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## President's Letter

**By Paul J. Boyer**  
**Associate Director of Financial Aid**  
**Williams College, Williamstown**  
**paul.j.boyer@williams.edu**

Remember the tune, “Summertime, and the livin’ is easy...?” It’s truly one of my favorites and it brings back memories of my early days in Financial Aid, before technology, when the profession was a little simpler, a little kinder and gentler. Today, this melody conveys images of summer that couldn’t be farther from the truth for those who work in Financial Aid. There are no lazy days of summer, and for most of us the season could not be shorter. I hope you have all been able to enjoy a well-deserved vacation and are ready to face the challenge of a new year, a year which brings forth new leadership for MASFAA and new initiatives.

I look forward to representing MASFAA in my role as President. As your elected official, it is my sincere hope that as members of MASFAA you will feel free to communicate your concerns with respect to any aspect of the aid profession to me or to any member of the Executive Council. Your opinions are important to us and your voice should be heard. We value your input and look forward to sharing your ideas and concerns with the membership at large. The scope of MASFAA may at times seem overwhelming, as we rival most regional associations in number and dimension, but our strength is garnered from a diverse group of individuals who continue to give freely of their time and talent. I am thankful to be able to lead an organization with such a dynamic and motivated membership.

Although our new year began on July 1, 1997 (seems like ages ago already), MASFAA traditionally kicks off the year with an annual Executive Board retreat. This year the event was held on the Williams College campus on August 7 and 8. The first two-day retreat in recent memory, it provided members of the Executive Board and Committee Co-Chairs an opportunity to discuss at length our goals and initiatives for the year ahead. Except for a few new committee co-chairs, most are returning to serve a second year in that leadership capacity to ensure greater continuity from year to year. The expanded two-day format allowed ample time for committee co-chairs to

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## President's Letter from page 1

interact with one another, exchange ideas, discuss overlapping concerns or agendas, and share with others the specific goals of their committee. Free time at meals and during the evening was occasion to renew old acquaintances and make new ones. Entertainment included a stage performance at the Williamstown Summer Theater and some occasional "Hollywood" star sitings. It is my hope that MASFAA will continue to offer and build on an enhanced summer retreat that will benefit the membership as well as the Executive Board. The retreat also provides a means of expressing our appreciation to the Executive Board for their hard work, dedication and inspiration throughout the year.

Our goals for the year include but are not limited to:

- Implementation of a list serve or news group to increase communication within the membership.
- Enhancement of our Early Awareness efforts directed at middle school students.
- Exploring the creation of a new committee to represent minority concerns.
- Re-formatting the annual state-wide financial aid clinics or re-directing these efforts into other outreach areas.
- Re-establishing the Graduate and Professional Schools Concerns Committee.
- Recruiting greater committee representation from among the ranks of our proprietary school members.
- Creating greater volunteerism from colleges in the western part of the state.
- Conducting an annual conference that emphasizes the balance between one's professional and personal life both "in" and "out" of the office.
- Increasing awareness of the Massachusetts state financial aid funding process through interaction between our Legislative Affairs Committee and The Office of Student Financial Assistance.
- Keeping a watchful eye on Reauthorization legisla-

tion as we ready ourselves for the regulatory and implementation phases later this year.

- Creating a project/program that is worthy of receiving an award on the national level.

The elected officers of the 1997-98 Executive Board include the following: **President-Elect Kelly Morrissey** (*Mount Wachusett Community College*), **Past President Doreen Rose** (*Bridgewater State College*), **Treasurer Kathy Methot** (*Hampshire College*), **Secretary Julie Shields-Rutyna** (*Harvard Graduate School of Education*) and **Executive Council** members **Daniel Barkowitz** (*Lasell College*), **Kathryn Gundlach** (*Brandeis University*), **Kathie Nolan** (*Bentley College*), **Eileen O'Leary** (*Stonehill College*), **Melissa Shaak** (*Babson College*), and **Ernestine Whiting** (*University of Massachusetts, Boston*). Remember that you elected these people to represent you, and as such know that they will be pleased to convey your thoughts and concerns to the Executive Board. Our first Executive Board meeting is scheduled for Tuesday, September 16 at Lasell College.

At the eleventh hour I was able to resurrect a Graduate and Professional School Concerns Committee to be chaired by **Laurie Hogan** (*Harvard University*). Laurie enthusiastically accepted the invitation to chair this committee and looks forward to active participation from within this constituency. Over the years this committee has banded and disbanded but I am excited about Laurie's insight and attitude and am sure that she will organize a group that will endure. Anyone interested in participating on this committee is urged to contact Laurie as soon as possible as she is anxious to set up a series of meetings for the fall. Preparations are underway to organize a session or focus group discussion for the annual conference.

Likewise, I am also thankful to the following people for agreeing to co-chair our committees for this year. Committee Co-Chairs include: **Conference Committee - Michelle Mattie** (*Westfield State College*) and **Linda Schoendorf** (*Pine Manor College*), **Early Awareness and Financial Planning - Kathryn Gundlach and Janice Evans** (*Bridgewater State College*), **Legislative Affairs - Eileen O'Leary and Raymond O'Rourke** (*Newbury College*), **Membership and Development -**

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President's Letter from page 2

**Kelly Morrissey** and **Kathy Methot**, Newsletter - **Sherri Culp** (*Brandeis University*) and **Donna Kendall** (*Bentley College*), **Professional Development and Training** - **Jan Combs** (*Harvard Graduate School of Education*) and **Nina Musante** (*Bank of Boston*), **Public Relations and Hotline** - **Sally Connolly** (*Massasoit Community College*) and **Melissa Shaak**, and **Technology** - **Richard Dutilly** (*Framingham State College*) and **Ellen Kayser** (*Montserrat College of Art*). Most Committees have met at least once during the summer and are gearing up for a busy and productive year. If you volunteered to serve on a committee back in June and have not been contacted, please get in touch with one of the committee co-chairs directly. We do not want to lose your commitment or interest in MASFAA. At this time, most committees have reached their capacity, however, the Newsletter, Legislative Affairs, and Graduate and Professional Schools Concerns Committees are looking for additional able bodies to fill

several vacancies. I know they would appreciate your willingness to help. Give them a call!

As we look forward to the new year I am happy to report that planning for the annual MASFAA Conference is well underway. Mark your calendars for November 19, 20 and 21. The conference will again be held at the Leominster Sheraton Four Points Hotel. This year's theme, "Creating A Balance", is sure to offer a wealth of useful information. Conference sessions will span the scope of balancing our personal and professional lives, considering such topics as time management, our health, marketing and image strategies, life after debt, and more. I look forward to seeing you all in November.

## MASFAA Mailing Labels

The MASFAA Membership mailing list is made available to members only for purposes of announcing job openings and for other MASFAA related business.

To order mailing labels, contact **Kelly Morrissey**, Membership Chairperson, at (978) 636-6600, X382 or [k\\_morrissey@mwcc.mass.edu](mailto:k_morrissey@mwcc.mass.edu).

There is a \$25.00 administrative charge for each set of labels ordered.



# Committee Updates

The Latest News...

## Conference

**Michelle Mattie**, *Westfield State College*  
**Linda Schoendorf**, *Pine Manor College*

No update submitted this month.

## Early Awareness and Financial Planning

**Janice Evans**, *Bridgewater State College*  
**Kathryn Gundlach**, *Brandeis University*

The Early Awareness and Financial Planning Committee has been quite busy this summer gearing up for the new year. We are most proud of our efforts in putting together Early CAPP (College Awareness and Preparation Program), a model early awareness program that will be presented to all middle schools in the state. As a way to get the word out better about the importance of early planning, we plan to have some timely media coverage on the subject in September. Also, we will be sending out a publicity kit as a way to advertise our Early Awareness Speakers' Bureau, for which we will be holding our annual training on October 1. Registration forms will be arriving in your mail shortly. A copy of the registration form has also been included in this issue of the Newsletter for your convenience. Lastly, we will be working to standardize and coordinate our Financial Aid Night Speakers' Bureau. We look forward to our first meeting with former and new members in early September!

