



FALL 2001

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## The Newsletter for Financial Aid Administrators in North Carolina

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### A Word from Our President



It has truly been a pleasure to serve NCASFAA as State President during the past few months. During the past few months, I have been working closely with the NCASFAA Executive Board and Program Committee. Let me just say, that this is a great group of individuals who have been supportive hard working and committed to the Association. The Program Committee members have planned a great Fall Conference for you. The conference will be held in Greensboro, NC at the Embassy Suites Hotel. Conference packets have already been mailed out to the membership. If you did not receive a packet, please contact our website at [www.ncasfaa.com](http://www.ncasfaa.com) or Philip Roof, Fall Program Chairperson. The theme for this year's conference is *"Under Construction: Paving New Roads"*.

I understand that many of the institutions in our association may be experiencing difficulties in traveling due to the recent state budget crisis. I would like to encourage each of you to send at least one or more representatives to the Fall and Spring Conference. Please let me know if I can be of any assistance to you in providing letters of support to your Division Chairpersons. NCASFAA will continue to provide the best training through our conferences, NCASFAA Workshops, Support Staff Work Shops and Video Conferences.

Several institutions will be hosting the Department of Educations' Satellite Conference on November 1, 2001 regarding the 2002-2003 Application Process. More information will be provided to you regarding the locations within the next few days. These locations will be provide to you through the NCASFAA listserv and through the website.

In regard to the recent terrorist attack, I hope that you are all doing well. I have had the opportunity to speak with many of you and I am greatly pleased that you have been able to carry out your responsibilities in the Financial Aid profession and in your daily lives. This tragedy has affected each of us in some way and I believe that it has brought the nation closer. I am encouraging those of you who can to contribute to the Red Cross or through other means to support the victims of this attack. On behalf of the NCASFAA members our prayers and sympathy go out to those of you who have family and friends that were harmed through this tragic event.

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I would like to extend a special invitation to NCASFAA members to become actively involved in the Association. NCASFAA is a "strong" organization due to commitment and involvement of its members.

Wanda White, NCASFAA President

## FALL 2001 CONFERENCE

The leaves are falling, we are setting back the clocks and the weather is getting.... okay, so it's still hot. But other than the weather, Fall is upon us. There's no better way to enjoy the Fall than to make your plans to attend the Fall NCASF AA Conference which will be held at the Embassy Suites Hotel in Greensboro. The Conference will be held from November 5 – 7, 2001.

This Fall Conference has been packed full of sessions and speakers you will not want to miss. The conference will highlight:

- The College Board – Susan McCrackin is coming to talk about the new FM methodology that's coming with reauthorization.
- Tim Fitzpatrick – President and CEO of Sallie Mae will be speaking on the educational issues that we will all face in the future.
- NCSEAA will give us a complete update on all of the developments and enhancements to CFNC. and the State Education Assistance Authority.
- Steve Morgan – Nationally known motivational speaker will speak to us on the importance of team building.
- Dr. James Seymour, Professor of Philosophy, Producer and Co-host of television program “Issues of Life” will speak on the national best-selling book “Who Moved My Cheese”.

The conference will also include sessions about ELM, Powerfaids, Datatel, USA Group Like Skills Clinic and of course, representation from the Department of Education. There is going to be a dance in the Construction Zone and a great Banquet featuring a Jazz Band for your listening pleasure.

As you can see, the Program Committee has been hard at work constructing the best conference possible. I hope you will make your plans to join us for ***“Under Construction, Paving New Roads.”***

Philip Roof, Fall Conference Chair

Regional Marketing Manager

Education First Marketing LLC - CHASE

## NASF AA TRAINING UPDATE

Does the idea of putting together a policy and procedures manual fill you with dread? Doing all that research and putting everything in an easy to find format will take forever, right? Let NASF AA make the job easier! NASF AA training on policy and procedure manuals will be offered on December 6, 2001 at Wingate University from 9:00 AM until 3:30 PM. This is a combined training session for NCASF AA and SCASF AA. Patty Cope of Gardner-Webb, Andrea Perry of USC Columbia and Bruce Blackmon of UNC Pembroke will be Presenters.

