



LOSFA LOOP

December 2010 Edition

Volume 3-12

From the Desk of the Executive Director

December is the holiday season, but it is also a crucial month in college access. Most prospective college students should have submitted their college applications already, but if they have not, December is the last month to do so before they should focus on applying for financial aid. For this reason we began a campaign on our Facebook page, <http://www.facebook.com/LOSFA>, to remind our current high school seniors of this as well as to offer them guidance and encouragement.

We know that 90% of the fastest growing jobs, 60% of new jobs and 40% of manufacturing jobs in this country require some form of postsecondary education, but only half of Louisiana's public high school students attend a college or university. Nearly 20% of those students must take remedial classes because they lack the knowledge to begin their core college work. If we are going to prosper as a state and ensure a high quality of life for Louisiana's subsequent generations, we must find ways to ensure that our students are better prepared for both college and careers. That is why we are in the process of selecting a vendor to provide an interactive Web-based portal that will provide college access and career readiness services to all Louisiana students and will continue to follow them through postsecondary enrollment and post enrollment. We believe that in the long run the value of the impact of this interactive Web-based portal will be immeasurable. We will continue to update you as the contract is finalized and the portal is launched.

It is during this quarter of the year that the Advisory Committee to the Louisiana Student Financial Assistance Commission (LASFAC) also rotates its members. We will lose those members who have served their two year commitment and three new members

representing those systems will join us. The returning members of the 2010-2011 Advisory Committee are as follows: Paul Monteleone, Chair – LSU System Representative, Kendra Davis – Proprietary School Representative, Jerome Harris – Graduate/Professional School Representative and Shannon Neal – LAICU Representative. Newly confirmed members of the 2010-2011 Advisory Committee are: Vicki Temple - Community/Technical College Representative, Taina Savoit – University of Louisiana System Representative and K. Michael Francois - Southern System Representative. Patrick Gorman, LASFAA President, also serves as a non-voting member of the committee through December and the incoming President, Denise Spellman, will be seated at our second quarter meeting. The Advisory Committee plays an invaluable role to LOSFA and to the Commission. Our thanks go out to those who have completed their term: Roger Vick – Louisiana Tech, Calandra Clarke – Baton Rouge Community College and Kathy Woods – Southern University at New Orleans. Please remember to bring any concerns, ideas, or questions you would like addressed by the Commission to the attention of your representative.

Happy Holidays and a Joyous New Year on behalf of LOSFA, Louisiana's First Choice for College Access.

--Melanie

In this edition. . .

Outreach	2
START Deadline	3
START Investment Changes	4
STS Training	4
Teacher Loan Forgiveness Program	6
John R. Justice Program	7

LOSFA Outreach



Jennifer Guhman, a member of LOSFA's Financial Literacy and Development section, conducted a College Access 4U program at Park Forest Middle School in East Baton Rouge Parish. This program worked with 25 middle school students, providing them early college and career awareness. It consists of three one hour class sessions, covering topics such as Why Attend College?, What Do I Need? (Admissions Qualifications) and How To Pay for College. The students also toured Southeastern Louisiana University, pictured at left.

LOSFA's Justin Marshall took part in the Urban League of Greater New Orleans' First Line Charter School Network Fair at Langston Hughes Elementary School in New Orleans last month.

He spoke to students about the importance of maintaining good grades and how to obtain financial aid for college.



Earl E. START, START Saving Program spokes-pig, is always a hit with children and it was no different when he appeared at Woman's Hospital in Baton Rouge for the Baby Grand event.

At Baby Grand, an event for expectant parents, LOSFA's Financial Literacy and Development representatives gave out 350 START brochures and talked to approximately 600 people about saving for their children's education.

LOSFA and Woman's Hospital recently entered into a partnership, wherein the hospital provides information on the START Saving program to the parents of children born in the hospital.

Deadline for 2010 College Savings Tax Exemption is December 30

START Account Owners Can Exempt Up to \$4,800 in Deposits Per Account This Tax Year

December 30 is the deadline for Louisiana families to qualify for the 2010 tax benefits provided by START, the state's 529 college savings program.

Deposits to new and existing accounts must be received by 4:00 p.m. CST on December 30, 2010 to qualify for tax benefits and state matching contributions for the current calendar year.