## Graduate and Professional Concerns Committee

**Laurie Hogan**, *Harvard University*

Graduate and professional financial aid concerns are, more often than not, discussed in the extreme. On the local level, the discussion takes place department by department, among small, highly qualified staff. Conversely, on the national level, the discussion continues via NASFAA's National Committee on Graduate and Professional Financial Aid and ripples through the

Access Group Conference. Both are terrific forums for discussion, yet access remains somewhat limited to the fortunate few who can afford to participate.

This year, MASFAA's Graduate and Professional Concerns Committee would like to focus on bridging the information gap by bringing the national discussion home to Massachusetts. We are fortunate. Our home is rich in graduate and professional programs and our offices are staffed with extraordinary talent and experience. Tapping our natural resources and creating a local forum for discussion and collaboration will be particularly crucial during reauthorization.

Merit vs. need-based awarding, high debt and default rates, debt counseling efforts, credit scoring and credit card abuse, debt to income ratios, and demographic and economic trends are issues the graduate and professional aid office grapples with on a daily basis. How and why should we share successful approaches to these problems? Are the traditional loan repayment options meeting the needs of our graduate and professional students? What debt management materials are available to graduate and professional financial aid offices at low or no cost? Whatever happened to GAPSFAS and what might we be missing in its absence?

To address these and other questions, the Graduate and Professional Concerns Committee hopes to expand our discussion to include a broad range of perspectives (lenders, admissions officers, career service professionals, etc.) to better understand how graduate and professional financial aid policies are affecting students before, during and after their graduate or professional school experience.

"Creating a Balance" and, in this case, creating a balanced perspective, is this year's conference theme and is apropos to the work the Graduate and Professional Concerns Committee has in store for itself this year. If you or a colleague would like to join in this discussion, please contact Laurie Hogan via e-mail at [laurie\\_hogan@harvard.edu](mailto:laurie_hogan@harvard.edu).

**Reauthorization: there is no better time to get involved.**

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# Professional Development and Training Committee Seeks Sites, Talents and Topics

By **Nina Musante**  
Education Lending Associate  
BankBoston  
njmusante@bkb.com

**Jan Marie Combs**  
Assistant Director  
Harvard Graduate School of Education  
combsja@hugse2.harvard.edu

MASFAA's Professional Development and Training Committee has been working during the summer to develop new ideas and to fine tune our standard workshops. Beginning with a committee retreat in late June and, most recently, our meeting in August, we have planned an exciting year ahead for the membership. The tentative schedule for the year is as follows:

- The **FISAP Workshop** was held on August 21.
- The **MASFAA Calendar** will be mailed in late September.
- **Reading, 'Riting, 'Rithmetic and Rhetoric**, a workshop on the basics, will be held in late October.
- Two exciting sessions at the MASFAA Conference, November 19-21.
- Two **Basic Needs Analysis Workshops and A Conversation With...** in December.

- A session on **Alternative Financing** in January.
- The **Support Staff Workshop** in February.
- The **Novice Seminar** in June.

This year we are working to include new topics, speakers and sites for our training events. We ask the membership to contact us if they have ideas for topics that they would like presented. Additionally, if anyone has a particular skill and is willing to present at a workshop, we would love to hear from you.

We are also interested in bringing our workshops to new sites. If your campus is accessible by public transportation, has ample free parking, great catering facilities and multiple rooms for breakout sessions, please consider hosting an event.

Please contact **Nina Musante** (phone: 401-278-8161, fax: 401-278-7038) or **Jan Marie Combs** (phone: 617-496-3466, fax: 617-496-0840) to volunteer your talents or to share your comments and suggestions. We look forward to receiving your feedback and to having an exciting, educational and enjoyable year ahead!

## EDUC-1 Form Alert !!!

In completing the *new* EDUC-1 Form, please put "N/A" or 0 wherever you have nothing to enter.

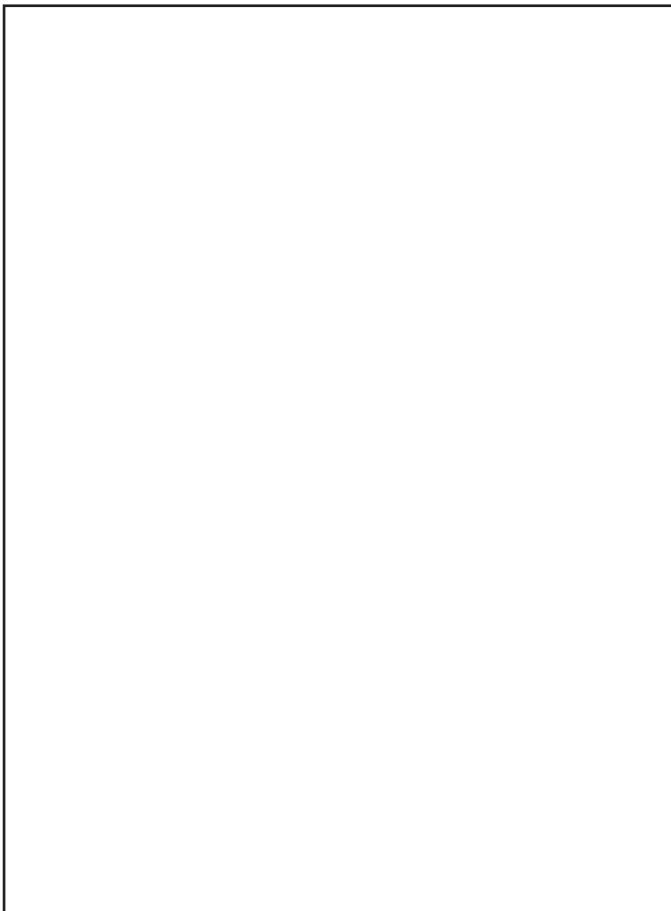
This is to assure the caseworker that no question was missed.

# Financial Aid, the Law, and Your School

By Milton L. Kerstein, Esq.  
Senior Attorney  
Kerstein & Kerstein  
KKLAW@concentric.net

Judge Oliver Wendell Holmes, the esteemed US Supreme Court Justice, regarding a private party's duty to comply with federal regulations once said, "Men must turn square corners when they deal with the Government." What Justice Holmes assumed was that individuals would be playing on a level playing field. Unfortunately, in dealing with DOE in today's regulatory environment, that is not always the case.

This column will appear each month in the MASFAA Newsletter in order to update you on legal decisions rendered by the Department of Education Administrative Law Judges in Washington, DC and, when appropriate, to offer insight and analysis as well.



In order to understand the benefit of access to these decisions (DOE does not distribute these decisions; they are reported sporadically in *West's Education Law Reporter*), one must understand the program review and appeal process. Briefly, when a program reviewer issues an adverse finding against a school, the school has the opportunity to respond. If the reviewer rejects the school's response, the reviewer issues a final determination regarding that finding and assesses a monetary liability and/or an informal fine. At that point, the school has the option of either paying the liability, or appealing the decision to an Administrative Law Judge in Washington, DC.

Once before the judge, the school has the opportunity to mount a full legal defense. Though these judges are employees of the Department they, by and large, offer the school a fair and impartial hearing. Not infrequently, they find in favor of the school and against the program reviewer. Any decision of the Administrative Law Judge can be appealed to the Secretary of Education and ultimately to the Federal District Court system.

