

KHEAA

simplifying the process

ADVISOR

in this issue:

<u>KY Saves honors teen</u>	2
<u>Loans rates to rise</u>	3
<u>Student payments to resume</u>	4
<u>School highlight</u>	5
<u>Staff highlight</u>	6
<u>Products and services</u>	7
<u>Your marketing representatives</u>	8



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KHEAA is here to help make sense of the changes caused by COVID-19. Our commitment to you remains strong, but our delivery methods have been altered.

KHEAA remains committed to helping you with your educational questions. Following guidelines from Governor Andy Beshear and the Centers for Disease Control, we are adapting the way we do our day-to-day business to protect the health and safety of students, families, partners and staff.

We continue to serve our community, students, families and school partners to the utmost of our ability.

Our customer service specialists remain in place to assist you. Please call 800.928.8926 if you have questions.

Grant and scholarship programs are being processed as normal. New applications for assistance are being processed and the deadlines are listed on the program information pages at kheaa.com.

KHEAA Verify, Cohort Default Management Services, and KHEAA's loan origination and disbursement services continue.

KHEAA stands ready to help if you have been impacted by COVID-19.



KY Saves 529 honors teen for his generosity

Teo Jordan says he just wanted to help when he heard a cashier tell a man he didn't have enough money to cover his grocery bill. Teo, an 18-year-old Holmes High School senior, was working as a bagger at Kroger in Covington when he reached into his own pocket and gave the cashier all the money he had — \$35 — to cover the man's bill.

Teo's act of kindness did not go unnoticed. Many heard the story last fall and wanted to make sure Teo was rewarded for his good deed. That included representatives from KHEAA, who were at Holmes on March 30, to present Teo with a donated \$1,000 KY Saves 529 account to help with college expenses.

"KHEAA and KY Saves 529 are pleased to recognize an outstanding young man, Teo Jordan, for the kindness and thoughtfulness he displayed when helping one of his fellow Covington residents," said David Lawhorn, KY Saves 529 program manager. "We hope the \$1,000 KY Saves 529 account will help Teo and his family pay some of his future college expenses."

KY Saves 529 is the state's official education savings program. Administered by KHEAA, KY Saves 529 offers investment options that help families meet future education costs, including K–12 tuition. Account earnings are exempt from Kentucky taxes, and any withdrawal used for qualified education expenses are free from federal income taxes as well.

KHEAA had wanted to present this award to Teo since October when it learned of his act of kindness. The presentation was delayed until March because of the pandemic.



Interest rates on Direct, PLUS Loans increase for 2021–2022

Interest rates on Federal Direct Loans and Federal PLUS Loans increased by nearly 1 percent on July 1.

Direct Loans made to undergraduate students in the 2021–2022 academic year will carry a 3.73 percent interest rate, up from 2.75 percent the previous year. Subsidized and unsubsidized Direct Loans to undergraduates have the same rate.

Graduate and professional students who borrow Direct Loans this year will see a 5.28 percent interest rate, up from 4.3 percent last year. All Direct Loans to graduate and professional students are unsubsidized.

The interest rate on PLUS Loans for 2021–2022 increased to 6.28 percent from 5.3 percent.

Interest rates are set based on the high yield for the 10-year Treasury note auction, plus an add-on amount. The high yield on the 10-year note currently stands at 1.68 percent, 0.98 percent higher than the rate at the comparable auction last year. The add-on amount for undergraduate Direct Loans is 2.05 percent. The add-ons for graduate and professional Direct Loans is 3.6 percent, while that for PLUS Loans is 4.6 percent.

Fees remain to be charged on federal loans. The fee for Direct Loans is 1.057 percent, while the fee for PLUS Loans is 4.228 percent.

Editor’s note: This information came from the National Council of Higher Education Resources (NCHER).

Student loan repayment expected to resume this fall

Repayment on student loans, suspended since March 2020, is scheduled to resume on October 1. Faced with this difficult transition, schools need to keep informed of the process so they can counsel their students.

Many financial aid administrators fear that that the loan system and servicers will be overwhelmed when millions of borrowers enter repayment at the same time. That's why some believe that postponing the start of repayment until next March will give students and servicers more time to prepare.

In the past, when the Department of Education has implemented student loan forbearances, there often is an increase in student loan delinquency when student loan payments resume.

Whether students reenter repayment this October or next March, your cohort default rate could be affected going forward.

Trust the knowledgeable experts at KHEAA to assist you with keeping your default rate as low as possible. Our Cohort Default Management service has a proven record of turning CDR's around and helping students get on and stay on the right path.

