



Financial Aid Awareness Month

Special Edition of the IASFAA NEWSLETTER

Published by the
Iowa Association of Student Financial Aid Administrators

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President's Message

Amy R. Gaffney, IASFAA President



It's FAAM Already!

It is hard to believe we are facing yet another Financial Aid Awareness Month. Kudos to our newsletter committee for devoting this issue to such an important topic as financial aid awareness!

I am sure many of us start off the new calendar year with personal resolutions and hopes of what we would like to change in the next year, and maybe try something different to improve our lives. Well, I think we as professionals also have many aspirations for process enhancements and projects for our office to improve our service to students. One of our office goals this year will be to maximize the use of electronic communications to students and families, particularly in encouraging them to file their FAFSA in time to meet our priority date of April 1. This will not just involve blind email notices, but we aim to be more efficient and target the students with repeated reminders to only those who have not yet filed, those selected for verification or require other follow up documentation requirements.

In light of the major changes to the verification process, we will also provide follow up guidance encouraging them to use the IRS data match when possible. We will create voicemail messages on our phones which will give guidance to where the students may best find information on their status, and remind them of important time lines. Naturally, we will also post reminder info to the internet, and to the student portal to provide the info everywhere they could possibly see it. We plan to have an article in the school paper not only encouraging FAFSA completion but also highlighting some of the major differences in the process and federal student aid changes to be aware of for 2012-13.

We will again host two nights in April where we will keep the office open into the evening hours to help students finalize paperwork—before finals, before they leave for home in May. This often includes a holistic look at the next academic year—housing choices, budgeting, what do they need to earn over the summer to pay the balance or save enough for the trip they are taking next year, etc...

Summer classes are very popular at the University of Dubuque. Historically, the student registers, then comes to financial planning and we package them for summer aid as needed. This year, we hope to proactively identify the students registered and package them for their summer coursework, and email that award to them. This will hopefully save them time and help them know their financial aid early to plan accordingly.

We make every attempt to work with the students understanding the costs, their aid, and encouraging them to plan accordingly. UD is fortunate enough to be the size of school where we do get to know the students, and they in turn get to know us. Just the other day I overheard a student say to my colleague, "I do not know what I would do without you to help me." Comments like those may not come often enough, but when they do, it carries us for a while and spurs us on to do more and even better!

Financial Aid Awareness Month Governor's Proclamation




State of Iowa
Executive Department

IN THE NAME AND BY THE AUTHORITY OF THE STATE OF IOWA

PROCLAMATION

- WHEREAS,** The Iowa Association of Student Financial Aid Administrators (IASFAA) is an organization committed to helping students achieve their dreams of a post-secondary education by providing assistance in applying for financial aid; and
- WHEREAS,** IASFAA has created a variety of programs to reach out to students and parents during the time when applying for financial aid is most critical; and
- WHEREAS,** IASFAA wishes to instill the belief in all students that "college is an affordable dream"; and
- WHEREAS,** working with the IASFAA, our goal is to increase the number of trained and educated workers in the state of Iowa;
- NOW, THEREFORE, I, Terry E. Branstad, Governor of the State of Iowa, do hereby proclaim February, 2012 as**

FINANCIAL AID AWARENESS MONTH

in Iowa



IN TESTIMONY WHEREOF, I HAVE HERE-
UNTO SUBSCRIBED MY NAME AND
CAUSED THE GREAT SEAL OF THE STATE
OF IOWA TO BE AFFIXED. DONE AT DES
MOINES THIS *9th* DAY OF JANUARY IN
THE YEAR OF OUR LORD TWO THOUSAND
TWELVE.


TERRY E. BRANSTAD
GOVERNOR OF IOWA

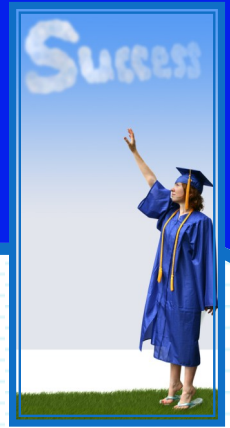
ATTEST:


MATT SCHULTZ
SECRETARY OF STATE



COLLEGE GOAL SUNDAY

Submitted by: Erick Danielson, Community Outreach Committee



Iowa College Goal Sunday Seeking Volunteers for 2012 Events

Iowa College Goal Sunday, the statewide event that offers free FAFSA completion assistance to students and families is currently seeking volunteers for the 2012 events. The week-long event will be held at 31 sites across Iowa from Saturday, February 18-Sunday, February 26, 2012.

