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# LOSFA LOOP

July 2009 Edition

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## From the Desk of the Executive Director

I always enjoy these opportunities to address LOSFA LOOP readers because it gives me a chance to offer an alternative viewpoint to so much of the negativity that we're seeing on the news and reading in the newspapers. That's not an indictment of the media; it's just that I know there are great things happening in the state of Louisiana. Despite the entire country's economic woes and the belief that we're unable to save right now, I was encouraged by the milestone that the START Saving Program recently reached (Page 2). This milestone indicates two things: 1) Louisianans are committed to the education of their children, grandchildren etc. and are willing to sacrifice for it and 2) They realize that the START Saving Program is the best option.

There are many changes to federal student aid effective this month. As Louisiana's First Choice for College Access, LOSFA brings you news and details of those changes (page 3). Change is inevitable in every facet of life and change itself is the only constant. I certainly hope that the changes in financial aid, which include lower interest rates and reduced fees for student loans as well as an increased Pell Grant, will give even more students access to the American dream without the burden that overwhelming debt can create. I can't help, but to be excited for our 2009 Trailblazers who will be attending camps this month. They will probably be the very first high school students in the state to learn about the brand new changes in financial aid that will affect them and future generations. I also hope that their friends who recently graduated high school all met the July 1st

TOPS application deadline.

As our new fiscal year begins it seems appropriate to highlight our Fiscal Division and what they do, not only for this agency, but for the entire state (Page 4). Something I want to personally thank them for, that isn't mentioned in the article, is the fact that their work ethic, dedication and attention to detail are what help to make this state's College Goal Sunday program successful. So if you're a College Goal Sunday site coordinator, volunteer or attendee and especially if you were one of the sixteen College Goal Sunday scholarship winners, you should be familiar with the staff members of our Fiscal Division.

Finally, I want to thank my entire staff for another successful charitable campaign which we conducted last month. Louisiana has the highest number of hungry children under the age of five in the entire country. 24% of our youngest and neediest citizens live in or are near hunger. The national average is 17%. In East Baton Rouge Parish Schools, over 79% of

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## LOSFA Outreach

### LOSFA attends Hope Fest

LOSFA representatives Michelle Darling and Justin Marshall attended Hope Fest, sponsored by Hope Ministries of Baton Rouge, to distribute financial aid information to the community.

Approximately 100 people had the chance to talk to Darling and Marshall about TOPS, START and general financial aid. LOSFA was among many organizations, including LaCHIP, Catholic Charities and Headstart, attending the festival.

If you have an event you would like LOSFA to attend, let us know. You can call Michelle Darling at 225-922-2027 to schedule a presentation about TOPS, START, loans or general financial aid information.



*Melanie Amrhein, Executive Director of LOSFA, addresses members of the LOSFA Advisory Committee as Emily London-Jones, Advisory Committee Chairperson and Dr. Karen Denby, Louisiana Board of Regents, look on. Topics discussed at the Friday, June 26th meeting included Early Start, GO Grant and TOPS funding as well as the future of the Federal Family Education Loan Program (FFELP).*

### Who we've been talking to...

- ▶ Pathfinder Workshop, Nicholls State University, 120 students, TOPS
- ▶ Audubon Kiwanas, Burden Conference Center at the Rural Life Museum, START presentation

## START deposits top \$200 million mark

The Student Tuition Assistance and Revenue Trust (START) Saving Program, Louisiana's "529" college savings plan, has passed \$200 million in deposits. As of June 2, 2009, total deposits in the state's 529 College Saving plan stood at \$200,780,167.33, representing 33,730 active accounts. The program's total assets stand at \$208.8 million.

"Reaching this milestone clearly demonstrates that START's value-added benefits have proven a winning combination for Louisiana families who choose to invest in their children's education," said Melanie Amrhein, Executive Director of the Louisiana Office of Student Financial Assistance (LOSFA-the state agency that administers START). "It is our goal that every Louisiana family with the desire to send their children or grandchildren to college would consider the benefits of START over other savings options," she added. "No fees are charged by the state to participate and the benefits are unmatched by other programs."

## New month brings changes to student aid

Numerous changes to federal student aid went into effect July 1. These changes affect Pell Grant amounts, the cost of student loans and new assistance for students with unmanageable education debt.

