk of being written off as whiners. If regulatory burden is an issue than we need to frame it in the context of its impact on students—staff time spent complying with burdensome regulations reduces the services we can offer students and/or the cost of complying with burdensome regulations impacts institutional budgets and reduces funds that could be available for student aid.

**continued on page 10**

## MASFAA Federal Issues Committee continued

The best advice for financial aid administrators to educate their campus legislative administrators is to begin building a relationship right away. Even when there are not current legislative issues (which isn't often these days), it is best to continue to meet on a regular basis to discuss future, prior, or passed legislation. Develop simple yet useful summaries of legislative issues to review at meetings and to distribute when necessary. Building a relationship will ensure that the financial aid department is included in decisions made by the campus legislative administrators, and that the financial aid administrator's position is taken into consideration.

You need to develop a close relationship with the campus based legislative assistant as well as the legislative assistant in DC, if your campus employs DC based representation. You want them to come to you as the recognized subject-matter expert on all things financial aid related. I would develop a communication strategy that would include at-least weekly communications with your assistants, at the beginning. You need to help bring them up to speed on the aid programs and this won't be easy or happen overnight. You need to stay clear of the "weeds" keep things relatively high level at first, you can provide detail later, as requested. I would treat this relationship the same as you would a legislative aide for an elected official, except that you have greater access to this person(s).

Suggest you prepare a one page summary sheet of the issue(s), describe current institutional policy/procedures, and describe impact of new legislation with regard to compliance, cost, staff, etc.

Suggest administrators review recent NASFAA training provided to legislators that could be considered a template for legislator education. Remember that legislative assistants are often the target audience for financial aid administrators to reach in regard to the complexities of federal student aid.

### How can MASFAA members help legislators understand the complexities and important impact of financial aid programs on your campus?

Again, building relationships with legislators helps legislators to understand the impact of decisions on financial aid programs on your campus. Legislators should know that MASFAA is comprised of financial aid professionals and is the best resource when it comes to legislation that will impact students. The use of specific statistics and the ability to show exactly how a piece of legislation that perhaps was quite appealing (e.g. Year-Round Pell) impacted the workload on the financial aid office(s) can be the most useful information to share. It is important to build these relationships as an organization so that legislators would come to MASFAA before proposing and/or voting on legislation.

The aid officer can help the legislative aid understand the impact on their respective campuses by establishing a relationship with each other. Much like mentioned above, a dialogue must be the first thing that develops here.

- Move to a trusted relationship just as quickly as possible. Reach out to them on a regular basis. Weekly or whatever works best. Remember that there are legislative aides who are based in the state as well as those in DC.
- You should work with both.

Get student examples from the legislator's district – or better yet, identify students and have the student contact his/her member or senator and tell him/her how a cut in Pell Grant funding will impact their access to higher education.

Student examples are helpful and important to share with legislators, but in addition campus research numbers can show how particular federal aid rules impact your campus.



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**TG**

# Moments from Minnesota

Jeff Aalbers, McNally College of Music

The Minnesota Association of Financial Aid Administrators (MAFAA) held its annual conference May 4-6 at Madden's Resort in Brainerd, Minnesota. Our conference opened with Kim Jordahl, presenting on "Finding Balance." Over 210 members gathered to gain valuable information from the Department of Education presented by Byron Scott on R2T4, Pell Grant, Direct Loans, SAP, and a Federal Update. Participants also attended sessions on Veterans Benefits, 529 Savings Plans, College-wide Literacy Programs, Financial Aid Nights, One Stop Shops, Data Information, FERPA, and state program updates.

We raised over \$1700 for ARC of Minnesota, our conference charity, through a raffle and cash donations.

President Lois Larson presided at our annual banquet where we were honored to be addressed by MASFAA President, Kathy Purvis. She also presented the MASFAA State Leadership Award to Nichole Lien, Mayo College of Medicine. NASFAA Chair Laurie Wolf was also a guest at our banquet and the following day gave a NASFAA Update.

Numerous awards were given out at our banquet including:

- **Distinguished Service Award** to Jayne Dinse, South Central College
- **Special Achievement** to Catherine Breuer, Normandale Community College
- **Special Recognition** to Brad Riebel, US Bank and Cheryl Maplethorpe, MN School of Business
- **President's Award** to the Financial Aid Staff at Metro State University
- **Executive Council Award**, Financial Planning Review Work Team, Stuart Perry, Chair, St. John's University
- **Outstanding New Professional**, Jayne Deis, McNally College of Music.

