



Southwest Association of Student Financial Aid Administrators  
news FOR and ABOUT the SWASFAA membership

# THE SCAN

Winter 2012 Issue



President's Message

## President's Message

by Laura Coponiti, 2011 SWASFAA President

Greetings,

I guess it is true; time does fly when you are having fun! And what a fun year 2011 was. I have truly enjoyed traveling to each of your state conferences, overseeing SWAFAA board meetings, and serving on the NASFAA board.

I am so pleased with the great turn out we had for boot camp and the annual conference. Thanks to all of you for taking time out of your busy schedules to take part in these great training opportunities.

I would like to take this opportunity to again thank the entire board and all the committee chairs for their support and for all the hard work they did this year fulfilling their duties. It has been a pleasure working with each and every one of you. You have made my year as SWASFAA President most memorable.

Special thanks to the University of Science & Arts of Oklahoma for allowing me the time this year to fulfill my responsibilities as President. Thanks to my co-workers for picking up the slack and not piling my desk up too high. Thank you to my family for their support and holding down the house during my travels.

As I pass the gavel to Lisa Blazer, I do so with great confidence. I know she has SWASFAA's best interest at heart and will do a wonderful job leading the association next year.

Thank you all for this special opportunity to serve as your president. It has been an honor and a privilege and one of the most rewarding experiences of my career. I hope that you will continue to volunteer and participate in 2012. I could not ask to belong to a greater association!

Sincerely,  
Laura Coponiti

## Happy New Year!

by Lisa Blazer, 2012 SWASFAA President



Laura Coponiti and Lisa Blazer

I can't believe it's 2012 already! It seems that time just keeps moving faster and faster. I am so excited about 2012 and what that means for SWASFAA and for the Financial Aid profession. We have an opportunity to impact a lot of students, policies and legislation over the course of this next year and that's exciting!

I have been thinking about what I was going to say to get us kick started into this new SWASFAA year. There's a lot of change going on in our industry and we still have the responsibility to provide the

best possible service to our students and their families, even as we cope with regulatory changes that prove to be challenging.

I feel very strongly that everyone in the financial aid industry is a leader. Serving as a financial aid administrator gives us the opportunity to influence people and processes that ultimately impacts someone's life. That's the definition of leadership!

My undergraduate degree is in piano performance, which I know seems really weird. How in the world did I end up in financial aid? Like many of you, I'm a product of work-study. I worked in every single office at the small school I attended. I guess financial aid was the most fun for me. While it may seem weird that a piano performance major would end up in financial aid, I can see some connections in our profession to music, especially since we all serve as leaders and help students.

Have you ever watched an orchestra conductor? It's a pretty big job. They don't just flap their arms for no apparent reason, there's some skill and knowledge as well as an ability to influence others to play in harmony. First, a music conductor has to learn music theory. They also must learn an instrument and play that instrument in an orchestra. However, just knowing music theory and playing

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an instrument does not make you a conductor. A conductor has to take all the different instruments, all the different personalities and skill levels and get the orchestra to play in harmony. Not always an easy job but the outcome is really awesome if they are good conductors. Ever heard a bad orchestra or band, yikes! The job of that conductor is to get that group to work toward a common goal, influencing people to work in harmony.

Isn't that what we do? We learn the basics and go to boot camps, workshops, conferences, webinars and complete online modules to get that basic knowledge, much like music theory. We need to know what the regulations are and how it impacts our students. After attending training sessions, we need to apply it. We have to be able to "play our instrument" through completing a hand calculation, counseling students, packaging students, and verification, etc. You know, all that fun stuff we do. But here's where we are conductors. We have to apply our own knowledge and skills, continuously learn new information (sometimes that seems like a daily adventure) but at the same time, work with our students to make sure they can fund their education. We provide individualized attention to a lot of students and their parents. We work with high school counselors and the community through our outreach programs. Oh yeah, we also need to make sure students know how to manage their money through financial literacy programs. We also have to work with people on our teams and throughout the entire university or organization.

There are many instruments at play in our daily environment in financial aid and we are tasked with making sure they all work harmoniously together. We are conductors of large and small orchestras every single day.

