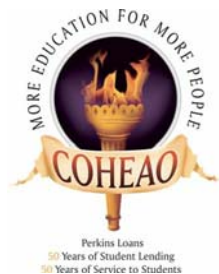


# The



# Torch

December 19, 2008

*A bi-weekly report from the Coalition of Higher Education Assistance Organizations*

## Table of Contents

### COHEAO News

1. [Rep. Bishop to Deliver Luncheon Address at Annual Conference: Register Today!](#)  
Rep. Tim Bishop (D-NY), the only former financial aid director in Congress, will be addressing COHEAO's Annual Conference as a featured speaker.
2. [Hill Visit Preparation Begins](#)  
During the 2009 Annual Conference, COHEAO members will once again head to Capitol Hill to meet with Members of Congress.
3. [Silent Auction for Scholarships Returns](#)  
The COHEAO Silent Auction returns!
4. [COHEAO Hosts Teleconference on HEOA](#)  
Last week COHEAO hosted the teleconference, "Learning to Live with the Higher Education Opportunity Act: What it Means for Your Institution."
5. [Get Your Winter Fashions at the COHEAO Store](#)  
It is Winter and Christmas and Hanukkah are right around the corner!

### Congress

1. [Reid Announces Senate Committee Chairmanships](#)  
Senate Majority Leader Harry Reid (D-NV) recently announced his recommendations regarding Committee Chairmanships for the 111th Congress.
2. [Caroline Kennedy Announces Intent for Senate Seat](#)  
Caroline Kennedy announced her intent to fill Sen. Hillary Clinton's (D-NY) Senate seat this week.
3. [Hoekstra Will Not Seek Reelection in 2010](#)  
Rep. Pete Hoekstra (R-MI), a senior Member of the Education and Labor Committee and strong support of FFEL, announced he will not seek reelection in 2010.
4. [Democrats Send Letter Urging IRS to End Private Debt Collection](#)  
This week fourteen members of the House Ways and Means Committee sent a letter to President-Elect Obama urging him to shut down the program that allows the Internal Revenue Service to use private debt collection agencies to collect Federal taxes.
5. [House GOP Announces Committee Leadership Posts, Democrats Announce Select Committee Assignments](#)  
The House Republican Conference announced Ranking Members last week.

### Inside Ed and the Administration

1. [Obama Selects New Education Secretary](#)  
President-elect Obama has announced his selection for Education Secretary as Arne Duncan, who is currently the Superintendent of Chicago public schools
2. [Obama Names SEC Commissioner, Fed Governor](#)  
In addition to the choice of Arne Duncan as Education Secretary, there were other designations of interest to student lenders this week.

3. [ED Releases DCL on Perkins Loan Cancellations for Medical Technicians](#)  
On December 8, the Department of Education released a Dear Colleague Letter clarifying the eligibility criteria for the medical technician cancellation benefit provided in the Federal Perkins Loan program.
4. [ED OIG Releases Audit Report on FSA](#)  
On December 11, the Department of Education's Office of Inspector General (OIG) released their latest audit report on the performance of ED's Office of Federal Student Aid (FSA).
5. [New FERPA Regulations Cover the Release of Student Information](#)  
In a December 9 *Federal Register* notice, the Department of Education published new rules for the Family Educational Rights and Privacy Act (FERPA).

## Industry News

1. [Higher Ed Groups Pushing for Inclusion and Increases in Perkins Funds in Stimulus Package](#)  
The higher education community made a push for inclusion in President-Elect Barack Obama's stimulus package this week.
2. [NAICU Releases Follow Up Survey of Private College Presidents on Economic Downturn](#)  
NAICU released an update to its survey of its members on the economic downturn yesterday.
3. [The College Board's Recommendations to Improve Education](#)  
Last Wednesday, the College Board released the new report of their Commission on Access, Admissions and Success in Higher Education, "Coming to Our Senses: Education and the American Future."

## Attachments

1. [Board of Directors](#)
2. [COHEAO Commercial Members](#)
3. [COHEAO 2009 Annual Conference Registration Form](#)
4. [COHEAO Annual Conference Agenda](#)

## COHEAO News

### **Rep. Bishop to Deliver Luncheon Address at Annual Conference: Register Today!**

Rep. Tim Bishop (D-NY), the only former financial aid director in Congress and a staunch advocate for the Perkins program, will be addressing COHEAO's Annual Conference as a featured speaker. Congressman Bishop, a Member serving on the House Education and Labor Committee and the Subcommittee on Higher Education, Lifelong Learning, and Competitiveness, will provide the keynote address at this year's conference, delivering remarks during lunch on Monday, January 26.

During his tenure in Congress, Rep. Bishop has proven to be an advocate for the Perkins Loan Program. He has sponsored legislation and amendments to call for additional funding and improved administration of the program, as well as educating fellow Members and Administration officials on the importance of Perkins. Do not miss this opportunity to listen to Congressman Bishop's insights and share your ideas with a Member who has proven time and again that he is willing to listen to those in the field!

In addition to Rep. Bishop, the conference program includes sessions featuring key Congressional staffers, officials from the Department of Education, and sessions on two Federal Trade Commission issues—identity theft "red flags" and the use of cell phones in collecting debts. In addition to politics and policy, the COHEAO Annual Conference will provide information on regulatory best practices and feature session topics on COHEAO's two new initiatives: promoting financial literacy and campus accounts

receivable management. Our agenda also includes sessions on collecting different types of education debt, the impact of social networking and “groupthink” on borrowers, and many more. This is a conference that you can’t afford to miss!

In addition to inviting Members to the conference itself, we have scheduled time on Tuesday afternoon for visiting lawmakers and explaining the value of the program. For those interested in visiting Members of Congress, but new to the process, COHEAO has arranged for mentors to provide insight and guide you around Capitol Hill. The conference also includes a session on effectively communicating with policymakers. Hill visits are always a highlight of this event, but may be even more so this year. These historic times will provide an excellent atmosphere for visiting the House and Senate to inform lawmakers of the importance of Perkins!

