Office of Scholarships and Financial Aid
Institutional Effectiveness Report
September 2003

Summary:
This report will summarize the activities of staff members in the Office of Scholarships and Financial Aid during the 2003 summer semester as well as providing a projection of scheduled activities for subsequent semesters.

Staffing Updates:
New Counselor Begins:

Glenda Despenza officially began her duties on Monday, July 7, 2003. Glenda has worked for over fifteen years in the financial aid field so she was able to provide some immediate relief to the counselors and assistant directors. Glenda began working with Assistant Director Carolina Thompson’s assigned part of the alphabet after several weeks of training by Carolina on institutional processes and procedures. She also spent a significant amount of training time with Assistant Director Nadine Lewis. Nadine has been handling all administrative duties associated with institutional endowed scholarships. Glenda will be assuming most of these duties which will provide Nadine with additional time to deal with the Law students.

Nadine is currently the only staff member assigned to the Law School campus. She is scheduled to move into a bigger office in September. She will then have enough space to be able to accommodate a student worker in her office who can aid her with administrative tasks.

We anticipate that we will complete the “official” re-assignment of student files to the counselors in early October. Since some families get very attached to their counselors, we are hoping that waiting until then will minimize the stress some families have during what is already a very stressful time. Each of the counselors (Glenda, Brian Fox, and Shirley Davis) will be responsible for approximately 30% of the student body (excluding Law). Carolina Thompson will be responsible for 10% in addition to her duties supervising the counselors.

Claudia Aguirre replaced Keith Mueller as Associate Director for Information Technology on February 5, 2003. Claudia’s significant programming experience has allowed her to make significant structural improvements into HOW we perform many tasks, especially the reconciliation of federal and private loan receipts and disbursements. She continues to work closely with Carolina Thompson and the Information Technology staff to learn more about the financial aid process and Loyola’s mainframe system.
We are particularly grateful to Brett Jacobs, JoAnn Wellmeyer and Bob Farrell of the Information Technology staff for their ongoing support during this time.

“The Technology Pyramid”
During the past three years, the staff have worked tirelessly to achieve Dean Debbie Stieffel’s directive to move office operations into the 21st century. The current issue of the National Association of Student Aid Administrators tri-quarterly magazine *student aid Transcript* (Volume 14, No.2, 2003, pages 8-14) has an article on The “Technology Pyramid”. After literally starting somewhere between “Level 0” and “Level 1”, we are now working at “Level 5” with “Level 7” being the top of the pyramid.

We have “enjoyed” various degrees of success as we have implemented these new processes. Our challenge for the upcoming year will be to solidify the implementation of “what works” while “tweaking” what currently doesn’t “quite work” as we feel it should.

(Note: since the NASFAA site is password protected, I can send you a traditional paper copy of the article if the link doesn’t work.)

Processing System Updates
The major technological challenge that we faced this summer involved updating several facets of our electronic loan processing. Electronic loan processing options offered by lenders to the students and schools have radically transformed operations in aid offices over past several years. Recognizing the scope of the change, various players in the federal student loan industry banded together several years ago and agreed upon common electronic standards to be used to facilitate the processing of loan data between lenders, schools, and guarantee and disbursing agencies. With a tremendous amount of support from Brett Jacobs, JoAnn Wellmeyer and Bob Farrell of the Information Technology staff and Mary Fran O’Herron from SCT, Claudia successfully oversaw the transition from the Commonline 4 standard to Commonline 5.

The Commonline 5 standard is scheduled to be replaced by the new XML standard for the 2005-2006 academic year.

The Commonline 5 system allowed us to initiate processing of new Master Promissory Note ("MPN") feature under the Federal PLUS Loan Program. The PLUS MPN process adopted the same logic used when several years ago when the feature was originally offered in conjunction with the Stafford Loan Program. Parents will only be required to complete one initial MPN for each dependent student. Subsequent loan disbursements can be electronically added to the initial note without requiring the parent borrower to complete a new application and submit it to the Financial Aid Office for certification.

