



# NEWSLINE



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## State continues commitment to pay default fee for LOSFA borrowers

**F**or the 2007-2008 school year, the State of Louisiana will again pay the mandatory federal default fee of one percent (1%) that is charged to students borrowing under the federal guaranteed student loan program when the loan is guaranteed by the Louisiana Office of Student Financial Assistance (LOSFA). This action reaffirms Louisiana's commitment to reduce the cost of borrowing and assures that students' loan amounts will not be reduced by federally mandated fees.

A provision in the federal Higher Education Reconciliation Act (HERA) of 2005 requires all guarantors of federal student loans to collect a 1% federal default fee from the borrower's loan proceeds, unless the fee is paid using non-federal funds.

In 2006, the Louisiana Legislature appropriated funds for the payment of this fee for all students borrowing under the Federal Family Education Loan Program (FFELP), including Stafford, PLUS and Grad PLUS that are guaranteed by LOSFA. By appropriating these funds, the State of Louisiana acted to reduce students' cost of borrowing and to make the agency's guarantee competitive so that it can continue to fund state student assistance programs. From July 1, 2006 through March 31, 2007 the state paid the federal default fee on behalf of 59,445 Louisiana stu-

dents resulting in a savings to the students of \$1,144,319

"The State of Louisiana has made it possible for us to continue providing relief to students who are forced to borrow in order to fund their college education" said Jack Guinn, former executive director of LOSFA. "Now, borrowers whose loans are guaranteed by this agency will not have their loan proceeds reduced by a federal fee."

Prior to this new federal mandate, the charging of a one percent (1%) fee was optional on the part of guarantors, and was waived by the Louisiana Student Financial Assistance Commission from 1999 to 2004, saving Louisiana's student borrowers more than \$18 million.

Revenues generated by LOSFA from guaranteeing student loans are used to supplement the administration of the Tuition Opportunity Program for Students (TOPS), the Student Tuition Assistance and Revenue Trust (START Saving Program), and other state student financial aid programs. Revenues in excess of these costs are used to supplement funding for existing student aid programs or fund new student aid initiatives.



*Jack Guinn and Melanie Amrhein attended their last LAS-FAC Commission meeting together in March. Guinn retired April 2 and Amrhein was appointed as Interim Executive Director on April 3. For more details, see pages 3 - 5.*

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# LOSFA Outreach Update

After a year in which outreach numbers dropped significantly due to the aftermath of hurricanes Katrina and Rita, the LOSFA Public Information and Communications (PIC) division's outreach efforts are returning to pre-2005-2006 levels.

During the first eight months of state fiscal year 2006-2007, LOSFA has made 235 Financial Aid/College Access presentations around the state. Included are presentations at 142 high schools, 43 parish-wide events for high school students and parents, and an additional 50 presentations at public libraries, community organizations, church-sponsored events and post secondary institutions. More than

41,000 Louisiana students and parents have attended these events. In addition, PIC has responded to more than 30,000 telephone and over 2,000 E-mail inquiries.

Last July, 148 rising high school seniors attended two Trailblazer camps at Northwestern State University and Southeastern Louisiana University.

In October and November, LOSFA conducted Guidance Counselor Workshops at eight locations around the state, attended by 670 professional school counselors.

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## Formerly Displaced 2007 graduates still TOPS eligible

2007 graduating high school seniors who were displaced to out of state high schools for the 2005-2006 academic year due to hurricanes Katrina and/or Rita, but who have returned to Louisiana for the current academic year and will graduate from an approved Louisiana high school, have been granted TOPS residency and core curriculum waivers for the year they spent out of state.

Displaced students who attended classes or were enrolled in an approved home study program in the following parishes on Aug. 26, 2005 may qualify for a TOPS eligibility exception: Jefferson, Lafourche, Orleans, Plaquemines, St. Bernard, St. Tammany, Tangipahoa or Washington.

Displaced students who attended classes or were enrolled in an approved home study program in the following parishes on Sept. 20, 2005 may be eligible for an exception: Allen, Beauregard, Calcasieu, Cameron, Iberia, Jefferson Davis, St. Mary, Terrebonne or Vermillion.

For those students who qualify, a waiver of some TOPS core requirements may be granted, provided the principal or head master of the out-of-state school they attended in 2005 - 2006 certifies that the only reason the student did not complete the required course was because it was not offered or could not be scheduled. In those cases, the course may be waived.

Application deadlines, core curriculum GPA and ACT require-

ments remain the same for those formerly displaced students.

