



Upcoming Events

- ❖ The **Grant and Scholarship Advisory Committee** will meet on **July 22, 2009** at the FAME Office.
- ❖ The **Educators for Maine Advisory Committee** will meet on **July 27, 2009** at the FAME Office.
- ❖ The **Advisory Committee on Dental Education** will meet on **July 29, 2009**.
- ❖ The **Advisory Committee on College Savings** is scheduled to meet on **August 19, 2009** in Portland.

Contact Information:

Finance Authority of Maine
5 Community Drive
PO Box 949
Augusta, Maine 04332-0949
Tel: (207) 623-3263
(800) 228-3734
Fax: (207) 623-0095

FAME News

November 10, 2009 - Save the Date

FAME's annual meeting, Showcase Maine, will be held on November 10, 2009 at the Holiday Inn by the Bay. We are so pleased this year to have secured Dr. Sandy Baum as the keynote speaker. Dr. Baum is a Senior Policy Analyst at the College Board and former Professor of Economics at Skidmore College.. Dr. Baum has written extensively on issues relating to college access, college pricing, student aid policy, student debt, affordability, and other aspects of higher education finance.

Dr. Baum is the co-author of *Trends in Student Aid*, *Trends in College Pricing*, and *Education Pays: The Benefits of Higher Education for Individuals and Society* for the College Board. Other recent work includes studies of setting benchmarks for manageable student debt levels and of tuition discounting in public and private colleges and universities. She co-chaired the Rethinking Student Aid study group, which recently issued comprehensive proposals for reform of the federal student aid system.

FAME Board Member Nominations Sought

FAME is seeking nominations for a Board member with expertise in student financial assistance. Appointees to FAME's board of directors provide guidance on a variety of issues, including business finance, investments for the NextGen College Investing Plan[®], bond financing for both higher education and business, as well as matters related to federal and state student financial assistance. Members not versed in these matters are expected to gain expertise.

If you would like to submit names of individuals for FAME to refer to the Governor's Office for consideration, please e-mail [Martha Johnston](mailto:Martha.Johnston@famemaine.com) before August 31, 2009. Although Joyce Maker's term as the FAME Board member with expertise in student financial assistance is expiring in October 2009, we do not expect appointments to the Board to be considered before the beginning of the legislative session in January 2010.

See our Special Summer Section

During the summer months when news from our State Education Programs and Legislature is quiet FAME would like to introduce you to the Business side of the Authority to give you a bird's eye view of the other work we do for Maine citizens.

Ask FAME

Q: With the passage of the Higher Education Opportunity Act Technical Corrections Bill (H.R. 1777) on July 1, 2009, which VA education benefits are no longer counted as a financial resource?

A: The following is a list of VA education benefits that are excluded from the estimated financial assistance calculation:

- Chapter 103 of title 10 (Senior Reserve Officers Training Corps);
- Chapter 106A of title 10 (Education Assistance for Persons Enlisting for Active Duty);

Education Staff

Elizabeth Bordowitz

Chief Executive Officer, ext 3502

Martha Johnston

Director of Education Products and Relationships, ext 3539

State Education Programs

Lisa Bongiovanni

Customer Service and Operations Manager, ext 3547

Claude Roy

Education Services Officer, ext 3507

Federal Loan Programs

Rita Fournier

Federal Loan Programs Manager, ext 3545

Michael Roy

Federal Student Loan Officer, ext 3532

Jennifer Lanphear

Technical Services Liaison, ext 3548

Outreach and Default Prevention Programs

Angela Dostie

Manager of Outreach and Default Prevention, ext 3542

Mary Dyer

Default Prevention Specialist, ext 3556

Mila Tappan

Outreach Representative, ext 3504

Trisha Malloy

Outreach Representative, ext 3555

NextGen College Investing Plan

Karen Vigue

College Savings Officer, ext 3526

Harold Alfond College Challenge

Elizabeth Vanderweide

Program Manager, ext 3509

- Chapter 1606 of title 10 (Selected Reserve Educational Assistance Program);
- Chapter 1607 of title 10 (Education Assistance Program for Reserve Component Members Supporting Contingency Operations and Certain Other Operations);
- Chapter 30 of title 38 (All-Volunteer Force Educational Assistance Programs, also known as the "Montgomery GI Bill – active duty");
- Chapter 31 of title 38 (Training and Rehabilitation for Veterans with Service-Connected Disabilities);
- Chapter 32 of title 38 (Post Vietnam Era Veterans' Educational Assistance Program);
- Chapter 33 of title 38 (Post 9/11 Education Assistance);
- Chapter 35 of title 38 (Survivors' and Dependents' Educational Assistance Program); and
- Section 903 of the Department of Defense Authorization Act, 1981 (Educational Assistance Pilot Program).

