

A Tale of Two Credit Scores



Amy Kasper
TG Regional
Account Executive

Once upon a time, when FICO was the only option available, understanding your credit score was only moderately confusing. Given that creditors now have a choice of scores to provide a consumer, it has become more challenging for consumers to understand their credit scores. Although it is commonplace to talk about credit scores, too few of us really understand what we are talking about.

Welcome to the ever-evolving world of credit!

Start with the basics: FICO versus VantageScore

Let's break this complex subject down a bit and talk about one aspect – the fact that there are now two sources for credit scores.

Many of you and your students are familiar with the FICO score, formulated by the Fair Isaac Corporation. The FICO score has been around since 1956 and until recently, all three major credit reporting agencies (Equifax, Experian, and TransUnion) delivered a version of the FICO score to its customers.

This changed in 2006 when the three reporting agencies developed a competing scoring mechanism they called the VantageScore. Much like the FICO, it also has a scoring formula, except that it offers different categories with different weights, along with a different scoring range (FICO 350-850, Vantage 501-990).

Just when we thought we had this scoring thing down!

The situation all consumers find themselves in now is that whether they receive a VantageScore or a FICO score depends on the agency from which they request their credit score. Each credit reporting agency chooses which credit score it will offer to the consumer. Currently, Experian and TransUnion are providing the VantageScore, while Equifax is still using its version of the FICO score when consumers obtain their credit scores directly from its website.

Additionally, credit reports do not include credit scores. Although each consumer may request one copy of their credit report at no cost from each credit reporting agency once per year, the credit reporting agencies can charge a fee for providing a credit score.



Two scores can lead to confusion

Now, why do you and your students need to know about the two scores? How does this affect someone applying for credit? Well, simply put, not knowing can be pure confusion!

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Reminder: Net Price Calculator Deadline is Here

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Carole Ann Simpson
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As your school works to meet various new financial aid regulatory requirements, don't forget a requirement that was established in 2008: posting a net price calculator.

USA Funds Ask PolicySM reminds schools that the Higher Education Opportunity Act of 2008 requires each postsecondary institution that participates in Title IV to post a net price calculator on the school's website by October 29. The calculator must provide estimated net

price information based on a student's own circumstances.

If your school needs help establishing the calculator, the U.S. Department of Education provides a template at <http://nces.ed.gov/ipeds/netpricecalculator/>.

For more information about the net price calculator requirement, or for other financial aid policy answers, send an email to USA Funds Ask Policy at askpolicy@usafunds.org.

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ADVISORY COMMITTEE ON STUDENT FINANCIAL ASSISTANCE



NORM BEDFORD AND HELEN BENJAMIN ELECTED ACSFA CHAIR AND VICE CHAIR

Washington DC— On September 13, 2011, the members of the Advisory Committee on Student Financial Assistance unanimously elected to one-year terms Norm Bedford as chair and Helen Benjamin as vice chair. The Advisory Committee was created by Congress to provide advice and counsel on student aid policy to Congress and the Secretary of Education and make recommendations that will result in the maintenance of access for low- and middle-income students. Its members are higher education and student aid policy experts and are appointed by Congress and the Secretary of Education.

Mr. Norm Bedford was appointed by the President Pro Tempore of the Senate in 2008 to serve a term that expires in September 2012. Mr. Bedford currently serves as the Director of Financial Aid at the University of Nevada, Las Vegas (UNLV). He has worked in the financial aid profession since 1989. Prior to joining UNLV, he worked for Bowling Green State University, Eastern Illinois University, and The Ohio State University. While living in the Midwest, Mr. Bedford remained active within the Ohio and Illinois Associations of Student Financial Aid Administrators. He has provided numerous training sessions at conferences on a variety of financial aid topics and has been a member, chair, or co-chair of many committees. He was also a two-time National Association of Student Financial Aid Administrators (NASFAA) trainer regarding the federal work study community service program, consortium agreements, and professional judgment. Mr. Bedford holds a BS in family resource management from The Ohio State University. He also holds a MEd in guidance and counseling from Eastern Illinois University for which he wrote a quantitative thesis entitled, “An exploration of the financial aid application errors committed by students diagnosed as learning disabled.”

