Dear WFAA members,

Happy fall! I hope you are enjoying all the great students we have the opportunity to work with.

I hope as you plan your fall you think about the conference we have in Wenatchee in October. It is a wonderful time to meet new people, get training without traveling across the United States and enjoy a beautiful part of the state.

I also encourage you to take time to nominate a co-worker for the awards that we have. In the Newsletter there is information about these and I am sure there is probably someone in your office that is very deserving.

As always, as you have items of interest, articles or changes in your office you would like to share, just email me and I will make sure it gets in the Newsletter!

Take care and enjoy!
Marilyn Ponti
pontimk@whitman.edu

Unexpected Vacancy: Special Election Needed

I have been informed by Jordan Grant that, due to personal reasons, he is unable to continue as WFAA President. He met with me (president-elect) and Darcy Keller (past-president) to communicate his unexpected situation that has recently developed. He expressed his need to focus on his family and his responsibilities at Seattle Pacific University. He deeply regrets not being able to serve his term as WFAA president. He hopes to be able to serve again sometime in the future.

According to the WFAA Bylaws, the president-elect automatically becomes the president (Article VI, Section 4). As such, we will need to conduct a special election to fill the vacancy of president-elect. Darcy will be seeking nominations for this position. We hope to fill this as quickly as possible. Please consider submitting any and all candidate names to her, including yourself.

A message to the whole WFAA membership will be sent by the end of this week to communicate this information.

Ted Haase
Nominations and Awards

That’s right! Nominations are now being accepted for the awards we will present at our upcoming conference in the beautiful and conveniently located city of Wenatchee (yes, it was nice of them to hold the conference in a convenient location for all of us, wasn’t it?)

Unfortunately, we did not receive any nominations for these awards at last year’s conference. We know there are plenty of deserving folks out there, so please help our committee out by nominating a colleague!

In order to nominate someone for one of the awards below all you have to do is email or fax a 1-2 paragraph recommendation for your candidate to the WFAA Nominations and Awards Committee. It’s that easy. Please be sure your letter includes who you are (your name and institution), who you are recommending (name, title and institution), for which award you are nominating him or her (see below), and a brief outline explaining why you are recommending the candidate. Information about the candidate’s financial aid experience and WFAA participation is also helpful. You are welcome to nominate the same individual for more than one of the awards and you do not need to keep his or her nomination a secret. All nominations will be considered. The Awards Committee reserves the right to confirm data with other sources as the need arises.

Here are the award categories (psst… the recipients of first two awards will win free registration to the 2012 Fall WFAA conference!):

- **MARIANNA DEEKEN NEW PROFESSIONAL SCHOLARSHIP**: This award honors an up-and-coming member of the financial aid community with less than three years of experience. Recipient receives a plaque of recognition and free registration at the fall WFAA conference.

- **TIM HENNING ROOKIE OF THE YEAR**: This award honors an up and coming member of the financial aid community with less than three years of experience. Recipient receives a plaque of recognition and free registration at the fall WFAA conference.

- **UNSUNG HERO AWARD**: This award honors a WFAA member who has demonstrated extraordinary commitment to Washington students or WFAA by working quietly and without reward or recognition on committees, at their institution, and/or in the community, above and beyond the requirements of the candidate’s job. Recipient receives a plaque of appreciation at the fall conference.

- **DISTINGUISHED SERVICE AWARD**: This award honors a WFAA member who has demonstrated extraordinary commitment to Washington students and WFAA through outstanding contributions to WFAA activities and the financial aid profession over a sustained period of time. Recipient receives a plaque of appreciation at the fall conference.

Thank you for nominating someone so that we may acknowledge their good work and dedication! Please send us your nomination by September 30, 2012. If you have questions or concerns, feel free to email or call me at 206-616-8543.

Best,

Darcy G. Keller
WFAA 2012-12 Past-President
The WFAA Training Committee...