The NC State Education Assistance Authority has agreed to pay for training materials for NCASF AA Members as they did last year. We are grateful to Steve Brooks and NCSEAA for their continued support of NCASF AA Members. The material will cover every aspect of assembling your own manual from scratch. The training will include sample procedures that you can customize for your own use. Registrants will receive an instruction notebook and a template on disk from which to create their own manual.

There is no charge for the training. Bank of America will sponsor a continental breakfast and Sun Trust will sponsor lunch. Nearly 60 individuals have already registered for the training, but ***there is stillroom for you!*** Reserve your spot by sending an email to Bruce Blackmon at [bruce.blackmon@uncp.edu](mailto:bruce.blackmon@uncp.edu)

Bruce Blackmon, NCASF AA Vice President

## FAFSA Day 2002

The 2<sup>nd</sup> annual FAFSA Day sponsored by College Foundation of North Carolina and NCASF AA will be held on Saturday, February 9, 2002 (snow date: February 23) at 25 locations across the state. FAFSA Day provides the opportunity for students to receive assistance from financial aid professionals as they complete and file their FAFSA forms online.

FAFSA Day is currently being promoted through CACRAO college days/nights, counselor workshops, and promotional fliers provided to school counselors for distribution to their senior classes. Nearly 500 students sought help last year and with 11 additional locations and a coordinated publicity effort, we anticipate a significant increase in the number of families seeking assistance.

In order to serve our state's students, we need financial aid administrators (a lot of you!) to volunteer a few hours on February 9 at the location nearest you. The day is scheduled to begin at 9:00 a.m. and conclude at 1:00 p.m. Please contact Lisa Place at [lisaplace@louisburg.edu](mailto:lisaplace@louisburg.edu) if you can assist the entire four hours or even just for a couple hours on that day. If you have general questions about FAFSA Day, contact Robbie Schultz at [robbie@ncseaa.edu](mailto:robbie@ncseaa.edu).

### FAFSA Day 2002 Locations

Alamance Community College	North Carolina Central University
Bennett College	Peace College
Cabarrus College of Health Sciences	Randolph Community College
Campbell University	Richmond Community College
The Career Center (Winston-Salem)	Southwestern Community College
Chowan College	Stanly Community College
Cleveland Community College	ThinkCOLLEGE & Career Center® (Charlotte)
East Carolina University	University of North Carolina at Asheville
Fayetteville State University	University of North Carolina at Pembroke
Halifax Community College	University of North Carolina at Wilmington
Lees-McRae College	Wayne Community College
Lenoir-Rhyne College	Western Piedmont Community College
Martin Community College	

If I have the belief that I can do it, I shall surely acquire the capacity to do it even if I may not have it at the beginning. –

*Mahatma Gandhi*

# 2002 SASFAA CONFERENCE

February 17-20, 2002

The Galt House Hotel

Louisville, KY

**Submitted by Lisa Tumer, Conference Chair**

Has the endless stream of late applicants who want their aid **NOW**; long lines; late registration, and all the other hassles that occur during the fall semester, made you feel as if you don't know in which direction to turn? Do you know where you're headed, or have you gotten off track? Well.... Head for **SASFAA 2002** in Louisville, Kentucky where we will be "**Keeping You on the Right Track**"! SASFAA's conference committee has planned an excellent conference for your enjoyment, filled with informative and quality sessions, federal updates, networking with colleagues and even some fun.

Rooms have been blocked for Thursday, February 14 through Thursday, February 21, 2002. Room rates are \$110 for single and double occupancy, \$120 for triple occupancy and \$130 for quadruple occupancy. These rates will apply three days before and three days after the conference for anyone wishing to come early or stay late. Please only reserve rooms that you plan to use.

To make your reservations, call the hotel directly at (502) 589-5200, extension 5120. Be sure to mention that you are attending the SASFAA Conference. Reservations must be guaranteed with one night's deposit either via a credit card or a check, which must be received within seven (7) days of verbal confirmation. If you need to cancel your reservations, you must notify the hotel 48 hours in advance, or you will be charged for one night's stay including state and local taxes. The cutoff date for reservations is **January 21, 2002**.

