

# NEWSLINE

A publication of the  
Louisiana Office of Student Financial Assistance



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## Agency names Downing as director of loan operations; bids farewell to Shannon

**L**Lynda Downing, former administrator of the Default Prevention Section of the Louisiana Office of Student Financial Assistance (LOSFA), has been named Director of Loan Operations, effective June 24.



*Lynda Downing, new Director of Loan Operations.*

Downing replaces former Director Pat Shannon, who served with the agency for 33 years.

“Ever since hiring me 21 years ago, Pat has been a great mentor,” Downing said. “She has a wealth of knowledge about the loan guarantee business and is leaving big shoes for me to fill. But I’m ready for the challenge and excited about the opportunity of working with the qualified professionals in the division.”

Downing began her tenure with LOSFA in the Collections Section as an Account Clerk 2 in 1980. The agency was much smaller at the time, employing only 20 staff members and using all manual processes.

As the workload and staffing needs of the agency have grown over the years, Downing has been intimately involved in the monu-

mental task of converting large quantities of loan data from a manual process to automated systems. To that end, she actively nurtured the conversion of three different automated processing systems and two different autodialers.

Complementing her work at LOSFA, Downing has also served on the National Council of Higher Education Loan Programs (NCHELP) Debt Management Committee, filling the position of secretary during the past year. She plans to continue in that post for the upcoming term of office.

The Loan Operations Division is responsible for managing the student loan guarantee arm of LOSFA, and is comprised of four sections: Loan Administration, Default Prevention; Claims and Collections.

### Shannon retires

In August of 1969, outgoing Loan Operations Director Pat Shannon began her employment with the original Louisiana Higher Education Assistance Commission, subse-

quently called the Governor’s Special Commission on Education Services (GSCES) and finally the Louisiana Office of Student Financial Assistance.

Starting out in Loan Origination, Shannon worked her way up the agency ladder, serving in various positions before being



*Pat Shannon (second from left) receives a standing ovation from LOSFA Executive Director Jack Guinn (second from right) and members of the Louisiana Student Financial Assistance Commission (LASFAC).*

transferred to the newly created Collections Section in 1978. As the only full-time employee in the new section, Shannon structured and implemented several collection and skip tracing procedures, before being promoted to Collection Manger in 1980, where she supervised a staff of five.

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Additions to the distribution list and articles for publication should be submitted to: *Newsline* Editor, P.O. Box 91202, Baton Rouge, La. 70821-9202.

## NEWS AND UPDATES

**LOSFA promotes:** Robert Pollage was promoted to the position of Default Prevention Administrator on June 24. Pollage replaces Lynda Downing, who has been promoted to Director of Loan Operations (see related story, page 1).

While still a student at Louisiana State University (LSU), Pollage was originally hired by LOSFA on a part-time basis as a student worker March 20, 1981. One year later, he went to work as a full-time staff member in the Accounting Department, later known as the Fiscal Department.

After the creation of the Pre-Claims Section as a result of LOSFA's rapid growth, Pollage went to work for Lynda Downing as a collector. At the time, the section consisted solely of Downing, a typist and Pollage. On Feb. 4, 1987, several new collectors were hired and Pollage was promoted to supervisor.

From Feb. 12, 1996 to Feb. 23, 1997, Pollage served as a claims analyst for the Pre-Claims Section. In March of 1997, he was promoted to the position of Pre-Claim assistant administrator, a position he held until his recent promotion to Default Prevention Administrator.

**LOSFA retires: Percy Kent**, student loan collections supervisor, retired from the agency on June 28 after 11 years of service.

**LOSFA hires: Susan Kaufman** has been hired as a Public Information Officer 1 in the **Public Information and Communications (PIC)** Automated Call Distribution (ACD) unit. Kaufman graduated from LSU in 1999 with a bachelor's degree in Theater.

**LOSFA hires: Ricky Boyett** has been hired by PIC, where he is serving as a Public Information Officer 1. Boyett graduated from LSU in Shreveport with a bachelor's degree in political science in 1999. He will graduate this year from the University of Southern Mississippi with a master's degree in History.

