



# ASSISTANCE ADVISOR

Fall 2016  
Volume 4, Issue 3

## Message from the Executive Director

Dear Colleagues:

It is hard to believe that another academic year has already commenced. For me, the summer of 2016 will long be remembered as the summer that wasn't. But, we move forward, because we must for the thousands of students and families who depend on HESAA to help them achieve their dreams of higher education.

Those of you on the NJASFAA list serve saw that André Maglione proudly distributed a news article reporting that New Jersey ranks second in the nation in terms of the percentage of high school seniors who completed the FAFSA. André is right to be proud of this distinction because he and his team have certainly contributed to the high proportion of New Jersey high school seniors who completed the FAFSA. André and the Client Services staff conduct over 600 financial aid and financial literacy presentations, and field thousands of phone calls a year.

André and Client Services also run HESAA's annual School Counselor Training Institute (see page 4 for more information) for the high school guidance community. High school counselors are the lynchpin of the financial aid process. Without them pointing students in the right direction, our young people might never find their way to HESAA or the colleges and universities.

Of course all of us at HESAA could not accomplish what we do without the support and hard work of the entire financial aid community. Each year, we particularly rely on you to help make the Guidance Counselor Training Institute a success. To all the financial aid officers who have graciously volunteered their time and talent for this year's School Counselor Training Institute, I extend my sincere thanks.

I hope you enjoy this edition of the Assistance Advisor and encourage you to reach out to me or any member of the HESAA team with questions.

Sincerely,

Gabrielle Charette, Esq.

## Upcoming Events

**HESAA University**  
**Payment Roster Training**  
**for Community Colleges**  
Thursday, October 6, 2016



**Payment Roster Training for**  
**4-year Institutions**  
Friday, October 7, 2016

**New Beginnings**  
Friday, November 18, 2016

Courses meet from 9:30am – 12:00pm.  
Visit [www.hesaau.org](http://www.hesaau.org) for reservations.

**NJACSA**  
Friday, September 30, 2016

**HESAA Board Meeting**  
Wednesday, October 26, 2016

## Training Tip

The Grants and Scholarships Policies and Procedures Manual has been updated and its current version is available on the portal.



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## Grants and Scholarships

### TAG Graduation Data Collection

The portal is now open for institutions to report the graduation rates of TAG recipients and the general population. The portal will remain open until November 15, 2016 when all reports are due. Last year, we had 100% compliance and cooperation and we look forward to another successful year. Any questions or concerns with the portal or the data please contact Magda Torres, Senior Technical Manager, at [mtorres@hesaa.org](mailto:mtorres@hesaa.org) or 609-588-3300 ext. 1405.

HESAA thanks Governor Christie for signing A-2563/S1753, which codifies in statute the Authority's TAG data collection regulation.

## Loans

### HESAA Honors Members of our Armed Services and Takes Great Care to Comply with Changes to the Military Lending Act by Lorraine Staley

The Military Lending Act (MLA) was enacted to protect U.S. service members, their spouses, and dependents against unfair lending practices that were specifically targeting this group of individuals. While the MLA has existed since 2006, the Act and associated regulations previously only applied to payday loans, vehicle title loans, and tax refund anticipation loans.

#### The original MLA addressed the following components of lending to active service members and their immediate families as defined below:

- Capped interest rates so they cannot exceed 36% MAPR;
- Provided certain legal rights for borrowers;
- Did not allow certain loan features such as no prepayment penalty; and
- Required lenders to provide written and oral disclosures that provided information about interest rates and loan repayment. This information was required prior to the loan being funded.

The Military Lending Act has been amended to include additional loan types that were not included in 2006. These amendments are effective October 3, 2016 and include:

- Any credit for personal, family or household purposes that is subject to a finance charge or is payable in more than four installments.
- It includes both closed-end and open-end credit, such as single payment loans, credit cards, lines of credit, boat loans, and other consumer credit transactions subject to Regulation Z, which would include student loans, consolidation and refinance student loans and tuition payment plans.