...was pleased to facilitate another successful summer training event. Special appreciation to our host schools PLU and Whitworth. The day was packed with state and federal updates, the latest on direct loans, and a presentation from a loan servicer’s perspective. There was time for professional networking on best practices related to consumer information, satisfactory progress and consumer information. Attendance was strong this year with a total of 111 participants. The WFAA Training Committee wishes to thank the following presenters:

- Suzanne Scheldt
  - DOE Training Officer
- Kim Schreck
  - DOE Training Officer
- Rachelle Sharpe
  - WSAC (formerly the HECB)
- Chuck Hirman
  - Direct Loans DOE
- Anthony Lombardi
  - Sallie Mae
- Wendy Olson
  - Whitworth University
- Isabelle Mora
  - St. Martins University
- Kay Soltis
  - Pacific Lutheran University

The Training Committee continues to update the WFAA Training web page with links to upcoming training opportunities. The WFAA Training Committee welcomes ideas of what training topics and opportunities would best serve our members. Please feel free to email the VP of Training -Traci Stensland at tstensland@whitworth.edu with your ideas or suggestions.

Special thanks goes to the following members of WFAA for serving on the WFAA Training Committee this year and for helping make the summer training event so successful:

- Isabelle Mora
  - (St. Martins)
- Marilyn Ponti
  - (Whitman College)
- Linda Weir
  - (Shoreline CC)
- Lyssa Thaden
  - (ASA)
- Sherri Peterson
  - (Gonzaga University)
- Kay Soltis
  - (Pacific Lutheran University)
- Paula Nagel
  - (Seattle University)
- Dawn Knight
  - (Nelnet)
- Emily Smith
  - (Bastyr University)
- Julie Japhet
  - (WSAC)
- Laura Pendleton
  - (Whatcom CC)
- Georgette Chun
  - (Western Washington University)
- Jody Kolterman
  - (University of Phoenix)

LETTERS TO CONGRESS

One of the most common questions about financial aid legislation is also among the most basic: How do I write my Congressman?

Continued on page 8 is an excerpt from Robert Longley’s article, “Letters to Congress” on the usgov.about.com website that offers good advice for all to consider.

So, you’re going to write your Congressman? Good idea. Make it a good letter.

People who think members of Congress pay little or no attention to constituent mail, are plain wrong. Concise, well thought out personal letters are one of the most effective ways Americans have of influencing law-makers…

Continued page 8...
Workshops and Webcasts Begin in October

Register now for a fall USA Funds® University Financial Aid Workshop, offered at more than 40 cities nationwide beginning in October. You’ll gain a better understanding of how negotiated rulemaking, 2013-2014 verification documentation requirements, and other changes will affect the administration of federal student aid.

You’ll also review the regulatory requirements and discuss scenarios that explore some of the implications of enrollment decisions. Explore how financial aid administrators across the country are promoting and supporting student success, and discover the available USA Funds tools and solutions designed to assist you.

If you are unable to attend the in-person workshops, webcasts offer an additional opportunity to receive the workshop information through live, instructor-led events. USA Funds also will post recordings of the webcasts on their website.

Workshop webcasts (2-3:30pm EST)
- Oct. 10 — Student Success: Keeping the Conversation Going.

In-person workshops
Beginning on Oct. 15, the workshops are intended for financial aid professionals with a strong understanding of student aid administration. Workshops begin at 8 a.m. and adjourn at 12:30 p.m.

Training topics include:
-Federal Update, 2013-2014 FAFSA, and the Federal Delivery System: How do the most recent negotiated rulemaking sessions affect federal student aid regulations?

What are the required verification items and acceptable documentation requirements for the 2013-2014 award year? What do you need to know about gainful employment regulations? How did the need analysis formula change for 2013-2014? During this session, we'll discuss new regulatory requirements and legislative changes, and conclude with a look at the changes and enhancements to the 2013-2014 FAFSA and the federal delivery system.

-Student Success: Keeping the Conversation Going: In the latest session in our Student Success series, investigate several ways in which prospective and current students evaluate a school's record for helping students complete their programs and repay their loans. Explore how financial aid administrators across the country are promoting and supporting student success.

Financial Aid Implications of Enrollment Decisions: How does enrollment status affect eligibility for federal financial aid or loan deferment? Which courses in a student’s enrollment count toward aid eligibility? Do your policies sufficiently address repeated course work and overlapping loan periods? During this session, we’ll review regulatory requirements and discuss scenarios that explore some of the implications of enrollment decisions.