Should you wish to open a new account for a new beneficiary and take advantage of the 2010 state tax incentives, new applications with deposits must be submitted prior to 4:00 p.m. on December 30 in order to be processed timely. The deadline for receipt of START Saving Account deposits to be eligible for exclusion from income reported on your 2010 Louisiana state tax return is the close of business (4:00 p.m. CST) on Thursday, December 30. Deposits must be **received, not simply postmarked**, by the Louisiana Office of Student Financial Assistance or the START Saving program by that date. Deposits not received by December 30 may not be deducted until your tax return for 2011 is filed. **You do not have until April 15 to deposit to your account and still deduct it from your 2010 state income taxes.**

Deposits should be payable to the START Saving Program and may be delivered one of three ways:

►Regular mail addressed to START Saving Program, Post Office Box 91271, Baton Rouge, LA 70821-9271.

Please allow mail time since deposits must be **received and not simply postmarked**.

►Overnight delivery addressed to 602 North Fifth Street, Baton Rouge, LA 70802.

►In-person START deposits can be made on the sixth floor of the Galvez Building (602 North Fifth Street, Baton Rouge, LA 70802) from **8:30 a.m. until 4:00 p.m. Tuesday, December 28 through Thursday, December 30.**

On or before the third week of January, START account owners will be mailed a notification of total deposits made in 2010 to be used for state income tax return filing purposes.

START investors can exempt up to \$2,400 in deposits per account per year from income reported on their state tax returns. For married couples filing jointly, the exemption from income can be up to \$4,800 in deposits. If account owners are unable to make \$2,400 (or \$4,800) in deposits in one year, they can carry forward unused portions to subsequent years.

"START account owners should send in their deposits as early as possible, especially because of the holiday season," said Carol Fulco, START Director. "Deposits must be in by 4:00 p.m. on Thursday, December 30 to qualify as exemptions to income on 2010 tax returns."

In addition to a \$2,400 or \$4,800 annual tax exemption, START benefits include a state-paid match on deposits ranging from 2 percent to 14 percent, depending on the account's classification and owner's adjusted gross income. Other benefits include a choice of investment options in fixed, variable and mixed portfolios; the flexibility to use funds at any accredited college or university for qualified higher education expenses such as tuition, room and board, books and fees.

For more information, contact the Office of Student Financial Assistance toll-free at 1-800-259-5626, ext. 1012.

Reminder: Upcoming changes to START investment choices

START account owners can expect to see positive changes in the program next year. Beginning in January 2011, the program will have additional investment choices and account owners will be able to exercise more flexibility in selecting their funds and determining the percentages of the deposit placed into each fund. Funds in the existing investment options will remain in the individual funds in which they are currently invested. For instance, funds currently invested in the Balanced Option will remain 50% in the Principal Protection Fund and 50% in the Total Stock Market Index Fund (Institutional Shares). If an account owner does not specify different funds and/or percentages, new deposits will be allocated according to the last deposit distribution instructions.

The existing Age-Based Option will be renamed the Moderate Track Age-Based Fund and two more-aggressive fund tracks for age-based investments will be added. In addition, four new funds will be offered—a small cap equity fund (invested in medium capitalized companies), a mid cap equity fund (invested in medium capitalized companies), a large cap fund of predominately U.S. large-cap stocks diversified across growth and value styles (invested in companies with capitalization of at least \$5 billion), and the Total World Stock Fund, which is a broad exposure across developed and emerging equity markets around the world, including the U.S. The current Total Stock Market Index Fund (Institutional Shares) and the Total International Stock Index Fund will be retained.

Account owners will continue to have a choice over investment of new deposits. Account owners can invest new deposits in one, several, or all of the funds, provided the percentages are in whole digits and the total of all percentages equal 100 percent. Congress has limited changes of investments for existing deposits to one time per calendar year; therefore, account owners may only re-allocate existing investments once during the same calendar year.

Student Transcript System training scheduled

LOSFA has scheduled training for the Student Transcript System during the month of December. All classes will be held at the Louisiana Technology Park, at 7117 Florida Boulevard, in the Bon Carre Mall, Baton Rouge, from 9 a.m. until 3 p.m. In an effort to allow more personalized instruction, instead of the previous 3-hour twice-a-day sessions, there will only be one 5-hour session per day. The workshops will include both basic training for beginners and more advanced training for those taking a refresher, and is open to both direct users and administrators.

STS Training Dates:

Thursday, December 3
Monday, December 6
Thursday, December 9

For more information and registration, email kherke@osfa.la.gov or call (800) 259-5626, ext. 7587 or (225) 219-1012 and ask for Kate Herke.



College Goal Sunday

MMM... A Money Sundae?

Louisiana College Goal SundaySM is an event that will help you melt away the tedious process of filling out the FAFSA (Free Application for Federal Student Aid) in order to obtain financial aid. Free on-site assistance from area college financial aid professionals will be provided.