Another highlight will be our annual silent auction reception. This silent auction provides the funds for COHEAO’s scholarships. Join your colleagues at this fun event promoting college access. If you would like to donate, but are having a difficult time choosing an item, please email [whuffman@wpllc.net](mailto:whuffman@wpllc.net) for ideas.

The conference will be at the Ritz-Carlton Pentagon City in Arlington, Virginia from January 24 through January 28. More information on the hotel is available at: [http://www.ritzcarlton.com/hotels/pentagon\\_city/](http://www.ritzcarlton.com/hotels/pentagon_city/).

Call (800) 241-3333 or (703) 415-5000 by January 9 and let them know you're attending the Coalition of Higher Education Assistance Organizations meeting to reserve a room at the special rate of \$215 per night.

Registration information and event updates are located on the COHEAO website at [www.coheao.org](http://www.coheao.org) and a registration form and draft agenda is attached at the end of the Torch.

### **Hill Visit Preparation Begins**

During the 2009 Annual Conference, COHEAO members will once again head to Capitol Hill to meet with Members of Congress. COHEAO is looking for mentors from each state to assist with making appointments or help conference attendees with their visits. If you are interested in assisting please contact Lettie Clark, Sue Hickey, Carl Perry or Bill Cantalope. Their contact information is on the Board of Directors roster attached to The Torch.

This year, groups will be taking the Metro to the Hill and will spend most of Tuesday afternoon on the visiting Congressional offices. Last year was a great success with many COHEAO members attending meetings with Members of Congress for the first time! COHEAO will supply you with talking points and directions and any other pertinent information that will be needed and helpful on your visits.

### **Silent Auction for Scholarships Returns**

The COHEAO Silent Auction returns! Once again, the COHEAO conference in January, will host a Silent Auction to fund scholarships for students. This is an entertaining and fun annual event that will take place during the reception after the first full day of the Annual Conference on Monday, January 26. The auction will once again return to the beautiful and ornate Diplomat room on the first floor of the Ritz Carlton.

All proceeds from the auction will go towards the COHEAO Scholarship Fund and will be used to fund scholarships for needy students. In recent years, the funds raised for the

COHEAO scholarship have helped students at UC Berkeley, Gonzaga University, Northern Arizona University, UCLA, Iowa State University, Yale University and others. Carl Perry and Bill Cantalope have agreed to emcee the auction – OK it may turn into a noisy auction at some point -- to help raise money for college students!

Please consider helping the Silent Auction in the following ways:

- Coming to the auction and making some bids;
- Donating an item for the auction; and
- Making a financial contribution to the scholarship effort.

For ideas or suggestions of items to donate, please call Wes Huffman at (202) 289-3903 or email [whuffman@wpllc.net](mailto:whuffman@wpllc.net). Please make sure donations and/or contributions sent in advance arrive by **Friday, January 23, 2008**; last-minute donations will also be collected at the meeting registration desk; the Pentagon City Mall is next door! Please address items for the Silent Auction to the attention of: Wes Huffman at 1101 Vermont Ave, NW, Suite 400, Washington, D.C., 20005. Please include the approximate value of the items. Make checks payable to COHEAO and put “Scholarship Fund” on the Memo line.

### **COHEAO Hosts Teleconference on HEOA**

Last week COHEAO hosted the teleconference, “Learning to Live with the Higher Education Opportunity Act: What it Means for Your Institution.” The teleconference addressed several of the new provisions in the HEOA that was signed into law in early September.

Brian Smith and Gail McLarnon from the Department of Education presented the latest information on how they will implement the new law. Maria Livolsi, Director of the State University of New York Student Loan Service Center, provide information about the new law from a school perspective.

McLarnon and Smith explained some of the major changes in the law to the Perkins Loan program including the requirement that borrowers must be notified about what will happen to their Perkins Loan benefits once/if they consolidate; the increase in loan limits; the loan rehabilitation changes; increases in book allowances; expanded loan cancellation provisions; the allowance of a 25 percent transfer of annual appropriation of College Work Study funds to Perkins Loan fund; and the requirement to return Perkins funds collected from voluntarily assigned loans to the institution that assigned them every six months, less collection costs of up to 30 percent.

McLarnon and Smith also noted that a Dear Colleague letter providing guidance for the HEOA is in the works and it is their hope that the DCL will be published before the end of the year. They also outlined the upcoming tentative schedule for negotiated rulemaking for the HEOA. It is their hope that negotiating committees will be established in January and negotiations will begin early ending in April. When the Department announces the formation of committees and solicit members to serve as non-federal negotiators COHEAO will once again nominate a member to serve as a negotiator.

Livolsi spoke about the HEOA from the school perspective noted all the changes to documents and systems they made and how they communicated these changes systemwide.

For more information or to view the panelist presentations visit [www.coheao.org](http://www.coheao.org).

## **Get Your Winter Fashions at the COHEAO Store**

It's winter, and Christmas and Hanukah are just around the corner! That means it's time to update your wardrobe with the latest from the COHEAO store, <http://www.westernprinting.net/coheao>, where you will find high-quality clothing and outerwear bearing the distinctive COHEAO flame logo. The net proceeds from the sale of the clothing will go to the COHEAO scholarship fund, which awards \$1,000 scholarships every year to deserving students with financial need who are attending COHEAO member institutions of higher education. Check it out today and help yourself – and a student who can really use the assistance.

## **Congress**

### **Reid Announces Senate Committee Chairmanships**

Senate Majority Leader Harry Reid (D-NV) recently announced his recommendations regarding Committee Chairmanships for the 111th Congress. Among the recommendations include Sen. Daniel Inouye (D-HI), Senate Committee on Appropriations; Sen. Christopher Dodd (D-CT), Senate Committee on Banking, Housing, and Urban Affairs; and Sen. Edward Kennedy (D-MA), Senate Committee on Health, Education, Labor, and Pensions.

