

BLUEGRASS STATE

KASFAA Newsletter

Spring 2000

Volume 13 Number 1

Inside This Issue

News From Around
Kentucky...Page 4

New Members...Page 5

Absentee Ballot...Page 7

Candidates...Pages 8-11

KHEAA Korner...Pages 13-
15

KASFAA Public Relations
Report...Page 18

What's Up With Ed?...Pages
21-22

It's Ok Ed...Page 23

In Memory of Karen
Clark...Page 24

MPN Tips...Page 25

Thanks Paul...Page 27

NetWizard
Improvements...Page 29

Spring Conference...Pages
30-31

A MESSAGE FROM OUR PRESIDENT... ANTHONY BOWLES

Dear KASFAA Friends & Colleagues

I hope each of you had an enjoyable and safe holiday. It appears everyone survived the Y2K bug. Also, I hope all had a good start for the spring term. Believe it or not, it is now time to look forward to our Spring Conference, which will be held April 19-21, 2000 at the Holiday Inn Capital Plaza in Frankfort. When you receive your registration packet please return it to Chris Tolson.

Thanks again to Tim Green and the Program Committee for putting together a wonderful Fall Conference. The Program Committee met on December 2, 1999 to put together our Spring Conference. Sandy Neel, our Spring Program Chair, will do a fantastic job in jump-starting the new century with KASFAA— A CAPITAL IDEA. We hope the session will be beneficial to all who attend. Please remember to vote. We have a slate of outstanding candidates running for office, and it is our responsibility to take a few minutes to vote.

I was able to attend the SASFAA regional meeting held in Hilton Head, South Carolina, in November. There were a lot of topics discussed and debated. Hopefully, those of you who attended the SASFAA Conference in Biloxi, Mississippi had a wonderful time.

Furman University will be the site of the New Aid Workshop headed by Judy Deines. The dates are June 17-23, 2000. The cost will be \$600.00 for registration and membership fees. Please contact Judy if interested.

Continued on page 3

Editorial Note

The KASFAA Newsletter is published three times a year for distribution to members and friends of the association.

Advertisements, articles and items of interest are gladly accepted and can be given to any member of the newsletter committee. Contact the editor for rates and/or insertion dates.

Editor:
Meredith Robinson
The Student Loan People
502-329-7100
mrobinson@kheslc.com

Newsletter Committee:
Tasha McDaniel, Key Bank, 513-662-0989
Tori Torres, KCTCS, 502-595-0070
Kathy McCrea, U of L, 502-852-8342

Continued from page 1

I want to extend a special thanks to Tim Rhodes, Rhonda Swim and Kristy Green for the fine job they did with our Counselor Workshops. As always, the turnout was excellent.

Thanks also to Michael Morgan and his Financial Aid Awareness Committee. Michael was very busy coordinating the KET program held on December 7, 1999. I was one of the panelists, and it was a wonderful experience. A toll-free financial aid hot line was available in January and February.

Again, thanks to all of you for your help and support.

Yours truly,

Anthony Bowles

News From Around Kentucky

Ruth Eigel in Guarantee Operations at KHEAA recently married and is now Ruth Sweetman. Even though her name has changed, her e-mail address is the same: reigel@kheaa.com.



Midway College has had a lot of changes lately. Charisse Jillette is the new Financial Aid Director. Joining the college as Financial Aid Counselors are Kimberly Wallace and Erica Hayslett.



Judy Reynolds is the new Financial Aid Counselor at Thomas More College. She replaces Dolores Fink who accepted a new position within the College.



Wedding bells have been ringing at Brescia University's Office of Student Financial Aid! Shelli Crawford, Financial Aid Assistant, is now Shelli Kennedy and Vivian Pearson, Director of Financial Aid is now Vivian Rinaldo.



Congratulations to Teffenie Davies of EFS on her recent promotion to Assistant Vice President, Campus Relations. Her responsibilities will include the Kentucky region.



Robert (Bob) Begley has joined Kentucky Higher Education Student Loan Corporation (The Student Loan People) as Assistant Loan Servicing Manager. In this position, he is responsible for loan servicing operations including skip tracing, consolidation, loan origination, repurchasing, claims, and alternative programs.