The Military Lending Act previously required the covered member to self-identify their military status to the lender. The amendments now require lenders to verify against a Department of Defense (DOD) database all applicants who apply for any credit outlined above to determine if they have covered member status. It is important to note that these MLA protections are applicable if the borrower(s) is a "covered member" or a "dependent" at the time credit is extended.

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Acting Director of Grants and Scholarships  
Kathryn Safran

Kathryn is currently serving as Acting Director of Grants and Scholarships and can be reached at 609-588-3300 ext. 1243 or [ksafran@hesaa.org](mailto:ksafran@hesaa.org)



### HESAA Is Hiring!

#### HESAA has the following vacant positions:

- Chief Compliance Officer
- Director of Audits and Quality Assurance
- Assistant Director of Grants & Scholarships for Verification

For a full description of the positions and the qualifications for the successful candidates please visit our website.

#### HESAA System Access Recertification Process To Begin

In accordance with best practices and to ensure the highest standards of security, HESAA will be recertifying all higher education institutions' user system access. In October, via email, each institution will receive a list of all its users and the business functions each can access, as per HESAA records.

Accompanying the list will be certification instructions. You will need to certify that each identified active user is still working at your institution and continues to need the system access listed. Adjustments to user access can be made at the time of recertification.

The recertification documents will need to be returned to HESAA via email or U.S. mail by November 15, 2016. Magda Torres will be coordinating the recertification process with all institutions. She can be contacted at [mtorres@hesaa.org](mailto:mtorres@hesaa.org).

We thank you for your anticipated cooperation.

## Loans (continued)

### Who is a Covered Member?

- A covered borrower is a member of the armed forces who is on active duty for a period of more than 30 days or is in active Guard and Reserve Duty.
- A dependent of the covered member is:
  - A spouse;
  - A child who is under 21, or is under 23 and is enrolled in a full-time course of study at an institution that is approved by the Secretary of Defense or Secretary of Health and is dependent on the member for over one half of the child's support, or is incapable of self-support due to mental or physical incapacity;
  - A parent who is dependent for over one half of support and is residing in the member's house; or
  - A person who is unmarried and is in the custody of the member, along with other age and residency requirements.

Because these amendments cover student loans, HESAA will be verifying the covered status of all applicants any time a credit report is obtained for a NJCLASS loan. These covered parties will be identified in our system as covered borrowers. Additional language was added to the NJCLASS Loan Application Disclosure, the NJCLASS Loan Offer, and NJCLASS Pre-Disbursement Disclosure as follows:

### Statement of the Military Annual Percentage Rate ("MAPR")

- Federal law provides important protections to members of the Armed Forces and their dependents relating to extensions of consumer credit. In general, the cost of consumer credit to a member of the Armed Forces and his or her dependent may not exceed an annual percentage rate of 36 percent. This rate must include, as applicable to the credit transaction or account: the costs associated with credit insurance premiums; fees for ancillary products sold in connection with the credit transaction; any application fee charged (other than certain application fees for specified credit transactions or accounts); and any participation fee charged (other than certain participation fees for a credit card account).

If a covered party calls, HESAA staff will read the **Statement of the Military Annual Percentage Rate ("MAPR")** in addition to the monthly payment information in the estimated repayment schedule of the disclosure(s). It should be noted that the interest rate and fees associated with the NJCLASS program are far below the statutory maximums established by the MLA.

## Compliance and Quality Assurance

If your institution obtains the IRS tax return transcript in order to complete federal verification, and any of the state specific items are blank and/or incorrect, the corrections must be reported to HESAA by submitting a NJ change form regardless of the federal verification tracking flag.

## Outreach

### FAFSA Deadline Changes and Prior-Prior Year Implementation

HESAA has created a FAFSA completion page for student and families to help them navigate the changes that are coming for academic year 2017-2018.

