OFFICIAL NEWSLETTER
2019 Spring Edition

vasfaa
Virginia Association of Student Financial Aid Administrators

PRESIDENT'S CORNER

Greetings, VASFAA!

The year is flying by, and VASFAA Conference 2019 is nearly upon us! Please get registered, if you have not, and contact Jackie Cottom at jcottom@nvcc.edu or me at jzanders@nvcc.edu if you are having difficulty booking a room. We will do our best to assist—no promises at this late date, but we want you there! Some pretty reasonable hotels are very close, just in case.

Are you aware of the significance of the year 2019 in Virginia? If not, check it out and come to conference with the answers. In 2019, Virginia commemorates the 400th anniversary of three significant events that still impact the Commonwealth and the Nation today--for better or for worse. The first European settlers arrived on our shores at Jamestown in 1607, but it wasn't until 1619 that these three events began the American Evolution. Though history books taught me differently, *none* of them happened in present-day Massachusetts! So much for "his" story!

A decade plus ago, while a typical full-time (and a half!) Financial Aid Director, I taught a night-time college sociology class entitled, "Issues of Unity and Diversity", which I developed. I am a firm believer that we can't fully understand how we got where we are without knowing where we have been, most of which was out of our control. A first assignment was for students to talk with their elders and learn as much as possible about their families' histories. [**Ancestry DNA** and **23 and Me** were not marketed at that point.] The students' stories taught them much and yielded wonderful conversation with family members,

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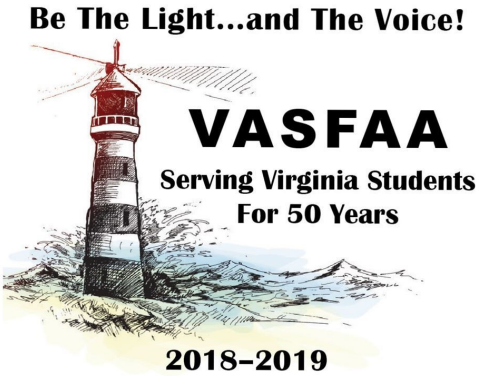
Important Dates

- May 4: VASFAA Board Meeting, Hilton Norfolk The Main
- May 5—8: VASFAA Conference, Hilton Norfolk The Main
- June 16-18: VASFAA Board Transition Meeting, Carter Hall
- June 24-27: NASFAA Conference, Orlando, FL



PRESIDENT'S CORNER (continued from page 1)

discussion in class, some consternation, some pride—and a look back at history. I stressed repeatedly that the family history is what it is, always has more to learn, and influenced how you got to this point. From this point forward, however, though none of us can "control" everything, our choices--including education--can actually change the trajectories of our lives.

This year's VASFAA theme is "Be the Light…and the Voice". In order to be that—for our students, our schools, our profession--and ourselves, we have to understand ourselves, our often self-unaware biases, and the incredible issues that our students face. We have to understand to the best of our ability why "all men (and women!) are created equal" still begs for the definition of "equal". We have to recognize that "opportunity" is not and never has been apportioned to all in like quantities. We have to always remember that we *are* the light for so many students and that we *must* speak up and be the voice when we can impact outcomes and lives. So often, a single individual who takes personal interest in a student can change that student's life.

My father challenged me to "make the world a better place for my having been here." Seemed pretty innocuous at the time…how very foolish of me! Meeting that challenge is a lifetime focus, not a one-and-done. I know it is how I got to financial aid, and I would bet it is at least one reason you are here, as well. Our profession is one of service to others—of making a difference. Do we want the world as it is, or will we work for a world as it should be?

Thank you, VASFAA, for being a vital part of this challenging and life-changing profession and for serving students with a light and a voice that WILL make the world a better place! I hope to see you in Norfolk!

Joan Zanders, VASFAA President

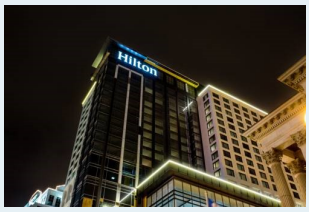
VASFAA Annual Conference

When: Sunday, May 5—Wednesday, May 8, 2019

Where: Norfolk The Main, Hilton at 100 E. Main Street, Norfolk, VA 23510

The Annual VASFAA Conference includes training from the Department of Education, National Association of Student Financial Aid Administrators (NASFAA), the Tax Expert and much more! You will experience training, professional development, networking and fun!

Conference registration is $275 for the entire conference or $150 per day.