Welcome New Members

Bob Begley
The Student Loan People

Sandra Bennett
Sullivan College

Yolanda Benson
Kentucky State University

Elizabeth Bishop
Morehead State University

Sylvia Butler
The Student Loan People

Dana Case
KHEAA

Patty Caudill
Morehead State University

Lori Chitwood
University of Louisville

Kalynda Cook
Bank One Education Finance

Harold Cousin
Rets Electronic Institute

Sabrina Crouch
Morehead State University

Matthew Cushing
Galen Health Institutes

Elizabeth Daniel
National Education

Sandy Dawson
Midway College

Heather Eden
Eastern Kentucky University

Teresa Estes
Transylvania University

John Fish
Eastern Kentucky University

Kim Frost
Cumberland Valley Technical College

Malissa Gatton
Owensboro Community College

Anne Gibbs
Campbellsville University

Rebecca Gilpatrick
KHEAA

Linda Hawkins
Kentucky State University

Dail Howard
Morehead State University

Anna Hubbard
KHEAA

Connie Jesse
USDE

Jill Leah Kelly
Spencerian College

Patricia King
Spalding University

Angela Lawson
Kentucky Career Institute

Sheila Mattingly
Owensboro Jr. College of Business

Steve McCoy
The Student Loan People

Amy McLoney
Morehead State University

Sonja McMullen
First American National Bank

Becky Miller
Computer Education Services

Karen Moore
Kentucky State University

Janile Rayborn
Bank One Education Finance

Deborah Reining
Asbury College

Alma Robinson
Morehead State University

Sara Sexton
Berea College

Twyla Sheffield
Transylvania University

Susan Shelton
Midway College

Lisa Shue
Sullivan College

Rhonda Smith
Sallie Mae

Bernice Spare
Hazard Community College

Kelly Sparrow
KHEAA

Christy Spurling
Campbellsburg University

Deborah Wales
Jefferson Technical College

Teri Wiley
KHEAA

Melinda Willis
Kentucky Mountain Bible College

Amy Wilson
TERI, The Education Resource Institute

Gene Winbun
Sullivan College

Spring 2000 Election Candidates

President...



Michael D. Morgan

Associate Director of Financial Aid, Transylvania University

University of Kentucky.

Bachelor of Science: Merchandising, Apparel and Textiles

University of Kentucky.

Graduate Studies: Martin School of Public Administration

Lexington Community College

Computer Information Systems

KASFAA Service: 1999 Chair of KASFAA Financial Aid Awareness Committee. KASFAA member since 1991. 1993 member of the KASFAA Program Committee. 1994 co-chair of the KASFAA Financial Aid Awareness Committee.

SASFAA Service: 1995-1996, 1998, instructor for the Southern Assoc. of Financial Aid Administrators (SASFAA) Summer Workshop Program.

Statement of Candidacy: I am honored to be nominated to run for KASFAA President-Elect. The Kentucky Association of Student Financial Aid Administrators has a rich tradition of professionalism, leadership and knowledge. I have grown professionally through the extraordinary support of the association and its members. I would like the opportunity to return that support to the association. Should I be selected as your president-elect, I pledge that I will devote my energies to further the mission of our association, and to increase the state's involvement with SASFAA. Thank you for your consideration.

Secretary...



Zelena O'Sullivan

Director of Student Financial Services, Pikeville College

Pikeville College

Bachelor of Arts, Secondary Education and History/Political Science

Morehead State University

Working on Master of Arts in Adult and Higher Education

KASFAA Service: Program Committee 1996-97 and 1999-00.

Statement of Candidacy: I have been in financial aid for four years. During this time, I have grown to love my job as well as the students I serve. KASFAA has given me the opportunity to grow professionally and to meet colleagues who have proven to be great mentors and cherished friends. I am honored to make my candidacy for the office of Secretary of KASFAA and will work diligently to serve the organization in any capacity deemed necessary. I look forward to working with everyone in the next year and the years to come.

Spring 2000 Election Candidates

Private School
Representative...



David Wuinee

Director of Financial Aid, Bellarmine College

University of South Carolina - Columbia
Master of Education

Saint Anselm College

Bachelor of Arts, Criminal Justice
Certificate, Human Relations and Work

KASFAA Service: Vendor Sponsor Chairperson, 1999 - 2000, Program Committee, 1995 - Present, High School Counselor Trainer, 1997 - Present, KET Call In Show Guest Commentator, 1996, 1998, Financial Aid Awareness Committee, 1997 - 1999, Support Staff Workshop Committee, 1998 - 1999, Member, 1994 - Present

SASFAA Service: Professional Development Committee/Trainer, 1999 New Aid Workshop, Professional Development Committee/Trainer, 2000 New Aid Workshop, Program Committee, 1999 Conference, Member, 1994 - Present

Statement of Candidacy: It is indeed an honor to be nominated by the membership to represent the private school sector on the KASFAA executive board. In addition to fulfilling the responsibilities that this position has to the board, it will be equally important for me to serve the independent school aid administrators by communicating their issues and needs to all appropriate constituencies. My higher education professional career in Kentucky has been entirely in the private school sector; this experience will serve me well in representing you. If elected, I pledge my continued support to the association and to my affiliated school colleagues.

Private School
Representative...



Gerry Covert

Director of Financial Aid, Kentucky Wesleyan College

Eastern Illinois University

Bachelor of Science, Career Occupations/
emphasis in Management

KASFAA Service: Member, three years

SASFAA Service: Member, three years

NASFAA Service: Member, twelve years

MASFAA Service: Member, nine years

Other: AIKCU Memeber, three years; focus group member for KHESLC 1997; test site person for SFATech federal listserv 1999; financial aid professional for 25 years.

Statement of Candidacy: I appreciate the honor of being nominated as a candidate for the KASFAA Private School Representative. It would be a privilege to represent my colleagues from the private school sector of KASFAA. While we have unity as KASFAA members, we will still have sector-specific issues that need to be defined, presented, and addressed. I will gladly be your voice for the private institutions and serve you and KASFAA to the best of my abilities.

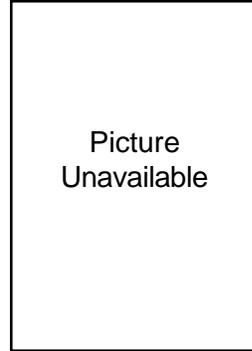
Spring 2000 Election Candidates

Technical College
Representative...



Rick A. Wilson

Technical College
Representative...



