Office of Scholarships and Financial Aid
Institutional Effectiveness Report
January - May 2002

Summary:
Under the leadership of Debbie Stieffel, the Dean of Admissions and Enrollment Management, staff members in the Office of Scholarships and Financial Aid have continued their efforts to restructure all office operations and expand the services offered to students and their families.

Staffing Changes:
Colette Fortuna joined the staff on March 5, 2002. Colette replaces Marie Jo Foreman who resigned in January 2002 due to her husband’s illness. Colette will be working with Kim Rankins in our Reception Area and will primarily be responsible for handling telephone calls and requests from students and parents who “walk in” to the office.

Juan Arias, a junior in the College of Business, began an internship in our office in March 2002. Juan will assist Keith Mueller in designing and developing effective accounting systems for reconciling electronic loan disbursements.

Training/Networking Activities:
Cathy Simoneaux is currently serving on the local arrangements committee for the 2002 conference of the National Association of Student Financial Aid Administrators that will be held in New Orleans from July 21-24, 2002. She served as the liaison to the chair of the “Carnival of Learning” Program. This program will be held on July 20, 2002 and is geared towards middle school students with the goal of encouraging them that “College is Possible”. The conference committee also accepted Cathy’s suggestion that the local Reach Out Read Program housed at the Medical Center of Louisiana be the beneficiary of the annual book drive that is held at the conference.

Earlier this year, the Financial Aid Directors from the area colleges and universities decided that all would benefit from a monthly meeting where we could discuss issues and help each other address problems and concerns. These luncheon meetings are held on the first Friday of each month. Education First, the marketing arm for federal student loans underwritten by Chase Manhattan Bank, covers the cost for the food. A different school hosts each month. Loyola will host the June meeting. Schools participating include Tulane, Dillard, Xavier, Holy Cross, UNO, Southeastern, and Southern (New Orleans).

We hosted a workshop sponsored by Citibank on February 21, 2002 on the new regulations that allow electronic “signatures” for federal student loans starting with the
2002 – 2003 academic year. Our counselors and assistant directors attended as well as representatives from Tulane, Holy Cross and LSU in Baton Rouge.

With the projected drop in interest rates for Federal Stafford and PLUS Loans for the 2002 – 2003 academic year (http://usatoday.com/usatodayline/20020425/4058508s.htm), we asked a representative from SALLIE MAE (http://www.salliemae.com/borrowers/consolidation.html) to come and do a training session on the federal loan consolidation program. The training was held in the multi-media room of the library on the morning of March 25, 2002. Our counselors and assistant directors attended as well as several financial aid counselors from Tulane. Dee Danner (Loyola’s Perkins’ loan officer) also attended.

Nadine Lewis attended a workshop sponsored by the Access Group at Tulane University Medical Center on March 28, 2002. The Access Group continues to be the predominant lender for the Law School.

Cathy and Nadine attended the American Association of Law Schools Pre-Conference seminar on customer server issues held here on January 2, 2002.

Cathy, Keith, and Carolina Thompson attended the supervisor training sessions held in January and February by the Department of Human Resources.

Representatives from our “preferred lenders” for Federal Stafford and Plus loans were invited to attend our Tuesday morning staff meetings in January and February. This gave them the opportunity to update all personnel about changes in their programs and services for the 2002-2003 academic year. Ms. Kelly Hutson, our customer service representative from the Louisiana Office of Student Financial Assistance also came one Tuesday and updated the staff on TOPS scholarship requirements.

Shirley Davis attended the Louisiana Association of Student Assistance Program (LASAP) Conference held at New Orleans Marriott Hotel on March 27-29, 2002. Shirley will be working with Loyola’s Upward Bound Program (a member of the Association). Workshops and seminars focused on student services before, during, and after attending institutions of higher education. There were opportunities to network with various state, and university personnel and discuss issues involving new students and retention of upper class students.

