



VASFAA Voice

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Training across the Language Barrier: Financial Literacy Resources in Spanish

Chansone Durden, TG Account Executive Team Manager

Inside this issue:

| | |
|---|----|
| Mid-year Message from the President | 2 |
| SASFAA Photos | 3 |
| A New Hat: Recognizing Post Traumatic Stress Disorder or Injury Awareness by Mike O'Grady | 4 |
| Spotlight On: Membership Committee By Janee Knippenbrg | 5 |
| Six Steps to a Default Management Program by Chansone Durden | 7 |
| A Rewarding Journey By Tarik Boyd | 8 |
| New Tools for Veterans | 9 |
| Why Be a Volunteer | 10 |

Thank you to all who contributed to this edition of the VASFAA Voice.

Taken as a group, Americans are less financially literate than one might hope. Economist Annamaria Lusardi's research consistently [shows](#) that fewer than half of American adults can correctly answer basic financial questions such as:

Suppose you had \$100 in a savings account and the interest rate was 2% per year. After 5 years, how much do you think you would have in the account if you left the money to grow: more than \$102, exactly \$102, or less than \$102?

This problem is even more acute for some specific populations. Lusardi writes, "Women, African Americans, Hispanics, and individuals with low educational opportu-

nities continue to display very poor levels of financial literacy — much lower than their counterparts — at middle age, before retirement, and into retirement." Unsurprisingly, people with a poor understanding of financial concepts are at financial risk.

For a large number of people, there is an additional obstacle to overcome: a language barrier. Consider: According to a 2012 [study](#) published by the U.S. Census, 38.3 million people (approximately 13% of the population more than five years old), speak Spanish at home. An American council of Education [report](#) notes that for U.S.-born Hispanic households, only 39 percent use English as the primary language at home. Further, a 2010 [poll](#) sponsored by The Nielson Company and Stanford University found that only 20% of mainly Spanish-speaking

parents were able to communicate "extremely well" with their child's school.

Let's review just that much: (1) fewer than half of Americans understand basic financial concepts (like compound interest), (2) minority groups have even lower levels of financial literacy, and (3) for many people in Hispanic households, a language barrier makes it difficult to improve this dire situation.

Given this situation, it's good to know that some efforts have been made to make financial literacy resources available in Spanish. For example, MyMoney.gov (a government website with financial education resources) is available in Spanish. The office of Federal Student Aid provides online tools at its [website](#), including a Spanish-language version.

A new Spanish-language

Mid-Year message from the President

Colleagues,

I hope all of you are faring well at your colleges and universities! I hope you have begun to “thaw out” from winter storm Pax that has affected many cities and states across the region. Many of you are already deep into the spring term and are working on the implementation process for the 14-15 aid year. At least for me, I feel as though each year comes and goes quicker and quicker and it takes a great deal of perseverance to continue to move forward.

I recently attended the SASFAA Conference in Jacksonville, FL and was able to hear from many colleagues regarding changes, updates, and refreshers on policy. We were fortunate enough to have key speakers such as Justin Draeger, CEO and President of NASFAA as well as Patrick House, Biggest Loser Season 10 winner who was there to promote healthy lifestyles to our ever-busy lives as financial aid administrators. Each time that I attend a conference, I am able to gain a new perspective and love for my profession. I had the privilege of meeting and talking with the incoming state Presidents in the SASFAA region and I realized how important our influence as leaders in our profession has become. We know that we work a thankless job and long hours on a daily basis, but it is always incredible to see financial aid professionals who love what they do and are willing to dedicate even more time as a volunteer in the association. I want to encourage all of you as we approach the VASFAA Conference in May, if you have never volunteered or have been inactive in your volunteerism, to seek out those that can help get you plugged in. Volunteering within VASFAA has been one of the most rewarding parts of my career and I know that you will feel the same way once you get involved.

I encourage all of you to continue to “Press On” toward the goal of helping students graduate in the next couple of months as well as focus on your own personal and professional goals. I look forward to seeing many of you during May 19th-21st for the VASFAA Annual Conference at the Omni in Richmond, VA. More details will be coming soon regarding the New Aid Officer’s Workshop that will take place on Sunday, May 18th as well as general conference information.

