

From the KASFAA President

It is hard to believe that it is almost time to begin the fall 2004 term. I want to thank all of you for the opportunity to go to the NASFAA Conference in Minneapolis a few days ago. Many of the conference handouts are available on the NASFAA web site.

I especially enjoyed Dr. Benjamin Solomon Carson, Sr., the luncheon speaker on Monday. I am hoping that there is a video of his speech.

NASFAA President, Dallas Martin, provided his assessment of reauthorization. He believes that reauthorization is going nowhere this year and that we will have to start afresh with the next Congress. He asked the NASFAA membership to focus on some things during the remainder of this year:

- Continue to champion financial aid for needy students
- Leave non-Title IV issues alone – they tend to muddy the water
- Continue to communicate with your congressional representatives
- Attempt to obtain the support of students and parents for financial aid programs
- Remember that reauthorization is not a spectator sport
- Remember that education should never be a partisan issue

I acted as moderator for a session on IRS Matches with Jeanne Saunders and Dan Madzellan of ED. It looks like this issue is on hold until Congress passes legislation that would allow the IRS to share information. I expect to be retired before this ever happens.



For those of you interested in serving Hispanic populations, Arnold Trejo of Texas A & M University has some interesting approaches. One thing that I found very interesting is that A & M is partnering with Texas community colleges by providing scholarship dollars for students attending community colleges and planning to go on to A & M.

There was much more that I found beneficial at the NASFAA Conference but we don't want this to turn in to a book. I wish all of you great success for the fall term. If I don't see you before, I hope to see you all at our fall conference in Wichita.

Anthony Lyons

Questions Help Your Campus Gauge Retention Readiness

Submitted by: Brent Carpenter, USA Funds Services

All stakeholders in higher education benefit when students successfully complete their academic programs. Research clearly shows that students who fail to graduate are at much higher risk for education-loan default. But how serious is your campus about student retention?

To help you and your campus' other staff, faculty and administrators determine how focused you are on student retention, USA Funds® online manual "Solving the Retention Puzzle" offers a list of "retention-readiness" questions. Developed in partnership with Noel-Levitz, the nation's largest retention-consulting firm, the online manual helps campuses address one of the primary reasons students default on their loans: They drop out before completing their studies.

Your school's "retention index" will help you establish a benchmark that identifies the current level of commitment to retention, as an important precursor to getting the campus engaged in dialogue about this important topic.

Retention-readiness quiz

Ask faculty, staff and administrators to respond to share their knowledge and perceptions regarding the following 20 statements: (T) for statements that are true and (F) for statements that are not true for your campus.

1. ___ Our campus has engaged in formal discussions focusing on retention issues in the past year.
2. ___ Faculty and staff understand that retention is a campus wide responsibility.
3. ___ There is a high degree of top-level administrative commitment to improving retention.
4. ___ Persistence data are collected and shared with the campus regularly.
5. ___ Our institution determines why students enroll and why they drop out.
6. ___ There is an individual who has responsibility for coordinating retention efforts on our campus.
7. ___ We have a standing committee responsible for overseeing student retention.

Kansas' Pell, Campus-Based Aid Expands by Over 47% in 5 Years

Submitted by Kent Wolfe, NSLP Research Unit

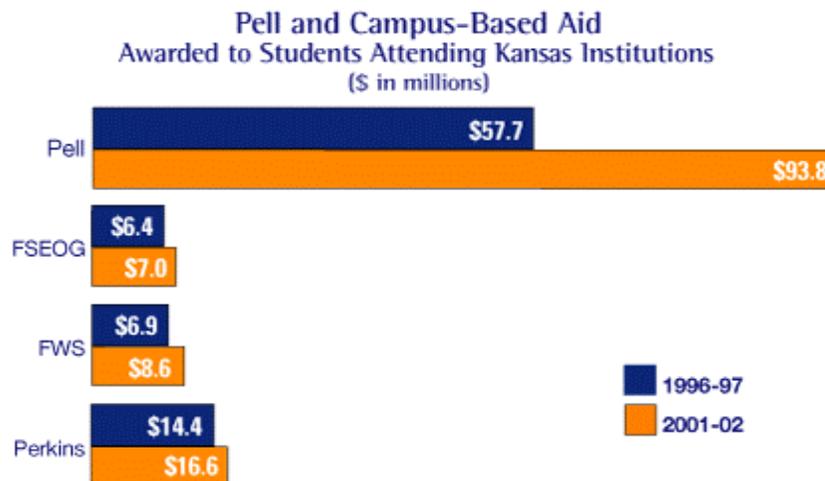
Stafford loans are the largest source of federal financial assistance for postsecondary students in Kansas and other states. Yet administrators of student loan programs still want to see the Pell Grant and campus-based programs remain strong so low-income students will not rely so heavily on debt to attend college. For this reason, NSLP monitors all Title IV aid awarded to students at the nation's institutions.