You have a great opportunity to be a conductor through your work on your campuses and organizations. What I want to strongly encourage you to do is also be involved in helping to orchestrate what's happening in the SWASFAA organization. The benefit of being a part of SWASFAA is that you have a network of colleagues that will help you with the theory, with playing an instrument and with helping to build your skills as a conductor. My hope for this next year is that SWASFAA can help to provide the tools you need to be that conductor through training, legislative updates, and leadership and volunteer opportunities. One of the best experiences I have had has been my volunteer experiences at the state, regional and national levels. Participating in and volunteering for SWASFAA is a great way to help develop your skills so that you can lead your students and your colleagues and continue to keep music harmonious across your campuses and your organization.

Thank you again for electing me to this position and I look forward to working with you over the next year! In case you missed the debut at the SWASFAA conference in November, here's our anthem for the year (couldn't resist something musical). SWASFAA, YOU ROCK!

Happy New Year!...(continued from page 1)

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SCAN is produced by the Southwest Association of Student Financial Aid Administrators. SWASFAA is a professional organization with a diverse membership and SCAN works toward providing a forum for communicating to the membership news and issues affecting the student aid profession in the Southwest region. The ideas and opinions expressed in this forum do not necessarily reflect the viewpoints of SWASFAA, its board of directors, or its members.

### Article Submission

Submit your articles, staff updates, photos or other items of interest for the SCAN to **Sara Elliott at [selliott15@cnm.edu](mailto:selliott15@cnm.edu)**. Questions can also be sent to the same address.

### SWASFAA CALENDAR

Check the calendar on the SWASFAA website for events happening in your state and region. If you have events you'd like to add to the SWASFAA calendar, please notify **Sara Elliott at [selliott15@cnm.edu](mailto:selliott15@cnm.edu)**.

## Happy New Year!...(continued from page 2)

SWASF<sup>AA</sup> ROCKS (to the tune of We Will Rock You by Queen)

Financial Aid makes a real big noise  
In the Southwest Association  
We got Texas, Arkansas, Oklahoma,  
New Mexico and Louisiana

Singin  
We will, we will rock you (SWASF<sup>AA</sup>)  
We will, we will rock you (SWASF<sup>AA</sup>)

Financial Aid has programs and services  
That are gonna rule the world someday  
We got grants, scholarships, student loans and work  
Kickin student service way out of control

Singin  
We will, we will rock you (SWASF<sup>AA</sup>)  
We will, we will rock you (SWASF<sup>AA</sup>)

SWASF<sup>AA</sup> members work hard to impress  
The students, the states and the whole nation  
We got committees, the board, institutions,  
Funding the next generation

Singin  
We will, we will rock you (SWASF<sup>AA</sup>)  
We will, we will rock you (SWASF<sup>AA</sup>)  
Everybody  
We will, we will rock you (SWASF<sup>AA</sup>)  
We will, we will rock you (SWASF<sup>AA</sup>)

## State Reports

### New Mexico Update

by Amanda Hammer, New Mexico State President

NMASF<sup>AA</sup> hosted fall training on Friday, October 21, 2011. It was a very successful event with 3 training sessions with 64 participants. Our Long Range Planning and Outreach Committee planned the wonderful event and a special thank you goes out to Annette Kaus, chair, Bill Bloom, Michael Rodriguez, and Betty Dever for all of their hard work. We would also like to recognize and thank the presenters of the day Darlene DuVall, Amanda Hammer, Trevor Summers (ED) and Karen Kennedy (New Mexico Higher Education Department).

During lunch at the fall training, we had our fall business meeting. We presented the slate of nominees for the 2012 Board of Directors from the Nominations, Elections and By-laws Committee, and accepted additional nominations from the floor. Elections were held in December. The 2012 Board members are:

President	Gladys Chairez
Past President	Amanda Hammer
President-Elect	Jerry McKeen
Secretary	Jessie Sjue
Treasure Elect	April Chavez
Parliamentarian	Darlene DuVall
SWASF <sup>AA</sup> Delegate at Large	Janell Valdez

The 2012 Annual Conference will be held in Las Cruces, New Mexico on March 28 - 30, 2012 at the Hotel Encanto. The conference planning committee is already working hard to make it a successful event.

NMASF<sup>AA</sup> has had an eventful and exciting 2011 year and overall, I think a successful one! I can only imagine the accomplishments that we will see next year!!