For more information, including what you need to bring, visit us at our Web site.

www.osfa.la.gov/CollegeGoalSunday.shtml

Louisiana College Goal SundaySM Locations 2011
February 20th, 2011 2 - 4 P.M.

Alexandria
Louisiana State University - Alexandria
Baton Rouge
Baton Rouge Community College
Southern University - Baton Rouge
Bossier City
Bossier Parish Community College
Grambling
Grambling State University

Hammond
Southeastern Louisiana University
Houma
Fletcher Technical Community College
Lafayette
University of Louisiana at Lafayette
Lake Charles
SOWELA Technical Community College

Lutcher
Lutcher High School
Monroe
Louisiana Delta Community College
New Orleans
Delgado Community College - West Bank Campus
Dillard University
Ruston
Louisiana Technical College

Check our Web site for additional site locations and specific room locations at each site.

The College Goal Sunday program was created by the Indiana Student Financial Aid Association with funding from Lilly Endowment Inc, and with supplemental support from Lumina Foundation for Education.

Louisiana College Goal SundaySM is sponsored by the Louisiana Association of Student Financial Aid Administrators (LASFAA) and the Louisiana Office of Student Financial Assistance (LOSFA) with funding from a Lumina Foundation for Education grant.



Participation in Teacher Loan Forgiveness Program rising

There has been a significant upswing in the number of applications and discharges for the federal Teacher Loan Forgiveness program LOSFA administers, LOSFA's Jerry Oubre said. Over the last six years, 188 Louisiana teachers have qualified for the program and had \$1,245,843 in student loan debt forgiven.

The Teacher Loan Forgiveness Program is intended to encourage individuals to enter and continue in the teaching profession. Under this program, individuals who teach full time for five consecutive, complete academic years in certain elementary and secondary schools that serve low-income families and meet other qualifications may be eligible for forgiveness of up to \$17,500 in principal and interest on their Federal Family Education Loan Program and/or William D. Ford Direct Loan Program loans.

This year, LOSFA has received 103 applications for the program. In 2004, only 22 teachers applied.

"More and more teachers are becoming aware of the program," Oubre said. "The way the eligibility rules were written, many teachers did not qualify at the time the program was implemented, or didn't understand that they had to teach at a 'qualifying school'."

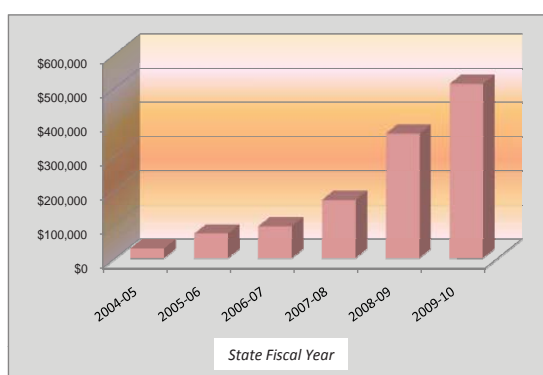
The program was geared towards 'new' teachers. Congress limited the range of borrowers to encourage new people to enter into and continue working in the teaching profession. Over time, as new teachers enter the profession with knowledge of TLF, and they complete their 5 year teaching requirement, the numbers inevitably have risen, he said.

He expects the trend to continue. "We are projecting another increase this FY: approximately 80 discharges, totaling \$600,000 to \$700,000."

The Teacher Loan Forgiveness application form may be downloaded from LOSFA's website at http://www.osfa.la.gov/MainSitePDFs/DIS0006_TLF_Application.pdf.

TEACHER LOAN FORGIVENESS DISCHARGES

Louisiana Office of Student Financial Assistance



SFY	Requests	Discharged	Pct Discharged	Amount Discharged	Average Discharge Amt
2004-05	22	5	22.7%	\$27,500.00	\$5,500
2005-06	30	13	43.3%	\$72,492.10	\$5,576
2006-07	43	16	37.2%	\$93,712.79	\$5,857
2007-08	61	30	49.2%	\$173,004.00	\$5,767
2008-09	76	60	78.9%	\$367,956.00	\$6,133
2009-10	103	64	62.1%	\$511,179.00	\$7,987
TOTALS	335	188	56.1%	\$1,245,843.89	\$6,627



LOSFA prepares to launch John R. Justice Student Loan Repayment Program

Qualified Louisiana lawyers may apply to have some of their student loans repaid through the John R. Justice Student Loan Repayment Program.