**LOSFA hires: Laura Purcell** has been hired as a Student Loan Collector 1 in the **Collections** Section. Purcell received a bachelor's degree in Education from LSU in 1987. While a student, Purcell was a member of the Educational Honor Society.

**LOSFA hires: Jessie Akins** has been hired as a Clerk 3 in the Mailroom. Akins previously served on active duty for four years with the U.S. Air Force, where she was stationed in Georgia, Germany and Korea.

**Web site informs:** The LOSFA Web site, located at [www.osfa.state.la.us](http://www.osfa.state.la.us), posts timely information on scholarship, grant and loan program changes, in addition to policy updates and procedures. Recently, brochures for the TOPS Opportunity, Performance and Honors Award as well as the TOPS Tech Award were made available on the Web site.

To print a brochure, go to Information Center/TOPS Brochure and select the desired brochure. Click on print. The brochure will automatically print on paper sized 8 1/2 by 11 inches. However, since the original design was formatted for paper sized 8 1/2 by 14 inches, changing the printer paper source from letter to legal size should result in a brochure that is identical to the official LOSFA publication.



*Robert Pollage, new Default Prevention Administrator*

## Year in review Year in review Year in review Year in review

As part of a continuing effort to keep the public abreast of diverse programs and services offered by the Louisiana Office of Student Financial Assistance (LOSFA), the following is an encapsulated timeline of agency-sponsored events and activities spanning the past state fiscal year, July 2001 through June 2002.

Annually, LOSFA events serve a wide audience, including students, parents, high school and college counselors and administrators, financial aid professionals, lenders and legislators.

It is the mission of all LOSFA outreach activities to provide participants with timely and critical information on agency policies and procedures related to the administration of state and federal programs that help fund the higher education of Louisiana's student population. The Tuition Opportunity Program for Students (TOPS), the Student Tuition Assistance and Revenue Trust (START) Saving Program, and other scholarship, grant and loan programs are highlighted during these activities.

### 2001

#### July/August

- Trailblazer Camp: More than 180 high school seniors from 54 parishes attended the eighth annual Trailblazer Camps held at Northwestern State University and South-



eastern Louisiana University. Designed to appeal to student leaders, the camps are traditionally held during the summer months and combine fun with intensive training in financial aid topics. After camp, senior "trailblazers" returned to their respective schools, where they served as aides to their counselors and guides to their peers throughout the following year.

- During the summer months and at the request of the various colleges and universities, LOSFA School and Lender Services (SLS) representatives attended several Freshman Orientation sessions where they made themselves available for question and answer periods regarding TOPS and student loan processing.
- The Collections Section recovered more than \$1 million in July, an accomplishment that was repeated



*Collector Terry Selders works on resolving a delinquent account.*

four more times during 2002: January, March, May and June.

- The Loan Administration section implemented an e-mail address to be used by customers for all types of loan processing and other requests for assistance. The address, which is located online at [loanprocessing@osfa.state.la.us](mailto:loanprocessing@osfa.state.la.us), will allow the section to receive a loan request, process the transaction and confirm the transaction's completion in a matter of minutes, rather than days.

- In August, the Collections Section completed its first of six loan rehabilitation sales for fiscal year 2001-02. The remaining five sales occurred in October 2001, December 2001, February 2002, April 2002 and June 2002. The six sales totaled \$2,228,212.88, representing an increase of 220 percent over the previous year's sales of \$1,026,479.97. Rehabilitation sales occur when LOSFA's Rehabilitation lender, Sallie Mae, purchases the section's qualified defaulted loans, and result in the restoration of student privileges.

#### September

- In response to President Bush's call for a National Day of Prayer on Sept. 24, agency staff held an outdoor ceremony at noon in remembrance of those lost on 9/11.



*LOSFA's U.S. Flag flies at half staff Sept. 11, 2001.*

- SLS joined with the University of New Orleans (UNO) and various lenders to present a financial aid carnival for students. Participants at the festival, which featured midway games and fair-style food, received tips on



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money management as well as important loan information.