Mary Ann Olson

Financial Aid Administrator, Bowling Green Technical College and Kentucky Advanced Technology Institute

Western Kentucky University

Bachelor of Science, Business Education/
Business Administration, Master of Arts in
Education, Vocational Education, Vocational
Administrator/Supervisory Certification

KASFAA Service: Newsletter Committee
Member 1998-99, Spring 1999 Conference
Program Committee Member/Presenter

SASFAA Service: Member since 1998

Other: KCTCS PeopleSoft Financial Aid
Implementation Team Member

Statement of Candidacy: As a relatively new financial aid administrator, I am honored to be nominated as a candidate for Technical College Representative. Serving on the KASFAA Board will give me an opportunity to repay an organization whose educational and professional development activities have proven invaluable to me during my short tenure. I appreciate the confidence you have shown by nominating me to run as the first *elected* Technical College Representative.

Consultant, Student Financial Aid, KCTCS System Office

Eastern Kentucky University

Rank 1, Counseling
Master of Arts, Counseling

University of Louisville

Bachelor of Arts, Education

KASFAA Service: Program Committee, Budget
Finance Committee, Counselor Workshop
Committee

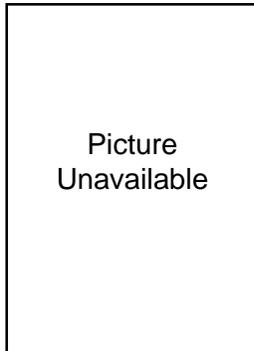
SASFAA Service: Member eleven years

NASFAA Service: Packets Committee

Statement of Candidacy: I am honored to be nominated as candidate for the Technical College Representative on the KASFAA Board. I have worked with the Technical Colleges for many years, both at the school level and the system office level. KASFAA is an outstanding organization for both its professionalism and the friendship extended by its members. I have received many benefits during my years of membership in KASFAA and hope to be able to give back to KASFAA.

Spring 2000 Election Candidates

Proprietary School
Representative...



Charlene Geiser

Don't forget to Vote!

KASFAA depends on you.

Voting will take place at the Spring Conference in Frankfort (see conference schedule and registration forms on pages 30 and 31). If you are unable to attend the conference, please contact Chris Tolson at 606-666-7521 for an absentee ballot and cast your vote.

Director Financial Planning Office, Sullivan College - Louisville Campus

Watterson College

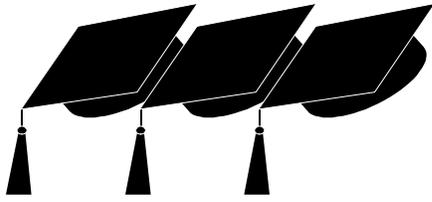
Associate Degree in Computer Programming

KASFAA Service: Newsletter Committee, Support Staff Workshop, Program Committee.

Statement of Candidacy: I have been working in the Financial Aid Community for thirteen years and have been a member of KASFAA for the last six of those years. I am looking forward to many more wonderful years of membership. I am honored to have been nominated for this position and will strive to do the best job possible.



The KHEAA Korner



KEES

Nearly 110,000 Kentucky students in grades 9-12 earned \$35.1 million in Kentucky Educational Excellence Scholarship (KEES) awards during the 1998-99 school year to help pay for their higher education. Of those students, 29,000 earned an additional \$5.4 million based on achieving an ACT score of 15 or higher (or equivalent SAT score).

KHEAA disbursed over \$4.2 million to participating postsecondary institutions on behalf of KEES-eligible students for the 1999 fall semester. Over 17,000 of the 1999 high school graduates (57% of those eligible to receive an award) took advantage of their scholarship during the fall term.

The deadline for high schools to submit 2000-2001 first semester KEES data for graduating seniors to the Kentucky Department of Education (KDE) was January 30, 2000. KHEAA expects to receive this data from KDE in early March and plans to mail award notices to potentially eligible students by the end of the same month. The notices will contain actual junior year awards and preliminary awards based on the first half of the senior year.

Participating postsecondary institutions are expected to provide KHEAA with a renewal eligibility file containing end-of-year grades for all current recipients no later than June 30, 2000. KHEAA will send students renewal award notices or denial letters based on data provided by the institutions.

Senate Bill 125 has been filed in the 2000 General Assembly and contains the following KHEAA-recommended modifications to the KEES program.

- Language would be added to differentiate between "eligible high school student" and "eligible postsecondary student."
- High schools would no longer be required to submit preliminary data to KDE by January 30 of each year for potentially eligible seniors based on the first half of their senior year, and KHEAA would no longer be required to notify students of their preliminary award. (However, KHEAA plans to calculate an estimated senior year award based on previous GPA data and make available to schools and students a preliminary award amount to assist

with financial aid packaging. The preliminary award would be provided on KHEAA's Web site, but no individual letters would be mailed to students as in the first two years of the program.)

- Language would be added to the section requiring receipt of the student's highest ACT or SAT composite score by the date of high school graduation to clarify that high schools and participating institutions need not report the test scores if KHEAA receives the scores directly from the testing services.
- The base scholarship table would be streamlined to facilitate electronic processing of disbursements and provide more equitable treatment of grade point averages by dropping the "50 cents" in some of the award amounts.
- Wording in the section of the statute regarding overawards would be rewritten to indicate a KEES award shall not be reduced unless a student is not enrolled full-time or does not achieve the required grade point average to maintain a full KEES award.
- Language has been added to the section that describes a Jeff Green Scholar that instructs high schools to recognize these scholars in a manner consistent with recognition the high school gives to other high levels of academic achievement.

