



NEWSLINE

A publication of the
Louisiana Office of Student Financial Assistance



LOSFA to continue waiver of fee on federal student loans for higher ed

The Louisiana Office of Student Financial Assistance (LOSFA) has announced that it will continue to keep student loan fees low and will not follow the move by United Student Aid Funds (USA Funds) to charge students a guarantee fee in 2004.

“With the expenses students now face in pursuing higher education, we want to keep costs down so that every dollar of a student’s loan goes directly to education,” she said.

The decision to waive the fee has had a fiscal impact on those guarantors and many of them are now finding it necessary to reinstate the fee to counter that loss of revenue.

Amrhein added, “The guarantee on student loans provided by LOSFA comes at a cost

Amrhein emphasized that LOSFA will continue to provide the same excellent level of

LOSFA will continue waiving the guarantee fee through the 2004-2005 Academic Year.

LOSFA Assistant Executive Director for Operations Melanie Amrhein stated that LOSFA, as the officially designated guarantor in Louisiana for the Federal Family Education Loan Program (FFELP), has determined that a guarantee fee is not a fiscal necessity at this time.

“With the expenses students now face in pursuing higher education, we want to keep costs down so that every dollar of a student’s loan goes directly to education.”

– Melanie Amrhein, LOSFA Assistant Executive Director of Operations.

Amrhein said it is the intent of LOSFA to keep loan fees as low as possible for as long as possible.

to LOSFA, but we will continue to absorb that cost for the near future.”

service to student borrowers, schools and lenders, at the lowest cost possible.

Under federal law, the 36 student loan guarantee agencies operating in the United States are authorized to charge borrowers a guarantee fee of up to 1 percent of the loan principal.

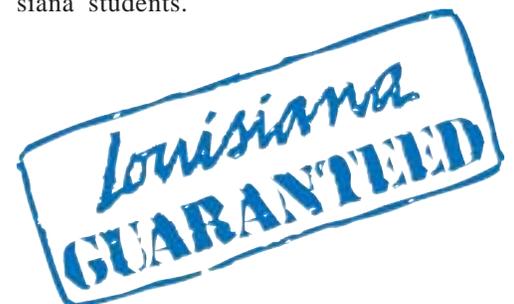
LOSFA will reassess its position on the guarantee fee after the 2004-2005 academic year. In the meantime, LOSFA continues to offer low cost loans for Louisiana students.

This fee is deducted by the lender from the student’s loan and paid directly to the guarantor, if the guarantor is charging the fee.

Several years ago, many guarantee agencies elected to waive their right to collect the fee from students.

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Newsline is a publication offering recent technical, procedural and feature information related to the scholarship/grant programs of the Louisiana Office of Student Financial Assistance. This publication also contains material related to Federal Title IV Student Aid Programs. While LOSFA believes that the information herein is accurate and factual, this publication has not been reviewed nor approved by the U.S. Department of Education.

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NEWS AND UPDATES

LOSFA Promotes: A number of individuals from the agency's Information Technology (IT) division were recently promoted.

Sharon Chandler, who had been temporarily detailed into the position of IT Applications Program Leader, was promoted to the post on a permanent basis.

Pam Jenkins has moved from Technical Support Specialist 3 to Technical Support Specialist Supervisor.

Maria Milligan has been promoted within the division as part of a training series, moving from Technical Support Specialist 2 to Technical Support Specialist 3.

Mathilde Rivera, previously IT Tech Support Supervisor, was promoted to IT Deputy Director.

LOSFA's **Jeff Cropco** was recently promoted to the post of Marketing Representative Supervisor for the agency's School and Lender Services (SLS) Section. Cropco, who previously served as a marketing representative within the section, fills the post left vacant by the departure of Sigmund Morel earlier this year.

"This is an exciting time for marketing the LOSFA guarantee," Cropco said, alluding to the agency's decision to maintain a zero-guarantee fee through the 2004-2005 academic year (see cover story). "This is a marketing tool unlike any other."



SLS Supervisor Jeff Cropco

LOSFA Hires: Ray Acardo recently joined the Collections Section of LOSFA's Loan Division.

LOSFA Farewell: Recently serving on active duty with the U.S. Marines, LOSFA Assistant Executive Director for Support, **Mark Riley**, will permanently relocate to Washington, D.C. to work for the office of Homeland Security as a civilian.



LOSFA Assistant Executive Director for Support Mark Riley

LOSFA Updates: LOSFA recently released TOPS Bulletin T2003-11, which explained a number of changes to the TOPS program, including the new on-line application process. The bulletin, in its entirety, may be viewed at www.osfa.state.la.us, in the "Information Center" section of the Web site. Details on the changes are also included on page 3 of this edition of *Newsline*.

Changing addresses? E-mail the *Newsline* staff with your updated information at Newsline@osfa.state.la.us.