For your convenience, all conference information will be posted on the SASFAA website. Please check it periodically to keep updated on conference details. If you are not a member of SASFAA and would like to join, contact Clyde Walker, SASFAA Membership Chair, at (615) 460-6403 or [c.walker@vanderbilt.edu](mailto:c.walker@vanderbilt.edu).

Conference fees are \$185 for early registration and \$235 for registrations postmarked after January 29, 2002. Be sure to include an additional \$25 with your registration if you have not paid your membership dues. The registration form will be available on the website. A notice will be mailed when the form and other pertinent conference information is posted.

Mark your calendar now and start making tracks to Louisville for **SASFAA 2002...Keeping You on the Right Track**.

## **US Department of Education Video Conference Host Sites**

### **Topic: “Access For All: 2002-2003 Application Processing System Update”**

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The following locations have volunteered to be a host site on Thursday, November 1, 2001 for the videoconference sponsored by the Department of Education. This videoconference will provide updates for application processing for the 2002-2003 award year.

#### **Institution**

#### **Contact Person:**

Halifax Community College  
Hwy. 158 West  
Weldon NC

Kathy Barlowe  
Phone: 252-536-7216

North Carolina Central University  
Library (Third Floor)  
Campus Drive  
Durham, NC

Vernestine Bannerman  
Phone: 919-530-7410

Saint Augustine’s College  
WAUG-TV Station  
Seby Jones Fine Arts Building  
1315 Oakwood Avenue  
Raleigh, NC 27610

Wanda White  
Phone: 919/516-4131

UNC – Greensboro  
McNutt Building  
Greensboro, NC

Bruce Cabiness  
Phone: 336-334-3390

The scheduled time for the videoconference is from 1:00 p.m. to 3:00 pm Eastern Time. If you are interested in attending one of the locations listed, you may contact the NCASF AA website for registration information. You can also view the SFA videoconference site at <http://www.edvideo.walcoff.com> for more information. You may borrow videotaped copies of the program approximately (3) weeks after the live program at 1-800-433-3243.

Amy Butts  
NCASF AA - Chairperson State and High School Relations  
Director of Financial Aid  
Peace College

## **SUPPORT STAFF PROFESSIONAL DEVELOPMENT WORKSHOPS**

Committee Members: Myron Bryant, St. Augustine's College; Alfreda Carrington, NC Central University; Beth McQueen, Richmond Community College; Sharon Oliver, NC Central University; Linda Smiley, Cape Fear Community College

NCASFAA will sponsor two Support Staff Workshops. The workshops are designed to provide training opportunities and develop a network for support staff. Financial Aid support staff encounter a wide range of emotions from students and parents. This workshop addresses understanding and diffusing anger, while working to solve potentially explosive situations. The theme for the workshop is "**Keeping Cool When Temperatures Rise**". A few of the topics that will be presented are **Customer Service, Team Building Skills, Stress Management and Communicating Effectively**.

The Support Staff workshops will be held on the following dates and locations:

**Tuesday, December 5, 2001**

**NC Central University - Durham, NC**

**Friday, December 7, 2001**

**UNC Charlotte - Charlotte, NC**

For registration and further information, please visit NCASFAA's website at [www.ncasfaa.com](http://www.ncasfaa.com).

Sharon Oliver

Chairperson –Professional Development (Support Staff Training)

Director of Financial Aid

NC Central University

### **Legislative Advisory Committee Update**

Dr. Anthony Grady, Chairperson; Annette Williams, Wake Technical College; Monty Hickman, St. Augustine's College; Michael Eure, St. Augustine's College.

The Legislative Advisory Committee held regular bi-monthly meetings to review federal updates and changes. The Committee provided updates regarding the following topics:

- 1 -NSLDS Student Transfer Monitoring
- 2 -FISAP Application Information
- 3 -Default Rate Information
- 4 -Changes in 2001-2002 FAFSA Processes
- 5 -News & Observer Article (Regarding Possible Changes to the NC Grant Programs)

The information regarding topics 1 – 4 can be located on the US Department of Education's website [www.ifap.ed.gov](http://www.ifap.ed.gov) website. In addition to periodic monitoring and reporting changes that affect traditional students and financial aid, I will pay close attention to issues affecting adult learners as well. There are thousands of adult learners engaging the academic and financial systems of higher education today. We have to be mindful of these facts when we look at the myriad of financial aid packages and other services offered.