What's New at www.kheaa.com?

As you know, KHEAA provides KEES account information online for eligible students. Now, KHEAA borrowers can quickly access their complete student loan account records by simply visiting www.kheaa.com, clicking on the picture below KHEAA Online, selecting "Your KHEAA Loan(s)," and then entering their Social Security number and date of birth. By the time this article is printed or very soon thereafter, students will also have their account information for the College Access Program (CAP) and Kentucky Tuition Grant (KTG). We think you will agree these are great services for students and will benefit not only the students, but schools, lenders, and KHEAA as well.

Deferment forms are now available on the KHEAA Web site at www.kheaa.com/fed_defer.html. To navigate to the deferment forms from KHEAA's home page, select the "Federal Programs" option at the bottom of KHEAA's home page, then the "Federal Family Education Loan Program" option from the menu on the lefthand side of the screen, and finally choose "Deferment Forms" from the list of choices to the left.

The *FY1999 KHEAA Annual Report* is available online. Hard copies of the *Annual Report* have been distributed to participating lenders, financial aid officers, state and federal government officials, college presidents, and others in the financial aid community. The *Annual Report* shows what a successful year KHEAA had; and of course, much of the

Continued on page 14

thanks goes to members of KASFAA, who worked hand-in-hand with KHEAA staff throughout the year. During FY1999, KHEAA awarded \$42.9 million from grant, scholarship, and work-study programs and guaranteed \$345 million in Federal Family Education Loans.

Adults Returning to School has recently been added to our list of online materials. This publication, available only through KHEAA's Web site (not in hard copy), provides information about financial aid and higher education opportunities in Kentucky, and focuses on the needs and questions of nontraditional students. We hope *Adults Returning to School* is a useful resource in helping your older students.

Financial Aid Hot Line

High school students and their parents, as well as nontraditional students, were provided a special hot line for their financial aid inquiries at (888) 4-KASFAA between 5 and 7:30 p.m., EST, January 31-February 4, February 7-11, and February 21-25. Financial aid professionals from Kentucky higher education institutions, lenders, and KHEAA answered questions ranging from how to complete a financial aid application to how to search for college scholarships. This free service is provided by KASFAA in conjunction with KHEAA. Working with Michael Morgan, KASFAA Financial Awareness Committee Chair, KHEAA staff designed a poster to promote the student financial aid hot line. The poster was distributed to Kentucky high school guidance offices and postsecondary financial aid offices.

HELP Center

From August through December, KHEAA's Higher Education Learning and Planning (HELP) Center traveled to 29 Kentucky counties. As a result of these visits, HELP Center staff completed 3,041 scholarship searches for students. This is an outstanding service that KHEAA can provide thanks to the support KHEAA receives from Kentucky postsecondary institutions and lenders.

FFELP

The total loan volume for Federal Family Education Loan Program (FFELP) Stafford, PLUS, and Consolidation programs has increased substantially over last year's total. Through December 1999, loans guaranteed have increased more than 25 percent.

Students have complained for years that they can't keep track of their loan providers, that they don't know whom to contact, and that they have no way of finding out. The confusion may be the result of changing schools or lenders or a result of their loans being sold. Often, students don't keep good records, even if there has been only one lender. Now, these students can get help locating their lenders, servicers, and/or guarantors from the student section of www.nslc.org.

The National Student Loan Clearinghouse (the Clearinghouse) has introduced a new service, and KHEAA is proud to be one of the participating guarantors that has enabled the Clearinghouse to provide this service to students free of charge. Students can now find lists of their loan providers by entering their Social Security number, date of birth, and zip code in the newly developed LoanLocator section of the Clearinghouse Web site at www.nslc.org. The information provided includes the loan providers' names, customer service telephone numbers, and Web hyperlinks. The service is free; and since the database contains no sensitive financial information, no password or personal identification number (PIN) is necessary for students to simply find out whom to contact about their loan. Participating and non-participating Clearinghouse schools can help their students find this information through the same process.

All schools are encouraged to let students know that LoanLocator is available and to have their Webmaster insert a link to the LoanLocator page on the Clearinghouse Web site at http://www.nslc.org/student_info/student_lenders_login.htm

KHEAA Origination Services Branch, on behalf of the lenders using its services, is pleased to announce that PLUS applicants may now apply for a preliminary determination of credit eligibility by telephone prior to submitting a PLUS loan application. Applicants may call the Origination Services Branch at 1-877-353-8070 to authorize KHEAA to obtain their credit report and to provide needed information. The applicant must also authorize KHEAA to release the results of the preliminary credit determination to the school. Any eligible school may participate in this process. After receiving the PLUS applicant's request, KHEAA Origination Services will obtain and review the credit report and will promptly notify the school's financial aid office of the credit determination.

The preapproval process is a preliminary determination of credit eligibility and does not guarantee eligibility for a PLUS loan. The credit determination is valid for only 60 days from the date the credit report is obtained. If you have questions about this process, contact Reva Howe at KHEAA Origination Services, 1-800-564-6068. The following lenders make PLUS loans through KHEAA Origination Services: Bank of Louisville, Bank One Education Finance Group, Chase Manhattan Bank, edsouth, Fifth Third Bank, Firststar Bank, Kentucky Higher Education Student Loan Corporation, National City Bank, PNC Bank, The Provident Bank, Student Loan Funding, and Union Planters National Bank.

