



New Hampshire achieves default rate of 1.5%

The New Hampshire Higher Education Assistance Foundation (NHHEAF) Network achieved a student loan default rate of 1.5% for fiscal year 1999, the third lowest rate in the country and the lowest among the New England states. The U.S. Department of Education recently released default rates for 1999 and reports a national cohort default rate of 5.6%, down from 6.9% for fiscal year 1998. New Hampshire's rate is also down from 2.2% for 1998.

The NHHEAF Network has maintained a cumulative net default rate of less than 4% for almost all of its 39-year history. Its overall default prevention activities translate into substantial savings for taxpayers and ensure that federal student loan dollars are available for the students of tomorrow. For the fiscal year ending September 30, 2001, NHHEAF averted 80% of \$113.2 million in pre-claims received, resulting in \$88 million in saved loans.

René A. Drouin, president and chief executive officer of the NHHEAF Network, says, "We credit much of our success to New Hampshire's colleges and universities, who have worked diligently to reduce default rates at their institutions. We can also point to the effectiveness of our in-state servicing model: Ninety-two percent of student loans originated and disbursed by the NHHEAF Network are funded through New Hampshire Higher Education Loan Corporation (NHHELCO) and serviced by Granite State Management & Resources (GSM&R).

"Students and parents deal exclusively with a New Hampshire-based organization that is dedicated to superior customer service. Our staff works one on one with borrowers to educate them about their student loan obligations and provide counseling about the various repayment options."

In fiscal year 2001, approximately 5.26 million students nationwide borrowed \$33.9 billion in federal student loans. In New Hampshire, the NHHEAF Network services 71,000 borrowers who carry a total of \$726 million in student loan debt.

(See related article on page 6.)



NHHEAF Network President and CEO René Drouin presents a certificate for \$250 to Ian MacKenzie of Claremont for Ian's UNIQUESM College Investing Account. The presentation took place during a press conference at the State House to mark College Savings Month in New Hampshire. The NHHEAF Network worked with State Treasurer Georgie Thomas, the UNIQUESM College Investing Plan Advisory Commission and Fidelity Investments to coordinate the event. The NHHEAF Network also donated \$250 to Justin Joseffy of Whitefield for his college investing account.

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**A Message from René A. Drouin
President and Chief Executive Officer**

On September 11, 2001, the United States and the world suffered a heartrending tragedy. The NHHEAF Network extends its deepest sympathies to those affected by the events of September 11 and we offer our ongoing support to those who are taking steps to protect our nation from further atrocities.



René A. Drouin

With the support of our boards of trustees, we have pledged up to \$10,000 as part of a joint fundraising initiative sponsored by Campus Compact for New Hampshire and the New Hampshire College and University Council. Monies raised will support the New Hampshire 911 Fund established by the New Hampshire Charitable Foundation. The NHHEAF Network dollars will match the fundraising efforts of students who solicit donations on their campuses. Student volunteers have made 10,000 *Stand Together for Freedom* buttons to be distributed in exchange for donations. NHCUC and CCNH supplied the materials for the buttons so that all of the proceeds will benefit the 911 Fund. The fund will help New Hampshire individuals who were harmed by the September 11 tragedy.

We are following Department of Education guidelines in applying forbearances to those borrowers in the disaster areas and also to FFELP borrowers activated for military duty. Other borrowers who are experiencing difficulties with their student loan obligations as a result of the events of September 11 have been encouraged to contact us on an as-needed basis.

In other borrower servicing news, we are pleased to announce that NHHEAF Network borrowers can now access their account information on line, 24 hours a day. This exciting feature allows our borrowers to access a wide range of information about their student loan accounts via our web site, including payment information, loan disbursements, past statements and more. This project is part of a multi-phase plan to expand our web-based services.

Finally, while September 2001 will always be remembered for the history-shaping events of September 11, it also marked the official groundbreaking for our new addition. We were pleased that so many of our trustees were able to attend, as well as our higher education partners who will be joining us when we occupy the new facility next spring. In these difficult times, it is more important than ever that we focus on the future and our role in helping families fulfill their higher education goals.

A handwritten signature in black ink, appearing to read 'René A. Drouin', written over a horizontal line.