NASFAA 2019
ORLANDO, FL JUNE 24-27

http://www.nasfaa.org/conference

Student Business Services: An Important Part of the Compliance Team

By Anne Gross
Vice President of Regulatory Affairs (retired)
National Association of College and University Business Officers (NACUBO)

A perennial favorite at the Department of Education's Federal Student Aid conference each fall focuses on the "top 10" audit and program review findings over the previous year. There is remarkable consistency in these lists, both between the two types of reviews and the items appearing on the list from year to year. From 2015 through 2018, five findings appeared on both lists each year:

- Verification
- Return to Title IV Funds (R2T4) calculations
- National Student Loan Data System (NSLDS) roster reporting
- Student credit balance refunds • Entrance and exit counseling

What strikes you about this list? Anyone familiar with financial aid regulations will know that most of these involve complicated and sometimes confusing requirements and tight timeframes. Fair enough—these are challenging areas so it's not surprising that they should end up on a list of common violations. Another key takeaway is that, except for verification, the financial aid office is often not responsible, or solely responsible, for these functions. The student business services office (varyingly known as the bursar, student accounts, student financial services) plays an important role in assuring regulatory compliance. This office disburses aid to students, by crediting student accounts and paying credit balances to the student, and must ensure that students have completed entrance counseling before loans are paid. When students leave the institution, student business services most often is responsible for exit counseling and, at some schools, for calculating how much Title IV aid must be returned to ED for students who withdraw before completing a term. It must also report to NSLDS on student progress repaying Perkins loans. The registrar's office is also vital to tasks such as enrollment reporting and alerting appropriate offices when students withdraw.

Other compliance issues that turn up in the "top 10" for program reviews involve additional administrative offices, including those responsible for crime reporting, consumer disclosures, drug abuse prevention, and more.

Typical Errors

Knowing the types of shortcomings that auditors and reviewers routinely find can help institutions better focus their compliance efforts. Looking at the areas involving student business services, ED presenters highlighted the following concerns.

> R2T4 Calculations

When a student receiving Title IV aid withdraws before completing at least 60 percent of the period of enrollment, the school needs to calculate how much

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Helpful VASFAA Links

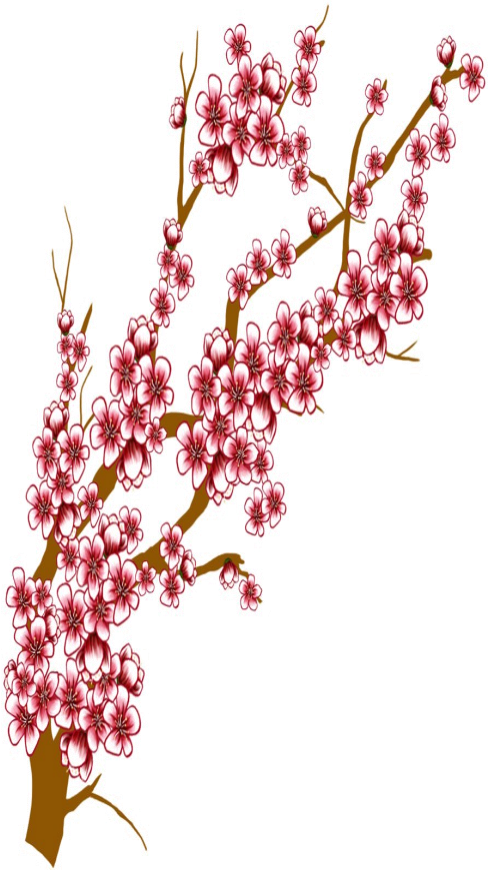
Note: for some of these links to work, you will need to log in with your VASFAA linked e-mail and password.

VASFAA Home

Member Directory

Listserv

Training Opportunities



Student Business Services: An Important Part of the Compliance Team (continued from page 3)

aid needs to be returned to ED. Counting days is vital: schools were cited both for using the incorrect number of day in the term and getting the withdrawal date wrong. Clock-hour programs should use scheduled hours, not actual clock-hours. Incorrect calculation of aid that could have been disbursed and mathematical errors were also mentioned. Audits also faulted schools for not having a system in place to adequately identify official and unofficial withdrawals.

> Student Credit Balance Refunds

Students often receive aid that exceeds their institutional charges (tuition, fees, room and board), creating a credit balance on their student account. Regardless of the actual timing of disbursements of aid from various sources, a credit balance is considered a Title IV credit balance if the Title IV aid received is greater than allowable institutional charges—triggering a number of requirements for how and when the school must pay the student the excess. The most basic finding was failing to have a process in place to determine if and when a Title IV credit balance was created. Schools were also cited for not paying credit balances to students within 14 days. Sometimes students want the school to hold their credit balance, but schools were faulted for relying on authorizations that did not meet regulatory requirements and failing to pay the funds to the student at the end of the loan period or award year. Schools may not hold funds, even with authorization past that point.

