



NEWSLINE

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Agency implements new file format for transfer of TOPS academic data

A major change to the electronic computer file format that is used when postsecondary institutions submit their students' academic performance data to the Louisiana Office of Student Financial Assistance (LOSFA) has been implemented by the agency over the past six months.

The changes allow LOSFA to compute the cumulative grade point average for students awarded under the Tuition Opportunity Program for Students (TOPS) in accordance with state statute, thus relieving the schools of this burden.

The new file format was implemented by all postsecondary institutions beginning with the fall 2002 term or semester, according to LOSFA Scholar-

ship and Grant Manager John Bell. "It's been like rebuilding a plane while still consulting firm's suggestions for improvement in college grade submission.

The changes allow LOSFA to compute the cumulative grade point average for students awarded under the Tuition Opportunity Program for Students (TOPS) in accordance with state statute, thus relieving the schools of this burden.

in flight," Bell said. "We continue to make adjustments and add new parts as we go along."

Bell said the process is not yet where the agency wants it to be, but that "we are making progress."

The changes were the result of suggestions made by independent consulting firm Computer Associates, a Houston-based firm hired by LOSFA two years ago to perform an efficiency report for the agency.

Since that time, LOSFA's Information Technology (IT) Division has worked closely with the agency's Executive Division and School and Lender Services (SLS) Section to implement the

In the fall of 2002, a panel of three agency staff members – Bell, Assistant Executive Director of Operations Melanie Amrhein; and Program Analyst Sharon Chandler – presented the nuts and bolts of the retooled file format to an audience of postsecondary financial aid professionals and information technology personnel.

The panel presentation covered four segments: the history of the conversion on the LOSFA end; the basics of the new file format on the postsecondary end; a point-by-point itemization of the accompanying bulletin (T2002-13); and a question and answer period.

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NEWS AND UPDATES

LOFSA promotes: Jodie Goodwin, Default Prevention. A 15-year veteran of the agency, Goodwin was recently promoted from a Collector 3 post in the Default Prevention skip unit to the assistant Default Prevention administrator.

Sigmund Morel, School and Lenders Services (SLS) representative, has been promoted to the newly created position of SLS Marketing Representative Supervisor. Morel will supervise the day-to-day operations of SLS and will report directly to the Assistant Executive Director of Operations, Melanie Amrhein. Morel has been a SLS specialist with the agency since July 2000. Previously, he served as a Public Information and Communications Division (PIC) supervisor.

LOSFA new employees: Jolie Adams has taken a post with the PIC Automated Call Distribution (ACD) unit as a Public Information and Communication Representative. Adams received a bachelor's degree in English literature from Louisiana State University - Baton Rouge. Previously, she served as a lab technician with Coastal Environmental, where she worked as a field technician on archeological digs.

Paula Balkum is the latest addition to the Loan Division. Balkum joined the agency in November, taking a position as Student Loan Collector. She is a graduate of the University of New Orleans with a degree in business administration.

Jared Crochet recently joined LOSFA's Collections Section as a Student Loan Collector 1. Crochet is a graduate of Louisiana State University with a bachelor's in anthropology.

Randy Fauchaux has joined Default Prevention Division as a Student Loan Collector 1. Fauchaux received his bachelor's degree in English from Louisiana State University.

Madonna Fuller is the most recent addition to the legal staff, joining the agency in November. She has assumed the post of Clerk 4.

Tracy Howard joined the Default Prevention Section as a Student Loan Collector 1. Howard received a bachelor's degree in rehabilitation services from Southern University. Previously, he worked for the Department of Health and Hospitals where he served in the Medicaid Division.

Tracie Vidrine joined the Default Prevention Section as a Student Loan Collector 1. Vidrine received her bachelor's degree in accounting from the University of Louisiana at Lafayette. Previously, she served as a customer service representative at Dillard's.

Julie Moncada has joined LOSFA as a new member of the Collections staff .

Clarence Moritz Jr. is a new programmer/analyst with the Information Technology Division. Moritz has a degree in computer science from the University of Louisiana at Lafayette. Moritz's previous employment included working for the Georgia state government and Georgia Pacific as a computer programmer analyst.