Dr. Helen Benjamin was appointed by the Speaker of the House in 2008 to serve a term that expires in September 2012. She is in her 7th year as Chancellor of the Contra Costa Community College District, one of the largest multi-college districts in California, and is the first community college appointee to this committee. Dr. Benjamin enjoys the challenges of developing programs and policies that contribute to the 62-year tradition of education excellence in the Contra Costa Community College District, and the success of all community college students nationwide. She began her education career teaching English in the Dallas Independent School District, and is proud of her lifelong career in serving students. Her leadership also extends to community college issues at the state and federal levels including the convener of the Presidents’ Round Table, a national network of African American community college CEOs, American Council on Education Commission on Effective Leadership, and the Chief Executive Officers of the California Community Colleges. Dr. Benjamin’s commitment to the Contra Costa County community is evident through her civic involvement with the Mechanics Bank Community Development Corporation Advisory Board, Contra Costa County Workforce Development Board, John Muir Physician Network Board, and the Kennedy-King Memorial College Scholarship Fund, LTD. Dr. Benjamin has a BS degree in English and Spanish from Bishop College in Texas where she graduated magna cum laude. She earned masters and doctoral degrees from Texas Woman's University in Denton, Texas.

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advise on higher education and student aid policy**



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Getting Your Message Across on Capitol Hill



Carole Ann Simpson
Consultant
USA Funds

As Congress this fall targets trillions of dollars to reduce the federal debt, federal student aid programs could well end up in the crosshairs of the budget cutters. Explaining the importance of these programs to your representatives and senators could help them make better decisions about the value of federal student aid in relation to other federal spending. But how do you go about meeting your representatives in Congress?

Here are a few tips for getting your message to Capitol Hill.

Scheduling the meeting

- If your institution has a government relations office or other department charged with working with members of Congress, be sure to coordinate your efforts with these staff members.
- Contact information, including phone numbers and links to their individual websites, is available for all members of the U.S. House from www.house.gov and for members of the U.S. Senate from www.senate.gov. At minimum, you'll want to meet with the representative in whose congressional district your institution is located and with each of the two U.S. senators who represent your state.
- The best time to meet your legislators is when Congress is in recess, and the lawmakers are not as busy with legislative work and may even be back home in their districts.
- If your representative is not

available, but a member of the lawmaker's staff can meet with you, accept the meeting. These staff members are the elected representative's eyes and ears on a given issue, and they often recommend courses of action to the member of Congress.

Preparing for the meeting

- Develop a rough script for the meeting. If more than one person will be present from your institution, designate one person as the leader who will begin the conversation.
- Gather relevant facts and figures, and most importantly, a few anecdotes that support your position.
- Research the positions your representative previously has staked out on the issues you plan to discuss, so you are better able to address any questions, concerns or potential opposition to your position.
- Prepare as a "leave behind" for your meeting a one-page fact sheet with a few bulleted points that summarize your issue, your position and your recommendation for action. Attach more detailed supporting documentation, if necessary.

Meeting your representative

- Try to arrive a little early, but be aware that last-minute schedule changes are common in Congressional offices, so you'll need to be flexible in your schedule.
- Begin by introducing yourself and your colleagues, your responsibilities, your institution, and the number of students you serve.
- Share some statistics about the number of students at your institution who benefit from student aid programs and the dollars involved.

- Try to personalize the issue for the lawmaker by providing examples of how the issue or legislation could affect your institution or your students, particularly students who are the lawmaker's constituents. Student aid issues are complex, and members of Congress and their staff will appreciate you translating how the issue affects individuals they represent.
- Ask the representative to take a position or pursue specific action on your issue. If the lawmaker disagrees with your position, find out why. Be prepared to offer counter arguments, but don't push too hard. Even if you can't reach agreement, thank the representative and staff for meeting with you.
- Be succinct and to the point with your presentation. Generally twenty minutes is the most time you will have.

