



<http://tasfaatn.com>

President's Message

Sandra Rockett, TASFAA President

The 2011 TASFAA Spring Conference "Partners in Progress and Change" is just around the corner and we all need to be there. The Conference will be held at the Franklin Cool Springs Marriott in Franklin, TN, April 10-13. The agenda is great and very timely. Jeff Gerkin and his committee have done a tremendous job. You can register at <http://tasfaatn.com>.

It has been a challenging and interesting year. Since the federal budget is not yet in place, we have a lot of questions still unresolved and are still in a quandary about how best to serve our students. How will we ever explain the new Satisfactory Academic Progress regulations to our administration and our students? What route do we go with the Net Price Calculator? How about Gainful Employment and the State Approvals? This does not even address the Pell issues. I could go on and on. We all need to learn and network as we move forward.

For those new to financial aid, we have the New Aid Officer Workshop on Sunday. Those who have attended in the past feel that it is a necessity for those new to the profession. That is particularly applicable this year when our entire profession is in transition. You can register at the web site listed above.

The fall training series, combining state/federal/NASFAA training, was a tremendous success—to the point that we had to turn people away due to room capacity. Wanda Emfinger and her

Past President's Message

Marion Huffman, TASFAA Past President

During the month of January, nominations for each applicable TASFAA office were solicited via the TASFAA Listserv. On Thursday, February 10, 2011, the 2010-

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committee, along with TSAC staff, did a fantastic job coordinating this regional training. It was obvious that this is something to consider for the future.

TASFAA was audited by the Internal Revenue Service in November, 2010. A clean audit report has been verbally received; the written report is forthcoming. Thanks to our Budget and Finance Chair, Cara Suhr, for coordinating the audit details.

On your behalf, the President participated in four Lottery Stabilization Work Group meetings via conference call. By the time you get this letter, I will have attended a TSAC Board Meeting.

It has been a year to remember. You have been so wonderful and supporting. I appreciate what each and every one of you has done.

2011 TASFAA Nominations and Elections Committee met via conference call. Those members participating in the meeting included Marian Huffman, Sandra Rockett, Jeff Gerkin and Brent Tener. Prior to the

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President-Elect Message

Lester McKenzie, TASFAA President-Elect

Four score and seven years ago....

Don't ask what your country can do for you but ask what you can do for your country...

Darn – all the good presidential lines have already been taken! How can I sound presidential or even presidential-elect if I don't have a good opening line? I wonder what the great Presidential minds of years gone by, like Abraham Lincoln, John F. Kennedy, Cruzie Lucero and Ron Gambill were thinking when their term as President was about to commence. I know what you're thinking, how can he possibly compare himself to Lincoln or Kennedy – he ain't that smart or that eloquent and how can he compare himself to Cruzie Lucero or Ron Gambill – he ain't that short or that old (you figure out who is who)!

I think what I have learned over my twenty plus years in financial aid, isn't to try to sound Presidential or even sound like a good leader, but to listen to what my colleagues are saying, follow their lead and stay out of the way of progress. To that end, I need to hear you! What are your thoughts and goals for TASFAA? What



direction should we go? Not everyone chooses to run for office but I believe each of us can lead in one manner or another. Whether you chose to lead by running for office, you choose to lead by volunteering to serve on a committee or you choose to lead by voicing your opinion – I will listen. I won't always listen to the loudest voice, but I will always hear all the voices.

TASFAA has had the good fortune of being led by some great people and as my term as President-Elect winds down and I look to take the lead from Ms. Rocket, who took the lead from Ms. Huffman who took the lead from Mr. Gerkin – all I hear is those voices saying, “We got a good thing going; don't MESS IT UP!” Please take me at my word and send me an email at lmckenzie@tntech.edu to let me know what you want to do and what you want TASFAA to do in the next year! I look forward to it!

