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EDUCATION

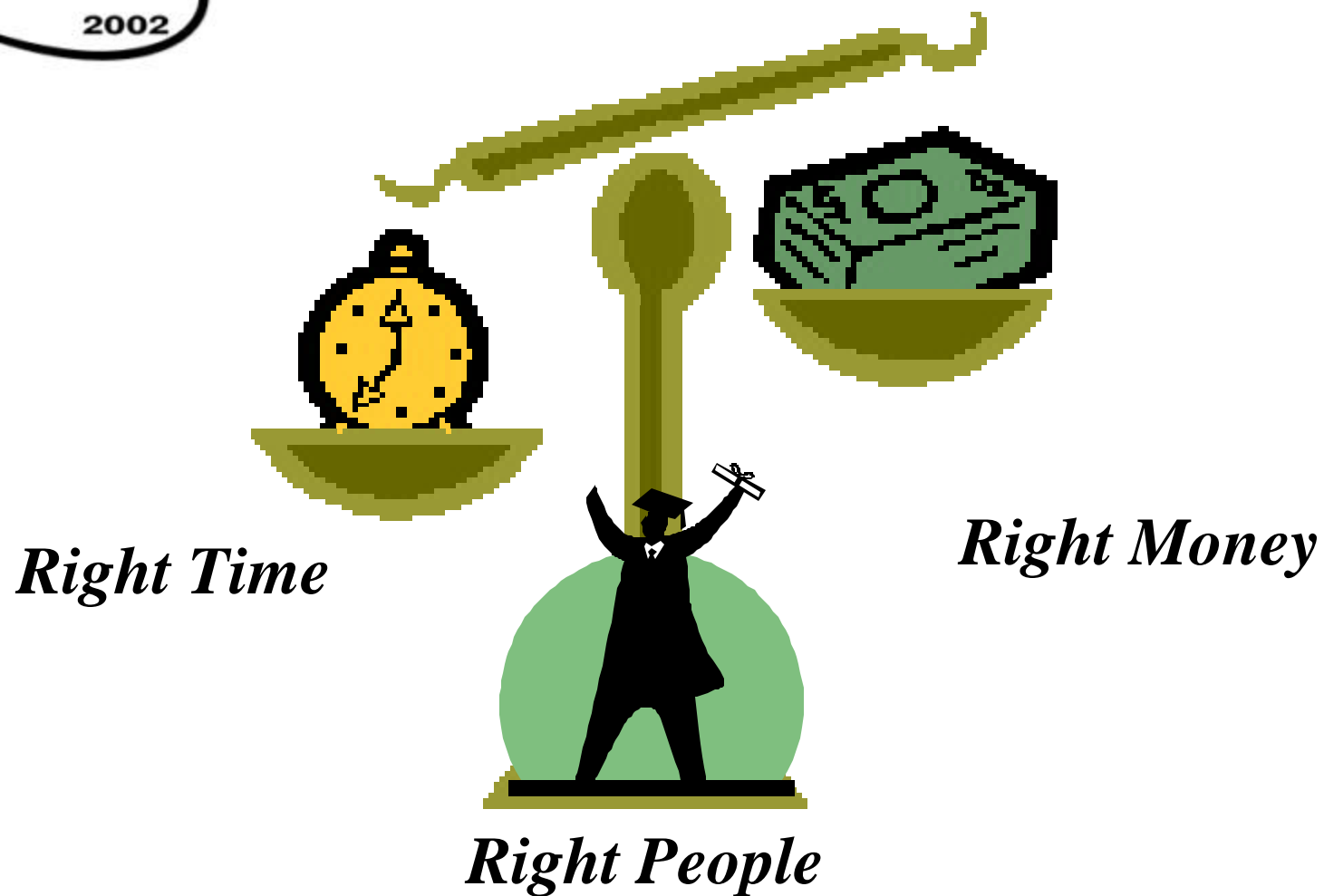


Welcome and Opening Remarks

Kay Jacks
General Manager for Schools

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The Balancing Act

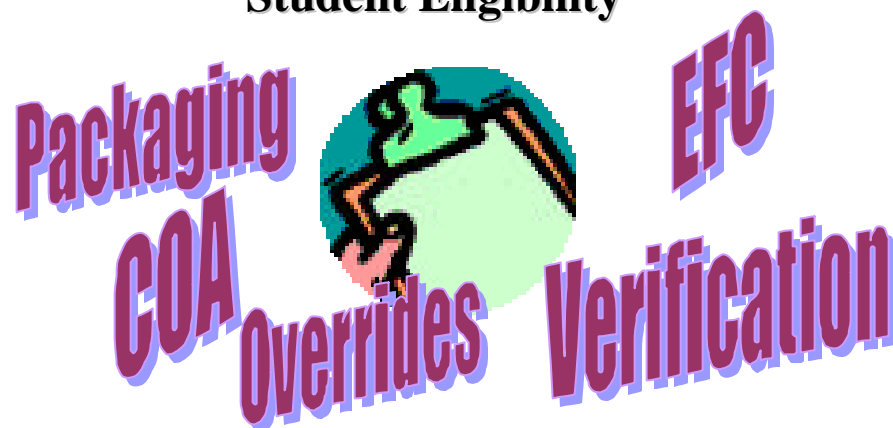


The Student Aid Lifecycle

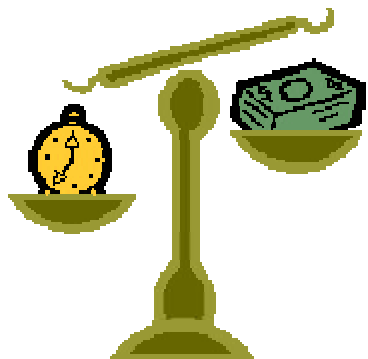
Student Aid Awareness Application Processing System



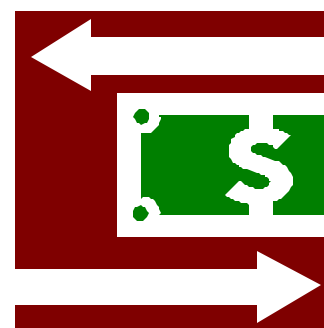
Student Eligibility



Disbursement and Cash Management



Repayment of Title IV Loans



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Reauthorization

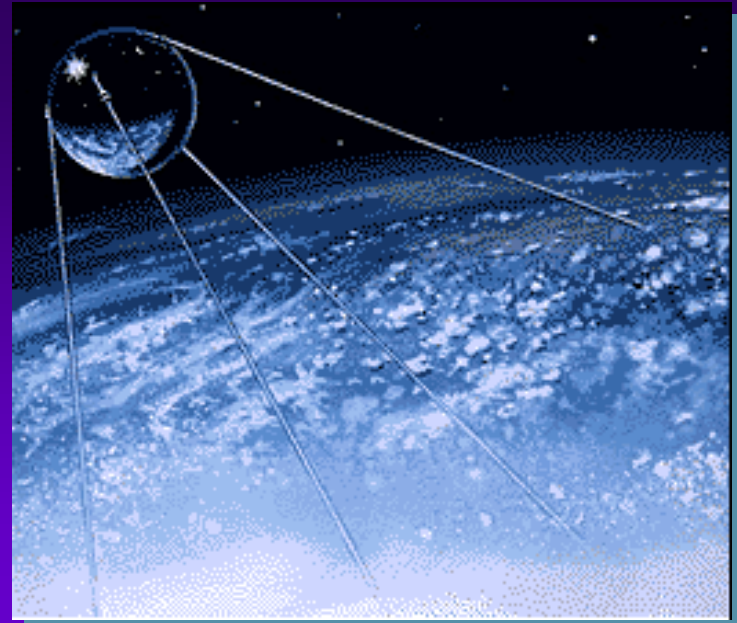
Federal Regulatory and Reauthorization Update

- Sally Stroup, Assistant Secretary for Postsecondary Education
- Jeff Andrade, Deputy Assistant Secretary
- Jeff Baker, Director, Policy Development

1958 National Defense Education Act

National Defense Education

**National Defense Student
Loan Program**



1958





1968 Higher Education Act

- **FISL at 7%**
- **Maximum loan of \$1500**

1958/1967

1964 Economic Opportunity Act

- **CWS Created**
- **Educational Opportunity Grants**
- **Established Guaranteed Student Loan Program**



Vietnam War Continues



1972 Higher Education Act

Created BEOG
Sallie Mae was Chartered
EOG got a "S"

1970s

HEA 1976

Consumer Information
MDEs authorized

Leisure
Suits!!!