Follow up after the meeting

- Within a few days, send an email thanking the member of Congress and the staff person for meeting with you. In your message, reiterate your offer to continue to share your expertise on the issue with the Congressional office, if requested.
- To build an ongoing relationship with your representatives to Congress, consider inviting them to visit your institution. A meeting for the representative and staff with students at the financial aid office will bring home the value of federal support, while also demonstrating the value your office provides in administering these programs.
- Members of Congress are most influenced by their constituents – that's you. 🇺🇸

High School Counselor Workshops



Daniel Reed
Newsletter Editor

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Did you know that every year, CASFAA co-sponsors outreach events for High Schools throughout the state? This year, under the leadership of the 2011 High School Relations Chair Angelina Arzate, over 2700 High School guidance counselors attended trainings in 19 locations all over California. Due to the sponsorship of CASFAA, Cal SOAP, and ECMC, we were able to offer these trainings for free!

Presenters, comprised of volunteers

from local universities and representatives from both CSAC and Cal SOAP, share basic financial aid information, updates on the FAFSA, and explanations of the Cal Grant programs and pertinent State Assembly Bills. As this is designed for high school guidance counselors, presenters also stressed the importance of on time GPA submissions and Cash for College Workshops. This is such a valuable resource that we are able to offer the community – and to our future students! We all know that



communicating early and often about planning for college is essential, and CASFAA is certainly doing its part!

If you are interested in becoming involved in these High School Relations events in the future, please indicate your interest by completing a Volunteer Form on the CASFAA Website. 🎓



Tips to Manage Your Financial Situation Before the Holidays



Dennis Zanchi
Senior Outreach and
Financial Literacy
Trainer, ECMC



Give the gift of time or knowledge – it's free and usually means more to the recipient than other types of gifts. An easy way to start is by sharing the tips below with students, friends and family.

- Use cash when buying gifts. Some studies show people spend up to 18 percent more when using a credit or debit card instead of cash.
- Contact your credit card company and ask for reduced interest rates. If they say no, research other fixed-rate cards with a lower interest rate.
- Copy both sides of all the credit cards and other items in your purse or wallet and keep the copies in a secure place. If your

cards are lost or stolen, you can quickly contact each institution to cancel the cards.

- At the end of each day, mentally review your spending to determine whether each purchase was a 'need' versus a 'want.'
- Look for one or two monthly items, such as cable, Internet, eating out, etc., that you could reduce or eliminate altogether.

Looking to go a bit further? Reduce unwanted solicitations and temptations before the holiday season begins. Information about virtually everyone is available to catalog companies, retailers and other places looking to tempt consumers. The following is a sampling of your personal information businesses can purchase:

- Age
- Occupation
- Net worth
- Address
- Credit cards you use
- Vehicle type
- Children in the home
- Estimated income
- Home ownership
- Telephone

Prevent unwanted offers by taking advantage of the following resources:

- Reduce credit and insurance solicitations by visiting www.OptOutPrescreen.com.
- Reduce telemarketing calls to your home phone by visiting www.DoNotCall.gov.
- Reduce unwanted mail by visiting www.DMAChoice.org to have your name removed from catalog, magazine and other mailing lists.

Did you do your part to save Student Aid?

NASFAA sponsored a website where you can sign a statement of support – it's that easy! Show your support today. action.studentaidalliance.org/

Are you reading the printed version of CASFAA News?

Did you know that over 2/3 of CASFAA's membership select to receive the electronic option only? Each issue is logged on CASFAA's website, www.casfaa.org, in the Recent Issues section of the Newsletter tab. If you would like to change your reading preference, update your membership profile today!