A formerly displaced student may meet the TOPS Louisiana residency requirement if he or she actually resided in Louisiana his or her entire 10th grade year and was enrolled in an eligible school at the time one of the hurricanes hit Louisiana. The requirement may also be met if the student had a parent or court-appointed guardian who actually resided in a hurricane-affected parish for at least the 12 months prior to August 26, 2005 (Hurricane Katrina-affected parishes) or Sept. 20, 2005 (Hurricane Rita-affected parishes.)

These waivers do not cover former Louisiana students who have not returned to the state and who will graduate from an out-of-state high school. Such students may qualify for TOPS with an ACT score 3 points higher than that required (for each level of TOPS) for in-state graduates if at least one parent was a resident of Louisiana for the 24 months prior to the student's high school graduation.

Any additional waivers will require an act of the Louisiana Legislature.



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## Jack Guinn, agency's Executive Director, retires

BATON ROUGE -- The Louisiana Student Financial Assistance Commission (LASFAC) announced the retirement of its long-time Executive Director, Jack L. Guinn, effective April 2, 2007. Guinn served as the executive head of the Louisiana Office of Student Financial Assistance (LOSFA) since 1989.

Following his graduation from Louisiana State University in 1962, Guinn was commissioned an officer in the Regular Army where he served for 22 years, including two years in the Republic of Vietnam. After retiring from the service in 1984, and a short stint in private business, Guinn joined the Governor's Special Commission on Education Services in 1986, the forerunner agency that was later renamed the Office of Student Financial Assistance. LOSFA administers both state and federal student financial assistance programs, including scholarships, grants, loans and the state's college savings program. Following the Commission's national search to fill the position, Guinn was appointed Executive Director of LOSFA in 1989.



*Jack Guinn retired his position as Executive Director of LOSFA on April 2, 2007, following 18 years of service.*

During his eighteen-year tenure, Guinn guided the agency through a period of dynamic growth in terms of program offerings, dollars awarded and students served. He was responsible for implementing and administering Louisiana's two principal student aid programs, the Tuition Opportunity Program for Students (TOPS) and the state's "529" college savings plan (START).

In 1989, when Guinn was appointed Executive Director, the agency awarded approximately \$13.2 million in state funding to about 10,000 students annually. Today, the TOPS program alone annually benefits more than 40,000 Louisiana students and awards in excess of \$118 million in state funds.

State Representative Charles McDonald (D-Bastrop), who authored the original TOPS legislation, credits Guinn for assisting in the process. "In 1997, when I began to draft legislation to establish the TOPS program," McDonald said, "Jack (Guinn) was the first person I consulted for input and technical assistance. Working together, we were able to

not only write the legislation, but were able to pass it through the legislative process. With the support of Governor Mike Foster," he continued, "we were able to have the program funded. Without Jack's in-depth knowledge of the scholarship program in place at that time, it would have been very difficult to create a scholarship program that was as comprehensive and beneficial as TOPS. Through the years, Jack and his staff worked tirelessly to ensure that every student had application information and eligibility information to participate in this state program. Because of his interest and support of this program," McDonald concluded, "it has been able to grow to the point that more than 40,000 students benefit each year."

In addition to administering the state's scholarship and grant programs, LOSFA is also the U.S. Department of Education's designated guarantor in Louisiana for loans made to students and parents under the Federal Family Education Loan Program (FFELP). In 1989, LOSFA's annual gross loan volume was \$69.3 million, with a total outstanding loan portfolio of \$459.9 million. By the end of Federal Fiscal Year 2006, the agency's annual gross loan volume had climbed to \$221.4 million, with a total outstanding loan portfolio of \$1.9 billion.

"Jack (Guinn) accomplished many things during his nearly 20 years at the Office of Student Financial Assistance, but one of his most important contributions, in my opinion, was his work with Louisiana's START college savings program," said State Treasurer John Kennedy. "Jack worked with state and federal leaders to expand START's tax incentives, matching state funds and investment options so that every Louisiana citizen would have the opportunity to save for a child's college education. Under his leadership," Kennedy added, "START has become one of the best 529 plans in the nation."

During 1996 and 1997, Guinn proposed a concept for the START Saving Program and worked closely with then State Treasurer Mary Landrieu and key legislators to draft the legislation that created the program. After only ten years of existence, the START program has grown to more than \$120 million in deposits, and an ever-growing number of students are using START funds to pay for their college education, eliminating or reducing their need to borrow.

Another tribute to Guinn's success at LOSFA came from Louisiana's Commissioner of Higher Education, Dr. Joseph Savoie, who said, "Jack Guinn's long service to public education in Louisiana has been solid. Under Jack's leadership," Savoie continued, "the Louisiana Office of Student Financial Assistance has professionally managed the TOPS program, the START program and a myriad of other student financial aid initiatives. This work has helped make earning a college degree an attainable goal for all Louisiana citizens."