Committee membership and ratios have yet to be decided, and final approval of these chairmanships will be ratified with an Organizing Resolution when the Senate reconvenes in January.

For more information, visit:

<http://democrats.senate.gov/newsroom/record.cfm?id=305931&>.

### **Caroline Kennedy Announces Intent for Senate Seat**

Caroline Kennedy announced her intent to fill Sen. Hillary Clinton's (D-NY) Senate seat this week. Although only Gov. David Paterson has the power to appoint a successor, a poll shows Kennedy and Attorney General Andrew Cuomo as the leaders among New York voters.

In a public opinion poll conducted by the Siena (College) Research Institute, Cuomo was favored by 26% of those who responded, leading Kennedy's 23%. Another six candidates collected 28% of the vote, and roughly 20% of respondents did not choose a candidate. In another poll taken before Kennedy entered the picture, Cuomo was picked by 45% while the other candidates remained in single digits. Clearly, name recognition has much to do with how those polled responded, with the two famous names leading. The other candidates are mostly House members who are only well known in their areas.

Although there are some Members considered rising stars in the New York Democratic Party, such as Rep. Kristen Gillibrand, an appointment other than Cuomo or Kennedy would be quite a surprise. Both candidates have the name recognition to raise ample funds for a special election in 2010 for the remainder of the term and a subsequent general election in 2012.

For his part, Paterson has remained silent on his decision, stating only that he will make it following Clinton's confirmation next year. Senate Majority Leader Harry Reid (D-NV) and others have voiced their support for Kennedy.

Despite the poll, some pundits are pegging Kennedy as a standalone favorite, but her initial avoidance of the media did draw some criticism, and some have questioned her experience.

Yesterday, following a choreographed outing—a lunch at a famous soul food restaurant in Harlem with the Reverend Al Sharpton—Kennedy did take questions. When asked why she was seeking the position, she said, “I come at this as a mother, as a lawyer, as an author, as an education advocate, and, you know, from a family that has really spent generations in public service.”

The former President's daughter was also asked how she would align herself ideologically. She replied, “I feel like I'm a Kennedy Democrat. A Clinton Democrat. Chuck Schumer. Barack Obama. These are all leaders whose values I share.”

### **Hoekstra Will Not Seek Reelection in 2010**

Rep. Pete Hoekstra (R-MI), a senior Member of the Education and Labor Committee and strong support of FFEL, announced he will not seek reelection in 2010. Hoekstra and his wife posted a message on his campaign Web site stating he would not run for a ninth term because “it will be time for us to move on to new challenges.”

There has been much speculation in Michigan that Hoekstra's “new challenges” will include a run for Governor, reports he neither confirms nor denies. In 2010, Democratic Governor Jennifer Granholm cannot run due to term limits, and observers expect a crowded field.

### **Democrats Send Letter Urging IRS to End Private Debt Collection**

This week fourteen members of the House Ways and Means Committee sent a letter to President-Elect Obama urging him to shut down the program that allows the Internal Revenue Service to use private debt collection agencies to collect Federal taxes. The IRS is currently deciding whether to renew the existing contracts for another year.

The letter states, “The collection of Federal taxes is an inherent government function. Former IRS officials have testified that the IRS can collect Federal taxes cheaper and more efficiently than the private collection agencies. We respectfully request that your Administration not proceed with renewing the existing contracts or expanding the program. In light of the current economic situation, it is important that the Administration protect taxpayers by ensuring that they deal with the IRS directly to work through any difficulties.”

The Department of Education's collection contract includes 17 private collection agencies. According to *InsideARM*, in the 44 months they have been collecting for the department, the collectors have brought in \$4.67 billion. The IRS contract includes just two collection agencies: CBE Group and Pioneer Credit Recovery.

## **House GOP Announces Committee Leadership Posts, Democrats Announce Select Committee Assignments**

The House Republican Conference announced Ranking Members last week. The Republican leadership of the two Committees of most importance to higher education, Education and Labor and Financial Services, remains in tact. Rep. Buck McKeon (R-CA) remained the top Republican on the Education and Labor Committee and Rep. Spencer Bachus (R-AL) retained his post on the Financial Services Committee.

On the Democratic side of the aisle, Speaker Nancy Pelosi (D-CA) announced the appointment of Rep. Edolphus Towns (D-NY) as Chairman of the House Oversight and Government Reform Committee. Pelosi also announced appointments of several current Education and Labor Members to two highly coveted Committees.

Reps. Danny Davis (D-IL), Raul Grijalva (D-AZ), and John Yarmuth (D-KY) were all named to the House Ways and Means Committee, and Rep. John Sarbanes (D-MD) was named to the House Energy and Commerce Committee. The three members assigned to Ways and Means will probably have to give up their seats on Education and Labor, since Ways and Means is considered an “exclusive” committee under party caucus rules. Announcements of new members of Education and Labor will be made later.

In the 110<sup>th</sup> Congress, the three Members recently named to the Ways and Means Committee took an interest in student lending issues. Davis sponsored an HEA amendment calling for the dischargability of private student loans in bankruptcy (it failed), Grijalva sponsored an HEA amendment adjusting the calculation of the cohort default rate from two to three years (it passed), and Yarmuth voiced his concerns over the availability of federal student loans.

## **INSIDE ED AND THE ADMINISTRATION**

### **Obama Selects New Education Secretary**

President-elect Obama has announced his selection for Education Secretary as Arne Duncan, who is currently the superintendent of Chicago public schools. Duncan is a close personal friend of the President-elect, which could be considered a good sign for the education community, as it signals the Oval Office’s open door for education during his Administration.

Duncan, 44, has been superintendent for the country’s third-largest school district, the Chicago public schools, since 2001. He is seen as an aggressive education reformer who has done impressive work with underperforming schools, while maintaining positive relationships with the teachers union and the community.