Each location needs volunteers to help with everything from directions and welcoming, to actually assisting families with the FAFSA. Sites are also looking for bilingual volunteers to help minority families through the process, either directly filing the form or acting as a translator between the family and the financial aid expert. If you are interested in volunteering visit www.IowaCGS.org and find the location nearest you. Click the **Get Involved** link and register as a volunteer, indicating your level of expertise with financial aid and the FAFSA.

Free FAFSA Assistance Available at

Iowa College Goal Sunday

Help for College-Bound Students in 31 Locations in February

College-bound students can receive free help preparing their Free Application for Federal Student Aid (FAFSA) at 31 locations across the state in February. Volunteers will help students and families fill out FAFSAs during Iowa College Goal Sunday, part of the national College Goal Sunday program.

The main focus of Iowa College Goal Sunday is to help first-generation and low-income students find the funds they need to attend college, but all students can benefit from free help with the FAFSA. The FAFSA is a free form that may be completed without professional assistance via paper or electronic forms provided by the U.S. Department of Education.

The fourth annual Iowa College Goal Sunday will be a week-long event held **Saturday, Feb. 18 through Sunday, Feb. 26**, at the following locations:

- Calmar (Northeast Iowa Community College)
- Cedar Rapids (Kirkwood Community College)
- Centerville (Indian Hills Community College)
- Clarinda (Iowa Western Community College)
- Clinton (Clinton Community College)
- Council Bluffs (Kaplan University)
- Creston (Southwestern Community College)
- Davenport (Scott Community College)
- Davenport (St. Ambrose University)
- Denison (Western Iowa Technical College)
- Des Moines (AIB College of Business)
- Des Moines (Des Moines Central Library)
- Des Moines (Forest Avenue Library)
- Des Moines (Grand View University)

- Dubuque (University of Dubuque)
- Emmetsburg (Iowa Lakes Community College)
- Fort Dodge (Iowa Central Community College)
- Iowa Falls (Ellsworth Community College)
- Iowa City (Kirkwood Community College)
- Marshalltown (Marshalltown Community College)
- Mason City (Mason City High School)
- Monticello (Jones Regional Education Center – Kirkwood Community College)
- Muscatine (Muscatine Community College)
- Ottumwa (Indian Hills Community College)
- Perry (DMACC at Perry VanKirk Career Academy)
- Sheldon (Northwest Iowa Community College)
- Sioux City (Western Iowa Technical College)
- Storm Lake (Buena Vista University)
- Waterloo (Hawkeye Community College)
- Waverly (Wartburg College)
- West Burlington (Southeastern Community College)

You can help promote the mission of Iowa College Goal Sunday by referring high school seniors and new and returning college students, helping transport students and families, and volunteering your time. For more information on how to get involved, visit www.IowaCGS.org or contact Jennifer Coffman, state coordinator, at jcoffman@ICANSucceed.org or (877) 272-4692 ext. 4202.

Iowa College Goal Sunday is part of the national College Goal Sunday program, currently held in 40 states and funded by grants from Lumina Foundation for Education. A number of Iowa organizations have partnered to plan and present Iowa College Goal Sunday.

For updated information on the 2012 event, please visit www.IowaCGS.org.

FINANCIAL AID AWARENESS

What Your Students Want, What Your Students Need

Submitted by: Jennifer M. Schott, Manager of Financial Education, American Student Assistance



As more students borrow and in higher amounts, higher education institutions are progressing toward a healthier, more holistic approach of introducing their students to financial literacy survival skills they'll need in the real world.

How can you be sure your institution is delivering what students really want and need when it comes to financial education? As with any communication, financial literacy training needs to be designed with the learner's perspective in mind. American Student Assistance, a nonprofit that helps students and alumni better manage college debt by giving them money smarts they can use for a lifetime, has conducted a number of research projects to help gain valuable insight. The following is a compilation of key findings that may offer guidance on creating a curriculum of value for students.