<http://www.hesaa.org/Pages/FAFSACompletion.aspx>

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## Outreach (continued)

### School Counselor Training Institute

Each fall HESAA hosts its School Counselor Training Institute to update the high school guidance community on the latest developments in both state and federal financial aid. This year, nine high school Counselor Training Institute sessions have been scheduled across the state. Below is a listing of the dates and locations:

Date	Location
October 7, 2016	Sussex Community College
October 14, 2016	Bergen Community College
October 17, 2016	Stockton University
October 19, 2016	College of St. Elizabeth
October 21, 2016	Rowan College at Burlington County
October 25, 2016	Georgian Court University
October 28, 2016	Rider University
November 1, 2016	Rowan College at Gloucester County
November 4, 2016	Seton Hall University

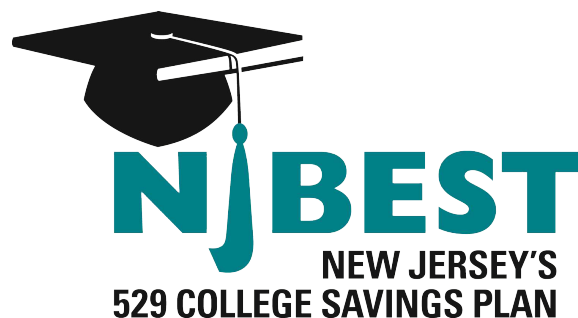
## Higher Education Trivia

Jadwin Gymnasium at Princeton University was built at a cost of \$6.5 million. The principal donation came from the family of L. Stockwell Jadwin, track team captain and member of the class of 1928, who had been killed in an automobile accident.

## Myth versus Fact

How much do you know about 529 College Savings Plans?

Myth	Fact
I can only use my home state's 529 plan.	As a US resident, you can generally open and contribute to a 529 plan in any of the 50 US states.
529s can only be used for colleges in that plan's state.	You can use a 529 for most colleges in the United States, no matter where your 529 savings plan is based.
I make too much money to contribute to a 529 plan.	It does not matter how much you earn. 529 plans have no income limits.
I can only use a 529 plan for a four-year college or university.	There are many options! 529 savings can be applied to over 10,000 postsecondary education programs, including community colleges, graduate schools, and technical schools.



## Contact Us

### New Jersey Higher Education Student Assistance Authority

4 Quakerbridge Plaza  
Trenton, NJ 08625

[www.hesaa.org](http://www.hesaa.org)

609-584-4480 (English and Español)

### General Business Hours

Monday through Friday, 8:30 a.m. to 4:30 p.m.

### HESAA Customer Care Line

609-584-4480 (English and Español)

Monday through Thursday

8 a.m. to 8 p.m., Friday 8 a.m. to 5 p.m.

Additional loan servicing hours

Saturday, 8 a.m. to noon

### Grants and Scholarships

609-588-3268

[www.njgrants.org](http://www.njgrants.org)

### NJCLASS

609-584-4480

[www.njclass.org](http://www.njclass.org)



Your convenient way to send documents to NJ Grants and Scholarships and NJCLASS. Scan, upload and send documents to HESAA via our secure connection.

### School Liaison

609-588-3136

### Fax Numbers

Servicing and Collections

Fax 609-588-7285

NJCLASS Loan Origination/Processing

Fax 609-631-6730

### Email

[clientservices@hesaa.org](mailto:clientservices@hesaa.org)

Questions regarding loans held by HESAA, including NJCLASS applications or grants and scholarships

[servicingandcollections@hesaa.org](mailto:servicingandcollections@hesaa.org)

Questions regarding servicing of loans held by HESAA

### Postal Mail

For correspondence and application documents



### HESAA Grants & Scholarships

PO Box 540

Trenton, NJ 08625-0540



### NJCLASS Application Processing

NJCLASS Originations

PO Box 538

Trenton, NJ 08625-0538

### Loan Servicing (correspondence only)

HESAA Servicing

PO Box 548

Trenton, NJ 08625-0548

### HESAA Technical Support

For user ID, password, login and registration issues

609-588-3315 or [HelpDesk@hesaa.org](mailto:HelpDesk@hesaa.org)

HESAA is the only State agency with the sole mission of providing students and families with the financial and informational resources to pursue education beyond the high school level. With roots dating back to 1959, HESAA's singular focus has always been to benefit the students we serve.

This summer, HESAA had ten paid summer interns working at the Authority. We wish them well as they go back to their colleges and universities to complete their studies.