A summary of those changes follows.

### Loans

►Lower interest rates -- Rates on subsidized federal student loans for undergraduates decreased from 6 percent to 5.6 percent. It will continue to drop until it reaches 3.4 percent in 2011. Borrowers with Stafford loans issued prior to July 1, 2006, will benefit from a more than 1.7 percentage point reduction in their rates.

►Reduced fees -- Borrower origination fees on Stafford loans will be lowered 0.5 percentage point. Maximum upfront fee that will be allowed to be deducted from a student's Stafford loan funds will decline from 1 percent to .05 percent on loans with initial disbursements between July 1, 2009, and June 30, 2010. This, along with a zero Federal Default Fee on LOSFA guaranteed loans in 2009-2010 is the

student's best value for loans.

►New Income-based Repayment Program -- Caps borrowers' monthly loan payments at 15 percent of their discretionary income (that is, 15 percent of what a borrower earns above 150 percent of the poverty level for their family size). Any current or future borrower whose loan payment exceeds 15 percent of his or her discretionary income is eligible. After 25 years in the program, borrowers' debts will be completely forgiven. Borrowers with hefty debt or low-paying jobs are most likely to qualify for the program. IBR will cover all federal loans -- both Direct and FFELP -- made to students, including Stafford, Grad PLUS and federal consolidation loans, but not those made to parents (PLUS loans). Perkins loans are also eligible if a borrower consolidates them into a FFEL or Direct Loan.

►20/220 Elimination -- The 20/220 debt-to-income ratio pathway for borrowers to qualify for an economic hardship deferment in the FFEL and Direct Loan programs has ended.

►Competitive Loan Auction Pilot Program Canceled.

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**Save the Date!**

**College Goal Sunday  
2010**

Official date:  
**February 21**

## Upcoming Events



Hundreds of high school students from across the state will be gathering at Northwestern State University and Nicholl's State University this month for LOSFA's annual Trailblazer Camp.

At the camps, the students will be treated to games, food and lots of information about financing a higher education. Check out the August issue of LOSFA Loop for pictures from this year's camps.

Northwestern State University Trailblazer Camp --  
July 12-14

Nicholls State University Trailblazer Camp -- July 19-21

*In every issue of LOSFA LOOP, we will highlight a specific division within the agency. This issue we highlight:*

## FISCAL

Charged with providing direction and administrative support for LOSFA and all student financial aid program participants, the Fiscal Division provides an array of services for the agency.

“Our goal is high performance with less cost,” Tammy Loupe said.

Among its many duties, Fiscal receives all cash receipts for the agency, deposits and issues payments on behalf of the agency. “There is much more to receiving and depositing cash and issuing payments. It involves receiving cash and checks, verifying the totals are correct, and depositing it in the State Treasurer’s Office within mandated time limits, Loupe said. “Issuing payments on behalf of the agency means setting up vendors in the Integrated StateWide Information System (ISIS), receiving invoices, verifying for correctness, getting approvals from each division and paying them.”

Fiscal also:

- ▶ maintains administrative costs at less than 4% of the agency’s total annual expenditures and Student Tuition Assistance and Revenue Trust (START) Saving Program deposits.
- ▶ monitors administrative costs as related to budgeted

cost on a monthly basis.

- ▶ reviews budget submissions to ensure consistency with budget projections on a monthly basis.
- ▶ recommends and implements cost efficiency measures as appropriate.
- ▶ prepares the financials for START, the Family Education Loan Program and the Annual State Financial Report on an annual basis.
- ▶ responsible for the yearly budget submission and monitoring the budget as it goes through the Legislative Process
- ▶ prepares the fiscal notes on pending legislation
- ▶ responsible for TOPS projections and salary and other operating cost projections
- ▶ Cash Receipt, Accounts Payable, Budgeting and monitoring expenses throughout fiscal year
- ▶ Monthly and Annual submission of Forms 2000 (FFELP)

“Every document that comes into Fiscal is top priority,” Wendy Dalawari said.

