



NEWSLINE



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LOSFA's student loan cohort default rate projected to drop

According to figures recently released by the U.S. Department of Education (ED), the draft cohort default rate on student loans guaranteed by Louisiana's Office of Student Financial Assistance (LOSFA) has dropped from 6.77 percent in fiscal year (FY) 2002 to 5.25 percent in FY 2003, a decrease of 22.6 percent from the previous year.

The cohort default rate is defined by federal regulations as the percentage of borrowers who enter repayment in a certain year and default before the end of the following year. The recently released draft data represents the cohort of borrowers who entered into repayment during the period from Oct. 1, 2002 through Sept. 30, 2003.

Robert Pollage, administrator of LOSFA's Default Prevention Section, attributes the projected improved rate to several factors, including the coordinated effort of staff members from various branches of the agency: the Default Prevention Section, the Public Information and Communications Division (PIC) and the School and Lender Services (SLS) Section.

Pollage said the Default Prevention Section recently instituted an early awareness program wherein borrowers leaving school and entering the grace period are notified by mail about repayment, deferment and

forbearance options. The grace period begins when the student graduates or leaves school and ends six months later.

In addition, Pollage said that students are better informed of their loan obligations as a result of the expanded outreach efforts conducted by PIC and SLS. These efforts have included the distribution of informational posters, magnets and wallet cards.

The official 2003 cohort default rate will not be released by the ED until September 2005.



LOSFA outreach programs were in full swing during national "February is Financial Aid Awareness Month." See related story on page 7.

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Changing addresses?

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

LOSFA School and Lender Services (SLS) outreach: LOSFA hosted its second annual **Lender Symposium** in Baton Rouge on Jan. 11. Sponsored by SLS in conjunction with the LOSFA Loan Division and attended by lenders and servicers, topics included information regarding the guarantee fee, LOSFA's expectations of reauthorization and delineation of roles in the loan guarantee process.

SLS served as presenters at the **Louisiana Association of Student Financial Aid Administrators (LASFAA) Spring Conference and Boot Camp** held in Lafayette on March 22-23. The Boot Camp's theme was "Extreme Makeover – Equipping You with the Tools You Will Need."

SLS's Jennifer Guhman participated in Northwestern State University's **Debt Management Fair** on April 17. The fair was an NSU effort to promote money management.

SLS coordinated the **Financial Planning Fair** hosted by Bossier City Parish Community College on April 27. The fair provided a carnival-like atmosphere with food and games, side-by-side with information booths offering students valuable guidance on student loan debt and finance management.

In a change of staff, SLS Representative **Kelly Viator** departed from LOSFA on April 22 following six years of service. Viator has accepted the executive directorship of the newly chartered Louisiana Chapter of the Amyotrophic Lateral Sclerosis (ALS) Association.

Public Information and Communications (PIC) Representative **Annette Chelette** has been named to fill Viator's recently vacated

SLS slot. Chelette, who earned a bachelor's degree in general studies from Louisiana State University at Baton Rouge, has served in PIC's Automated Call Distribution (ACD) Unit since June 28, 1999.

LOSFA Welcomes: The **Collections Section** recently hired four new collectors: **Ebony Holmes, Ryan Kelley, Joyce Scallan and Nicole Tate**. All have been hired in the capacity of Financial Aid Specialist 1.

Holmes graduated from Louisiana State University (LSU) in 2002 with a bachelor's degree in zoology and a minor in chemistry. She earned a master's of science degree in natural sciences with a minor in biochemistry from LSU in 2004.

Kelley graduated from Southeastern Louisiana University in 2004 with a bachelor's degree in general business.

Scallan served as a Social Security Analyst 2 for more than three years at Disability Determinations. Previously, she attended Memorial Area Vocational School in New Roads, La., where she studied office occupations.

Tate graduated from the University of Louisiana at Lafayette in 2003 with a bachelor's degree in business system analysis and technology. She is a member of the Delta Sigma Pi professional business fraternity.

The **Default Prevention Section** has hired **Sarah Jones** as a Financial Aid Specialist 1. Jones graduated from LSU in 1997 with a bachelor's degree in business management and previously served for six years with Homebuyers Resource Group, a locally owned and operated mortgage company.