## OASFAA

by David Barron, Past-President OASFAA

OASFAA held its decentralized training November 4th in Broken Arrow, OK at the North Eastern State University's branch campus. We combined the NASFAA training on SAP with a professional development speaker, provided by OCAP, on the topic of "Emotional Intelligence". The SAP training was led by Jonna Raney, Director of Financial Aid at Oklahoma Baptist University, and Jerome Wichert, Director of Financial Services at Southwestern Oklahoma State University. Mary Heid and Liz Brandon from the Oklahoma College Assistance program led the "Emotional Intelligence" training. We had a very good turnout for the Tulsa area with 94 in attendance. We did not charge for the training and a box lunch was provided to the attendees.



**Jonna Raney**



**Jerome Wichert**

OASFAA also voted on a new banner for our organization. The winning banner is shown below:



Our annual OASFAA 2012 conference will be held April 11th - 13th in Norman, OK at the Holliday Inn. Our theme this year will be "We're in the Game". Conference registration rates will be, \$125 per person for institutional and associate members, \$175 per person for institution and associate non-members, \$75 for one-day registrations (regardless of membership), \$125 exhibitor fee (regardless of membership), and a \$25 late fee.



## SWASFAA 2011 Retirees

Name	Institution
Gale Garrison	University of Central Arkansas
Ann Guffey	Harding University
Judy Sears	New Mexico State University, Carlsbad
Mari Chapa	University of Texas-Brownsville
Richard Hernandez	Alamo Community College District, San Antonio
Carolyn Langston	National Park Community College

SWASFAA would like to thank all the retirees for their years of service, professionalism and willingness to serve students.

## SWASFAA Logan Ware Professional Development Scholarship Recipients 2011

The SWASFAA Logan Ware Professional Development Scholarship was created to help defray the cost of professional development for individuals who would otherwise not be able to attend the SWASFAA Annual Conference or other training activities such as Boot Camp. The 2011 recipients were:

- Mark Trejo from Toni & Guy Hairdressing Academy in New Mexico**
- Katy Baker from Oklahoma State University**
- Belinda Bernal from Texas A&M University-Kingsville**

## Years of Service\* Recognition

SWASFAA would like to thank the following individuals who have dedicated 20 or more years to the Student Financial Aid industry. These people are recognized each year at the SWASFAA Annual Conference.

Name	Institution	State
<b>20 Years</b>		
Marilyn Campbell	Arkansas Student Loan Authority	AR
Glendi Gaddis	Trinity University	TX
Ron Hancock	Nelnet	OK
Resa McBride	USA Funds	IN
Lisa Mitchell	Sallie Mae	IN
Peggy Park	Southern Methodist University	TX
Linda Yelder	Arkansas State University - Beebe	AR
<b>25 Years</b>		
Frankie Adair	Tulsa Technology Center	OK
Sandra Barnard	University of New Mexico	NM
Jimmie Batenhorst	South Plains College	TX
Rick Edington	Oklahoma College Assistance Program	OK
Terry Finney	Arkansas State University	AR
Janine Gann	Texas Woman's University	TX

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**SWASFAA 2011 Retirees... (continued from page 5)**

Linda Good	Oklahoma State University	OK
Kathy Gosnell	Central Tech	OK
Mabel Gutierrez	University of New Mexico	NM
Leta Jones	Francis Tuttle Technology Center	OK
Mimi Kelley	Eastern Oklahoma State College	OK
Sharon Reed	Grambling State University	LA
Jean Russell	American Student Assistance	AZ
Denise Spellman	University of New Orleans	LA
Teresa Spruill	USA Funds	LA
Chris Steckman	Rogers State University	OK
John Wells	El Centro College	TX

**30 Years**

Bruce Anderson	Brookhaven College	TX
Harold Case	Oklahoma City Community College	OK
Larry Doggett	Elm Resources	MO
Jennifer Fisk	Texas Tech University	TX
Nancy Fountain	North Arkansas College	AR
Colleen Franklin	Southern Methodist University	TX
Michael Gee	TG	TX
Susan Prater	University of Central Oklahoma	OK

**35 Years**

Tina Chargois	University of Houston	TX
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**40 Years**