Methodology and Demographics

The research was based on:

A web survey of 900 undergraduate and graduate borrowers from ASA's portfolio (evenly split between those still in school and those who started to repay)

A web survey of 1850 graduates, half with college debt and half without, with an age breakdown of 50% ages 21-25, 25% ages 26-30 and 25% 31-37

Anecdotal information from ASA's student advisory group and student focus groups

Survey respondents were undergraduates and graduates of four-year public and private universities

Debt Awareness

Students are often portrayed in the media as having "no idea" how much they borrowed in student loans, but our research found that the overwhelming majority (91%) knew either the exact amount or at least within a few thousand dollars. Kudos to financial aid professionals! It's possible that all of the media hype over student debt has made students more aware, but whatever the reason, it appears your messages (at least about debt amounts) are sinking in.

Paying for College and College Choice

Consistent with other national studies, two-thirds of our respondents took out student loans to pay for some or all of their college. For the most part, federal loans were used, although four in 10 have private loans and 15% have loans from their colleges or universities. Those with student loans also used scholarships, savings and grants, with four in 10 having some form of employment at the college to help pay for the education. Those without student loans most often paid for their education with personal/family savings, as well as scholarships.

Somewhat surprisingly, college affordability factored into attendance decisions for only about one-third of the students. Just over one-third (36%) agreed with the statement: "I chose my college based on what I/my family could afford," while another third (37%) disagreed with this statement. Those who attended public universities were more likely to agree that affordability played a significant role in their choice than did those who attended private universities. Six in ten (64%) respondents borrowed what was needed to attend the college of their choice. This percentage was higher among the youngest age group (21-25), Whites, and women, and more students who attended private colleges borrowed what they needed to go to their chosen college than did those attending public colleges (71% versus 58%).

Student Loan Knowledge

As mentioned, the majority of students surveyed had a good grasp of loan balances and the number of loans they have, but their knowledge was sketchy about other details. About 55% knew the names of their servicers and monthly payment amounts; less than 50% knew the monthly due dates; 45% knew the interest rate and what will happen if they miss one or more payments; only 40% knew what repayment plan they're using and 30% understand how long it will take to pay off their loans. A little more than 50% said they want to know more or need to know a lot more about their student loans – except for one student who replied "I wish I knew less about my loans. It's pretty depressing."



What Your Students Want, What Your Students Need (Cont'd.)



While some respondents indicated they preferred online communications, one commenter disagreed: “One problem I’ve had is that the (student loan) companies . . . try to get you to do paperless statements (i.e. save them money on postage) at practically every opportunity they have, which are easy to miss when you have several email accounts and they often get dozens of messages per day.” Other comments indicated students would like to see a disclosure of payment breakdown (principal/interest components), more information about consolidation, and one statement that shows all of their loans with the lenders, balances, and interest rates all in the same document.

Attitudes Toward and Experience with Debt and Financial Education

Approximately half of the respondents agreed that “Until I had to start paying back my loan, I didn’t think about how I was going to afford it” and this response was highest among Non-Whites and those ages 31-37. Half of the respondents also agreed that *the amount of my student loan debt has directly impacted the choices I had to make in my life, such as my job, living circumstances,* while more than half (60%) aged 21-25, just beginning the process of debt repayment, agreed.

Sources of Information

The majority of respondents said they got information about general financial matters from online research (75%), parents (40%), friends (25%), financial aid counselor (15%), financial planners (10%) and professors (5%). Forty-five percent relied on parents for advice about paying for college, while just under 40% turned to financial aid counselors, 36% researched on the Web, 28% asked a lender, 18% used the college’s website, 15% talked to friends, 8% discussed with an academic advisor and 1% went to their Resident Assistant.

Financial Literacy Education

Those respondents with student loan debt feel strongly about two attitude statements: “*Students who borrow money for college should receive financial counseling from the college before graduating,*” with 72% agreeing with this (higher than for those without student debt, 66%) and “*people with outstanding student loans generally need to be more careful about managing their money than people without student loans,*” with 71% agreeing with this (asked only of those with such debt).