New TOPS On-Line Application available

The Louisiana Student Financial Assistance Commission (LASFAC) at its Oct. 21 meeting revised the Scholarship and Grant Program Rules to provide for the implementation of a Tuition Opportunity Program for Students (TOPS) On-Line Application.

Beginning with high school graduates of 2004, the TOPS On-Line Application may be used by students and families who are able to demonstrate that they do not qualify for federal grant aid because of their family's financial condition.

The new on-line application may be submitted in lieu of the previous, TOPS-only, "abbreviated" Free Application for Federal Student Aid (FAFSA).

Students who submit the new On-Line Application in lieu of the FAFSA, or who apply using the abbreviated form of the FAFSA, will be ineligible for federal grant aid and federally guaranteed student loans.

The TOPS On-Line Application will have the same filing deadlines as the FAFSA and the same penalties will apply for late filing.

Students who graduate from out-of-state or out-of-country high schools or who have completed an approved Home Study Program may also use this application (in addition to the FAFSA, if necessary) to ensure that the state of Louisiana considers them for a TOPS Award.

The commission still encourages the completion of the FAFSA by all students as the primary application for a TOPS Award, but in response to a need expressed by those families whose students do not qualify for federal grant aid, the commission has created this alternative as a more convenient means of applying for TOPS.

However, in the event of a budgetary shortfall, applicants for TOPS Opportunity,

Performance, Honors and Tech awards who submit the On-Line Application in lieu of the FAFSA, or who use the abbreviated form, will be the first to be denied a TOPS award.

Students returning to the state of Louisiana after enrollment in an out-of-state college or university, who use the On-Line Application when applying for a TOPS Award, must complete the application by May 1 of the

The new on-line application may be submitted in lieu of the previous, TOPS-only, "abbreviated" Free Application for Federal Student Aid (FAFSA).

Beginning in early 2004, the application may be accessed on the Louisiana Office of Student Financial Assistance (LOSFA) Web site (www.osfa.state.la.us) by clicking on the TOPS Portal at <https://osfantweb.osfa.state.la.us/TOPSPort.nsf>. The actual date of availability will be announced via a TOPS Bulletin and through an upcoming edition of Newslines.

Those using the On-line Application will also be required to demonstrate ineligibility for federal grant aid.

In order to ensure funding for the initial semester of first-time, full-time enrollment, students must submit the FAFSA, the abbreviated FAFSA or the On-Line Application so that it is received no later than May 1 prior to the academic year in which the student first enrolls in college.

To avoid penalties, the final deadline for receipt of an initial FAFSA application, abbreviated FAFSA or On-Line Application is still July 1 prior to the academic year in which the student will be a first-time, full-time freshman.

Final deadlines for reduced awards are also still the same.

academic year in which the student first enrolls in an eligible Louisiana institution.

Students who enter on active duty in the U.S. Armed Forces have a final deadline for receipt of their initial FAFSA or On-Line Application of one year from the date of separation from active duty.

As proof of student compliance with the TOPS deadline dates, the On-Line Application will provide a printed copy of the electronic confirmation showing the date of submission.

If a prescribed deadline date falls on a weekend or holiday, the deadline will automatically be extended to the next business day.

All new applicants for state scholarship and grant programs other than TOPS must apply for federal grant aid by completing the FAFSA for the academic year following the year the student graduates from high school.

For example, if the student graduates from high school in academic year 2003-2004, the student must submit the 2004-2005 version of the FAFSA.

LOSFA/LASip host GEAR UP Workshops

The Louisiana Office of Student Financial Assistance (LOSFA), in conjunction with the Louisiana Systemic Initiative Program (LaSIP), hosted a statewide series of workshops throughout December to tout the benefits of the Louisiana GEAR UP program – a multi-million dollar grant aimed at increasing the number of students who enter and succeed in college.

GEAR UP (Gaining Early Awareness and Readiness for Undergraduate Programs) is funded through a five-year, \$12.5 million grant from the U.S. Department of Education and is focused on accelerating the academic achievements of at-risk students.

This most recent series of public information workshops was designed to reach low-income, low achieving students in the 11 school districts that previously qualified for GEAR UP grant money based on their demographics and economic need, and included middle schools in Bunkie, Clinton, Franklinton, Greensburg, Mansura, Many,

Marksville, Morganza, New Orleans, Mt. Hermon and Zwolle.

LOSFA's role is to raise awareness and community support for both the GEAR UP initiative and the agency's Louisiana College Payment Plan. The payment plan combines three state programs – the Student Tuition Assistance and Revenue Trust (START) Saving Program, the Tuition Opportunity Program for Students (TOPS scholarships) and the Louisiana-guaranteed student loan program – to best prepare families for the rising cost of postsecondary education.

GEAR UP contributes to the payment plan through one of its key features – the Rewards for Success incentive, which recognizes GEAR UP students' academic and behavioral achievements through cash scholarships of \$250, \$500 and \$1,000 annually.

The award winners are selected by committee and are evaluated using such criteria as grades, test scores, citizenship, school attendance, parental interest and support, participation in school activities and income.