The John R. Justice Student Loan Repayment Program in Louisiana provides for the payment of eligible educational loans (both Federal Family Education Loan Program [FFELP] and William D. Ford Federal Direct Loans) for state and federal public defenders and state prosecutors employed in Louisiana who agree to remain employed as public defenders and/or prosecutors for at least three years.

Eligibility

To be eligible for the John R. Justice Program in Louisiana:

- ▶ Be a U.S. citizen or an eligible non-citizen
- ▶ Have an outstanding balance due on eligible student loans. Eligible loans include FFELP and William D. Ford Direct educational loans (Federal Stafford loans, Graduate PLUS loans, federal consolidation loans) and Federal Perkins loans.
- ▶ Be an attorney continually licensed to practice law in Louisiana, and
 - ▶ a full-time employee of the state of Louisiana or unit of local government (including tribal government) who prosecutes criminal or juvenile delinquency cases at the state or unit of local government level, including supervision, education, or training of other persons prosecuting such cases (Prosecutors who are employees of the federal government are not eligible), or
 - ▶ a full-time employee of the state of Louisiana or unit of local government (including tribal government) who provides legal representation to indigent persons in criminal or juvenile delinquency cases including supervision, education or training of other persons providing such representation, or
 - ▶ a full-time employee of a nonprofit organization operating under a contract with Louisiana or unit of local government who devotes substantially all of the employee's full-time employment to providing legal representation to indigent persons in criminal or juvenile cases including supervision, education, or training of other persons providing such representation, or
 - ▶ employed in Louisiana as a full-time federal defender attorney in a defender organization pursuant to Subsection (g) of section 3006A of Title 18, United States Code, that provides legal representation to indigent persons in criminal or juvenile delinquency cases. Full-time is defined as required to work at least 30 hours per week.
- ▶ Not be in default on any federal student loans.
- ▶ Applicants must have been employed full time as Public Defenders or Assistant District Attorneys for at least 1 year as of December 31 of the year preceding award.

How to Apply

To apply for the John R. Justice Student Loan Repayment in Louisiana, you must submit a complete John R. Justice Student Loan Repayment Program Application and a John R. Justice Student Loan Repayment Program Service Agreement to LOSFA. For each subsequent year you wish to apply, a separate application must be completed. Service agreements, however, remain in effect for three years and need not be signed again until expired. You must submit your application on-line. LOSFA will contact you to request documentation to substantiate the statements made in your application if it determines that you are one of the least able to pay in your region. After you fully substantiate all statements, including, but not limited to, your income and outstanding loan debt, and the required letter from your employer, you will be mailed a program service agreement to complete and return. If you fail to return the service agreement within the time allotted, you will be disqualified from participation and a new recipient from your region will be selected.

Award Amounts

The State of Louisiana has capped annual awards for qualified prosecutors at \$5,000 and the annual awards

Continued on Page 8

for qualified public defenders at \$10,000. The aggregate amount for each individual public defender and prosecutor is not to exceed \$60,000 per recipient.

How Funds are Awarded and Disbursed

Circuit	Public Defenders	Assistant District Attorneys
First Circuit	1	2
Second Circuit	1	2
Third Circuit	1	2
Fourth Circuit	2	4
Fifth Circuit	1	2
Total Awards	6	12
Award Amounts	\$10,000 per award	\$5,000 per award

Award amounts are differentiated due to the disparity of pay between Public Defenders and Assistant District Attorneys. Additional awards are designated for the Fourth Circuit due to the higher cost of living relative to the other circuits.

This project was supported by Grant No. 2010-RJ-BX-0047 awarded by the Bureau of Justice Assistance. The Bureau of Justice Assistance is a component of the Office of Justice Programs, which also includes the Bureau of Justice Statistics, the National Institute of Justice, the Office of Juvenile Justice and Delinquency Prevention, the SMART Office, and the Office for Victims of Crime. Points of view or opinions in this document are those of the author and do not represent the official position or policies of the United States Department of Justice.





LOSFA's Social Media



<http://www.facebook.com/LOSFA>



<http://www.twitter.com/LOSFA>



<http://www.youtube.com/LOSFA1000>



www.Flickr.com/LOSFA



<http://www.louisianatopsprogram.com/>

For more information, contact the
Louisiana Office of Student Financial Assistance:

By Phone: 800-259-5626, Ext. 1012

By E-mail: custserv@osfa.la.gov

By Mail: P.O. Box 91202, Baton Rouge, LA 70821-9202

Web Address: www.osfa.la.gov



For submissions, opinions or comments for LOSFA LOOP, please
contact David Roberts at droberts@osfa.la.gov.