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A male Northern Cardinal sitting in a dogwood tree.



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# TAX TIPS FOR STUDENTS

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Income tax season is here and students may want to consider these tips from KHEAA to help the process go more smoothly.

Although students may not have earned enough to be required to file, they still may be able to get a refund if their employer withheld taxes from their pay. Before filing though, students should discuss the situation with their parents. Depending on how much the parents contributed to the student's upkeep during the year, they may be able to claim the student as a dependent, which could save them thousands of dollars.

Students and parents may be able to take advantage of these programs on their federal taxes:

- American Opportunity Credit, available for the first four years of college.
- Lifetime Learning Credit, available if a taxpayer or a dependent is taking college courses to acquire or improve job skills.
- Tuition and fees deduction, which lets taxpayers deduct qualified education expenses paid during the year for themselves or a dependent. The expenses must be for college.
- Student loan interest deduction, which lets people deduct up to \$2,500 per year on federal taxes for interest paid on federal student loans.

For more detailed information about federal programs, go to [www.irs.gov](http://www.irs.gov) to download the free Publication 970 Tax Benefits for Education.

Kentucky also offers a tuition tax credit for undergraduate students who attend state colleges. Remember that tax rules may change from year to year, so make sure you have the most up-to-date information before filing.

## VINSON APPOINTED TO KHEAA/KHESLC BOARD

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Governor Steve Beshear has appointed Charles B. Vinson of Murray to the board of directors of KHEAA and KHESLC.

Vinson retired as the director of financial aid from Murray State University. He is a member of KASFAA and the Kentucky Retired Teachers Association. His term on KHEAA and KHESLC's board will expire on July 15, 2018.



## HIGHLIGHT: YOUR MARKETING REPS

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Clark Aldridge, Marketing Representative

Clark joined KHEAA as a marketing representative in August 2011. He enjoys working with schools to help them find solutions to their verification and cohort default management issues.

Clark resides in Alabama and primarily works with schools in the SASFAA region. He has over 35 years of experience in higher education finance and is active in related professional organizations, having served as president of AASFAA, GASFAA and SASFAA.



Before joining KHEAA, Clark worked with Collegiate Funding Services and Chase Education Finance. Prior to that, he was the director of financial aid at Columbus State University, Auburn University and the University of Montevallo.

## BE WARY OF STUDENT LOAN REPAYMENT COMPANIES

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Students with federal student loans should be wary of sales pitches from companies offering to help borrowers lower their payments.

Such companies charge fees — sometimes high fees — for filling out forms that students can do for free. Many companies will want to charge monthly fees for monitoring loans. Again, students can do that for free.

If a lower payment is needed, the best place for them to start is to contact the servicer that the U.S. Department of Education (ED) has assigned the loan to. The servicer can advise options and help with forms. Students who need help finding their servicer can go to [www.nslds.ed.gov](http://www.nslds.ed.gov) to retrieve their loan information.

Students can also go directly to the ED website at [www.ed.gov](http://www.ed.gov) and click on the link titled “Student loans, forgiveness.” Under that section, there are links to detailed information about many options.

# COMPETENCY-BASED EDUCATION PROGRAMS

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The Department of Education (ED) posted Dear Colleague Letter (DCL) GEN-14-23 on December 19, 2014, discussing how Title IV aid can be used to pay for programs and courses that have competency-based components under existing statutory and regulatory requirements. The DCL makes clear distinctions between competency-based education in Title IV eligible direct assessment programs and Title IV eligible regular credit-hour programs.

GEN-14-23 incorporates sixteen questions and answers to help address school questions about:

- The distinction between credit hour competency-based education and direct assessment
- Requirements for establishing credit hour equivalencies in direct assessment programs
- Requirements for regular and substantive interaction between students and faculty
- Prohibitions on paying Title IV aid for credit earned through prior learning assessments
- Satisfactory academic progress
- Return of Title IV Funds provisions
- Accrediting agencies' roles in reviewing competency-based education programs

Institutions may submit questions about Title IV requirements at [CBE@ed.gov](mailto:CBE@ed.gov).