Pamela Cole	Kiamichi Technology Center	OK
Frank Ellis	Cedar Valley College	TX



*\*Years of service is determined using the start date in the industry which is part of the membership profile. Please take the time to ensure your start date and other information is correct on your SWASFAA profile.*

## SWASFAA Boot Camp 2011

by the SWASFAA Boot Camp 2011 Committee

SWASFAA Boot Camp 2011 offered novice financial aid officers a chance to “Get Rollin’” into the world of administering financial aid. The knowledgeable presenters provided attendees with a comprehensive introduction to Campus Based Programs, Federal Methodology, Application and Student Eligibility, Pell Grant, Direct Loans, Verification, R2T4, customer service, and Professional Judgment as well as a list of electronic tools and resources that can be referred to once back in the office. Many thanks go out to our guest presenters Trevor Summers, USDE Trainer and Pam Cole, Financial Aid Coordinator, Oklahoma Career Tech. We also appreciate Lacy Myers, Oklahoma College Assistance Program, for her assistance on our graphic designs.

The Conference and Local Arrangement chairs Andrew Hammontree and Kelli Kelnar worked very closely with the Boot Camp committee to ensure we had a successful workshop and to them we extend our sincere gratitude.



*“The presenters were excellent and the topics well organized. This is the first time I have enjoyed a conference and not felt drained by all of the information.*

*Thank you for being so organized and concise but flexible! I loved the interaction between the trainers and the conference attendees.” - anonymous attendee*

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## SWASFAA Boot Camp 2011...*(continued from page 6)*

But most importantly, we thank our 88 boot camp attendees. Without your involvement and participation, our boot camp would not have been so successful. So, HAVE YOU SUBMITTED YOUR VOLUNTEER FORM YET??? Volunteer form link: <http://www.swasfaa.org/docs/forms/memVolunteer.html>

Sincerely,  
Your SWASFAA Boot Camp 2011 Committee  
John Jefferson, AR  
Mary Sue Rix, LA  
Brent Small, NM  
Linda Good, OK  
Denise Welch, TX (Co-chair and 2012 Chair)  
Shannon Guillory, 2011 Chair

## Local IRS Offices Offer Tax Transcript Services

by Linda Koehn Good

During our recent SWASFAA Boot Camp, there were many questions and concerns regarding obtaining an IRS Tax Return Transcript in a timely manner. In addition to applying online or over the telephone, it's also possible to go to some local IRS offices to obtain the Transcript. Students, parents and financial aid officers can visit the IRS website, and see where their closest local office is located by going to <http://www.irs.gov/localcontacts/index.html>. Clicking on the appropriate state will take the visitor to a listing of offices in that particular state. The visitor must then click on "Services Provided" to confirm that specific office provides copies of transcripts. Thanks to Ashley Mellor of OSU-Tulsa for providing the research.

***"Students, parents and financial aid officers can visit the IRS website, and see where their closest local office is located by going to <http://www.irs.gov/localcontacts/index.html>."***

## SWASFAA Philo Brasher Emerging Leadership Award 2011

Philo Brasher was an Assistant Director of Financial Aid at McNeese State University, he accepted the job as SWASFAA treasurer during a difficult time in our association's history. Philo served for many years and was key to establishing the financial health of the organization.

Because of Philo's dedication and extraordinary leadership, the board voted to recognize him with the naming of the "Rookie of the Year Award" which is a special recognition for new and upcoming leaders from each state association. In 2007 the award was renamed the, "Philo Brasher Emerging Leadership Award," to more closely reflect the purpose of this recognition.

The recipients' school will receive a \$500 scholarship for a student of their choice.

### The 2011 RECIPIENTS ARE:

- |               |                 |   |
|---------------|-----------------|---|
| 1. Arkansas   | Amy Neathery    | University of Arkansas                                |
| 2. Louisiana  | Raymond Clarke  | Southern University at Baton Rouge, Baton Rouge, LA   |
| 3. New Mexico | Sara Elliott    | Central New Mexico Community College, Albuquerque, NM |
| 4. Oklahoma   | Dustin Davidson | Moore Norman Technology Center, Norman, OK            |
| 5. Texas      | Alan Ahmad      | Texas A&M Health Science Center,                      |

## Check out swasfaa.org for:

1. **Membership Application (it's time to renew your 2012 membership at <http://swasfaa.org/docs/forms/memApp.html>)**
2. **Volunteer for 2012 at <http://swasfaa.org/docs/forms/memVolunteer.html>**
3. **Meeting minutes can be found at [http://swasfaa.org/docs/committees/BoardDirectors/minutes\\_index.html](http://swasfaa.org/docs/committees/BoardDirectors/minutes_index.html)**
4. **Photos from SWASFAA Conference are at: <http://www.facebook.com/SWASFAA>**

## Consider These Ideas for Your School Default Prevention Plan

by Brent Dove, USA Funds

Lowering default rates is priority for many financial aid administrators these days.