Schools will be required to implement the MPN feature under the PLUS Program during the 2004-2005 academic year so we are happy that we were able to offer this feature to our families this year. Although there are still some “rough edges” to work out, we now can offer our parent loan borrowers a totally electronic PLUS application process from
online pre-approval to electronic signature to disbursement. Our challenge is trying to educate the parents about the electronic process and that they should only complete and submit one application for one loan through one lender at a time.

We also completed the transition to Sallie Mae’s “Open Net” System from their older “Net Wizard” system in August. Rick Gilchrist, our assigned Technical Consultant from Sallie Mae made several trips to the campus in June and in August to train Claudia on the system. The entire counseling staff participated in a 3 hour web-based training session on Friday, August 1, 2003 with Sallie Mae’s technical services staff. This was our first attempt at utilizing web-based training session with Sallie Mae’s technical staff in Indianapolis. We are excited that the technology now exists to permit this “long-distance” interactive training.

Open Net will permit us to run customized reports that will hopefully help us provide the Business Office with more accurate forecasts of when funds will be disbursed (especially for the Spring semester). Since families are also critical players in this process, it should also help us identify those who have failed to complete the application process and perform all appropriate follow-up. Finally, the technology, once we master it, will give us the option of looking at expanding the lenders and guarantee agencies we currently utilize. To date, we have transmitted a total of 2,391 Federal PLUS and Stafford Loan applications with a gross value of $12,327,135 for the 2003-2004 through Open Net. The breakdown of volume between programs is:

<table>
<thead>
<tr>
<th>Loan Program</th>
<th>Number of Loans</th>
<th>Total Net Amount to Be Disbursed</th>
</tr>
</thead>
<tbody>
<tr>
<td>PLUS (parent loan)</td>
<td>247</td>
<td>$1,929,649</td>
</tr>
<tr>
<td>Subsidized Stafford</td>
<td>1,299</td>
<td>$4,722,683</td>
</tr>
<tr>
<td>Unsubsidized Stafford</td>
<td>845</td>
<td>$3,606,217</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The Stafford/PLUS volume for lenders on our “preferred” list who disburse funds through Open Net breaks down to

<table>
<thead>
<tr>
<th>Lenders</th>
<th>Number of Loans</th>
<th>Total Net Amount to Be Disbursed</th>
</tr>
</thead>
<tbody>
<tr>
<td>LELA</td>
<td>857</td>
<td>$4,267,031</td>
</tr>
<tr>
<td>Bank One</td>
<td>444</td>
<td>$2,317,979</td>
</tr>
<tr>
<td>Citibank</td>
<td>335</td>
<td>$1,572,084</td>
</tr>
<tr>
<td>Hibernia</td>
<td>296</td>
<td>$1,327,106</td>
</tr>
<tr>
<td>Whitney</td>
<td>109</td>
<td>$474,026</td>
</tr>
<tr>
<td>Nellie Mae</td>
<td>4</td>
<td>$61,152</td>
</tr>
</tbody>
</table>

Notes:
1. LELA continues to be the major lender for all students (except Law) due to the fact that they do not assess a 3% loan origination fee. The Access Group is the major lender for the Law School because they do not assess a 3% loan origination fee. Both LELA and the Access Group are non-profit organizations and offer only limited additional products and services to borrowers.
2. LELA, the Access Group, and Citibank are not "Sallie Mae lenders". This means that Sallie Mae essentially makes very little money for processing these loans through the Open Net system.

3. These figures only reflect loans processed through Sallie Mae's system. To simplify our lives, we have tried to encourage students to utilize lenders that have processing agreements with Sallie Mae. We have not forced students who have other lenders to switch just so our lives will be easier. Loans from the Access Group disburse their awards from their own system.

Financial Aid Internet Homepage Redesigned

Our students are very comfortable working on the Internet. After we moved all financial aid awards over to "LORA" two years ago, we discovered how many students were online at night while the rest of us slept!

The Department of Education continues to emphasize the school's responsibility to provide a wide range of consumer information to students. The Internet allows us to meet these requirements and save money that "in the good old days" would have gone to postage. The Department firmly believes in the value of web-based systems and has moved many processes to the Internet during the past 5-7 years.