Vanessa Starns joined the Scholarship and Grants Division as an Office Coordinator I. Starns previously worked for the Louisiana Office of Tourism in the agency's legal department in addition to holding a Louisiana Real Estate License.

New file format

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Amrhein explained to the audience that the previous file format suffered from several deficiencies. For example, each school uses a different computation process in reporting students' semester hours, cumulative hours and grade point average (GPA).

"The new format standardizes the reporting and computing of student academic information," Amrhein said. "And this method does not disadvantage any student's existing standing. As a matter of fact, it actually gives current students a slight advantage."

Amrhein said new students will be easy to plug into the new format and, from now on, only semester GPAs should be reported to LOSFA, not cumulative GPAs.

According to Amrhein, the new file format offers many advantages, including: consistency in grade and hour computation for all students at all schools; burden of grade and hour calculation taken off the schools and transferred

to the administering agency; and student advantage in rounding GPAs up rather than down.

Amrhein noted a major change in the appearance of the GPA on the new file format. The LOSFA GPA will not look like the school GPA because the new calculation process rounds up to the next highest number any fraction of a grade point that is over point five (.5).

Amrhein emphasized the importance of all campus advisors being made acutely aware of this change in appearance, especially in regard to students with borderline GPAs at the schools. Those students may still be eligible for TOPS based on the results of converting the GPA currently on file to the new LOSFA file format.

All students receiving TOPS this past fall should have received a letter in November 2002, explaining the conversion process, in hopes of minimizing confusion during the transition period.



Financial aid professionals participate in a LOSFA-sponsored workshop on the agency's new file format designed for the reporting of academic information. Public Information and Communications Manager Michelle Darling, right, holds the microphone as participants question the LOSFA panel regarding the anticipated benefits of the new format.

TOPS Seminars presented at various sites across the state

As part of a continuing effort to increase public awareness of postsecondary financial aid opportunities, the Louisiana Office of Student Financial Assistance (LOSFA) sponsored its annual Tuition Opportunity Program for Students (TOPS) Seminars For Parents during the months of January and February. The seminars were held on weeknights at educational institutions across the state in the following locations: Lake Charles, Monroe, West Monroe, Baton Rouge, Lafayette, New Orleans, Natchitoches, Shreveport, Mandeville and Alexandria.

The annual TOPS Seminars are designed to inform parents of eligibility requirements and student responsibilities regarding TOPS, the state's premier scholarship program, in addition to highlighting the availability of other financial aid resources.

Deferment forms revised

New deferment applications were approved in October 2002, replacing all previous versions of the applications. These forms must be used when distributing deferment applications to borrowers on or after Jan. 1, 2003. Other deferment applications may still be processed after that date, but all new applications sent to borrowers on or after Jan. 1, 2003, must be the new forms. As a service to LOSFA's customers, the agency has placed the newly revised forms on its Web site at www.osfa.state.la.us.

Workshops draw record attendance

A total of 667 counselors from 380 Louisiana schools attended the latest series of Guidance Counselor Workshops conducted by the Louisiana Office of Student Financial Assistance (LOSFA) this past November.

This series, presented annually by LOSFA, addresses the most pressing

viding both an explanation and an opportunity for discussion.

As an accompaniment to the workshop, LOSFA also provided each school in attendance with an updated copy of the TOPS most frequently asked questions (FAQ). This concise reference was drafted directly from the concerns of counselors, who provided the initial questions used in the document. This year's edition features new material covering certification and GPA calculation issues.

A spotlight on LOSFA's Trailblazer Camp gave attendees a first hand view of the program's benefits. This unique summer camp series provides incoming



Several lenders attended the workshop in order to answer questions and provide support materials to the counselors.

high school seniors (hand picked by each school's counselor) with a crash course in financial aid. When the student returns to school that fall, they are well-prepared to assist guidance counselors and school administrators in the dissemination of financial aid information. Workshop attendees

were treated to a slide show of past Trailblazer Camps and provided with a nomination form for the upcoming year's camp.

In addition to key LOSFA programs, the workshop covered general financial aid topics and instructions for the Free Application for Federal Student Aid (FAFSA). A local financial aid administrator was also on hand during each workshop to address the fundamentals of financial aid including types of aid programs, principles of need analysis, professional judgment and financial aid packaging.