Duncan’s reputation is one of a leader willing to make unpopular decisions, which could suggest he would be a similar advocate of change for the Obama administration, regardless of opposition from policymakers or lobbyists. Duncan’s perspective on higher education is less clear. The people who will be appointed as the Deputy Secretary and as the assistant secretary to head up the Office of Postsecondary Education will provide a better idea as to what an Obama administration would mean for postsecondary education and the implementation of the Higher Education Opportunity Act.

The Education Secretary position requires confirmation by the U.S. Senate before Duncan is allowed to serve. Though the confirmation process is now lengthier and more

political than ever before, Arne Duncan is expected to have a smooth confirmation early next year when the 111<sup>th</sup> Congress convenes.

President-elect Obama's press release on this announcement can be found at: [http://change.gov/newsroom/entry/president\\_elect\\_obama\\_announces\\_arne\\_duncan\\_as\\_secretary\\_of\\_education/](http://change.gov/newsroom/entry/president_elect_obama_announces_arne_duncan_as_secretary_of_education/).

### **Obama Names SEC Commissioner, Fed Governor**

In addition to the choice of Arne Duncan as Education Secretary, there were other designations of interest to student lenders this week. President-elect Barack Obama named three key appointees in the area of financial policy this week: Mary Schapiro as SEC Commissioner, Gary Gensler as Chair of the Commodity Futures Trading Commission, and Dan Tarullo as Governor on the Federal Reserve Board.

Schapiro is currently Chief Executive Officer of the Financial Industry Regulatory Authority, the nation's largest independent regulator of securities firms. Gensler is a former Undersecretary of the Treasury and a longtime partner at Goldman Sachs. A professor of law at Georgetown, Tarullo previously served as a senior economic advisor in the Clinton Administration.

For more information on the appointments, visit: [http://change.gov/newsroom/entry/president-elect\\_obama\\_names\\_key\\_regulatory\\_appointments/](http://change.gov/newsroom/entry/president-elect_obama_names_key_regulatory_appointments/)

### **ED Releases DCL on Perkins Loan Cancellations for Medical Technicians**

On December 8, the Department of Education released a Dear Colleague Letter clarifying the eligibility criteria for the medical technician cancellation benefit provided in the Federal Perkins Loan program.

According to the DCL, a Perkins Loan borrower may qualify for a medical technician cancellation for full-time employment as a medical technician providing health care services. The term "medical technician" is defined in Perkins Loan program regulations as: "An allied health professional (working in fields such as therapy, dental hygiene, medical technology, or nutrition) who is certified, registered, or licensed by the appropriate State agency in the State in which he or she provides health care services. An allied health professional is someone who assists, facilitates, or complements the work of physicians and other specialists in the health care system."

In the past, ED advised schools to consult the list of allied health professional available on the American Medical Association (AMA) website. AMA has recently expanded its list of allied health professionals to include a broader listing. The change caused some confusion for schools and required ED to clarify the limited scope of the term "medical technician."

ED will remove the reference to the AMA's list from the definition of "medical technician" in the next edition of the Federal Student Aid Handbook. In place of the AMA's list of "health professions," ED now recommends that schools and servicers consult the allied health page of the ExploreHealthCareers.org website, which is available at: <http://www.explorehealthcareers.org/en/Field.1.aspx>

To read the full Dear Colleague Letter visit: <http://ifap.ed.gov/dpclatters/CB0814.html>

## **ED OIG Releases Audit Report on FSA**

On December 11, the Department of Education's Office of Inspector General (OIG) released their latest audit report on the performance of ED's Office of Federal Student Aid (FSA). The report provides an assessment of FSA's performance as well as a corrective action plan for the future.

Among the audit's findings, the report specifically states FSA has not completely fulfilled its planning and reporting responsibilities over the past several years. Therefore, according to the audit, FSA has not clearly informed Congress, the Secretary, or the public about its progress toward achieving its purposes as established by the Higher Education Act. Additionally, the report asserts that FSA has failed to integrate all of their student financial assistance systems and sufficiently reduce administrative costs.

Included with the report is a response letter from FSA, agreeing with many of the report's comments. The letter also includes a corrective action plan to address each of the recommendations.

To view the report, visit:

<http://www.ed.gov/about/offices/list/oig/auditreports/fy2008/a19h0008.pdf>.

## **New FERPA Regulations Cover the Release of Student Information**

In a December 9 *Federal Register* notice, the Department of Education published new rules for the Family Educational Rights and Privacy Act (FERPA). These new rules are intended to clarify what student information higher education institutions may disclose, and when they are allowed to do so.

These changes to FERPA are intended to clarify the rules of disclosure for health and safety emergencies, directory information, and for the purpose of outsourcing institutional services and functions. The new rules will also revise the definitions of attendance, disclosure, education records, and personally identifiable information.

In general, the new rules will give colleges and universities the authority to determine when an emergency situation will require the disclosure of student information, and that the emergency situation be recorded and justified by the school.

Unlike previous regulations for FERPA, these new rules are intended to explain when school can release student information, rather than when they cannot. For instance, the new regulations do not prevent schools from using Social Security numbers as student identification numbers for recordkeeping purposes.

For more information on the new regulations, visit:

<http://edocket.access.gpo.gov/2008/E8-28864.htm>.

## **INDUSTRY NEWS**

### **Higher Ed Groups Pushing for Inclusion and Increases in Perkins Funds in Stimulus Package**

The higher education community made a push for inclusion in President-Elect Barack Obama's stimulus package this week. Reports indicate that the Obama team is drafting a

spending bill between \$675 and \$775 billion, and Congress may respond with legislation calling for as much as \$850 billion in federal spending.

