

executive corner:

Staying in school increasingly important

Vermont faces challenges as it strives to educate residents for the new economy. Work requiring only a high school degree is beginning to disappear, while an increasing number of jobs demand some type of postsecondary education or training. To stay competitive, Vermont will need to raise residents' education levels.

A sharp decline in the number of high school graduates will complicate Vermont's task. In its report "Knocking at the College Door," the Western Interstate Commission for Higher Education (WICHE) projects that the number of public high school graduates in Vermont will drop 26.3 percent — from 6,978 to 5,146 — before 2018. With fewer students exiting school, a higher percentage will need to continue their education in order for the state's economy to grow.

Vermont's experience contrasts with that in other parts of the country; nationally, the number of public high school graduates is projected to increase 10.4 percent, with most growth in the West and the South. Like the rest of the nation, however, Vermont will see a shift in its students' racial and ethnic makeup. Underrepresented groups accounted for less than 2 percent of Vermont's public high school graduates during the early 1990s; WICHE says that share could increase to about 20 percent by 2013–14.

How can Vermont respond to these changes?

First, we should continue sending the message that higher education is not only desirable, but necessary. In doing so, VSAC will pay more attention to groups that have traditionally been underrepresented in higher education as well as those, such as males, whose representation is in decline.

Second, Vermont colleges should continue to convince nonresidents to study here. WICHE analysts note that states set to experience high population growth will need to export some of their students. Vermont colleges, with a majority of their freshmen already enrolled from other states, are well positioned to continue attracting nonresidents. WICHE notes that students nationwide are becoming increasingly mobile, they contribute to the economies of the states in which they study, and they are often willing to stay after graduation, helping to soften the blow of out-migration.

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VSAC office closings through June 30, 2006

Monday, January 2, 2006	New Year's Day
Monday, January 16, 2006	Martin Luther King, Jr. Day
Monday, February 20, 2006	President's Day
Monday, May 29, 2006	Memorial Day

Mark your calendar

The VASFAA Loan Day sponsored by VSAC will be held on Wednesday, February 8, 2006, at VSAC's new facility. The EASFAA Conference is coming to Burlington, Vermont, in May 2006. Stop by the VSAC booth to meet our School Services team!

Vermont Value benefits

VSAC is pleased to offer its customers additional *Vermont Value** benefits that became effective July 1, 2005. We have added special incentives for medical and law students, and for customers who consolidate after July 1, 2005. Contact a knowledgeable VSAC representative today for more information.

* Visit www.vvac.org for eligibility requirements for the 2005–2006 academic year. VSAC reserves the right to modify, discontinue, or terminate *Vermont Value* benefits at any time, at its sole discretion.

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Alternative loan interest rate updates

The quarterly variable interest rate for VSAC's alternative (private) loan programs changed on January 1, 2006. The new rates will be effective through March 31, 2006. Visit the Financial Aid Professionals section of our Web site (www.vvac.org) for more information.

VSAC Scholarships Program update

VSAC's Scholarships Program continues to grow. For the 2006–07 academic year, VSAC is responsible for administering approximately 147 individual scholarships. By the time processing is completed for the 2005–06 year, we expect to have processed 6,500 applications for 3,200 students and award 2,600 scholarships totaling \$5.3 million.

Vermont grant applications

We have awarded eligible full-time Vermont grant applicants who applied on or before September 30, 2005. Applications for full-time grants received after September 30, 2005, are on hold until second disbursements are made and we have reviewed

our funding. We expect to be able to fund eligible part-time applicants who applied on or before December 31, 2005, and eligible non-degree grant applicants who apply on or before January 31, 2006.

Exit and entrance counseling

Financial literacy is a hot topic these days. Spring is a perfect opportunity to consider providing debt management information to students exiting at the end of the semester. Exiting students are making the transition from college to professional life — searching for jobs, continuing their education, relocating, and gearing up for repayment of student loans. How can VSAC help your students successfully make this transition to this next phase of financial responsibility?

1. We can host a counseling session on your campus. The presentation can be customized for your students to provide the tools and information needed for successful debt management and loan repayment.
2. We can provide student-specific loan reports. These reports detail loan information for each loan your students hold with VSAC, and can be generated by the school via account access or by contacting VSAC directly.
3. We can help your students organize their financial records. Our market research, conducted in spring of 2004, revealed that students want tools to help keep their financial records organized. VSAC has produced an expanding folder for just this purpose. Each accordion-style folder includes information on loan repayment, budgeting, and credit reports. Have an idea for customization? Let us know.
4. We can link your students to online debt management resources — simply provide your students with a direct link from your school site to VSAC's debt management page, where they will find resources to help manage education and general debt.
5. We mail grace begin and end notices. VSAC includes debt management and credit information at the start and end of one's grace period to inform student borrowers of their loan rights and responsibilities, and the ways VSAC can support them through the repayment of education loans, before students fall past due.

Your School Services representative will contact you soon to identify the ways we can help you. If you have suggestions or immediate needs, please call us toll-free at 888-307-8722.

Look for our next issue in the spring!