Financial Literacy for Alumni

The idea of having colleges offer program or courses on financial literacy or wellness to graduates of the colleges (rather than undergraduates) is highly rated. One-third (32%) find this idea “very appealing” and another third (35%) “somewhat appealing” for a total of 67%. There is higher appeal given by Non-Whites (36% “very” versus 31% for Whites), females (34% “very” versus 27% for males), and donors to their colleges (36% “very” versus 30% for non-donors).

Conclusion

In the face of mounting student loan debt and a shaky job market, higher education in the coming years must continuously prove its worth to an American public that grows increasingly doubtful of college’s return on investment. These survey results show that students and graduates are hungry to learn more about managing their finances. When you provide students with more robust financial literacy education, you not only help to create more financially proficient graduates, but also increase your institution’s perceived value and lay the groundwork for improved relations between alumni and alma mater – a win ,win all the way around!

Gina Lucente-Cole presented these and other key findings at the 2011 NASFAA conference in the session “What Students Really Think of Financial Literacy.” She can be reached at gcole@asa.org.



FINANCIAL AID AWARENESS

Why Your FICO Score is Important

Submitted by: Julie Finn, Relationship Manager, First Marblehead Corporation

Your FICO score, named for the Fair Isaac Corporation that developed the equations used to derive it, is a numerical representation of your creditworthiness. In other words, it helps companies decide whether and how to do business with you based on your credit history. Your FICO score is tied to your social security number. That means it will follow you around for your entire life, and will change as your credit activity changes. The score affects many aspects of your life that you may not even realize, such as your access to money, your insurance and even your employment, as potential employers may access it when you apply for a job.

How it works:

If you want to borrow money, banks will use your credit score (in addition to other information) to determine whether they want to lend to you. Whether you want to buy a car, a house, get a credit card, pay for college or just need some money to cover some unexpected expenses, your FICO score will help determine whether you are approved for that loan. Because many banks use your FICO score, or a similar scoring model, being denied credit at one bank often means you'll be denied at others.

Your FICO score also helps determine how much banks will charge you for borrowing money. If you have a high score, you might qualify for a lower interest rate than someone whose FICO score shows that they're a little more risky. Keeping your score high is important so you don't end up spending more money in the long run. For example, if you take out a 7 year car loan for \$15,000, at a high interest rate with a low FICO score vs. a low interest rate with a high FICO score, you may end up paying thousands of dollars more for the car over the life of the loan! With a higher FICO score, you may be able to borrow

money at a lower cost.

Keep in mind that your FICO score is used by more than just banks. Insurance companies use your credit score to help determine how much to charge you for car, mortgage and life insurance. Even if you plan to rent, and not buy a home or apartment, landlords routinely check your FICO score before deciding to rent a place to you. Many employers will even check your credit score before offering you a job.

Stay on top of your FICO score:

Problems on your credit report may stay there for seven to ten years or longer; that's why it's so important for you to keep paying your bills on time and not borrow more money than you can repay. Late payments, over borrowing, and similar actions can lower your score and make creditors avoid the risk of doing business with you, which you don't want.

For more information on your FICO score and why it's important, check out these resources:*

myfico.com

bankrate.com

[The Credit Reporting Agencies, Who Are The Players? \(Via SmartCredit.com\)](#)
[Credit Scoring, What Everyone Needs To Know \(Via SmartCredit.com\)](#)

[5 Little Known Facts About Credit Reporting and Credit Scoring \(Via SmartCredit.com\)](#)

[How Student Loans Impact Your Credit \(via Mint.com\)](#)

[Finally, We Know: How Mortgage Delinquencies Impact Your FICO® Scores \(via Mint.com\)](#)

* First Marblehead is not responsible for the content of these web sites.



FINANCIAL AID AWARENESS

Six Myths of Scholarships

Submitted by: Laura Steinbeck—Sallie Mae



Help students avoid leaving money on the table.

It's Financial Aid Awareness Month. What better time to help clear up students' common misconceptions about researching and applying for scholarships?

