



PASFAA

NEWSLETTER

PENNSYLVANIA ASSOCIATION OF STUDENT FINANCIAL AID ADMINISTRATORS

VOLUME XVIII

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NUMBER 3

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FROM THE PRESIDENT

Dear PASFAA Members:

During the April 9 Executive Council meeting, your elected representatives had the opportunity to meet with PHEAA staff including Messrs. Reeher, Fabian, Pearl, Evans and Ebersole regarding several important matters under consideration by PHEAA. Among the topics which members of the Council had opportunity to discuss were the new PHEAA-HELP Program which expands upon the Family Partnership Loans available previously, various matters under consideration within the GSL Program, and changes being proposed for the Pennsylvania Grant Program.

I am extremely pleased with the manner in which our Legislative Network has flourished thus far and wish to note the efforts of Gordon Bateman who is doing a wonderful job in communicating with the Network coordinators. An effort of this kind is only as effective as the followthrough from coordinators and those with whom they are communicating within the various districts. Please be proactive during this very critical budget deliberation time.

Plans for the 1985 Conference in Pittsburgh, "America's best all-round Metropolitan Area in which to live" are progressing well. Certainly, the Conference Planning Committee, chaired by Mary Miller, is anxious to have your input on Conference activities.

In closing, I should like to seek individual member support and the support of our institutional communities including students and their families in an effort to make our views known to our elected representatives in Washington as budget debate reaches a critical stage. NASFAA has informed us that the information coming to members of Congress is pretty much equally divided between supporters and opponents for student aid programs. It is important that those who are writing describe the impact on students and families, not just the impact on our institutions.

Please communicate any suggestions you may have about our associational activities through your sector representative in advance of our next Executive Council meeting on June 3.

Respectfully,

Barry W. McCarty, President

EXECUTIVE COUNCIL NOTES

Council met on April 9 at the PHEAA Board Room, Harrisburg. Reports of various committees are included in this Newsletter. Council will next meet on Monday, June 3 at the PHEAA Board Room. Members are encouraged to bring concerns to council attention through sector representatives or other council members prior to that date.

MEMBERSHIP AND ELECTIONS COMMITTEE REPORT

Chairman Art Switzer reported to council that expanded mailings of the newsletters and his personal letters to aid administrators throughout the state have resulted in the highest ever PASFAA membership. More than 423 persons have joined the association this year and the number is constantly growing with those who had not previously renewed, with new aid officers in the state, and with administrators from schools not previously represented. An analysis of the membership lists revealed that virtually every high education institution in the state, except for some of the nursing, trade and technical schools, are represented by membership of aid officers in the organization. A growing number of lender associate members have also helped to swell the ranks. We urge current members to promote the organization's advantages to other aid administrators who have not yet joined.

Before we know it, our October conference will be upon us and the time for another election. This year the organization will elect president-elect and all sector representatives. Chairman Switzer will soon contact the membership regarding the nomination process, and he urges widespread participation in this important undertaking.

PROFESSIONAL TRAINING EVENTS HELD

Don Raley, chairman of the PASFAA Professional Standards and Training Committee, reported to council regarding the important series of PAATP workshops conducted this year. During the month of May, twelve workshops on GSL, PLUS and the new PHEAA-HELP loans are being conducted throughout the state. Titled "Student Borrowing in Transition", this series is being presented at four sites each in the west, central and east. Faculty include regional PHEAA directors, aid administrators and lenders.

GOVERNMENT RELATIONS COMMITTEE REPORT

The Government Relations Committee, headed by chairman Renee Saleh, has met several times during the last several months to discuss important matters of federal budget proposals, NRPMS and state aid programs. Bill Irwin has responded to several federal NRPMS on behalf of the organization, and Gordon Bateman is busy communicating with congressmen and his Legislative Network staff. Bill Irwin was recently appointed to PHEAA's PALS committee and Bill Burke to the PHEAA part-time grant committee.

Items discussed at the committee's March meetings with PHEAA staff included:

1. state grants for part-time students. Grants in this new program could also be made available to full-time students enrolled in one-year programs, according to Gary Smith.
2. PHEAA grant validations: The committee expressed concern to PHEAA staff regarding the lateness of validation often resulting in the cancelling or changing of grant amounts after crediting or disbursement at the campus. Gary Smith reported to the committee that the timing of PHEAA's receipt of state tax information and the follow-up documentation often causes such delays.
3. Scholarship Search: PHEAA is investigating the possibilities to assist students in their search for scholarship funds outside of the usual financial aid sources. They are considering various computer methods to assist high school students in the state. In addition, PHEAA indicated support for PASFAA in whatever it wished to take against the proliferation of various private search firms throughout the state and country.

