



EDSHARE
2006 Symposium

MEETING SUMMARY

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Format of this Report

This report of the symposium proceedings follows the general agenda for the event, held in San Diego in February 2006. About 80 participants gathered for the symposium, which included presentations about a select number of EDSHARE projects. Four presentations are highlighted in the section “Symposium Showcase.” In addition, six schools briefly summarized their EDSHARE programs using a new format called “Symposium Speed Stations.”

Participants also heard updated information about the overall EDSHARE program and the various public service initiatives supported by EDFUND. In the second day of the event, the attendees assembled into individual groups to discuss their projects and convey lessons learned and best practices. Those findings are highlighted in the section titled “Table Talk.”

Monday, February 27

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Symposium Speed Stations <ul style="list-style-type: none"> • American Career College • CAJ Skills and Business Education Center • California State University, Fullerton • California State University, Sacramento • Diablo Valley College • Maui Community College 	

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EDSHARE Overview

EDFUND held its third annual EDSHARE program symposium on February 27 and 28, 2006 in San Diego, California. This symposium brought together grant recipients to discuss and share the information gained from their individual grant programs. The 2006 symposium encompassed the 72 educational institutions awarded grants in 2002, 2003 and 2004.

This report provides a general summary of the symposium proceedings. It is EDFUND's hope that the information will help guide borrower education, debt management and default prevention efforts at educational institutions, and that it also will help EDFUND learn about and fine-tune its approach to management of the EDSHARE grant program and other similar public service initiatives.

What is EDSHARE?

EDSHARE is EDFUND's \$12 million, three-year investment in innovative approaches to borrower education, debt management and default prevention. Through EDSHARE, EDFUND is providing renewable seed grants to postsecondary schools, colleges and universities. The funding supports a variety of initiatives that these institutions believe will help borrowers take control of their financial lives. For EDFUND, the goal is not only to improve assistance for individual students but also to develop effective programs, materials and approaches that can be replicated at schools throughout the country.

EDSHARE is an important part of EDFUND's commitment to creating real borrower benefits – in this case, by jumpstarting programs that will encourage borrowers to adopt lifelong responsible financial planning and money management practices. It is EDFUND's hope that these creative approaches to serving borrowers will be inspirational for others who are helping students face the challenges of paying for an education in times of rising costs and constrained resources.

HOW EDSHARE WORKS

The EDSHARE grant process is simple: Institutions with at least 30 student loans guaranteed through EDFUND may apply for three renewable annual grants of up to \$40,000 each. Greater amounts are available for consortia (up to \$400,000 annually) and schools with multiple campuses (up to \$120,000 annually).

Successful proposals are those that focus on default prevention and debt management, either supplementing existing programs or breaking ground in new directions. EDFUND hires an independent consultant to review and make recommendations for grant awards. The consultant reviews the applications and, as necessary, contacts the institutional representatives for additional information or clarification. EDFUND staff review the recommendations, making certain that the proposals are consistent with the mission of the program, meet the guidelines established by the EDFUND Board of Directors, and do not include inappropriate spending requests. Awards are then disbursed annually.

Institutions are eligible for renewal awards for up to two additional years based on evidence of reasonable progress toward the grant program goals. An annual self-evaluation document is required to be submitted by the institution.

EDSHARE RESULTS

In the 2002 award year, EDFUND granted \$1.7 million in 33 renewable grants. In 2003, EDFUND awarded an additional \$1.3 million for 26 grants. In 2004, the third and final award year, EDFUND allocated \$524,000 for 14 individual grants. When renewals have been completed, EDFUND anticipates the awarding of approximately \$10 million under the program. The remaining funds will be spent on efforts to disseminate the results of the grant

programs to other educational institutions, and potentially to install some of the successful programs through EDFUND for the benefit of all participating institutions.