"The measure of our success is whether the children of Louisiana have had the financial resources to pursue their career goals," Guinn said. "We have made progress, but much still remains to be done. What has been achieved must be attributed to the guid-

ance provided by a host of state leaders who, over the years, have served as members of the Commission, and a loyal, dedicated and professional staff to whom I am eternally grateful. I was honored to serve in such company,” Guinn concluded.

Commission Chairman, F. Travis Lavigne, Jr., commended Guinn on his diligent efforts in furthering the mission of the agency. Lavigne stated, “I have always been impressed by Jack’s thorough and comprehensive knowledge of the financial aid industry, accompanied by his intense integrity and vision. Jack has always wanted one thing - what was best for Louisiana’s students. This Commission applauds his exemplary performance and leadership ability in efficiently and effectively administering LASFAC’s programs over the past 18 years.”

Guinn and Anita, his wife of forty-six years, have four children and six grandchildren and make their home in Baton Rouge.



*State Rep. Donald Ray Kennard (R - Baton Rouge) presents Jack Guinn with a plaque for his service to the state over the last 21 years as Guinn’s wife, Anita, looks on.*

*Christy Marchand cuts a cake celebrating Jack Guinn’s retirement. Guinn was honored with a reception following the March 2007 LASFAC meeting.*



*Jack Guinn speaks at the March 2007 LASFAC Commission after receiving a plaque honoring his long-term state service. Guinn retired on April 2, 2007 from his position as LOSFA Executive Director. He held the post for 18 years.*



*Following the March LASFAC meeting, a reception was held to mark Jack Guinn’s retirement. Among those who attended were (from left to right) Commission member Winfred Sibile, Commission member Jimmy Long, LASFAC Chairman Travis Lavigne, Jack Guinn, former LASFAC Chairman Ralph Pearlman, State Representative Donald Ray Kennard and State Treasurer John Kennedy.*

# Amrhein named Interim Executive Director

Following Jack Guinn's retirement on April 2, 2007, Melanie Amrhein was named Interim Executive Director of the Louisiana Office of Student Financial Assistance.

She was appointed at the March 8 LASFAC Commission meeting.

"This is such an exciting time to be in the financial aid industry," Amrhein said. "We are in the midst of new state and federal initiatives and LOSFA is committed to being very proactive in working with the schools and the Board of Regents as we find new sources of aid to help students access higher education. Our mission is to ensure that all qualified students have the aid necessary to fulfill their ambitions."

Amrhein has been employed with LOSFA since 1999, first as Assistant Executive Director for Operations (Aid Programs) and then as Assistant Executive Director and Chief Operating Officer.

Prior to joining LOSFA, Amrhein spent ten years in the office of Student Aid and Scholarships at the state's flagship university, Louisiana State University, as an Assistant Director and later as Associate Director. She served as President of the Louisiana Association of Student Financial Aid Administrators during 1998-99. Her prior experience was in the field of academic counseling and has spent 20 years working with university students.

Amrhein is currently serving on the Executive Board of



Melanie Amrhein began working as LOSFA Interim Executive Director on April 3, 2007.

the National Association of State Student Grant and Aid Programs (NASSGAP) as Immediate Past-President.

Amrhein received both her BA and MA from Louisiana State University (LSU) and has been a lifelong resident of Louisiana.

## LOSFA Web site undergoes upgrade

Visitors to the LOSFA Web site have noticed many changes since February, when the redesigned site was launched.

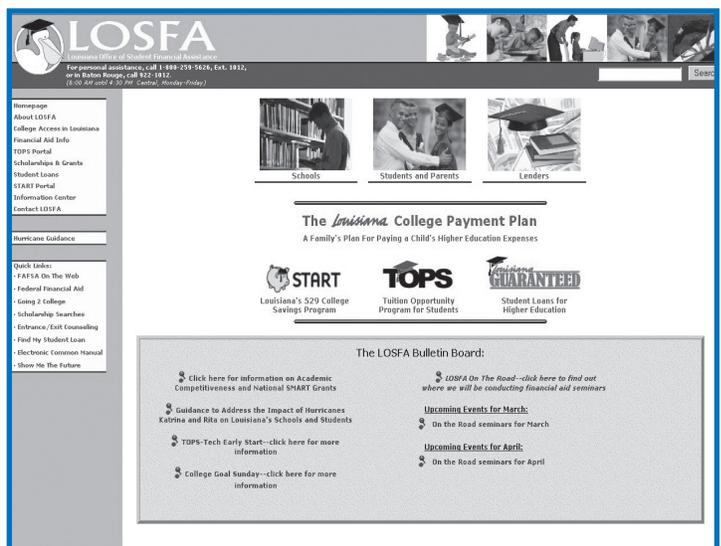
"We reorganized the site to make it easier for our users to find the information they need," Jason Whitworth, of LOSFA's Information Technology Web Group, said.