Brian Fox attended the 2002 spring workshop organized by the Louisiana Office of Student Financial Assistance on April 24, 2002.

Presentations and Other Community Outreach Activities: Shirley was the featured guest speaker at the "Spring Tea" sponsored by The National Coalition of 100 Professional Black Women on Saturday, April 20, 2002. The targeted population for the program was inner city females in grades 9-12 who aspire to attend college. There were about 150 students and parents in attendance.
Cathy spoke to approximately 70 Loyola parents and relatives during the Parents Annual Weekend program on March 15. She addressed several hundred parents at The President’s Open House on April 6, 2002. Cathy also spoke to Loyola’s Upward Bound students in January.

Nadine spoke at the two “Open House” functions held at the Law School during the semester. Nadine also continues to serve on the board of New Orleans’ Dollars for Scholars’ Program. She also represented Loyola at the awards ceremony honoring Orleans and Jefferson Parish students who received awards from their Dollars for Scholars Program.

In April, representatives from Sallie Mae invited Keith to speak to a group of financial aid administrators from Texas who are considering switching their student loan processing back to the Family Federal Education Loan Program (“FFELP”) from the Direct Loan Program.

Operational Changes:
• Communications/Education Issues:

We hosted our first annual Financial Aid Awareness Day on February 14, 2002 in the reception area outside the Orleans Room in the Dana Center. Representatives from our “preferred lenders” were available to discuss their loan products. We also had representatives from the Louisiana Delta Service Corps, the Louisiana Office of Student Financial Assistance (“LOSFA”), and the Army, Navy and Air Force ROTC battalions available for the students. We now have some additional ideas that we will utilize to increase student attendance at next year’s event. Other schools have successfully utilized similar programs on their campuses to increase awareness about aid resources among students. The lenders’ representatives, as well as the representative from LOSFA, also participated in the “President’s Open House” on April 6, 2002.

We published our first electronic monthly newsletter in April 2002. Anyone can subscribe at http://www.loyno.edu/financiaiaid/publications.html. “Back issues” will also be archived at this site. As of May 31, 2002 we have 185 subscribers. I am also sending an e-mail over the Loyola campus mail network each time we “post” a new issue on our homepage so that the entire campus community can access the information.

We have continued to send out a steady stream of messages over the campus e-mail network discussing financial aid issues and deadlines as well as information on “outside” scholarships. Approximately 47 messages were sent during the 2001-2002 academic year (23 during the fall semester plus 24 during the spring semester). Included in this total are 5 messages about renewing aid for the 2002-2003 academic year. We also sent a traditional paper letter to all parents of currently enrolled dependent undergraduates on March 6, 2002 reminding them of renewal application requirements.
The implementation of Retention TRAX will also aid our communications efforts. Many students have commented to us that, due to the volume of messages received, they automatically delete all campus e-mail messages. Earlier in the spring, Keith learned how to capture a student's "preferred" e-mail address from the student records system. The 2002-2003 Free Application for Federal Student Aid ("FAFSA") also permits students to report an e-mail address that is captured within our system. With these two additional sources, we hope to be able to target messages to specific groups and, in the process, decrease the cost of postage in our budget.

We sent out "traditional" letters in early January to students whose fall cumulative GPA was below that required for continuation of their awards for the 2002-2003 academic year. A similar letter was sent to Louisiana students receiving TOPS scholarships.

We also sent out letters in January and February 2002 to over 30 undergraduate students who had attempted more than 160 hours but still not completed their undergraduate degree requirements. We reminded these students of the "maximum time frame" component of Loyola's "satisfactory academic progress" guidelines and encouraged them to complete their degree requirements as soon as possible.

We sent letters to approximately 27 students in late February / early March reminding them that their merit scholarships would expire at the end of the 2002 Spring semester. These students had an "expected graduation date" of May 2002 on the system but had not filed for commencement at that point. As of May 27, 2002, this group is composed of:
- 10 students who are reporting an expected graduation date of December 2002;
- 12 students who are reporting an expected graduation date of May 2003;
- 1 student who is reporting an expected graduation date of August 2002;
- 4 students who have not pre-registered for either summer or fall.