Program	\$ Awarded (in millions)*			
	1996-97	2001-02	Change	
FSEOG	\$6.4	\$7.0	\$0.6	9%
Work Study	\$6.9	\$8.6	\$1.7	25%
Perkins	\$14.4	\$16.6	\$2.2	15%
Total Campus-based	\$27.7	\$32.2	\$4.5	16%
Pell	\$57.7	\$93.8	\$36.0	62%
Total	\$85.5	\$126.0	\$40.5	47%

* Due to rounding, column sums might not equal actual totals.

In 1996-97, postsecondary students in Kansas received more than \$85 million in federal Pell Grants and campus-based aid. Over the next 5 award years, these need-based programs collectively expanded over \$40 million, or 47%, to \$126 million in 2001-02. (See table.)

The following graph highlights financial aid Kansas students received through these programs.



Source: U.S. Department of Education

Pell Grants provided considerably higher aid dollars over the 5-year period and grew the most on a relative basis – less than 68% of Kansas' Pell and campus-based aid came from Pell Grants in 1996-97 compared to more than 74% in 2001-02. FSEOG, Work Study, and Perkins did grow over the 5 years but not at the same pace as Pell.

The data demonstrates that Pell and federal aid other than Stafford and PLUS loans were integral in helping needy Kansas students access postsecondary education in the late 1990s and early in this decade. Current data about the programs is unavailable, so the impact of recent federal budgetary decisions on funding for the state's students is not yet determined.

For more information about the expansion of Kansas' Pell and campus-based aid, contact Kent Wolfe at 800-735-8778, ext. 6940 or Mark Krings at ext. 6835.

Movers and shakers for HEA reauthorization

Submitted by Paul Tone, Nelnet

It is not anywhere near completion, but considerable progress has been made toward reauthorizing the Higher Education Act. Several years of work by those in the student loan and higher education community is reflected in the bills that have been introduced in the House of Representatives. To reach this point in the process, there have been a few that have evidenced exceptional vision along with an ability to convert that vision into action.

Rose DiNapoli and Harrison Wadsworth realized more than three years ago that the student loan program has an image problem. In part, that problem resulted from abusive activities that occurred decades ago by some associated with non-traditional, postsecondary schools, and by some in the student loan community that looked the other way. Rose and Harrison envisioned and designed a gentle public relations plan aimed at telling the extraordinary success story of student loan programs. They brought others together under the banner of America's Student Loan Providers and narrowly targeted their public relations activities to those involved in the legislative process on the Hill. In many ways, their activities smoothed the path and opened key Members and staff to consider ideas rather than old innuendos about student loan programs.

While realizing the potential of the loan consolidation program, Mike Dunlap understood that the long-term promise of student loan programs is with the origination of new loans. In that regard, he understood that refinements were needed to expand loan limits, extend repayment terms, and move the student loan rate to a variable index. Expanding loan limits and extending repayment terms would cost billions, while at the same time Congress was fighting with budget deficits. Mike identified and offered real solutions for Congressional staff in the way of offsets by proposing to change floor income paid to lenders. Mike made the proposal—even though floor income has historically been very beneficial to his organization—as a part of the package to make the student loan programs more advantageous to students.

John Dean and Sarah Flannigan have been long time advocates for the student aid programs in Washington, D.C. However, they noted as reauthorization approached that the FFEL community and the higher education community were routinely uncoordinated. The lack of coordination in prior reauthorizations often

resulted in their respective associations ending up at odds on student loan policy as compromises were made during the legislative process. John and Sarah envisioned a coming together of the student loan and higher education community around a common set of student loan proposals. They established the Coalition for Better Student Loans. The Coalition argued through a set of principles and identified a common set of proposals. The Coalition's proposals have been the cornerstone for the student loan changes that are reflected in the prominent legislative proposals under consideration in the House of Representatives. More importantly, the student loan community and the higher education community continue to be of one mind regarding those proposals.

Congressman McKeon wrestled with an old issue as reauthorization approached; an issue that Senator Kassebaum also pondered during preparations for the 1998 reauthorization. Mr. McKeon observed that federal funding could not keep up with the rising costs of college. As a result, he concluded that Congress could do more to provide access to higher education by focusing on college costs than it could do by nominally expanding the programs. The Congressman evidenced exceptional leadership by raising the public's awareness of the issue of college costs, and described possible legislation that would provide punitive remedies if colleges did not control costs. By raising the issue with a focus on access, Mr. McKeon caused many colleges as well as states to reassess their approach to tuition and fee increases. The net result is that Mr. McKeon has been able to minimize the punitive provisions in his proposed legislation.