In order to do its job properly, Fiscal has set a series of goals to be met. Those goals support the agency’s goals to achieve and maintain the highest standards of customer service and to serve as the primary state source, of student financial assistance programs, services and information. The division

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*Members of LOSFA’s Fiscal Division: (top row, left to right) Rick Omdal, Jack Hart-Assistant Executive Director, Monique Verkaik-student worker, Mary Jane Lange-Division Director, (bottom row, left to right) Wendy Dalawari, Susan Michelli and Tammy Loupe. Not pictures: Elizabeth Navailhon and Colleen Villemarette.*

## LOSFA Spotlight Update

Matt Lange, son of LOSFA's Mary Jane Lange, has had his second photograph published on the Sports Illustrated Web site. His photograph of LSU's win in the NCAA Baseball Super Regionals appeared in the magazine's online gallery.

A staff photographer for Southcreek Global Media's sports Division - Southcreek Sports, Lange's previous Sports Illustrated work was a December 2008 photograph he took of Troy State fans prematurely celebrating at the LSU vs Troy game.

There's a good chance we'll see more of Lange's work appear in national publications as he continues covering LSU baseball games, all men's basketball games, the New Orleans Bowl, the Independence Bowl and select Hornets games.



*Matt Lange, son of Fiscal Director Mary Jane Lange, had a second photograph (below) published on the Sports Illustrated Web site recently.*



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## Grants

▶ **Maximum Pell Grant** -- The College Cost Reduction and Access Act (CCRAA) and the American Recovery and Reinvestment Act (ARRA) increases the maximum Pell Grant scholarship for the 2009-10 school year to \$5,350 -- more than \$600 above last year's maximum award.

▶ **Minimum Pell Grant** -- The HEOA eliminated the \$400 minimum award and sets a new minimum award at 10 percent of the appropriated maximum award set each year. Students who are eligible for an award equal to or greater than five percent but less than 10 percent of the maximum award will receive an award amount of 10 percent of the maximum award appropriated each year. For the 2009-10 school year, 10 percent of the appropriated maximum is \$486, but the CCRAA adds \$490 to all full-time awards, so the minimum Pell Grant for a full-time student will be \$976. (For part-time students, these amounts are prorated.)

▶ **Sex Offenders and Pell Grants** -- A student who is subject to an involuntary civil commitment after completing a period of incarceration for a forcible or nonforcible sexual offense is ineligible to receive a Federal Pell Grant.

▶ **Children of Soldiers** -- The HEOA provides maximum Federal Pell Grant eligibility for a student whose parent or guardian was a member of the Armed Forces and died as a result of performing military service in Iraq or Afghanistan after 9/11/2001, provided that the child was under 24 years old or was enrolled in college at the time of the parent or guardian's death. These students will be considered to be eligible for the maximum Federal Pell Grant award for the period during which the student is otherwise eligible to receive a Federal Pell Grant.

▶ **Year Round Pell** -- Students are now eligible to receive Pell Grants year round.

▶ **Expanded ACG/SMART Grant Eligibility** -- Eligibility for these grants will be expanded to include eligible non-U.S. citizens and students attending at least half-time. Awards will be made based on grade level instead of the academic year.

## Military Benefits

▶ **Excluding Veteran Education Benefits** -- Congress may pass a HEA technical corrections bill that will change the date (from July 2010 to July 2009) for financial aid offices to begin excluding veteran education benefits when determining eligibility for student loans and campus-based aid. If this bill is passed, it will ensure that benefits provided by the Post 9/11 GI Bill does not reduce veterans' eligibility for additional aid.

▶ **Post 9/11 GI Bill** -- Effective August 1. For individuals with at least 90 days of aggregate service on or after September 11, 2001. Pays for tuition and fees directly to the school, not to exceed the maximum in-state tuition and fees at a public Institution of Higher Learning; monthly housing allowance based on the Basic Allowance for Housing for an E-5 with dependents at the location of the school; annual books & supplies stipend of \$1,000 paid proportionately based on enrollment; and one-time rural benefit payment.

▶ **In-State Tuition** -- Active duty military, their spouses and dependant children, cannot be charged more than the in-state tuition rate, so long as the soldier is active for a period of more than 30 days and lives or has a permanent duty station in a state that receives assistance under HEA. This rate remains in effect so long as the student is enrolled, even if the soldier is subsequently moved to another permanent duty station to a location out of the state.