Those changes include a search button, an upgraded navigation bar, sections specifically for colleges, lenders and students, as well as a LOSFA bulletin board with links to the latest information.

"Our intent was to put everything important, whether on our site or an external site, within a click or two of our homepage," Whitworth said. To do that, 'mini-pages' were added for specific user groups.

In addition to creating areas for specific users, the upgrade includes a revamped Information Center. "Only now," Whitworth said, "the links have been grouped thematically, like we did on our customer-centric pages, so finding a link is easier than before."

To view the updated Web site, go to <http://www.osfa.state.la.us> or <http://www.osfa.la.gov>.



This screen capture shows an image of the upgraded LOSFA Web site.

## NEWS & UPDATES



Kelvin Deloch was recently promoted to Audit Manager.

He has worked for the state of Louisiana since 1989.

He began his LOSFA career in Loan Administration and has worked in the Fiscal Division, as well as the Audit Division. He is a life-long resident of Louisiana and a graduate of Southern University.



Alice Thibodeaux was recently promoted to Director of the Information Technology (IT) Division. She previously held the position of IT Application Manager.

A graduate of Southern University in Baton Rouge, Thibodeaux has worked in a number of IT-related posts, many dealing with finance and auditing.



Terry Tuminello retired from LOSFA in December after 31 years of state service, the last 18 as LOSFA's Director of Information Technology.

# College Goal Sunday coming to Louisiana in 2008

Louisiana will join 35 other states and the District of Columbia in 2008 when it launches College Goal Sunday, an event focused on helping families apply for college funding.

Scheduled for Feb. 10, 2008, College Goal Sunday will be held at sites throughout the state. Representatives from the Louisiana financial aid community will be on-hand to assist families in filling out the Free Application for Federal Student Aid (FAFSA) form. Special attention will be given to low-income, first-generation college student families. There is no charge for this program and all necessary materials will be provided.

The event is being co-sponsored by LOSFA and the Louisiana Association of Student Financial Aid Administrators (LASFAA) and brings together other stakeholders from Gear-Up, Trio, college admissions, adult education and high school guidance counselors. Begun in 1989 in Indiana in response to demonstrated need, College Goal Sunday has spread across the country since. Many families, particularly those with lower incomes or first-time college attendees, need help filling out the often complicated financial aid paperwork. They also need information about what aid is available. This event provides that for them, along with trained financial aid professionals to answer any questions.

Additional information can be found online at the Web site <http://www.collegegoalsundayusa.org>.

## Web site aims to make college preparation process easier

Finding answers to questions about college may be a bit easier for students, thanks to the launch of a new Web site – [www.Going2college.org](http://www.Going2college.org).

The site, sponsored by the nation's student loan guaranty agencies in conjunction with Mapping Your Future, offers links to state specific information covering all aspects of college preparation.

Students simply select which state they wish information on and are immediately directed to a wealth of knowledge. And you don't have to be a high school student to make use of the information – there's also a section for junior high and elementary students, as well as parents and adult learners.

The site also provides information on how to pick a college and information on paying for an education.

An ongoing project, [www.Going2college.org](http://www.Going2college.org) will be updated regularly with new information to provide students and their families the most up-to-the-minute information possible.



## Outreach Update

Continued from Page 2

In November and December, LOSFA also conducted seven Student Transcript System (STS) Training Workshops attended by 211 professional school counselors.

On February 26, in conjunction with national Financial Aid Awareness Month, LOSFA conducted its annual Financial Aid Call In Night and assisted 80 parents who were otherwise unable to contact LOSFA during normal business hours. Callers taking advantage of the extended hours received guidance from LOSFA PIC representatives regarding the Free Application for Federal Student Aid (FAFSA), the Tuition Opportunity Program for Students (TOPS) and other scholarship and grant programs, as well as the Student Tuition Assistance and Revenue Trust (START) Saving Program.

Additional LOSFA outreach programs are scheduled through May. If you are interested in attending a LOSFA financial aid presentation, a weekly updated LOSFA On The Road Calendar can be found on the Bulletin Board section of the newly reorganized and redesigned LOSFA website home page ([www.osfa.state.la.us](http://www.osfa.state.la.us)). If you would like to schedule a LOSFA financial aid presentation, call 1-800-259-5626, extension 1012.

# NEWSLINE

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