Guidance counselors sign in with LOSFA representatives at the registration table prior to workshop kick off.

financial aid concerns of high school administrators and counselors. Representatives from the agency's Public Information and Communications Division traversed the state for the 2002 edition, making stops in New Orleans, Baton Rouge, Lafayette, Lake Charles, Shreveport, Monroe and Alexandria.

The Tuition Opportunity Program for Students (TOPS) scholarship once again took center stage at the workshop. In addition to a program overview and update of TOPS rules and regulations, core curriculum calculation issues were also addressed. Beginning with the 2002-2003 academic year, the Louisiana Department of Education (DOE) will electronically receive student transcripts and calculate cumulative grade point averages on core subjects in accordance with LOSFA's specifications. Each workshop devoted ample agenda time to this issue, pro-



Two guidance counselors break off during intermission to discuss financial aid information presented by LOSFA representatives at the workshop.

LOSFA Year in Review: Two Thousand and Two

■ By the beginning of the academic year in August 2002, a total of 16,186 students enrolling at postsecondary institutions as first-time freshmen had been notified of their Tuition Opportunity Program for Students (TOPS) eligibility. This accomplishment was achieved through the combined efforts of TOPS support staff and Information Technology (IT) personnel assigned to TOPS programming tasks.

■ The number of students notified by August 2002 represents a 2,323 increase in the number notified during the same period of the previous year and reflects the implementation of several innovative ideas for notifying students early of problems that previously would have resulted in the delay of an award.

■ \$103 million in TOPS fee bills were paid.

■ \$320.4 million in defaults were averted, representing 43,633 accounts.

■ \$34.6 million in defaults were recovered.

■ \$364.6 million in student loans were guaranteed, representing 163,350 borrowers.

■ An analysis of software systems used to provide investment tracking and reporting for the Student Tuition Assistance and Revenue Trust (START) Saving Program resulted in the decision to acquire software from Innovative Software Solutions that would enhance services to account holders and enable the agency to offer equity investments options.

■ A major change in college grade processing was implemented by IT. The new process allows the LOSFA to capture academic performance data from all colleges and calculate a student's cumulative college grade point average (GPA).

■ An extensive security procedure for access to TOPS and START data on the agency Web site was implemented, which now requires all participants to possess a unique user ID and password.

■ 3,758 new START accounts were opened, bringing the total number of accounts to 7,471, a jump from 4,307 accounts the previous year.

■ \$18.8 million in START deposits were received.

■ The average balance in each START account equals \$2,643.07.

■ By Dec. 31, 2002, the START program's total assets amounted to more than \$19.7 million, up from \$7.56 million during the previous year.

■ The Louisiana Department of Education (LDOE) and LOSFA continue to work together to collect—from TOPS eligible high schools—the required high school academic data for determining TOPS initial eligibility for the 2003 high school graduates.

■ TOPS Parent Night Seminars were held at nine different locations throughout the state with a total attendance of 879 parents.

■ The summer series of Trailblazer Camps were held at Northwestern State University in Natchitoches and Southeastern Louisiana University in Hammond, with a total of 187 incoming high school seniors in attendance.

■ LOSFA hosted Guidance Counselor Workshops at seven locations around the state. A total of 667 attendees from 380 high schools were represented.

■ The Automated Call Distribution (ACD) Unit of the Public Information and

Communications (PIC) Division answered a total of 64,589 incoming calls made to the agency's main phone number.

■ PIC representatives visited 99 high schools throughout the state in making TOPS / financial aid presentations to students and parents.

■ A number of bulletins reflecting changes in the TOPS program were issued to schools and colleges, including:

T2002-13—*New required file format for submitting postsecondary academic information.*

T2002-14—*Revisions of TOPS policy on intersession hours earned between fall and spring semesters, and further clarifications on Bulletin T2002-13.*

T2002-15—*Revisions to scholarship and grant programs.*

T2002-16—*Revisions to scholarship and grant programs to create new definitions of TOPS cumulative grade point average (academic), TOPS cumulative grade point average (nonacademic) and TOPS cumulative high school grade point average.*

T2002-17—*Letter to TOPS recipients on conversion to TOPS grade point average.*

T2002-18—*Revisions to the scholarship and grant program concerning the required FAFSA version, filing deadline and TOPS Tech clarification.*

A complete listing of the bulletins, as well as each bulletin in its entirety, can be viewed at the LOSFA Web site at www.osfa.state.la.us.