Training Committee Update

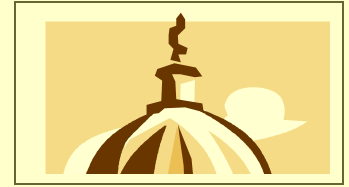
Wanda Emfinger, Chair

TASFAA will be offering a specialized training program for individuals who are new or fairly new to the Financial Aid Profession. The one day workshop will be held in conjunction with the TASFAA Spring Conference on Sunday, April 10th in Nashville at the Cool Springs Marriott. The workshop will be using the NASFAA CORE training materials and is designed to provide a comprehensive aid overview for aid professionals with less than 2 years of experience. Topics included in the workshop will be: Overview of Student Aid Programs, Student Eligibility Requirements,

Campus-Based Programs, Verification/Case Studies and State Grant/Lottery Programs. Trainers for the workshop will be Sara Jackson, Naomi Derryberry, Robert Biggers, Celia Bradley and Wanda Emfinger. All attendees will receive a notebook of training materials designed to be an ongoing resource. The workshop will begin at 9:00 am and conclude at 4:00pm. The registration fee for the New Aid Officers Workshop is \$65 for TASFAA members and includes breakfast and lunch on the day of the workshop.

Government Relations Committee Update

Ron Gambill, Chair



On March 4, the Democratic leadership of the Senate Appropriations Committee released the details of a proposed long-term Continuing Resolution (CR) that would complete the Fiscal Year (FY) 2011 appropriations process and keep the government funded through September 30, 2011.

Under the measure, federal spending for the remainder of the year would be reduced by \$51 billion below the Administration's FY 2011 funding request (\$6.5 billion below the actual current year level), including a \$1.26 billion cut to Labor-HHS-Education programs. With respect to student aid programs, the bill would maintain the current maximum Pell Grant of \$5,550 and keep federal TRIO and GEAR UP programs funded at FY 2010 levels. While the bill does not restore funding to the Leveraging Educational Assistance Partnership (LEAP) Program, it maintains funding for the Supplemental Educational Opportunity Grant (FSEOG) Program and includes modest increases for Title I and the Race to the Top Programs. The bill would also reinstate the K-12 Striving Readers Program.

By contrast, the House-approved H.R. 1, the "Full Year Continuing Appropriations Act of 2011," contains deeper cuts to student aid programs, including provisions that could reduce the maximum

Pell Grant award by \$845 (\$4,705 maximum) and eliminate funding for Supplemental Educational Opportunity Grant and LEAP Programs. As proposed in the Senate measure, the House version would also fund TRIO and GEAR UP Programs at FY 2010 enacted levels. The House bill hopes to achieve spending offsets of \$61 billion, roughly \$55 billion more than what has been proposed in the Senate bill.

Senate Majority Leader Harry Reid (D-NV) has said the chamber will consider the House-approved long-term CR on Tuesday (Mar.8th), along with the aforementioned Democratic alternative that would reduce current spending by \$6.5 billion. Both measures are expected to fail.

During the week of February 28, Vice President Joe Biden and others from the Obama Administration met with Congressional leaders to discuss the proposed spending reductions and work toward a compromise on the budget. The Democratic proposal includes the additional \$6.5 billion in spending cuts to Fiscal Year 2011 programs that were agreed to by the White House.

Gov't. Relations Committee continued on page 4

Tennessee State Programs Update

Tim Phelps, State Programs Chair

The 107th session of the Tennessee General Assembly is in full swing and several bills have been introduced to modify the HOPE Scholarship. Among them are proposals to modify eligibility requirements, allow the award to be used for summer school, and a reintroduction of the 120 credit hour limit. Governor Haslam has expressed his support to allow lottery funds to be used for summer while reinstating the credit hour cap.

One lottery bill made it to the full committee in the Senate but it was immediately referred to a

subcommittee and will be heard along with other lottery bills at a later time. In the House, no lottery bills have yet made it to committee. We anticipate lottery bills to be heard in the next few weeks and hopefully we can update the TASFAA membership at the conference in April.

A complete list of bills was e-mailed through the TASFAA listserv on February 18th. If you have questions about any bills or would like another list, please contact me at tim.phelps@tn.gov or (615) 253-7441.

Past President's Message from page 1

meeting, the Chair obtained approval from each TASFAA member who had been nominated to run for each office during the 2011 election. The results of those communications were reported to the committee. The committee carefully and diligently considered each candidate nominated for each office. Voting took place between February 24 and March 11, 2011. The election was conducted using Ballotbin.com. This website was researched, tested and set up by Electronic Services Chair Rick Taphorn. The committee appreciates each individual's willingness to serve and everyone's participation in the election.