ACE led a large group of higher education associations in writing Congress to encourage funding for higher education in the stimulus package. The higher education associations are calling for 6% (roughly the percentage of Americans enrolled in some form of higher education) of the spending in the bill to be steered towards higher education initiatives. In addition to calling for increases in Pell Grant, SEOG and Perkins Loan funding, as well as money for campus construction projects, the groups offer several “student centered” recommendations regarding student loans. They are as follows:

*Enhance the federal student loan programs to make higher education more affordable and provide debt relief to students facing financial hardships in the current economy.*

- 1. Let families and students tap unused federal loan borrowing authority. Students who have completed at least two years of college should be permitted to treat current federal borrowing limits as a "line of credit" without increasing the total (aggregate) amount that students are able to borrow.*
- 2. Extend the grace period that precedes the onset of loan repayment from six months to nine months.*
- 3. Ensure that student borrowers who are delinquent on their payments are provided immediate assistance by the Department of Education in accessing the repayment option most appropriate to their financial circumstances. This will prevent borrowers facing financial hardship from falling into default and ensure a fuller utilization of the new repayment options authorized in the College Cost Reduction and Access Act.*
- 4. Pay campuses the outstanding funds for cancellations in the Perkins Loan Program.*

The Carnegie Corporation and the presidents of several of the country’s public colleges and land grant universities also issued an open letter to the Obama team requesting 5% of the stimulus package be placed towards higher education projects. The Carnegie group said these federal funds could be used for “greening” of campus buildings and other projects that have been delayed. By investing in the campuses “shovel ready” projects, the higher education group claims the funds would provide for quick employment opportunities for out of work citizens.

Democratic Hill staffers and the Obama team are working diligently to craft a package this week. The hope is to have legislation ready for the House and Senate’s return on January 6 so the two chambers can debate the measure and have it on the incoming President’s desk by his first day in office on January 20.

The Obama team acknowledges concern for the impact on the federal debt, and there are some indications of slight restraint in the spending package. According to the *Wall Street Journal*, “Obama aides hope to keep the package below the trillion-dollar mark, a psychological threshold that could carry political consequences.”

To view the letter from ACE, visit :

<http://www.acenet.edu/AM/Template.cfm?Section=Home&TEMPLATE=/CM/ContentDisplay.cfm&CONTENTID=30395>

To view the letter from the Carnegie Corporation, visit:

<http://www.carnegie.org/pdf/CCNY-HigherEducationAd-NYT.pdf>

## **NAICU Releases Follow Up Survey of Private College Presidents on Economic Downturn**

NAICU released an update to its survey of its members on the economic downturn yesterday. The survey finds that fund raising, endowments, the availability of student aid, institutional debt, and student enrollment lead the list of campus economic concerns as the fall 2008 semester comes to an end. The survey was conducted from Nov. 18 to Dec. 12 by the National Association of Independent Colleges and Universities (NAICU).

“It is clear that there is much on the minds of college presidents this holiday season. Presidents are wary about the potential fallout from the continuing economic turmoil, and are closely monitoring the impact on students, families, and their institutions,” said NAICU President David Warren.

The availability of student loans was a top concern for the independent college presidents, but the survey indicates it is not the biggest worry of private college leaders. Nearly all respondents rated fund raising, endowments, and student enrollment among their most pressing concerns. However, the availability of student loans is very much on the minds of independent college presidents. 87% of the survey’s respondents were greatly or moderately concerned about securing student loan availability; compared to 97% similarly concerned about fundraising, 96% expressing worries over endowment return, and 93% feeling the same way about the prospects of diminishing enrollments.

The survey did not only examine the president’s concerns, they also shared what was already happening on their campuses. Select findings from the survey are included below:

- 97 % of respondents reported that endowments had been affected or significantly affected.
- 90 % reported that fund raising had been affected or significantly affected.
- 82 % indicated that demand for student aid had been affected or significantly affected.
- 70 % indicated that student/parent loan availability had been affected or significantly affected.
- 53 % reported that institutional debt/cost of debt had been affected or significantly affected.
- 52 % indicated that student enrollment had been affected or significantly affected.

The survey also included questions for respondents on the appropriate response from the federal government to help higher education. The independent college presidents suggested the following responses:

- 98 % said increasing the Pell Grant by \$500 would be helpful or extremely helpful
- 98 % said increasing federal student loan limits would be helpful or extremely helpful
- 98 % said making PLUS loans easier to borrow would be helpful or extremely helpful
- 96 % said extending the student loan grace period for new graduates from six months to 12 months would be helpful or extremely helpful
- 95 % said providing liquidity (i.e., financing, guarantees) or other mechanisms to support private student loans would be helpful or extremely helpful

- 76 % said funding current or “ready-to-go” construction or renovation projects would be helpful or extremely helpful.
- 70 % said refinancing institutional debt at a low-interest, fixed rate would be helpful or extremely helpful.

For more information on the survey, please visit:

[http://www.naicu.edu/news\\_room/naicu-survey-examines-the-economic-concerns-of-private-college-and-university-leaders](http://www.naicu.edu/news_room/naicu-survey-examines-the-economic-concerns-of-private-college-and-university-leaders)

### **The College Board’s Recommendations to Improve Education**

Last Wednesday, the College Board released the new report of their Commission on Access, Admissions and Success in Higher Education, “Coming to Our Senses: Education and the American Future.” The report presents 10 recommendations designed to strengthen education achievement and increase the number of students earning postsecondary degrees in order to regain an international competitive edge in the 21<sup>st</sup> century.

The Commission is a group of college presidents, university chancellors, school counselors, administrators, and other education experts. Chairman of the Commission, William Kirwan, provided a brief overview of the report’s ten recommendations. They are as follows:

1. Provide a program of voluntary preschool education, universally available to children from low-income families.
2. Improve middle and high school college counseling.
3. Implement the best research-based dropout prevention programs.
4. Align the K-12 education system with international standards and college admissions expectations.
5. Improve teacher quality and focus on recruitment and retention.
6. Clarify and simplify the admissions process.
7. Provide more need-based grant aid while simplifying and making financial aid processes more transparent.
8. Keep college affordable.
9. Dramatically increase college completion rates.
10. Provide postsecondary opportunities as an essential element of adult education programs

Kirwan also noted that in developing these recommendations, the Commission took a broad look at the entire pre-K through postsecondary education spectrum. A critical argument made by the Commission is that every level of education must be adjusted in order to effectively improve overall education achievement in the U.S.