Members with concerns regarding legislation and government relations should contact committee members so items can be discussed at their future meetings.

PAATP SUMMER INSTITUTE June 16 - 21 DICKINSON COLLEGE

The Pennsylvania Aid Administrators Training Program (PAATP) will conduct the fourth annual Summer Financial Aid Institute next month. One of the original SFATP Summer Institute sites, the PAATP institute, held on the Dickinson College campus in Carlisle, is designed to meet the training needs of financial aid administrators, agency personnel, and guidance counselors who are new (approximately two years or less) to their jobs or who need a detailed exposure to college student financial aid theory, regulations, policies, and procedures.

The full-time resident fee for the Institute is \$295 which includes registration and all instructional materials plus room and board for the week. The commuter fee is \$195 and includes registration, all instructional materials, the wine and cheese social, opening dinner, lunches Monday through Friday, all refreshment breaks and a steak cookout on Thursday evening. To register for the Institute or receive further information contact PHEAA/PAATP, 660 Boas Street, Harrisburg, PA 17102. Phone (717) 257 - 2550.

PASFAA LEGISLATIVE NETWORK VERY BUSY

As part of the PASFAA Governmental Relations Committee activities, the Legislative Network has been very busy thus far this year in contact with congressional representatives. Twenty-three financial aid administrators have been selected to serve as congressional liaisons in the congressional districts, keeping Washington informed and apprising district aid officers of the various letter-writing efforts. Gordon Bateman, Elizabethtown College, serves as network coordinator and has done an outstanding job this year in communicating with his network members. The list of network liaisons appeared in the February newsletter.

NASFAA VISITS THE HILL

submitted by Gordon Bateman

As a part of the Eleventh National Conference of NASFAA to be held at the J.W. Marriott in Washington, D.C. from July 28th through July 31st, 1985, time has been allotted on Tuesday, July 30th, from 2:00 p.m. to 5:00 p.m. for us to visit personally with our congressmen in their offices to discuss relevant financial aid issues.

Each congressional district in Pennsylvania has an FAO serving as a congressional liaison. This person will be in touch with each PASFAA member soon asking that you make plans to attend this very important conference and be a part of the delegation visiting your congressman. It is our hope that your institution can be represented at this important occasion. If you wish to contact your FAO congressional liaison in an effort to save them time, please telephone them immediately and let them know that they can count on you and your institution to be represented that day. Your congressional liaison is handling all the detailed arrangements for your visit to the Hill.

PHEAA HELP LOANS ANNOUNCED

PHEAA has recently mailed brochures and application forms to schools for its HELP loan program which contains the Family Partnership Loan, begun last year, and the new Supplemental Loans. All part of the PHEAA bond issue made just over a year ago, these loans would provide funds for families where the student is not eligible for GSL or is only eligible for a reduced GSL, and for other families in need of assistance up to \$10,000. No interest rate or insurance charge for the new Supplemental Loan has been finalized at this time. The topic of the HELP loan program was discussed at the GSL workshops sponsored by PAATP, and aid administrators are pleased to have this source of assistance for PA residents and for out-of-staters enrolled in PA schools. Aid administrators with questions about these programs should contact Bob Pearl or Joanna Shields at PHEAA. A question and answer booklet of common concerns about these programs is expected shortly from PHEAA.

CONFERENCE '85 -- PLANS WELL UNDERWAY

*submitted by Mary Andrews Miller,
Indiana University of PA*

As the 17th annual conference rapidly approaches the conference committee would like to share some information with you regarding PASFAA '85 and hope that you will share some information with us.

The conference committee is currently working on the tentative agenda. If you have a topic that you would like to present, please write a brief description of that topic and forward it to Mary Miller as soon as possible. Each proposal will be reviewed by the conference committee.

One of the unique features of this year's conference is that we will not be participating in the American plan. This will provide you with the opportunity to take advantage of the many restaurants that the Station Square and Pittsburgh have to offer. This is where your sharing comes in.