Dr. Anthony C. Grady, Chairperson

Legislative Advisory, St. Augustine's College

## New Aid Officer's Training Workshop Committee

The New Aid Officer's Training Workshop Committee is working hard to ensure a successful workshop at our Fall 2001 Conference. Currently, 25 financial aid staff members have signed up to attend the workshop. Their years of experience in financial aid ranges from 1 month to 16 years. The workshop will begin on Sunday, November 4, 2001 at 1:00 p.m.

The committee members are Sherri Avent – NC A&T State University, Bill Zahn – UNC Greensboro, Elizabeth McDuffie – NC State Education Assistance Authority, Ronnette King – UNC Greensboro, Cassandra Pettigrew – Duke University School of Business, Deborah Colbert – Winston Salem State University, Georgina Green – St. Augustine's College, Sarah Perry - Texas Guaranteed, Dee Grissett - Robeson Community College, Janet Melvin – Fayetteville Technical Community College, Tony Carter – Financial Aid Services, Kay Hinson – Pfeiffer University and Kay Stroud – Appalachian State University.

The committee has met on several occasions to plan the workshop. The topics that will be covered in the workshop are:

- A Brief History of Financial Aid
- General Eligibility
- The Application Process
- Verification
- Cost of Attendance
- Over awards
- Programs
  - Campus Based
    - SEOG
    - Perkins
    - Federal Work Study
  - State Aid Programs
  - Loans
  - Professional Judgment

Registration forms are still being accepted for the workshop. Registration form should be faxed to Sherri Avent at 336-334-7954. The committee welcomes anyone who wants to serve the association by participating on this committee.

Sherri Avent  
Chairperson – New Aid Officer Workshops

# US Department of Education Initiates Program: Teachers May Qualify for Loan Forgiveness

by Sarah Perry, Texas Guaranteed

Federal actions have recently led to implementation of incentives in the form of a loan forgiveness program for students in the field of education. You may want to keep this program in mind when you counsel current and former students interested in teaching careers.

The Teacher Loan Forgiveness Program is intended to encourage individuals to enter and continue in the teaching profession. Borrowers may qualify for up to \$5,000 in Federal Stafford, Direct, and in certain cases, Federal Consolidation loan forgiveness through the Department of Education's Teacher Loan Forgiveness Program.

In addition to other criteria established by the Department of Education, borrowers must satisfy the following requirements to qualify for the forgiveness program:

- The borrower must have had no outstanding balance on a federal Stafford loan at the time he or she obtained a loan on or after October 1, 1998.
- The borrower must have taught full time for at least five consecutive, complete academic years at a low-income school that qualifies for Title I funds.
- The borrower must perform one of his or her five years of qualifying service after the 1997-98 academic year.
- The borrower must have obtained the loan on which the forgiveness is sought before the end of the fifth year of teaching service.

Many schools throughout North Carolina are designated Title I schools, and as such, teachers at these schools may qualify for this program. To search for qualifying schools, visit the U.S. Department of Education's Low-Income School database on the web at:

[http://www.ed.gov/offices/OSFAP/Students/repayment/teachers/search\\_t00.html](http://www.ed.gov/offices/OSFAP/Students/repayment/teachers/search_t00.html)

TG processed the program's first application in July, and subsequently issued loan forgiveness to a second-grade teacher from Fort Worth, Texas. Applications to help borrowers take advantage of the Teacher Loan Forgiveness Program are now being accepted by TG.

Additional information about the FFEL/Direct Loan Forgiveness Program is available on the web by downloading the U.S. Department of Education's brochure entitled "Stafford Loan Forgiveness for Teachers" at

<http://www.ed.gov/offices/OSFAP/newprod/loan3.pdf> You can also learn more about the Teacher Loan Forgiveness Program or other student financial aid programs by contacting TG's Customer Assistance at (800) 845-6267, or sending an e-mail message to [cust.assist@tgslc.org](mailto:cust.assist@tgslc.org).

