



# National Student Loan Clearinghouse

THE INDUSTRY SOLUTION FOR ENROLLMENT VERIFICATION & DEFERMENT PROCESSING

## NSLC Responds to Members Need for Verification Services

What if you could eliminate the time-consuming task of insurance, credit card and degree verification? Because many of you have asked the Clearinghouse to use the student data you already provide to handle other types of verifications, we held an “open primary” in January for Clearinghouse members and asked you to vote on the following ballot questions:

- Are you interested in having the Clearinghouse verify enrollment for your students’ health and automobile insurance?
- Credit Card verifications?
- Degree verifications?

Over 600 of our members responded, with the majority in

favor of Clearinghouse handling these verifications. The survey confirms that Clearinghouse data provided by members can be used for additional purposes.

“The data necessary for health and credit card related verifications is already on hand,” said Dan Boehmer, Clearinghouse President. “For degree verification, schools would simply expand the data they give us in their periodic ‘graduates only’ file.”

Based upon the pilot activities we conducted over the last several months, and a two-day Registrar Advisory Council we held in March, we will announce our plans during the AACRAO annual meeting.

Now that we’ve sparked your interest, the next step is to define how the processes should work. Registrars, we need your input! Please join your colleagues at AACRAO’s Clearinghouse User’s Group meeting on Sunday, April 9th (see related article for meeting time and details). Jeff Tanner, Associate Dean of Admissions and Records at Brigham Young University, and Past-President of AACRAO, will lead the discussion and get your opinions regarding these service extensions. Let us know if you would like to be among the first participants in these new services.

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## Visit us at AACRO in New Orleans

If you are planning to attend the AACRAO Annual Meeting in April, come visit us at the following three venues!

**Users Group Meeting** - Participating Clearinghouse schools are invited to attend our second annual Users Group

Meeting at AACRAO on Sunday, April 9 from 2:00 p.m. to 4:00 p.m. The meeting will be held in the *Elmwood* room on the third floor of the Hilton Riverside in New Orleans.

The primary focus of this year’s agenda is to solicit your

# OSFAP Signs Contract with Student Loan Clearinghouse

Re-printed courtesy of the U.S. Dept of Education's Office of Student Financial Assistance

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Student Financial Assistance (SFA) has signed a five-year performance-based contract with the National Student Loan Clearinghouse. The contract was approved after a successful three-month pilot between the organizations.

The Clearinghouse, which tracks student enrollment at more than 2,300 colleges and universities, will under the terms of the contract provide regular electronic updates of member schools' enrollment data. SFA, which tracks the enrollment of four million Direct Loan borrowers, can virtually instantaneously compare the Clearinghouse data with its own.

Without the "real-time" data comparison, SFA can temporarily lose track of a student when the student transfers from one school to another or returns to school after being away. Losing track can cause the repayment process to kick in because the student appears to be out of school. To stop the repayment process when it has begun in error, the borrower has to file a paper form asking that repayment be deferred, and until they do, they appear to be in default. The new real-time data comparison averts

the problem of these "technical defaults," removes the burden of the student having to file a paper form, and saves SFA unnecessary work and expense.

"This is easier for the student and easier for us," said Greg Woods, Chief Operating Officer of SFA. "Our pilot project proved that working with the Clearinghouse helps us give substantially better service to students and schools, and going paperless is a significant savings to the taxpayer. It cuts costs and workload."

The electronic comparison of Clearinghouse and Direct Loan data also allows SFA to promptly identify students who have left school early and help them choose their best option for repayment of their loan.

**"Right now 81 percent of America's college enrollment is covered by the Clearinghouse," said Woods, "but this is a good start. The service is free to schools, so we hope more will join. The school can cut its enrollment verification workload, give better service to the students, and we all reduce technical defaults. It's good for everyone."**

The contract took effect in January and has a term of up to five years. The Clearinghouse will be paid 4.5 cents per record, or approximately \$702,000, and will receive a bonus if certain performance standards are exceeded. Likewise, the Clearinghouse will suffer penalties if performance falls below required standards.

Student Financial Assistance is the U.S. Department of Education office responsible for helping to put America through school. SFA helps put about 8.5 million Americans through school each year and administers student loans and grants totaling about \$50 billion a year. SFA is the federal government's first Performance-Based Organization (PBO) and strives to improve customer satisfaction while cutting the costs of administering student aid programs.

For more information on student financial aid, visit [www.ed.gov/offices/OSFAP/students](http://www.ed.gov/offices/OSFAP/students). To file a Free Application for Federal Student Aid (FAFSA) form online, visit "FAFSA on the Web" at [www.fafsa.ed.gov](http://www.fafsa.ed.gov). For telephone assistance (also available in Spanish), call 1-800-4-FED-AID.

## Visit us at AACRO in New Orleans

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input on potential extensions of the Clearinghouse's service, including verification of student enrollment for credit card and insurance purposes, and degree verifications for employers and others. (See related article).

If you wish to attend, **please RSVP**. E-mail your name, title, school name and address, and conference name to [usersgroup@nslc.org](mailto:usersgroup@nslc.org). E-mailed replies to are preferred, but you

may also fax your RSVP to (703) 742-4239. **Are there other topics you wish to cover at the meeting?** If so, include them with your reply.