USA Funds Update: USA Funds continues to share the expertise we developed as a guarantor by supporting colleges and universities with default prevention, debt management and financial literacy, as well as training programs. USA Funds’ vision is to make a meaningful and measurable contribution to enhancing the success of postsecondary students, by helping schools reduce student loan defaults, improve their capabilities to serve their students, and increase their program completion rates. Learn about USA Funds tools and solutions that support your debt management, default prevention and financial literacy initiatives.

Register for a workshop or a webcast to engage with your colleagues and ensure your institution remains in compliance with new laws and regulations.

(Continued on page 5)
Receive a Loan Counseling Refresher

As fall begins, USA Funds® offers an online course for financial aid administrators that reviews federal regulations for entrance loan counseling as well as exit counseling. The course also offers additional counseling suggestions.

After completing the course, you should be able to:

- Define entrance and exit counseling.
- Identify which of your students must receive loan counseling.
- List the items you must communicate to students during loan counseling.
- Analyze your current counseling methods to determine if they meet federal requirements.
- Develop a successful loan counseling program at your school.

Financial aid administrators are required to provide loan counseling to all Stafford and graduate PLUS loan borrowers, with first-time student-borrowers required to complete entrance counseling prior to the time the school disburses the federal loan funds.

The 30-minute loan counseling course is one of a variety of USA Funds University online courses recently updated for the 2012-2013 academic year. The online courses also feature a new design that showcases more learner-focused features.

Access the courses at [www.usafundstraining.org](http://www.usafundstraining.org). New users of USA Funds University online courses are required to complete a simple, one-time registration process.

*Deb Grossman*  
USA Funds

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Workshops and Webcasts Begin in October

*(Continued from page 4)*

Register for a workshop or a webcast to engage with your colleagues and ensure your institution remains in compliance with new laws and regulations.

Visit the USA Funds University Events page at [http://events.usafunds.org](http://events.usafunds.org) and select the Webcasts or Workshops tab for additional information and to register. Contact your USA Funds representative with questions.

*Deb Grossman*  
USA Funds

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October 17-19, 2012

*WFAA Conference 2012  
Wenatchee, WA*

*Come Together*
Answering Your Questions about Resolving Conflicting Financial Aid Information

USA Funds Ask Policy℠ has received a number of questions about resolving conflicting information. Here are the answers to a few of the most frequently asked questions, to assist you as you work to resolve conflicting information affecting your students’ financial aid eligibility:

Q: If a student is not selected for verification, and our school has income tax information showing that the data on that student’s Free Application for Federal Student Aid is incorrect, do we have to conduct verification for that student because of conflicting information?

A: A school always must resolve all conflicting information that affects a student’s eligibility prior to disbursing any Title IV aid to a student — regardless of whether the student is selected for verification. However, this process of resolving conflicting information is not the equivalent of verification. Regardless of the purpose for which you obtain the student’s tax documents, you must compare those documents with the other information you have and determine if you have conflicting information.

If your school determines that a conflict exists, you must resolve the conflict prior to making any Title IV disbursement to the student. Your school’s own policies should dictate the documentation it requires to resolve such conflicts.

Q: We have a student whose ISIR shows that he answered “will file” to the FAFSA question about whether the applicant filed taxes. The ISIR shows that the student is eligible for a Pell Grant based on his current income information. Is our school permitted to award the Pell Grant while the student is listed as “will file,” or should we wait until the student updates the FAFSA?

A: The “will file” status is not considered conflicting information that a school must resolve. So your school may originate and disburse Title IV aid based on the student’s — or in the case of a dependent student, the parent’s — estimated income when the FAFSA indicates a “will file” status.

Q: Can one apparent inconsistency discovered in a single transaction lead to a review for conflicting information?

A: Yes. Conflicting information is defined as any information on the ISIR that affects the student’s eligibility and that the school believes is inaccurate. You may find conflicting information by comparing an original FAFSA to a subsequent transaction or other documents or information maintained by the school or provided by the student or parent, or by comparing data on a single transaction.

Because the regulations do not specify examples of conflicting information, your school has the flexibility to determine what you consider “inaccurate” FAFSA data. If you believe information warrants additional documentation to confirm the validity of the data, you have the authority to ask for it. Your school’s policies should specify what documentation would be appropriate to resolve the conflict.