Kathleen Smith's experience in the financial aid and student loan community provided her with an extraordinary background as she began to pull reauthorization ideas together on behalf of the House Education and the Workforce Committee. Her obvious commitment to the programs, attention to detail, and appreciation for the confidentiality of her responsibility have been exceptional. As a result, Kathleen has guided the development of many of the major provisions of the bills that have been introduced under the guidance of Congressman Boehner to make substantive changes for all the aid programs rather than band-aid the problems with short term solutions. For example, long-standing inequities among participants in the Campus-Based Aid Programs are addressed. Complications resulting from things like the "three times" rule will be fixed. Loan limits are proposed to be expanded, and variable rates for borrowers in the student loan programs have been suggested.

Congressman Andrews, while under considerable pressure from his side of the aisle, adopted the proposals being offered by the Coalition for Better Student Loans in a bill that he introduced. The Ranking Member of the Education and the Workforce Committee, Congressman Miller, had taken positions that were diametrically opposed to the proposals offered by the Coalition and adopted by Mr. Andrews. Mr. Andrews effectively went against his party's leadership and attracted more than 20 co-sponsors on his bill. Mr. Andrew's political courage provides a possible foundation for a bipartisan reauthorization bill being passed by the House of Representatives.

The preceding list would not be complete without Congressman John Boehner. Mr. Boehner, as Chairman of the House Education and the Workforce Committee, took time to understand the very complex issues resulting from the nearly 40-year evolution of the Title IV aid programs. His understanding of those complex issues allowed him to deflect many proposals made to benefit narrow groups or made strictly for political purposes. His desire to make substantive changes has been an important benchmark for staff and for those in the student loan and higher education community. He has also been a critical advocate within the House Leadership for moving forward with the reauthorization prior to the November elections. Without the leadership of each of the preceding, the reauthorization of the Higher Education Act would not be nearly as far along.

Across the State

Kansas State University

Nancy Merz joins the K-State Student Financial Assistance staff as an Assistant Director. Nancy came to K-State from Peru State College in Peru, Nebraska.

ASAP/Union Bank & Trust

Kathy McConnell is enjoying her first grand baby, Lindsey Kathryn Ballinger, born May 8 weighing in at 7 lbs. 14 oz. and 19" long.

In addition Aaron McConnell and Karen Black were married May 29 in Milwaukee WI.

Commerce Bank

Barbara Stapleton has resigned to accept a position with TG as a national account rep. Kansas and Colorado will be her primary areas and she will remain active in KASFAA.

Pittsburg State University

Pittsburg State University would like everyone to welcome our 2 new additions to the Financial Assistance Office. Please welcome Trevor John Blanken born on May 26 to John and Julie Blanken and Shane Patrick Diskin born on June 18 to Brent and Becca Diskin. All are doing well.

Also, Anna Powers joined the staff June 1st as a Financial Aid Counselor.

Tabor College

Hallie Evans has moved to Minnesota with her husband Earl and her last day was June 30. Herb Wiebe was hired as Financial Aid Representative beginning Sept 1. Herb is currently an Admissions Counselor with Tabor College.

Manhattan Christian College

Jessi Moors has been hired as a Financial Aid Counselor. She is a recent graduate of Emporia State in Finance. Her husband is attending Kansas State. She replaces Aaron Lauber got hired away from us by Baker University to become a member of their music faculty.

Washburn University

Brenda Hanna has been hired as Financial Aid Assistant with special emphasis in PLAN program; distance Ed, and consortium agreements. And Kayla Taylor has been hired as Financial Aid Assistant with special emphasis in the Federal Loan programs.

Wichita State

Wichita State University is pleased to announce the hiring of Kathy Camden, as our new Loan Counselor in the Office of Financial Aid. Kathy replaces Jessica Ayres, who relocated to Florida this past spring. Kathy had previously worked as a student employee in our office for four years before graduating in December '03. Welcome Kathy!

Also, Chi Lam, Financial Aid Counselor and Veterans Affairs Certifying Official resigned her position in June to relocate with her family to Southern California. Chi recently notified us to say that she was just hired as a Financial Aid Counselor at El Camino College...our loss is El Camino's gain! We are in the midst of the search process for Chi's replacement.

Emporia State University

Connie Corcoran has a new grand daughter, Brooklyn Paige Michaelis, born July 23. She weighed in at 7lb 5 oz and is 19" long.

Elaine Henrie has been appointed Director of Financial Aid at Emporia State University.

This and That...

Did you know?

Because steel expands when it gets hot, the Eiffel Tower is six inches taller in the summer than in the winter.