To date, two of the students have requested an extension of their academic scholarships. We will be meeting with the Deans in June to determine what actions to take with all these students' awards.

We are always looking for new ways to help our students become better equipped to handle their own financial affairs. We are participating in a new financial management for students program offered by Nellie Mae called "FinMan". Quarterly e-mail messages are sent to the financial aid office that we then distribute to the student body. This program will be expanded during the 2002-2003 academic year to provide several sets of messages geared towards targeted populations (undergraduate versus graduate and professional, etc.). Two of our undergraduate students received free phone cards from Nellie Mae for participating in this program.

Our "preferred lenders" under the FFELP Program continued to help underwrite the cost of all our mandatory consumer information publications. Bank One, Citibank, Lela and Nellie Mae have helped us format, edit, and publish several major pieces. Besides providing some budgetary relief, this partnership has provided additional technical knowledge that has allowed us to increase the quality of our publications. (NOTE: We
paid approximately $4,620 for our undergraduate and graduate financial aid brochures during the 2001-2002 academic year.)

One of our goals for the 2002 spring semester was to convince the Office of New Student Orientation to add Sallie Mae's “Life Skills” curriculum to the summer preview sessions. Shirley attended the Life Skills "Train the Trainer" Workshop on Thursday April 25 at Delgado Community College. The workshop introduced a new curriculum that helps students understand the importance of money and time management. The program consists of five modules that can be implemented at various stages throughout the years students attend college. I did meet with Karen Shields and she was unwilling to change the orientation schedule to include the initial modules of the program. Therefore, we did arrange to offer it on an experimental basis at the conclusion of the first and second preview sessions (June 25 and July 12). Shirley will coordinate all aspects of the program's implementation at Loyola. We have posted information about the program on our website at http://www.loyno.edu/financialaid/lifeskills.html. We sent an e-mail out to approximately 150 entering freshmen inviting them to participate in one of the sessions. We sent a traditional paper letter to all remaining students who had not reported an e-mail address on their FAFSA. We also sent out an announcement on the campus e-mail network. It generated several inquiries from upper division students who are interested in the final two modules. Based our experiences with the summer sessions, we will move forward with an implementation program for the 2002-2003 academic year.

We would also like to bring this program to the “Upward Bound” students.

Sallie Mae also unveiled TrueCareers.com, a web site designed to help students find jobs. Cathy met several times with Susan Bravato, their Southeastern University Relations Manager to see which resources would be helpful to our students. The site has several online resources that let students research average starting salaries for numerous positions in cities across America then “walks them through” the process of creating living expense budgets based on the cost of living in a designated area. As the average indebtedness of our graduates increases, we need to encourage our students to borrow wisely, taking into consideration their desired careers and ultimate place of residence.

- Development of an Internal Policies and Procedures Manual
  Carolina Thompson and Brian Fox continue work on the first ever, comprehensive Policies and Procedures Manual for the Office of Scholarships and Financial Aid. Kenn Posey, the Director of Financial Aid at LSU in Alexandria, generously shared his office’s manual with all interested Louisiana schools. Working from that basic format, Carolina and Brian have developed 24 separate chapters on all aspects of aid administration at Loyola University New Orleans. We hope to have the manual fully written and uploaded to our internal homepage (http://www.loyno.edu/financialaid/internal/index.htm) by December 2002.

