

Financial Aid Final Assessment Report on Student Loan Process – Academic Year 2008-2009

Common Student Learning Goal Addressed	University document to which Learning Goal is tied	Student Learning, Customer Service/Satisfaction, or Process Objective	Program or Activity targeted to measure stated objective	Expected Outcome	Instrument Utilized	Actual Outcome, using metrics	Conclusions, Next Steps to integrate results (close the loop)
First time borrowers will become responsible decision makers through the loan disbursement process.	Divisional Mission Statement	Successful completion of online Entrance Counseling and promissory note process which leads to disbursement of student loan funds to university account and student attainment of knowledge about the student loan program.	Statistical Data New Jersey State HESAA website	Successful completion of online entrance counseling and promissory note process by first time borrowers. Understanding of student rights and responsibilities about Federal Stafford loan obligations.	Mapping your Future on line Entrance Counseling And State of New Jersey On line promissory note process.	Total number of promissory notes Processed : 1793 Canceled: 440 Completed: 1355	77 % successfully completed 23% declined Federal Stafford Loans. See below for expanded explanation.

Our objective is to assist first time borrowers in becoming responsible and informed decision-makers through the loan process. Federal regulations require all first time borrowers to complete Stafford Loan entrance counseling and a master promissory note. Students who wish to decline their loan offer must notify the Financial Aid Office in writing. The entrance counseling program provides important information of the terms and conditions for Stafford loan borrowers. Students are tested at the end of this review and must successfully demonstrate their comprehension of this process. The promissory note process is the second phase where student borrowers must agree to the repayment terms of the loan. The Financial Aid Office assists student borrowers by providing continuous counseling in various on- and off-campus workshops as well as in person student counseling. Unfortunately, the Office of Financial Aid is required by federal regulation to cancel the loan offers of borrowers who fail to comply with the requirements in a timely manner.

After reviewing the 23% of student records that declined their Federal Stafford Loans, we were able to determine the following reasons for denial/cancellation:

- Reluctance to accumulate loan debt
- Preferred Alternative Loan or Parent Loans
- Educational costs met by State and Federal Grants
- Incomplete process

Based on this information, we planned to mainstream the Stafford Loan process, enhance our website and improve communication with students (provide information letters to provide specific instructions, information and direct links to external websites in an effort to ensure that students understand the process as well as their financial rights and responsibilities). Also, we decided to utilize a StudentVoice survey to determine what challenges students faced when completing the Stafford loan process, provide all first time borrowers with Entrance Counseling literature and generate electronic notifications with direct links to assist with the successful completion of these processes.