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also seeks to maximize access to postsecondary education through state student financial assistance policies and programs; maintaining statutory and regulatory compliance and to ethically, effectively and efficiently, administer programs and services on behalf of the agency

"We are the heartbeat of the agency," director Mary Jane Lange said.

## Realizing the College Dream

On Tuesday June 23, 2009, LOSFA was very fortunate to participate in a special training for LA school teachers. The training took place in New Orleans and was funded through LaSIP/LA GEAR UP. Glenn Beer, the project director with Louisiana Tech University; Samantha Roy, a school counselor with Avoyelles High School; and Robin Olivier, a school counselor at the Early College Academy in Lafayette who also works with the Louisiana Scholars program organized the week long training. Teachers from around the state attended to receive continued professional development and motivational presentations.

LOSFA has worked cooperatively with LA Gear Up over the last several months introducing the College Knowledge web site. LA Gear Up was introduced to a curriculum called Realizing the College Dream (RTCD) because of the LOSFA/ECMC partnership that created the College Access Center at Baton Rouge Community College. RTCD is a curriculum guide created by the ECMC Foundation that supports teachers, counselors, and community-based organization staffs in their work to increase the expectations of attending college for low-income, first-generation college-going students and their families.

LOSFA coordinated with the ECMC Foundation to provide professional trainers for the purpose of providing instruction for teachers at the conference on this new curriculum. The teachers present were very



*Program coordinators and presenters include: Jason Orgeron (ECMC: LOSFA College Access Center), Dianna Frank (LA GEAR UP), Vickie Whebbe (ECMC), Dr. Adrell Pinkney (Southern University at New Orleans), Steven Baumann (University of Utah, School of Medicine), Adeluisa Judal (InterActive Solutions Consulting) Kneeling: Robin Olivier (Louisiana Scholars Program) and March Kessler (ECMC). Not Pictured: Glenn Beer (LA GEAR UP).*

excited and thankful for the new tool and well constructed training.

March Kessler, the ECMC Foundation Executive Director, and Vicki Whebbe, the ECMC Foundation Program Director organized the group of trainers for the event. Steven Baumann, the Director of Learning Resources at the University of Utah School of Medicine, Adeluisa Judal, CEO of InterActive Solutions Consulting, and Adrell Pinkney, employed by Southern University of New Orleans, made up the training team.

LOSFA would like to extend a very sincere thank you to all those involved, especially the LA teachers who participated in the training.



*Conference attendees worked together in groups during the special Realizing the College Dream training sessions.*

## Familiar face, new place: Justin Marshall moves to PIC

Justin Marshall has worked for LOSFA for the last nine months, but now he's reporting to a new boss.



Marshall transferred from Default Prevention to the Public Information and Communications Division in early June.

The move was motivated by a desire to "get a chance to interact with people" and not be "just a voice on the phone," he said.

He got the first taste of that one-on-one interaction when he attended Hope Fest in Baton Rouge. The event, sponsored by Hope Ministries, was a day-long festival that put Marshall face-to-face with approximately 100 people.

"I'm looking forward to doing some more," he said.

A native of Tallulah and a Grambling graduate, Marshall initially moved to Baton Rouge with the intention to enroll in law school. That plan has been placed on the back burner for now, but he's attached to his adopted home.

"I like the atmosphere here," he said, though he admits it's a big transition from his small town roots. Still, he has family and friends in the area and seems set on staying put for a while.

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students receive free or reduced lunch, so summer break creates a serious void: Who feeds the children? To help answer that question the LOSFA staff participated in a food drive and donated food items to the Greater Baton Rouge Food Bank. I'm proud to say that this staff has repeatedly demonstrated that they're not only Louisiana's First Choice for College Access, but that they are compassionate enough to be responsive to all of the needs of the citizens of Louisiana.

--Melanie



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](mailto:custserv@osfa.la.gov)

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

Web Address: [www.osfa.la.gov](http://www.osfa.la.gov)

For submissions, opinions or comments for LOSFA Loop, please contact  
David Roberts at [droberts@osfa.la.gov](mailto:droberts@osfa.la.gov).