The Elected Officers for 2011-2012:

President-Elect: John Brandt, Union University

Treasurer: Amy Collins, East Tennessee State University

Secretary: Donna Price, Austin Peay State University

Congratulations to 2011-12 Elected Officers

John Brandt – President-Elect

Amy Collins – Treasurer

Donna Prince – Secretary

Celena Rader Tulloss – Pub. 4 yr. Sector

Richard Brand – Priv. 4 yr. Sector

Leah Louallen – Comm. Coll. Sector

Owetha Hunter – TN Tech Cnt. Sector

Chris Farris – Proprietary Sector

Janie Burns – Member-at-Large

Public 4-Year Sector: Celena Rader Tulloss, University of Tennessee – Knoxville

Private Sector: Richard Brand, Maryville College

Comm. Coll. Sector: Leah Louallen, Nashville State Community College

TN Tech. Cnt. Sector: Owetha Hunter, Tennessee Technology Center-Whiteville

Proprietary Sector: Chris Farris, National College

Member-at-Large: Janie Burns, Bethel University

Following the conclusion of the election, the Chair personally contacted every candidate via telephone, thanking each candidate for his or her willingness to stand for election, and also notifying each candidate of the results of the voting for the specific office sought by that candidate. The results of the election were announced to the TASFAA membership via the TASFAA Listserv. The winners will be publicly presented during the Business Meeting to be held at the Spring TASFAA Conference.

Gov't. Relations Committee continued from page 3

House and Senate lawmakers have until March 18 to reach a compromise on spending cuts to the FY 2011 budget or pass another short-term CR. [A 6th CR was passed 3/17/11 funding the government for an additional 3 weeks thru 4/7/11].



Knowing that we can make a difference in this world is a great motivator. How can we know this and not be involved?

- Susan Jeffers

Vendor/Sponsor Update

Lester McKenzie, Chair

Final preparations are being made to the 2011 TASFAA Conference under the leadership of Mr. Jeff Gerkin, conference chair, and Ms. Sandra Rockett, President. Last year we welcomed over 270 attendees to the conference.

Let me share with you what is on the mind of Financial Aid Administrators (at least this one and quite a few I have spoken to):

- 1) Net Price Calculators – which one should I choose and when is the deadline to publish it?
- 2) Lender Lists – who should be on it, who can be on it, can we have one?
- 3) Technology Applications – what can we do now to simplify processing external scholarships, alternative loans, etc?
- 4) Financial Literacy – what is available and how can I take advantage of it?
- 5) Direct Loan Reconciliation – when and how often do I have to do it?

Can you help me and my colleagues answer these questions? If so, please plan on attending our annual TASFAA Conference, Sunday, April 10 through Wednesday, April 13, 2011 at the Cool Springs Marriott in Franklin, TN. If you would like to be a vendor, please contact me soon at lmckenzie@tntech.edu.



Association Governance Committee Update

Clyde Walker, Chair

Following is a listing of the members of the 2010-11 TASFAA Association Governance Committee:

Jeff Gerkin, University of Tennessee
Ron Gambill, Edsouth
Cara Suhr, Tennessee Technology Center-Nashville
Brent Tener, Vanderbilt University
Clyde Walker, Chair

The major goal of the 2010-11 Association Governance Committee is to review the [TASFAA Policies and Procedures Manual](#) and bring recommendations for needed changes to the TASFAA Board for consideration.



Historical Committee Update

Jan Lassiter, Chair

Spotlight Year 1992-93

President – Sandra Rockett

Past President – Sue Harpole

President Elect – Jeanne Stewart

Secretary – Darolyn Parks Porter

Treasurer – Dewana Latimer

Newsletter Editor: Kathryn Johnson

Fall Conference – October 12-14, 1992 at the Maxwell House Hotel in Nashville, Tennessee. The theme for the conference was *“Reauthorization – A New Frontier”*.

Spring Conference – April 25-28, 1993 at the Memphis Marriott. The theme for the conference was *“Reauthorization – Full Steam Ahead”*.

At the April Board meeting, it was reported that TASFAA had 354 members. Two hundred thirty-seven members registered for the spring conference, with 11 TASFAA Past Presidents in attendance.

Financial Aid Awareness: During the year, 822 workshops were presented by TASFAA members with 31,818 prospective students and parents attending.

A public service video with TASFAA members providing assistance on how to apply for financial aid was distributed to 24 television stations.