The Department is especially concerned that schools do what they can to make sure that students who are borrowing under the federal student loan program attain some level of financial literacy while they are in school so that they are prepared to repay their federal student loans. The average Stafford loan debt for undergraduate students who completed their degrees at Loyola University New Orleans in December 2002 and May 2003 was $15,583. The average Stafford debt for Law students was $54,664. Finally, the average debt for Graduate students was $31,632. Using a standard 10 year repayment plan, this translates into the following range of monthly payments (based on an interest rate which cannot exceed 8.25% for Stafford):

- Undergraduates: $151.51 - $191.13 per month
- Graduates: $311.61 - $387.97 per month
- Law: $538.50 - $561.43 per month

Cathy was approached by officials from Sallie Mae in late July about a new service that they would offer to all of their school partners. Basically, Sallie Mae would develop and maintain a basic web site that met all basic federal consumer information requirements. Schools could customize the site's look and add additional links to specific institutional data. Schools would also have the flexibility to add up to 10 sites to customize information for different segments of their study body.

After going through a web-based training session for the "e-FAO" product in late July, Cathy became convinced that, using this product was simple enough to learn that she could move responsibility for the office's web page to another staff member during the 2003 fall semester.

In preparation for that move, she set up the office's revised site which has dedicated sections for Undergraduate Students, Law Students, Graduate Students, City College
Students, and an “Early Awareness” section for younger students and parents planning for college. She wanted to have the undergraduate and early awareness sites up and running when the Admissions counselors began their recruiting trips in September. Several links with the site offer families the option of seeing information in either English or Spanish, an option that should be well-received by our Hispanic students and their families.

So far, reaction to the new layout has been very positive. We always recognize that the aid application process is VERY intimidating, especially for the parents of the incoming undergraduates. We hope that they, in particular, will find the site easier to navigate.

The sites also have an elementary counter program which lets us see how many “hits” each link on the site has received. The undergraduate site became “live” during the week of July 27, 2003 and had logged 933 “hits” by August 30, 2003. The Law, Graduate, and City College sites became “live” during the week of August 3, 2003 and logged the following hits by August 30, 2003:

1. Law 132
2. City College 112
3. Graduate 121

Since we did not really publicize the change, we are happy to see these numbers (which are continuing into September). We are also happy that we can see what parts of the site the students are visiting. Not surprisingly, “cost” and “applying for loans” were the most popular links in August.

*Other Web-Based Functions Available to Students and Parents:*

Students must annually complete the Free Application for Federal Student Aid ("FAFSA") to participate in all federal aid programs except the PLUS Loan Program. The Department now releases statistics to the schools so that we can track how and when our students are applying for federal student aid.

- For the 2002-2003 processing year (1/1/02 through 6/30/03), a total of 7,116 students completed a FAFSA application and sent the data to Loyola University New Orleans
  - 2,784 students (39%) completed traditional “paper” applications. The remainder applied using the electronic (16) and web-based (4,316) options.
- For the 2003-2004 processing year (1/1/03 through 9/7/03), a total of 6,546 students have completed a FAFSA application and sent the data to Loyola University New Orleans.
  - 1,890 students (29%) completed traditional “paper” applications. The remainder applied using electronic (8) and web-based (4,648) options
All “first-time borrowers” in the Federal Stafford Loan Program must complete an “Entrance Counseling Session” before funds can be disbursed to their accounts with the Student Finance Office. Our records indicate that 350 entering students completed this requirement online between April 30, 2003 and August 30, 2003. From what we can see, the majority of students are completing this requirement late at night and into the early morning hours.

National Student Clearinghouse:
We just received the 2002-2003 year end report from the National Student Clearinghouse. This is another web based service that we began in 2002-2003 in an attempt to move time-consuming manual operations away from our office and the Student Records Office. They report that they:

- Processed 60,450 paper and electronic student loan deferment forms for Loyola students
- Processed 4 Student Status Confirmation Reports (SSCRs) that reported enrollment information on 14,174 students to the Department of Education.
- Recorded 876 times student loan providers looked up enrollment records for Loyola students via the Clearinghouse web site instead of generating phone or paper inquiries.