Do you have questions about resolving conflicting information? For answers from USA Funds Ask Policy, submit your question using the Web form at: http://support.usafunds.org/AskPolicy.

Deb Grossman
USA Funds

Test Your Verification Knowledge

How comfortable are you with the federal regulations for verifying students’ FAFSA data? Many financial aid administrators still are struggling with the new rules. What’s your comfort level? Test your knowledge with the quiz found on page 9.
Default Prevention and Retention Go Hand in Hand

Once upon a time, financial aid and retention were seen as two completely separate and unrelated functions on campus. But that time is coming to an end.

Teaching students to be financially smart and to manage their loan debt wisely helps them avoid the money traps that can lead to withdrawing from school. 70 percent of student loan borrowers who default on their loans did not complete their degree work.

Additionally, later this month schools will receive their first official cohort default rates that incorporate three years instead of two — meaning many schools’ rates will increase, and high rates can mean school sanctions.

It’s no surprise, then, that we’re seeing more and more instances in which financial aid and retention staff are working hand in hand. Campus debt management and default prevention committees are including representatives from financial aid and retention, as well as a variety of other areas.

That’s good news because default prevention is a key factor in student success — which affects everyone on campus.

How can you combine financial aid and retention resources to prevent default and help students succeed at your school?

1. **Invite key campus faculty, staff and student representatives.** Your school’s default prevention committee should include a broad range of school representatives with an interest in promoting student success through financial literacy and debt management. Financial aid, retention, admissions, career resources, faculty and students are among the groups to consider.

2. **Be proactive.** Now is the time to make sure that your students are getting the tools they need to leave your school with a degree and the knowledge they need to successfully repay their loans. Convene a group to tackle the issue — regardless of your school’s current cohort default rate.

3. **Take action.** Your default prevention committee should be a working committee that meets regularly. Its members should develop and implement ideas based on their own specific roles in the group.

4. **Share data.** All areas represented on your default prevention committee should be willing to share data that can help pinpoint which borrowers are most at risk of defaulting, so your school can target its efforts.

5. **Educate school leaders.** If you haven’t already met with campus officials to explain the importance of cohort default rates and the implications of increasing rates that go beyond the financial aid office, then consider this month’s release of the first official three-year rates to be an opportunity to get their attention. Support and assistance for your default prevention and student success efforts from your school’s administration are key.

6. **Take an integrated approach.** Take steps to promote default prevention and student success throughout your students’ experience before, during and after their time at your school. Just a few examples: Faculty can lead financial literacy training in class and help ensure that students’ attendance is properly noted, and student leaders can host debt management workshops and other activities on campus.

7. **Measure results.** Determine whether your students are borrowing less. Track whether they’re learning financial literacy lessons and changing their behaviors. Monitor your school’s graduation and default rates.

If you need assistance, contact your USA Funds® representative. From a financial literacy and student success curriculum to a tool that helps you connect with your student loan borrowers, USA Funds offers a variety of tools to help your students succeed in school and in repayment.

*Deb Grossman*

*USA Funds*
Letters to Congress  
(Continued from page 3)

Whether you choose to use the Postal Service or email, here are some tips that will help your letter have impact.

Think Locally
It's usually best to send letters to the representative from your local Congressional District or the senators from your state.

Keep it Simple
Your letter should address a single topic or issue. Typed, one-page letters are best. Many PACs (Political Action Committees) recommend a three-paragraph letter structured like this:

1. Say why you are writing and who you are. List your "credentials." (If you want a response, you must include your name and address, even when using email.)
2. Provide more detail. Be factual not emotional. Provide specific rather than general information about how the topic affects you and others. If a certain bill is involved, cite the correct title or number whenever possible.
3. Close by requesting the action you want taken: a vote for or against a bill, or change in general policy.

The best letters are courteous, to the point, and include specific supporting examples.

Finding Their Addresses
Senate and House of Representatives
U.S. Senators (web sites and mailing addresses)
Write Your U.S. Representative (A service of the House that will assist you by identifying your Congressperson in the U.S. House of Representatives and providing contact information.
U.S. Supreme Court
Contact Information - US Supreme Court
The Justices do not have email addresses, but they do read letters from citizens.