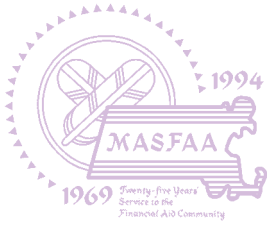
## Recent Decisions

### *Cost of Attendance*

Institutions that participate in Title IV financial aid programs must have in place documentation that specifically demonstrates that the institution has properly calculated its students' average cost of attendance. A school must use either the actual or the average amount charged for tuition and fees.

Recently, the Department of Education required a college to repay money to the Department disbursed in excess of costs actually incurred by its students (United States Department of Education, Docket No. 95-101-SP, August 7, 1996). A program reviewer for the Student Financial Assistance Programs (SFAP) alleged that the college improperly calculated and thereby improperly determined its students' average tuition and fees. The Department, despite the college's appeal, prevailed, as an Administrative Law Judge ruled that the college must be able to support its cost of attendance based on actual enrollment patterns and

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**MASSACHUSETTS ASSOCIATION OF STUDENT  
FINANCIAL AID ADMINISTRATORS, INC.**

**1997-98 Member Application  
(July 1, 1997 - June 30, 1998)**

Name: \_\_\_\_\_ Preferred Title: Dr. Sr. Fr.  
(last) (first) (mi) (please circle) Mr. Ms. Mrs.

Title: \_\_\_\_\_ Nickname: \_\_\_\_\_  
(will be used for conference nametag, if attending)

Institution: \_\_\_\_\_

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

City, State & Zip: \_\_\_\_\_

Phone: ( ) \_\_\_\_\_ Extension: \_\_\_\_\_ New Member Check Here

Fax: ( ) \_\_\_\_\_ Renewal Member Check Here

E-mail Address: \_\_\_\_\_

*Please Note: The information above will be published in the MASFAA Membership Directory which will be available on the MASFAA Homepage on the World Wide Web without password protection. If you DO NOT want your information on the Homepage, please check below.*

**Institution Type**

- 11 ( ) Public
- 12 ( ) Private
- 13 ( ) Proprietary
- 14 ( ) Nursing
- 15 ( ) Lender
- 16 ( ) Government Agency
- 17 ( ) Guarantee or Collection Agency/Service
- 18 ( ) Financial Planner/Consultant
- 19 ( ) Other \_\_\_\_\_

**Institution Control**

- 21 ( ) 1 year
- 22 ( ) 2 years
- 23 ( ) 4 years/no grad. program
- 24 ( ) 4 years w/grad. program
- 25 ( ) Graduate/Professional only
- 26 ( ) Other \_\_\_\_\_

***ALL PAID MEMBERSHIPS RECEIVED BY 9/15/97 WILL BE INCLUDED  
IN THE 97-98 MEMBERSHIP DIRECTORY***

**MEMBERSHIP CATEGORY:**

- 1 ( ) Active Membership** limited to persons engaged in the administration of student financial aid at institutions of higher education located in Massachusetts. Active members are entitled to vote on all matters brought before the Association.
- 2 ( ) Associate Membership** includes representatives of government agencies, foundations, private and community organizations and institutions interested in financial aid matters. Associate members are not entitled to vote on any matters brought before the Association.

**Return this application with a check for \$30.00 to:**  
**Kelly Morrissey**  
**MASFAA**  
**P.O. Box 407**  
**Westminster, Ma 01473**

Payments to MASFAA are not deductible as charitable contributions for Federal Income Tax purposes. However, they may be deductible under other provisions of the Internal Revenue Code.

## Legislative Affairs

**Eileen O’Leary**, *Stonehill College*

**Ray O’Rourke**, *Newbury College*

No update submitted this month.

## Membership and Development

**Kathy Methot**, *Hampshire College*

**Kelly Morrissey**, *Mt. Wachusett Community College*

The 1997-98 Membership Renewal Applications were mailed to all members in early July. As a reminder, all members whose dues are paid by September 15 will be included in the Membership Directory which is published in November. If you did not receive your Renewal Application, or if you wish to become a new member of MASFAA, a copy of the Membership Application has been included in this issue of the Newsletter for your convenience. This is the last issue of the MASFAA Newsletter for those individuals who have not paid their 1997-98 membership dues. If you have any questions about your current membership status, please contact Kelly Morrissey at (978) 632-6600, X382 or at [k\\_morrissey@mwcc.mass.edu](mailto:k_morrissey@mwcc.mass.edu).

We are very pleased with the response that we have received from our 1997-98 Sponsorship mailing. We wish to extend our gratitude to those vendors who have demonstrated their continued support. Any vendor who did not receive the mailing may contact Kathy Methot at (413) 582-5739 or [kmethot@hampshire.edu](mailto:kmethot@hampshire.edu) for further information. Please note that all vendors wishing to exhibit at the Fall Conference should finalize their sponsorship designations immediately.

## Newsletter

**Sherri Culp**, *Brandeis University*

**Donna Kendall**, *Bentley College*

The Newsletter Committee is looking forward to the upcoming year! With Reauthorization around the corner, the Newsletter plans to take an active role in updating the membership on federal activity and legislation. We plan to work very hard to keep you informed of the latest

MASFAA news as well as of the issues relevant to our profession. This year, we have employed the design services of Stephen Culp Art & Design and, as you can see, have developed a whole new look! We hope you enjoy our new design!

As always, we welcome your suggestions, comments and written submissions. Articles for the October issue will be due September 22.

## Professional Development and Training

**Jan Marie Combs**, *Harvard Graduate School Of Education*

**Nina Musante**, *BankBoston*

The Professional Development and Training Committee is already in full swing. We are pleased that many of our members from last year have chosen to remain on the committee, including Maggie Bates (Northeastern University), Kim Culver (Education Finance Center), Dawn Fusaro (Bentley College), Carrie Glass (Regis College), Abbie Herrick (ASA), Shawn Morrissey (Framingham State College), Kara Romanelli Popkin (Lesley College), Martha Savery (NellieMae), Lisa Talbot (TERI), and Kristen Wollenberg (Bentley College). We are also excited to welcome some new members, including Barbara Weber (Bradford College), Daniel Pinch (Emerson College), Beverly Guerin (Fitchburg State College), Beth Feinberg (Northeastern University) and Lynn Bastille (Massachusetts School of Law).

Our first event this year was the FISAP workshop, held on August 21 at Babson College. The committee would like to thank Kim Culver and Lisa Talbot for their work in orchestrating this event! Look for more details about our plans for the coming year in our article in this issue of the Newsletter.

## Public Relations/Hotline

**Sally Connolly**, *Massasoit Community College*

**Melissa Shaak**, *Babson College*

No update submitted this month.