When completed, the manual will cover the following topics:

CHAPTER 1 – Introduction
CHAPTER 2 – Philosophy of Office
CHAPTER 3 – Administrative Organization
CHAPTER 4 – Planning Calendar
CHAPTER 5 – Consumer Information
CHAPTER 6 – Applying For Financial Aid
CHAPTER 7 – Budgets
CHAPTER 8 – Systems Operations
CHAPTER 9 – Verification
CHAPTER 10 – Need Analysis
CHAPTER 11 – Professional Judgment
CHAPTER 12 – Participation in Financial Aid Programs
CHAPTER 13 – Scholarships
CHAPTER 14 – Awarding Financial Aid
CHAPTER 15 – TBA (possibly TOPS)
CHAPTER 16 – Loan Certification
CHAPTER 17 – Financial Aid Transcripts
CHAPTER 18 – Disbursement of Funds
CHAPTER 19 – Return of Title IV Funds
CHAPTER 20 – Satisfactory Academic Progress
CHAPTER 21 – Packaging Guidelines
CHAPTER 22 – Fraud
CHAPTER 23 – Program Reviews
CHAPTER 24 – Summer Financial Aid

Keith will also be writing sections on our computing processes so that “life” can go on in his absence. Cathy will be contributing information on the mandatory federal reports, such as the FISAP, and other program participation issues.

• *Coordination with the Division of Business and Finance*
We began meeting on a regular basis with members of the Division of Business and Finance in January 2002. These meetings will hopefully serve as a forum where we can resolve issues that impact multiple campus offices.

We have thoroughly examined the records of all currently enrolled students who had an outstanding balance with the Student Finance Office for the 2002 spring semester. The Student Finance Office ran a report on 4/17/02 that detailed approximately 520 students who had a total of $1,647,977.40 owed on their accounts with Loyola. Eight of these students had pending financial aid applications at that point. The rest either had not applied for financial aid OR had an outstanding balance after all aid had been credited to their accounts. By mid-May, this group still owed approximately $935,941.20 on their account with the Student Finance Office.

Looking at the detail records for these accounts, it became apparent that many students, especially those who are not financial aid applicants, are waiting until the early in the following semester to pay the prior semester’s overdue account. (for an example, see
#435-59-7090). The University may want to reconsider our current policies concerning billing and the assessment of late fees.

We identified two private loan programs that are available to students to cover “past due balances”. These loans are credit – based. Most students will need a co-signer with a good credit history. Both lenders have provided additional material to the Office of Student Finance so that they can do a targeted mailing to these students.

Internet sites for these programs are:
- Citiassist Loan
- Nellie Mae EXCEL Loan

These loans are, of course, also available to students who are applying for loans in a timely manner to finance their current semester costs. Nellie Mae and Citibank offered our families a break in the interest charged on their loans. (NOTE: Sallie Mae will offer a special rate on their Signature Loans starting with the 2002-2003 academic year.)

We also worked with Nellie Mae so that students who have Federal Perkins Loans can complete their mandatory entrance and exit-counseling requirement online. Cathy will update the Office of Scholarships and Financial Aid’s website as soon as the Student Finance Office decides how to utilize this new tool.

- **FFELP Processing**

  Loyola University New Orleans resumed processing federal Stafford and PLUS loans under the Federal Family Education Loan Program (“FFELP”) during the 2001-2002 academic year. Many of the FFELP lenders offered supplemental alternative loans for families who needed additional funds. These programs provided additional financing options to students whose parents would not OR could not borrowed under the PLUS loan program.

<table>
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<th>Lender</th>
<th>Count</th>
<th>% of Count</th>
<th>Amount</th>
<th>% of Amount</th>
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<tr>
<td><strong>TOTALS</strong></td>
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<td><strong>$22,505,420.74</strong></td>
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Final Stafford Loan Volume: 2001-2002 Academic Year

*Estimated Activity by Lender*
The **Louisiana Education Loan Authority ("LELA")** captured the largest volume because, unlike all other lenders, they did not assess a 3% loan origination fee on their Stafford loans (So, if the student borrowed $5,500, we received a $5,500 disbursement). Because they are part of the **Louisiana Public Facilities Authority**, they are the only "non-profit" lender. They also offer the **HELP Teachers Program**. This program essentially forgives the interest on Stafford loans for teachers working in Louisiana’s public schools.

