

# Michigan Association of Student Financial Service Administrators

**Winter Issue  
December 2015**

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Dear MASFSA Members and guest,

We represent the needs of the Bursars and Student Business Services offices at all Four Year Universities and Colleges, Community Colleges, Public and Private. Our mission statement is as follows:



“MASFSA’s mission is to promote excellence in financial and customer service functions and network opportunities to membership.”

Our member schools have been terrific with sharing information and offering solutions to problems; whether it is in our structure or in our procedures. This excellent network can only help in the success of your schools and this organization.

Please plan on attending our 12<sup>th</sup> annual MASFSA Conference, which will be held on May 22 – 24 2016 at Eagle Crest Conference Center in Ypsilanti, MI 48197. We have been working to put together a very strong agenda on topics that are important to our schools. (Additional information on our finalized agenda and events will be out shortly).

Our group strives to bring the most current and coveted topics and information to you. We have looked at what is happening nationally and on locally on our campuses. We take your suggestions very seriously and try to work them in to what I feel is a very exciting and dynamic agenda.

We are very pleased to provide two Keynote speakers to everyone this year: John Davis starts us off with his “Corporate Action Hero” presentation. John Davis is an internationally known Speaker, Comedian, Author and Action Hero. As an international entertainer, John has traveled extensively throughout the world speaking to audiences of all ages and backgrounds in 28 countries and over four thousand live performances.

Scotty Gunther will present his topic of The Co-Workers Challenge. The Co-Workers' Challenge is hilarious, quick paced, unique corporate entertainment that combines stand-up comedy, positive audience participation, with a little bit of "Newlywed Game" and a little bit of the "Match Game." It's a great corporate icebreaker that motivates employees and promotes teamwork.

Please check out the Eagle Crest Conference Center website <http://eaglecrestresort.com/>, I feel you will find the Marriott Hotel, the conference facilities and the surroundings perfect for our conference.

The Registration Website will be up soon, additional information will follow, I look forward to seeing you in Ypsilanti!

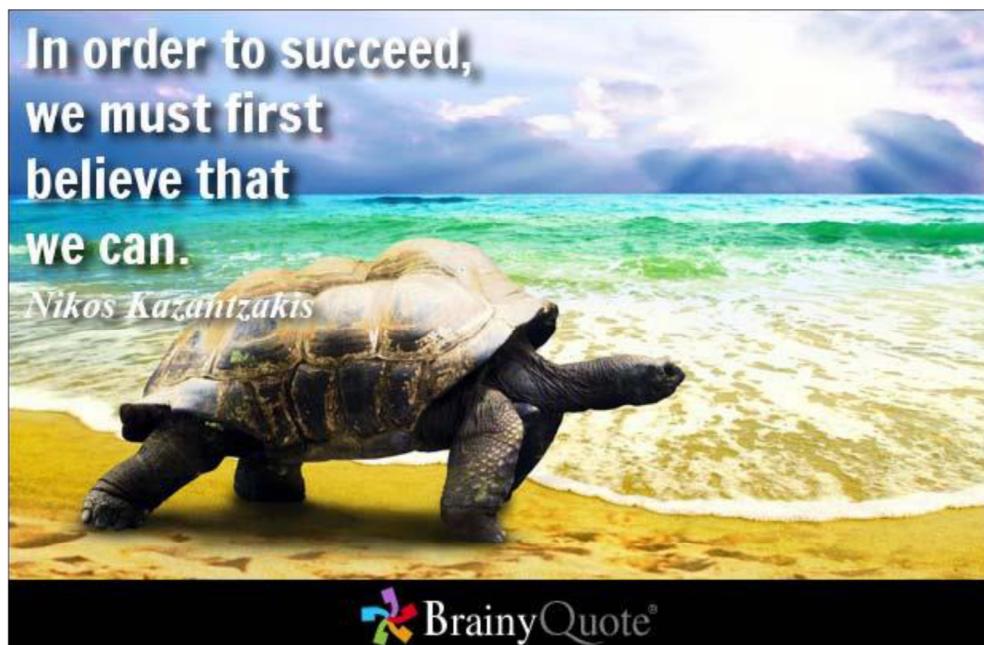
If you have any questions or suggestions, please feel free to e-mail me at [dwilcox@emich.edu](mailto:dwilcox@emich.edu).