CASFAA Conference 2011



Joanne Brennan
2011 Treasurer

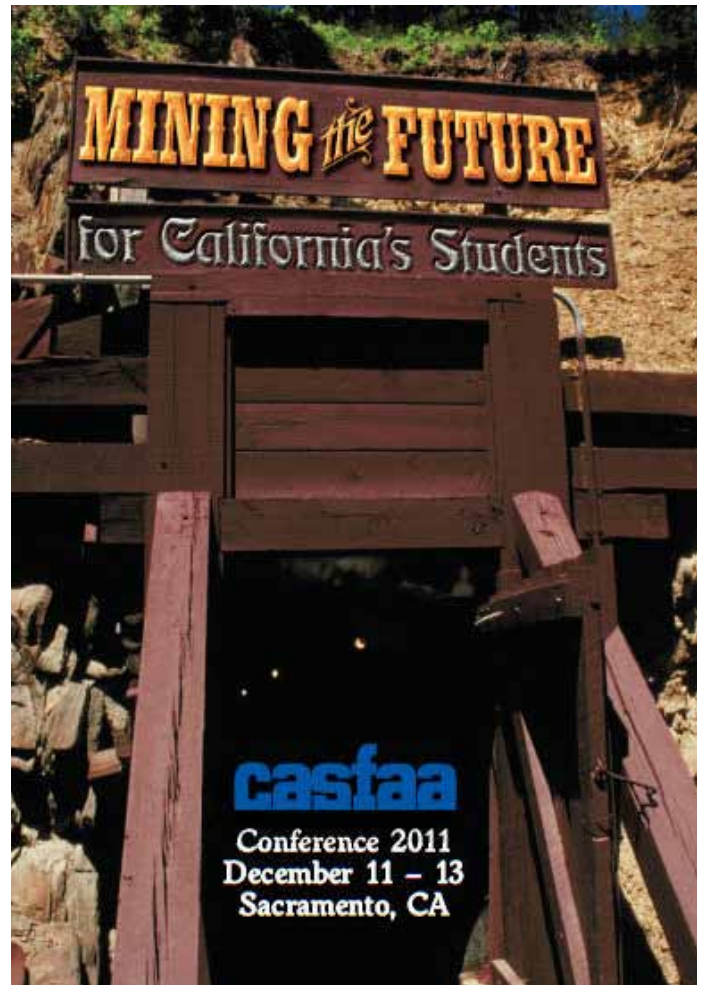
Looking forward to attending the Casfaa Conference in December?

Bring the family as there is lots to do:

- Experience a one of a kind visit to Old Sacramento. The unique 28-acre National Historic Landmark District and State Historic Park is located along the beautiful Sacramento River. Bustling with activity, the district is alive with shopping, dining, entertainment, historical attractions and world-renowned museums set within the time of the California Gold Rush and the Transcontinental Railroad.
- Sacramento History Museum Make-and-Take Weekend Craft: Gingerbread Men! Run, Run, as fast as you can! You can't catch me, I am the gingerbread man! Trace, cut-out, and decorate your own gingerbread person! Or make multiple and make a gingerbread chain. This activity is free with Sacramento History Museum admission.
- Visit Old Sacramento and stop by the Sacramento History Museum to catch up with Father Christmas! Cider and cookies will be available for all as the Parlor Singers debut their unique rendition of the 12 Days of Christmas and other holiday carols. Next door in the Stanford Gallery, the Living History Program will be showing off their dancing shoes in a 19th century period ball. To top it all off, the Pony Express will be riding to deliver the holiday post. Riding from Folsom to

Sacramento, the legendary Pony Express riders will be carrying in holiday letters and postcards which have been hand stamped. Come and join us for all the holiday fun!

- Celebrate holidays from around the world with hands on arts and crafts activities around the park. Head over to Santa's workshop to visit with Father Christmas to tell him what you are wishing for this holiday season, photos available for an additional fee of \$5. Stroll through the park and enjoy the brisk winter weather and holiday decorations.
- Let your imagination run wild at Fairytale Town, a 2.5-acre children's play park and outdoor children's museum that brings fairytales and nursery rhymes to life! Located in William Land Park in Sacramento, Fairytale Town has delighted millions of guests, inspiring imagination, creativity and literacy since it opened in 1959. Over 25 bright and colorful play sets give young children a backdrop to act out their favorite stories, to encourage creative discovery, and to exercise their minds and bodies on child-friendly slides throughout the lush grounds. 🏡



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Communicating to the Student Debt Extremes



Frances Campbell
Simple Tuition
Ambassador

Despite advice like Shakespeare's to, "neither a borrower, nor a lender be," student loans have allowed millions of college students to pursue their academic dreams. It's not surprising that student loans often give rise to conflicting emotions in applicants. How do you address these emotions? Our advice: identify your extremes - the debt phobic and the over spenders - and send targeted communications to create a balanced approach to the emotional response student debt may cause during the admission process.