1980s

1978 MISSA

Income limits removed

Liberalized BEOG formula





1980 Higher Education Act

- U.S. Department of Education created
- BEOG renamed Pell with \$10 ACA
- Common Need Analysis form and formula
- Minimum Room and Board limits
- Defined the Independent Student
- Four year cap eliminated for Pell
- NDSL Interest Rate increased to 4%
- GSL rate 7% to 9% for first time borrowers

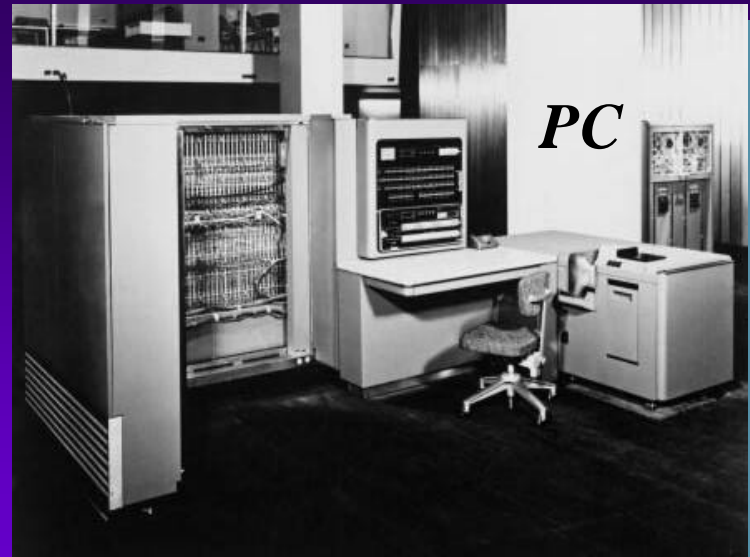


1981 OMNIBUS Budget Reconciliation Act

- Tightened Pell Grants Eligibility
- Made GSL need based
- GSL Origination Fee
- Eliminated \$10 ACA for GSL
- Pell formula restricted

1982 Solomon Amendment To Defense Authorization Act

**Selective Service Registration
required for Title IV Eligibility**



1980s

1985 Gramm-Rudman-Hollings

**Multiple GSL disbursements
Checks sent to schools
Title IV aid denied to defaulters**





1986 Higher Education Act 1987 Technical Amendments

- **Congressional Methodology**
- **Simplified Needs Test**
- **Verification limited to 30%**
- **Changed Independent definition**
- **Professional Judgment for FAOs**

**1988 Drug Free School
And Communities Act**

**Schools must have program to
Prevent drug and Alcohol**

**1988 Tax Reform Technical
Amendments**

**Creates Educational Savings
Bonds**

1980s

**1988 Crime Awareness
And Campus Security Act**

**Requires collecting and
Reporting on Campus Crime**

1989 Defaults equals 17.6%

1990 Rates were 22.4%

**Default Rates restricted by
1990 Omnibus Reconciliation
Act**



1992 Higher Education Act

- **Plus up to full cost of attendance**
- **Redefinition of the Independent Student**
- **Mandates CM for all Title IV**
- **Creates negotiated rule making**
- **Stafford limits raised**
- **Interest rates are capped**
- **Mandated 5% Community Service for CWS**
- **Mandates refund policy**

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1993 Student Loan Reform Act

Reduced margins on FFELP

**Full implementation of
Direct Loans**

1995 Improving America's Schools Act

**Student Right to Know
Direct Loans renamed**

1990s

1994 Violent Crime Control And Law Enforcement Act

**Eliminated Pell for incarcerated
Students**

1997 Taxpayer Relief Act

Creates Hope Scholarship

**Lifetime Learning
Tax credits**



1998 Higher Education Act

- PBO created
- R2T4
- SSIG becomes LEAP/SLEAP
- 7% Community Service for Work-Study



New Chief Operating Officer

Terri Shaw



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