Due to the backward-looking nature of audits and program reviews, these results don't include compliance with revised ED regulations governing credit balance refunds that took effect in July 2017. Those rules require institutions that have a relationship with a financial institution that offers bank accounts to students to comply with additional procedural safeguards to ensure that students aren't coerced into opening an account, among other changes.

> Entrance/Exit Counseling

To make sure they understand the nature of the assistance and their responsibilities, student loan borrowers are required to take part in counseling when they first receive a federal loan and then again when they leave school and will need to begin repaying their loans. Today this counseling is often completed online, but some colleges encourage attendance at individual or group sessions. Common deficiencies involved the failure to conduct or document the required counseling, completing exit counseling late, or failing to mail materials to students who left without finishing the required counseling. Remember that counseling that is not documented doesn't count when the auditor or reviewer checks.

Teamwork Required

Colleges and universities need to take a coordinated approach to compliance with ED requirements. This requires leadership from the top, particularly if the key offices involved report through different channels (which is not unusual). Communication and coordination between the financial aid director, the bursar, and the registrar is vital. Most importantly, don't wait for external reviewers to find compliance issues—search for them proactively.

Learn More

ED's Federal Student Aid (FSA) Training Conference for Financial Aid Professionals is offered each year shortly after Thanksgiving. Registration is free. Session recordings

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along with PowerPoint slides are posted to ifap.ed.gov shortly after the conference. The IFAP website has a wealth of resources for schools, including the FSA Handbook, FSA Assessments providing a framework for testing for compliance, and online training.

Doing Our Civic Duty – Write Your Representatives

Submitted by Megan Hartless, Blue Ridge Community College

We Financial Aid Administrators all know that advocating for the best interest of our students is a part of our job. We do this on our campuses, with our administration, with families in front of us, and with students to whom we are speaking all the time. We spend a fair amount of time explaining regulations to folks (honestly, who hasn't had the conversation following the question "Why do I have to use my parents' information on the FAFSA if I am 20 and don't live with them?" a few thousand times?). We sympathize with the students, hold their hands and mop up their financial heartbreaks when we have to, and fiercely defend our profession.

Meanwhile, somewhere in Washington D.C., there is a lawmaker whose only experience with financial aid is likely that his or her rich parents completed the FAFSA freshman year to find out they were extraordinarily ineligible. This lawmaker will mean well when introducing financial aid legislation, with the best interest of his or her constituents at heart. While many groups, such as NASFAA, will work tirelessly to represent the interests of the FA community, there is simply no substitute for constituents explaining to legislators what a particular proposal will mean back home. Having members of the financial aid community who have "boots on the ground" and can explain the possible unintend-

".....there is simply no substitute for constituents explaining to legislators what a particular proposal will mean back home."

ed consequences of a proposal is a valuable way to ensure that legislators are hearing what we are murmuring in our offices. How many times have you said or heard, "I wish they would ask people in the field for advice when they come up with these things?"

I have good news for you. You can give them advice without even being asked! If your school has an institutional NASFAA membership, make sure you are subscribed to the NASFAA daily news. They do an excellent job of keeping us informed of proposed legislation and budget proposals, negotiated rulemaking, and relevant changes at every step in the legislative process. If you are not sure what your legislators need to hear, the NASFAA daily news is an excellent place to get information.

If you are not sure what to write about, the general rule of thumb is to keep it simple. Your legislators hear from many constituents. Using simple language, explain your understanding of the effect that a proposal may have. Write both to support ideas you find useful and to explain the potential unintended consequences or ideas you find problematic. Whenever possible, explain how students would be affected both positively or negatively. Include student stories if you have them.

Don't be surprised if you get a call from a legislative aide. They will sometimes call to talk through your ideas and gather more information. On the other hand, don't be surprised if you receive no response or a "canned" e-mail response. Don't let this dissuade you from writing in the future. We can see the fruits of advocacy! One notable example is in the tremendous difference between the proposed cuts to FWS and SEOG in the Trump administration's first budget proposal and the actual budget passed that year; both programs were slated for heavy cuts but actually saw an increase!

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Doing Our Civic Duty – Write Your Representatives

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Be sure to consult your organization as to whether it is acceptable to write as a representative of your organization. If they would prefer not to be represented through informal correspondence, simply write as a constituent and a member of the financial aid community. This may be particularly important when writing to your state representatives about state-level concerns, as your organization may already have a relationship with your state legislators.

To find who you should write, visit:
https://www.house.gov/representatives/find-your-representative
https://www.senate.gov/senators/index.htm
https://www.virginia.gov/services/whos-my-legislator/

Helping Students Avoid Costly Mistakes

Will Shaffner, Director of Business Development & Government Relations

Managing student loan debt can be overwhelming, particularly if borrowers are struggling to make their monthly payments. Many debt relief companies offer borrowers help to consolidate, postpone, lower or even forgive student loan payments for a price. What they won't tell borrowers is that these same services are available already, free of charge, directly by the U.S. Department of Education and federal student loan servicers.