Help debt phobics enjoy unlimited college choice that could make the student more successful and happier. Prove it's doable to go to your school.

- Example repayment: Communicate the average monthly payment for student debt with the average post-graduation income.
- Credit Scores: Educate them on how on time student loan repayment is considered "good debt" for establishing a positive, high credit score.
- Alumni Case Studies: Share success stories of alumni who will testify that repayment of their loans is possible.
- Salary information: Relate student loan repayment to future income using salary data from your Career Development Office or national or regional data from websites like www.payscale.com with the average debt for your recent graduates.
- Budgeting Classes: Offer student budget workshops to encourage reduced borrowing through good spending habits.

- Work Study: Promote student employment to earn pocket money for the plus factor - pizza, laundry, and trips.

Also, both types of students could benefit from seeing estimates of their student loans payments after graduation. Encourage them to use SimpleTuition's College Cost Adjuster to see the total monthly loan payments for all loans for the multiple years of college.

As financial aid professionals, we want students to focus on fit, sometimes without regard to finances, even when cost seems to be a greater driver in the conversation. Helping families balance the financial piece of the college decision, understanding the emotional side of how the student and their families feel about borrowing can improve your communications and also shift attitudes toward a positive educational experience and ultimately persistence. 🎓

*“neither a borrower,
nor a lender be,”*



A Closer Look at New Verification Rules for Graduate, Professional Students



Grace Smith
Account Executive
USA Funds

The USA Funds Ask PolicySM team received clarification on verification requirements for graduate and professional students in light of upcoming changes in regulations and loan eligibility.

The Budget Control Act of 2011 contained several provisions that affect federal student aid, including the elimination of subsidized Stafford loans for graduate and professional students effective July 1, 2012. In the recently issued Dear Colleague Letter GEN-11-16, the U.S. Department of Education provides an overview of the law's implications for Direct Loans.

Meanwhile, new verification requirements that also are effective July 1, 2012, state that students who are eligible only for "unsubsidized student financial assistance" are exempted from the verification process.

Graduate and professional students will be eligible only for unsubsidized Stafford loans, Perkins loans or Federal Work-Study funds at the time that new verification exemption takes effect. You may be wondering: As of July 1, 2012, will a school be required to complete verification for graduate and professional students if they were eligible for – but would not actually receive – Perkins loan or Federal Work-Study funds?

Verification or no?

USA Funds Ask Policy posed the following questions to the Department of Education:

- If a graduate student whose loan period begins on or after July 1, 2012, has an EFC that shows eligibility for subsidized financial assistance, must the school perform verification even if the student will not receive that aid because of the school's aid packaging philosophy?
- Consider a scenario the same as described above, except the school does not participate in either the Federal Perkins or Federal Work-Study programs.

Will the school be required to perform verification even if the student will not receive either of those types of aid?

According to the Department, a school must perform verification for graduate and professional students only if it will award Perkins loans or Federal Work-Study funds to those students. In the cases we referenced in our questions, the school would not be required to perform verification.

This change in verification policy is effective for verification performed for periods of enrollment on or after July 1, 2012.

If you have any questions about verification requirements for graduate and professional students, effective July 1, 2012 – or need any other federal financial aid policy answers – contact USA Funds Ask Policy at askpolicy@usafunds.org to receive an answer that addresses your specific situation, generally within one business day. 📧

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Federal Issues in 2011



Melissa Moser
2011 VP of
Federal Issues

Student financial aid is the most regulated program on every college campus. Not only is the financial aid administrator responsible for student financial aid programs, but she/he is held accountable for various other regulations: Title IX compliance, SEVIS compliance, campus safety statistics, consumer information, Constitution Day activities, Federal Trade Commission with respect to identity theft and loans, Patriot Act in connection with disbursements, and immigration/citizenship regulations. Let's not forget the IRS! The passage and implementation of the Final Integrity Regulations increased the regulatory outreach to include changes and/or increased reporting for the following areas:

- Ability to Benefit Testing certification and reporting
- Consortium Agreements
- Credit Hour definition
- Disbursement of Title IV Funds