To read the full report, visit:

<http://professionals.collegeboard.com/profdownload/coming-to-our-senses-college-board-2008.pdf>.

## 2008 COHEAO Board of Directors

### *President:*

Alisa Abadinsky  
Director of Receivables, Loans, and Collections  
University of Illinois  
809 S. Marshfield Ave. M/C 557  
Chicago, IL 60612  
312-413-1971  
Fax: 312-413-1992  
[aabadins@uic.edu](mailto:aabadins@uic.edu)

### *Treasurer:*

John Lynch  
President  
Educational Computer Systems Inc.  
181 Montour Run Road  
Coraopolis, PA 15108  
Ph: 412-788-3900  
[jlynch@ecsi.net](mailto:jlynch@ecsi.net)

### *Member at Large:*

Suzanne Hickey  
Perkins Student Loan Officer  
Bridgewater State College  
Room 115 Boyden Hall  
Bridgewater, MA 02325  
508-697-1751  
Fax: 508-279-6107  
[shickey@bridgew.edu](mailto:shickey@bridgew.edu)

### *Member at Large:*

Dennis DeSantis  
Associate Vice Chancellor, Student Financial  
Services  
University of Pittsburgh  
127 Thackery Hall  
Pittsburgh, PA 15260  
412-624-7500  
Fax: 412-648-1009  
[d-desantis@bc.pitt.edu](mailto:d-desantis@bc.pitt.edu)

### *Member at Large:*

Lettie Clark  
Manager, Institutional Loan Program  
Gonzaga University  
PO Box 3462  
Spokane, WA 99220  
509-313-6804  
Fax: 509-323-5816  
[clarkl@gonzaga.edu](mailto:clarkl@gonzaga.edu)

### *Vice President:*

Robert Perrin  
President  
Williams & Fudge, Inc.  
775 Addison Avenue, Suite 201  
Rock Hill, SC 29731  
803-329-9791 x 2104  
Fax: 803-329-0797  
[bperrin@wfcorp.com](mailto:bperrin@wfcorp.com)

### *Secretary:*

Bob Frick  
President  
University Accounting Service  
200 S. Executive Drive, 3<sup>rd</sup> Fl  
Brookfield, WI 53005  
800-340-1526  
Fax: 262-784-9014  
[Bob.Frick@osioutsourcing.com](mailto:Bob.Frick@osioutsourcing.com)

### *Commercial Chair:*

Bill Cantalope  
Director of Guarantor and Government Services  
Enterprise Recovery Systems, Inc.  
PO Box 90922  
Sioux Falls, SD 57109  
877-953-1166  
Fax: 605-361-5929  
[bcantalope@ersinc.com](mailto:bcantalope@ersinc.com)

### *Legislative Co-Chair, Support:*

Larry Rock  
Director of Student Loan Repayment  
Concordia College  
901 S. 8<sup>th</sup> St.  
Moorhead, MN 56562  
218-299-3323  
Fax 218-299-4357  
[larock@cord.edu](mailto:larock@cord.edu)

### *Legislative Co-Chair, Regulatory:*

Jackie Ito-Woo  
Coordinator, Student Loan Billing  
University of California Office of the President  
Student Financial Support  
1111 Franklin St., 9<sup>th</sup> Floor  
Oakland, CA 94607-5200  
510-987-9544  
Fax: 510-987-9546  
[jackie.ito-woo@ucop.edu](mailto:jackie.ito-woo@ucop.edu)

*Legislative Co-Chair, Perkins Task Force:*

Lori Hartung

Vice President

Todd, Bremer & Lawson

560 Herlong Avenue

Post Office Box 36788

Rock Hill, South Carolina 29732-0512

800-849-6669

Fax: 803-323-5211

[lori.hartung@tbandl.com](mailto:lori.hartung@tbandl.com)

*Legislative Co-Chair, Technology:*

Micheal Kahler

Regional Vice President, Sales

Windham Professionals

60 Normandy Drive

Lake St. Louis, MO 63367

800-969-0059, ext. 2909

Fax: 636-625-0231

[mkahler@windhampros.com](mailto:mkahler@windhampros.com)

*Legislative Co-Chair, Regulations and NPRM:*

Nora Corralez

ACS, Inc.

2785 Pacific Coast Highway, #330

Torrance, CA 90505

310-542-3000

Fax: 310-542-3005

[nora.corralez@acs-inc.com](mailto:nora.corralez@acs-inc.com)

*Membership Co-Chair, Alliance:*

Edgar Delos Angeles

Manager, UCI Loan Services

University of California—Irvine

Administration Bldg. Room 101

Irvine, CA 92697-3010

(949) 824-4689

(949) 824-4688 fax

[edelosan@uci.edu](mailto:edelosan@uci.edu)

*Membership Co-Chair, Commercial*

Carl Perry

Senior Vice President

Progressive Financial Services

516 N Production Street (Suite 100)

Aberdeen, SD 57401

800-585-4978

Fax: 800-585-4981

[cperry@progressivefinancial.com](mailto:cperry@progressivefinancial.com)

*Membership Co-Chair, Institutional:*

Tom Schmidt

Associate Director of Student Financial

Collections & Third Party Billing

University of Minnesota

106 Pleasant Street, SE

Minneapolis, MN 55455

612-625-1082

Fax: 612-624-2873

[t-schm@umn.edu](mailto:t-schm@umn.edu)

*Internal Operations Chair:*

Carol Tiffany

Manager, Student Financial Services Operations

Harvard University

1033 Massachusetts Ave

Room 282

Cambridge, MA 02138

Phone (617) 495-0802

[carol\\_tiffany@harvard.edu](mailto:carol_tiffany@harvard.edu)