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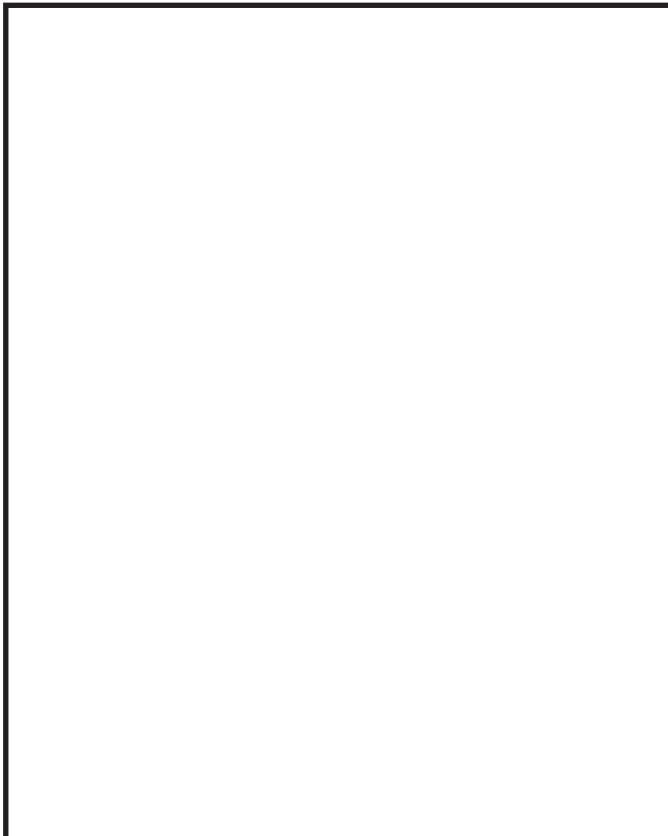
# Applications Sought for Sallie Mae's 1997-98 Awards Program for Financial Aid Administrators

By **Jim Slattery**  
**Academic Services Representative**  
**Sallie Mae**  
**james.m.slattery@slma.com**

Sallie Mae is requesting applications for its 1997-98 Awards Program for Financial Aid Administrators. The Awards Program recognizes innovative efforts by financial aid offices in assisting students. To qualify, financial aid administrators are asked to describe their institution's special or unique efforts to assist students in such areas as debt counseling and job services, or in otherwise meeting students' needs. Its goal is to identify efforts which institutions have employed to improve and enhance financial aid services for students so that these initiatives can be shared with other postsecondary institutions.

The Awards Program grants ten \$5,000 awards to financial aid offices at colleges and universities. Seventy-five percent of the award is available to the aid office for need-based grants or to pay down education loans for deserving students. Twenty-five percent of the award may be used to fund financial aid training or to improve debt counseling programs.

To receive a copy of the abstracts from 1997-98 winners or to request an application for this year's Awards Program, please call your Academic Services Representative in Sallie Mae's Northeast Region Sales office at (617) 647-2555. The application deadline is October 24.



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Committee Updates from page 8

## Technology

**Richard Dutilly**, *Framingham State College*

**Ellen Kayser**, *Montserrat College of Art*

The Technology Committee starts its second year with some ambitious goals: oversee and maintain the MASFAA Internet home page, develop and implement a MASFAA list serve, add the Newsletter to the home page, contribute articles to the Newsletter and present a "webslinging" session at the November conference. We will also be working with other committees to identify their technology needs. Feel free to contact either Rich Dutilly or Ellen Kayser with questions or comments for our committee.

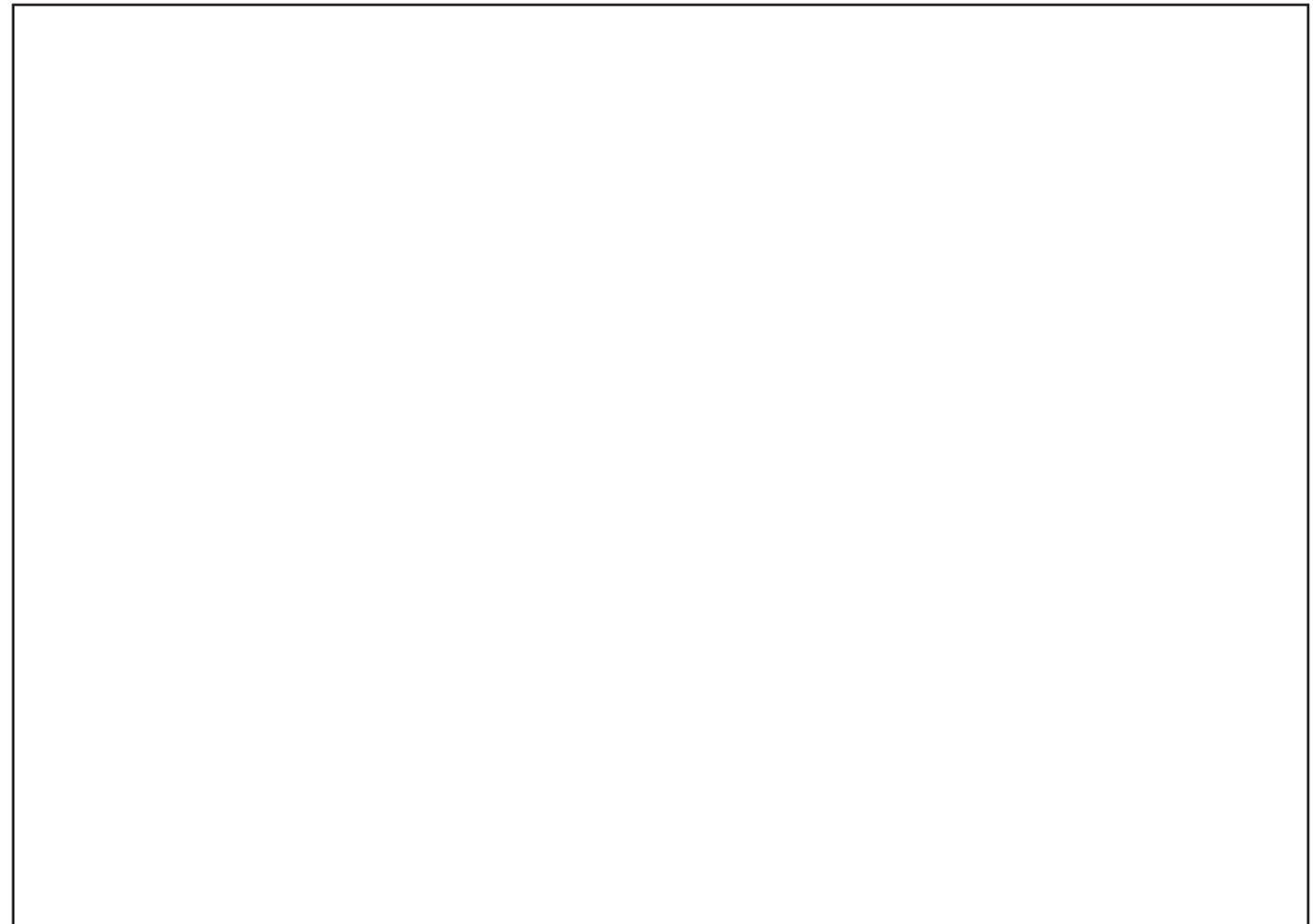
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# MASFAA Newsletter Article Submissions and Deadlines

October Issue    September 22  
November Issue    October 27

Please submit articles to either of the Co-editors at the addresses  
listed on the back cover of this issue.

Articles are accepted via mail, fax or e-mail.



# Recommendations for Reauthorization of the Higher Education Act of 1965

*Editor's note: The following text is an abridgment of the document prepared by MASFAA's Legislative Affairs Committee. The full document (including references to current law and rationale for the recommendations) was mailed to the Massachusetts Congressional Delegation as well as to members of the congressional committees concerned with Reauthorization. Copies of the document were also mailed to MASFAA members in June. If you did not receive a copy, contact Eileen O'Leary, Co-chair of the Legislative Affairs Committee at [oleary@stonehill.edu](mailto:oleary@stonehill.edu).*

1. That the Perkins Loan limit be raised to \$5000 per academic year.

*Rationale:* Students are unable to borrow sufficient funds through the FFELP or Direct Loan Programs to meet their needs. While the Perkins Loan Program offers a valuable additional loan source, annual borrowing is currently too limited (with specific exceptions). Also, financial aid officers often wish to limit a specific student's borrowing to a single program and if the Perkins limits were higher, this would be a possibility. The law as currently written is confusing and restrictive.