**October**

- LOSFA Assistant Executive Director of Support Services, Col. Mark Riley, reported for active duty with the Marine Corps Oct. 29 in support of Operations Noble Eagle and Enduring Freedom. Col. Riley was assigned to the Staff Judge Advocates Office, Joint Forces Command and later transferred to the Office of Homeland Security.



*Col. Mark Riley reported for active duty with the U.S. Marine Corps Oct. 29, 2001.*

**November**

- During the first two weeks in November, LOSFA dispatched a team of presenters to conduct its tenth annual Guidance Counselor Workshops. Held at seven strategic locations across the state – Alexandria, Baton Rouge, Bossier City, Lafayette, Lake Charles, Monroe and New Orleans – the workshops drew a total of 605 high school guidance counselors, teachers and principals. Attendees learned about the TOPS program and other financial aid options. During the discussion portion of the workshops,

counselors were given an opportunity to raise issues and address topics of immediate concern in



*Public Information Representatives register Guidance Counselor Workshop participants.*

their day-to-day work with college-bound students.

- SLS representatives conducted TOPS Retention Workshops at several Louisiana colleges and universities during the close of the fall semester and just prior to the spring scheduling of classes. These workshops were geared toward helping current TOPS recipients maintain their continuing eligibility for the state’s premier scholarship.

**December**

- START marked the most successful single month in its history, with a total of 315 accounts opened in the month of December. That number, up from just 52 total accounts opened in all of 2000, represented investments totaling approximately \$1 million in December alone. By the close of 2001, the year’s contributions totaled \$3.68 million, boost-



ing the START program’s total assets to more than \$7.56 million.

**2002**

**January**

- A series of TOPS Parent Night Seminars were offered to the general public by teams of LOSFA presenters who traversed the state during the month of January. The seminars provided up-to-the-minute details on TOPS policies and procedures for parents and others responsible for guiding students through the TOPS process. A total of 879 participants were in attendance at nine different venues.

**February**

- In honor of nationally designated “February is Financial Aid Awareness Month,” the Public Information and Communications (PIC) Division joined forces with SLS, under the guidance of Assistant Ex-



*Assistant Executive Director of Operations Melanie Amrhein fields an incoming call during Call-In Night.*

ecutive Director of Operations Melanie Amrhein, to offer the first annual LOSFA Call-In Night. On Feb. 25, as a special courtesy to parents and students who may have

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found it inconvenient to contact LOSFA during the day, a team of financial aid advisors from the professional community joined staffers from PIC and SLS to field phone calls from 6-9 p.m. Callers received information about TOPS and START and advice on completing the Free Application for Federal Student Aid (FAFSA).

- SLS representatives helped coordinate a financial aid fair at Grambling State University, encouraging lenders to join in the spirit of the festival by serving as



*SLS representatives Kelly Hutson (second from right) and Sigmund Morel (far right) promote LOSFA services at last year's festival.*

carnival barkers and offering prizes to contestants while educating students about default prevention. Private businesses such as Ford Motor Credit and nonprofit corporations such as Consumer Credit Counseling Services (CCCS) were also on hand to offer their services to students as on-the-spot consultants in the debt management field. A representative from Ford Motor Credit discussed the availability of purchase incentives for students who graduate with good credit ratings, and representatives from CCCS explained the nonprofit organization's free budgeting service for students.

- A series of library presentations during "February is Financial Aid Awareness Month" enhanced LOSFA's extensive outreach strat-

egy in an attempt to increase the public's awareness of financial aid issues. A team of PIC presenters visited the main public libraries in Donaldsonville and Gonzales, providing audio-visually enhanced programs and distributing brochures, booklets and flyers.

- In figures released by the U.S. Department of Education (ED), LOSFA showed a 33 percent drop in its cohort default rate, reducing its previous rate from 9 percent to 6 percent – a record low for the agency. The cohort default rate is defined as the percentage of borrowers in the Federal Family Education Loan Program (FFELP) who enter into loan repayment status during a certain year, but default on that loan before the end of the following year.