- Full-Time Student
- Gainful Employment
- High School Diploma
- Incentive Compensation
- Misrepresentation of Information
- Return of Title IV Funds and Taking Attendance
- Retaking Course Work
- Satisfactory Academic Progress

As I reflect on this past year as CASFAA's Vice President, Federal Issues – what a whirl wind of activity – implementation of multiple regulatory requirements and interfacing these with state regulatory updates! We made it . . . thank you to each of the Federal Issues Committee Members for your dedication to CASFAA and for making this committee responsive to the needs of the financial aid administrators and the students we serve:

Anafe Robinson
Darlene Wilson
Dayshawna Litteton
Deb Barker-Garcia
Barbara Wells
Germaine Graham
Jaimie Shrode
Jennifer Hardy
Beryl Schantz
John Davis

Ketner David
Lindsay Crowell
Carolyn Torres
Lynn Fox
Mary Hoang
Natasha Kobrinsky
Casey Dinsmore
Peggy Wellisch
Scott Cline
Shandel Roberts
Craig Yamamoto
Veronica Trejo
Yvonne Gutierrez-Sandoval
Dr. Pat Hurley

A special thank you to Kevin Jenson, who included me on WASFAA's Federal Issues Committee, and to Beryl Schantz for a great transition.

With your dedication and willingness to serve, the Pell Grant was "saved" for another year and input for the FY12 appears to have the \$5550 in the budgets. Important student advocacy was shared and CASFAA worked in a coordinated effort with WASFAA and NASFAA to insure that our advocacy message was consistent, focused on students. As we all know, this could change, and in this case "it depends" on us to keep up the advocacy as we move forward into 2012! 🏠

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Financial Education: What Your Students Want,



Luanne Canestro
American Student Assistance

As more students borrow and in higher amounts, many higher education institutions are progressing toward a healthier, more holistic approach of introducing their students to financial literacy survival skills they'll need in the real world.

How can you be sure your institution is delivering what students really want and need when it comes to financial education? As with any communication, financial literacy training needs to be designed with the learner's perspective in mind. American Student Assistance, a nonprofit that helps students and alumni better manage college debt by giving them money smarts they can use for a lifetime, has conducted a number of research projects to help gain valuable insight. The following is a compilation of key findings that may offer guidance on creating a curriculum of value for students.

Methodology and Demographics

The research was based on:

- A web survey of 900 undergraduate and graduate borrowers from ASA's portfolio (evenly split between those still in school and those who started to repay)
- A web survey of 1850 graduates, half with college debt and half without, with an age breakdown of 50% ages 21-25, 25% ages 26-30 and 25% 31-37
- Anecdotal information from ASA's

student advisory group and student focus groups

- Survey respondents were undergraduates and graduates of four-year public and private universities

Debt Awareness

Students are often portrayed in the media as having "no idea" how much they borrowed in student loans, but our research found that the overwhelming majority (91%) knew either the exact amount or at least within a few thousand dollars. Kudos to financial aid professionals! It's possible that all of the media hype over student debt has made students more aware, but whatever the reason, it appears your messages (at least about debt amounts) are sinking in.

Paying for College and College Choice

Consistent with other national studies, two-thirds of our respondents took out student loans to pay for some or all of their college. For the most part, federal loans were used, although four in 10 have private loans and 15% have loans from their colleges or universities. Those with student loans also used scholarships, savings and grants, with four in 10 having some form of employment at the college to help pay for the education. Those without student loans most often paid for their education with personal/family savings, as well as scholarships.

Somewhat surprisingly, college affordability factored into attendance decisions for only about one-third of the students. Just over one-third (36%) agreed with the statement: "I chose my college based on what I/ my family could afford," while another

third (37%) disagreed with this statement. Those who attended public universities were more likely to agree that affordability played a significant role in their choice than did those who attended private universities. Six in ten (64%) respondents borrowed what was needed to attend the college of their choice. This percentage was higher among the youngest age group (21-25), Whites, and women, and more students who attended private colleges borrowed what they needed to go to their chosen college than did those attending public colleges (71% versus 58%).