Regards,

**Dave Wilcox**

President, Michigan Association of Student Financial Services Administrators (MASFSA)



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**Michigan Association of Student Financial Services Administrators  
Conference Agenda  
MAY 22-24, 2016**

**SUNDAY, MAY 22**

1:00-3:00	Registration and Vendor Set-Up		
3:00-4:00	Building A Financial Savvy Student-Krissy Bhaumik, University of M		
4:00-5:00	Student Retention-Jim O'Neil, Madonna University		
6:00 - 9:00	Eagle Crest Golf Club-Greet and Meet (Network with your fellow colleagues) Enjoy fun activities with great food W Cash Bar		

**MONDAY, MAY 23**

7:30-8:30	Breakfast & Registration		
8:30-9:00	President's Welcome		
9:00-10:00	Corporate Action Hero, John Davis-Keynote		
10:00-10:30	Vendor Break		
10:30-11:30	Developing a Vendor and Service Provider Oversight Program-Richard Brown, Ontario Systems		
11:30-12:30	<b>Campus Collections</b>	<b>PCI Compliance/Data Security</b>	<b>Michigan Veteran Updates</b>
	Liz Mosbey, Lake Michigan College/Kate Reasner, M	David Howard, Networks Group	Dichondra Johnson, Michigan Veterans Affairs Agency
12:30-1:30	Lunch		
1:30-3:00	Musical Topics- <b>Perkins</b> , Nancy Paris, FMS; <b>AR</b> , Kevin Hunt; <b>International Collections</b> , Cedar Financial; <b>1098 T-s</b> , Drew Pozzi; <b>System Roundtables</b> :Barnar, Shelia Atherton/Datatel, Fay Reid/Jenzabar, Peggy Finnigan; <b>One Stop Shop</b> , Katherine Bhaumik, University of Michigan Dearborn; <b>Credit Reporting</b> , Richard Brown		
3:00-3:30	Vendor Break		
3:30-4:30	<b>Fair Debt Collection Practices Act-New Regulations</b>	<b>Getting A Seat at the Table</b>	<b>COHEAO Federal Update</b>
	Richard Brown, Ontario Systems	Pam Fowler, University of Michigan	Lori Hartung, TB & L
4:30-5:30	The Co-Workers Challenge, Scotty Gunther		
6:00-9:00	Dinner & Entertainment (Dueling Pianos, Sax, Guitar, Keyboards and Vocalists) WCash Bar		

**TUESDAY, MAY 24**

7:30-8:15	<b>Breakfast &amp; Registration</b>	<b>Director/Bursar Challenge</b>	
		Dave Wilcox, Eastern Michigan University	
8:15 - 9:00	Business Meeting		
9:00 - 10:30	Corporate Action Hero, John Davis-Part 2		
10:30-11:00	Vendor Break		
11:00-12:00	<b>Legal Issues and Collections</b>	<b>Emergency Technology in Student Services</b>	<b>Cash Management and Financial Aid Update</b>
	David Head, WW&R	Richard Shipman, Michigan State University	Dept of Education (Webinar Format)
12:00-1:00	<b>Bankruptcy</b>	<b>Building Career Paths</b>	<b>Michigan Aid Programs</b>
	David Head, WW&R	Linda Berlin, Northwestern M College	Chad Somerville, Student Financial Services Bureau Presentation
1:00-2:00	Lunch and Presentation of the Board/Giveaway		

# COHEAO

## Sparks

*Updates on relevant events, hearings, and policy developments from the  
Coalition of Higher Education Assistance Organizations*

*December 17, 2015*

### **Perkins Lives! House Passes Two-Year Extension**

*A note from the COHEAO DC Office*

*Harrison Wadsworth ([hwadsworth@wpllc.net](mailto:hwadsworth@wpllc.net))*

*Wes Huffman ([whuffman@wpllc.net](mailto:whuffman@wpllc.net))*

*Hannah Allen ([hallen@wpllc.net](mailto:hallen@wpllc.net))*

*Michelle Cravez ([mcravez@wpllc.net](mailto:mcravez@wpllc.net))*

Today, the US House of Representatives passed the Senate-amended version of the *Perkins Loan Extension Act of 2015*. Representative Mike Bishop (R-MI), the sponsor of the legislation, took to the floor and requested unanimous consent that the House pass the Senate-amended version of HR 3594. There were no objections so the bill passed and moves to President Obama for signature.

The changes to the program as a result of the two-year extension are far from ideal, but loans will again be available to new students, and the program remains alive heading into the HEA reauthorization debate. The resuscitation of the program shocked many here in Washington and it is the direct result your hard work in promoting the Perkins Loan Program. By advocating and educating both policymakers and decision-makers on campus, your efforts preserved this valuable resource for hundreds of thousands of students.