Steady loan service spells success

While other departments of the Louisiana Office of Student Financial Assistance (LOSFA) gain recognition by breaking records, troubleshooting for clients and providing timely information to the public, the unsung heroes of the agency's Loan Administration Section work steadily behind the scenes, processing the hundreds of thousands of transactions that comprise LOSFA's loan guarantee and servicing operation.

When LOSFA is selected as the guarantee agency, the Loan Administration Section swings into action. When the borrower's initial loan application is transmitted electronically, the section researches and corrects any suspended transactions in order to guarantee the loans. In addition to loan originations, the section also handles loan servicing functions such as cancellations, reinstatements and reallocations.

Over the past four years, the Loan Administration Section – headed by Section Administrator Linda Dawkins and under the authority of Loan Operations Division Director Lynda Downing – has processed an average of 154,142 loan transactions per year.

To help track the massive amounts of information required for the loan guarantee process, the section regularly monitors the National Student Loan Data System (NSLDS). Much time and effort is logged by staff in researching NSLDS in order to resolve such discrepancies as Social Security Number conflicts, enrollment information and loan history.

“Since the Department of Education and other members of the student loan industry use the NSLDS data base for reporting and many other functions, it is crucial that we resolve and correct discrepancies as quickly as possible.” Dawkins said.

Downing concurred. She said that all student loans are registered on the system and industry professionals can easily access any borrower's loan history, school attendance and default history by logging onto the NSLDS web site.

“The NSLDS information must be kept accurate, because decisions are made based on this data,” Downing said. “The Loan Administration Section does a tremendous job, not only in keeping our records up-to-date, but in contacting lenders and servicers to assist them with their NSLDS reporting.”



Loan Administration Staff, from left to right: Section Administrator Linda Dawkins, Student Loan Supervisor Joyce Price, Student Loan Analyst 2 Evelyn Moreland, Student Loan Supervisor Pamela Abbott, Student Loan Analyst 2 Rhonda Noble, Student Loan Analyst 1 Nell Rivet and Student Loan Analyst 1 Wanda Shaffer.

As a testament to the section's efficiency, the LOSFA guaranteed loan volume has increased 37.6 percent for Federal Family Education Loans Program (FFELP) loans and 52.7 percent for all loans (including Consolidation Loans) during the past four years. During State Fiscal Year (SFY) 2001-2002 alone, the section guaranteed \$303,431,260 in loans.

“We attribute our increased loan volume to several factors,” Dawkins said. “We have a staff of six highly skilled professionals who are cross-trained in all functions of the section. Even with our improved software, our level of service would not be possible without our truly talented and dedicated staff.

“Additionally, LOSFA's Public Information and Communications section assists in handling our large volume of telephone calls,” Dawkins said. “This permits us to devote more time to processing

origination and servicing transactions. It also allows our professional School and Lender Services (SLS) staff to assist our customers with various problems and build working relationships with them.”

While proud of Loan Administration's record, Dawkins is especially pleased with the section's new e-mail transaction address, which can be accessed at loanprocessing@osfa.state.la.us.

“This has dramatically enhanced our service to customers,” she said. “This is a shared mailbox that allows schools, lenders or servicers to send us almost any type of loan request or question via e-mail.”

Dawkins said the e-mail messages and requests are worked throughout the day, with staff members confirming completion of customer requests by return e-mail. This arrangement has reduced client response time to minutes or hours rather than days.

Looking to the future, Dawkins foresees the section's ever-increasing involvement with the Mapping Your Future Web site. “This is a group of industry leaders – guarantors, lenders, servicers and academics – who have joined forces to teach students about money management, credit decisions and loan entrance and exit interviews,” Dawkins said. “We are proud to be a part of the financial aid wave of the future.”