Keep Pressing On,

Ashley Reich

2013-2014 VASFAA President

Photos from SASFAA



A New Hat: Recognizing Post-Traumatic Stress Disorder or Injury Awareness (PTSD/I)

In a previous article I mentioned all the hats financial aid administrators have to wear—and some we wear with reluctance. However wearing the veteran advocacy hat is one we can wear with great alacrity. As hundreds of thousands of men and women veterans readjust to civilian life, joining the higher education community may be part of that readjustment. The financial aid community will play a major role in rolling out the welcome mat as they pursue higher education.

About four years ago, the SASFAA Diversity Committee did a survey about challenges financial aid offices envisaged. This survey also included questions about veterans on their campuses. Some of the anecdotal comments about challenges veterans faced included the nuts and bolts issues like getting their funding in a timely manner. However there was a large list of comments about “adjusting to campus life” and “personal stress” or not feeling at home in a campus environment.

One eye-opening question was about awareness or training on PTSD/I.

In that survey, 85% of financial aid administrator respondents said they had no awareness or any training in recognizing PTSD/I. Although there has been a host of media coverage about this issue since this survey was taken, and the number of administrators unaware of PTSD is now probably less than 85%—much can be done to put systemic practices in place to assist student veterans.

Awareness Works

Two years ago, I chaired a Veteran’s Task Force for financial aid and we did a high-level awareness campaign, including simple bookmarks listing several of the symptoms of PTSD/I.

Shortly after, we started to hear stories about financial aid offices recognizing that some of the “difficult” student situations could have been caused by experiences in Iraq, Afghanistan or other trauma invoking events. In one case, a bursar was going to get a student ejected from the school because of his behavior. When they dug a little deeper, they found out that in fact he was a veteran, and had recently returned to the United States and civilian life. Luckily the financial aid director had recently received and read the bookmark and interceded on the veteran’s behalf.

MST- A New Acronym

MST or Military Sexual Trauma has been around for a long time but is only recently getting the attention it deserves. It is estimated that 22% of female veterans and 1.2% of male veterans have some form of MST. With over 200,000 females having served in these conflicts, the number of veterans exposed to this is significant. More troubling, over 40% of those exposed to MST go on to develop PTSD/I.

Not all cases of PTSD come from combat exposure or other aspects of military life. Any traumatic event in a student or veteran’s life could trigger a PTSD response. I recently spoke on a panel with a young woman veteran who suffered from PTSD/I, but it was not from combat. She participated in the efforts in New Orleans after hurricane Katrina and was part of a horrific “recovery” mission. She was understandably still shaken up talking about it even 10 years later.

Small Steps VASFAA Can Do: A VOWS Initiative

VASFAA, along with NCASFAA, will be one of the first states to roll out a Veterans On Work-Study Initiative or VOWS. The initiative is to remind financial aid administrators to include returning veterans when interviewing or filling college work-study, full time, or part-time positions. Veterans bring a diverse skill set and focus welcomed in the complex but rewarding field of financial aid. Financial aid offices should reflect the diversity of the student body they serve and having veterans in the financial aid office ensures that their perspective is heard and understood.

About 20 years ago, I was assigned a veteran as my work-study student to develop and initiate what was then called the Federal Quality Control Program—the precursor to today’s Quality Assurance Program. My institution at the time was one of the first in the nation to join the program, and we were literally building the program from the ground up. The veteran CWS student was instrumental in helping me execute this program, and helped do so on a very short timetable.

He went on to become a financial aid counselor, and assistant director and then associate director of financial aid. He was well respected by his peers in the state and the SASFAA region. The diversification of skills that the individual brought to the profession was admirable including his love of Star Trek.

Although he never became the Captain of the Enterprise—he was elected SASFAA President.

Mike O’Grady serves as Chair of VASFAA’s FOCUS committee for-

Spotlight on: Membership Committee by Janee Knippenberg

We all know that as Financial Aid Top Five Reasons for Join VASFAA

You are a member of VASFAA, but do you know others who could benefit from belonging to a great organization that works hard to help financial aid professionals develop their skills? While there are MANY great reasons to join VASFAA, The Membership Committee is bringing you the top five reasons to join and stay involved in our wonderful organization.