If you would like more information on how KHEAA's Cohort Default Management service can help, email us at marketing@kheaa.com or call 800-928-8926.

School highlight

Robyn Sollberger | Director of Financial Aid | Campbellsville University |
Campbellsville, Kentucky



What made you choose financial aid as a profession?

As many of us in this profession say, financial aid chose me. I started as a student worker in the financial aid office at Campbellsville University. I instantly fell in love with what our office did, and the desire to help all students gain access to higher education. However, after earning my MBA I left financial aid for a position in the private business sector. During those 8 years, I always felt something was missing. I was given the opportunity to return to the financial aid office at Campbellsville University. I enjoy all days that I am able to work in this profession, even through the stressful, crazy, out of control, uncertain times.

What has kept you in financial aid? Financial Aid feeds my desires on several levels: working with numbers, my need to problem solve, and making to-do lists and marking things off! It makes me feel that I have purpose when I watch those

students that we helped realize their dream of earning their degree.

What accomplishments are you the most proud of? My biggest accomplishments are definitely my 4 children. My 24-year-old daughter Shelby definitely inherited my love for education. She is currently earning her 2nd master's degree. I also have an 11-year-old that just completed 5th grade. Coltyn is an active member of 4-H and the school's Archery team. And lastly, the ones that sped up the gray in my hair are Braylen and Brysen, 8-year-old twins. Braylen is older by one little minute, but that 60 seconds makes ALL the difference. She is a natural-born leader and a

friend to everyone. She plays softball and genuinely loves life. Brysen is definitely the baby of the family, and uses that to his advantage. He eats and breathes baseball and basketball.

How do you spend your free time, what energizes you?

What is free time?!? I value my time with my husband and kids doing yard work, shopping, or just having movie night. I also workout daily to help keep my mind sane.

How has working with KHEAA improved your workflow or helped your students? KHEAA has been wonderful in so many areas. We partner with KHEAA for verification services and for cohort default management. Not only are the services a lifesaver for our office, the primary contacts for both services are so helpful. All of our staff feel comfortable reaching out to Beth Hinkley, Lindsey Wolfe, Tricia Crowe and Elaine Brumback regarding any student issue or concern that might arise.

Staff highlight

Sheila Roe | Business Analyst in Advantage Education Loans



Business analyst Sheila Roe works with our Advantage Loan program, providing reports on activities and also helping test and implement various Advantage Education Loan functions. She joined KHEAA as the KEES coordinator, then became the administrator of the CAP and KTG grant programs.

Sheila got her start in financial aid at Morehead State University through work-study as a student and took on a full-time position after she graduated with a bachelor's in business administration. While at MSU, Sheila primarily worked with administering KHEAA grants and scholarships, which made the move to KHEAA a great choice.

"I always enjoyed working with the student aid coordinators and thought it would be a great opportunity to work with those programs on a greater scale," she said.

Sheila grew up in Morehead and graduated from Rowan County High School. After getting her

bachelor's she received a master's in adult and higher education from MSU.

Sheila enjoys camping, riding ATVs, and spending time with her family. When she was younger she would visit Gatlinburg and Pigeon Forge, which are her favorite places to visit. Several times a year they make the trip and always have fun looking back at old memories and making new ones while there.

KHEAA products and services

In these unprecedented times, you can continue to depend on our services to help fulfill all your higher education needs. For more information on any of our services, contact marketing@kheaa.com.

Advantage Education Loans

The Advantage Education Loan is a great choice for students who have exhausted their grant and scholarship options. The Advantage Education Loan offers FIXED interest rates that start at 3.50 percent APR, and there are NO fees. The rate is based on the repayment plan selected, credit history and other factors. Borrowers may qualify for a lower interest rate if they apply with a cosigner.

KHEAA Verify

KHEAA Verify is a comprehensive online, turn-key FAFSA verification service. Our service performs the entire verification process from initially notifying students to verifying and submitting corrections. This gives your staff the opportunity to focus on other pressing matters.

Cohort Default Management Services

Proactively manage your Cohort Default Rate with our Cohort Default Management Services. KHEAA understands the importance of keeping your default rates as low as possible — that's why we offer two levels of our Cohort Default Management Services to meet your needs: Early Intervention and Default Prevention.

For information on KHEAA's products and services, email kheaa@marketing.com or call 800.928.8926.

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Your Opinion Matters

Do you have a subject you would like to see addressed in the KHEAA Advisor?
Someone you would like to see highlighted?

If so, please send your suggestions to Meredith Geraci at mgeraci@kheaa.com.