### March

- The Louisiana Student Financial Assistance Commission (LASFAC) extended the TOPS initial application deadline for graduating high school students who join the military. As a result of the commission action, students who enter into active duty with the U.S. Armed Forces within one year of their graduation from high school will now have a final deadline for receipt of the FAFSA application of one year from the date of their separation from active duty.

### April

- Senate Bill 19 passed unanimously during the First Extraordinary Legislative Session of 2002 and mandated several changes to the START Saving Program. The bill, authored by Sen. Fred Hoyt of Abbeville, clarified that savings may now be

used to pay for educational costs at graduate and professional schools and also allows account owners to choose an equities investment option for their deposits and still qualify for state matching funds. In addition, the bill increased the amount that can be saved before an account is considered to be fully funded. Finally, the bill allows state matching funds to be credited to the accounts of resi-



*Sen. Fred Hoyt, author of START legislation Senate Bill 19.*

dents with beneficiaries who do not live in the state.

- State Rep. Charles McDonald of Bastrop was featured in a videotaped public service announcement that was broadcast on television stations across the state, alerting students to the impending July 1



*Rep. Charles McDonald*

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deadline to apply for TOPS awards without incurring penalties.

May

- Renewal and Initial Eligibility TOPS processing for Award Year 2002-03 began May 16, the earliest processing date since the inception of the program in 1998.



*The LOSFA logo represents a commitment to excellence in administering Louisiana's complex financial aid programs.*

June/July

- LOSFA placed a START media campaign, which included television commercials and newspaper ads in all the state's major markets.
- Loan Operations Director Pat Shannon retired after 33 years of service with LOSFA. Lynda Downing, former administrator of the Default Prevention section, was named as Shannon's replacement.
- The Collections Section recovered \$12,048,826 for fiscal year 2001-02, achieving 96 percent of the section's goal for in-house collections.
- The Loan Administration Section processed more than 147,000 loan transactions during the year, which totalled a guaranteed loan volume of \$254,179,808. This figure represents

resents an increase of 8.1 percent over the previous year

Throughout the year:

- The LOSFA Publications Section produced a wide array of informative brochures, booklets, pamphlets and newsletters, in addition to publishing most of the agency's promotional materials relating to financial aid. This section also provides all of the extensive support materials needed for PIC and SLS workshops, seminars and camps.

The Louisiana Financial Aid Handbook, published by LOSFA, is the comprehensive informational resource for state and federal financial aid programs. It also includes contact information for numerous private sources of funding for higher education.

LOSFA also published the informative TOPS brochures, the Don't Blow Your TOPS poster series and TIPS ON TOPS flyers. These invaluable resources are designed to summarize program requirements in a user-friendly format, providing easy access to complex information for students, parents and administrators.



*LOSFA produces a variety of publications that explain various state and federal financial aid programs and provide vital contact information for students.*

- Serving as the front line of assistance in more than 90 percent of the public's initial contact with the agency is PIC's Automated Call Distribution (ACD) unit. The unit provides up-to-the-minute information and solves pressing problems for callers and e-mail clients who need accurate and timely financial aid intervention. In addition, PIC representatives travel extensively during the year, delivering presentations to high schools, libraries, businesses and organizations across the state.

During Fiscal Year July 2001 - June 2002, the ACD Unit visited 78 high schools, attended 31 school browse sessions and made 55 presentations to the general public. The unit distributed 11,005 TOPS brochures and 5,630 TOPS Tech brochures to students and parents; provided 59,649 TOPS brochures and 2,200 TOPS Tech brochures to guidance counselors; made presentations to 1,632 counselors; and answered 2,377 client e-mails and 67,764 customer phone inquiries.



*Automated Call Distribution (ACD) staffers Kristen O'Neil (far left), Jennifer Guhman (front) and Susan Kaufman (rear) respond to an incoming call.*

For more information on LOSFA programs and services, please contact one of our public information representatives at our toll-free number, (800) 259-5626, Ext. 1012.



# Northwestern Trailblazer Camp 2002



# Southeastern Trailblazer Camp 2002



More than 187 high school seniors representing 180 schools from across the state attended the ninth annual Trailblazer Camps presented by the Louisiana Office of Student Financial Assistance (LOSFA). The camps were held at Northwestern State University in Natchitoches July 14-16 and at Southeastern Louisiana University in Hammond July 21-23.