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For more
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www.osfa.state.la.us



For more info,
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LOSFA participates in U.S. Rep. Baker's first 'Constituent Opportunities Expo'

U.S. Rep. Richard Baker, R-Baton Rouge, assembled for the first time a "Constituent Opportunities Expo," held from 8 a.m. until noon on Saturday, April 30 at the State Police Training Auditorium at 7901 Independence Blvd. in Baton Rouge.

The event was designed as a comprehensive venue to provide Sixth District residents information about opportunities available to them through federal, state and local government agencies, as well as national, state and local service organizations. The "Constituent Opportunities Expo" offered

provided and the number of people eager to absorb it," Baker said.

The "Constituent Opportunities Expo" covered areas relating to personal finance, educational resources, consumer protection, business and worker's issues, career counseling, grant searches, health care and disabilities, social services, senior



Congressman Richard Baker, R-Baton Rouge, provided Baton Rouge residents with comprehensive information on opportunities available through federal, state and local government at his first-ever Constituent Opportunities Expo held April 30.

services, veterans affairs, housing and community development, and government procurement and property assistance.

Participants and presenters included representatives from: NASD, the IRS, the **Louisiana Office of Student Financial Assistance**, Parent University, National Guard Youth Challenge,

Louisiana Office of the Attorney General, Office of Workers Compensation Program, the U.S. Department of Labor, Baton Rouge Career Center, East Baton Rouge (EBR) Public Library Foundation Center, Capitol City Family Health Clinic, Disability Determination Services, Louisiana Rehabilitation Services, Dept. of Social Services, Support Enforcement Services, Office of Community Services, Gov.'s Office of Women's Services, the EBR Council on Aging, Center for Medicare Services, the Social Security Administration, Senior Health Insurance Information Program, Alzheimer's Services, Capitol Area Legal Services (Elderly Protective Services), Gov.'s Office of Elderly Affairs, U.S. Department of Veterans Affairs and Veterans hospitals, EBR Housing Authority, EBR Office of Community Development, MidCity Alliance, LAPTAC, and Federal Property Assistance.

The event was free and open to the public. Light refreshments were provided.

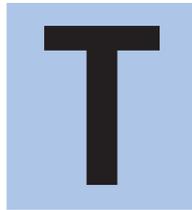
The Louisiana Office of Student Financial Assistance (LOSFA) presented a series of one-hour workshops on the Tuition Opportunity Program for Students (TOPS) and the Student Tuition Assistance and Revenue Trust (START) 529 college savings plan.

educational seminars, breakout sessions and a chance for constituents to receive one-on-one attention to questions they may have of representatives on hand from the various agencies and organizations.

The Louisiana Office of Student Financial Assistance (LOSFA) presented a series of one-hour workshops on the Tuition Opportunity Program for Students (TOPS) and the Student Tuition Assistance and Revenue Trust (START) 529 college savings plan. LOSFA public information representatives also distributed program literature and answered questions about student financial assistance.

"In the past I've put together successful but single-issue conferences on such things as Veterans issues, health care and small business, and each time I've been amazed by both the amount of valuable information

LOSFA provides tips on TOPS



The Scholarship and Grant Division at the Louisiana Office of Student Financial Assistance (LOSFA) has provided the following guidelines as a trouble-shooting aid for students and financial aid professionals participating in the Tuition Opportunity Program for Students (TOPS).

TOPS Request for Exception

In order to maintain a TOPS award, all award recipients must fulfill the rights and responsibilities as listed on the enclosure included with their award letters. Failure to fulfill these requirements could result in cancellation of their award.

TOPS awards are cancelled for non-compliance of the following requirements: continuous enrollment, resignation, part-time enrollment and failure to meet the 24 hours per academic year requirement.

However, under extenuating circumstances, LOSFA – the administering agency – may grant an exception to these rules.

To request an exception, a student must fill out the proper form, write a letter summarizing the situation and provide appropriate documentation in support of the request. Current rules state that a student has six months from the date of cancellation to file a request for exception. A box in the left corner of the cancellation letter will display the six-month deadline date for submitting the request package.

The exception form is called “Request for Exception to the Initial, Continuous or Full-Time Enrollment Requirement.” This form is available for downloading from the LOSFA Web site located at www.osfa.state.la.us, or the student may call and request the form toll-free at (800) 259-5626, Ext. 1012.

1) In order to download the form, log onto the LOSFA Web site, select Information Center from the left side menu, select Frequently Requested Forms from the first column, select Scholarships/Grants (TOPS) forms, and select TOPS form #0004.