A recent internal evaluation of the program, based on the first 72 participating institutions, found the following:

- The program is meeting its overall objectives successfully
- Institutions are very satisfied with the EDSHARE services provided to them
- Institutions are successful at default prevention when they help students attain their educational goals
- Students are entering postsecondary education with few financial management skills
- Borrower needs do not vary widely based on the type of institution – borrowers encounter similar challenges
- Borrowers are responding positively to the EDSHARE programs offered to them and to debt management help
- Participating schools are reporting a noticeable increase in borrower knowledge about their debt
- In most cases, it's too early to determine the impact of EDSHARE programs on student loan repayment rates
- The EDSHARE program caused many institutions to alter their pre-conceived ideas about what borrowers need and how they will behave
- Flexibility in grant administration helped make EDSHARE successful
- Institutions that struggled usually had staff turnover or limited resources to implement EDSHARE programs
- Several institutions reported that EDSHARE helped them establish positive connections with other campus offices

In the future, EDFUND intends to construct a more robust EDSHARE Web site to share best-practice information, develop a publication to disclose results, and deliver a significant new debt management and default prevention conference.

EDFUND Highlights

EDSHARE is only one of several public service initiatives that are supported by EDFUND as part of its mission. Other programs, services and publications currently supported include:

- *Student Loan Debt Summary*—EDFUND now offers schools the opportunity to enroll in a service whereby their borrowers receive electronic or printed summaries of their outstanding debt from all student loan sources. Currently 352 institutions participate, with 543,000 letters issued each year.
- *Cohort Management System*—A Web-based system that allows schools to import delinquent borrower information and manage their default cohorts by prioritizing borrower contacts and recording their efforts.
- *Building Futures*—A new EDFUND catalogue of default prevention resources and tools, complete with presentations and instructor guides that help facilitate debt management seminars and workshops on campus.
- *Fund Your Future* workbook, counselor's guide and brochure (English and Spanish)—Annually updated consumer guides providing a comprehensive overview of student financial aid. More than a million booklets, brochures and bookmarks are distributed each year for free.
- *High School Focus*—A special annual Fall newsletter for high school counselors, spotlighting current financial aid issues.
- *Fund Your Future* video—An annual video covering completion of the FAFSA.
- *College: Making it Happen* video—Materials designed to inspire students and parents to make college a reality.
- *Power of Education* video—Designed to showcase students and community leaders who were first in their families to graduate from college.
- *Credit For College*—Created in collaboration with the National Endowment for Financial Education, *Credit for College: Tools for Managing Your Money* is a booklet designed to demystify college and financial planning issues for a high school audience.
- *The Future 5* comic book and *Carlton Q. Cat* activity book—Developed with the Arizona Commission on Postsecondary Education (ACPE), these publications illustrate higher education opportunities to middle and elementary school audiences.
- *EDWISE*—An online tool to help students and parents plan financially for higher education and manage their student loan debt effectively (www.edwise.org).
- *EDTEST*—An online service for borrowers to complete their required entrance and exit counseling for a student loan (www.edtest.org).

- *Forecasting Your Future and Predicting Success* videos—Entrance and exit counseling for borrowers in a video format.
- *Entrance/Exit Guide to Your Student Loan*—Comprehensive debt management and default prevention guides for new borrowers and borrowers leaving school.
- *Money Moves*—EDFUND is a major sponsor for this locally developed PBS series hosted by comedian-actor Jack Gallagher. Special episodes highlight credit management and paying for higher education.
- *Money Moves Jr.*—The teen version of Money Moves, with content appropriate for younger audiences, sponsored exclusively by EDFUND.
- *Life 101 publication*—A free publication for high school seniors that highlights financial aid issues and money management.

Table Talk

In one section of the symposium, EDFUND asked participants to form into small groups and distill a list of lessons learned from the implementation of the EDSHARE program. These lessons are summarized here:

How were students best reached?