When the U.S. Department of Education released the most recent cohort default rates in September, many schools saw increases in their rates when compared with the previous cohort. And the change to a three-year cohort default rate from the previous two-year cohort is expected to result in a significant increase in rates for most schools.

Add to those scenarios the sanctions that schools with high cohort default rates will face under the new three-year cohort default rate rules, and it's easy to see why schools are looking to develop plans to lower their rates. In fact, the new three-year cohort rules will require schools with a single-year cohort default rate of 30 percent or higher to establish a task force to develop a default prevention plan.

But having a school default prevention plan is a good idea regardless of your school's cohort default rate. Helping students successfully repay their education loans should be a process that focuses on every stage in the loan cycle - application and loan origination, in-school, grace and repayment - so your borrowers get the help they need every step of the way.

Looking for ideas of what to include in your school's plan? Consider the following ideas:

- Establish a campus-wide team to address the issue of preventing default.
- Analyze cohort default rate data, to help you determine which of your students are at greatest risk of defaulting and to inform your strategies to prevent those defaults.

- For those students at greatest risk of default, provide additional counseling beginning early in their in-school period.
- Offer entrance, exit and interim loan counseling that goes beyond the basic requirements to further ensure that students understand the specifics of their loans.
- Provide overall financial literacy training throughout the entire loan process - and in a variety of formats.
- Communicate with your borrowers entering repayment - and do it early. Reaching out to borrowers by their grace period helps to establish contact information for the remainder of the loan cycle.
- Shortly after they leave school, counsel students who withdraw. Share with these borrowers the importance of meeting their loan obligations - and the benefits of returning to school to complete their education.
- Establish specific programs or teams that are dedicated to working with borrowers in the early stage of loan delinquency and late stage of delinquency, to allow them to test different approaches for these specific groups of borrowers.
- Take advantage of tools from partner organizations to help you communicate with borrowers.

The Department offers a sample default prevention plan, as well as a page of Default Prevention Resource Information on its website at [www.ifap.ed.gov](http://www.ifap.ed.gov). You also can check out the Debt Management and Default Prevention section on the USA Funds website at [www.usafunds.org](http://www.usafunds.org).

## Financial Knowledge is an Integral Part of a Student's - and Institution's - Education

Money makes the world go round. Those words have never been truer for today's college students who are banking, literally, on the assumption that they'll get a good-paying job after graduation - one that will help them pay off their ever-growing student loan bills:

- The average starting salary for 2011 graduates is \$36,866; down from \$46,500 in 2009.<sup>2</sup>
- Most students graduating from a four-year college or university will have an average of **\$23,200 in student loans**.<sup>3</sup>
- 84 percent of college students are in credit card debt - to the tune of over \$3,100, on average.<sup>4</sup>

*Forget homework and term papers.* One of the biggest causes of stress for college students right now is money related. Financial problems are a leading reason why students drop out.<sup>5</sup>

It's a trend that has the attention of Kate Trombitas, NSLP vice president of financial education. She saw the effects of financial burdens—and a lack of familiarity about the topic—in her role as associate director of student wellness at Ohio State University.

"We knew on our campus that money was the second-leading cause of stress, and that it was creating a barrier to academic success," says Trombitas. "We wanted to look at it as a wellness issue as important to campus administrators as alcohol abuse prevention, nutrition and sex education."

To give students a resource they could put to work in their day-to-day lives, Trombitas created a peer-to-peer financial guidance program at OSU. Student volunteers (many of whom were interested in careers in financial planning or counseling) were matched with peers who wanted to be savvier about money topics. The program, which can be administered for a low cost, has proven to be an effective way to introduce the topic not only to students, but also to administrators.