2. Delete the requirement that schools make loans first to students with exceptional need.

*Rationale:* Perkins is a need-based program and so awards must be made to those students who demonstrate sufficient need. To limit awards by stipulating awarding in order of decreasing need prevents financial aid officers from making decisions that may be in the best interest of particular students and results in unnecessary and burdensome micromanagement of the program.

3. Schools should have the ability to limit the maximum borrowing of their student population, across the board, without the need for professional judgment decisions on a case by case basis. Professional judgment could then be used to award above that institutionally set limit.

*Rationale:* Many financial aid officers, particularly

at low-cost community colleges, believe that some students are borrowing excessively through the Stafford Loan programs. A change in the law as suggested above would give these aid officers more "clout" when dealing with such students by affording the ability to cite institutional loan limit policy. The case-by-case method for limiting borrowing is politically impossible to administer. This would assist in default prevention by limiting student borrowing when appropriate.

4. Undergraduate Stafford loan limits should be increased to \$6000 per year for each academic level, with aggregate borrowing limits adjusted to \$30000.

*Rationale:* Loan limits have not kept pace with educational costs. Increasingly, students are unable to borrow sufficient funds to pay for their educations when family savings and income are insufficient to cover costs. In addition, students' educational costs are consistent from year to year and so to limit borrowing in the first two years to amounts below the second two years, is artificial, unrealistic, and burdensome to students.

5. Increase additional unsubsidized loan limits at the undergraduate level to \$5000 per year for independent students and dependents whose parents' are rejected for PLUS loans.

*Rationale:* Varying loan limits by academic year is confusing for students and presents administrative difficulties for schools. In addition, these students would receive increased eligibility for borrowing in their first two years of undergraduate education.

6. Increase graduate level loan limits to \$12,000 per year for base level Stafford Loans.

*Rationale:* Current loan limits are unrealistic given graduate educational costs.

7. Create a consolidation loan that includes both student and parent loans. Current debt-to-income ratio requirements should be adjusted to reflect the expanded borrower financial base.

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# Training Session for Presenters: Early Awareness and Financial Planning

Wednesday, October 1, 1997  
9:00 AM - 4:00 PM  
(lunch included)  
Worcester Polytechnic Institute, Worcester, MA

presented by the  
Early Awareness and Financial Planning Committee of MASFAA

If you are interested in educating students and their parents about the importance of early planning and saving for college, this FULL-DAY SEMINAR will prepare you by providing:

- information about the exciting new model Early CAPP (College Awareness and Planning Program) developed by the Early Awareness and Financial Planning Committee;
- essential information about academic planning concerns;
- critical financial planning information and details about different savings vehicles for students and parents, including information about the Massachusetts U-Plan;
- demonstration and provision of a model Early Awareness Presentation that you can use in your own presentations;
- special presentation by Dan Barkowitz entitled "How to Give a Presentation"; and
- materials useful in education of early awareness and financial planning issues.

If you are interested in attending this free seminar, please complete the form at the bottom of this notice and return it no later than September 24 to the address indicated on the form.

.....

— Yes, I am interested in attending the *Training Seminar for Presenters: Early Awareness and Financial Planning* on October 1, 1997.

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

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

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

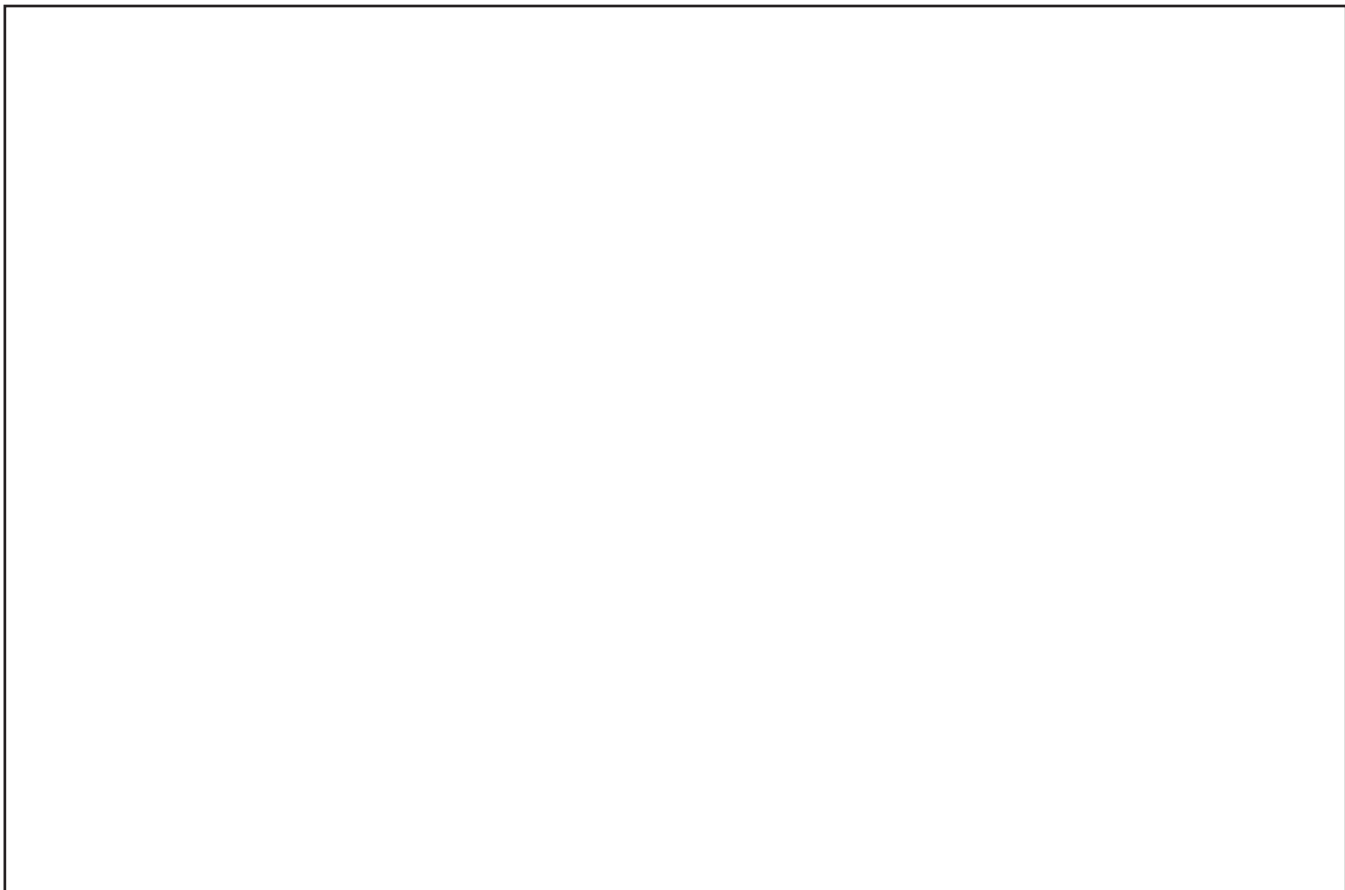
**Please return this form to:**  
**Janice Evans, Financial Aid Office, Bridgewater State College, Bridgewater, MA 02367**

# ***REMINDER:***

**This is the last issue of the  
MASFAA Newsletter for those individuals who have  
not paid their 1997-98 membership dues.**

**To ensure uninterrupted service of your subscription, pay  
your 1997-98 membership dues immediately.**

**If you are unsure of your current membership status, please contact  
Kelly Morrissey at  
(978) 632-6600, X382 or  
k\_morrissey@mwcc.mass.edu**





# Job Opportunities

Check These Out...

