

KHEAA Advisor

Simplifying the process.



Volume 7 Issue 3 Spring 2016



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ADVANTAGE REFINANCE LOAN

NEW!

Advantage Refinance Loans are now available for borrowers who want to refinance or consolidate their student loans.

Borrowers can roll all their federal and private loans into one convenient loan with a low FIXED interest rate, save on interest charges and get out of debt faster.

The **Advantage Refinance Loan** offers:

- FIXED interest rates starting at 3.99%
- No application, origination, disbursement or late fees
- 0.5% Interest rate reduction for using our autopay service
- No prepayment penalty
- Flexible loan terms of 10, 15, 20, or 25 years
- Cosigner release after 36 months
- Death and disability benefit
- One convenient monthly payment

Eligible Loans

Any school-certified education loans:

- Private education loans
- Parent/Grad PLUS loans (FFEL/Direct)
- Federal Stafford loans (FFEL/Direct)
- Perkins loans

Student borrowers may refinance/consolidate their education loans and any parent loans for which they are the benefitting student. Parents may refinance/consolidate their own student loans and any parent loans they have taken out for their children.



Contact your marketing representative at 1.888.678.4625 or marketing@kheaa.com to:

- Help your students get started
- Add Advantage Education Loan products to
 - Great Lakes Fast Choice
 - ELM Select
- Order brochures, flyers and comparison charts
- Get info on all KHEAA/KHESLC products

ADVANTAGE LOANS FOR PARENTS & STUDENTS

Regardless of where a student lives or goes to school, there are **NO FEES** on the Advantage Education Loan Immediate Repayment options. The **FIXED** interest rates are still as low as 4.95% and do not exceed 7.59%.

Immediate Repayment — Principal Plus Interest

- 4.95% to 7.09% FIXED interest rate
- NO application or origination fees
- Student status can be less than half-time enrollment
- 0.5% Interest rate reduction for using our autopay service
- Repayment begins as soon as the loan is fully disbursed

Immediate Repayment — Interest Only

- 5.59% to 7.09% FIXED interest rate
- NO application or origination fees
- Student must have at least a half-time enrollment status
- 0.5% Interest rate reduction for using our autopay service
- Interest payments begin as soon as the loan is fully disbursed
- Full repayment begins six months after the student leaves school or drops below half-time status

Postponed Repayment

- 6.49% to 7.59% FIXED interest rate
- 3% Guarantee fee
- Student must have at least a half-time enrollment status
- 0.5% Interest rate reduction for using our autopay service
- Repayment begins six months after the student leaves school or drops below half-time status

The FIXED interest rate is based on the repayment plan selected, the borrower's credit history and other factors. Applying with a creditworthy cosigner may help a borrower qualify and/or receive a lower FIXED rate.



REFERENCE MATERIAL

Federal and other resources can help you provide better service to your students.



KHEAA Program Review Manual — KHEAA reviews schools to make sure KHEAA-administered programs are being managed in accordance with state statutes, regulations, program manuals, and other KHEAA procedural documents. The [KHEAA Program Review Manual](#) provides information about the review process.

Higher Education Act (HEA) — The HEA is the primary law governing federal student aid programs. Most of the statutory requirements for the administration of these programs are found in [Title IV of the HEA](#).

Integrated Regulations — The regulations for the federal student aid programs are written by the U.S. Department of Education (ED) and published in the Code of Federal Regulations. Regulations are written to incorporate statutory changes, to clarify the intent of statutory changes and to make technical corrections. The regulations for the federal student aid programs are found primarily in Title 34 of the Code of Federal Regulations. The National Council of Higher Education Resources (NCHER) provides an [electronic library](#) where regulations can be found.

Dear Colleague Letters (DCL) — ED periodically issues [Dear Colleague Letters](#) to provide policy and operational guidance. Current and archived DCLs are on the Information for Financial Aid Professionals (IFAP) website.



The 2016–2017 Pell Grant information was released in January. The maximum Pell Grant is being increased to \$5,815 for the 2016–2017 year. The maximum Expected Family Contribution is \$5,234. [Dear Colleague Letter GEN-16-01](#) has the details.