Three experiments related to competency-based education and direct assessment programs are available under the ED's Experimental Sites Initiative. Institutions that want to participate in the experiments or to ask questions about them should contact the Experimental Sites Initiative team at [experimentalsites@ed.gov](mailto:experimentalsites@ed.gov).

The experiments were described in the July 31, 2014, Federal Register notice.

## PERKINS LOANS – LIQUIDATION AND ASSIGNMENT

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ED also posted an electronic announcement in November 2014 announcing that complete information about Federal Perkins Loan Portfolio liquidation and assignment is now available in a permanent, centralized location on the Information for Financial Aid Professionals (IFAP) website.

From the IFAP website's home page, click on the Processing Resources box then click on the Campus-Based Processing Information link. Here's a [shortcut](#). Perkins Liquidation and Assignment information is highlighted in an orange box on the right side of the page. Changes or updates to Perkins liquidation or assignment documents will be announced through future electronic announcements.



### **KHEAA can help Kentuckians with planning, paying for college**

It's time for students headed to college in the fall to submit the Free Application for Federal Student Aid or FAFSA.

For high school seniors it will be a new experience. For parents who've never been through the process, it can also be a frustrating experience. But students and parents in Kentucky can get free help with the FAFSA from KHEAA, as well as with all other aspects of financial aid.

We have outreach counselors throughout the state who will be speaking at high schools to explain the FAFSA and the financial aid process to students and parents. We also have a toll-free number, 1-800-928-8926 that people can call for answers to all of their financial aid questions.

Kentuckians have already received help with the FAFSA by attending a College Goal Kentucky session, sponsored by the Kentucky Association of Student Financial Aid Administrators.

Good preparation for college begins much sooner, though, as middle school and high school students can cut the cost of college by making good grades in high school and by doing well on the ACT or SAT. That way they can earn awards through the Kentucky Educational Excellence Scholarship or KEES

program. KEES awards can equal up to \$2,500 a year for four years of college.

We recommend students take advantage of dual credit, Advanced Placement and International Baccalaureate courses if offered. We know students who have gone off to college with 20 or 30 credit hours already. That saves them thousands of dollars when they get to campus.

We also suggest students take at least 15 credit hours per semester since most colleges and universities charge the same for 15 hours as they do for 12 hours.

Tax season is here, and families should take advantage of deductions and credits for college expenses. Such programs as the American Opportunity Credit, Lifetime Learning Credit and deductions for tuition and fees can lower federal tax bills substantially. Kentucky also offers a tuition tax credit for students who attend in-state colleges, which can help with their state taxes. Refer students and families to IRS Publication 970 or to their tax advisor to see if they qualify for these programs.

The process to receive financial aid can seem daunting, but it should not deter anyone from achieving their higher educational goals. For more information about planning and paying for college, please visit [www.gotocollege.ky.gov](http://www.gotocollege.ky.gov) or [www.kheaa.com](http://www.kheaa.com).



# ADVANTAGE LOAN PROGRAM



**Our interest rates and fees are LOW!**  
**Rates are as low as 4.95% and won't exceed 7.59%.**

## Helping your students get started

[advantageeducationloan.com](http://advantageeducationloan.com) — To apply for an Advantage Education Loan.

Great Lakes Fast Choice — The borrower can select a lender of choice and then complete the application with that lender. This option is usually found on each school's website.

Elm Select — Loan comparison tool found on each school's website.

Call KHESLC at 1.800.988.6333 — Request an application be sent via email.

If you use Fast Choice or Elm Select and the Advantage Loan product does not display on your list, please contact Meredith Geraci at 502-329-7100 or [mgeraci@kheaa.com](mailto:mgeraci@kheaa.com).

## Order Publications for your office and your students.

Contact your marketing representative at 1.888.678.4625 or [marketing@kheaa.com](mailto:marketing@kheaa.com) for a supply of the following:

- Advantage Loan brochures and flyers
- Comparison chart flyers:
  - Advantage Loans compared to federal loans
  - Advantage Loans compared to other private loans

## FLYER AVAILABLE

Below is a great flyer available for your students. Advantage Education Loan brochures and flyers can be ordered by contacting your marketing representative at 1.888.678.4625 or [marketing@kheaa.com](mailto:marketing@kheaa.com).