Our banquet also included the recognition of our members for their participation on committees and years of service to the profession as well as those retiring from the profession.

MASFAA State Representative from Minnesota, Jeff Aalbers took the gavel to conclude our conference to begin his term as MAFAA President. He is currently assembling his leadership team and planning a retreat for June 23-24 at Maddens Resort.



Jayne Dinse, South Central College, received Distinguished Service Award



Lois Larson, Metro State University, accepting her plaque as our outgoing President from our Incoming President Jeff Aalbers, McNally College of Music

# Rapid Expansion of Pell Grant Program Creates Budget Challenge

**Beth Guerard**, NASFAA, VP, Communications

The recent growth of the Pell Grant Program at a time of record federal deficits has Congress considering proposals to create a more sustainable maximum award, roll back recent need analysis changes and set stricter lifetime limits on Pell eligibility, according to a recent Congressional Research Service (CRS) report.

CRS, which provides Congress with nonpartisan policy analysis, estimates that Congress will need to increase discretionary Pell funding to \$34.2 billion in fiscal year (FY) 2012 -- \$11.2 billion more than the FY 2011 discretionary spending level of \$23 billion -- in order to maintain the current maximum award of \$5,550. The rising cost is due to an increase in awards from roughly 6 million students in 2008 to an anticipated 9.4 million students in 2012-13. CRS attributes the jump in program participation to "legislative changes that have led to increased benefits for more students, increases in the number of students enrolling in college and applying for Pell Grant aid, and a weakened economy." Estimates point to a \$20 billion Pell shortfall in 2012-13.



The growth of the program has changed the Pell funding debate in Congress as lawmakers look to cut spending to rein in the growing deficit. Even Pell's staunchest supporters in Congress have stopped pushing for funding increases. Instead, they've conceded that the current (and projected) cost of the program is unsustainable and are trying to find ways to reduce the cost of the program that minimize the impact on the nation's neediest students.

This change was clearly demonstrated in the Obama administration's FY 2012 budget request, which called for the elimination of the year-round Pell Grant to reduce program costs. Just one year earlier, the administration proposed making the Pell Grant a true entitlement program, with the maximum award automatically increasing every year based on inflation.

This new Pell funding debate also played out when Congress worked to finalize the FY 2011 budget. House Republicans pushed a proposal to cut the maximum Pell Grant by \$845 while Democrats fought to maintain the maximum Pell Grant at \$5,550, but conceded the elimination of the year-round Pell Grant in order to reduce the cost of the program.

The elimination of year-round Pell Grants reduced the cost of the program by \$8 billion over the next two years -- significant savings, but not enough to stop lawmakers from seeking more cuts to the program. The Republican-controlled House passed a FY 2012 budget resolution that would limit Pell Grant eligibility in and possibly cut the 2012-13 maximum award by as much as \$2,510 -- reducing the maximum award from \$5,550 to \$3,040. While it's unlikely that this will pass the Democratic-controlled Senate, it suggests that the FY 2012 budget debate will focus on how to cut Pell spending. Whether those cuts come through reduced Pell Grant amounts or lower participation is the focus of ongoing debate.

While we anticipate that discussions on how to cut the program will continue among policymakers in the coming months, Pell remains a top priority for NASFAA. We will continue to engage in discussions that aim to set the program on stable footing without causing harm to students.

# First steps to college: Helping students map the journey

**Jay Rhodes**, TG Regional Account Executive

A lot of steps go into a student's decision to go to college, from choosing the right school to figuring out how to get in the door. While they're making these moves, however, they could miss a few equally important steps along the way.

As you gear up for college nights and school evening presentations, here are a few things to remember to communicate to parents and students along the way.

## Assessing where they are in preparing for college

Before students can figure out where they're going, they need to know where they are. In order to "locate" themselves, students can determine a realistic academic plan and work toward earning college credit if opportunities are available.

Encourage students to spend some time figuring out what type of academic plan may benefit them. This involves identifying passions and interests, visualizing what they seek in their adult lives, and developing both short-term and long-term goals.

For some students, obtaining college credit while still in high school can give them a leg up both academically and financially. Options such as advanced placement, dual-enrollment programs, and College Level Examination Program credits (known as CLEP®) should be investigated thoroughly.

## Understanding what it takes to pay for it

In the instance of finances, not only students but also their parents may have misconceptions about how financial aid works. Now is a good time to replace those misconceptions with concrete information to get them to their goal.