1. *Broaden your knowledge.* VASFAA offers a number of opportunities to learn more about the financial aid profession. Upcoming events include:
Spring Non-Conference Workshop March 6th, Fredericksburg, VA

New Aid Officer Workshop
May 18th- Richmond, VA

Annual Conference May 19-21st- Richmond, VA.

2. *Show your talents.* VASFAA is always looking for people to volunteer their time and talents to numerous committees and efforts. You can help plan the training offered to the membership, you can learn to advocate in the political realm for your students and institutions, you can help mold new aid administrators in your professions just to name a few.

3. *Receive support from other professionals.* Who hasn't come across that unusual question or unique situation while working with students? Knowing that others have had similar questions or experiences, and that we all have a great network to go to when we have questions, can help us serve our students in the best way possible.

4. *Develop professionally.* Perfecting your skills makes you more valuable to your employers, and provides you with the chance to move up in your career.

5. *Become a mentor.* Seasoned professionals have so much to give back to new aid administrators. Many of us couldn't have developed our skills without some help along the way! Sharing your knowledge with others ensures that newer aid professionals have the ability to be the best possible resource to students.

We look forward to seeing all members, new and old, at all VASFAA events this year!

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Training across the Language Barrier: Financial Literacy Resources in Spanish Cont'd

Chansone Durden, TG Account Executive Team Manager

resource has recently become available through the TG Financial Literacy Program. TG's program offers a series of mini-modules on topics such as managing credit, solving debt problems, and setting financial goals. Recently, Spanish-language versions of two of the mini-modules became available: *College Costs: More Than Tuition* and *Credit Basics: How Money Works*. The modules are available for in-person training as well as through TG's Learning Center.

Get the conversation started

Javier Salinas, a financial literacy consultant with TG, described the effort to make these resources available. "We think of this material as being a good conversation starter," he pointed out. "In a lot of cases, the student is just as familiar with English as with Spanish, but the parent is not. The Spanish-language version brings the parent into the conversation. As educators, we want to respect the investment that parents are making in their children. Maybe they're leaving work early to attend this session. Maybe they had to arrange childcare for their other children. There are a lot of competing priorities. Perhaps they're managing care for an elderly parent. But here they are."

In many cases, he noted, this may be the first opportunity the parents and the student have had to discuss finances in an educational context. "They've gone to some trouble to arrange their day so that they're here. Having the material available in the language they understand is a good thing. It's important."

Focus on engagement

"I was recently at a financial literacy conference, and most of the products available teach the same basic things," Salinas noted. "There aren't huge differences between what any two financial counselors will say about how to manage credit, for example. What's different is *how the material is delivered*. We believe in delivering material in small, easy-to-understand chunks. We want there to be an activity that's engaging. And now, as far as making these mini-modules available in Spanish, it is part of that same approach of teaching in a way that helps people really get it."

For example, Salinas points out, "In translating the content, we were sensitive to regional differences in vocabulary. Saying something a certain way might resonate differently in one region versus another. We were aware of that and we adapted accordingly to engage session participants for the population we serve in Texas."

Adapt to your audience

Salinas noted that for many of the parents who will attend these sessions, language is not the only barrier. Many may be under-banked. Many may not have received much education themselves. In that context, breaking out a spreadsheet and force-marching a captive audience through a sample budget wouldn't do much good.

He stated: "For a lot of these families, especially for first-generation college attendees, there's not just a language issue. The *concepts* are new in many cases. If we can give people access to information and also introduce them to ideas they can benefit from, that's a big win for all concerned.

"When I presented this material in Spanish, it was well received. The parents appreciated very much that this was there for them. And the students, even though they may have already heard this content in English, would often choose to attend with their parents. So that was excellent, because now they're hearing it together, and the conversation is underway."