The mail-in ballot voting process was successfully implemented.

Computer Network Committee Chair Ray Holbrook reported at the April Board meeting that TASFAA needs to encourage use of electronic communications by its members as a means of keeping abreast of the most current information and as a way to keep in touch with one another. There was a session on electronic communications at the spring conference. The main ways to communicate electronically will be through Bitnet, Internet and Technet systems.

Sixteen institutions applied to participate in the Internship/Peer Counselor Project, and 40 counselor applications were received.

The TASFAA Hotline was in operation.

The President’s scholarship was renamed the Ann S. Tinnon Scholarship in her honor. Ann was a Past President of TASFAA. She passed away January 6, 1993.



TSAC Loan Division Update

Even though the FFELP loan programs ended this past summer and became subject to the “sunset” of financial aid programs, we on the loan staff have been quite busy at TSAC. While we have continued to carefully attend to the loan programs we have known for so long, we are also looking forward to new challenges and opportunities in the months and years ahead of us.

We are currently reviewing and updating our TSAC Policy and Procedures Manual. Hyperlinks have been integrated to notate the regulations and form letters for each respective procedure for easy access as needed.

To assist us in more effectively monitoring the workflow within the loan division, we have created a series of new Access Database tools. Our loan staff in their daily workflow activities will regularly access these databases. The databases we have developed at this time help us deal with such issues as: Tax Offset Appeals, Loan Discharges, CRQ's, Invoices, License Revocations, and Reinstatement Letters. These tools have proven to be effective in monitoring the activity and timeliness of our efforts and we will continue to develop other databases to insure that our efforts remain up to date and accurate.

In order to assist borrowers with the reinstatement process, we have added a *Request for Reinstatement of Federal Student Aid* form to the TSAC website. You may want to make specific mention of this to your borrowers and offer a link to it on your own school website where loans and loan programs are discussed.

Going Forward

Lending and loan servicing have always been our major emphasis, and now that the FFELP program is winding down, we are focusing more and more on what we know so well --- you as a professional, your school, and your students. We are now involved in reviewing all of our publications, training and cross training our staff, and implementing state of the art document scanning for our archived records.

Perhaps the most exciting undertakings we are now developing include working to partner with the US Department of Education in the areas where we can more directly impact both students and postsecondary institutions where all types of financial aid issues are at the forefront. We are currently looking at issues like debt management, educational planning, outreach, default reduction, and school success. We are acutely aware of the added burdens you bear with student enrollment climbing and financial support for your activities declining. As a result, we are now well on our way to developing a cost effective Consulting Service “resource” for schools to turn to for administrative support whenever such assistance can be of value, especially when critical issues and times arise, or when key staff members are not available. Additionally, of particular value to the aid community are some familiar and creative administrative projects (nearing readiness) for joining with 3rd party vendors through the application of RFP's. We hope to announce more about these projects for your consideration in the near future.

Regardless of what you have known about us in the past, be assured that we are trying our best to listen to you about what you need most as you go about your daily tasks. We would like to assist you and your school in your efforts to serve the postsecondary aspirations of your students, and to lighten, in every way possible, the administrative burdens that you encounter along the way. Your success and the academic success of your students is our primary concern.

Playing a part in student success and retention on your campus

Cathy Mueller

Mapping Your Future

Many students who start college do so with a goal in mind -- perhaps it is a goal of walking across the stage to accept the diploma, achieving an education in a career field, or advancing in a current job.

As with any worthwhile goal, there can be stumbling blocks along the path to success, impacting a student's ability to finish his or her education. The stumbling blocks may be due to any number of factors, such as a shortage of money, a lack of motivation, difficulty with academics, unclear goals for higher education, or conflicting priorities.

Student success and retention is a popular and important topic right now – and with good reason. All of society has a stake in seeing students who start college succeed. Successful students result in several benefits to society including an educated workforce that is better able to develop new innovations and make positive contributions. As a result, taxpayers have a better return on the investment made in higher education with federal and state tax dollars.

Although the burden of student success and retention is typically a university-wide initiative, the Financial Aid Office plays an important role.

Of course, the processing of financial aid for students who otherwise would not be able to attend college is an important aspect of enabling students to succeed. But providing access to funds isn't the only role that the financial aid office can play in student retention and success. As is the case with many college campuses, a majority of students come in contact with the financial aid office at some point in their college career, and each contact can be opportunity to encourage retention and success.