## Marketing Communications Manager - American Student Assistance

American Student Assistance is seeking a Marketing Communications Manager to develop and manage ASA's external communications plan. Main duties include working with directors to evaluate external communications needs, developing objectives and implementing a strategic plan, as well as designing all of the marketing collaterals and training materials. Additionally, this individual will manage the publications budget, including negotiation bids from vendors and exploring printing alternatives.

Bachelor's degree desired. Must have 5+ years experience in marketing communications including exceptional skills working with print layout, design and production. Must have knowledge of printing process (managing vendors and production cycles) as well as PC software (MS Office, Word, Powerpoint, Excel, ACCESS) and publishing software (Quark, Pagemaker). Candidate must possess superior writing and editing skills as well as organizational and project management skills.

Fax, e-mail or mail your resume to: **Margaret Hamill**, Employment Specialist, American Student Assistance Corp., 330 Stuart St., Boston, MA 02116. Phone: 617-728-4298, Fax: 617-728-4634, E-mail: hamill@amsa.com.

## Technical Product Manager - American Student Assistance

American Student Assistance is seeking a Technical Product Manager to manage all of their technical products. Major responsibilities include defining market requirements for product enhancements and managing development from concept through product launch, conducting cost-benefit analysis for products and developing project plans, as well as determining the strategic direction of the company's web site by incorporating products, services and enhancements into the site. Additional duties include acting as a liaison between the operations and systems areas to ensure smooth transition of the product through the development cycle.

Bachelor's degree and 3 years experience in marketing project management strongly desired. Two years experience in the financial services industry preferred. Must have outstanding verbal and written communication skills as well as excellent technical skills in MS Office, MS Access and MS Project. Experience in developing a web site a strong plus.

Fax, e-mail or mail your resume to: **Margaret Hamill**, Employment Specialist, American Student Assistance Corp., 330 Stuart St., Boston, MA 02116. Phone: 617-728-4298, Fax: 617-728-4634, E-mail: hamill@amsa.com.

## Financial Aid Assistant - Boston University

Boston University is seeking a Financial Aid Assistant to work effectively within a team of financial aid professionals and support personnel. He/she will report directly to a Senior Assistant Director and be responsible for various eligibility review and awarding tasks as assigned. Primary responsibilities include need analysis review, finalizing freshman and transfer tentative awards, loan eligibility authorization and direct customer service duties as well as serving as a resource to our customer service support staff. Special responsibilities may include coordinating the activities of the Office of Financial Assistance with one of the University's ten undergraduate schools/colleges and other administrative liaison assignments.

Continued on page 22



# Agency Calendar of Events

## September 1997

- 24 ASA: “Refunds and Cancellations”**  
Tara Ferncroft Resort, 10:00 am - 12:00 noon  
Danvers, MA

## October 1997

- 8 ASA: “Life of the Loan”**  
Dr. Sylvia Q. Simmons Training Center (at ASA), 10:00 am - 3:00 pm  
Boston, MA
- 14 USA Group: “Fall Student Loan Workshop”**  
Sheraton Tara  
Newton, MA
- 15 ASA: “Life of the Loan”**  
Crowne Plaza Hotel and Resort, 10:00 am - 3:00 pm  
10 Lincoln Plaza  
Worcester, MA
- 22 ASA: “ASA Processing Overview”**  
Dr. Sylvia Q. Simmons Training Center (at ASA), 10:00 am - 3:00 pm  
Boston, MA
- 29 ASA: “ASA Processing Overview”**  
Crowne Plaza Hotel and Resort, 10:00 am - 3:00 pm  
10 Lincoln Plaza  
Worcester, MA

## Contact People and Numbers

**ASA: Jeannette Langham**, Training Assistant, (800) 999-9080, ext. 3099

**USA Group: Craig P. Anderson**, Sr. Marketing Representative, (317) 578-6359

accurate and supportable estimates. The Department did not define what it considered accurate estimates resulting from its chosen method of calculation.

*Ability to Benefit*

In another recent case, an SFAP reviewer found that a school of hair design had not met the requirement that its Ability to Benefit (ATB) test was independently administered because not all of the publisher's requirements were met. An Administrative Law Judge, however, explained that the regulations governing ATB tests created a 'safe harbor' for any school that met all of a test publisher's conditions, but that this did not mean that any and all variances from those conditions automatically invalidates the use of the test (United States Department of Education, Docket No. 96-66-SP, August 29, 1996).

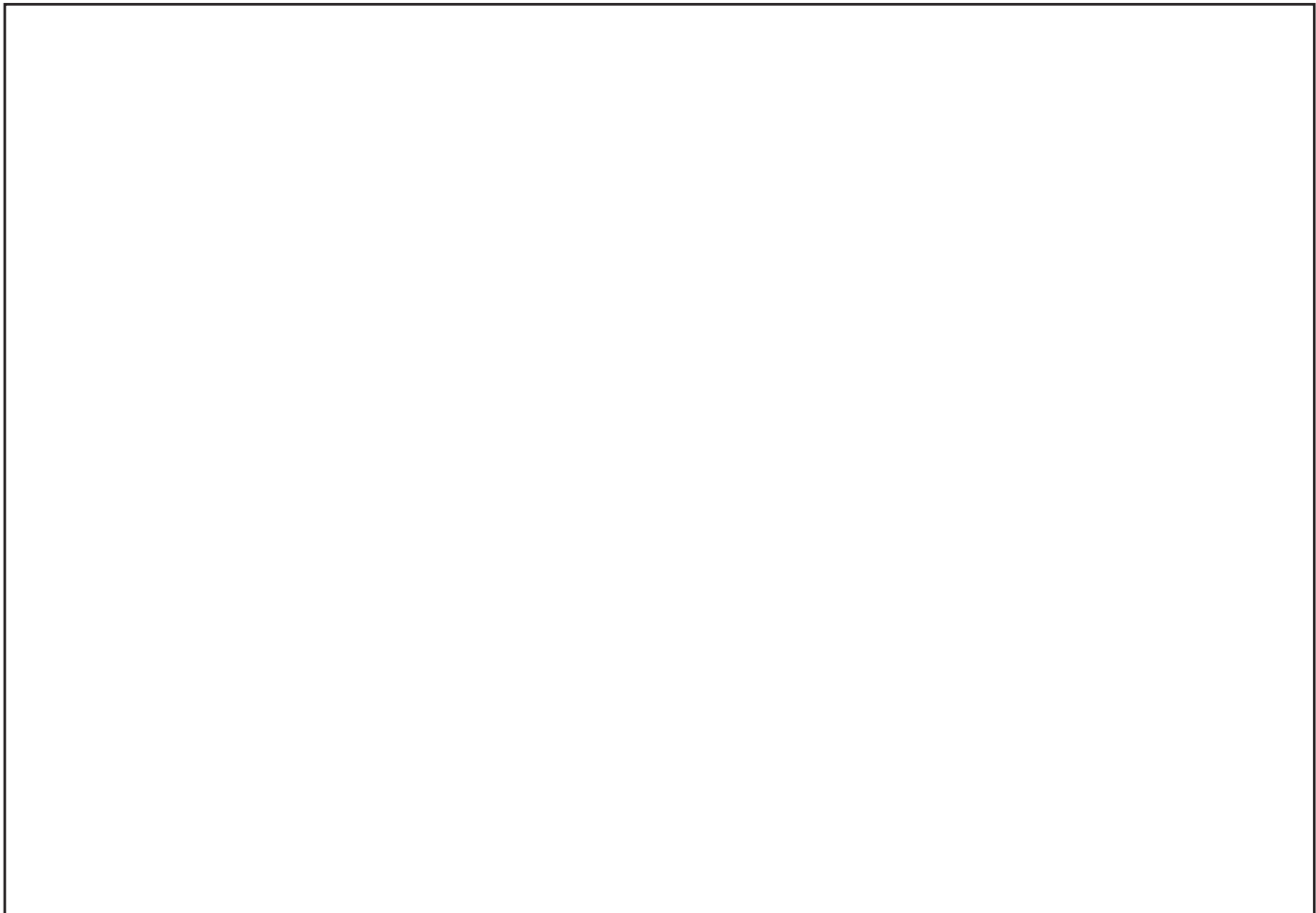
In this case, the school of hair design contracted with a community college to administer an ATB test to its students. The community college gave the test, as

required by its publisher, except that it did not comply with the requirements that test administrators be registered with the publisher and that test results be sent to the publisher. The judge went on to hold for the school on this issue, reasoning that since the non-compliance was as to a technical or procedural requirement, and it was clear that the test was independently administered with no suggestion of altered test results or the use of wrong passing scores, it would have exalted form over substance to penalize the school for the violation.