**Interest Session** - A Clearinghouse Interest Session is scheduled for Wednesday, April 12 from 1:30-2:45 p.m. Please check your program, distributed on-site for meeting room location. This session will provide a general overview of the Clearinghouse and its services.

If you cannot attend the Users Group meeting, we hope to see you at the Wednesday session. (RSVPs are not necessary for the Wednesday session.)

**Exhibit Booth** - Representatives will be in the exhibit hall at booth #512 throughout the conference. Stop by and visit us! We'll even give you a free appointment with a FERPA doctor!

# EnrollmentSearch to Help Institutions Improve Recruiting, Retention of Students

*Service seen as new tool for Admissions and Perkins Loan Officers*

In February, the Clearinghouse announced the availability of its EnrollmentSearch Service, which provides data on the enrollment of prospective, current, and former students. This service gives college officials access to a database containing current and historical enrollment records of over 30 million post-secondary students.

“Until now, the Clearinghouse primarily benefited registrars and financial aid offices,” said John Ward, Clearinghouse vice president. “EnrollmentSearch puts our database to work for others on college campuses for whom information on the prior enrollments of applicants and the subsequent enrollment of former students is an important resource. Feedback received so far on the service has been extremely favorable,” he added.

Admissions officers are expected to be among new users of the service to verify enrollment histories of their applicants. They can also track the subsequent enrollment of applicants who declined or were denied admission. “This product can tell me where my prospective freshmen ended up attending college, or where they transferred from. Just knowing the name of the school speaks volumes. Previously, information like this was gathered through student surveys, but the response rate was low”, said Dr. Homer “Bucky” Wesley, Assistant Vice

President for Enrollment Management and Dean of Admissions at University of Southern Mississippi.

Perkins Loan Officers can challenge cohort default rates, provide in-school deferments, and verify where their former student borrowers re-enrolled. Martha Martin, program compliance officer at the City University of New York and a Clearinghouse director, said, “We have used the Clearinghouse database to track the subsequent enrollment in other schools of our Perkins and Institutional Loan borrowers. This data has helped us identify borrowers who should have in-school loan deferments. Our servicing center has enhanced student service and lowered costs associated with loan delinquencies and defaults.”

Institutional research and planning officers will be able to increase the data they can receive from the Clearinghouse. Since 1997, they have been able to use a service called TransferTrack to obtain data on first-time, full-time degree seeking students who did not graduate, but transferred-out to other schools. This data is useful in completing reports schools are required to make under the Student Right To Know Act and the IPEDS Graduation Rate Survey (GRS). Using EnrollmentSearch, institutional research personnel will be able to inquire about any applicant, any student, or any former student.

The broader scope of data available through use of the EnrollmentSearch service is expected to be valuable to community colleges and other schools whose mission it is to prepare students for continued education. They can learn where their graduates received baccalaureate and other degrees. “Transfer Track gave our system great detail on student transfer to both in-state and out-of-state institutions, but only for our GRS reporting requirements”, said Patrick Perry, Policy and Analysis Specialist at California Community Colleges. “EnrollmentSearch can give our colleges access to the same type of transfer data, but for any type of student group they wish to assess.”

Another new feature of EnrollmentSearch is that authorized school users can make on-line inquiries through the Clearinghouse secure web site to obtain individual student enrollment histories, as well as sending batch file inquiries. As EnrollmentSearch provides broader service, the TransferTrack service is being discontinued.

If your college or university is a Clearinghouse participant, then it is eligible to participate in EnrollmentSearch. For more information, check out our Web site. Read the service description, walk through the on-line demo, and view the section on FERPA compliance.

# FERPA Expert Joins Clearinghouse

**F**rances Moran recently joined the Clearinghouse as General Counsel. Frances previously practiced law with the General Counsel's office at the U.S. Department of Education, where she was an acknowledged expert on FERPA and student privacy issues, and was the primary legal counsel for the Family Policy Compliance Office. Frances started her legal career in the General Counsel's office litigating student loan and other financial assistance cases for the Department. In addition, Frances has tours of duty as Director of the Compliance and

Enforcement Division in the Office of Student Financial Assistance and in administration of the Direct Consolidation Loan Program.

"This is an exciting time to join the Clearinghouse," said Moran. "The Clearinghouse has done a great job over the last seven years of ensuring that its 2,300 member schools remain compliant with FERPA. With over 30 million individual student records in the database and the launch of supplemental services like EnrollmentSearch, insurance and degree verifications, the need to ensure student privacy is greater than ever."

## Have Your FERPA Questions Answered at AACRAO

AACRAO and the Clearinghouse have joined together to sponsor free consultations with a "FERPA doctor" at AACRAO. If you have any questions about your institution's compliance with FERPA, arrange an appointment with Frances Moran – FERPA doctor. Frances will diagnose your symptoms and prescribe a cure. To schedule your free consultation appointment, stop by the Clearinghouse's exhibit booth at AACRAO. (See related article.)



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