TOPS and LEAP Audit by the Louisiana Office of Student Financial Assistance:
Jimmy Loveless, an auditor with the Program Review Department of Louisiana’s Office of Student Financial Assistance performed an on-site review of our TOPS and LEAP records for the 2001-2002 and 2002-2003 academic year from July 28 -30, 2003. During those two years, approximately 1,468 students received $5,841,931 in aid from these two programs. Mr. Loveless performed a detailed audit of 73 award recipients records. Although he did note two minor findings associated with the processing of TOPS awards, neither was material so the university did not have to return any funds to the state.

Reconciliation Activities:
\[ \text{Pell recd.} \quad \text{CAT} \]
\[ \text{Stafford + Alt. Loans} \quad \text{Kim & Claude} \]

Other Training/Networking Activities:

At the request of Dr. John Cornwell, Cathy attended the initial meeting of Loyola’s “ACE Consortium” on August 19, 2003. The Office of Scholarships and Financial Aid will become a participating member of the Consortium during the upcoming academic year.

Both Cathy and Nadine were nominated by the members of the Louisiana Association of Student Financial Aid Administrators for positions on the Board of Directors. Cathy was unanimously elected to fill the newly created position of representative for the LAICU schools. At this point, Nadine will be attending the fall meeting on October 8-10 in Shreveport for Cathy (who had previously scheduled workmen to come level her sinking house before she was informed that she had been elected to the board).

The local financial aid directors continue to meet almost every month to share common problems and solutions. This has been a great resource for all of the Directors as we freely share what “has worked” and “hasn’t worked” at each of our schools.

Presentations and Other Outreach Activities:
Cathy spoke at the New Faculty Orientation on August 14, 2003 and stressed (for those who will be serving as advisors) that, if a student chooses to withdraw from Loyola University, the rules for refunding tuition charges do not supercede the rules that govern federal and state financial aid funds.

We also continue to “publish” our monthly electronic newsletter, “F.A.C.T.S” (Financial Aid Counseling Tips for Students ...and those who love them). The newsletter has 313 “subscribers” as of September 30, 2003. We also send out the newsletter over the campus mail network. The current issue is posted on the publications section of our Internet homepage. Prior issues are archived on our website and now serve as a template for subsequent issues. Very little “new time” now needs to be spent on this project.

We also continued to participate in Nellie Mae’s “FinMan” program. This program provides financial management tips to both undergraduate and graduate students. Finally, we will continue to work with Bank One to provide a quarterly electronic newsletter for high school students and their parents about the aid application process. These newsletters (which are basically written and produced by the Bank One staff), will be archived in the Early Awareness portion of our web page. We continue to receive positive feedback from our students and their parents about the value of our written and electronic communications.

Representatives from our “preferred lenders” as well as our Customer Service Representative from the Louisiana Office of Student Financial Assistance were available to families on June 25, July 11, and August 22 during the three summer Preview sessions offered through New Student Orientation. Many families still like to have the opportunity to sit down and talk with “a person” and having the representatives located in a room across from the “Parent’s Breakfast” on those days allowed us to spend more “quality time” with the families who “needed to talk to someone.”

Representatives from Bank One, Nellie Mae, Citibank, and Sallie Mae also provided critical staffing support in throughout the summer. These four lenders also provided staffing support and full financing for our “traditional” publications. Cathy was particularly pleased to see many of the freshmen parents carrying the folder that she designed and that Citibank produced for us to use with our entering undergraduate awards.
Internal Loyola Structural and Processing Issues:

Internal Auditing Program Partly Implemented:
One of our goals for the 2002-2003 year was to implement an internal “quality control”
program. Carolina has been charged with fully implementing this process for the 2003-
2004 academic year.

Last year, we requested that the counselors code a data element in the system anytime a
student receiving federal financial aid withdrew from Loyola. Based on setting that code,
supervisors then pulled a monitoring list to check the mandatory refund calculation. One
thing we forgot to include in the initial process was to establish a method to check that
the counselors were remembering to input the appropriate code in the appropriate place
on the system. In our continued efforts to improve the process, the Student Records
Office will now send us a report at the end of each month that lists all students who have
withdrawn from the university. This monitoring report will be a tool for the supervisors
to use to insure that counselors have correctly completed any mandated federal and
institutional refund calculations and mailed any necessary “exit loan” counseling
materials to students.