*Sarah Perry is a National Account Representative with Texas Guaranteed (TG). She may be reached at (800) 252-9743, ext. 2502, or by e-mail at [sarah.perry@tgslc.org](mailto:sarah.perry@tgslc.org). Additional information about TG can be found online at [www.tgslc.org](http://www.tgslc.org).*

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Courage, it would seem, is nothing less than the power to overcome danger, misfortune, fear, injustice, while continuing to affirm inwardly that life with all its sorrows is good; that everything is meaningful even if in a sense beyond our understanding; and that there is always tomorrow. -- Dorothy Thompson





**2001-02  
NOMINATIONS FORM**

NCASFAA is seeking nominations for the position of President-elect, Vice President and Treasurer for 2001-02.

If you are nominating a colleague for any of these positions, please obtain the permission of the nominee before submitting the nomination. You may nominate yourself and/or you may nominate more than one active member for any open position by making a copy of this form. To hold office, the person must be classified as an active member.

**President-elect:** The President-elect shall be the understudy to the President, shall serve as Parliamentarian of the Association, and shall serve as chairperson of the Site Selection Committee. This is a three-year commitment.

**Vice-President:** The Vice President shall be the liaison between the Association and new members, coordinate the mentor relationship essential for new members, coordinate the development and annual revision of information for new financial aid administrators, perform all duties of the President in the absence of that officer, and succeed to the office of President in the event of a vacancy. This is a one-year term.

**Treasurer:** The Treasurer shall be the Finance Director of the Association and shall: (a) be responsible for receiving and disbursing all monies of the Association and follow the Association's financial policy as approved by the Executive Board; (b) keep adequate, accurate, and appropriate records of financial transactions as they relate to the operations of the Association; (c) in conjunction with the Budget and Finance Committee, submit an estimated budget to the Executive Board prior to the annual business meeting; and (d) perform duties outlined in Article IX, Section 5, d-h, of the NCASFAA Bylaws. This is a two-year term.

**I would like to nominate the following person for the office of:**

**President-elect**       **Vice President**       **Treasurer**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Institution/Agency: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_

Person submitting the nomination: \_\_\_\_\_

Telephone: \_\_\_\_\_ Date: \_\_\_\_\_

**Please return by December 1, 2001 to Lianne Masterson  
Brevard College, 400 N. Broad Street, Brevard, NC, 28712 ([lianne@brevard.edu](mailto:lianne@brevard.edu))**

## USA Funds Introduces Life-Skills Course for College Students

USA Funds® has developed a flexible training program that will equip postsecondary institutions to teach their students to manage their time and money wisely while they are on campus and after graduation. Life Skills<sup>SM</sup> was created in response to concerns from financial-aid professionals, college students and their parents, and debt-management experts, who said that information currently available fails to adequately prepare students for the money- and time-management responsibilities they face.

USA Funds will introduce Life Skills as a pilot program at 25 colleges, universities and career schools this fall. The course will be available to other USA Funds customers at no cost beginning January 2002.

The program consists of five modules, which cover the following topics:

- Managing money wisely while in school.
- Obtaining and using financial aid responsibly.
- Completing higher-education degree programs in a timely manner.
- Succeeding in college and beyond.
- Repaying education loans.

Each school may tailor the information to meet the unique needs of its students. Schools can use the instruction in conjunction with borrower entrance- and exit-counseling sessions. The program can be delivered as part of counseling by the campus financial-aid office or through other student services, including student-orientation and residence-hall activities.

Life Skills is the latest development in a multi-million-dollar initiative launched by USA Funds in 1999 to help postsecondary institutions achieve measurable reductions in their student-loan default rates. For more information about Life Skills, contact your USA Funds Services representative, Marvin Ragland, at 804-534-9190; toll-free at 800-428-9250, ext. 1689; or by e-mail at [mragland@usafunds.org](mailto:mragland@usafunds.org). Your USA Funds debt-management consultant, Laura Dickerson, also can give you further details. You may reach her at 813-933-8108; toll-free at 800-551-1353, ext. 7879; or by e-mail at [ladicker@usafunds.org](mailto:ladicker@usafunds.org).  
Submitted by: Marvin Ragland, USA Funds Services regional director, 804-534-9190.