Continued from page 14

A new default aversion initiative began in mid-November. Calls to the homes of potential default borrowers are being made on Monday, Tuesday, Wednesday, and Thursday evenings until 8 p.m. and Saturdays until noon. Evening calls began in 1998; and because of the increased borrower contact, KHEAA extended the effort. The primary focus of the default aversion staff is to advise borrowers of the various options that are available to them in lieu of defaulting on their student loans and to make borrowers aware of the long-term and short-term consequences of default.

On Tuesday, March 14, 2000, KHEAA will offer a training session entitled "FFELP Concepts and Practices for New Aid Officers." Designed for school financial aid professionals with less than three years' experience, this workshop will address the following topics:

- Reauthorization
- The Master Promissory Note
- The FAFSA and calculating the EFC
- Loan eligibility and certification
- Loan entrance and exit counseling
- Disbursement, delivery, and cash management

The session will be held at the Hampton Inn, 1310 U.S. Highway 127 South, Frankfort, Kentucky. The Hampton Inn is easy to find, located just north of Interstate 64 and less than a mile from KHEAA. The workshop will begin at 9:15 a.m. and conclude at approximately 3:30 p.m. Lunch will be provided. Anyone needing to stay overnight may call the Hampton Inn at (800) 426-7866. For more information, contact Susan Mills or Lissa Caldwell at (800) 928-8926. Space is limited, so register early.

KHEAA's Y2K Rollover a Success!

KHEAA successfully entered the Year 2000 with no interruption of information systems or services. The

transition went very smoothly as a result of significant planning and testing by a very dedicated staff of technical and end-users. KHEAA is pleased to announce that no Y2K-related problems were encountered.

Memories of the Fall Conference



Would the President please stand?



Turn to page 3 and...



Now, how to break this to them...



If you're happy and you know it, clap your hands!



So, you want a loan do you?



It was great of Anthony to throw such a party.

KASFAA Public Relations Report: *by Michael Morgan, Transylvania University*

KET Call-in Show: The Annual KET Financial Aid Call-in Show aired live December 7, 1999. The show used a moderator and panel format with an emphasis on current financial aid issues. Melissa Bingham (Louisville Technical Institute), Anthony Bowles, President of KASFAA (Western Kentucky University), Blake Tanner (KHEAA), and Michael Morgan (Transylvania University) served as panelists. Bill Goodman served as the host/ moderator. The response was overwhelming; calls were received, not only from Kentucky, but also Tennessee, West Virginia, and Ohio. Most of the questions were general in nature, such as:

- Is there a deadline for completing the FAFSA?
- Where on the form does it ask about outstanding debt?
- Why does a parent have to supply their information on the form?
- May I apply for Financial Aid as a non-traditional student?

There were also specific Kentucky questions, such as:

- How do I know my KEES amount?
- What are the state grants and how do I apply for them?
- Are there any benefits given to dependents of disabled police officers?
- Is there any aid available for future Kentucky teachers?

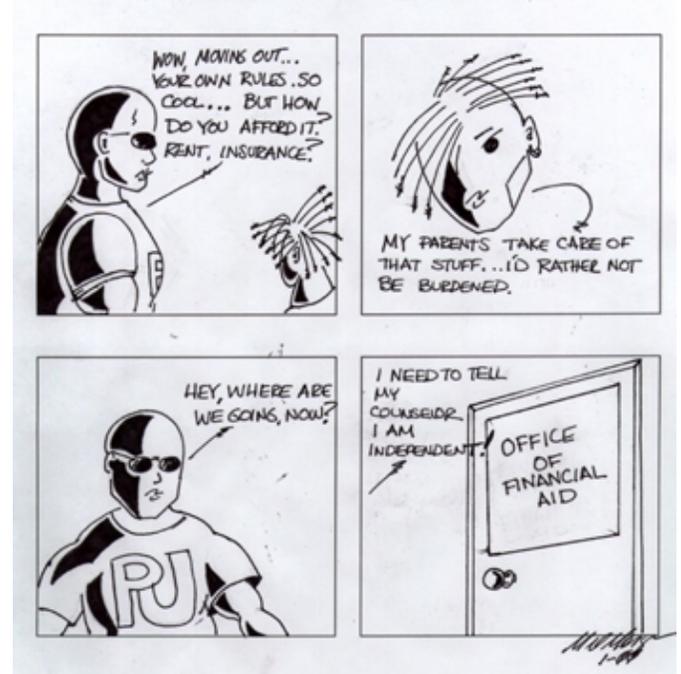
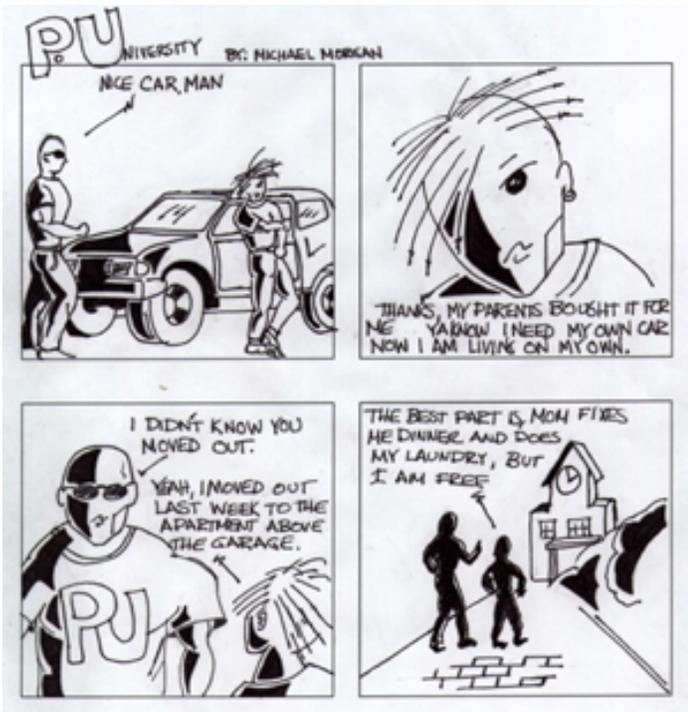
The Financial Aid Awareness Committee and the people at KET would like to thank the volunteers at the phone bank during the call-in show — Don Brown (University of Kentucky), Jennifer Hamm (Eastern Kentucky University), Joel Pace (Morehead State University), Linda Renschler (KHEAA), Barbara Smith (Asbury College), and Karen Yates (Eastern Kentucky University). With these volunteers, KASFAA was able to provide knowledgeable resources to the callers, and KET was able to donate the production cost and airtime, which greatly reduced the overall cost of the show.