Federal Student Aid Handbook — The annual ED [Federal Student Aid Handbook](#) is a guide to the rules and regulations governing the federal student aid programs. The handbook is on the IFAP website.

Integrated Common Manual (ICM) — The [ICM](#) is the online version of the paper Common Manual. The ICM is updated periodically throughout the year with policy changes approved by the Common Manual governing board.

Federal Registers — The Federal Registers are the official daily publications for rules, proposed rules and notices of federal agencies and organizations. The [Federal Registers pertaining to the federal student aid programs](#) can be found on the IFAP website.

GALLUP POLL - BY THE NUMBERS

Bachelor's degrees still outnumber associate's degrees among the postsecondary degrees conferred in the U.S., but associate programs have gained a lot of traction over the past decade.

46% of associate's degree holders strongly agree that their education was worth the cost.

Degree holders currently working full time for an employer:

49% of associate's degree holders

56% of bachelor's degree holders

The largest gap in well-being between associate's degree holders and their peers with bachelor's degrees is in the area of financial well-being.

Information from the Gallup-USA Funds Associate Degree Graduates Report, which explores the relationship between associate's degree holders' educational experiences and their long-term prospects.

Download the [full report](#).

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 with our industry partners.

[Sign up here](#)

KHEAA VERIFY

KHEAA's FAFSA verification services follow your school's verification policies and procedures. Notifications, verification worksheets and reports are customized for your school.

As a full-service provider, we don't subcontract any portion of the verification process. Contact us — we can help!

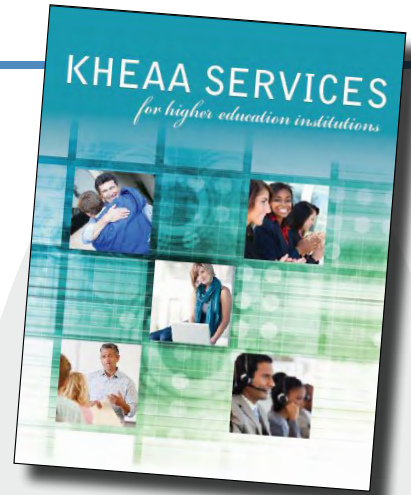
The right reasons to outsource

- Cost
- Quality
- Consistency
- Compliance with federal regulations
- Simplicity for families and your school
- Enhanced customer service

Benefits of using KHEAA Verify

- Lower administration costs
 - Reduced workload
 - Increased efficiency and productivity
 - Inexpensive
- Electronic process
 - Quick completion
 - Online archival of verification forms and processes
 - Easy to use
 - Fully compliant with federal regulations
- Personalized service
 - Student self-help options available 24/7
 - Individualized customer service support
 - Experienced staff — highly trained, educated professionals

In FY2015, KHEAA secured new contracts with colleges from small private and community colleges to large four-year institutions and maintained existing contracts, resulting in continued growth. More than 18,835 verifications were successfully completed in the fiscal year.



NEW!

KHEAA Verify now includes a new service — Unusual Enrollment.

The U.S. Department of Education has established new regulations to prevent fraud and abuse in the Federal Pell Grant Program by identifying students with unusual enrollment histories.

KHEAA will perform appeals and verification services of unusual enrollments for your student population.

Learn how our KHEAA verification services can help you and your students:

- Call 1.888.678.4625
- Email marketing@kheaa.com

HIGHLIGHT: KHEAA STAFF



David Bailey

David Bailey, Vice President

David Bailey is the Vice President of Guarantor and School Service Operations. David's areas of responsibility include oversight of the guarantor operations regarding KHEAA's Federal Family Education Loan Program portfolio, the origination and development of the Advantage Education Loan programs and the operation of the organization's school services (Cohort Default Management Services and KHEAA Verify). He is also responsible for Business Continuity Planning and is the Records Officer for the organization.

David holds a Bachelor of Arts in Business Administration from Midway University and has been employed in the student financial aid industry for more than 25 years, with experience in management, operations and system design, and student financial aid. He has been employed with KHEAA/KHESLC since 2000.