The complete text of H.R. 1777 is available at:

http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=111_cong_bills&docid=f:h1777enr.txt.pdf

Special Summer Section

Meet Charlie Emmons from FAME's Business Division

Charlie Emmons is FAME's Senior Commercial Loan Officer. Charlie moved to Maine in 2002 from Baltimore, MD and joined the FAME staff in October 2003. Charlie is responsible for a designated portfolio of existing and new customers. He works with two loan officers to manage and develop FAME's relationships with Maine Financial Institutions and other interest groups such as accountants, lawyers, etc. Charlie is instrumental in helping to market FAME within the State of Maine and works as the point person for governmental agencies such as the Department of Agriculture (for which FAME provides loan underwriting and administrative services) and the Department of Economic and Community Development. Charlie works in conjunction with the Manager of Credit to oversee the Business Division of FAME including budgeting and strategic planning. Charlie most enjoys the challenges of helping Maine companies retain and/or create jobs as well as helping ensure the overall sustainability of many Maine companies.

Interesting to note, Charlie has climbed every mountain in NH with an elevation of 4,000 feet or higher. FAME is happy to have Charlie climbing mountains on behalf of Maine's business community too!

Washington, D.C. Update

Budget Reconciliation Update

On July 15, 2009, Chairman George Miller of the House Education and Labor committee introduced the Student Aid and Fiscal Responsibility Act. Some of the bill's provisions include:

- FAFSA simplification;
- A Pell Grant fund increase of \$40 billion - \$5,500 in 2010, increasing to \$6,900 by 2019 and beginning in 2011 the provisions would attach Pell Grant funding to the Consumer Price Index plus 1 percent;

- 100 percent switch to Direct Lending for federal student loans, effective July 1, 2010;
- The bill would make available \$6 billion annually beginning in the 2010-11 award year for a new "Federal Direct Perkins Loans" program that would be administered in much the same way as unsubsidized Stafford loans;
- Switch subsidized Stafford loans to a variable rate in 2012 (otherwise subsidized loans would have reverted from 3.4% back to 6.8% for new loans). The unsubsidized Stafford will remain at 6.8%;
- The bill would eliminate subsidized Stafford loans to graduate and professional students after July 1, 2015;
- Customer service upgrades with a new public-private partnership based upon competitive bidding and a role for non-profits to continue to service student loans;
- The bill authorizes and appropriates \$600 million each year from fiscal years 2010 to 2014 for a College Access and Completion Fund, of which 25% of the appropriation would be allocated to College Access Challenge Grants;
- Community college proposal announced on July 14, 2009 by the President; and
- Savings to the taxpayer of \$87 billion with \$10 billion going to the US Treasury to help pay down the deficit.

The complete Student Aid and Fiscal Responsibility Act Fact Sheet is available at:
<http://studentlendinganalytics.typepad.com/files/final-fact-sheet---student-aid-and-fiscal-responsibility-act.pdf>

**Higher Education Opportunity Act (HEOA) provisions:
Did you know...?**

- That the HEOA's provisions have changed the tuition rates charged to members of the Armed Forces and their families. These changes are effective at each public institution of higher education in a State that receives assistance under the Higher Education Act (HEA) for the first period of enrollment at the institution that begins after July 1, 2009. The following additional details clarify the provisions:
 - The HEOA prohibits public institutions of higher education from charging a member of the armed forces who is on active duty for a period of more than 30 days and whose permanent duty station is in a State that receives assistance under the HEA, tuition at a rate higher than the public institution's in-State tuition rate. The tuition rate also applies to the immediate family of the service member;
 - In addition, if a member of the armed forces or their family pays the in-State tuition rate, the public institution must allow the applicable individual(s) to continue to pay the same rate, even if there is a subsequent change in the permanent duty station of the member to a location outside of the State.

A full summary of the HEOA provisions are available on IFAP at:
<http://ifap.ed.gov/dpccletters/GEN0812FP0810.html>

GOALS\$

On Friday, July 10 Upward Bound students from the Portland area gathered at Bowdoin College to explore career choices, college programs, admissions processes, and financial aid options. During this event, Mary Dyer presented FAME's Get a Life game to over 80 students and Trish Malloy presented Financial Aid Basics to these local high school sophomores and juniors. During the Get a Life session, students learned about career and salary options as well as the need to create and follow a budget. The Financial Aid Basics session focused on the types of financial aid, the FAFSA, and the other financial aid resources available to students and their families.

On July 17 Trish Malloy presented "Saving for College" to parents of Upward Bound students at Bowdoin College and the University of Maine at Farmington. Students in Upward Bound are committed to pursuing higher education and this session encourages additional saving toward college expenses while students are in high school.