How important are scholarships today? In a word...*very*. A recent study, *How America Pays for College 2011* (Sallie Mae and Ipsos), found that fully **one-third (33%) of the amount paid toward 2011 college costs came from grants and scholarships.**

These scholarships ran the gamut of criteria, from academics to athletic prowess, to hobbies and affiliations. With such a rich pool of opportunities, we need to encourage our students (current and future) not to fall prey to the myths of searching—and applying—for scholarships.

SIX POPULAR SCHOLARSHIP MYTHS

"Senior year is the best time to start my scholarship search." In fact, the junior year of high school is an ideal time to start the search—the sooner, the better. Many scholarships repeat year after year, so a student can get a head start on seeing what will be available.

"Scholarships are only for top scholars and athletes." Contrary to popular belief, not all scholarships take grades or athletic ability into consideration. Suggest to students that they make a list of their family's cultural, geographic, religious, and ethnic affiliation, hobbies, musical or dramatic capabilities...even physical attributes. The broader the search criteria, the better their chances of finding one or more matches.

"It's too late for me; I'm not a high school student." There are scholarships for students at every stage of their education, whether undergraduate, graduate, or returning adult student.

"Most awards are so small they're not even worth the effort." What is "so" small? \$500? \$1,000? Nothing says that a student can only win one scholarship. If they apply for several scholarships, that \$1,000 could turn into \$5,000 or more. In addition, even if they only get a small amount, that's money that they will not need to borrow (with interest).

"The competition is too intense; I don't stand a chance."

Remind students that they have as good a chance of succeeding as anyone. In fact, just by carefully following rules to the letter, and answering questions thoughtfully and correctly, they're ahead of many applicants who do a sloppy job or who overlook important criteria.

"I don't know where to even begin; it's all too much for me..."

When starting a scholarship campaign, it's all about the search. Some pointers: **Beware of the scholarship scam.** Avoid scholarship databases that charge candidates to register or charge a large processing fee, companies that claim to do all the work for the applicant, or out-of-the-blue announcements sent to a candidate about winning a scholarship for which they didn't apply.

Use free national scholarship search sites. The Sallie Mae® Scholarship Search (SallieMae.com/Scholarship Search) has a database of over 3 million scholarships (valued at more than \$16 billion) that can be sorted by name, deadline, award amount, or eligibility criteria. Other search sites include Fastweb.com/College--Scholarships, and Scholarships.com.

SIX "DOS" OF SCHOLARSHIP SEARCHES

DO remind your students to:

Include private resources in their search — KFC, Coca-Cola, McDonald's, and Walmart all offer scholarships.

Research local businesses and state opportunities. (Sometimes the best opportunity is right in their own neighborhood!)

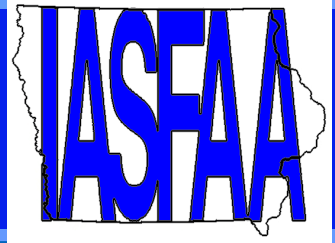
Be persistent and don't give up. Applying regularly gives them more of a chance than not applying at all (or waiting for one big scholarship acceptance).

Carefully read and understand the rules and requirements of the scholarship for which they're applying.

Stay positive! This is a long-distance marathon, not a sprint. Be creative, be upbeat, and keep working to uncover the right scholarship.

HAWKEYE COMMUNITY COLLEGE PROMOTES FINANCIAL AID AWARENESS

Submitted by: Janet Kuper, Hawkeye Community College



Hawkeye Community College Financial Aid Awareness


We sponsored a Decathlon event in our Student Cafeteria. Two teams competed against each other for a \$50.00 gift card (\$25.00 each team member of winning team). The events in the decathlon were: Spelling (Spelling Bee), Math (Are you Smarter Than a 5th Grader?), Science (Name the Periodic Element), History (Catch Phrase), Geography (Name the State), Language/Literature (Crossword Puzzle), Art/Drama (Pictionary), Physical Education (Minute to Win It), and Financial Aid Trivia.

Sponsored by the Hawkeye Financial Aid Office:


ACADEMIC DECATHLON

“Sports for the Brain!”

Think you’ve got what it takes?



When: Monday, February 28
Time: 11:30 a.m. – 1 p.m.
Where: Brock Student Center
\$50 Target Gift Card for Winners (team of 2)



FEBRUARY is Financial Aid Awareness Month!