René A. Drouin
President and CEO

NHHEAF Network offers borrowers on-line account access

Student loan borrowers with the NHHEAF Network now have a new tool to help them manage repayment: on-line access to their accounts. Borrowers can now view a wide range of information about their student loans via the NHHEAF Network's web site, www.nhheaf.org.

Borrowers enter a login ID and password to obtain secure access to their account screens where they can track loan disbursements, payment information and history, verify contact information, view 12 months of past statements and obtain payoff information. A future phase will allow borrowers to update their contact information on line.

"This new feature will complement the high degree of personal customer service that the NHHEAF Network is noted for," says NHHEAF Network Senior Director of Loan and Borrower Services Patrick McKenna. "We view on-line access as an expansion of our service to borrowers by providing them with 24-hour access to their account information. Borrowers with questions or who need assistance with their student loan accounts can always call to speak with one of our customer service representatives."

The borrower access screens provide borrowers with such information as loan status summary (in deferment, in repayment, etc.), disbursements, payoff information, payment history and payment detail. Loan details such as type of loan (Stafford, PLUS, TREE, etc.), school name, loan

start and end periods, guarantor, original loan amount and graduation or separation dates are also available.

Betsy Joslin, loan coordinator at the University of New Hampshire, one of the schools that piloted the project for the NHHEAF Network, stresses that on-line access should be convenient and uncomplicated. Regarding the NHHEAF Network's borrower access application Betsy says, "It's everything a student needs to know about his or her account and its layout is user friendly."

The borrower access project is part of a larger effort by the NHHEAF Network to expand the on-line ser-



vices it offers to all its customers.

Future phases of the borrower access project will offer borrowers even more on-line capabilities.

Destination College plans take shape

On Saturday, March 16, 2002, high school students from around the state will travel to Southern New Hampshire University in Manchester for the third annual Destination College convention. This exciting, day-long event designed to reinforce the concepts that college is possible and educational attainment is important to achieving personal, career and life goals.

More than 1,000 high school juniors and their families will attend workshops on topics such as SAT preparation, career planning, financial aid, writing the college essay, parent panels, college admissions and applying for scholarships. The event will also feature a college fair with participants from New Hampshire's two- and four-year college and universities.

Tara Payne, director of the NHHEAF Network Center for College Planning, is pleased to be working with this year's Destination College steering committee members: Suzanne Bienvenue, Hesser College; David Bishop, NHHEAF Network; Karen Collins, Bishop Brady High School; Michael DeBlasi and Brad Poznanski, Southern New Hampshire University; Michael Dolphin, Alvirne High School; Jennifer Johnson, Plymouth State College; Cynthia Christensen Raczka, Trinity High School; and Michelle Strout, Greater Manchester Chamber of Commerce.



For more information about Destination College, visit www.destinationcollege.org or call the Center for College Planning at 1-800-525-2577, ext 119.

White Mountains provide the backdrop for a successful conference

The Red Jacket Mountain View Inn in North Conway was the setting for the 11th Annual NHHEAF/NHASFAA Joint Conference, held October 25 and 26. More than 150 school financial aid personnel and NHHEAF Network employees attended the event over the course of the two days.

Highlights included a keynote address by Terry Hartle, senior vice president for government affairs with the American Council on Education; a federal update by Jeff Baker with the U.S. Department of Education's Office of Student Financial Assistance; and a legislative advocacy briefing by Larry Zaglaniczny, director of congressional relations for the National Association of Student Financial Aid Administrators.

Workshop topics included 529: Changing the Way Americans Save for College; Interpreting the 1040; Presentation Skills 101; Loan Consolidation; Zero-Risk Hiring; CommonLine Version 5; Basics of E-commerce and E-business; and more.

In addition to educational sessions, participants enjoyed lunchtime enter-

tainment by Randy Junkins whose "Laughing in the Face of Change" presentation lived up to its name, and a murder mystery dinner theater presentation by the Garrison Players of Dover featuring the University of New Hampshire's own Suzy Allen,



(Left to right) Conference Committee Co-Chairs Jennifer Smith, University of New Hampshire, and Diane Kelly, NHHEAF Network, with Committee Member Maris Madden-Caron, University of New Hampshire.