"It's a win-win," Trombitas says. "Students are more comfortable talking to their peers, and administrators are happy to have an inexpensive staff of motivated students who truly understand the issues facing their student body."

*More schools are seeing the value* in providing financial education to their students, says Todd Woodlee, NSLP vice president for business development. "Schools are starting to realize that this isn't just a financial aid issue—or an enrollment issue, or an academic issue. It's an institution issue, and it's about overall student success. It's an issue that requires the buy-in and collaboration of everybody on campus," he adds.

Often, that means not only educating students but the people they look to for their education. NSLP and East Carolina University have worked together to present a personal financial certification program course designed especially for faculty and staff on campus. The program was piloted in the summer of 2011 and will have 60-plus graduates by the end of the calendar year. ECU has a long history of providing personal financial education to its students, faculty and staff through the ECU Financial Wellness Institute.

"This is a cultural issue," says Woodlee. "ECU is one of the growing number of schools to address it as such. We are pleased to be working with them on such a significant program."

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***"One of the biggest causes of stress for college students right now is money related. Financial problems are a leading reason why students drop out."***



The key, Woodlee says, is collaboration. And that requires a shift in thinking to bring together departments across the offices of Academic Affairs and Student Affairs that may not typically work together in this manner. "Whether it starts with one area or the other, this is about the commitment to make time and put together the resources necessary to launch meaningful financial education programs," Woodlee adds.

However it comes together, it's a welcome addition to the curriculum. According to Sallie Mae's national study of student credit card usage rates and trends, 84 percent of undergraduates admitted they need more financial management education. Furthermore, young adults believe that making better choices about managing money is the single most important issue facing individual Americans today.<sup>6</sup>

"In study after study we're seeing the same thing—students want to increase their financial capability," Trombitas says. "It is time for campuses to work creatively and collaboratively to respond to this need."

Schools already have a captive audience. It's a crucial time to give students the tools and resources they need to make wise choices when it comes to their money and their futures.

#### References

<sup>1</sup>Bowling Green State University. "Findings from the 2009 Student Financial Literacy Survey." [www.bgsu.edu/downloads/enrollment/file66299.doc](http://www.bgsu.edu/downloads/enrollment/file66299.doc). Bowling Green State

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<sup>2</sup>Michigan State University. "Recruiting Trends 2010-2011." <http://www.ceri.msu.edu/recruiting-trends-2010-2011/>. Michigan State University, 2010.

Web. 20 Sept. 2011. <<http://www.ceri.msu.edu/recruiting-trends-2010-2011/>>.

<sup>3</sup>The Institute for College Access and Success. "Student Debt and the Class of 2009." *The Institute for College Access and Success*. The Institute for College Access and Success, Oct. 2010. Web. 16 Sept. 2011. <[http://projectonstudentdebt.org/files/File/Debt\\_Facts\\_and\\_Sources.pdf](http://projectonstudentdebt.org/files/File/Debt_Facts_and_Sources.pdf)>.

<sup>4</sup>Sallie Mae (2009). How Undergraduate Students Use Credit Cards. Retrieved from <http://www.salliemae.com/NR/rdonlyres/OBD600F1-9377-46EA-AB1F-6061FC763246/10744/SLMCreditCardUsageStudy41309FINAL2.pdf>.

<sup>5</sup>Shim, S. (2010). Arizona Pathways to Life Success for University Students. University of Arizona. Retrieved from [http://aplus.arizona.edu/wave1\\_5\\_report.pdf](http://aplus.arizona.edu/wave1_5_report.pdf).

<sup>6</sup>Sallie Mae (2009). How Undergraduate Students Use Credit Cards. Retrieved from <http://www.salliemae.com/NR/rdonlyres/OBD600F1-9377-46EA-AB1F-6061FC763246/10744/SLMCreditCardUsageStudy41309FINAL2.pdf>.

## Prepare Now for a Headache-Free 2012-2013

by the Great Lakes SWASFAA Marketing team of Diane Borchardt, George Fuller, Matt Lehmann, and Carol Swenson

Being proactive about preparation now can help your entire academic year go smoothly. There are a number of areas to keep in mind as you prepare, and by following them, you can ensure you are maintaining compliance and staying informed, that your office is taking consistent action, and that you are helping your students while protecting their privacy.

