Our Mission:
To Help Your Students Get Loan Smart

You know the axiom “knowledge is power.”
At Inceptia, we believe that knowledge is most powerful when it’s used to make positive changes. That’s why we’re focused on helping your school improve financial aid operations. We’re doing that by creating effective, uncomplicated solutions to improve your processes, add more value for students and their families, and encourage smart borrowing.

In this issue, we’re excited to share details about a couple of our newest solutions—Loan Summary and Student Loan Knowledge HQ. These products are addressing head-on one of the biggest issues among student borrowers: a lack of knowledge about their loans.

We’re also pleased to spotlight two other solutions that are designed to help you manage the extra workload in the face of growing regulations. Read on for more about our Verification Gateway and PJ Advisor solutions.

As you dig in to all the things on your desk, I hope you’ll take some time to learn how Inceptia can help you work smarter, not harder. Here’s to applying some new knowledge to get the job done!

Sue Downing
Vice President of Marketing
Too many student borrowers haven’t had access to information about the impact their borrowing will have on their lives (and their livelihoods). Instead, they’re coming face to face with a hard reality check, often with little time to react.

A new white paper authored by Carissa Uhlman, Inceptia Vice President of Student Success, examines how loan summaries, also referred to as debt letters, have the ability to not only alter student borrowing trends but can also have positive implications for academic outcomes. Here are some excerpts:

**Students Struggling to Understand Loans**

Student surveys provide us with resounding proof that a crisis of misinformation is plaguing loan borrowers. Consider these statistics:

- A whopping 94 percent of student loan borrowers do not understand their loan repayment terms.
- 54 percent of student borrowers did not even try to estimate their monthly repayment amount as part of their most recent loan procurement.
- 65 percent of student borrowers reported some aspect of the loan process was either misunderstood or had taken them by surprise.

This student feedback points to a clear disconnect between the information provided to students via federal student loan counseling and what students are actually retaining. But what is causing this disconnect?

**Federal Counseling Deficiencies**

Findings from TG and NASFAA show that loan counseling, both entrance and exit, is leaving so little an impression on students due to its sheer complexity (20 specific topics must be covered in a 30 minute session) and its generic, jargon-filled approach. Students get lost in information that does not make sense to them as any aid has yet to materialize, and the generic delivery does not seem relevant.

In an effort to supplement current loan counseling practices, and as an expansion of financial education outreach, some institutions have added loan summaries/debt letters to their financial literacy toolbox. Loan summaries are a simple, low-touch effort to keep student borrowers engaged in the active management of their loans while in school. Although not revolutionary, these letters are gaining attention because of the proactive nature of the letter that allows students to course-correct their borrowing habits before it is too late.

**Three Case Studies**

Along with compelling research, the piece also shares case studies from the University of Missouri, Montana State University, and Indiana University. These stories shed valuable light on how loan summaries can be used as stand-alone interventions or as part of broader financial education efforts to reshape student borrowing.

Read more—download the full white paper (along with the research sources) at Inceptia.org/smart-borrowers.
Introducing Loan Summary from Inceptia
Help Your Students Become Smart Borrowers

Inceptia’s Loan Summary helps your students become smart borrowers by providing a reliable, effective resource with the tools and support they need to stay informed and in good financial standing.

It’s an easily accessible way to proactively educate students about their loan status, how much they’ve borrowed, their aggregated limit and how much they will owe.

**Loan Summary provides:**
- Up-to-date loan summaries to ensure student borrowers stay aware and knowledgeable about what they’ve borrowed.
- Support through Student Loan Knowledge HQ, a comprehensive website designed to support students with financial knowledge while in school, during their grace period, and in repayment.
- Outreach by Inceptia to your students, on your behalf, urging them to review the summaries.

**A win-win for your school and your students.**
Your school benefits by taking a proactive approach to loan payment, providing individual student loan summaries and outreach. Your students benefit by having up-to-date information on their loans and the tools and resources to help them make better decisions about what lies ahead.