The many training seminars and activities held during the three-day events covered a wide variety of financial aid topics, including: The Tuition Opportunity Program for Students (TOPS); how to obtain financial aid online by using the Internet; the Free Application for Federal Student Aid (FAFSA); other LOSFA scholarship, grant and loan programs; the college admissions process; making informed career choices and loan repayment responsibility.



Also featured during the intensive, fun-filled camps were financial aid-styled versions of popular television game shows such as Jeopardy and Who Wants To Be A Millionaire (Who Wants To Go To College).

When returning to school in the fall, campers will be well equipped to use their newfound financial aid knowledge to assist their guidance counselors in helping classmates obtain funding for higher education.





## Default Prevention section achieves new record

**T**hrough the diligent efforts of a well-trained staff and the assistance of other support sections, the Default Prevention Section of the Louisiana Office of Student Financial Assistance (LOSFA) achieved a record setting 94.4 percent loan default aversion rate for state fiscal year 2001-2002. This represents an increase of 11.49 percent over the last state fiscal year.

The aversion rate is calculated by dividing the number of aversions (accounts brought current) entered by the total number of lender requests for assistance (LRAs) received.

The new record was realized with the assistance of LOSFA's Information

Technology Division, which developed a new software program that stores default prevention records on the agency's local operating system. This enables additional delinquency letters to be automatically generated based on the borrower's delinquency date, a process that was previously manual.

This new software program also allows staff and management to request and print special reports, such as the new LRA Acknowledgment Report, in a daily, weekly and monthly format, in addition to providing special request reports.

The time saved by this process is being used by Default Prevention to perform additional collection efforts on targeted groups of accounts, such as high and low balance accounts, potential default accounts and repeat delinquency borrowers.

The section's skip-tracing procedures have also been enhanced through contact with out-of-state Department of Motor Vehicles and Department of Labor agencies.

Default Prevention now faxes or mails requests to these agencies on a weekly basis, with responses received by the next, if not the same, business day. Previously, this information was not available from some agencies, while others could take weeks to respond to manual requests.

This improvement in mutual communications, in addition to enhanced software, has aided in the speedy location of many borrowers. In the coming year, the Default Prevention staff will continue to work closely with borrowers, lenders, servicers and schools to prevent as many defaults as possible.

### Shannon

continued from page 1

Continuing her tireless efforts on behalf of the agency, in 1983 Shannon developed and staffed a new section called Pre-Claims, which she coordinated, in addition to her responsibilities as head of the Collections Section. Another new section, Claims, was added to Loan Operations in 1985.

In 1993, in conjunction with an agency restructuring, Shannon was appointed Director of Loan Operations, overseeing all of her creations. She served in that capacity until her retirement this June.

Upon her retirement, Shannon received a commemorative plaque and a standing ovation from the Louisiana Student Financial Assistance Commission (LASFAC) in honor of her tireless dedication and able leadership throughout her tenure with LOSFA.

"I'm grateful I had the opportunity to work for LOSFA and I've thoroughly enjoyed my years of state service," she said. "However, I know Lynda (Downing) is extremely competent and will do a tremendous job of carrying on the worthy venture of helping to fund the higher education of Louisiana's students."

## Mapping-Your-Future Update

Whether planning a career, selecting a school or paying for college, the LOSFA-sponsored Mapping Your Future Web site is an all-inclusive resource tool for students, parents, financial aid administrators and counselors. The site—which is located at [www.mapping-your-future.org](http://www.mapping-your-future.org)—features a wealth of information for middle, high school and college students. Financial strategies, career options, college planning and online student counseling are just a few of the topics available from Mapping Your Future. The site also sponsors numerous chat events annually, so keep tuned to the Web site for upcoming dates.



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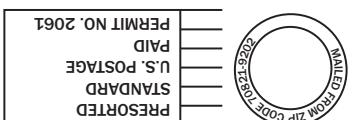
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