He can be contacted at dbailey@kheaa.com or 502.696.7447.

STUDENT VOTING

Students away at college have options of where they can vote:

- From their school address — note registration deadlines in the state where they attend school.
- From their home address — plan early to get an absentee ballot from their home state.



Check out the interactive [student voting guide](#) provided by the Brennan Center for Justice at New York University School of Law or a similar one on CampusVoteProject.org.

COHORT DEFAULT MANAGEMENT SERVICES

KHEAA can help you lower your CDR and get your student borrowers back on track. We have a strong history of resolving delinquencies for institutions with Cohort Default Management Services contracts. Your school can choose any or all of three services:

- **Student Transition Service** provides customized email messages and videos specifically designed to give students the right information at the right time. Over 30 messages are included in four areas: Freshman 101, Academics, Campus Life, and Financial Literacy/Money Management.
- **Early Intervention** contacts borrowers during their grace period to ensure they have the correct information to set them on the path for successful repayment. During these contacts, KHEAA staff explains the repayment plan choices, the importance of maintaining contact with their designated servicer and how to request deferments or forbearances. Our staff also answers any questions the borrower may have.
- **Default Prevention** works with ALL students in a school's cohort group. KHEAA staff makes contact with borrowers even before they are reported late on a payment. These borrowers are counseled on their repayment, deferment and forbearance options; and special attention is given to borrowers who are reported late on payments. KHEAA continues to work with borrowers even if they have defaulted.

For information on how KHEAA's Cohort Default Management Services can help lower your CDR, contact us for a presentation.

- Call 1.888.678.4625
- Email marketing@kheaa.com

In FY2015, KHEAA had 23 contracts in place to provide Cohort Default Management Services and continues to grow. Over the year, KHEAA staff contacted over 80,900 student borrowers on behalf of our school partners.

I want to take time to say THANK YOU!!!! I know I personally could not have done this and for that I am forever grateful! I look forward to continuing working with you.

- Jennifer Wells, Financial Aid Director,
Southcentral Kentucky Community and Technical College

Since using KHEAA's Cohort Default Management Services, we have seen an increase in our resolution rate and a decrease in our delinquency rate! We are especially happy with how 2013 is closing and how 2014 is progressing.

- Ryan Dulude, Assistant Director of Financial Aid,
Community College of Vermont

Unusual Enrollment History (UEH)

The Department of Education (ED) posted an [electronic announcement](#) last quarter about the change in the criteria used to select a FAFSA for UEH. FAFSA applicants' enrollment histories are being monitored separately depending on their undergraduate and graduate status when receiving Title IV aid. Check out the presentation slides and transcript from the January 2016 UEH [webinar](#).

Federal Perkins Loan Program Extension Act of 2015

The [Dear Colleague Letter 16-05](#) has the details of changes to the Perkins program. Here's a snippet:

Undergraduate Students

A school may make Perkins Loans through —	To an —	Who, on the date of disbursement —	If the school has awarded the student —
September 30, 2017	Eligible current undergraduate student	Has an outstanding balance on a Perkins Loan made by the school.	All Direct Subsidized Stafford Loan aid for which the student is eligible.
September 30, 2017	Eligible new undergraduate student	Does not have an outstanding balance on a Perkins Loan made by the school.	All Direct Subsidized and Unsubsidized Stafford Loan aid for which the student is eligible.

Graduate Students

A school may continue to make Perkins Loans through —	To an —	If the graduate student —	And the new Perkins Loan will —
September 30, 2016	Eligible graduate student who received a Perkins Loan before October 1, 2015.	Received his or her most recent Perkins Loan from the school for enrollment in an academic program at the school.	Enable the graduate student to continue or complete the academic program for which the student received his or her most recent Perkins Loan.

FSA COACH — TEST

Think you know all there is to know about financial aid? [FSA Coach training courses](#) are no longer just for beginners. Check out the intermediate training courses geared toward more experienced financial aid personnel. An advanced course is coming this summer.

Test yourself on the subject of UEH Approval of Continued Eligibility. Answer on page 13.