As a financial aid professional, you might be the first administrative person on campus to know or be able to identify students that are at risk of dropping out due to financial difficulties. Thus your office can play an important role in student success and retention.

Guidance and counseling

In addition to the federally mandated student loan counseling, financial aid professionals can help students with a variety of other counseling programs, such as financial literacy counseling and loan management counseling, throughout a student's time in college. The counseling can cover a variety of college-life issues that they may be facing, such as academic performance, stressful decisions, and time constraints. The counseling, whether it is provided in person or online, can include information and reminders on how to seek help or address those issues.

Mentoring program

Some colleges and universities have established mentoring programs in which seasoned staff members offer one-on-one assistance to students. As a financial aid professional, you will likely have a lot of information about how the system works at your school and can help those students who might be at risk of dropping out. Consider being a part of that mentoring program or create a mentoring program that can be a part of the services offered by your office.

Customer service

F. Scott Fitzgerald wrote, "...the lightest touch can wither or heal." Since your office comes in contact with so many students, customer service is probably already a priority. So this may just be a reminder – to make sure your front-line staff members are courteous and helpful. If it's not something you do already, consider regular training sessions on customer service. Students who feel that the college or university professionals are interested in their success may be more likely to persevere when they face some difficult challenges.

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How to Make the Most of Your Calls to Delinquent Borrowers

By Dave Bowman, Regional Marketing Director with
Great Lakes Educational Loan Services, Inc.

In a time when many student loan borrowers are frustrated that their loans have moved several times or are split among multiple servicers, schools may be the only entity a delinquent borrower recognizes. That's why more schools are launching campaigns to call delinquent borrowers and guide them to the organizations and options that will get them back on track.

When planning a phone campaign, there are some easy steps you can take to make the most of your phone calls.

Before the Call

- Identify borrowers to contact. Use the NSLDS Delinquent Borrowers report and guarantor reports.
- Find phone numbers. In addition to the phone numbers in your records and from NSLDS and guarantor reports, check with your school's registrar and alumni offices for updated contact information.
- Consult with your school's legal counsel for guidance to ensure you are complying with federal and state privacy and debt collections laws.

During the Call

- State your name and that you're from the school.
- Verify that the borrower is speaking before disclosing private information.
- Motivate the borrower to contact their servicer and resolve the delinquency by letting them know what's in it for them. Examples include, "Protect your future credit," and "Save money in interest."
- Listen to the borrower as they voice concerns.
- Acknowledge the difficulty the borrower is having and let them know that you are there to help.
- Help. No matter the issue, encourage the borrower to contact their servicer and ask about available options.
- Verify the borrower's contact information. Ask for address, phone numbers, and email address.

After the Call

- Update your records with the date and outcome of the call and any changes to the borrower's contact information.
- Keep track of the borrowers you have called.

Schools that make the most of their calls to delinquent borrowers can make a difference, not only in the life of each borrower that they contact, but, over time, in their cohort default rates.



Student loan scams flourish (from walletpop.com/bloggers/lynette-khalfani-cox/06012010)

A college freshman. A group of prison inmates. An elderly grandmother.

They all have very different backgrounds. But they also share a common characteristic: Each was the victim of identity theft in which someone used their social security numbers to fraudulently obtain student loans.

The Identity Theft Scam

"There's a growing trend in the area of identity theft related to Financial Student Aid programs," says Natalie Forbort, a special agent at the Office of Inspector General, or OIG. Within the U.S. Department of Education, the OIG staff investigates all manner of student loan scams and misused federal financial aid. They do their best -- OIG investigations often root out big cases of fraud totaling hundreds of thousands or even millions of dollars.

But with thousands of colleges and universities potentially eligible to receive federal money, and more than \$100 billion in new aid disbursed annually to some 14 million borrowers, the Department of Education "faces a formidable challenge in ensuring that...funds reach the intended recipients," Deputy Inspector General Mary Mitchelson said in a recent report.



According to the OIG's [Management Challenges Report](#) for fiscal year 2010, the Federal Student Aid office simply does not have "sufficient capacity or resources necessary to provide effective oversight for all aspects of the student financial assistance programs, leaving programs vulnerable to waste, fraud and abuse."