The committee will be developing a restaurant guide for the conference packets. For you Pittsburghers and others who have found some great restaurants, and are willing to share your "find", please send the information about the restaurant in the following format:

Name of Restaurant
Address
Type of Cuisine
Price (Low/Moderate/High)
Comments (What's their specialty)
Your name
Your institution

The room rate for the Sheraton Hotel at Station Square during the conference will be: Sunday, \$48, Monday - Tuesday \$55 - single or double occupancy.

STUDENT AID COMPUTER SEARCH ORGANIZATIONS -- A Synopsis of Two Studies

submitted by C. D. Bolan, Penn State

In times of actual and proposed cutbacks in national and state student assistance programs, student aid computer search organizations, offering -- for a price -- to match students with aid sources, catch the attention of students, parents, and the media. Separate studies by the University of Illinois at Urbana-Champaign for the Illinois Association of Student Financial Aid Administrators and by the California Student Aid Commission provide little evidence to recommend such services.

Almost all of the more than 40 computer search organizations examined were private for-profit firms. Only 6 of the organizations examined indicated that they maintained their own data base. Most utilized the data base of an organization named Academic Guidance Services. None were effective at matching students with outside scholarships, according to the research, which also revealed:

Advertising -- misleading.

Fees -- most common was \$45.

Refund Policies -- promise a specified number of sources for which eligible -- not a guarantee that funds actually will be received from those sources.

Quality of Information Received -- while there were differences in the agencies examined, their differences are greatly over-shadowed by the factors they have in common, most notably their inability to match specific scholarship/grant eligibility requirements with specific student characteristics.

Federal/State Sources -- although information about government student aid frequently was included, the emphasis was on private sources.

Not one of the agencies could provide effective matching. Few students received any tangible results once they applied for scholarships for which they appeared to have been matched. "*Caveat emptor.*"

NAME/TITLE	INSTITUTION/ADDRESS	CITY	STATE/ZIP CODE/TERMINAL/PHONE
Aiderton, Karen Financial Aid Director	Dubois Business College 1 Beaver Drive, P.O. Box 0	Dubois	PA 15801 (204) 371 - 6920
Allen, Scott Financial Aid Officer	Newcastle School of Trades RD 1	Pulaskie	PA 16143 (412) 964 - 8811
Bell, James Director	American Institute of Drafting 1616 Orthodox St	Philadelphia	PA 19124 (215) 288 - 8200
Buss, Larry Director of Financial Aid	PA College of Podiatric Medicine 8th & Race Sts	Philadelphia	PA 19107 (215) 629 - 0300
Capparel, Linda Director	Geisinger Medical Center N. Academy Ave	Danville	PA 17822 (717) 271 - 6276
Davis, Diane Graduate Student	Indiana University 308 Pratt Hall	Indiana	PA 15705 (412) 357 - 2218
Denova, Rebecca L. Director of Financial Aid	School of Computer Technology 107 Sixth St	Pittsburgh	PA 15222 (412) 391 - 4197 TM G8
Dixon, Darlene Financial Aid Officer	Palmer School 1118 Market St	Philadelphia	PA 19107 (215) 588 - 3800
Dubroff, Michael Director of Financial Aid	Lyons Technical Institute 67 Long Lane	Upper Darby	PA 19082 (215) 794 - 1250
Ekdahl, Barbara Consultant	40 Sawgrass Lane	Newtown Square	PA 19073 (215) 353 - 2414
Fields, Dennis Financial Aid Officer	National Education Center: Thompson Institute 5650 Lerry St	Harrisburg	PA 17111 (717) 564 - 8710
Gallagher, Joseph Director of Financial Aid	Lancaster General Hospital	Lancaster	PA 17603 (717) 299 - 5511
Hassett, Karen Administrative Assistant	National Education Center: Thompson Institute 5650 Lerry St	Harrisburg	PA 17111 (717) 564 - 8710
Henegan, Michele S. Manager, Student Loan Center	Penn Bank 201 Chestnut St	Meaville	PA 16335
Hickman, Shirley Director of Nursing Education	Northeastern Hospital School of Nursing 2301 E. Allegheny Ave	Philadelphia	PA 19134 (215) 291 - 3136
Hoehi, Dorothy Director, School of Nursing	Louise Suydam McCintic School of Nursing, 4631 Dawson St	Pittsburgh	PA 15201 (412) 622 - 7075
Householder, Katherine Director of Financial Aid	Geneva College	Beaver Falls	PA 15010 (412) 846 - 5100 TM G3
Isler, Jan Financial Aid Officer	School of Computer Technology 107 sixth St	Pittsburgh	PA 15222 (412) 391 - 4197 TM G8
Jackson, Juanita Financial Aid Officer	Craft School of Tailoring	Philadelphia	PA 19102 (215) 665 - 8546
Kershaw, Connie Director	Connie Kershaw Beauty Academy 3355 Kensington Ave	Philadelphia	PA 19134 (215) 634 - 0633
Liberato, Domonick Director of Financial Aid	The Restaurant School 2129 Walnut St	Philadelphia	PA 19103 (215) 561 - 3446