*Satisfactory Academic Progress*

A third most recent decision involved a proprietary school where an SFAP reviewer found that the school failed to properly determine Satisfactory Academic Progress (SAP). The school's SAP policy required students to meet a minimum number of credits earned and a cumulative GPA. The controversy arose over SFAP's allegation that the school ignored withdrawals in the quantitative measure of SAP (United States

Continued on page 18



**Financial Aid, the Law...from page 17**

Department of Education Docket No, 94-190-SA, September 16, 1996). The Department's position was that the Title IV regulations require the SAP policy to be reasonable if it complies with the rules approved by the school's accrediting agency. This school's accrediting agency defined credit hours attempted as those for which the student has incurred a financial obligation or had received Title IV funds.

Apparently, the school charged a base full-time tuition whether a student enrolled in 12 or 18 credits. SFAP argued that all courses attempted must be considered for SAP purposes, as the student incurred a financial obligation to pay the flat-rate tuition. The school countered that any student who registered for 18 credits and later withdrew from one or two courses did not incur additional financial obligations for the one or two courses dropped. Therefore, the school argued the withdrawals should not be considered attempts. The Administrative Law Judge ruled that the

school was required to count each withdrawal as an attempt for purposes of SAP, on the basis of the flat-rate tuition.

Next month, look for information on *Bates v. United States*, a case involving fraud allegations against the chief financial officer of a school who allegedly knowingly misapplied guaranteed student loan money.

*Editor's Note: Milton L. Kerstein, Esq. is a practicing attorney concentrating in the representation of schools in their appeals of DOE assessments of liability. He is also president of the Higher Education Assistance Group.*



# MASFAA AWARDS NOMINATION FORM

MASFAA'S Executive Council invites nominations for the 1997 Association awards. Awardees will be recognized at the 1997 fall MASFAA Conference. Please complete one form for each person you nominate and return the form(s) by October 10, 1997. You may make as many copies of this form as necessary.

**Please send your nominations to:**

**Kelly Morrissey  
Associate Director of Financial Aid  
Mount Wachusett CC  
444 Green Street  
Gardner, MA 01440**

***Return Date: October 10, 1997***

Name of Nominee: \_\_\_\_\_  
Title: \_\_\_\_\_  
School/Agency: \_\_\_\_\_  
Address: \_\_\_\_\_

**Please check the appropriate award, and attach a separate page detailing the reason(s) you have nominated the above person, your name, your institution/agency, your address, and your telephone number.**

**Charles "Jack" Sheehan Distinguished Service Award - Service To The Profession**

Recipient possesses the traits of intelligence, integrity, fairness, ingenuity, creativity, humor, involuntary insomnia, and endless patience and meets the challenge to the financial aid profession with true distinction.

*Criteria:* The individual has made the financial aid profession better because of his/her commitment in advancing the goal of the financial aid administrator.

**MASFAA Presidential Award**

Recipient (individual, committee or organization) has given outstanding service and time to MASFAA during the past year(s) and who can be counted on to complete tasks for the Association often with little fanfare.

*Criteria:* The individual, committee or organization has made an important contribution to MASFAA either by a single achievement or achievements accomplished over a period of time.

**Charles E. Jones Achievement Award**

*Purpose:* To recognize achievements and development of a "new" financial aid administrator.

*Qualifications:* Hold an administrative position in financial aid for 3 years or less.

*Criteria:* Outstanding achievement in the areas of leadership ability, communication skills, professional development, decision making, service to students, or service to the institution.

**Recommendations... from page 11**

*Rationale:* Often, parents take the responsibility for repaying students' loans and students sometimes take personal responsibility for repaying PLUS loans. In order to allow repayment terms to reflect the circumstances in which families find themselves during the repayment process, they should have the ability to consolidate all educational debt — both student's and parents' — into one loan.

8. MASFAA supports the proposal of Walter H. Moulton, Bowdoin College, for a PLUS consolidation option.

9. Delete the requirement to use a percentage of FWS funds for community service; instead offer increased percentage of excess allocation reallocations to those schools that use more than 5% of their FWS funds for that purpose (NASFAA recommendation #43).

*Rationale:* To require all schools to meet this requirement is burdensome and unrealistic. Each of the thousands of schools participating in FWS is not in the same circumstance in its ability to comply with this law.

10. Eliminate percentage references for FWSP to less than full-time or independent students (NASFAA recommendation #44).

*Rationale:* Many independent and/or part-time students do not want FWS positions because they are currently employed elsewhere. In addition, non-traditional students often apply for aid and make enrollment decisions very late in the process. The administrative burden placed on schools in tracking these students as well as in setting aside funds that may never be used is inappropriate.

11. Delete requirement to make FWS-equivalent institutional employment reasonably available to all students desiring such employment to the extent of available funds (NASFAA recommendation #45).

*Rationale:* NASFAA states, and MASFAA agrees, that requirements for non-FWS employment are inappropriate in Title IV.

12. Move statement that FWS employment will align with educational programs to the maximum extent practicable to the FWS purpose section (NASFAA recommendation #46).

*Rationale:* NASFAA states, and MASFAA agrees, that this provision belongs in the purpose section. Many students desire jobs in areas other than their academic or vocational concentrations in order to broaden their educational and personal experience.

13. Specify that eligible community services include support services to students with disabilities at the institution (NASFAA recommendation #42).

14. Delete the requirement that the Secretary conduct a data base match with Selective Service.

*Rationale:* The currently required database match with Selective Service is inappropriate for 55% of the college-going population who are female. In addition, it is inappropriate for a very large percentage of males who are older students who previously served in the military. Also, those resident aliens or new citizens who were never registered for the draft because of the timing of their citizenship status, are flagged as violators through the process. Rather than denying them aid eligibility, Selective Service Administration shifts the burden upon the school to decide if the student's non-registration status was legitimate or should be ignored. This function placed upon the financial aid office is inappropriate and burdensome and should not exist.

15. Technical changes to federal financial aid software should be decided and disseminated on regular schedules that provide sufficient lead times for institutions to make necessary programming and hardware changes. For example, if there are changes to be made in 97-98, notification should be made by January 1997 and no further changes should be allowed for the 97-98 academic year (except to correct known bugs).

16. The laws and regulations dealing with the FFELP and Direct Loan Program should seek a level playing field.

*Rationale:* In order to assess the value and efficiency of each program, it is important that their terms be similar.