Jeff Baker of the U.S. Department of Education, Office of Student Financial Assistance, presents a federal update.



These conference participants are learning to "Laugh in the Face of Change" during a lunchtime session.

director of financial aid.

Thank you to all the organizations that sponsored this year's conference, the presenters and moderators, and to the steering committee

members who helped make the event a great success.

Finally, special thanks to the staff at the Red Jacket Inn for making us feel so welcome.

NHHEAF Network breaks ground for expanded, campus-style facility

The New Hampshire Higher Education Assistance Foundation (NHHEAF) Network broke ground on September

can make great strides toward improving access to higher education for New Hampshire residents and students.”

as other guests.



NHHEAF Network President and CEO René Drouin addresses employees, trustees and guests at the organization's recent groundbreaking ceremony for its expanded building.

18 for its new 34,000-square-foot building that will connect with its existing facility at 4 Barrell Court in Concord. In addition to housing some of the NHHEAF Network's 130 employees, the new facility will also house several organizations related to the NHHEAF Network's mission of promoting access to higher education: New Hampshire College and University Council, the New Hampshire Forum on Higher Education and Campus Compact for New Hampshire.

“This new building is a symbol of the future for us,” says NHHEAF Network President and Chief Executive Officer René A. Drouin. We are in the business of helping students and families plan for and fulfill their dream of a college education. It is also symbolic that we are creating partnerships with other higher education-related organizations to develop a campus-style complex. Working together, I believe we

The NHHEAF Network's current facility was completed in May 1998, but growth has necessitated the construction of an additional building. The two buildings will be connected, forming a campus-style complex.

During the groundbreaking ceremony, René made a special presentation to Concord Mayor William J.

Jerry Little, New Hampshire Bankers Association president and chairman of the NHHEAF Network's Building Committee, said the New Hampshire Bankers Association is proud of the growth the NHHEAF Network has experienced over the years. “The guaranty, lending and loan servicing functions that the NHHEAF Network provide enable thousands of students to pursue a college education,” says Jerry. “Our members are extremely supportive of the NHHEAF Network, particularly its outreach efforts in the schools and communities to raise awareness about college.”



NHHEAF Network employees, trustees and guests gather at the construction site for the groundbreaking ceremony on September 18.

Veroneau, who is completing his final term, thanking him for his ongoing support of the NHHEAF Network.

In addition to Mayor Veroneau, others attending the groundbreaking ceremony were members of the NHHEAF Network boards of trustees, representatives from the construction company and architectural firm and NHHEAF Network employees, as well

Address Corrections

To update your address or to request additional



copies of this newsletter, call Maureen Hopkinson at 1-800-525-2577, ext. 419, or e-mail: mhopkins@gsmr.org.



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www.nhheaf.org

NHHEAF represented at default prevention seminar

The U.S. Department of Education Office of Student Financial Assistance held National Default Prevention Day seminars around the country in late August. The NHHEAF Network was represented at the Boston session by Tom Black, Customer Service and Collections manager with the Loan Servicing Department.

Approximately 150 people, mainly from school financial aid offices, attended the event, which stressed the fundamentals of debt collection and credit administration. Some points that were brought out include:

- Establish financial aid relationships early on with students, preferably during the application process. Maintain these

relationships throughout the school year and position the financial aid office as a problem solving resource.

- Expand the list of required references on loan applications to grandparents, aunts, uncles, brothers and sisters, as well as two non-related references. Some schools have found this to be extremely helpful in preventing skips.
- Analyze and understand what constitutes high-risk borrowers in the loan portfolio and create a profile and develop a plan to manage these borrowers.

“In addition,” says Tom, “one panelist emphasized individual counseling sessions directed at minimizing the amounts that students borrow, and dis-

couraging the use of loan proceeds for other purposes (living expenses, etc.).

There was also substantial discussion and some concern regarding the rising cost of tuition and thus student borrowing. Many people in the audience mentioned the need for both students and parents to be counseled in the realities of projected income upon graduation, versus the projected cost of their education and the resulting capacity to repay their student loans.

“While the workshop did not present any new or radically different concepts for controlling student loan delinquency,” says Tom, “it did reinforce how closely our interests as a guarantor and servicer mirror those of financial aid officers.”