Teaching Awareness

During the month of February, we also have Table Tents in the Brock Student Center on all of the lunch tables. We give them tips and helpful information for filing their FAFSA .

<p><i>February is Financial Aid Awareness Month, Spring into the New FAFSA Year.</i></p> <p>Finding money for College can be as easy as filing your FAFSA!</p> <p>With a spring in your step renew YOUR</p> <p>2011 – 2012 FAFSA!</p>  <p>Use your 2010 income tax information</p> <p>Go to www.fafsa.gov to apply!</p> <p>Priority deadline is July 15, 2011</p> <p><i>Remember your results of the FAFSA are used to determine your eligibility for federal & state grants, work-study and low interest federal student loans.</i></p>	<p><i>February is Financial Aid Awareness Month, Spring into the New FAFSA Year.</i></p> <p style="text-align: center;">Scholarships</p>  <p style="text-align: center;">Hawkeye Community College Foundation Scholarship application deadline for Fall: March 1st, 2011</p> <p>You can apply online at www.hawkeyecollege.edu</p> <p><u>Helpful Sites to Search for Scholarships:</u></p> <p>www.fastweb.com www.IHaveaPlanIowa.gov www.scholarships.com www.collegeplanning.org www.hispanicfund.org</p>	<p><i>February is Financial Aid Awareness Month, Spring into the New FAFSA Year.</i></p> <p>Summer 2011 Financial Aid Summer is the final term of the 2010– 2011 school year.</p>  <p>If you are considering enrolling for summer classes, you need to fill out a Summer Award Application and have an 11/12 FAFSA processed. The application can be obtained by 2/21/11 at</p> <p>www.hawkeyecollege.edu</p> <p>Click Students→ Click Financial Aid→ Click Forms and Documents</p> <p>We will send you an award notification email if you have aid available or an email if you are not eligible for summer aid. <i>To receive federal loans you must be enrolled and attending at least 6 credit hours.</i></p>
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Feed All Financial Student’s Addictions (FAFSA)
February Awareness For Student Aid (FAFSA)

This year, the FAO of Hawkeye will be doing a Half-Cathlon. The students really enjoyed it last year and we look forward to having a lot of fun with them again this year. The theme this year: Walk the Plank or Stay Afloat.



IN THE KNOW

FRIEDA AWARD



Each year, to celebrate Financial Aid Awareness Month, the Community Outreach Committee sponsors the annual office competition to spread the word about Financial Aid. This is a friendly competition among schools to see who can provide the most fun, unique ways of providing students with financial aid information. The winning school is announced at the Spring Conference and receives Frieda the Flamingo, a gift card and holds the year's proclamation from the governor.

February is fast approaching and so is Financial Aid Awareness Month! It's time to start thinking about the ways and/or fun things your office does during the month to spread the financial aid word for a chance to win the opportunity to house Frieda the Flamingo and a gift card to celebrate with your office.

Future Students



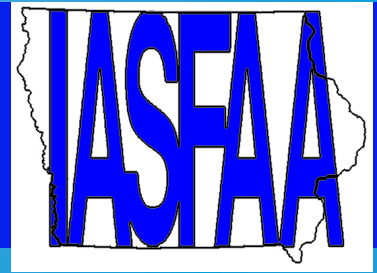
Terry Kruse (Assistant Director of Financial Aid at Clarke University) and his wife, Emily had a baby boy. Aaron Henry Kruse was born on Friday, January 6, 2012 at 12:45pm. 8 lbs, 21" long w/black hair.

Brandi Stone-Miller and her husband Kenan Miller became proud grandparents for the third time on January 19, 2012. Naomi Natalie Joy Davidson was born to Kreshawndra and Andrew Davidson of Des Moines, Iowa. She is doing fine and was welcomed home by her two year old sister, Serenity.





MARK YOUR CALENDARS



DIRECTORS' DRIVE IN WORKSHOP

The annual Directors' Drive In Workshop will be held on Thursday, February 16, 2012 in the Conference Room of the Activities Center on the campus of AIB College of Business in Des Moines.



2012 IASFAA SPRING CONFERENCE

April 12th & 13th
Embassy Suites,
Des Moines