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## ED Grants Loan Relief for Military Personnel Called to Active Duty

**Contact:** Stephanie Babyak (202) 401-2311  
Jane Glickman (202) 401-1307

### U.S. Education Department Grants Loan Relief to Military Personnel Called to Active Duty

*Also asks colleges and universities to refund tuition and charges*

To assist members of the military who have been reassigned or activated as a result of the recent terrorist attacks, the U.S. Department of Education today directed lenders and colleges and universities to provide them with relief from their student loan obligations.

“The young men and women who serve our country have an enormous job to do in the coming months,” said U.S. Secretary of Education Rod Paige. “The actions we are taking today will ease their financial burdens as they defend our country in these challenging times.”

Today’s actions apply to members of the National Guard and the Ready Reserves of the Armed Forces who have been called to active duty. The department’s guidance relates to student loans made under the Federal Family Education Loan, William D. Ford Loan, and Federal Perkins Loan programs.

Under the department’s guidance, lenders will automatically postpone the student loan payments of borrowers during the period of the borrower’s active duty service. Borrowers with subsidized student loans will be eligible to have the federal government assume the interest payments on their loans while they are on military duty.

For military personnel called to active duty whose loans are not yet in repayment because they are currently students, or have only recently left school and are therefore in a grace period, the department has directed lenders to hold their loans in their current deferment status. Borrowers will not be required to make payments to their lenders during the term of their military service, as well as for a reasonable amount of additional time for the borrower to resume enrollment in school. In addition, borrowers generally receive a 6 to 9 month grace period after leaving school, and the department’s action ensures that these students will not lose the benefit of this grace period as a result of their service.

In additional guidance, the department strongly encouraged colleges and universities to provide either a full refund of tuition and other institutional charges or comparable credit to students forced to withdraw from school to fulfill their military obligations. The department also urged schools to offer flexible re-enrollment options to these affected students and to other students who have been forced to withdraw from school as a result of the terrorist attacks.

“Many people’s families and livelihoods have been dramatically changed by recent events,” Paige said, “and I hope the nation’s colleges and universities will give people time and flexibility to return to their normal routines and activities, just as I hope they work with the department to help our military reservists make the transition to active duty.”

The department’s actions also relax requirements that schools return federal financial aid to the government when a student aid recipient withdraws from school. As a result of today’s actions, students who withdraw because they are called to active duty or have been affected by the military mobilization, as well as others who withdraw as a direct result of the terrorist attacks, will not be required to return financial aid funds they received for books and living expenses.

Borrowers and their families who have questions about this or other guidance issued by the department should call 1-800-4FEDAID (1-800-433-3243).

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### **Why it’s so Difficult for Borrowers to Know What They Owe** **By Kathleen Gibbons**

Picture a 1000-piece jigsaw puzzle of the solar system. Completed, it’s a beautiful picture of a starry night sky that evokes mystery and promise. Incomplete, it’s a seemingly endless pile of similar-looking black and white pieces, presenting a daunting and often frustrating challenge to assemble.

Those who have been on the borrowing end of education loans can probably relate to this image. Borrowing a loan to finance the dream of higher education should be pretty straightforward. Unfortunately, with all the bits and pieces of detail that borrowers receive about their loans, it's easy for them to be puzzled about how much they owe. As a previous student loan borrower, current parent loan borrower, and also as someone who has worked in financial aid for several years, I have both personal and professional experience with student loan borrowing. If I feel confused about my educational debt, I think it's reasonable to assume inexperienced borrowers do too.

A big part of the problem is the overwhelming amount of paper borrowers receive. For example, in the past academic year alone, my family has received easily over 50 pieces of loan-related mail—an average of five mailings per month over a ten-month period. If you take out my monthly PLUS Loan billing, that still leaves about 40 non-billing related loan mailings, including: Promissory Notes, Notices of Loan Disbursement, Quarterly Interest Statements, Account Statements, Interest Rebate Notices, etc. And that's just from the U.S. Department of Education. The school that my daughters attend (fortunately, they attend the same state university) also sends loan-related material. Just reading through this information is time consuming, let alone processing it mentally and figuring out what action, if any, must be taken.