Proclamation of Financial Aid Awareness Month: February was designated Financial Aid Awareness Month in the state of Kentucky. Governor Paul Patton, in keeping with Kentucky's "Education Pays" motto, made this proclamation, which reaffirmed his support of KASFAA's initiatives.

KASFAA and KHEAA, in their efforts to further promote Financial Aid Awareness Month, facilitated a toll-free hotline. Eastern Kentucky University, University of Louisville, and Transylvania University hosted the hotline, which was operational for three weeks in February. All high schools and post-secondary institutions received a poster advertising the hotline, which was designed and distributed by KHEAA. The Financial Aid Awareness Committee would like to thank Dena Spivey (Eastern Kentucky University) and Sandy Neel (University of Louisville) for coordinating the efforts at their respective institutions. Thank you also to Tim Ballard, Lori Powers and Jennifer McKenzie, from KHEAA, in their efforts with the posters and press releases. Finally, a thank you to all the volunteers (many from other institutions) who answered the phones during the extended hours of operation.

Also, a newsletter written specifically for and distributed to Kentucky's high school counselors has been designed. The first issue of KASFAA's Newsletter for High School Counselors went out in November of 1999. A survey is being conducted to see if this is an effective medium to disseminate financial aid information to the counselors. The newsletter is also available on the KASFAA website at www.kasfaa.com.

Just For Fun by Michael Morgan, Transylvania University



WHAT'S UP WITH ED? *by John Pierson, Direct Loan School Relations/Atlanta*

A happy, healthy and safe new year to all, from the staff at the U.S. Department of Education in Atlanta. We wanted to fill you in on the latest news from the Department.

Training

Reauthorization Training:

Reauthorization training sessions will begin in January 2000. The training is scheduled to begin on January 26, at the Atlanta Regional Training Facility. For those of you who are unable to visit us here in Atlanta, we will offer a local session a bit closer to home at Eastern Kentucky University on February 22, 2000. At the current time, we only have training sites and dates published through April 2000. Additional training will be scheduled later in the year, as demand requires. For more information, please visit our training website at www.ed.gov/offices/OPE/announce/trng.

NSLDS Training

We will be offering three NSLDS workshops at the Atlanta Regional Training Facility, between April and December 2000. Be sure to attend the one-day, hands-on workshop for the latest information on NSLDS. View the SFA University homepage, or check out IFAP.ed.gov, and go to Bookshelf/Training for further details about schedules and registration.

EDEXpress Training:

2000-2001 EDEXpress training is now available. Application Processing training sessions will commence in March, with Direct Loan and RFMS (Pell) beginning in the spring. These hands-on sessions will be held at the Atlanta Regional Training Facility. Dates for these classes can be found both at www.ed.gov/offices/OPE/announce/trng, and at IFAP.ed.gov, and then to Bookshelf/Training. For further information about the Atlanta Regional Training Facility you may also contact Keisha Berkley at 404/562-6269.

Case Management Team News

The Atlanta Case Management Team (CMT) will be establishing a single point of contact for schools. The CMT hopes this will help streamline processes and continue to improve relationships with their schools. The CMT works with schools in a variety of ways, including audits, financial statements, technical assistance and answering general Title IV questions. Information concerning the single point of contact will be mailed to schools in the early spring.

Direct Loan News

3rd DL Annual Conference, Washington, DC

The Office of Student Financial Assistance invites you to attend the third annual Direct Loan Conference to be held March 1-3, 2000, in Washington, D.C. This conference will include sessions addressing the multi-year functionality of the Master Promissory Note, program policy updates, reconciliation, systems development, the new SFA Ombudsman, the new Return of Title IV Funds refund software, and much

Continued on page 22

Continued from page 21

more. As you make your travel plans, you should be aware that a number of software vendors are scheduling user meetings at the conference site on Tuesday, February 29. You may want to contact your vendor to confirm whether or not they will be offering a user meeting on that day and make your travel plans accordingly.