17. We agree with and support the following recommendations made for FFELP and/or Direct Lending by NASFAA:

a. Require non-state guarantors to also handle elec-

**Continued on page 21**

**Recommendations... from page 20**

tronic inquiries.

b. Permit institutions to set institutional limits for Part B loans.

c. Eliminate the requirement that borrowers provide certain statements to their lenders, including Cost of Attendance, Estimated Financial Assistance, and loan eligibility.

d. Permit teacher certification program students who have successfully completed a program of undergraduate education to borrow up to the graduate/professional student aggregate maximum level.

e. Allow FFELP borrowers to have access to income-contingent repayment options.

f. Extend to aid administrators the current law authority regarding evaluation of a student for a loan, that lenders currently enjoy.

g. Retain the insurance premium.

h. Extend the current law restrictions on guaranty agency inducements, mailings and advertising to lenders participating in the part B programs, and extend the restrictions on unsolicited mailing of student loan application forms to include students enrolled in postsecondary institutions.

i. Eliminate the authority that allows institutions to be subject to a fee for helping to meet lender pre-claims assistance requirements.

j. Permit borrowers to request forbearance electronically.

k. Permit guaranty agencies to consider a borrower's total debt as a factor in granting forbearance.

l. Delete the provision that requires states to pay the federal government a fee for any postsecondary institutions that have a cohort default rate above 20%.

m. Permit single disbursement of a loan if the loan period is one semester, trimester, quarter, or four months.

n. Schools with cohort default rates of 10% or less (for the most recently available year) should be exempt from the 30-day delayed disbursement requirement to first-time, first-year borrowers.

o. Allow a \$300 overaward tolerance in the FFEL and Direct Loan programs.

p. Permit schools to choose whether their students can borrow Unsubsidized Stafford Loans.

q. Eliminate the borrower origination fee.

r. Require the department to implement current law which seeks to encourage corporations and other private and public employers to undertake programs to assist borrowers in repaying student loans, including providing employers with options for payroll deduction of loan

payments and offering repayment matching provisions as a part of employee benefit packages.

s. Require all disclosures mandated by Section 433 to be in plain English.

t. Extend through the next reauthorization period the current default rate exemption for Historically Black colleges and universities, tribally controlled community colleges, and Navajo Community Colleges, but recommend the use of a default management plan as a helpful aid for these institutions with high default rates.

u. Continue to prohibit the use of certain incentives by eligible lenders and enforce current law.

v. Require the Secretary to publish the results of the required finding of Section 437A(b) on Income Contingent Repayment in FFEL.

18. The default of a student who has transferred to another institution should belong to the school where the loan was originated, not to the school to which the student transferred. Only loans borrowed at the second school should be counted in that school's default rate.

19. The definition of an Independent Student should NOT change.

20. There should continue to be NO minimum student contribution.

21. There should be NO change to the way in which retirement assets are used in needs analysis.

22. In needs analysis, prior/prior year income information should be used ONLY if the IRS will match for information on W-2's and 1099's, as well as tax returns.

*Rationale:* Reported untaxed income information, available on W-2's, is frequently misreported by families.

23. Assets saved in Prepaid Tuition Plans, like the Massachusetts U-Plan, should not be used solely as a resource. Instead, the amount of the plan redeemed in an award year should be used to meet the family contribution. Only amounts that exceed the family contribution should be counted as a resource. The Prepaid Tuition Plan value should not be treated as an asset in needs analysis.

*Rationale:* We believe this recommendation fairly

**Continued on page 23**

Job Opportunities from page 15

A Bachelor's degree and 1-3 years of experience in a service-oriented, counseling, analytical and/or detail oriented position required. Must have excellent organizational, verbal, written communication and interpersonal skills. Salary is competitive and an attractive benefits package is offered.

Send a current resume and letter of interest to: **Virginia S. Gregory**, Employee Relations Representative, Boston University, 25 Buick St., Boston, MA 02215.

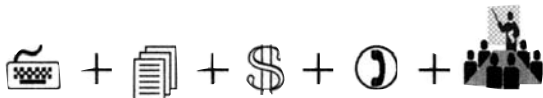
## Assistant Director of Financial Assistance - Boston University

Boston University is seeking an Assistant Director of Financial Assistance to work effectively within a team of financial aid professionals and support personnel. He/she will report directly to a Senior Assistant Director and be responsible for supervising the work of at least one support staff member. Primary responsibilities include need analysis review and awarding for a caseload of approximately 850 students. Special responsibilities may include coordinating the activities of the Office of Financial Assistance with one of the University's ten undergraduate schools/colleges and other administrative liaison assignments.

A Bachelor's degree and 1-3 years of experience in a service-oriented, counseling, analytical and/or detail oriented position required. Must have excellent organizational, verbal, written communication and interpersonal skills. Knowledge of federal financial aid procedures and regulations as well as familiarity with automated office systems preferred. Salary is competitive and an attractive benefits package is offered.

Send a current resume and letter of interest to: **Virginia S. Gregory**, Employee Relations Representative, Boston University, 25 Buick St., Boston, MA 02215.

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**Recommendations... from page 21**

treats families, encouraging them to save for higher education through such plans.

24. Rename the Expected Family Contribution (EFC) the Federal Eligibility Index (FEI).

*Rationale:* Many in the financial aid profession no longer believe that the result of the federal needs analysis formula is reflective of a family's actual ability to contribute to one year of education. Rather, it is a formula used to determine whether a student meets the eligibility requirements for Pell Grant and other federal aid programs.

25. Remove the requirement that Cost of Attendance (COA) include a cost of living minimum amount for all populations of students.

*Rationale:* The current minimum cost of living expense required to be included in Cost of Attendance is too high at some schools and in certain areas of the country.

26. Allow dependent students to borrow unsubsidized loan without filing parental information on the FAFSA under certain circumstances.

*Rationale:* On occasion, a dependent student's relationship with his/her parent is such that the parent(s) refuse to sign the FAFSA or reveal their income information, or to apply for a parental education loan. However, in the financial aid officer's opinion, the situation does not warrant a dependency status override. In such situations, the student should be allowed to complete the FAFSA with student information only, leaving all parent sections blank. This would allow the student to pass through all required edits, even though the FAFSA itself would be invalid. The financial aid officer could then use professional discretion to allow the student to borrow the extra unsubsidized loan only.

27. The grant/loan imbalance issue must be addressed. We urge that grants for needy students rather than tax breaks for middle and upper income students be the priority with Congress.

28. Cohort default rates should no longer be used as a definitive measure of administrative capability to deny schools the ability to participate in federal Title IV programs. Instead, high cohort default rates might be used to trigger an on-site federal review. If the on-site review indicates administrative incapability, then the school should be terminated.

## FISAP Note

At the recent MASFAA FISAP workshop, participants asked for clarification on the types of state scholarship aid that can be included in Part II, section F., question 26, "*Total expended for State grants and scholarships made to undergraduates for the Award Year July 1, 1996 to June 30, 1997.*" Massachusetts Rehabilitation Grants *can* be included in the total because they are state awards for which the institution does not have final decision on who gets this fund. The Department will review the instructions for next year in order to provide additional guidance on this question.



# Calendar

Here's What's Happening...

## September

- 15 1997-98 MASFAA Membership Dues Deadline Send to Kelly Morrissey
- 16 Executive Council Meeting Lasell College

## October

- 1 FISAP Deadline Transmit to ED
- 1 Early Awareness Speakers' Bureau Training Workshop Worcester Polytechnic Institute
- 10 Nominations for 1997 MASFAA Awards Due Send to Kelly Morrissey
- 21 Executive Council Meeting Lasell College
- 24 Nominations Due for Sallie Mae's 1997-98 Awards Program for Financial Aid Administrators Send to Sallie Mae

## November

- 4-6 ED 1997-98 Electronic Access Conference, "A Second Decade of Partnership" St. Paul, MN
- 17-19 ED 1997-98 Electronic Access Conference, "A Second Decade of Partnership" Westin Hotel, Seattle, WA
- 18 Executive Council Meeting (at MASFAA Conference) Sheraton Leominster, MA
- 19-21 MASFAA Conference Sheraton Leominster, MA

## The MASFAA Newsletter

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