Lijewski, Phyllis Financial Aid Officer	Erie Institute of Technology, Inc. 2221 Peninsula Dr	Erie	PA	16006	(814) 838 - 2711
Maglin, Alan President	School of Computer Technology 107 Sixth St	Pittsburgh	PA	15222	TM G8 (412) 391 - 4197
Malinchok, Martha Coordinator	Schuylkill County Avrs Practical Nursing Program	Marin	PA	17931	(717) 544 - 5444
Marino, John Chief Executive Officer	Computer Systems Institute 996 South Main St	Meadville	PA	16335	(412) 201 - 6110
McDonigle, Bernadette Associate Director of Financial Aid	Montgomery County Community College 340 Dekalb Pike	Blue Bell	PA	19422	TM E5 (215) 641 - 6565
McGregor, Carol Financial Aid Officer	Franco Beauty Academy 856 Fifth Ave	New Kensington	PA	15069	(412) 339 - 5533
O'Searo, Marra Director	Cheema's Beauty Academy	Sharpsville	PA	16150	(412) 902 - 5722
Parry, Vera Bursar/Fiscal Officer	Computer Systems Institute 900 Penn Ave	Pittsburgh	PA		(412) 201 - 6110
Passera, Marra Financial Aid Administrator	The Sawyer School	Pittsburgh	PA	15222	(412) 261 - 5700
Resides, Diane Financial Aid Officer	Centre Business School, Inc 1006 West College Ave	State College	PA	16801	(814) 238 - 4916
Ritter, David Financial Aid Assistant	Duff's Business Institute 110 Ninth St	Pittsburgh	PA	15222	TM L6 (412) 261 - 4528
Roche, Patricia Director of Financial Aid	Sewickley Valley Hospital School of Nursing	Sewickley	PA	15143	(412) 741 - 7300
Sangston, Dolores Assistant to the Director of Financial Aid	Delaware Valley College Science & Agriculture	Doylstown	PA	18801	TM G5 (215) 345 - 1500
Sauer, Robert Director of Admissions/Financial Aid	Delaware Valley College Science & Agriculture	Doylstown	PA	18901	TM G5 (215) 345 - 1500
Scharf, Jerry Director of Financial Aid	Spring Garden College 7500 Germantown Ave	Philadelphia	PA	19119	TM U8 (215) 242 - 3700
Schweizer, Tribby Financial Aid Officer	The Sawyer School	Pittsburgh	PA	15222	(412) 261 - 5700
Seeley, Michael Financial Aid Officer	Memorial Hospital, Roxborough 5800 Ridge Ave	Philadelphia	PA	19128	(215) 483 - 9900
Shirley, Paul C. Director of Financial Aid	Delaware County Community College	Media	PA	19063	TM 68 (215) 359 - 5930
Sims, Edward Jr. Director of Financial Aid	Montgomery County Community College 340 Dekalb Pike	Blue Bell	PA	19422	TM E5 (215) 641 - 6565
Soudan, Richard H. Director of Financial Aid	Washington and Jefferson College	Washington	PA	15301	TM F5 (412) 222 - 4400
Weber, Janet Director, Nursing Education	Albert Einstein Medical Center York and Tabor Hds	Philadelphia	PA	19141	(215) 456 - 7303
Wholey, Kathryn Director of Financial Aid	Triangle Tech 1940 Perrypville Ave	Pittsburgh	PA	15214	(412) 399 - 1000
Welcomer, Pat Financial Aid Administrator	Academy of Medical Arts and Business 279 Boas St	Harrisburg	PA	17102	(717) 233 - 2172

NEW GI EDUCATION PROGRAM ANNOUNCED

A new GI Bill available for new recruits starting July 1, 1985 was recently announced. This new program offers a tiered system to allow the services to offer increased educational allowances to promote both recruitment and retention of qualified personnel, according to Congressman Bob Edgar who served as chairman of the House Veterans Affairs Subcommittee on Education, Training and Employment.