That's just part of the reason why student loan scams are flourishing. The economic downturn, which has driven some desperate people to wrongdoing, advances in technology that allow crooks to use the Internet in more sophisticated ways than ever before and with greater anonymity, and plain old-fashioned greed are all playing a role in the rise of financial-aid fraud.

And not just identity theft scams, but other financial aid cons as well.

Here's a look at some other common student loan frauds of which all current and former students – and the general public – should be aware.

The Advance Fee Scam

With this scam, con artists purport to offer student loans but tell potential borrowers they first have to pay a fee – usually about 3% or 4% of the loan amount – in order to secure the loan. If you come across a "lender" like this, don't be fooled.

"The general rule of thumb is that if you have to pay money to get money, it's probably a scam," Mark Kantrowitz, publisher of the financial aid and scholarship websites *FinAid.org* and *FastWeb.com*, told WalletPop. "Legitimate student loans, both federal and private, do not charge upfront fees. If there are fees, they're deducted from the disbursement check."

What kinds of fees are legitimate in the student loan universe? Federal Stafford loans have a 1% default fee but charge no origination fees, thanks to recent changes in the law. With federally sponsored Parent PLUS Loans, the government charges a fee of up to 4% of the loan.

Fees vary with private loans. Some have no fees; others do impose charges, such as "disbursement" fees. When fees are assessed on private loans, they generally range from about 3% to 5%.

Be aware, though, that even with the exact same lender, fees can run the gamut. For instance, Kantrowitz said that Sallie Mae offers a continuing education loan with fees that range from 0% to 5% of the loan amount.

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Playing a part in student success-- continued from Page 8

Outreach on campus

Establish a contact with the various academic programs, student organizations, or sports clubs on campus. Your office can provide information to those various contacts or offer presentations to some of the lecture classes or university-sanctioned groups on campus. For instance, the athletic department may want you to speak to their students about money management.

Other resources

Since your office comes in contact with so many students and many of those students are in need of assistance not only from your office, have a referral list so you can quickly direct students to the appropriate office on campus. In some instances, you may encounter students who are ready to drop out but just may need some help solving a problem. The student may see the problem as insurmountable but there may be another office on campus that can help.

Most financial aid offices are extremely busy administering and processing federal, state, and campus-based aid. Although your office may not have the resources to take on a large part of the student retention and success effort on your campus, you may be able to implement some of these strategies to help your students.

Student Loan Scams Flourish continued from Page 10

The Loan Consolidation Scam

After leaving school, it's common for college grads – or even those who didn't complete their degrees – to want to consolidate student loans in order to lower their monthly payments.

This is another area that's ripe for potential fraud. Unscrupulous individuals may try to prey upon those looking to combine loans by offering bogus loan consolidation programs that do nothing. Like the advance fee scam, the loan consolidation scam is really about a fraudster getting you to fork over money, allegedly to cover "processing," "administrative" or "consolidation" charges.

If you have federal loans, however, you know you're dealing with a crook if he says you need to pay any charges to get your loans consolidated. "Federal consolidation loans have no fees whatsoever," Kantrowitz notes.

FinAid.org also tracks private lenders that offer loan consolidation. Right now, there are only four private lenders that do so. If a private lender offers you a loan consolidation and it's not listed on FinAid.org, check out the company very carefully before supplying your personal information or paying any fees.

The Debt Elimination or Bankruptcy Scam

Under this heist, someone will falsely claim that they can discharge your student loan debt – for a price. A federal grand jury in May indicted a 51-year-old Kansas City, MO man for an alleged scam of this type.

Such claims are a dead giveaway of fraud, unless you qualify for one of the federally-approved reasons to get a student loan canceled, such as you're totally and permanently disabled, your school closed, or someone forged your signature to get student loans.

A variation on The Debt Elimination scam is The Bankruptcy Scam, where someone says they can discharge your student loan debt in bankruptcy court. Then they try to get you to pay "legal" fees or other costs associated with a bankruptcy filing.

A word to the wise: Unlike credit card debt, student loan obligations can't be written off in a bankruptcy – not yet anyway. (There was, however, legislation introduced this year in Congress to allow consumers to discharge private student loan debt in bankruptcy court; the House and Senate are still considering the idea).

