

# UASFAA Newsletter



April 5, 2006

Volume 2006, Issue 1

## In This Issue

- President's Message
- Upcoming Events
- Judy Brackett
- Movers & Shakers
- 529 Plans
- Updating member information
- Tidbits

## Calendar Events

**2006 UASFAA Conference**

**April 26-28, 2006**

**2006 NASFAA Conference**

*Find your way to Seattle next summer and learn more than you can imagine*

The **UASFAA Newsletter** is published for its members. Advertisements offered by any person, company, or organization to any member of UASFAA are not accepted. However,

## President's Message by Terri Stephens

Well, the start of my new presidency is upon me and it's amazing how quickly the time is passing. Regina Smout and I attended the Leadership training in Washington DC on March 5-7th and I can honestly say the experience was amazing. I'm feeling a bit overwhelmed with the task at hand and hope that I can do justice to this great opportunity you have given me.

It will be an exciting and eventful year as we host the 2006 RMASFAA conference. I'm thrilled with the team of Executive Council members that I get to work with and the committee membership. I know that because of their dedication to the success of UASFAA my year will be a successful one.

Some of my plans for the year include working closely with Regina and Lynn to better define leadership rolls, timelines, and activities. We hope this will assist future UASFAA leadership transitions. Once the new Web site is up and running I hope we can better coordinate with the membership and keep you all better informed about the happenings within the association and the financial aid community at large.

I'm also hoping to work with the membership to strengthen our committees and the spirit of volunteerism within UASFAA. I think it is important to emphasize to the financial aid community the importance of the association's role in ensuring opportunities for students in higher education. I also plan to develop our own mentorship program within UASFAA that will build on Sally Shuman's (RMASFAA President) planned mentorship program and then rally to make it successful.

In closing, I'd like to thank you all again for giving me this great opportunity to work for you in this leadership role. I truly hope that I can fill the shoes of some of the great leaders that have gone before me.

### On the National Front

Things in Washington are tough and at the NASFAA Leadership Conference, Larry Zaglaniczny reported that President Bush's budget provides the bleakest education funding he has seen in more than 30 years.

The Higher Education Reconciliation Act (HERA) of 2005, which is a part of Title VIII of the Deficit Reduction Act that passed on February 1, 2006, cut 12.7 billion dollars from federal aid programs primarily by passing on more of the cost of student loans to students. President Bush's budget does not include an increase in Pell Grant funding and many of the cuts identified to

articles of general interest and for the benefit of the financial aid community are encouraged and may be submitted by any person, company, or organization to the chair of the Publications Committee for inclusion in the newsletter. Such articles are subject to final acceptance by the Chair prior to printing the newsletter. The Chair reserves the right to reject any article or information submitted for the newsletter. Articles must not be intended for company promotion, publicity, or otherwise persuasive purposes.

### Contact Us

<http://www.uasfaa.org>  
[rcrossley@utahsbr.edu](mailto:rcrossley@utahsbr.edu)

reduce the budget deficit are coming out of Health, Education, and Human Services. Now is the time for all of us to advocate with our national representatives to maintain education funding for our students. Dallas Martin indicated that continued reductions will create an education deficit that will cut our competitive edge nationally. There is a strong sense of urgency amongst the NASFAA leadership that education funding will continue to be cut in this President's administration. They are encouraging all of us to do what we can to advocate for our students.

The HERA also created two new grant programs that have some interesting ramifications for us as aid administrators. Please make sure you take the time to read up on these changes on IFAP before they become your reality.

### At the Region

Sally Shuman is working hard to develop leaders within RMASFAA and has created an ad hoc committee headed up by Beverly Bell to provide seasoned mentors to assist new financial aid administrators. This is a great plan and UASFAA should do its best to support its new financial aid administrators with a similar program.

### On the State Front

We are facing a very busy year as the membership works to plan both a state and regional conference. As most of you know, UASFAA will host the **2006 RMASFAA Conference** in Salt Lake City October 8-11th. Please mark your calendars and plan on attending both conferences. The networking opportunities will be outstanding and your conference committees have worked hard and long to bring you the best training opportunities out there.

One of Cristi's final orders of business was to sign a contract with ATAC for a new Web site. The new site will be housed by ATAC and they will provide update services. On behalf of UASFAA I'd like to thank Jared for all of his hard work over the past few years in providing webmaster services to the association. In addition, I'd also like to express my appreciation to UHEAA for their willingness to house the site. The Executive board felt that it was time to take the burden off of others and to pay to have our Web site maintained. We are excited about the launch of our new site and hope to see it up and running by this Spring.

[Back to Top](#)

---

## Upcoming Events

**2006 UASFAA Conference**, April 26-28, 2006, Salt Lake Community College. Register immediately if not sooner.

**2006 NASFAA Conference**, July 5-8, 2006 in Seattle, WA

**2006 RMASFAA Conference**, October 8-11, 2006, Salt Lake City, UT  
Volunteer now to help make this conference the success it should be.  
Session presenters and moderators are needed. Contact Amy Capps at 801.581.4875, [acapps@sa.utah.edu](mailto:acapps@sa.utah.edu) or Mike Johnson at 801.321.7209, [mjohnson@utahsbr.edu](mailto:mjohnson@utahsbr.edu) to lend a helping hand.