If the school approves the student's continued eligibility, the financial aid advisor may choose to require the student to — **Do What?**

IPAD GIVEAWAY THROUGH KHEAA'S FACEBOOK PAGE

Congratulations to Brenda Smith of Bowling Green, winner of our February iPad giveaway. The sweepstakes was held through KHEAA's Facebook page.

Kentucky residents have another chance to win a new iPad from KHEAA in a sweepstakes being held through Facebook in May. The contest runs from 12 a.m. on May 1 through 12 a.m. on May 31.

To enter, a Kentuckian must visit the [KHEAA Facebook page](#), click on the orange graduate icon and answer one question about college. KHEAA will not share or sell any personal information to a third party.

Prior winners are not eligible. The drawing will be held in early June, and the winner will be notified by email. The winner must respond by email within three calendar days to receive the iPad. If no response is received within three days, another winner will be drawn.



iPad giveaway winner Brenda Smith and KHEAA Outreach Counselor John Bergman.

HEROES
Save a Student. Save the World

2016 SASFAA
New Aid Officer
Workshop (NAOW)
June 19th - 24th

Jacksonville State University | Jacksonville, Alabama
Register Now: sasfaa.org/NAOW2016/registration

HAPPY BIRTHDAY, KHEAA!

Both the Senate and the House of Representatives of the Kentucky General Assembly recently passed resolutions recognizing and commending KHEAA upon the celebration of its 50th anniversary.

Fifty years ago the Kentucky General Assembly passed Senate Bill 294, sponsored by Senator J.D. Buckman Jr. and Senator Wendell H. Ford and signed into law on March 23, 1966, by Governor Edward T. Breathitt, creating the Kentucky Higher Education Assistance Authority (KHEAA.)

KHEAA:

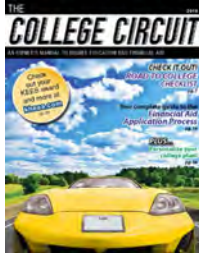
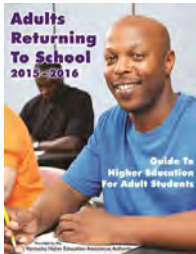
- Provides colleges and universities contract services such as KHEAA Verify, to conduct FAFSA verifications on behalf of the schools, and Cohort Default Management Services, to give schools a way to manage and lower their Cohort Default Rate.
- Benefits all Kentuckians through expanding educational opportunities and providing financial aid and informational resources that enable Kentuckians to attain their higher education goals.
- Provides students, families, adult learners, and military members and their dependents with information to plan, prepare and pay for higher education through online services and publications used for career exploration, college preparation and navigation through the financial aid process.
- Offers numerous support services to students, families, and colleges and universities, including important information to help Kentucky students and parents learn about and apply for student financial aid and financial literacy workshops to teach students about money management and budgeting.
- Provides school services that assist students and their families in the college financial aid process, including participation in the Close the Deal program, Kentucky College Application Campaign, College Coaches, College Goal Kentucky, and the FAFSA Completion Initiative.
- Administers most state student grants and scholarships, in addition to other financial aid programs, including the Kentucky Educational Excellence Scholarship, the College Access Program Grant, the Kentucky Tuition Grant, the Kentucky Coal County College Completion Scholarship, the Coal County Scholarship Program for Pharmacy Students, the Osteopathic Medicine Scholarship, the Teacher Scholarship, the Minority Educator Recruitment and Retention Scholarship, the Early Childhood Development Scholarship, the Kentucky National Guard Tuition Award, the KHEAA Work-Study Program, the Early Graduation Scholarship, the Drive the Dream Scholarship, the Go Higher Grant, and the Mary Jo Young Scholarship.
- Disbursed nearly \$218.2 million in grant, scholarship, and work-study programs, including \$89.4 million in need-based grants and \$107.7 million in KEES awards in Fiscal Year 2015.
- Promotes college savings through administration of the Kentucky Education Savings Plan Trust, Kentucky's 529 college savings program.

PUBLICATIONS

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](#).

Contact your KHEAA or KHESLC marketing representative or email Eleanor Kley at ekley@kheaa.com to order the two items below.