Despite the vast amount of loan detail my family has received, if you asked my daughters (a sophomore and a senior) what the total amount of their borrowing is today, I'm certain they wouldn't have a clue. And while I may have an educated hunch, without sitting down, sifting through, and adding up several pieces of the puzzle, I'm not really sure either. (I do have a pretty good idea of my total PLUS Loan borrowing, but I attribute that to having recently gone through loan consolidation.)

This obliviousness on the part of borrowers is no surprise to researchers or to financial aid practitioners. Recent studies have pointed out that most students don't fully comprehend how much they've borrowed, especially related to interest accrual. For example, the State Public Interest Research Group (PIRG) Higher Education Policy found that nearly 80 percent of students recently surveyed underestimated the total cost of their student loans. And in a series of debt management focus groups conducted nationwide,

USA Funds found a prevailing trend of “information disconnect” between students' understanding and the reality of their total debt.

One logical solution to this disconnect, it might seem, would be to provide *more* information. However, instead of more, what borrowers need is *better* information that provides—on a regular basis—the current, total amount of their education loan debt.

No wonder many students (and parents) are clueless about what they've borrowed. Instead of receiving a regular statement giving total loan amounts, they receive several similar-looking pieces of the total—like several disbursement notices, each showing one-half of one loan, minus fees. It gets even more cumbersome when, in the same academic year, a student borrower has both a subsidized and an unsubsidized Stafford Loan; or a parent borrower has PLUS Loans for more than one child. They can receive multiple disbursement notices. And if a borrower increases a loan amount after the original loan is made, another notice. Trying to add up the bits of disclosure notices to get a total borrowing amount—for that one year—can feel like rocket science!

With all the technology tools available today, it would seem that providing the big picture about a borrower's total indebtedness should be fairly easy to do; but it isn't. Part of the problem, we know, is that students can have multiple loans from both federal and nonfederal sources. Databases like the National Student Loan Data System (NSLDS) and National Student Clearinghouse have helped centralize federal loan data, but that's only part of the picture.

Another downside to the current data systems is the timing and method of informing borrowers about their education loan debt. For example, data stored by the NSLDS is reported directly to students only once a year, buried on the back of their Student Aid Report. Students can access their loan information online more frequently, but they need to initiate the information request and provide a PIN.

The information gap is most acute for student borrowers during their in-school years, before they enter repayment. Ironically, this is the time when students receive the least information about their cumulative debt (although they receive plenty of disclosure “bits”), and they’re simultaneously making decisions about how much additional loan funds to borrow. How can we expect students to make good decisions about future borrowing if they’re not adequately informed about their current level of debt? Since parent (PLUS) borrowers enter repayment sooner than students, they receive billing statements sooner that list total debt levels for individual loans; but unless loans are consolidated, the debt picture for parents is also piecemeal.

What’s needed is a more systematic approach to delivering total education loan information directly to borrowers on a regular basis, without their having to initiate the request.

This may seem like bending over backwards for the borrower, but it’s really not. If you think about other forms of consumer debt, like credit cards, mortgages or even home utilities, a consolidated, monthly statement of total spending activity is not so far-fetched. If consumers had to go online each month to retrieve this information, it’s pretty likely more than a few of us would fall behind on our bills and miss the mark on how much we owe.

Until our industry can figure out how to provide a consolidated statement of education borrowing—admittedly no small task—students and parents will have to continue piecing together the puzzle of their total loan debt.

# # #

*Kathleen Gibbons is an editor for Nellie Mae, a leading student loan provider based in Braintree, Massachusetts.*

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**Are you going crazy looking for a regulation - you can't decide what to do with a particular situation?**

**YOU COULD USE A MENTOR!**

Are you a seasoned aid administrator who would like to help and advise new aid officers?

**YOU SHOULD BE A MENTOR!**

The NCASF AA mentor program matches new financial aid administrators and seasoned professionals in a continuing effort to develop and strengthen the professional competency of student financial aid administrators in North Carolina. A mentor provides guidance on financial aid problems, issues, and concerns. A mentor nurtures the new professional's development as a financial aid administrator. A mentor points the new professional in the right direction (and to the right section of the regs!).