**Find out more about Inceptia’s Loan Summary tool**—for information, call 888.529.2028.

Updated Materials
Guide Borrowers to Loan Knowledge

We want to make sure your students know where to find the answers they need. You can order free student materials—including contact cards and posters—straight from your Client Success Dashboard to help your student borrowers know how to access Student Loan Knowledge HQ. Our student mascot, the Knowl, will be ready and waiting to offer student loan wisdom and guidance to all borrowers, whether in school, in between, or in repayment.
Inceptia’s Default Management Helps Florida Tech Shoot for the Stars

When it was founded in 1958, the Florida Institute of Technology was ground zero for providing training to professionals working at what’s now known as Kennedy Space Center.

Today, the school — located on the “Space Coast” in Melbourne — offers a wide variety of degree programs to students at its main campus, as well as through its online program. The latter expanded dramatically in 2007 with the addition of online undergraduate populations.

Last semester, Florida Tech welcomed about 5,000 students in Melbourne and another 2,775 via distance learning.

An expanded nontraditional undergraduate student body has also brought with it some challenges. Faced with a population of rapidly increasing borrowers and potential defaulters, the school needed help managing their cohort default rate, and quickly.

Financial Aid Director Jay Lally and his team called on Inceptia for help. Using a “three-prong approach,” which includes Default Prevention Outreach, Grace Counseling Outreach and the online financial education program, Financial Avenue—as well as making some changes in-house—they began to implement a solution.

The results are better than they ever expected. In four years, Florida Tech’s rate went from 15 percent to 10.8 percent in the most recent cohort.

“Now, we’re actively at 10 and 11 percent,” says James Almasi, senior associate director of financial aid.

“According to the [Cohort Activity-Defaults] report, we should be just under 11 percent for 2014 and 2015, and for 2016 we’ll hopefully be even better than that.”

“Once we got up and running with Inceptia, I spent a little time corroborating what I was doing with what Inceptia had,” he adds. “I saw that Inceptia was getting the same numbers I was getting, so I was able to stop generating them myself. That took quite a workload off my plate and I really appreciate it.”

Lally says he’s pleased to have reliable reports to regularly provide to campus decision makers and monitor progress with his staff.

“The combination of what we’ve done with Inceptia and what we’ve done on campus has really turned our Cohort Default Rate around. One look at Inceptia’s graphs, and we know that we’re in the right position to move forward and keep going.”

“As director of financial aid, I just want to make sure our cohort rate is going in the right direction and that our students have access to the experts who can help them with repayment plans. I think that’s pretty much what we’ve accomplished with help from Inceptia.”

Jay Lally
Director of Financial Aid
Florida Institute of Technology
New Year,
New Default Prevention Outreach Reports

New and Updated Reports Give You Easy Access to the Information You Need

Inceptia welcomed 2017 with new and updated Default Prevention Outreach reporting features that provide access to the information you need to keep your school’s Cohort Default Rate and your student borrowers on the right track.

New Reports:

- **Outreach Activity Report**: This report allows you to track Inceptia’s monthly outreach activity for the previous 12 months (52 delinquent file uploads). The report displays details for both email and telephone outreach. You can run the report for all activity over the last year or you can view activity related to a specific file based on the file upload date.

- **Borrower Discrepancy Report**: This report compares borrowers on your Active Report to your school’s Portfolio Report data to identify borrowers who have other non-PPLUS loan(s) in a differing status than those being worked by Inceptia. The report will also flag discrepancies if a borrower has loans in differing repayment plans or with different servicers.

Updated Reports:

- **Active Report**: In addition to providing details on your active delinquent borrowers, the Active Report now allows you to analyze those borrowers in 30 day delinquency range categories.

- **Cohort Activity – All Report**: This report gives a loan overview of each of your open cohort years. With the new updates, the report will also provide information on servicer performance.

To learn more about how you can get the most from these and all Inceptia reports available to you, contact your Inceptia Client Support representative at inceptiacs@inceptia.org.
You Deserve **Less Stress & More Streamlined Processes**

Increased competition, budget cuts, and student expectations for technology-driven services are taking a toll on financial aid offices. More than ever, you’re scrambling to find ways to gain a competitive edge, reduce expenses, and relieve staff of tedious administrative tasks so they have more time to focus on what matters most—your students.