*Executive Director:*

Harrison Wadsworth

Principal

Washington Partners, LLC

1101 Vermont Ave. N.W. Suite 400

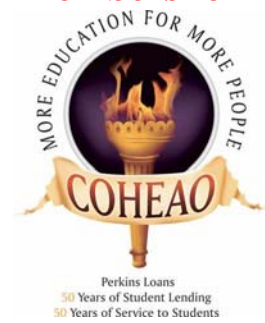
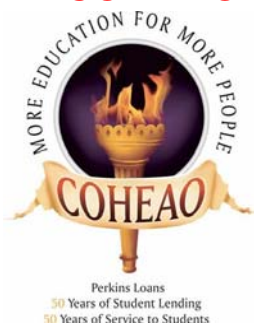
Washington, DC 20005-3521

202-289-3903

Fax 202-371-0197

[hwadsworth@wpllc.net](mailto:hwadsworth@wpllc.net)

**COHEAO Would Like To Thank Its Commercial Members for  
Supporting  
More Education for More People**



ACS Inc.	National Enterprise Systems (NES)
Campus Partners	NCO Financial Systems, Inc.
Coast Professional	Pioneer Credit Recovery, Inc.
Collecto, Inc. d/b/a Collection Company of America	Progressive Financial Services, Inc.
ConServe	RC Services, Inc.
Credit Control Services	Recovery Management Services, Inc.
Credit World Services, Inc.	Regional Adjustment Bureau, Inc.
Delta Management	Strategic Recovery Systems, Inc.
DCW, LLC	The CBE Group, Inc.
Financial Asset Management Systems, Inc	Todd, Bremer & Lawson, Inc.
Educational Computer Systems, Inc.	University Accounting Service
Enterprise Recovery Systems, Inc.	Van Ru Credit Corporation
General Revenue Corporation	Williams & Fudge, Inc.
Immediate Credit Recovery, Inc.	Windham Professionals
JM Associates, LLC	National Credit Management
Gila Corporation	AMO Recoveries, Inc.
Reliant Capital Solutions, LLC	Account Control Technology, Inc.

Some articles in this memorandum include links to Internet sites for the convenience of World Wide Web users. COHEAO is not responsible for the availability or content of these external sites, nor does COHEAO endorse, warrant or guarantee the information, services, or products described or offered at these other Internet sites.

The information included in this memorandum is believed to be accurate at the time of issuance, but COHEAO offers no warranty or other guarantee of its correctness. Opinions included in this memorandum represent the views of the professional staff at COHEAO and should not be ascribed to the individual members of COHEAO. Information is intended to supplement other information available to readers and is not legal or consulting advice. COHEAO is not liable for any damages or harm resulting from actions taken as a result of information in this memo. Readers are encouraged to alert COHEAO to any errors identified in this memo by contacting Krista Heckler at [kheckler@wpllc.net](mailto:kheckler@wpllc.net) or by calling 202-289-3903.

Copyright 2008 by COHEAO. Redistribution of this memorandum or its content outside the immediate organization of the intended recipient without the express prior permission of COHEAO is prohibited.

COHEAO, 1101 Vermont Avenue, N.W., Suite 400, Washington, D.C. 20005.

(202) 289-3910



## Register Today

for the

# 2009 COHEAO Annual Conference

January 24 – January 28

Ritz-Carlton Pentagon City, Arlington, Virginia

1. Register ONLINE at [www.coheao.org](http://www.coheao.org)  
*Credit card payment option is only available online*
2. Register by fax: 202-371-0197
3. Register by mail: COHEAO, 1101 Vermont Ave., NW, Suite 400,  
Washington, DC, 20005

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Organization: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_

State: \_\_\_\_\_

Zip: \_\_\_\_\_

Email: \_\_\_\_\_

### Cost Information:

**All Members - \$530 (\$555 after December 31)**

**Non-Members (Organizational and Institutional) - \$630 (\$655 after December 31)**

**Non-Members Commercial - \$1,535 (\$1,560 after December 31)**

Please send check or money order for the appropriate amount to  
COHEAO, 1101 Vermont Ave, NW, Suite 400, Washington, DC, 20005 or  
register online to pay by Visa or MasterCard at [www.coheao.org](http://www.coheao.org).

Hotel reservations must be made separately by calling the Ritz-Carlton Pentagon City at  
(703) 415-5000 or 1-800-241-3333. To ensure that you receive the **SPECIAL COHEAO  
ANNUAL CONFERENCE HOTEL ROOM RATE OF \$215** for a single or double room,  
make your hotel reservations by January 9, 2009.

Refunds - Requests for refunds will be honored only if notification of cancellation is received five business days before the  
conference. Registrants who fail to cancel will not be refunded their registration fee. With at least ten business days notice, the  
full registration fee may be applied to a future COHEAO conference. A \$50.00 administrative fee will be charged for all  
cancellations. No refund request will be honored after the conference. Substitutions may be made if registrant cannot attend.  
Please notify COHEAO of substitutions by fax 202-371-0197; e-mail [whuffman@wpllc.net](mailto:whuffman@wpllc.net); or telephone 202-289-3910.



(DRAFT as of 12/15/08)

**COHEAO Annual Conference Agenda 2009**

**All Meetings and Sessions Are Located at the  
Ritz Carlton Pentagon City Hotel in Arlington, Virginia Unless Otherwise Noted**