Overview of KHEAA Services

- Verification
- Cohort Default Management
- as well as Advantage Loans



Advantage Loan Pull-tab poster

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



Student Loan Interest Rates	
Direct Loan Interest Rates by Office	
Loan Type	Interest Rate
Unsubsidized	Fixed
Unsubsidized	Variable
Subsidized	Fixed
Subsidized	Variable

Monthly Repayment Table				
Estimated cost payment for federal loans				
REPAYMENT PERIOD	12% APR	6% APR	4.99% APR	4.25% APR
10 years	\$1,000	\$1,000	\$1,000	\$1,000
15 years	\$1,000	\$1,000	\$1,000	\$1,000
20 years	\$1,000	\$1,000	\$1,000	\$1,000
25 years	\$1,000	\$1,000	\$1,000	\$1,000

STAY CONNECTED

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



Like us!



Follow us!

facebook.com/kheaa
facebook.com/kheslc

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

The Quarterly Quote

“The art of effective listening is essential to clear communication, and clear communication is necessary to management success.”

– James Cash Penney, businessman,
entrepreneur and founder of J. C. Penney



Answer from page 10:

If the school approves the student’s continued eligibility, the advisor may require the student to establish an academic plan, similar to the plan used to resolve satisfactory academic progress (SAP) under regulations 34 CFR 668.34(c) and (d).

The advisor may also counsel the student about the Pell Approved Grant duration of eligibility provisions (or Lifetime Eligibility Used) and about the impact of the student’s attendance pattern on future Pell Grant eligibility (as described in DCLs GEN-12-01 and GEN-12-18 and in the Electronic Announcement posted to IFAP on August 13, 2012).

Your Opinion Matters

Would you like to see a subject addressed in the KHEAA Advisor? If so, please send your request to Eleanor Kley at ekley@kheaa.com

Mark Your Calendar

- May 26 KHEAA [Board of Directors Meeting](#)
- May 30 KHEAA and KHESLC offices are closed for Memorial Day
- July 4 KHEAA and KHESLC offices are closed for Independence Day

- 2016 conferences and workshops:

April 6–8	Illinois ILASFAA Spring Conference	Lisle
April 6–8	Iowa IASFAA Spring Conference	Johnston
April 6–8	Montana MASFAA Spring Conference	Billings
April 6–8	New Mexico NMASFAA Spring Conference	Ruidoso
April 6–8	North Dakota NDASFAA Spring Conference	Jamestown
April 6–8	West Virginia WVASFAA Spring Conference	Wheeling
April 9–12	American Association of Community Colleges	Chicago, Ill.
April 10–13	North Carolina NCASFAA Spring Conference	Wrightsville Beach
April 13–15	Kentucky KASFAA Spring Conference	Lexington
April 13–15	Oklahoma OASFAA Spring Conference	Oklahoma City
April 13–15	Wisconsin WASFAA Spring Conference	Wisconsin Dells
April 17–19	Southern Assoc. of College and University Business Officers	Asheville, N.C.
April 20–22	Kansas KASFAA Spring Conference	Manhattan
April 24–27	Tennessee TASFAA Spring Conference	Murfreesboro
May 4–6	Colorado CAFAA Spring Conference	Crested Butte
May 4–6	Minnesota MAFAA Spring Training	Brainerd
May 4–6	Ohio OASFAA Spring Conference	Aurora
May 22–25	Virginia VASFAA Spring Conference	Williamsburg
May 22–25	Eastern Regional EASFAA Annual Conference	Atlantic City, N.J.
May 24–27	Florida FASFAA Spring Conference	Bonita Springs
June 1–3	Georgia GASFAA Spring Conference	Savannah
June 6–7	Vermont VASFAA Summer Conference	Woodstock
June 8–10	Mississippi MASFAA Spring Conference	Philadelphia
June 9–10	Indiana ISFAA Summer Conference	South Bend
June 19–24	SASFAA New Aid Officer Workshop	Jacksonville, Ala.
July 10–13	NASFAA Annual Conference	Washington, D.C.