# Need money for college?



Get a low-cost student loan, from the folks you trust

KHESLC offers the **Advantage Education Loan** to help fund your college expenses. With additional money from the Advantage Education Loan, you can afford to attend the college of your choice.

Our loan offers **FIXED** interest rates for the life of the loan. (The exact rate will depend on your creditworthiness and repayment plan choice.)



<p><b>Immediate Repayment – Principal Plus Interest</b></p> <ul style="list-style-type: none"><li>• 4.95% to 7.09% Fixed interest rate</li><li>• 0% to 2% Guarantee fee</li><li>• 0.5% Interest rate reduction for auto debit</li></ul>	<p><b>Immediate Repayment – Interest Only</b></p> <ul style="list-style-type: none"><li>• 5.59% to 7.09% Fixed interest rate</li><li>• 0% to 2% Guarantee fee</li><li>• 0.5% Interest rate reduction for auto debit</li></ul>	<p><b>Postponed Repayment</b></p> <ul style="list-style-type: none"><li>• 6.49% to 7.59% Fixed interest rate</li><li>• 3% Guarantee fee</li><li>• 0.5% Interest rate reduction for auto debit</li></ul>
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The Advantage Education Loan is a private loan. You should always apply for eligible state and federal grants, scholarships and loans first.

To apply, go to [advantageeducationloan.com](http://advantageeducationloan.com).  
For more information, call 800.988.6333.



All loans subject to credit approval. The interest rate is set at the time you choose repayment terms and cannot be changed. Borrower benefit terms and conditions are subject to change without notice.

Your trusted source for student loans

# WHERE THE MONEY GOES

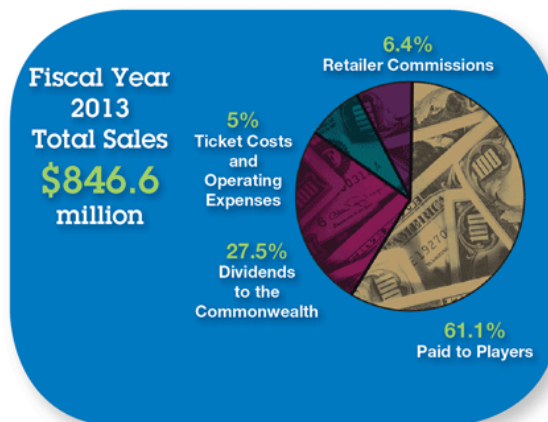
You've probably seen the television commercials from the Kentucky Lottery advertising where proceeds from the sale of its games are spent. In the past, advertisements were prohibited from mentioning the programs which benefited from lottery funds. That restriction was lifted last summer.

The Kentucky Lottery has provided more than \$2 billion to the Kentucky Educational Excellence Scholarship (KEES) Program, the College Access Program Grants (CAP) and the Kentucky Tuition Grants (KTG) Program. Combined, this money has been used to make more than 1.5 million financial awards to help Kentucky's best and brightest students remain in Kentucky for their post secondary education.

In addition to college grants and scholarships, \$42 million has gone to Kentucky's Early Childhood Reading Incentive Fund, Read to Achieve and Kentucky's Collaborative Center for Literacy Development since 1999. Another \$21 million supported the Kentucky Housing Corporation's Affordable Housing Trust Fund from 1999 – 2003, helping to build over 2,770 units of housing for some of the state's neediest citizens.

In addition, \$32 million of Lottery money was set aside by the legislature in the early 1990s as a one-time bonus for Kentucky Vietnam veterans. Also, \$214 million was earmarked for elementary and secondary education in 1993 and 1994, and, over the years, more than \$1.5 billion has gone to the General Fund, as designated by members of the General Assembly. The General Fund pays for a wide variety of programs and projects that benefit all Kentuckians.

*-portions reprinted from [www.kylottery.com](http://www.kylottery.com) "Where the Money Went FY'13"*





## NEW OUTREACH COUNSELORS

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Tyler Powers has joined KHEAA as an outreach counselor helping students and families in southeastern Kentucky. Powers will work with schools, adult education centers, state agencies, and other groups. Before joining KHEAA, he worked for Morehead State University as a college access counselor in Harlan, Bell, and Leslie counties.