Winnings from the GEAR UP grant are invested in START accounts, with the student named as the beneficiary. In its first year, the program will reward only seventh grade students with a total funding budget of \$165,000.

Each successive year will include a new crop of seventh graders, but will carry on with the previous class. In the second year, rewards in the amount of \$390,000 will be granted to students in the seventh and eighth grades. The third year will deliver a sum of \$615,000 to seventh, eighth and ninth graders. Participants in the fourth year will include seventh through tenth graders who will divide a total of \$840,000. In the fifth and final year, Rewards for Success will share \$1,065,000 with a select group of seventh through eleventh graders.

In addition to the monetary advantage, GEAR UP also offers summer learning camps, tutoring and mentoring for participating schools and their students.

For more information, contact Diane Pedigo with LaSIP at (225) 219-0690.

Youth ChalleNGe grant to fund skills training program

At 826 of the 2003 session of the Louisiana Legislature created The Grant Opportunity for Youth ChalleNGe Skills Training Program (GO), effective with academic year 2003-2004. This grant will provide tuition payment for skill and occupational training at a postsecondary institution for students who graduate from the Louisiana National Guard's Youth ChalleNGe Program and earn a general education diploma (GED).

GO cannot be used for academic programs. It is available for technical programs taught at Louisiana public two-year community colleges, institutions belonging to the Louisiana Association of Independent

Colleges and Universities (LAICU) and all campuses of the Louisiana Technical College.

As the administering agency, LOSFA is developing processes to notify students of their eligibility for GO.

For the current academic year (2003-2004), LOSFA will contact the schools these students are attending to arrange for payment of their tuition. LOSFA will submit the names and social security numbers of eligible students on the Payment Request Form to the reported school this year. The financial aid officer will enter the requested information regarding the student's enrollment status, and return the Payment Request Form to LOSFA for processing.

Procedures for next academic year (2004-5) are as follows: Once the student's eligibility for the GO is determined, a certificate will be issued to the student. The student should present the certificate to the financial aid officer at the eligible institution. The financial aid officer will determine if the student is enrolled in an eligible program, and is eligible for payment. The GO payment request can then be entered into a GO database that will be located on the LOSFA Web site. Complete details and training will be available in the spring of 2004.

Please contact LOSFA, toll-free, at (800) 259-5626, Ext. 1012 with any questions on procedures for processing payments or determining eligibility for these students.

Guidance Counselor Workshops a success

During October and November 2003, the Louisiana Office of Student Financial Assistance (LOSFA) presented its eleventh annual series of Guidance Counselor Workshops at seven strategic locations across the state: Alexandria, Baton Rouge, Lafayette, Lake Charles, Monroe, New Orleans and Shreveport.

As part of this state-sponsored effort to inform educators about financial aid opportunities for higher education-bound students, a total of 826 school guidance counselors, teachers and principals attended the workshops to discuss financial aid options with several LOSFA financial aid professionals.

This record turnout of participants represented a grand total of 396 Louisiana public and private high schools.



LOSFA Public Information and Communications Supervisor Jerri Mack highlights LOSFA's Trailblazer program.

Special LOSFA teams, comprised of public information and communications representatives, briefed workshop participants on the latest information regarding various financial aid topics.

These subjects included the Tuition Opportunity Program for Students (TOPS), other types of state and federal scholarships and grants, the Free Application for Federal Student Aid (FAFSA) and the STS (Student Transcript System) conversion update. In addition, materials were distributed detailing the federal loan program

and an overview of the steps necessary for successful negotiation of the financial aid process.

During the discussion portion of the workshop, LOSFA offered the attendees an opportunity to raise issues and address topics of immediate concern in working with their college-bound students.

Attendees showed high appreciation for the relative ease in which the state was able to shift responsibility for calculating students' grade point averages for the TOPS program from the schools to the Louisiana Department of

Education, starting with the graduates of 2003.

Overall, the response to this year's workshops was good.

As one counselor said, "Your office does a great job of handling and

financial aid available for higher education in Louisiana.



Guidance counselors sign in at the registration table for the workshop which was held in Baton Rouge at the Pennington Biomedical Center.

As a testament to the efficacy of the Guidance Counselor Workshop program, the number of participants has continued to increase since the series' organizers began tracking attendance figures in 1999.

In 1999, there were 341 high schools represented and 580 attendees; in 2000, 347 high schools were represented with 573 attendees; in 2001, 361 high schools sent a grand total of 605 attendees; in 2002, 380 high schools participated along with 667 attendees; and in 2003, 396 high schools were represented by 826 attendees.

presenting a tremendous amount of complex information. Thanks so much for your support."

LOSFA presenter Jerri Mack said, with each passing year of exposure to LOSFA's scholarship and grant programs through these annual workshops, guidance counselors are becoming more savvy in navigating through the detailed information that governs the various types of



Counselors prepare for LOSFA financial aid presentations.

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