2) Page two of the document provides instructions on how to complete the form with regard to the type of exception (11 possible circumstances warranting an exception), the documentation requirements and the maximum length of the exception.

3) The student must then write a brief letter (handwritten or typed) summarizing their situation and mail the letter along with the completed form to LOSFA, P.O. Box 91202, Baton Rouge, LA 70821-9202.

4) The required documentation and official transcript(s) must be submitted to the above address within the six-month deadline from the date of cancellation.

Since cancellation letters for the 24 hour requirement are only generated at the close of the spring semester, students who know their awards will be cancelled need not wait until May to submit their request for exception packages.

Once the completed request package is on file at LOSFA, the process can be finalized within 60 days or less. In the interim, students are encouraged to make temporary financial arrangements to pay for their higher education expenses, as awards are cancelled until reinstated by the exceptions committee. If the exception is approved, students will be reimbursed.

TOPS Renewal Letters

Starting in May 2006, TOPS recipients in good standing for hours and grades will no longer receive renewal letters from

See next page

LOSFA provides tips on TOPS

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LOSFA. Therefore, it is imperative for students to keep abreast of their current academic status as it appears on the TOPS student portal.

The student portal is located on the LOSFA Web site and is easily accessed by inputting the student's Social Security Number. Through regular viewing of the student portal, TOPS recipients may quickly spot and address any award-threatening problems that may appear.

TOPS Bulletins

Financial aid professionals and guidance counselors are notified of changes to the TOPS program through frequent bulletins mailed to colleges and universities, technical colleges, lenders, libraries, legislators and high schools. TOPS Bulletins may also be downloaded from the LOSFA Web site.

TOPS Hotline

Rather than rely on well meaning, but often misguided advice of friends or others when questions or difficulties arise, TOPS recipients are strongly encouraged to contact the LOSFA customer service hotline toll-free at (800) 259-5626, Ext. 1012.

Active Duty TOPS

Students returning from active duty in the U.S. Armed Forces have up to one year following their honorable discharge to activate their TOPS awards, even if they began service prior to being awarded initial eligibility for TOPS.

The student must submit a brief letter to LOSFA detailing the dates of active duty, naming the school he or she will attend and the anticipated date of enrollment. In addition the student must submit a copy of his or her separation from active duty orders (DD214).

A student already enrolled full-time who enlists in a regular branch of military

service needs to request an exception to the continuous full-time enrollment requirement by submitting the Request for Exception form, a personal letter and a copy of his or her enlistment forms.

A student already enrolled full-time who resigns or cannot continuously enroll or earn required credit hours because of orders to report to active duty in the Reserves or National Guard needs to request an exception to the continuous full-time enrollment requirement by submitting the Request for Exception form, a personal letter and a copy of orders before departing for active duty. If orders are not available, a letter from the commanding officer of the military unit may be submitted with the dates of active duty.

All materials should be mailed to Scholarship and Grant Division, LOSFA, P.O. Box 91202, Baton Rouge, LA 70821-9202.

Out-Of-State TOPS

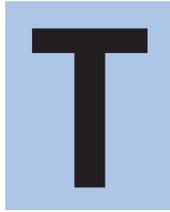
Students who graduated in 2002 or later who initially enrolled full-time at an accredited school out of state, but wish to return to an eligible Louisiana school have until May 1 of the academic year in which they return to request eligibility for the TOPS award.

All returning out-of-state students must submit official transcripts and complete the Supplemental Data form (TOPS form #0006 available online).

Students who were not awarded TOPS prior to their out-of-state enrollment have until May of the year they return to file the initial application — the Free Application for Federal Student Aid (FAFSA).

An academic year is defined as a concurrent fall and spring semester: for example: Fall 2005 and Spring 2006, or Fall Quarter 2005, Winter Quarter 2005-06 and Spring Quarter 2006. A student returning in Fall 2005 has until May 1, 2006 to submit the form and a student returning in Spring 2006 has until May 1, 2006.

LOSFA schedules Trailblazer Camps for 2005 at NSU, LSU



The Louisiana Office of Student Financial Assistance (LOSFA) will host the 2005 Trailblazer Camps at Northwestern State University in Natchitoches from July 10-12 and at

Louisiana State University in Baton Rouge from July 17-19.