#### Policies and Procedures

Stay in compliance and avoid institutional liability by reviewing your Policies & Procedures. Make updates to satisfactory academic progress, verification (which has been completely overhauled for 2012-13), FAFSA, professional judgment, and any other areas that need it. Having a P&P manual not only helps you be prepared in the event of an audit, it gives everyone in your office step-by-step instructions, so that their actions can be consistent.

#### FERPA

To make sure you're protecting the privacy of student records and reducing the risk of fraud and identity theft, review FERPA policies at least once a year, incorporating any changes that are needed. Take note that the U.S. Department of Education is expected to release final rules in the coming months. Think about creating a policy review committee containing members from various departments on campus.

#### FAFSA

Make sure your IT networks, financial aid budget, and student aid forms are ready for the latest FAFSA updates by reviewing the ISIR guide for changes. And, when it's available, explore the FAFSA test website at [fafsademo.test.ed](http://fafsademo.test.ed), to experience the FAFSA from a student's point of view. The User ID is **eddemo** and the password is **fafsa test**.

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**Cost of Attendance**

A great way to help your students avoid over-borrowing and/or being underfunded is to make sure your school's cost of attendance is a realistic representation of expenses. You can research costs through student surveys (for items such as transportation, clothing, etc.), the Bureau of Labor statistics, realty websites for apartment rental costs, and by interviewing the student housing office. Then, make changes to your cost of attendance as needed.

**Consumer Information Requirements**

It's important that students and families have the information they need to make an educated decision about the upcoming year. Create a central repository to allow students to access the appropriate department for each section. For example, provide students with information on new procedures for verification, satisfactory academic progress, R2T4, where to locate their aggregate loan balance, and more.

**Resources**

You are not alone! There are resources to help you as you prepare, including:

- NASFAA tools at [nasfaa.org](http://nasfaa.org)
- Ed.gov
- Ifap.ed.gov
- Guarantor and servicer web sites
- Webinars
- State, regional, and national association conferences and training opportunities

By being proactive in your preparation, you can do everything it takes to maintain compliance, stay informed, and make sure you are ready to help your students, while protecting their privacy.

## Policy Frequently Asked Question: Tax Returns and Verification

by Brent Dove, USA Funds

USA Funds Ask PolicySM experts offer guidance on whether to delay the verification process until a student or parent can provide an actual copy of a filed tax return.

**Q: Our school is conducting verification for a dependent student whose mother filed for an extension on her tax return. The family provided me with a handwritten Form 4868, but it is our policy to collect tax return forms. I notified the student that, because we were past the Oct. 15 tax extension deadline, I would need a copy of her mother's tax return. The family then provided a handwritten tax return, and the student's mother indicated that she has a lawyer preparing her return. The handwritten return does not indicate a preparer.**

**Should I use the information that the family already has provided to complete the verification process, or does the school have a responsibility to follow up to see if the student's mother filed a tax return?**

A: The school may not delay the verification process simply because a student or parent has requested a tax filing extension. So, in your case, your school may not delay the verification process until the student or parent can provide an actual copy of the filed tax return.

Typically, in the case of students and their parents to whom the Internal Revenue Service grants tax-filing extensions - usually for six months - the school should collect a copy of IRS Form 4868, Application for Automatic Extension of Time To File U.S. Individual Income Tax Return. But in the case you reference, because the student's mother has legal counsel, she may have requested and received an additional extension from the IRS.

If a student or parent has received a tax filing extension beyond the traditional six-month period, the school must accept a copy of the IRS approval of this additional extension. The school must complete the verification process using the student's or parent's applicable W-2 forms or, if the student or parent is self-employed, a written statement of adjusted gross income for the base year.

Note that current regulations state that a school must require a student or parent to provide a copy of the actual tax return once it is filed, but they do not require a school at that point to verify the information again. Effective July 1, 2012, however, new verification regulations will permit a school to choose whether to collect the filed return - but if the school chooses to collect the return, it must re-verify that information.

USA Funds Ask PolicySM can provide financial aid policy answers for questions related to this or any Title IV topic. Submit a question at [www.usafunds.org/askpolicy](http://www.usafunds.org/askpolicy) and receive an answer usually within one business day.

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