

RECORD LOW DRAFT DEFAULT RATE

At a time when escalating higher education debt is making headlines nationwide, the Montana Guaranteed Student Loan Program (MGSLP) has proven it can help students and parents successfully manage their student loan repayment. MGSLP is pleased to announce an all-time low draft cohort default rate of 2.88% for 2005, compared with 5.21% in 2004. Cohort default rates are calculated annually and are based on the percentage of students who enter repayment and default before the end of the next federal fiscal year. The draft default rates are projected in February, with the official cohort rates available in September.

Default Prevention Manager Corena Benjamin credits MGSLP's proactive approach as the key to achieving a record low default rate. "We are committed to offering assistance with entrance and exit counseling, providing training to financial aid administrators, and educating students on responsible borrowing habits. We are very pleased with the results. When our borrowers succeed, we succeed."

MGSLP saves approximately 10,000 borrowers from default each year. "The latest cohort default rate is further proof that our business practices work, and that as a guarantor we can positively affect borrower payment behavior," says Bruce Marks, Director of the Montana Guaranteed Student Loan Program. "For the past several years we have been committed to building relationships with our borrowers and helping them successfully repay their loans."

WELCOME TO THE TEAM

Meet Andrea Opitz, the newest member of our marketing team. Andrea is a native Montanan, who worked for Qwest prior to MGSLP. In her position as Marketing Coordinator, Andrea is reaching out, building relationships and offering assistance to



postsecondary schools and lenders throughout the region, including Idaho, Oregon, and Eastern Washington. MGSLP is built around a commitment to customer service, and Andrea's personal touch and willingness to help the people within the financial aid community, is birthed out of her dedication to serve others.

(For questions or comments contact Lyndsay Bruno, Public Relations Coordinator at 444-0610 or lbruno@mgslp.state.mt.us)

MGSLP Default Prevention Unit



(Back row) Mike Stebbins, Alan Ludwig, Rich Kincaid, Wendy Lee

(Front row) Vince Justice, Cathy Collins, Corena Benjamin, Debbie Austin

THE DIRECTORS DEN

As I write this article, we are roughly half way through the 2007 Montana Legislative session. There are a host of bills that may impact financial aid – the biggest being the proposed changes to the Governor's Best and Brightest Scholarship. The changes, which should ease much of the administrative burden for schools and MGSLP, have made it through the Senate and are now headed to the House.

At the federal level, the President's budget appears to be a mixed bag of treats. Although it increases Pell Grants, it eliminates important programs like SEOG and LEAP/SLEAP grants. Also alarming is the proposed recovery of Perkins loan money. We have already reached out to our congressional delegation and will continue to do so in an effort to make sure the President's budget helps – not hinders – Montana.

Bruce Marks, Director

FOCUS ON FINANCIAL AID



The past seven months have been busy for Kerri Koteskey, the new Financial Aid Director for the University of Great Falls. Kerri was hired as the Financial Aid Director in August. Kerri says this year she is concentrating on entrance and exit counseling, and working to help students better understand the financial aid process. "I love the interaction with the students. It feels good to know that we are making an impact on their financial future." In the works, are plans to offer an online award letter to students. Kerri enjoys hunting and fly-fishing, and is expecting her first baby in July.

UPCOMING EVENTS

- March 31: Applications due for the Governor's Postsecondary Scholarship
- Montana Indian Education Association Spring Conference: April 12-15 in Bozeman
- MASFAA Annual Conference: April 18-20 in Bozeman