Student Loan Scams Flourish continued on Page 12

Student Loan Scams Flourish continued from Page 11

Institutions, Government and Taxpayers Get Defrauded, Too

Of course, students and families aren't the only victims of student loan and financial aid fraud. Sometimes universities and other institutions that dole out money are the fraud victims when students perpetrate crimes to get dollars for school. Such is alleged to be the case with a former Harvard senior, Adam B. Wheeler, who now faces criminal charges for falsifying documents to get into the Ivy League school and roughly \$45,000 in scholarships, grants and financial aid, according to The Boston Globe.

In another case, it wasn't a student who pulled off a major financial aid scam, but someone *pretending* to be a student.

The Fake Student Scam

Trenda Lynn Halton, of Peoria, Ariz., recruited 64 "straw students" to pretend that they enrolled in Rio Salado College in Phoenix in order to get more than half a million dollars worth of Stafford Loans and Pell Grant funds. Halton was recently sentenced to 41 months in prison, ordered to repay \$581,060 in restitution to the U.S. Department of Education, and ordered to perform 100 hours of community service.

Con jobs like this one – let's call it The Fake Student Scam – have real consequences.

"Halton quarterbacked a network to steal taxpayer funds intended for real students actually studying," U.S. Attorney Dennis K. Burke said in a statement. In other words, those federal loans and grants that went to Halton and her network of pretend students meant that those dollars weren't available to dozens of other legitimate students who were truly needy and deserving of such money.

But the OIG staff at the Department of Education must feel there's some justice in the world: Thanks in large part to the OIG's efforts, Halton and her co-conspirators have all either pleaded guilty, been sentenced or are awaiting sentencing.

So while most real students will be enjoying a much-needed summer vacation next month, Halton will be starting her prison sentence on July 19.

Paying My Student Loan

Jane Pennington, Assoc. Exec. Director, Tennessee Student Assistance Corporation

All participants in the student loan program are concerned about a number of issues, some new and some not so new. The new formula used to figure cohort default rates can and will have an effect on the rates for all involved in the student loan program. The cohort rates recently released for schools have increased and in some cases significantly. There are some schools and groups of schools that are choosing to leave the student loan program, so as to not jeopardize their participation in other Title IV programs. This could have both positive and negative effects for schools and students.

The efforts to address delinquent student loans have been increased by all parties involved in the student loan process. Keeping loans from going into default is important for private loans, Perkins Loans, FFELP Loans, Direct Loans and others. Nobody wins if student loans, of any kind, end in default. Getting the information out related to loan delinquency and student loan default is getting a lot of attention.

It is important for schools to know where students are getting their information. Educational institutions have long been stewards of information provided by students when they are applying for student aid. Many students and families have paid unnecessarily to apply for student aid, when they could have accomplished the same result at no cost. The information seems to have gotten out that applying for student financial aid is a process, that with help from schools and counselors, can be done at no cost to the family. Repaying student loans is also becoming a big business.

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Paying My Student Loans continued from page 12

Google the term “paymystudentloan” and you get almost 250,000 hits. Some of these sites are helpful, some are free, some are at a cost and some are just interesting. Most educational institutions have web sites not only for students interested in coming to their schools but also for students while they are enrolled and when they leave. These sites can answer questions about how, who and where to go to get information related to paying their student loans.

Many of the sites listed are companies that provide services for a fee. This is not to say these companies are not a good source of information, but does the student actually need to pay a fee for services that are available at no cost. Scholarship sites, professional credit repair firms, debt solutions companies and use of credit cards to pay student loans are a few of the sites available. Some of the “interesting sites” are: (1) videos by students asking for help to pay student loans, (2) military benefits, (3) art student posting on art community site for help in paying loan, (4) selling t-shirts to pay off student loans, and (5) jobs that allow for student loan forgiveness.

Where do students get their information? A lot of information comes through social media. This can include facebook, blogs, twitter, web logs, pod casts, instant messaging and the internet to mention a few. These can be good sources of information. However, these sources can provide misinformation or not enough information. Social media is becoming the means of communication, not only for young people but also for others. Using this media to provide information related to helping students and former students is important. Providing information related to borrowing before students enter school is important and information during and after students are in school is needed. Making sure students know about the College Cost Reduction and Access Act (CCRAA), Income Based Repayment and Public Service Loan Forgiveness is information that students need. Schools need to make sure the information provided to students and families is up to date. In addition to up to date information, media that students and families are using should be up to date as well.