He can be reached at [tpowers@kheaa.com](mailto:tpowers@kheaa.com) or 606.273.9644.



Johnny Bergman has also joined KHEAA as an outreach counselor for southwestern Kentucky. Bergman was a Kentucky College Coach at Pendleton County High School in northern Kentucky. Recently, he has been working as a program coordinator for the College Coaches program at the Kentucky Campus Compact out of NKU.

He can be reached at [jbergman@kheaa.com](mailto:jbergman@kheaa.com) or 270.392.8675.



## IPAD GIVEAWAY

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Each quarter KHEAA hosts an iPad giveaway on Facebook. The next contest is in February and runs from 12 a.m. on February 1 through 12 a.m. on March 1.

To enter, a Kentuckian must click on the orange graduate icon on the [KHEAA Facebook](#) page, answer one question about college, and “like” KHEAA on Facebook. Only Kentucky residents are eligible. Prior winners are not eligible. KHEAA will not share or sell any personal information to a third party.

Erin Nichole Cook (right), of Trigg County, was the winner of KHEAA’s November iPad giveaway. She is pictured here with her school counselor, Cammie Evans.



# KHEAA VERIFY

If verification is causing you frustrations, talk with us. We're the pros on getting verifications completed for you.

When you sign up for KHEAA Verify, our specially trained and professional staff will conduct all the verification chores for you, leaving your staff to focus on other important tasks. Frustrated students and overworked staff could be a thing of the past!

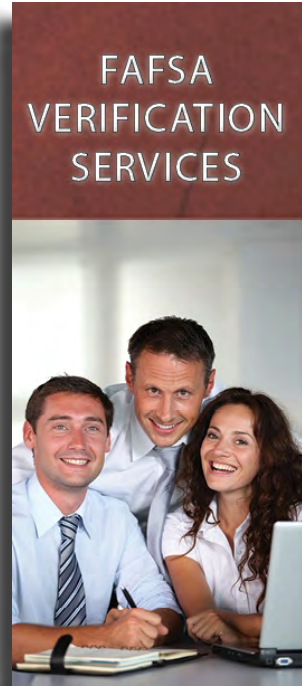
Our verification process is easy to use. You send us the file of students needing to be verified, regardless of the level of verification required, and we do the rest.

KHEAA staff will contact the students on your behalf, advising them of what is needed and how to supply the documentation. The students upload the data using a secure student portal. We'll follow up with the students if additional information is required. Once verification is complete, we will submit the changes to CPS.

At any time during the process, you can monitor our progress via MyKHEAA (formerly Zip Access), which gives you full control over the process and ensures your students' verification needs are met.

## Benefits of using KHEAA Verify

- Electronic process
- Online archival of verification forms and processes
- Reduced workload for you
- Increased efficiency and productivity
- Lower administration costs
- Compliance with federal regulations
- Personalized customer service
- Verification conducted by experience staff
- Inexpensive
- Easy to use



To receive pricing details or more information on KHEAA Verify, please contact your KHEAA marketing representative at 1.888.678.4625 or [marketing@kheaa.com](mailto:marketing@kheaa.com)

# GET HELP WITH YOUR DEFAULT RATE

Now is the time to be sending out Student Transition emails, such as “Know What You Owe” and “Understanding Your Loan Repayment Options” for your spring graduates.

If you don’t have KHEAA’s Cohort Default Management Services yet, call for a presentation. We offer three types of services from which to choose: pick one, two or all three to get the best fit for your school.

- **Student Transition Service** provides customized email messages and videos geared to students at critical times during their college career.
- **Early Intervention** reaches out to your students who will soon enter repayment through graduating, withdrawing or dropping below half-time status.
- **Default Prevention** contacts borrowers in your cohort who are delinquent but not yet in default. These borrowers are counseled on their repayment, deferment and forbearance options.



## High Praise

“We are extremely happy with the level of commitment and service we have received from KHEAA’s Cohort Management Service and pleased with the positive results.”