The theme for the 2005 Trailblazer Camps will be “Financial Aid Fever,” a seventies-inspired motif taken from the decade’s signature movie, “Saturday Night Fever.”

Each year, high school guidance counselors select outstanding college-bound rising seniors to attend the fun-filled summer camps situated on an inspiring college campus. Although responsible for their own transpor-

tation to and from the sites, campers will be provided with meals and overnight accommodations for three days and two nights in a college dormitory.

While at camp, Trailblazers will receive extensive training in financial aid opportunities for higher education, including the state’s premier scholarship program, The Tuition Opportunity Program for Students (TOPS).

Between training sessions, campers are encouraged to get acquainted with peers from across the state, and evenings are devoted to fun activities and entertainment.

When the Trailblazers return to their high schools in the fall, they will be able to share their financial aid knowledge and newly acquired expertise with fellow students, under the supervision of their school guidance counselors.

LOSFA Administrator Henderson named chairman of NCHELP committee



Default Recoveries Administrator Byron Henderson was named chairman of the National Council of Higher Education Loan Programs’ (NCHELP) Membership Education Training

(MET) Committee. The duties associated with the chairmanship will be in addition to his LOSFA duties.

Henderson previously served on the MET Committee for two years and was recommended for the chairman slot by the committee liaison and approved by LOSFA and the NCHELP Board of Directors. Henderson’s term of office will last through June 2006. The MET Committee offers training opportunities and informational materials

to the NCHELP membership. In addition to planning the annual Training Conference, the MET Committee updates and distributes the “Orientation to the Student Loan Industry” PowerPoint presentation to the NCHELP membership. The committee also creates publication materials outlining the structure and benefits derived from NCHELP membership.

One of NCHELP’s primary functions is to represent its membership — a nationwide network of guaranty agencies, secondary markets, lenders, loan servicers, collection agencies, schools and other organizations involved in the administration of the Federal Family Education Loan Program (FFELP) — on public policy and regulatory issues with the legislative and executive branches of the federal government.

LOSFA outreach programs draw parents and students

During national “February is Financial Aid Awareness Month,” the Public Information and Communications (PIC) Division of the Louisiana Office of Student Financial Assistance (LOSFA) provided many outreach events and activities in order to inform the public about state and federal student financial aid programs.

PIC representatives offered general financial aid workshops and Tuition Opportunity Program for Students (TOPS) seminars at five East Baton Rouge Parish Libraries in Baton Rouge: Bluebonnet, Greenwell Springs, Goodwood, Scotlandville and Zachary; as well as a workshop and seminar at the Washington Parish Library at Franklinton.

In addition, PIC representatives participated in four Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) College Connection Workshops in February. GEAR UP is an academic achievement program for at-risk middle school students, which is funded through a five-year, \$12.5 million grant from the U.S. Department of

Education and administered by the Louisiana Systemic Initiatives Program (LaSIP). The College Connection Workshops provided most of the students with their first glimpse of collegiate lifestyle and academic opportunities.

Also in February, PIC introduced the How To Pay For College seminars, a series of weekend presentations that combined information from the TOPS program and the Student Tuition Assistance and Revenue Trust (START) program into a single event. Representatives made 13 How To Pay For College presentations at 11 locations across the state in the following cities: Alexandria, Baton Rouge, Harvey, Lafayette, Lake Charles, Mandeville, Metairie, Natchitoches, New Orleans, Slidell and Thibodaux. During the last week of January, workshops were conducted in Shreveport, Monroe and Natchitoches.

LOSFA’s third annual Call-In Night was Feb. 21 from 6-9 p.m. Each year, for one night only, students and parents are provided with the opportunity to call the agency’s toll-free hotline and speak with financial aid representatives who remain on duty after the agency’s normal operating hours of 8 a.m. to 5 p.m. This year 77 callers took advantage of the Call-In Night opportunity, an increase of almost 20 percent from the previous year’s event.



In addition to making presentations at schools, libraries and institutions, PIC is available for presentations at churches, civic organizations and businesses. To schedule an event, call a PIC representative toll-free at (800) 259-5626, Ext. 1012.

PIC representatives Jolie Adams (left) and Roshonda Hanible (right) flank mascot Earl E. START at the How To Pay For College Seminar held at the Jefferson Parish Library - Westbank Regional Branch in Harvey, LA.

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