1. Information reaches students when presenters work with faculty to present in classrooms.
2. In outreach to students in younger grades, they respond well to younger people who present to them, to brief and humorous presentations, to free goods and food, and to colorful presentations. One institution noted that delivering a pop-quiz with prizes helped hold students' attention.
3. Students respond best to other students, peer counseling and resource desks.
4. Some institutions have found that in contacting borrowers, phone calls are more effective than letters and cards. These efforts also complement the work done by the guarantor and lender at the same time. Forms of in-person contact, including phone calls and peer counseling, seem to be the most motivating in terms of getting students to take action on their loans.

What's meaningful to them?

1. Some campuses have had success in debt management and default prevention by connecting life issues with money issues. In this way, they have focused on work-study, steering students toward open job markets, and on placement as a strategy to ensure that they have the means to repay their loans.
2. Educational institutions need to recognize the different styles of learning that exist among students. This means that delivery approaches need to be varied and complementary, with written materials as well as presentations, and individual counseling along with group sessions.
3. Students respond well when they are empowered with access to the information they need and can gain that access through a way that is most meaningful to them individually.
4. Computer programs and modules will attract some students, but not all of them without some personal assistance and an interactive component.
5. Financial incentives are very helpful in motivating students to do what they need to do to be successful. One institution provides a \$500 scholarship from its own resources to students who successfully complete a General Educational Development (GED) program and therefore are more likely to be educationally successful and employable post-graduation.

What did the EDSHARE program spark on campus?

1. Educational institutions reported success in increasing the presentation and delivery skills of their financial aid staff. This effort has helped to focus student learning and retention.
2. It appears on many campuses that the EDSHARE grant ignited a process, and that projects and collaboration grew from the grant programs. In some cases, the projects assumed much broader scope than originally intended when the institution applied for the grant. This grew from joint discussions about the best ways of providing services to students and borrowers. At the same time, these institutions felt stretched for adequate resources and also for expertise in working with different technology systems.

3. Successful retention of students once they are enrolled should be a goal for the entire staff of an institution, not just the financial aid staff. Students are more likely to repay loans if they stay in school, complete their educational programs and obtain a job. Some simple components like having the GED are essential to student success at some educational institutions.

What aspects of EDSHARE worked well?

1. Students who transfer from an institution or leave it for other reasons are often found to have a high likelihood for delinquency. Institutions report success in establishing personal and individualized contact with these students.

2. Successful EDSHARE efforts required a significant amount of collaboration among various departments and offices at the educational institution, and building a constituency of support behind the program.

3. The low overhead allowed for EDSHARE grants (the indirect cost recovery) allowed more of the grant amount to be used for actual programs and less to be used for institutional administrative overhead. At least one institution reported that its standard indirect cost recovery rate is equal to 45 percent of the grant amount when a limit has not been imposed.

4. Institutions reported that the EDSHARE grant helped to increase their visibility on campus and therefore improve cooperative efforts between different offices and departments. Through some EDSHARE grants, the financial aid office has now become a more important part of the teaching community. One university reported more success in reaching out to students by renaming an office from default prevention to student loan services, which made it more welcoming and professional.

What problems were encountered?

1. Educational institutions benefited significantly from involving students in their EDSHARE grant work, but some reported that frequent turnover is challenging, resulting in more work to develop job transitions and also frequent training.

2. Institutions reported a lot of “trial and error” in their efforts. They found that their approaches needed to be modified as they learned what students wanted and needed, and as they learned about different populations of students. In this way, the EDSHARE grant gave them the opportunity to be experimental.

3. Institutions report mixed success in getting students to attend invitational lectures and seminars. They reported greater success by integrating seminars and debt management information into other settings, such as during new-student orientation presentations, and in entrance and exit counseling.

4. Staff resources are a very real challenge for financial aid offices in terms of supporting enhanced services like debt management and default prevention, even with an EDSHARE grant. The reality is that the program becomes a whole department, and sometimes a whole campus effort.

Parting Thoughts

In a wrap-up for the symposium, EDFUND President Sam Kipp summarized what he learned from participating educational institutions. As he listed the best practices that seemed to be apparent from EDSHARE programs, he emphasized the importance of meeting the needs of the student population by knowing your target audience.



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