Financial literacy as a must-have rather than a nice-to-have

Six steps to a default management plan

Chansone Durden, TG Account Executive Team Manager

If you're worried about cohort default rates (CDRs), you're not alone. Many schools are concerned about 3-year CDRs, given a sluggish job market. What are the consequences? A series of high CDRs or one very high rate can push a school closer to sanctions, including provisional certification or even a loss of Title IV eligibility.

Whatever your rate, there are things you can do now to tackle default. First and foremost, draft a default management plan. If you have a plan already, consider how to make your plan even better. Default prevention is a major task for most schools, and a good plan can do multiple things to boost your effort. It can work as a blueprint for your default management activities, help establish accountability, and document your work on behalf of borrowers. It can also be useful in persuading campus administration to devote more resources to the default prevention cause.

How can you go about creating this all-important document? Here is a high-level summary of steps.

Get management on board — Persuade your campus management team of the need for a plan, and you've got some instant credibility in the eyes of the rest of the campus. If management isn't already enlisted in the default prevention cause, schedule a meeting with senior administrative staff and work up the chain as you can. The objective is to make your case quickly and succinctly, showing how default affects your students and even the financial viability of your institution. You should also show how effective default prevention practice can improve the student experience and help safeguard your institution's long-term educational mission.

Gather staff feedback and form a committee — Talk with campus departments that affect students, which could include the registrar, bursar, admissions, enrollment management, faculty, career placement, and financial aid or student services, to name a few. From these areas, you should draw representatives and form a team. Once your team is formed, make explicit the ramifications of default and start building consensus on how to help borrowers succeed in repayment.

Understand borrowers' needs and assess school practice — Analyze borrower data related to default. Generally, an effective statistical analysis will look for trends among borrowers whose loans enter default. For example, borrowers who leave school prematurely without a degree may be prone to delinquency and then default. You should also perform an institutional self-assessment. Ideally, the assessment will provide a baseline for your school's default prevention efforts, showing what your school does to tackle default and how well it performs. To find this baseline, you could consider how effectively your school helps students graduate on time ready to manage loan repayment. You might put together a history of your institutions' default rates. And you could talk with students on what your school can do to better engage students so they feel supported and prepared when repayment comes due.

Appoint a default prevention point person — Along with setting such goals, you should consider focusing at least one person on your school's default aversion efforts and training that individual in the details of CDRs, financial aid, and the consequences of default. This person will manage the day-to-day work of default prevention, including monitoring rates. He or she should also be responsible for draft-

A Rewarding Journey

VASF^{AA},

I'm writing to update you on my journey as President Elect. Thus far, I've thoroughly enjoyed representing VASF^{AA} in this capacity. In my position I've experienced so much and I know the best is yet to come.

In February, my travels took me to sunny Florida for SAFS^{AA}'s annual conference at the Hyatt Regency Riverfront. I enjoyed catching up with old friends and keeping up with our ever-changing world of Financial Aid. While there, I attended the President Elects workshop led by SASF^{AA} President Elect Nathan Basford. This was a very informative workshop to prepare me for my year as President of VASF^{AA}. The workshop covered a great deal and allowed me and my fellow President Elects to generate new ideas while easing the uncertainty of the upcoming year.

In early March, I traveled to our Nation's Capitol for the NASF^{AA} Leadership and Legislative Conference at the Dupont Circle Hotel. This event for President Elects further educated us on public policy and helped us to hone in on our leadership skills. This conference ended with Hill visits where I had the rewarding opportunity to meet with staffers of Tim Kaine and Bobby Scott. The visits went well! The staffers were engaged and wanted to know more about VASF^{AA} and our thoughts on topics like college affordability.

I look forward to my upcoming year as President and serving you all. Remember we are always looking for new volunteers with fresh ideas to serve. I hope to see you all at our annual conference at the Omni Hotel in Richmond, VA May 18-21, 2014!

Thanks,

Tarik J Boyd, VASF^{AA} President-elect



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Six steps to a default management plan Cont'd

ing the body of the report using input from campus assessments, staff interviews, default data analysis, and other information.