Student Loan Knowledge

As mentioned, the majority of students surveyed had a good grasp of loan balances and the number of loans they have, but their knowledge was sketchy about other details. About 55% knew the names of their servicers and monthly payment amounts; less than 50% knew the monthly due dates; 45% knew the interest rate and what will happen if they miss one or more payments; only 40% knew what repayment plan they're using and 30% understand how long it will take to pay off their loans. A little more than 50% said they want to know more or need to know a lot more about their student loans – except for one student who replied "I wish I knew less about my loans. It's pretty depressing."

While some respondents indicated they preferred online communications, one commenter disagreed: "One problem I've had is that the (student loan) companies . . . try to get you to do paperless statements (i.e. save them money on postage) at practically every opportunity they have, which are

What Your Students Need

easy to miss when you have several email accounts and they often get dozens of messages per day.” Other comments indicated students would like to see a disclosure of payment breakdown (principal/interest components), more information about consolidation, and one statement that shows all of their loans with the lenders, balances, and interest rates all in the same document.

Attitudes Toward and Experience with Debt and Financial Education

Approximately half of the respondents agreed that “until I had to start paying back my loan, I didn’t think about how I was going to afford it,” and this response was highest among Non-Whites and those ages 31-37. Half of all respondents also agreed that “the amount of my student loan debt has directly impacted the choices I had to make in my life, such as my job and living circumstances,” while more than half (60%) aged 21-25, just beginning the process of debt repayment, agreed.

Sources of Information

The majority of respondents said they got information about general financial matters from online research (75%), parents (40%), friends (25%), financial aid counselor (15%), financial planners (10%) and professors (5%). Forty-five percent relied on parents for advice about paying for college, while just under 40% turned to financial aid counselors, 36% researched on the Web, 28% asked a lender, 18% used the college’s website, 15% talked to friends, 8% discussed with an academic advisor and 1% went to their Resident Assistant.

Financial Literacy Education

Those respondents with student loan debt feel strongly about two attitude statements: “Students who borrow money for college should receive financial counseling from the college before graduating,” with 72% agreeing with this (higher than for those without student debt, 66%) and “people with outstanding student loans generally need to be more careful about managing their money than people without student loans,” with 71% agreeing with this (asked only of those with such debt).

Financial Literacy for Alumni

The idea of having colleges offer program or courses on financial literacy or wellness to graduates of the colleges (rather than undergraduates) is highly rated. One-third (32%) find this idea “very appealing” and another third (35%) “somewhat appealing” for a total of 67%. There is higher appeal given by Non-Whites (36% “very” versus 31% for Whites), females (34% “very” versus 27% for males), and donors

to their colleges (36% “very” versus 30% for non-donors).

Conclusion

In the face of mounting student loan debt and a shaky job market, higher education in the coming years must continuously prove its worth to an American public that grows increasingly doubtful of college’s return on investment. These survey results show that students and graduates are hungry to learn more about managing their finances. When you provide students with more robust financial literacy education, you not only help to create more financially proficient graduates, but also increase your institution’s perceived value and lay the groundwork for improved relations between alumni and alma mater – a win-win all the way around!

Gina Lucente-Cole presented these and other key findings at the 2011 NASFAA conference in the session “*What Students Really Think of Financial Literacy.*” She can be reached at gcole@asa.org.



State Issues



Craig Yamamoto
2011 VP of State
Issues

The 2011 CASFAA State Issues Committee had a very busy and exciting year, complete with all of the anxiety that goes along with tracking the State budget process and monitoring higher education bills during these challenging economic times. We had a very successful Day

at the Capitol event as we partnered with CCCSFAAA to learn the issues with the State budget and provide an opportunity to meet with State legislators and staffers to advocate for financial aid. We monitored and participated in discussions after SB 70 was passed, which made complex changes to the Cal Grant program. We monitored and advocated for the California Dream Act with AB 130 and AB 131. The State Issues Committee will have a session during the CASFAA Conference for a dialog regarding state issues such as implementing the California Dream Act. I thank the members of the State Issues

Committee, the Executive Council, and other CASFAA members who have advocated on behalf of students. I feel we are in good hands next year! As many of you know, Mary Gill, CASFAA Lifetime member, is a great advocate of students and will be your 2012 CASFAA VP of State Issues. 📖



A Tale of Two Credit Scores

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Let's say a student purchases a FICO credit score through Equifax, but the lender from which he or she wishes to request a car loan or credit card uses the VantageScore to determine the student's creditworthiness. In this case, the student is operating under the false assumption that he or she knows the information the lender intends to use to formulate a decision on the credit application.