Most students and their parents hear about the FAFSA, but they don't always understand why the application is important, or what happens once they have completed it. This is where you can provide a real benefit. Give them a bird's eye view of what happens and remind them of important milestones and steps to complete when they receive the SAR and when they hear from the school.

Remember, also, to let them know what their options are if they feel their award is inadequate, a topic that leads to the even more mysterious world of financial aid awarding policies. Letting students and their parents know how institutions package financial aid, and what options exist to turn the college dream into a reality, can go a long way to helping them make more informed decisions.

## Preparing for a college lifestyle

This leads us to the third component — getting ready for life as a college student. Although students have spent most of their lives going to school, the dynamics certainly change once they transition from high school to college. Students must begin to take on personal responsibilities, including managing their time, their money, and their relationships, without the benefit of a parent or guardian in the picture.

Exploring these issues is important, particularly if a student expresses fears or reservations about leaving home and entering an unfamiliar environment. It's also a critical exercise to promote student persistence, helping to avoid a scenario in which the student becomes discouraged with the college-life adjustment and drops out.

## Resources to help

To assist you in helping students along the way, TG has developed a worksheet to guide them in asking and getting answers to important questions that will ease their transition. This worksheet will help students to be prepared academically, financially, and socially for college. The worksheet is available for download as a PDF from Adventures In Education (at <http://www.aie.org/planning-for-college/Making-choices/college-advising-101-worksheet.cfm>), or you can order copies from TG's Online Ordering system (at <http://www.tgslc.org/order>).

Planning well pays off in this important phase of a student's education. Help them take the steps now to make sure their transition to college is as smooth as possible!

# IASFAA: Just say “Sure, why not?!”

Amy Gaffney, University of Dubuque, IASFAA President 2011-12

It's Heating Up in Iowa! And though it is true of the weather, I am actually referring to the energy of IASFAA in recent months. IASFAA's spring conference was held in April where we experienced “Cycles of Change” as our theme. We all can see how it is pretty representative of our personal and professional lives. The conference program was a huge success with session offerings such as the NASFAA training on Cost of Attendance, a panel on program reviews, SAP changes, and net price calculators. All of these hot topics were well suited for the theme of “change.”

We were fortunate to have powerful speakers including NASFAA President Justin Draeger, NASFAA Chair Laurie Wolf, and MASFAA President Kathy Purvis. With these experts on hand to share updates from NASFAA, MASFAA as well as state updates from the Iowa College Student Aid Commission, no one left uninformed. Several school colleagues used their talents and experience to present on a variety of topics and productive discussion and networking was shared by all.

As incoming President, I shared some inaugural remarks, including a story of how I first became a participant of IASFAA, not “just” a member. And those who think they know me were a bit surprised to find out I did not just jump in and say “Pick me! Pick me!” but rather I was invited to be a co-chair of a committee by a colleague. This is a more common story than I think many would suspect. Think about it... as you attend the various trainings and conferences, you have seen and heard some of the same names and faces playing a variety of roles to help make that training or conference happen. And it is encouraging to look to these fellow professionals, who face the same regulatory challenges you face and similar staffing issues in your office, and yet they “have the time” to play an active role in their state organization, or even MASFAA. How do they do it?! The answer is with little help from their friends. And that was the key message in my remarks and what IASFAA is working towards this next year -- helping other members escalate their membership to actively participate and mentor others.

How do we plan to increase participation in our state? Through a variety of tactics discussed at length at the planning retreat in June. One of the main points recognized was the face of the new financial aid professional and determining what we can do to meet their needs going forward and how to engage them in the association. The executive council is a good example of some of the steps we will take. The council consists of some seasoned professionals and long standing active IASFAA members. However, this group also included some of the state's newest financial aid community members and others with years of financial aid experience, but have only recently stepped up to be more involved. Regardless of IASFAA experience, the people in that planning retreat truly collaborated to assist each other in establishing a plan of action to achieve the goals of IASFAA. Every person brought something to the table and offered insight. It was an experience to witness the conversation which flowed freely producing a truly open exchange of ideas and unified position on where IASFAA needs to direct its efforts.

This retreat served as a great forum to bring home the message from the spring conference-- Cycles of change. As a member, you can keep peddling your cycle alone and struggle to keep up, or join the tandem efforts of your own state association and/or MASFAA. If you are someone who is a member and want to be a participant in your professional organization with a broad network of support—start now. When someone asks you to moderate a session or be on a committee, do not think of all the reasons NOT to do it, instead say “Sure, why not!” I promise you, you will not be alone.