**TO REQUEST A MENTOR OR TO BECOME A MENTOR GO TO**

**[http://www.ncasfaa.com/mentoring\\_form.htm](http://www.ncasfaa.com/mentoring_form.htm)**

## MOVERS & SHAKERS

**Tamara Arment** is new Director of Financial Aid at **St. Andrews Presbyterian College** having moved from the admissions office where she served as Director of Special Projects. Prior to coming to Laurinburg, she earned a Master's of Public Administration degree from Indiana University at South Bend; was Administrative Manager for Barnes & Noble in Madison, WI; Marketing Services Coordinator at the corporate headquarters of American Family Insurance; and had 13 years of experience in the field of financial aid.

**Lynn Barnette**, formerly Deferment and Forbearance Supervisor at **College Foundation Inc. (CFI)**, begins as CFNC Call Center Manager in late October.

**Nancy Beasley** is now the Associate Director of Financial Aid at **Campbell University**.

**Cindy Driggers**, Assistant Director of Financial Aid at **Richmond Community College**, and her husband, Roger, are proud parents of Megan LeeAnn born June 18, 2001.

**Ellen Mathis** has been named Assistant Vice President for CFNC and College Relations at **CFI**.

**Traci Mitchell**, Electronic Services Coordinator, and **Jill Berry**, Electronic Services Specialist, have joined **CFI's** loan and grant origination team. Traci has ten years experience at CFI and Jill comes from East Carolina University where she served as a student services assistant in the financial aid office. Jill replaces Jennifer Sparboe Ball, who recently left CFI to move to Washington, NC with her husband.

**Sarah Perry**, with financial aid work experience from several universities, including recent work as assistant director in the financial aid office at NCSU, has joined **Texas Guaranteed** to cover North Carolina and Virginia.

**Jim Sutton**, has accepted the position as **CFI's** Director of North Carolina's National College Savings Program, the state's new 529 plan. Jim previously served CFI as Internal Auditor. He replaces Tracy Ireland who has moved to Atlanta, GA with his wife and now works with the Georgia Agency.

Joining **National Education's** marketing team as Account Manager for North Carolina is **Casey Wallen**. He formerly was with Guilford Technical Community College.

**Pat Willis**, previously with Mayland Community College, has joined **Appalachian State University** as Financial Aid Counselor.

**Tamara Reina**, Scholarship Coordinator at **St. Augustine's College** will be leaving her position effective 10-12-2001 to become a stay at home "Mom". Tamara and her husband are the proud parents of a 7 month old daughter named Elisha. She will be greatly missed!

**Monty Hickman**, Default Manager at **St. Augustine's College** will be changing his life forever and "tying the knot" in a candlelight wedding ceremony on Saturday, October 20, 2001 at 6:00 PM at the Mount Level Missionary Baptist Church in Durham, NC. He will be marrying Kelli Patrice Alston.

**Mrs. Emma Page**, made the shift from the director's right hand to becoming a Financial Aid Counselor. She has been dearly missed by the Director.

**Aesha Abdullah**, a 1998 Graduate of NC Central University and daughter of Wanda White, NCASF AA President, has joined the staff at **Shaw University** in Raleigh, NC. She assumed the position of Financial Aid Counselor during the month of June.

**Sherlock McDougald**, joined the staff at **Shaw University** in Raleigh, NC and has assumed the position of Pell Grant Coordinator.

**Alfred Carrington** has joined the staff at **NC Central University** as Scholarship Coordinator.

**Marcus Loftin** – joined the NC Central University team as a Financial Aid Counselor just in time for registration.

**Dwann Lea** – Financial Aid Counselor at NC Central University is the proud mother of a baby boy.

***In Memoriam***

***Joel Speckhard***  
***Elon University***

His death on September 13, 2001 leaves us saddened by the loss of a valued colleague and friend. We are grateful for the way in which his service to his institution and students and his friendship enriched the financial aid profession and our lives.

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Do what's right. Be on time, be polite, and be honest; remain free from drugs; and if you have any questions, get out your Bible. 2. Do your best. Mediocrity is unacceptable when you are capable of doing better. 3. Treat others as you want to be treated. Practice love and understanding. -- [Lou Holtz](#)'s three rules for success



Dana D. Kelly  
Newsletter Editor  
High Point University  
Office of Financial Aid  
833 Montlieu Avenue  
High Point, NC 27262

ADDRESS CORRECTION REQUESTED