You can register via the web at www.ed.gov/DirectLoan, or you can fax your registration form to Lynn Mikelatis at 703/934-9870. Additional information concerning the conference will be posted on the www.ed.gov/DirectLoan web site as it becomes available.

Direct Loan Compare Available

For those of you involved in closing out program year 98-99, the DL School Relations Office has a revised compare program available to make this task easier. There are compare processes available for both Express and non-Express schools. The compare can be e-mailed or snail-mailed to you. The material includes both the compare appropriate to your school (Express or non-Express) and a set of instructions for using the compare. The revised 98-99 version of the compare process has been enhanced to include additional reporting capabilities. If you would like information about the 98-99 Compare, contact your Client Account Manager directly.

It's OK Ed. Quality Is Not Dead by Daniel Brent, Citibank

Like the bull in the recent brokerage TV ad, our sensitivity to the students' needs has not gone away. A recent management book basically asserts that "Total Quality Management," as W. Edwards Deming defined it, is dead! In *The Complexity Advantage*, authors Susanne Kelly and Mary Ann Allison state that any enterprise that sets up a quality goal will be overtaken by its competition.

Huh?

Since I discovered "Total Quality Management" about ten years ago, W. Edwards Deming has been one of my heroes. Born in 1900, he died about four years ago. In mid-life he went to Japan to preach his message about customer-focus and quality. He was largely responsible for changing the image of Japanese-built products from "junk" to "reliable" – and very competitive. We didn't discover him in America until 1980, from which time he converted us to thinking in terms of customer-sensitive quality as the secret to staying competitive.

Because of my hero-worship of Deming and his tenets, I've been offended by Dilbert's attacks on Deming's assertions, for example, that people come to work wanting to do a good job. The comic-strip characters in Dilbert find ingenious ways to shirk work, ignore the customer, and exploit (and get exploited by) the system. I think Dilbert is very, very funny, but I hope neither your workplace nor mine is really as cynical as the workplace behavior of Wally, Alice, Dogbert, and the boss! When Dilbert says, "Don't improve the product. Just find dumber customers," I consider the source.

But . . .

A serious management book attacking Deming's thinking gets my attention. Its authors were applying chaos theory from physics to the field of management. Their quarrel with Deming is that he implies, they think, that quality targets are stationary and will hold still while you chase them. Their book suggests that, like the physical universe, customers' wants and business needs are in a constant state of flux. Yesterday's plan may not address today's needs. A competitive enterprise must constantly be listening to its customers and its people. It must be willing at a moment's notice to change and adapt how it reaches out to serve its customers.

It's hard to argue with that. Are students' needs and perceptions changing? Are government rules and procedures about loans changing? Are the banks creating new products and access vehicles? Are guarantors and servicers moving on to new arrangements and accommodations? To all of this, of course! Apparently Deming preached in an era when things moved more slowly. But I think he would not be offended by the sense of flexibility and urgency communicated in *The Complexity Advantage*. Responsiveness to the customer is not dead. If anything, it has grown up from its adolescent years! We still know that unless we are sensitive to the students' needs and respond with reliable service, we will not be competitive. Sleep in peace, Ed.



In Memory of Karen L. Clark, Director of Financial Aid, Lexington Community College

by Michael D. Morgan

Karen Clark was deeply committed to her three roles — mother, wife and financial aid professional. A mother of two children, Timothy and Kasey, wife to Scott, and a college administrator (culminating as Director of Financial Aid) at Lexington Community College for twenty-one years, Karen harmoniously balanced her life. She made her family her focal point, but she was extremely dedicated to helping needy students access education. As an active member of KASF AA for nearly fifteen-plus years, Karen never held an office in the organization. But do not mistake this for apathy or non-commitment; she felt, rather, her energies and talents were better used one on one with the students that she helped. A consummate professional, Karen once told me, “Never forget that we work for the student, not the administration, the state, or the parents. As long as we have done honestly all that we are able to for the student, then we have done our job.”



Karen battled cancer for seven years. She passed away due to complications on Friday, March 12, 1999. She was loved by all and will deeply be missed.

To find out more information about Breast Cancer visit the www.komen.org website or write the Susan G. Komen Breast Cancer Foundation, 5005 LBJ Freeway, Suite 250, Dallas, TX 75244.

MPN Veterans Share Tips For The Transition *by David Long, USA Group*

The deadline to implement the Master Promissory Note (MPN) is fast approaching, and those who already have made the transition say being prepared can make the process a smooth one for your school.

The MPN must be used in place of the existing Common Federal Stafford Application and Promissory Note for loan periods beginning on or after July 1, 2000. The form also must be used for loans certified on or after that date. But some schools opted to get a head start by using the MPN in the 1999-2000 school year.

Representatives of several of those pioneering schools shared with USA Group® the lessons they learned through months of experience using the MPN. Their tips to schools making the transition to the MPN in July 2000 include:

- 1. Allow plenty of time to prepare.** Work with students, financial aid staff, lenders, and other servicers to start the education process as early as possible.
- 2. Be vigilant in keeping students informed about the process.** Employ as many techniques as possible to familiarize students with the MPN process. One school distributed brightly colored letters and other attention-getting materials to students and found written reminders also were necessary.
- 3. Remember that first-time borrowers have a different perspective on the MPN.** Freshmen and other first-time borrowers have not applied for loans in the past, so when they use the MPN they won't have to adapt to a change in the loan process. A school that implemented the MPN primarily for freshmen during the 1999-2000 year did not receive many questions about the new form.
- 4. Make the MPN's options clear to students.** At one school, students worried that signing just one MPN for up to 10 years of student loans would leave them with no control over their debt. They were concerned about signing a 10-year note for what might be only four or five years of education loans. School representatives assured students they would continue to get their loans without signing a promissory note each year. They also assured students that when they leave school or graduate they can revoke the note if they choose.
- 5. Tout the ways the MPN can streamline the loan process for students.** The prospect of completing one promissory note for all their Stafford loans likely will outweigh any concerns students have about the MPN process.