The President is expected to sign the bill in the coming days, and the Department of Education is fast-tracking guidance related to the revival of the program and its associated changes. COHEAO will be working closely with the Department of Education to distribute information as soon as it becomes available.

A pressing question relates to “Excess Liquid Capital” (ELC). Many schools have received letters regarding their Perkins funds’ ELC that request return of the excess funds. This is standard practice, and in the past, the Department has allowed schools to appeal the call to return ELC by showing how they intended to use the funds to provide more loans for students. Nothing is official, but we expect this practice to continue.

Thank you for all of your hard work in promoting Perkins Loans. Today is a day to celebrate and think about the impact your voice had on extending this program for thousands of students. After we all take a break and catch our breaths, we’re going to need those voices again next year as the Higher Education Act reauthorization process continues and we work to preserve and improve Perkins for the long term.

**Hannah Allen**

COHEAO

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Washington, DC 20005

# COHEAO Sparks

*Updates on relevant events, hearings, and policy developments from the  
Coalition of Higher Education Assistance Organizations*

*December 16, 2015*

## **Senate Perkins Compromise Passes by Unanimous Consent**

*A note from the COHEAO DC Office*

*Harrison Wadsworth ([hwadsworth@wpllc.net](mailto:hwadsworth@wpllc.net))*

*Wes Huffman ([whuffman@wpllc.net](mailto:whuffman@wpllc.net))*

*Hannah Allen ([hallen@wpllc.net](mailto:hallen@wpllc.net))*

*Michelle Cravez ([mcravez@wpllc.net](mailto:mcravez@wpllc.net))*

Today, the Senate passed the *Perkins Loan Extension Act of 2015* by unanimous consent (UC). After Senate HELP Committee Chairman Lamar Alexander (R-TN) twice objected to bipartisan UC requests to pass the House passed-legislation extending the program (H.R. 3594) in September and October, he reached an agreement with the bipartisan group of Senate Perkins Loan champions to extend the Perkins Loan program for two years, but with some changes to the program. We are not happy with all the changes, but important improvements were made from initial proposals. In the end, a compromise was reached that does keep Perkins alive.

The legislation now moves back to the House, and we are hopeful for passage before the end of the year. After the passage of the compromise, [House Education and the Workforce Chairman John Kline \(R-MN\) and Rep. Mike Bishop \(R-MI\) issued a press statement applauding the deal.](#) Even in the face of massive year-end legislative packages, such as the omnibus spending bill or tax extenders package, the House will often move many relatively non-controversial bills at the end of a session under “Suspension of the Rules” or another fast-track legislative maneuver.

The statement of support from Kline and Bishop shows a desire in the House to move a bill, and COHEAO is cautiously optimistic the extension will pass before the end of the year. Despite our concerns with some of the more troubling aspects of the legislation, COHEAO is encouraging the House to act on the freshly amended H.R. 3594 immediately.

In announcing the agreement, Chairman Alexander was joined by Senators Kelly Ayotte (R-NH), Tammy Baldwin (D-WI), Bob Casey (D-PA), and Rob Portman (R-OH) in a colloquy discussing Perkins Loans. Alexander maintained that Perkins Loans are duplicative of Stafford Loans, but allowed the compromise will give time for further discussion on the future of Perkins and the entire Title IV student aid apparatus during the broader reauthorization of the *Higher Education Act* (HEA) in the coming months. He continued to push for the FAST Act and what he describes as a “One Grant/One Loan” system, but the Chairman praised his colleagues for their eloquence and tenacity in defending the program’s merits.

Senator Baldwin said Perkins is a “vital investment in students” that has been successful in improving access to higher education and enabling students to pursue their dreams. Praising the extension, which the Senator noted “is fully paid for,” Baldwin said the compromise breaks gridlock and allows for extended dialogue on the future of Perkins.

Senators Casey, Portman, and Ayotte all had similar remarks. Each were grateful for the extension, urged the House to act before the end of the year, and said they agreed in principle on simplification, but there also needed to be room for flexibility for students and institutions of higher education in the student aid programs—the type of flexibility provided by Perkins Loans!

The details of the extension are far from ideal, but that can be the nature of compromise, and the Perkins Loan Program enters the larger HEA debate in a much better position as an authorized program. An outline of the Senate-passed *Perkins Loan Extension Act* is included below.