Inceptia is reducing financial aid stress and streamlining processes with two innovative financial aid management solutions: Verification Gateway and PJ Advisor.

**We’ve rethought and reinvented verification processing.**

According to a 2015 NASFAA survey, two-thirds of colleges indicated constrained resources negatively affected student counseling and outreach. Only 63 percent of survey respondents said they had time to do “more” or “significantly” more than what is required by U.S. Department of Education regulations.

At the same time, work continues to mount. The study pointed out that the average number of elements to be checked in a student’s verification is three. Colleges generally spend 7.2 minutes per case. For an institution with 10,000 Title IV applicants, assuming one-third are verified, processing the remaining 3,333 cases would take roughly **400 hours** to complete.
Round up the average time per file to a realistic 10 minutes, it would take an employee 550 hours, or nearly one additional month of full-time work to complete the workload. And that doesn’t factor in the time needed to communicate with students and their families!

**Verification Gateway**, Inceptia’s full-service verification processing solution, pairs the time-saving benefits of automation with the flexibility and support of personal interaction. Our centralized, secure, mobile-accessible portal guides students through the federally required verification process from start to finish.

The feedback is great. Colleges who use Verification Gateway say they can more strategically utilize staff, provide a better experience for students and families, and offer faster, easier processing of student financial aid packages.

**We’re also uncomplicating financial aid appeals.**

New federal regulations allowing the use of “prior-prior” year tax return data and early FAFSA filing are aimed at making it easier for students to file for financial aid. But these changes aren’t without their challenges. Requests for a financial aid professional judgment, a process by which a financial aid office can make challenges or adjustments to data elements on a student’s FAFSA, can require extensive documentation and reasoning in order to substantiate a student’s appeal. The submission process can be complex for students, and collection and validation of documentation is time consuming for your staff. Those factors slow the process and put the student at risk of dropping out.

Inceptia’s **PJ Advisor** removes the complication of submitting a financial aid appeal with an easy-to-navigate online Web interface. Students with special circumstances affecting their financial situation can create a secure account where they provide information needed to request a professional judgment.

Our mobile-accessible and user-friendly, PJ Advisor is tailored to meet student expectations for technology while still allowing for personal support when needed from Inceptia specialists.

**We deliver innovative solutions that get results.**

Inceptia’s effective, uncomplicated solutions for managing verification and professional judgments can relieve financial aid burden and help schools make the most of their resources, ultimately leading to students who have the support they need to succeed.
About Inceptia
Inceptia, a division of National Student Loan Program (NSLP), is a nonprofit organization providing premier expertise in higher education access, student loan repayment, analytics, default prevention, and financial education. Our mission is to support schools as they arm students with the knowledge needed to become financially responsible adults. Since 1986, we have helped more than two million students achieve their higher education dreams at 5,500 schools nationwide. Annually, Inceptia helps more than 156,000 students borrow wisely, resolve their delinquency issues, and successfully repay their student loan obligations. Inceptia educates students on how to pay for college, guides borrowers through loan repayment counseling, and provides default prevention strategies and services to schools. More information at Inceptia.org.

Where Student Borrowers Go for the Down-Low: Introducing Inceptia’s Student Loan Knowledge HQ
Inceptia’s Student Loan Knowledge HQ is a comprehensive, secure website that allows student loan borrowers—no matter where they are on their repayment journey—access to the tools and resources they need to:

- Help understand their existing federal loans
- Track loan amounts and due dates
- Get answers to frequently asked questions
- Connect with loan servicers

Inceptia’s Student Loan Knowledge HQ provides the information borrowers need through every phase of the loan process—in school, in between (grace period), and in repayment.

Designed with Millennial and Gen Z borrowers in mind, this site features an easy-to-use, mobile-friendly interface and information structured to resonate with modern learning styles and expectations.

Connect your student borrowers to the information they need today and down the road. It’s waiting for them at HeroKnowl.org.

For information about products or services, contact us:
Inceptia Client Support, Inceptiacs@inceptia.org
call 888.529.2028, ext. 6306