To Conclude
Always:
- Be courteous and respectful without "gushing."
- Clearly and simply state the purpose of your letter. If it's about a certain bill, identify it correctly. If you need help in finding the number of a bill, use the Thomas Legislative Information System.
- Say who you are. Anonymous letters go nowhere. Even in email, include your correct name, address, phone number and email address.
- State any professional credentials or personal experience you may have, especially those pertaining to the subject of your letter.
- Keep your letter short -- one page is best.
- Thank the member for taking the time to read your letter.

Never:
- Use vulgarity, profanity, or threats. The first two are just plain rude and the third one can get you a visit from the Secret Service. Simply stated, don't let your passion get in the way of making your point.
- Fail to include your name and address, even in email letters.
- Demand a response.
Test Your Verification Knowledge (continued from page 5)

True or false:
1. For “auto-zero” EFC applicants, an institution must verify all data elements required for verification.
2. The person who paid child support must be the one who provides a signature for the signed statement of that support.
3. Tax filers who filed or will file a tax return are required to verify income earned from work.
4. A copy of Internal Revenue Service Form 1099-R is the only form of documentation acceptable to document a change made to the amount transferred using the IRS Data Retrieval Tool because of a rollover.
5. A copy of an IRS tax transcript provided by an IRS field office and stamped “official” is an acceptable substitute for an IRS Tax Return Transcript.

The answer to each of the five questions is “false.” If you didn’t score 100 percent on the test, you’ll want to acquaint yourself with the U.S. Department of Education’s program integrity question-and-answer website. This important resource includes a section addressing verification. Check the site regularly for updates.

USA Funds’ verification page at: www.usafunds.org/schools/Pages/Verification.aspx provides many helpful resources from USA Funds’ policy and training experts, as well as from the Department and the IRS.

Here are some details related to the answers to the quiz.
1. According to the Department’s question and answer VI-Q5 and A5, for auto-zero applicants, schools do need to complete verification. But they don’t need to review all of the data elements required for verification.
2. For a dependent applicant selected for verification who qualifies for auto-zero EFC, schools must verify only:
   o The parent’s adjusted gross income if the parent was a tax filer.
3. For an independent applicant selected for verification who qualifies for auto-zero EFC, schools need to verify only:
   o The applicant’s and, if applicable, the spouse’s, AGI if a tax filer.
   o The applicant’s and, if applicable, the spouse’s, income earned from work if not a tax filer.
4. DOC-Q8 and A8 state that “the signature of the applicant and, for a dependent student, one of the applicant’s parents, on the Department’s sample verification worksheets (or on a similar form developed by the institution) will meet the verification requirement for child support paid.”
5. VI-Q1 and A1 clarify that tax filers who filed or will file a tax return are not required to verify income earned from work.
6. VI-Q4 and A4 explain that acceptable documentation could include a signed statement from the tax filer. Another acceptable form of documentation is a notation by the tax filer on the IRS Tax Return Transcript that includes the word “Rollover” beside the applicable items on the transcript. If the school accepts a notation on the IRS Tax Return Transcript as documentation of the rollover, the school must ensure that the tax filer signed and dated the notation.
7. DOC-Q11 and A11 note that an IRS tax return with an official stamp from the IRS is not a substitute for an IRS Tax Return Transcript. Effective after July 15, 2012, the applicant, spouse or parent must obtain an IRS Tax Return Transcript if unable to use the IRS Data Retrieval Tool.

Deb Grossman
USA Funds
New Default Prevention Challenges Call for a Different Approach

Different problems require different solutions. That's why we must look at new solutions in order to address the issues now affecting student borrowing and default rates.

What education loan borrowers and their schools are contending with now is a perfect storm of factors that have changed the landscape of default prevention and student success:

1. **Weakened economy.** Money is tight. Things are expensive. The likelihood of finding good employment is lessened. And the tough economic picture is disproportionately affecting younger people who often are the ones beginning loan repayment.

2. **Increase in student borrowing.** Students are borrowing more to pay for their education, with average loan amounts climbing steadily. We've all seen the reports: The amount of total education loans outstanding is at the $1 trillion mark in the United States, and student loan debt has exceeded credit card debt for the first time.

3. **Split-serviced loans.** Students may have a mix of Direct Loans, Federal Family Education Loan Program loans and “put” loans, with a mix of loan servicers. Determining which entities to contact to learn about their loans and their options for repayment can be a challenge for borrowers.