Resources help you stay informed

Industry resources such as workshops and publications can keep you up to date on the latest information on the MPN. At USA Group's Web site, www.usagroup.com, you can link to MPN information for borrowers by selecting *Borrowing for school now?* and then linking to *Master Promissory Note (MPN)*.

MPN information geared toward financial aid officers also is featured on the USA Group Web site. To link to that information, choose *A Financial Aid Office* from the home page. Then select *FAQs* and link to *About the Master Promissory Note (MPN)*. USA Group *Online News*, www.usagroup.com/onlinenews, and its archive also are resources for news and information about the MPN.

If you would like more information about the Master Promissory Note, please contact David Long, Account Executive for USA Group, 205-444-9113, dlong@usagroup.com.



“THANKS PAUL” *by Johnny McDougal, KHEAA*

Paul, as you bring closure to your tenure with the Kentucky Higher Education Assistance Authority, I would like to express my thanks to you for a job very well done. In fact, I am reminded of several reasons to say “thank you,” for your 27 plus years of service to this unique state agency you have so ably directed. A few of those reasons for saying “thanks” are:

Thanks Paul - for accepting the first full-time position at KHEAA in 1972 and sticking with it.

Thanks Paul - for 27 years of caring and making a difference in so many lives. Very rarely does someone touch so many in such a positive way, but you are one of those persons. You will be missed.

Thanks Paul - for bringing student financial aid and student service experiences to KHEAA. You are a great supporter of the student financial aid profession.

Thanks Paul - for the professionalism that you have demonstrated over the years.

Thanks Paul - for your leadership and involvement in state, regional, and national professional organizations that have benefited from your commitment, expertise, and vision.

Thanks Paul - for the work that you have done to ensure that hundreds of thousands of students have timely and accurate educational planning and student financial aid information to assist in commencing or continuing their enrollment in an institution of higher education. But, more importantly, thanks for your persistence in directing millions of dollars to deserving students. You can certainly take pride in knowing that you have played a major role in the education of so many people.

Thanks Paul - for your knowledge of the complexities of the student loan financing arena. While other state loan and grant agencies across the country were merging, wringing their hands, and closing, due to federal regulation changes in the student loan industry, you were guiding KHEAA's expansion.

Thanks Paul - for your vision and for the reality of making the state administered student financial aid programs as easy as possible for the student in the application process.

Thanks Paul - for always involving people from the educational institutions when a new KHEAA program was implemented or when existing KHEAA programs changed.

Thanks Paul - for your skills in working so effectively through the Frankfort legislative maze to ensure that final legislation for KHEAA was in the best interest of students, higher education institutions, and the citizens of the Commonwealth.

Thanks Paul - for making KHEAA a model for other state loan and grant agencies to follow.

Thanks Paul - for building a solid foundation at KHEAA during the last three decades that will position KHEAA for an exciting transition into the new millennium.

Thanks Paul - for your advice, support, and encouragement during my years in student financial aid at Murray State. Thanks for the opportunity to now work for KHEAA.

Last, but certainly not least, thanks Paul, for your friendship.

The wish that Charlotte and I have for you, Donna, and your family is that you enjoy your retirement to the utmost. You certainly earned the right to move on to another part of your life. I suspect the word “retired” is not going to suit you very well. Best wishes for the coming years!

NetWizard Improvements Ease Your Education Loan Process

by Sherrye Ward, USA Group

Now financial aid administrators who use NetWizard™—USA Group®'s complete, Web-based, education loan delivery system—can submit more change transactions online.

Financial aid administrators can already make demographic and enrollment status changes through NetWizard. Now most CommonLine^{SM1} change transactions can be submitted through NetWizard, including adjustments to loan periods, reallocations, cancellations, reinstatements, and reissues. You can also use this section of NetWizard to note which USA Group disbursed loan or group of loans should be held and which can be released for disbursement. These hold-and-release transactions can be submitted for online, real-time processing, or they can be combined with a disbursement date change and processed overnight.

This improved section of NetWizard offers online help, and, for some types of change transactions, NetWizard helps with calculations to make sure your numbers add up. In addition, you will be able to review and print your change transactions before you submit them.

To take advantage of these NetWizard services, you will need to register your school.

- Visit USA Group's Web site at **www.usagroup.com**
- Select "Financial Aid Office," and then choose "NetWizard" from the toolbar.
- Select "Guarantee and Disbursement Data." Then follow the instructions to establish a NetWizard administrator, and create identification codes and passwords for everyone on your staff who needs access to NetWizard.

If you have questions about this new service or would like more information on the other services available through NetWizard, please contact Sherrye Ward, Regional Director for USA Group, at 804-354-9921.

¹CommonLine is a service mark of the National Council of Higher Education Loan Programs, Inc.