Basic benefits of this new program, according to Edgar, include:

Eligible personnel with three years of service are entitled to \$300 per month for up to 36 months of education. Eligibility requires that the individual agree to a reduction of \$100 per month from basic pay for only the first 12 months of service. For those who enlist for two years, the rate is \$250 monthly for up to 36 months with the same rate of contribution. The Department of Defense is authorized to increase the basic benefit by as much as an additional \$400 per month for recruits entering the service in critical specialty fields.

Supplemental benefits:

After eight years of service the Department of Defense is allowed the discretion to offer an additional \$300 to the basic benefit plus an optional kicker of another \$300, again, for individuals in critical specialty fields.

National Guard and Reserves:

With a six-year enlistment, reenlistment or extension, Guard and Reserve personnel could receive a basic entitlement of \$140 per month for 36 months. Participants could start using the benefits after six months of service.

Congressman Edgar indicated that he would be willing to provide additional information on this program.

FROM THE LENDER'S PERSPECTIVE

*submitted by Juanita Reichel, Student Loan Officer
Marine Bank*

Pennsylvania Higher Education loans have been in existence since 1965. At that time, the interest rate on these loans was 5%. Marine Bank has been in the program since its inception. Interest rates have been increased from that level to the current interest rate of 8%.

When the interest rates were low, financial institutions were very selective as to the type of loans they would accept. As a financial institution's ultimate goal is profit, the federal government instituted a special allowance as an incentive for financial institutions to participate in more student loans. Since 1977, the volume of loans has increased substantially. Financial institutions have realized that these loans were an excellent addition to their portfolios as no credit losses occurred because of the federal and state guarantees.

Lending institutions want to continue to be in the student loan program. These loans are helping America's future doctors, lawyers, congressmen and other career and trade people attend institutions of higher learning. With the rising education costs in our country, it is almost impossible for a student to attend school without some type of financial assistance.

Edinboro University is a state school with 50% of the full-time students attending the school having student loans. The average loan per student is \$2,000. If the new proposed federal legislation becomes law, one-third of the student applicants would be restricted or rescinded. The total cost for this fall will be \$4,400, which includes room, board, tuition, books, travel, personal maintenance expenses and spending money.

Gannon University is privately owned and 61% of the full-time students attending the school have student loans. The average loan per student is \$2,500. Total cost inclusive for this coming fall is \$8,840. 27.6% of the students would be eliminated and an additional 10% would have their loans substantially reduced if the proposed law is enacted.

The cutback of those that can receive financial assistance would not necessarily move students from private to state schools. For example, a dependent student applying for a loan whose family adjusted gross income is \$39,000, with four in the family, would be able to receive a \$2,500 loan at a private school such as Gannon but would be unable to receive a loan at a state school such as Edinboro. This also holds true for Pell and PHEAA Grants. Students can receive higher awards at a more expensive school than at a lower priced school.

If the changes in legislation that are being proposed become law, it could make financial institutions review their respective student loan programs. The loans would not be as profitable as other types of loans thus institutions would probably cutback or possibly eliminate the programs. This elimination of student loans could and would hurt many schools of higher learning to the extent that many could not survive.

There have been many editorials in the newspaper and on television as to the number of students that default on their loans. Because of the serious implications of due diligence, financial institutions that are willing to work with the students will assure that a low default rate will occur and assure that these financial institutions will continue in the program giving a valuable service to its customers and providing responsible actions on the part of the students.

Ed. Note: This article was researched based on President Reagan's early budget proposals for student aid programs.

Other members of the lending community who are PASFAA associate members are invited to submit articles for this column.