Debt relief companies may charge student borrowers up-front fees and require monthly fees in exchange for their promise to deliver services that are normally covered free of charge from the borrower's servicer. For these costs, debt relief services may include completing a borrower's income-driven repayment plan application, settling a student loan debt, completing a loan consolidation form and/or offering some sort of credit assistance service.

Debt Relief Scams: The Warning Signs

These are the things students need to know before entering repayment. Debt relief companies will:

- Use a name, logo, phone number or web domain similar to a legitimate organization, so the borrower needs to be sure that they are working with their correct servicer, paying attention to using only the phone number and other contact information sent to them from their official servicer
- Imply a connection to the U.S. Department of Education and/or federal student loan servicers
- Claim federal student loan programs as their own, often crafting similar, catchy, falsified names for the programs, i.e. William D. Ford Act of 2012
- Claim that time is limited to enroll in a certain repayment plan or forgiveness program, before that plan or program is discontinued

FYI: What Servicers Do, Free of Charge to the Borrower

If a borrower is struggling with their payments and in need of assistance, all loan servicers, including MOHELA can provide:

- Lower monthly payments and repayment plan changes, Loan consolidation support, Interest rate reduction,
- Temporarily postponing payments in most cases, and Loan forgiveness options and information – Ex. Public Service Loan Forgiveness

Federal student loan servicers, such as MOHELA, provide the options listed above and customized solutions to meet borrowers' needs. Borrowers can find information about student loan options on their servicer's website or on the U.S. Department of Education's website: https://studentaid.ed.gov. *Eligibility for programs may vary depending on the owner of the student loan.

Help Protect Students from Becoming a Victim of a Scam

Schools should let borrowers know they need to research any company carefully that claims to be able to assist with student loan debt. Remember that student loan servicers are here to help borrowers and offer options to help manage their debt responsibly.

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Helping Students Avoid Costly Mistakes (continued from page 6)

The official list of student loan servicers and their contact information can be found at on StudentAid.ed.gov.
It's especially important that borrowers don't give a third party company "Power of Attorney" or legal authority to negotiate for them with their student loan servicer. Students should not share their Federal Student Aid ID (FSA ID) with someone else – it is the equivalent of the borrower's signature on documents related to their federal student loans.
If you know of a borrower who has been harmed by a debt relief company, they should contact their student loan servicer immediately. They may also report them to their state's Attorney General's Office, the Consumer Financial Protection Bureau (CFPB) or the Federal Trade Commission (FTC).
Regardless of whether a borrower has contracted with a debt relief company, it's important for them to remember that their name is signed on the promissory note and any account activity will affect them and their credit directly.

Great Resources:
Federal Student Aid – Avoiding Scams
An Overview – Student Loan Scams

Announcing VASFAA's Candidates for Election

The Nominations & Election Committee is pleased to present a diverse and qualified slate of candidates for the upcoming election. The committee would like to thank each candidate for agreeing to run for office. The best of luck to each of you!

President-Elect:
Beth Armstrong — Virginia Tech
Sherika Charity — Reynolds Community College

Secretary:
Jennifer Meir — College of William & Mary
Tina Russell — Christopher Newport University

Treasurer-Elect:
Ashley Reich — Liberty University
Rosa Thomas — Hampden-Sydney College

Representative-At-Large
Jackie Cottom — Northern Virginia Community College
Scott Morrison — Bridgewater College
Elayne Peloquin — University of Lynchburg

The election is quickly approaching and instructions on electronic voting will be provided soon. Please visit the VASFAA website to view candidacy statements.

VASFAA

VASFAA is an organization of individuals who administer financial aid or are otherwise active in a financial-aid-related profession. Our mission is to maintain an organization that promotes the professional growth and collaboration of our members in order to serve fairly the needs of students, families, and institutions in matters related to financial aid informational resources that support students' postsecondary education goals. Our organization is determined to "keep the light shining" in order to help students pursue and attain their educational goals.

Questions or Submissions?

A newsletter is only as good as the information that is submitted by our members! That means we want to hear from YOU! If you have any big announcements, articles, musings, or inspirational stories, please feel free to send them directly to me at zbarree@hsc.edu.

The next VASFAA Newsletter (which will be the final one for the 2018-19 year) will be e-mailed to all paid members at the end of May. Please submit any information you would like to be shared in this issue by no later than

Friday, May 24th.

Articles are subject to editing for both content and length.

This could be your chance at being a published "author"!

Zita Barree, VASFAA Newsletter Editor

VASFAA at the SASFAA Conference in Atlanta, GA—February 2019