Additionally, LOSFA is now a data provider for Meteor network. Meteor is a free, Web-based universal data access point for borrower financial aid information. Schools using Meteor can see a complete financial aid package in a single view regardless of the loan software they use.

For more information, contact LOSFA at (800) 259-5626, Ext. 1012 or access the LOSFA Web site which is located at www.osfa.state.la.us. If you are a financial aid professional, you may contact the Loan Administration e-mail address at loanprocessing@osfa.state.la.us.

Loan rehabilitations jump 135 percent

According to figures recently released by the U.S. Department of Education (ED), the Collections Section of the Louisiana Office of Student Financial Assistance (LOSFA) boosted its rehabilitated loan accounts from \$1,026,479 in federal fiscal year (FFY) 2001 to \$2,406,688 in FFY 2002, representing an increase of 135 percent.

In total recoveries garnered from all sources (including rehabilitations), Collections showed a 15.8-percent gain from \$29,871,752 in FFY 2001 to \$34,611,034 in FFY 2002. This figure compares favorably with the overall 5.2 percent increase in "all source"

recoveries posted by the 36 guarantors that administer the Federal Family Education Loan Program.

While voluntary loan repayment by the borrower is the goal of the Collections Section, the staff will utilize as many tools as necessary to recover defaulted student loan debt, including the following: administrative wage garnishment, denial of professional license, blocked release of transcripts and seizure of tax refunds.

However, in almost every contact with the borrower, the Collections staff strongly emphasizes the benefits of voluntary repayment of defaulted student loan debt. These benefits include: avoidance of garnishment, tax refund

seizures and denial of licenses and transcripts, as well as qualifying for the rehabilitation program.

The rehabilitation program requires borrowers to make 12 affordable and full monthly payments to have their loans repurchased out of default by a rehabilitation lender. At that juncture, all evidence of the default is removed from credit bureaus and the borrower is again eligible for all the benefits accrued from a student loan in good standing.

"We are pleased with our gains in the area of loan rehabilitation," Collections Manager Byron Henderson said. "As always, LOSFA remains committed to recovering defaulted student loan dollars while offering benefits and options to borrowers."

FAFSA deadlines revised for first-time students

At its Nov. 20, 2002 meeting, the Louisiana Student Financial Assistance Commission (LASFAC) revised rules governing the Tuition Opportunity Program for Students (TOPS) in order to:

- match the initial application date with first-time enrollment date;
- establish the final deadline for receipt of initial applications; and
- clarify that TOPS Tech applicants may file the alternate application if they are able to demonstrate ineligibility for federal grant aid based on their family's income.

As a result of the Commission's action, all new applicants for TOPS Opportunity, Performance, Honors and Tech awards who graduate from high school during or after the 2001-2002 academic year must complete the Free Application for Federal Student Aid (FAFSA) no later than the academic year in which the applicant

will be a first-time, full-time student. Nevertheless, students are encouraged to submit their FAFSA no later than July 1 of the year they graduate. Students who do not file by July 1 in

The Commission's action also establishes the July 1st immediately preceding the academic year in which the applicant will be a first time, full-time student as the final deadline for receipt of all initial FAFSA applications without an eligibility penalty.

the year of graduation or within 120 days thereafter and who enroll as a first-time, full-time student the following spring semester will be ineligible for TOPS.

For example, if the applicant graduates from high school during 2002-2003 and intends to delay enrollment for a year and matriculate as a first-time, full-time student in the fall semester of 2004, the student should submit the

2003-2004 version of the FAFSA by July 1, 2003. However, the student may defer and submit the 2004-2005 version of the FAFSA no later than July 1, 2004 and still avoid penalties.

The Commission's action also establishes the July 1st immediately preceding the academic year in which the applicant will be a first-time, full-time student as the final deadline for receipt of all initial FAFSA applications without an eligibility penalty. This change is effective for students who graduate from high school during or after 2001-2002.

And finally, the Commission's action clarifies that TOPS Tech Award recipients may file the abbreviated version of the FAFSA provided they can demonstrate that they do not qualify for federal grant aid because of their family's financial condition.

For more information, contact LOSFA toll-free at (800) 259-5626, Ext.1012.

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