NURSING SCHOOL GROUP MEETS

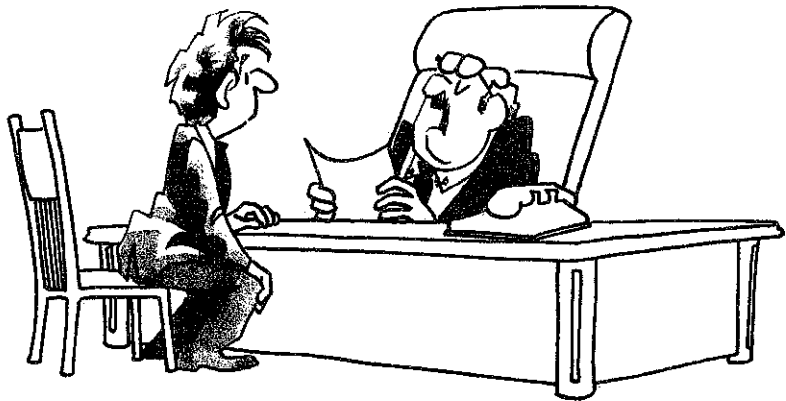
*submitted by Rosemary Sweeny,
Lankenau Hospital School of Nursing*

A meeting of the Southeastern Pennsylvania Aid Administrators Nursing Sector (SPAANS) was held on March 8th. Carolyn Voorhees of Brandywine Hospital presented an extensive review of the meeting she attended in Washington, D.C. on nursing loans and handed out copies of materials provided at that meeting. Len Amodei of Episcopal Hospital added to the discussion in the area of required collection efforts for nursing loans. Additional copies of the handouts from that Washington meeting may be obtained by contacting Rosemary Sweeny at Lankenau Hospital.

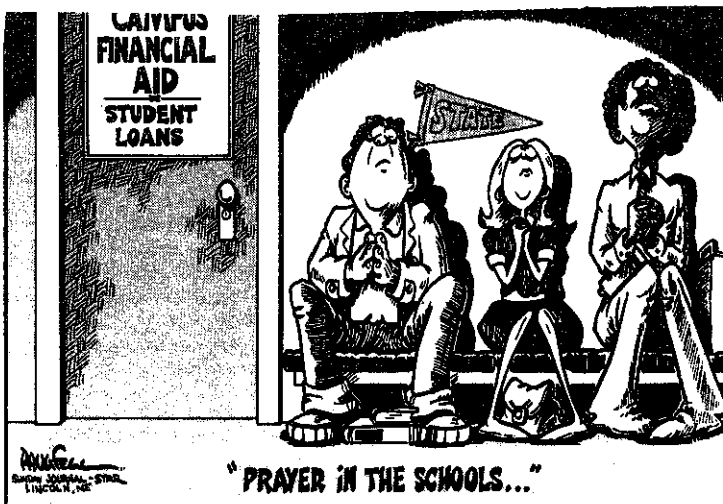
The SPAANS group was scheduled to meet on April 29 at the ED Region III office to review the Pell RD payment process and resolve questions prior to submission of last batches of payment documents. Action letters 4 and 6 regarding IPS, payment documents and batch reports were also on the agenda.

THE LIGHTER SIDE

PASFAA members are encouraged to submit financial aid related cartoons for this newsletter column.



"The fact that you remain abysmally stupid is no excuse. You still have to pay off your student loan."



MOVING OR CHANGING POSITION ?

PASFAA memberships belong to the individual and not your institution. Please be sure to provide PASFAA with changes of address or changes in title. Membership directories, printed by Bob Prince of FCA for the organization, have been sent to all members. You should review your entry and submit any necessary changes to the Financial Aid Office, East Stroudsburg University, East Stroudsburg, PA 19031 where the membership list is maintained.

NEWSLETTER PUBLICATION SCHEDULE

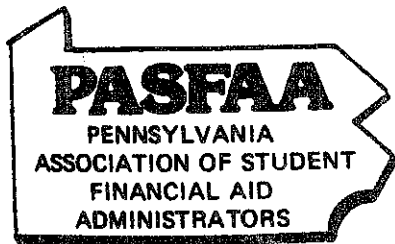
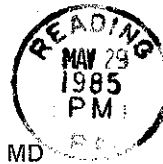
Editions of the PASFAA newsletter are scheduled every-other month with the next one due in mid-June. Articles, editorials, position openings and other contributions must be submitted by the first week of the month of publication. All materials and any questions about the newsletter should be sent to Sheila Angst, P.O. Box 516, Reading, PA 19603.

DATES TO REMEMBER:

PASFAA Sept. 29 - Oct 2, 1985
Sheraton Inn at Station Square, Pittsburgh

NASFAA July 28 - 31, 1985
J.W. Marriott, Washington, D.C.

EASFAA May 4 - 7, 1986
Omni International Hotel, Baltimore, MD



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