- *Two-year extension of the program, through September 30, 2017*
- *Existing borrowers, including graduate students, grandfathered through Sept. 30, 2016. This is meant to provide for current students to get their Perkins loans for AY16-17, assuming the Department continues its current policy of permitting second disbursements later of a loan first disbursed by that date. According to the Department, about three-quarters of current graduate students will be able to complete their program under this approach.*
- *No Perkins loans awarded to graduate students who haven't already received one.*
- *Current Perkins borrowers must exhaust subsidized Direct Stafford loans before being awarded Perkins*
- *New Perkins borrowers (these will all be undergraduates) must exhaust both subsidized and unsubsidized Stafford loans before being awarded Perkins.*
- *Some new, additional disclosures will have to be made to Perkins borrowers.*

We will keep you apprised of developments as the legislation now volleys back to the House of Representatives. Thank you for your efforts to date to preserve the Perkins Loan Program. This progress in the Senate is due to all the strong grassroots support in support of the program!

#### **Additional Information**

- A statement from Sen. Baldwin on passage of the extension is available online: <http://goo.gl/Ed3E0s>
- A statement from Chairman Kline and Rep. Bishop is available online: <http://goo.gl/k7O7Ot>
- A statement from Ranking Member Senator Patty Murray (D-WA) is available online: <http://goo.gl/60tXYf>

**Hannah Allen**  
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## COHEAO Update –Fall 2015

By Michael Mietelski, COHEAO Communications Chair

### COHEAO Comments on OMB Approved Forms for Perkins Loans:

COHEAO submitted comments on the Department of Education's proposed updates for loan deferment forms. The Department is seeking to move to a standard form for deferments and forbearances for all federal student loans, and given the relative size of the programs, all efforts to standardize forms and processes across loan programs will start from a base of Direct Loans.



### COHEAO Accounts Receivable Management

COHEAO is also extremely active in the area of campus accounts receivable. We are committed to promoting discussion and sharing best practices in several areas regarding the current challenges that campuses face in managing accounts receivable, including collection regulations, TILA, institutional loans, TCPA, and cash management.

COHEAO recently added a new online resource available to COHEAO members. Thanks to the work of Chairman Larry Rock and the STAR Task Force Committee, COHEAO now has a resource page providing links to valuable information on statutes of limitations and collection fees on a state-by-state basis. To visit the STAR Task Force Resource website, please use the following link: <http://www.coheao.com/taskforces-committees/student-financial-services/>.

**TCPA News:** The TCPA prohibits autodialed or prerecorded non-emergency calls to cell phone numbers unless the call is made with “the prior express consent of the called party.” Legal uncertainty about the rules has fueled the explosion of TCPA consumer class actions in federal and state courts that the industry is now facing.

The Federal Communications Commission (FCC) released a Declaratory Ruling and Order on July 10 that intended to address the nearly two dozen petitions seeking guidance on TCPA issues that the agency received. COHEAO has commented in support of several of the petitions calling for modernization of rules to permit using predictive dialers to call cell phones, something that is permitted for calls to land lines. COHEAO has repeatedly pointed out that for higher education, the antiquated rules are unworkable since the vast majority of students and recent students don't have land lines and probably never will. COHEAO also called for more protection against being sued when consent was received to call a cell phone, but the phone number was transferred to someone new, thus cancelling the consent without the knowledge of the caller.

ACA International immediately filed a lawsuit against the FCC seeking judicial review of the Ruling from the U.S. Court of Appeals for the D.C. Circuit. Likewise, the Professional Association for Customer Engagement, Inc. (PACE), a non-profit trade organization, and Sirius XM Radio, Inc., both filed separate but identical Petitions for Review of the FCC's Ruling. Many expect similar lawsuits and petitions against the FCC's Ruling to be filed within the next few weeks.

• For the Declaratory Ruling and Order, see: <https://www.fcc.gov/document/tcpa-omnibusdeclaratory-ruling-and-order>.

**Cash Management News:** July 1 was the deadline for comments on the Department of Education's proposed regulations relating to cash management in the Title IV programs. The responses from banking and higher education trade associations show there are significant concerns with the proposal.