Keeping in mind that the Direct Loan Program also subtracted the 3% loan origination fee, Loyola received approximately $242,422 in additional revenue from the loan program due to the students who utilized LELA ($8,080,733.84 x .03 = $242,422.01). This represents funds that we would normally have had to collect from the borrowers.

**PLUS Pre-Approval Service:**

**Sallie Mae**, the major guarantor for our students, offers parents a number of options when they decide to apply for a federal PLUS loan. Parents can apply online from our Internet homepage, call a toll-free number and speak with a Customer Service Representative, or submit the information by FAX. Credit decisions are made immediately (online) to within 15 minutes (FAX Option). **Sallie Mae** electronically forwards decisions to our office within 24 hours. In addition **Sallie Mae** representatives in the **PLUS Success™ Service** work with parents’ whose loan were denied because of credit issues to resolve their problems.

Approximately 208 of our families utilized this service during the 2001-2002 academic year. 65 parents (31%) were denied loans due to credit issues. Undergraduate students whose parents cannot borrow under the PLUS Loan can borrow additional unsubsidized Stafford Loans (NOTE: there are limits to how much the student can borrow in Stafford funds based on their grade level. This has led to an increase in the growth in the use of non-federal loan programs.)

The pre-approval option saves our office time because we know that we will be receiving funds for the loans we certify. We can also begin the discussions with families about alternative financing options available to them.

- **FFELP and Alternative Loan Reconciliation Issues:**

Keith has born the brunt of developing a comprehensive method for reconciling receipts of all federal and private loan proceeds and following the disbursements through the FRS and BRS systems. We have significant concerns that the extent of the Financial Aid Office staff in the reconciliation process violates the separation of functions (authorization versus disbursement) that the Department of Education mandates for all schools that receive federal financial aid funds. Cathy has voiced her concerns and given copies of
Pages from The Blue Book: Accounting, Recordkeeping, and Reporting by Postsecondary Educational Institutions for Federally Funded Student Financial Aid Programs (June 2001) to Debbie Zimmerman who has indicated that she does not believe there is a problem.

Keith’s ability to work on a number of financial aid projects has been clearly hindered by the time constraints imposed by the reconciliation project.

- **Direct Loan Reconciliation Issues:**
  Nadine continues to work as our primary contact with the Direct Loan Program as we slowly resolve all outstanding reconciliation issues. Mr. Herb Morgan, one of our designated customer service representatives spent several days on campus in April. We hope to have everything “closed out” by December 31, 2002.

- **Processing Summer Aid Applications:**
  Keith and Carolina have improved the summer financial aid application process for students. Students can now submit their application on-line, see their award on LORA, and submit their response form online.

- **Student Status Confirmation Report Processing:**
  As noted in my last report, this office has traditionally completed the federally mandated Student Status Confirmation Report. This report verifies a student’s enrollment status at Loyola University New Orleans. We did initiate discussions with the Student Records Office concerning whether or not they can take over this function since it more appropriately falls under their jurisdiction. In the midst of these discussions, we also discovered that the program that this office had used for years “never worked correctly” (from a telephone conversation with Wally Boudet, the former director). Keith and Bob Farrell, working with SCT, were able to correct the problems in the program. We transmitted an updated roster to the National Loan Data Systems (“NSLDS”) on April 25, 2002. All indications are that all students’ records now correctly reflect their actual attendance at Loyola University New Orleans.

The Student Records Office is in the process of signing an agreement with the National Student Loan Clearinghouse. When this occurs, they will assume the responsibility for running the SCT Program (which we have been assured DOES work) that will allow the Clearinghouse to transmit all enrollment changes to the NSLDS site.