So the student did his or her homework by researching the likelihood that the student's FICO score would generate a positive response; but, what an unhappy surprise to receive a rejection notice from the lender!

What did the student do wrong? Nothing! The student understandably but incorrectly assumed there was only one score available, and believed that both the student and the lender were looking at the same figures.

Sorting it all out

So, what to do? Here are a few suggestions that might make the credit score mania a little less manic.

First, when a student is contemplating an application for a car, a credit card, or a mortgage loan, he or she can contact the lender and ask which score (FICO or VantageScore) the lender uses to make credit decisions.

Second, a student can then pull his or her own credit reports beginning at the only authorized source for a free annual credit report, www.annualcreditreport.com. He or she can choose to receive the credit report from the agency that provides the same type of score the lender will be reviewing.

Third, the student can request his or her credit scores from the agency or agencies that provided their credit reports. The student will have to pay for those scores. Students can also go directly to myfico.com to receive their FICO scores, but there is no direct option for receiving the VantageScore.

Fourth, the student can review his or her reports for any discrepancies. It's a good idea for a student to fix whatever he or she can before applying for credit.

A tale of woe? Or a tale of success? This tale of two scores can end happily. These few steps can help your students sort through the credit score craziness. And who knows, you might end up with a few little "e-tnles" (emails) of appreciation!

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Transitions & Announcements



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Daniel Reed
*Newsletter Editor,
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Congratulations to Vincent Ngo who was promoted to Financial Aid Coordinator and Noemi Flores who was hired as a Financial Aid Technician at Orange Coast College.



After 40 years at San Jose State University, Colleen Brown will be retiring effective December 31. She began her career as a student assistant in the Financial Aid Business Office which eventually evolved into a half-

time clerical position and then full-time employment. She earned her undergraduate and graduate degrees in addition to a teaching credential all while working at SJSU. Colleen joined the Financial Aid Office in 1982 as the Operations Officer. She then promoted to various positions within the office: Assistant Director and during a nationwide search she was selected as the Director of Financial Aid (stepping into this role after only one previous Director in the long history of aid programs - Donald Ryan). In 2007, she was asked to serve as the Interim Associate Vice President for Enrollment Services which was made permanent in July 2010. Colleen was able to incorporate her many years of financial aid experience within the enrollment

services realm to educate the campus of the role we play in assisting students and supporting the campus community. Colleen will be greatly missed as we wish her the best in the next phase of her life!



After 37 years of dedicated work at Mt. San Antonio College, Susan Jones is retiring. As a way of expressing your appreciation to Susan, contributions toward the Damon S. Jones and Raymond Ybarra Scholarships are greatly appreciated. To make scholarship contributions online, go to <http://www.mtsacfoundation.org/>.



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Thank You For Allowing Me To Serve!



Germaine Graham
*2011 Independent
Segmental
Representative*

My time as your CASFAA 2011 Independent Segmental Representative is coming to an end. I have enjoyed meeting so many great people and learning much more about the nuts and bolts of politics.

As I look back over the last year, I can only say that time flies. We are hard working, fun loving, dedicated people and we do care so much for the students that we serve.

I would like to thank the 2011 CASFAA Executive Council. These people work hard to make decisions and tackle concerns that affect the day-to-day operations of this association and did a great job conveying issues to the Council – and oh boy, there were many issues! I also would like to publicly thank Craig Yamamoto, Chair of our 2011 State Issues Committee. Craig doesn't know this, but I was personally touched by the leadership he provided to the State Issues Committee, as well as his passionate affection for students and his belief that when you feel passionate about something you should take a stand. Thanks Craig.

In closing, I challenge you to volunteer to serve on at least one committee and choose to make a



difference. You will receive such a rewarding experience. Each one of you can make a difference. I hope you complete those volunteer forms at the conference! (If not, you can always volunteer through the website.)

Continue to be an awesome segment; your support is essential. 🙏