4. **Three-year cohort default rate.** Beginning with the 2009 cohort of borrowers, three years of repayment — instead of two, as previously were in a cohort — will be included in the default rate.

The larger cohort means that later this month, when the official cohort default rates are scheduled to be released, many schools will see their rates go up.

And this new picture of student borrowing and default rates doesn’t look as if it will change anytime soon. The nation’s economy has yet to fully recover, and the issues affecting today’s cohort of borrowers will affect schools’ cohort default rates for years to come.

So what’s a higher education professional to do? Understand that these changes affect all of your school — not just the financial aid office. Incorporate the entire student experience in your default prevention and student success planning.

From recruiting and enrolling, to orientation, to academic programs, to first-year experience courses, all are among the many opportunities to share messages of responsible student borrowing. Entrance and exit counseling are a good start, but going beyond that required counseling to incorporate financial literacy messages in a variety of activities throughout a student’s experience is key.

Research has shown that financial literacy education improves students’ decision making and their lifestyle choices that affect money management. So take a life-of-the-student approach, using every opportunity to intervene and keep students on the path to successful debt management.

Need help with your default prevention planning? Your USA Funds® representative can show you tools and solutions for helping your students succeed.

*Deb Grossman*
*USA Funds*
Announcements

- Oscar Verduzco has begun his new position at Heritage University after eight years working at Washington State University as the Coordinator for Client Services and the Assistant Director for Client Services.
- Tim Wold at the University of Washington has been promoted from Assistant Director to Associate Director of Student Financial Aid & Director of the Veterans Center.
- Rose Steele from the University of Washington is expecting a baby boy the end of September!
- Kim Fee from the University of Washington (Tacoma) is expecting a baby a baby boy in January!

New Fact Sheets Address Pell Grant Lifetime Eligibility, Verification Requirements

Three new fact sheets on the USA Funds® website provide helpful information related to Federal Pell Grant lifetime eligibility and outline 2013-2014 verification requirements.

Pell Grant Lifetime Eligibility

Effective July 1, 2012, the Consolidated Appropriations Act, 2012, reduces the maximum number of semesters of full-time enrollment or the equivalent for which a student may receive Pell Grant funds from 18 to 12. The reduction applies to all Pell Grant recipients.

One new USA Funds fact sheet offers charts that illustrate how to calculate the percentage of Pell Grant eligibility used according to the new regulations.

Another new fact sheet offers information about a variety of key topics related to lifetime-eligibility-used calculations. Among the issues the fact sheet addresses are how to determine whether students are approaching their lifetime limit, the impact of the new Pell Grant lifetime eligibility rules on Federal Supplemental Educational Opportunity Grant eligibility, and crossover payment periods.

These two fact sheets are among the resources available from the Pell Grant Information, Policy Guidance and Training and Professional Development pages of the USA Funds website at www.usafunds.org.

Verification Requirements

The program integrity Final Rule made numerous changes to the regulations governing verification of Free Application for Federal Student Aid data. The U.S. Department of Education expanded the required items for the 2013-2014 award year and implemented customized verification selection criteria.

Verification Tracking Flags will appear on the student’s Institutional Information Record to indicate what items a school must verify for that individual student.

The “Verification Requirements for 2013-2014” fact sheet, as well as a document outlining the verification requirements for 2012-2013, are among the resources available on the Verification page of USA Funds’ website.

About Our Organization…

WFAA is a professional membership organization of individuals whose aim is to promote higher education through the availability, support and administration of student financial assistance programs. WFAA is an example of a variety of state, regional, and national financial aid associations. Voting members are comprised entirely of financial aid professionals employed at Higher Education Institutions. Vendors are not eligible for elected office. Go to the National Association of Financial Aid Administrators site at http://www.nasfaa.org for more information and many resources.

Executive Committee

President: Ted Haase (Shoreline Community College)

Vice President for Ethnic Awareness: Oscar M Verduzco (Washington State University)

Vice President for Legislation: Martin C Daniels (City University)

Vice President for Training: Traci L Stensland (Whitworth University)

Secretary: Lorraine M Odorn (Highline Community College)

Treasurer: Jim DeWilde (Western Washington University)