Cindy Entrekin, Director of Financial Aid,  
Central Alabama Community College

**To learn more about our  
Cohort Default  
Management Service  
and how it can help you  
and your students:**

- Call 1.888.678.4625
- Email [marketing@kheaa.com](mailto:marketing@kheaa.com)

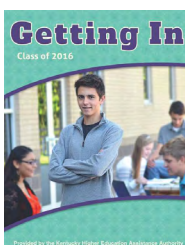
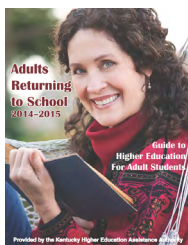
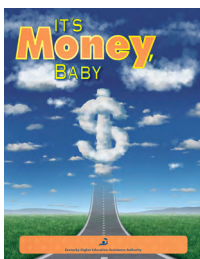
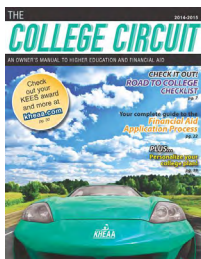
# PUBLICATIONS — UPDATED FOR 2015

KHEAA and KHESLC provide a wide variety of publications to help you and your students.

Most publications can be ordered from our website, although some are online versions only. The items below can be ordered [here](#).

## LIMITED SUPPLY AVAILABLE!

Contact your KHEAA or KHESLC marketing representative or email Eleanor Kley at [ekley@kheaa.com](mailto:ekley@kheaa.com) to order our posters and calendars.



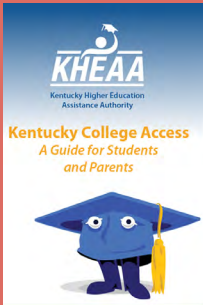
The following brochures can be ordered [here](#):



# STAY CONNECTED

Download KHEAA's free Kentucky College Access mobile app.

- iPhone/iPad: ([App Store](#)>Search Store>KHEAA)
- Android: ([Google Play store](#)>KHEAA)



More ways for your students to get financial aid, scholarship and money tips!



Like us!



Follow us!

[@kheaa](http://www.twitter.com)

[@kheslc](http://www.twitter.com)

[facebook.com/kheaa](http://facebook.com/kheaa)  
[facebook.com/kheslc](http://facebook.com/kheslc)

Know anyone in your office who would like to subscribe to **KHEAAPartners**?

**KHEAAPartners** is an electronic mailing list designed to communicate important messages and information electronically with our industry partners.

[Sign up here.](#)



## Mark Your Calendar

- Feb 27. KASFAA Support Staff Workshop. KHEAA office, Frankfort. Free for KASFAA members or coworker. Register [here](#).
- April 3. KHEAA and KHESLC offices will be closed a half day for Good Friday.
- 2015 conferences:

Feb. 22–25	<a href="#">SASFAA Annual Conference</a>	Peabody Hotel, Memphis
April 12–15	<a href="#">SCASFAA Annual Conference</a>	Greenville, S.C.
April 12–15	<a href="#">NCASFAA Annual Conference</a>	Wrightsville Beach, N.C.
April 15–17	<a href="#">KASFAA Annual Conference</a>	Lexington, Ky.
April 28–May 1	<a href="#">AASFAA Annual Conference</a>	Auburn, Ala.
April 26–29	<a href="#">TASFAA Annual Conference</a>	Murfreesboro, Tenn.
May 3–6	<a href="#">VASFAA Annual Conference</a>	Norfolk, Va.
May 19–22	<a href="#">MASFAA Annual Conference</a>	Biloxi, Miss.
May 19–22	<a href="#">FASFAA Annual Conference</a>	St. Augustine, Fla.
May 20–22	<a href="#">GASFAA Annual Conference</a>	Peachtree City, Ga.

If you have a question you would like to see addressed in a public forum such as KHEAA Advisor, please send the question or topic suggestion to Meredith Geraci at [mgeraci@kheslc.com](mailto:mgeraci@kheslc.com).

### The Quarterly Quote:

**If plan A fails, remember that you have 25 letters left.**

**- Chris Guillebeau**