**Electronic Access Conference**, October 30 to November 2, 2006 in Orlando, FL

**Electronic Access Conference**, November 28 to December 1, 2006 in Las Vegas, NV

Utah **Elk Season** October 7-15 General Season Spike Bull and October 7-19 General Season Any Bull

**2007 UASFAA Conference**, April 25,26,27 in Cedar City, UT hosted by Southern Utah University

[Back to Top](#)

---

## Member Spotlight

### Judith Brackett



UASFAA members joined the staff of BYU recently to mourn the loss of our dear friend and colleague, Judy Brackett, who served the students of BYU for 14 years and her family forever. Judy died March 5, 2006 from cancer. Her dedication and compassion for those she served set a standard for all to achieve.

We extend our condolences to the financial aid and admissions staff of BYU and Judi's family.

[Back to Top](#)

---

## Movers & Shakers

**Ruth Henneman** is the new scholarship guru at Salt Lake Community College. Yes, the same Ruth Henneman who served as the director of financial aid at Westminster College. After 30 years at Westminster, Ruth thought it may be nice to make a change, but one that still allowed her to assist students in the pursuit of their educational goals. She was looking for something fun and challenging and SLCC is very fortunate to offer her the chance to continue a career that is close to her heart, one of helping students.

[Back to Top](#)

---

## Financial Aid Treatment of 529s and UESP

Changes have been made to the federal aid formula under the Deficit Reduction Act of 2005 signed into law by President Bush on February 8, 2006. Some of these changes impact 529 plans which are qualified tuition plans established by Section 529 of the Internal Revenue Code of 1986, as amended. Section 529 allows states and state entities to create, maintain and administer the plans, which are tax-advantaged savings vehicles to help encourage individuals to save for the costs of higher education.

Beginning July 1, 2006, UGMA/UTMA assets held within a 529 savings plan will no longer be included with other student-owned assets in the formula for determining a family's "expected contribution" towards college costs. What used to count against aid eligibility at the rate of 35 percent will now be assessed at no more than 5.64 percent of value.

The new law specifies what the 529 account is not (i.e. a student asset) but does not state what it is. It is logical to assume that both parent-owned and custodial 529 accounts should be treated as parental assets subject to the maximum 5.64 percent assessment rate.

The Utah State Board of Regents, acting in its capacity as the Utah Higher Education Assistance Authority, administers the official and only 529 Plan sponsored by the State of Utah through the Utah Educational Savings Plan (UESP). UESP is a "direct-sold" 529 Plan, which means that an account can only be set up and contributions made by contracting directly with UESP. Involvement by a financial advisor or broker-dealer is not required.

UESP offers nine different investment options with each investment option utilizing a distinct investment strategy. Account owners can choose from among:

- Five "Age-Based Investment Options," in which account money is automatically reallocated to be weighted less in stock funds and more in a bond fund and/or the Utah Public Treasurers Investment Fund (PTIF) as the beneficiary ages. Account owners can select the Age-Based Option that best reflects their own risk tolerance.
- Four "Static Investment Options," which invest in stock funds, a bond fund, or the PTIF. If a Static Investment Option is selected, the account money will remain in that option unless UESP is instructed to change the option.

Earnings on contributions to UESP are exempt from Utah state taxes if used for qualified higher education expenses. In 2006, each Utah taxpayer account owner contributing to a UESP account may also receive a state income tax deduction for contributions up to \$1,560 per beneficiary (\$3,120 if filing jointly), if the beneficiary was younger than 19 years old at the time the account was established. Utah taxpayers cannot claim a Utah state income tax deduction for contributions made to any other state's 529 Plan.

For further details and to open an account see the UESP Web site at [www.uesp.org](http://www.uesp.org).

[Back to Top](#)

---

## Update Your Membership Information

Please take a moment to verify membership information as listed in the Member Directory on the UASFAA Web page at <http://www.uasfaa.org/directory/>. If any information needs to be updated or corrected it can only be done by the voting member of your institution. A PIN is required to make any change. If you have forgotten the PIN please contact Terry Bell at 435.652.7577 or [bell@dixie.edu](mailto:bell@dixie.edu).

[Back to Top](#)

---

## Tidbits

Are you moving to a new house this year that needs landscaping? Do you want to redo your current landscaping to conserve water? You might want to get some expert advice from the [Utah State University Cooperative Extension](#) service. Some good advice on [water-wise landscaping](#) can be found on their Web site.

[Back to Top](#)

### Riddles for your rattlers

#1. I can be cool, but I can't be cold. I can be sorry, but I can't be guilty. I can be spooked, but I can't be scared. I can be sweet, but I can't be friendly. I can be flammable, but I can't burn. What am I?

#2. If you screw a light bulb into a socket by turning the bulb toward the right with your right hand, which way would you turn the socket with your left hand in order to unscrew it while holding the bulb stationary?

[Back to Top](#)