- **TOPS Processing:**
  Carolina Thompson continues to serve as our office’s liaison to Louisiana’s Office of Student Financial Assistance’s (“LOSFA”) TOPS Program. Representatives from the Legislative Auditor’s Office performed a random audit of seven campuses this spring to verify that data the schools reported to LOSFA was subsequently accurately reported to the state. The auditors were here on March 18, 2002. The auditors were very impressed with our operation and complemented us based on what they had seen at the other schools they reviewed.
Needs, Recommendations, Upcoming Projects and Other Philosophical Issues to be Resolved:

Still Pending:

1. As noted in last semester’s report, The National Association of Student Financial Aid Administrators offers a Standards of Excellence Peer Review Program. As we attempt to reposition ourselves as a “national” player and before we undergo reaccreditation, it might be useful to undergo such a comprehensive review. During the past three years, NASFAA staff provided cost estimated to over 300 schools upon request. However, because of the cost involved, only 10% of the schools scheduled an actual review.

To address this problem, NASFAA announced that they had redesigned the program so that schools could request a partial review under the Standards of Excellence Modular Review Program. We have requested a cost estimate for the “Title IV” compliance module. According to a letter I received on May 21, 2002, because we had previously requested an estimate, we will receive 10% off the list price if we schedule a review before July 1, 2002. We would also receive “priority” in selecting review dates during the 2002 fall semester. These figures have been provided to Dean Stieffel for her review.

2. Volume Eight of the 2001-2002 Federal Student Aid Handbook notes that:

"When crediting students’ accounts with SFA loan funds, schools must notify students or parents (for a PLUS) electronically or in writing of the date and the amount of the disbursement. Schools must send the notice no earlier than 30 days before and no later than 30 days after crediting the student’s account. . . . The notice must also explain the borrower’s right to cancel all or a portion of the disbursement and the procedures for doing so." (Chapter 8, page 63).

This requirement has been in effect for several years. Schools who send out bills monthly normally meet this requirement by printing something on the back of the bill. Since we do not send out bills monthly, we will need to produce some type of notification from the financial aid office. Keith hopes to have this problem resolved shortly.
New Projects:

- **Participation in the “Open Net” Pilot Program:**
  We have volunteered to participate as a test site for Sallie Mae’s *Open Net* Program. With *Open Net*, we will be able to establish one method for transferring loan data to any lender, guarantor or servicer for processing. It integrates easily with all financial aid management systems because it supports all major communications methods and a growing list of data formats, and it eliminates data encryption.

- **Participation in Community Outreach Activities with Metro Financial Aid Offices**
  At our monthly meetings, a consensus has emerged that perhaps we should be more proactively involved in promoting the availability of financial aid programs in the high schools and perhaps even at selected middle schools. The Louisiana Office of Student Financial Assistance annually sends the high schools TOPS brochures for their graduating seniors only. Some students end up not qualifying for the program because they (as well as their parents) were not aware of the program requirements and they failed to take all required core courses. Because we are all in our “busy season”, I suspect a plan to address our concerns may not emerge until late in the fall.

- **Projects Planned at the Law School:**
  Nadine was working with Yolanda Grinstead in the Career Services Office to hold a default management / credit counseling / financial management workshop for all first and second year students in March 2002. Yolanda left Loyola during the spring semester so this project has been rescheduled for the 2002 fall semester. We hope that the Access Group, a major lender for graduate and professional students, will underwrite costs for this workshop.

Nadine will also be developing a consumer information piece that will be included with all Law Admissions application packets. We hope have the piece available sometime during the 2002 fall semester. Nadine will also be training the Law School Admissions staff on FAMS.

**Summary:**
During the 2001-2002 academic year, the staff in the Office of Scholarships and Financial Aid responded remarkably well to the challenge issued by Dean Stieffel to increase the quality and level of service offered to students and their families. This year has been a great adventure for the staff. *With continued institutional support*, we firmly believe that we can continue to expand the quality of services that we offer to both internal and external customers.

*Cathy Simoneaux*

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