Congratulations to **Zane Erwin** of *Tennessee Technology Center at Knoxville* who became Mrs. Ron Lauderdale (Zane Erwin Lauderdale) in October.

Tammy Love is the new financial aid officer for *Tennessee Technology Center at McMinnville*. She replaces **Carolyn Borum**, who retired after almost 31 years in student services.

Representative Craig Fitzhugh (District 82), Senator Delores Gresham (District 26), and Hannah Wade Powell (Field Rep for Congressman Stephen Fincher, District 8) and other elected officials were present at the ribbon cutting and dedication of the **Crockett County Higher Education Center** on Friday, February 11, 2011. The facility located at 5533 Hwy 4123 S. Bells, TN is home to the Crockett County Adult Education program and a satellite campus of **Tennessee Technology Center at Ripley**. The center offers courses in Practical Nursing, Truck Driving, Patient Care Technician and Business Systems Technology.

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Transitions *continued*

Tennessee Technology Center at Ripley has also added a new Student Services Counselor/Recruiter, **Ms. Ruth Cohill**. **Ms. Amy Stephens** is the new Tech Foundations Instructor at the Center.

Aquinas College announces that **Ashley Tyler** has been promoted to Senior Financial Aid Counselor; **Barbara White** has moved back to FA as Financial Aid Counselor; **Kimberly Neal** has joined the office as Data Coordinator.

Middle Tennessee State University added a new lottery clerk to the staff in October 2010, **Lisa Throneberry**. **Leann Eaton** was promoted to Associate Director of Financial Aid, **Kelly Holder** was promoted to a Financial Aid Counselor position, and **Shauna Wilson** (former lottery clerk) is now verification clerk.

Southwest Tennessee Community College welcomes a new addition – **Jude Nathaniel Hoekstra** was born on February 25, 2011 to **Melissa Hoekstra**, Financial Aid Counselor. Jude Nathaniel weighed in at 6 lbs 8 oz and was 20.5 inches long.

Welcome and congratulations to **Gregory Druessedow**, Financial Services Advisor at *Daymar Institute* in Nashville. He joined TASFAA March 9th and is getting married on April 16th to Saida Osman.

At *Tennessee Tech University* in Cookeville, **Tina Campbell** (Financial Aid Assistant) is the proud Grandma of Mr. Levi Campbell born on January 13, 2011, **Carmelita Hill Lozon** (Receptionist) got married to Mr. Dave Lozon on January 16, 2011, **Libby Bridges Phillips** (Financial Aid Assistant) was named TTU Ambassador of the month for March 2011, and last but not least – **Lester McKenzie** (Director) and his wife Patricia recently welcomed Ms. Caleigh McKenzie to their family. (Caleigh is a rescue puppy from the local animal shelter).

Derek Brooks and wife have welcomed a new baby girl born October 4th, Ashlyn Grace Brooks. Derek is a Financial Aid Counselor at *East Tennessee State University*.

Carly Schumann, Financial Aid Officer at *Baptist College of Health Sciences* and her husband Brad Schumann welcomed Dylan Schumann, born January 29, 2011. BCHS also welcomes **Eddie Atkins** as Financial Aid Officer at the institution.



Tanaka Vercher, Program review Specialist for Compliance and Legal Affairs at *Tennessee Student Assistance Corporation* happily announces that she has launched her campaign for Nashville Metro Council's District 33. Tanaka, who is also a veteran of the United States Navy, stated in a Nashville press release, "I look forward to building new relationships in the district and serving as a voice not only to citizens of District 33, but all of Davidson County." Congratulations and good luck to Tanaka.

Dates to Remember

April 10-13, 2011
TASFAA Annual Conference
Cool Springs Marriott
Franklin, TN

November 29 – December 2, 2011
FSA Fall Conference
MGM Grand Conference Center
Las Vegas, NV

June 19-24, 2011
SASFAA Summer New Aid Officers
Workshop
Clemson University
Clemson, SC

February 26-29, 2012
SASFAA Annual Conference
Sheraton-Greensboro Four Seasons
Greensboro, NC

July 17-20, 2011
NASFAA National Conference
Hynes Convention Center
Boston, MA