Unofficial Withdrawals:

We must disseminate exit-counseling information to all students within 30 days of the end
of the loan period. We began mailing out packets last week to the students who actually
did graduate. The remaining packets must be mailed out by the end of this week so that
we will be in compliance with the regulations. Counselors will then try to determine the
status of the students who were EXPECTED to graduate in May, but who apparently did not.

Processing Aid for Returning Students:

We must disseminate exit-counseling information to all students within 30 days of the end
of the loan period. We began mailing out packets last week to the students who actually
did graduate. The remaining packets must be mailed out by the end of this week so that
we will be in compliance with the regulations. Counselors will then try to determine the
status of the students who were EXPECTED to graduate in May, but who apparently did not.

Processing Aid for Returning Students:

Pell - 2nd full year of Cob
Outside Scholarship

Work on Policy and Procedures and Technical Manuals Continues:
Claudia has made significant strides towards producing an extraordinarily detailed
technical manual that defines all routine operations. She utilized the “Snag It” software
program that allows us to copy into the manual the actual copy on the computer screens
each stage of the process. This will be a tremendous resource to any person that
needs to run a program in her absence.

All staff members continue to work towards the goal of having all processes and
procedures documented in one general online procedures manual. Under Carolina’s
direction, Brian continues as the major editor and writer of this document. The
continuing challenge of a procedures manual in any aid office is that all major players in
the aid process (especially the federal government and the Louisiana TOPS Program) are
continually updating their processes in an effort to better serve both students and parents.
Recertification Documents Submitted to the Department of Education:
Cathy submitted all required paperwork to the Department of Education in April to renew our program participation agreement for Title IV aid programs. She requested approval for City College’s graduate certificate programs so that we could expand services to those students. However, she received a phone call last week from a Department of Education official that the certificate programs could not be approved until they received further information on them from our accrediting body (The Southern Association of Colleges and Schools Commission on Colleges). These students can receive non-federal loans right now and most are working full-time so financing is not a significant problem for them. However, with the drop in interest rates for federal Stafford loans, we felt we should seek approval from the Department to include them as “eligible” students for Title IV aid.

Upcoming Projects:
Led by UNO’s Emily London-Jones, the local financial aid directors are organizing a metropolitan area “financial aid awareness” day at the Municipal Auditorium in February 2004. We will be coordinating publicity for the program with the assistance of a student intern from Loyola’s Donnelley Center for Non-Profit Communications.

- Brian and Carolina will learn the Dreamweaver program so that they can automatically update the procedures manual and one of them will be assigned to update our website as needed.
- We have requested training assistance from the Information Technology Department so that all staff can become “fluent” in using Web FOCUS.
- We must prepare to handle the “Masters of Science in Nursing online” program proposed to begin in January 2004. Cathy has initiated discussions with Federal Department of Education staff to make sure our efforts are in full compliance with federal mandates. She has also began talking to other schools that offer online programs and requested copies of their “satisfactory academic progress” policies for federal aid recipients.
- The Department of Education’s Electronic Access conference will be in New Orleans on December 2-5, 2003. The Department does not currently charge a registration fee for these conferences so we hope the majority of the staff will be able to attend.
- We work closely with the Office of Undergraduate Admissions during the fall semester to supplement their recruiting efforts. Cathy will be doing a presentation for the St. Tammany school system parents and students on November 18. The presentation will be videotaped and available on the St. Tammany Parish Public School Cable Access Station (Channel 13) for any who chooses to do something else on the night of November 18. Cathy is also scheduled to do a presentation at St. Stanislaus Academy on the night of December 11.
- The staff will be featured in the annual report of the Louisiana Education Loan Authority ("LELA").

Needs:

Summary:

Cathy Simoneaux

Director
Office of Scholarships and Financial Aid
www.loyno.edu/financialaid

Fall Workshops
Consolidation (Jan.)
Credit Recovery
Credit
FASFA Awareness Day
Rm. 307A