In particular, COHEAO signed onto a comment sent to the Department of Education from the National Association of College and University Business Officers (NACUBO) that identifies many problems with the regulations. The letter offers the following three major areas of concern:

- *If these rules are too proscriptive, too difficult, and too expensive to implement, third-party servicers and banks will simply exit this marketplace, leaving colleges and universities without valuable partners who have helped them improve services to students.*
- *ED has overstepped its statutory authority in the proposed rules.*
- *The proposed regulations go well beyond the remedies necessary to resolve the problems that ED has identified in justifying its action, imposing considerable and unnecessary burden on the regulated parties for very little added benefit.*

COHEAO along with NASFAA, NAICU, the American Association of Community College Trustees, and the

National Association of Campus Card Users joined NACUBO as signatories on the letter. For the NACUBO letter, see: <http://www.regulations.gov/contentStreamer?documentId=ED-2015-OPE-0020-0158&attachmentNumber=1&disposition=attachment&contentType=pdf>

Student advocacy groups, along with the consumer focused plaintiffs' bar, were generally pleased with the proposal. Though in some cases, these groups argued the proposal did not go far enough to ensure that students did not have to pay any fees related to their Title IV funds.

### **Financial Literacy**

In the August edition of the Financial Literacy Newsletter, published by COHEAO's Financial Literacy Chair, Todd Woodlee, Todd shared news of three recent conferences he had attended and how exciting it was to see the amount of focus spent on improving the financial and debt education of college students and alumni. Topics from the conferences that were highlighted in the newsletter included: 1. Financial literacy, the lackluster evidence of noteworthy progress, particularly with middle/high school students; 2. We do not have a student loan debt crisis...we have a graduation/completion and information crisis; and, 3. It's not a "one-size-fits-all" solution - students need dynamic, engaging and interactive financial education and it is the institution's responsibility to support the students by providing funding and resources for these programs. To read the August edition of the financial literacy newsletter, go to: [www.coheao.com/wp-content/uploads/2011/04/August-2015-Financial-Literacy-Newsletter.pdf](http://www.coheao.com/wp-content/uploads/2011/04/August-2015-Financial-Literacy-Newsletter.pdf)

### **Consumer Financial Protection Bureau**

COHEAO filed a response to the Consumer Financial Protection Bureau's Request for Information on student loan servicing. Although the focus of the RFI was on servicing of Direct Loans and FFELs, there was mention of private loans (which include institutional loans) and a brief mention of collections. The CFPB's **proposed policy statement** would add the consumer's narrative, and essentially publish the consumer's detailed description of what happened, including potentially inflammatory or offensive statements and identifying information pertaining to company employees. COHEAO is aggressively drafting a response expressing our concerns about disclosing unverified data. The inclusion of consumer narratives will only serve to increase the reputational risks inherent in such disclosures.

### CFPB Publishes Newest Complaint Report Spotlighting Credit Reporting Bureaus

The Consumer Financial Protection Bureau (CFPB) published its monthly consumer complaints snapshot on August 25. The report spotlights credit reporting complaints, which sharply increased compared to the prior month and the prior year. According to the report, the majority of the credit reporting complaints were about problems with incorrect information on the reports. The report shows a 45% year over year increase in complaints about credit bureaus.

The report also showed growth in student loan complaints, although given the amount of publicity about problems with student loan repayment, the monthly average number of 639 for the May-July period is still relatively small. It's up 12% from the same period last year. The report states that for the 23<sup>rd</sup> consecutive month, the Bureau received the most complaints about debt collection, representing about 31% of all complaints submitted this past July. The data shows a 1% reduction in debt collection complaints from last year. For the CFPB news release and report, see: <http://www.consumerfinance.gov/newsroom/cfpb-monthly-complaint-snapshot-spotlights-credit-reporting-complaints/>

### News from the Feds

Go to: <http://www.ifap.ed.gov>



#### Dear Colleague Letters

- [2015-11-12](#) - (GEN-15-21) Subject: OMB Approval of Federal Perkins Loan Program Master Promissory Note
- [2015-09-29](#) - (GEN-15-19) Subject: Perkins Loan Program -Excess Liquid Capital
- [2015-07-29](#) - (GEN-15-18) Subject: Protecting Student Information
- [2015-07-29](#) - (GEN-15-17) Subject: Protecting Student Information
- [2015-07-07](#) - (GEN-15-13) Subject: Undue Hardship Discharge of Title IV Loans in Bankruptcy Adversary Proceedings

#### Electronic Announcements

- [2015-11-24](#) - (Campus-Based) Subject: Revised Federal Perkins Loan Program Questions and Answers Available on IFAP Web Site - November 2015
- [2015-09-21](#) - (Campus-Based) Subject: Perkins Loan Assignment System - System Availability and User Access Process

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