**Saturday, January 24<sup>th</sup>, 2009**

2:00pm-4:00pm Commercial Members Meeting

4:30pm-6:30pm Perkins Task Force Meeting

**Sunday, January 25<sup>th</sup>, 2009**

8:30am-3:30pm Board of Directors Meeting

3:00pm – 5:00pm Financial Literacy Task Force Meeting

3:00pm – 5:00pm Receivables Management Task Force Meeting

4:00pm-6:00pm Registration

6:00pm-8:00pm Welcoming Reception

**Monday, January 26<sup>th</sup>, 2009**

- 8:00am-8:45am      Breakfast
- 8:45am-9:00am      *The President's Welcome*  
Alisa Abadinsky, COHEAO President
- Introduction: Harrison Wadsworth, COHEAO Executive Director
- 9:00am-9:30am      Session: Congressional Address
- 9:30am-10:30am      Session: Congressional Staff Panel  
*Staffers from both parties serving on the relevant Congressional committees will provide an update on the outlook for higher education and student aid legislation in the 111<sup>th</sup> Congress.*
- Speakers:
- 10:30am-10:45am      Break
- 10:45am-11:30am      Session: New Regulations Governing Private Education Loans: What They Mean for Institutions of Higher Education  
*The recent reauthorization of the Higher Education Act will bring much greater, specific regulation to non-federal education lending. Experts will discuss what this means for schools, particularly as it pertains to private loans provided by institutions.*
- Speakers: Larry Lutz, Consultant, The First Marblehead Corporation  
                                 Kate Tromble, Associate, Drinker, Biddle, & Reath, LLP
- 11:30am –12:15pm      Session: Understanding the new Red Flag Rules to Prevent Identity Theft  
*There has been much confusion on the applicability of the Federal Trade Commission's rules on "Red Flags" indicators of identity theft to institutions of higher education. Experts will discuss compliance with these rules and other effective methods for protecting the identities of students*
- Speakers: Naomi Lefkowitz, Attorney, Federal Trade Commission
- 12:15pm-1:45pm      Luncheon Address: Congressman Tim Bishop  
*Rep. Tim Bishop (D-NY) will be the keynote speaker at this year's conference. Congressman Bishop, the only Member of Congress to work as a financial aid director, will share his insights on what the recent changes in Congress and the Administration will mean for Perkins Loans.*
- 1:45pm – 3:00pm      Session: Department of Education Update

*As a new Administration takes office, the Department of Education is tasked with implementing the recent changes brought on by the latest reauthorization of the Higher Education Act. At a time when the negotiated rulemaking process to write thousands of pages of regulations will be getting started, a Department official will provide an update on what all the changes will mean for federal student aid, particularly Perkins Loans.*

Speaker: Gail McLarnon, Program Analyst, Department of Education

3:00pm-3:15pm

Break:

3:15pm-4:00pm

Session: New and Future Reporting Requirements to the National Student Loan Data System

*Schools are being required to make significant changes to the way they report data to the National Student Loan Data System, and discussions are continuing on future changes. The key people involved in working on these changes will report on what is going on.*

Speakers: Ron Bennett, Acting Director, NSLDS Data Systems Group  
Larry Parker, NSLDS Data Systems Group

4:00pm-5:00pm

Session: Best Practices for Cash Flow Management

*COHEAO's Perkins Task Force recently created a special workgroup to identify best practices in the area of cash flow management with a goal of producing a model that will help schools avoid shortfalls or excess cash. A panel of servicer and school representatives will review the group's findings.*

Speakers:

6:00pm-7:30pm

***COHEAO Scholarship Fundraiser Silent Auction/Cocktail Hour***

Location: Diplomat Room

**Tuesday, January 27th, 2009**

8:00am-9:00am

Breakfast

8:30am-9:00am

Session: Annual Business Meeting

9:00am-10:00am

Session: Getting Through to Students on Financial Literacy

*Many organizations have developed great financial literacy programs, but how valuable are these programs if students aren't paying attention? This session will examine not only great material, but also creative methods to ensure students are getting the message on financial literacy.*

Speaker: Sue McMillin, President and CEO, TG

10:00am-10:15am

Break

- 10:15am-11:15am      Session: Collection Practices for Various Types of Student Loans  
*Agency and servicer representatives will discuss the similarities and differences for effective collection practices on federal, non-federal, and institutional based loans. Among other things, the session will address assessment of collection fees as well as federal and state laws regarding the statute of limitations for these various types of student loan debt.*
- Speaker: David Stocker, General Counsel, Account Control Technology, Inc.
- 11:15am-Noon      Session: Developing an Advocacy Network and Becoming a More Effective Advocate for Perkins  
*Perkins Loan recipients often understand the value of the program in creating opportunities for borrowers like themselves. This session will examine effective communications methods for informing and educating alumni and making them better advocates for Perkins. It will also provide a review of effective ways to make the most of your visit to the Hill.*
- Speaker: Scott Fleming, Associate Vice President for Federal Relations, Georgetown University
- Noon-1:00pm      Lunch
- 1:00-1:15pm  
 Capitol Hill      Gather with mentors for Congressional office visits and depart for
- 1:45pm -5:30pm      Visits to Congressional Offices  
 Location: House and Senate Office Buildings, Washington, DC  
*Take this time to visit your legislators' offices and tell them how important the Perkins Loan program is for students.*

**Wednesday, January 28th, 2008**

- 8:00am-8:30am      Breakfast
- 8:30am-9:00am      Session: Congressional Address
- 9:00am-9:50 am      Session: Social Networking Sites and Groupthink  
*Facebook, MySpace, and other social networking sites have drastically changed the way the younger generation communicates with one another, but what are the unintended consequences? This session will think about “groupthink,” the limits these sites place on individual thoughts and analysis, and how understanding this phenomenon can help you understand student borrowers.*
- Speakers: Robert McKeever, Computer Mediated Communications Specialist, Gonzaga University
- 9:50am-10:00am      Break:
- 10:00am-11:15am      Session: Safety in the Workplace  
*A personal safety expert has been invited to close the conference with a presentation on personal safety in different types of settings—such as in the workplace, public areas, hotels, and other unfamiliar places. The session teaches participants how to assess threats and practical strategies to reduce risk.*
- Speaker: Matt Carmichael, Lieutenant, University of California, Davis Police Department
- 11:15am-Noon      Session: Contacting Borrowers via Cell Phone for Debt Collection  
*As mobile phones become the phone service of choice for a rapidly growing number of borrowers, the ability for collectors to contact borrowers on these phones has become increasingly important. This session will review policies and practices (including the use of auto-dialers) that conform with the Telephone Consumer Protection Act and other existing laws and regulations.*
- Speaker: Micheal Kahler, Regional Vice President, Sales, Windham Professionals