Establish goals — In creating a plan, be sure to set goals that meet the S.M.A.R.T. objectives. You've probably heard of this business management acronym for setting goals that are Specific, Measurable, Attainable, Relevant, and Time-bound. You have a ready measure in your school's CDR, but you should set other objectives — for example, providing a given number of student workshops on managing debt or completing an analysis of a borrower cohort. Remember: you'll have to keep pace with the changing needs of your students and the priorities of your campus.

Outline, then draft a plan — Create the structure of your school's plan and then draft, revise, and rewrite as needed. The heart of the plan should be tactics and strategies for addressing weak points in borrower support. But what if your school doesn't have the staff to write a plan? Or perhaps you'd like to tap into the knowledge and resources of an institution devoted solely to default aversion? In this case, your school might consider outsourcing at least some of your default aversion responsibilities, including creating a default management plan, to a third-party servicer. Third-party servicers can be affordable given what they can offer, including consultation and a focus on strategies for delinquency prevention and default aversion.

Resources to tap now

NEW TOOLS FOR VETERANS

The VASFAA FOCUS (Diversity) Committee is committed to keeping the financial aid community aware of new resources to better serve our veterans. We are please to announce:

New Tools for Veterans and Military Personnel from the United States

Veteran's Affairs

There is a new website provided by Veteran Affairs that breaks down the amount of tuition, fee, housing allowance, and book stipend, based on a soldiers' service and subsequent eligibility for Post 9/11 GI Benefits.

<http://wdt.me/GI-Comparison-Tool>

There is also another site available which can help identify unfair recruiting practices, credit transfer, or change in degree requirements.

<http://wdt.me/GI-Complaint-form>

Why Be A VASFAA VOLUNTEER?

Volunteering for VASFAA is not just about serving your state association – although that is key. Being a volunteer to the association gives you access to more resources than ever before:

- Education on ever-changing regulations,
- Having a mentor,
- Being a mentor,
- Expanding contacts and making new friends,
- Therapy for those difficult times, and
- Above all, helping yourself and others better serve our students across Virginia

CAUTION: Volunteering can be addictive and sometimes just plain fun!

It's not too late to join in and help out on a committee. Awareness with its Super FAFSA Week event, conference committee and others are always looking for willing helpers and fresh ideas. Please complete the volunteer form online at www.vasfaa.org, **or complete the form on the reverse and scan and email to me at murphyml@evms.edu**. Don't know about the committees? Read more about the com-

mittees on www.vasfaa.org under "About VASFAA" or speak to a member of the Executive Board!

Remember you need to be a current member in order to serve on a committee.

Thanks for being a volunteer!

Sincerely,

Margaret L. Murphy
President Elect 2011-2012
President 2012-2013
Past-President 2013-2014
murphyml@evms.edu



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the Newsletter Committee, it is not
too late!! Contact me immediately!

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Check out the VASFAA website for articles.

Training across the Language Barrier: cont'd

Lusardi, who has become a well-known advocate for financial literacy education generally, argues that this type of education is “a basic but essential skill for living in the 21st century. It is what reading and writing was for previous generations; somebody who could not read and write could not fully participate in society, just as today, somebody who is not financially literate cannot fully participate in the modern economy.”

Fortunately, for some segments of the population with the greatest need, there is increased access to financial literacy training.

Chansone Durden is an account executive team manager with TG serving schools in VASFAA. You can reach Chansone at (800) 252-9743, ext. 6710, or by email at chansone.durden@tgslc.org. Additional information about TG can be found online at www.TG.org.

Six steps to a default management plan cont'd

TG's HigherEDGE™ Default Aversion Solutions can help you draft a default management plan tailored to your school's needs. HigherEDGE consultants can evaluate your campus default aversion practices and provide a fresh perspective on empowering staff to reduce default. Together, you can incorporate these ideas into a succinct document on your school's default prevention initiatives, one that shows how seriously your school takes default prevention and how you have a concerted plan to reduce it.

Chansone Durden is an account executive team manager with TG serving schools in VASFAA. You can reach Chansone at (800) 252-9743, ext. 6710, or by email at chansone.durden@tgslc.org. Additional information about TG can be found online at www.TG.org.