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REMARKS BY THE PRESIDENT
AT 77TH ANNUAL MEETING OF THE AMERICAN COUNCIL ON EDUCATION

Hyatt Regency
San Francisco, California

11:45 A.M. PST

THE PRESIDENT: Thank you very much. Thank you, Juliet, and thank you ladies and gentlemen. Your welcome was worth the five-hour plane ride. (Laughter.) I want to congratulate you all on this meeting, and I want to thank Juliet for her leadership and also say to Frank Jenifer, whom I know will carry on the Council's outstanding work and strong leadership in higher education, I wish you well, and I'm delighted to see you again.

I want to thank the entire American Council on Education Board of Directors for endorsing our Middle Class Bill of Rights. It will build education and training across America, and I want to say a little more about it in a few moments. You will have to play an important role in making it a reality, and I know that you'll be interested in what I think you have to do along with what I have to do.

Let me say at the outset what an honor it is for me to be here with my longtime friend, our Secretary of Education, Dick Riley. He has really done a wonderful job, and I am very, very proud of him. And he is responsible for the fact that we had the most successful year last year in promoting advances in education in the Congress in at least 30 years in the United States, and I thank him for that. (Applause.)

I'm also glad to be here for the second straight year and to have Juliet's suggestion that maybe I should thing about becoming a college president when I am once again unemployed. (Laughter.) Now, before we came out here, she gave a slightly earthier description of why I should think about that. She reminded me that President Kennedy, when asked why he wanted to be president said that the pay was pretty good, a nice house came along with the job, and you work close to home, and that was like a lot of college president's jobs. (Laughter.)

Over New Year's I met a college president who told me that we had a lot in common with people who run cemeteries. He said, you know, if you run a cemetery, you've got a whole lot of people under you, but nobody's listening. (Laughter.) On the hard days, when you're about to cry, you can think of that and laugh a little bit about it. (Laughter.)

We have more in common than that. You are the keepers of a great trust of this nation, the most diverse network of learning in the entire world. It's a spur for our economy and a magnet for our people and for people and ideas from all around the globe. I come today as someone who spent some of the happiest years of his life teaching in colleges and universities, as someone who worked as a governor tirelessly to advance the cause of education and now, in this job, as your partner in a very important mission at a very important time in our country's history.

Our job -- yours and mine together -- is to redefine the partnership to empower our people through education and through training to face the demands of this age. That's really why I ran for president. I believe it is the responsibility of our generation to work together to preserve the American Dream for all Americans, and to ensure that we move into the next century still the strongest country in the world.

And I think the best way for us to do that is by building a new partnership in our country between Americans and their government and between one another. I've called that partnership The New Covenant -- more opportunity in return for more responsibility, and a renewed sense of citizenship and community. In that New Covenant, government's responsibility is to expand opportunity while shrinking bureaucracy, to empower people to make the most of their own lives, and to enhance our security abroad, but here at home as well.

At the same time, we have to demand more responsibility from every citizen in return -- more responsibility for our country, for our communities, for our families and for ourselves.

As we end this century, we are facing dramatic changes in our economy, our government and our daily lives. As we move away from the Cold War into the Information Age, we face a world that is both exciting and very challenging, a world where knowledge is the basis of wealth, creation and power, and where technology accelerates the pace of change. In a world like that, those who have the skills to prosper will do far better than any generation of Americans has ever done. But those who lack the ability to learn and to adapt may be left behind no matter how hard they work.

That is part of the frustration of America today -- that there are so many of our fellow Americans who are working harder and harder and harder, and never feeling that they're rewarded, feeling that they're falling further behind, having less time for their children, having less time for their spouses, having less time for the things that we know as the quality of life, and just plowing ahead. It leads to people having too much anxiety and too little hope, and it leads to special responsibilities for all of us.

At the heart of all three of the responsibilities that I said the federal government has -- expanding opportunity, empowering people, enhancing security -- is your work: education. It is, indeed, the essence of The New Covenant. Now, more than ever, education and training are the keys to opportunity for every American, and the future will only make that more true. They will only work, of course, if individuals also assume the responsibility for themselves to get themselves educated, and to impart the value of education to their children, to their families and throughout their communities. But it is clear that the key to opening the American Dream for all Americans as we move into the next century is our ability to broadly spread the benefits of education.

For more than two decades, I have not budged from this conviction. I had, as it turns out, for this job the good fortune of growing up in a state which itself was burdened in America's greatest explosion after World War II for lack of education. And I have worked now for about 20 years, relentlessly, to constantly change the role of government so that it wastes less money and does fewer things it shouldn't, but so that at the same time, it serves people better. It insists on accountability, it promotes excellence, but it especially emphasizes educating people.

America now must do that if we have any hope of preserving the American Dream in terms of all of our people, in terms of an expanding middle class instead of one that is shrinking and constantly being divided between the haves and have-nots, not in terms of money, but in terms of education. As a governor, I invested more in education, and in higher standards for our students, for our teachers and for our schools and in trying to make it easier for our young people in my state to go to college.

The Nation At Risk Report, back in 1983, confirmed the crying need for changes in our public schools, and I was glad to work on tryin to change the conditions in ours. At the end of the decade, I was prou to be one of the governors who reached out across party lines to work with the Governors Association and with President Bush and his White House to craft a new national education goals --goals which we then wrote into law in the Goals 2000 program, and which we are doing our best to help schools all across America to achieve on their own.

From the first day I became President, we have been committed in this administration to reinventing government in all areas, but especially in education. Our approach is not -- and I repeat, is not -- to micromanage anything. We have deregulated the federal government's role in education, in the public schools and elsewhere. We have worked to inspire reform at the grass roots level. We have recognized that our job is to define a road map, clear standards of excellence and then to work to empower every one in this society to reach those standards through education, to support the educational institutions all across this country, to support the students and the families to help them to reach those standards of excellence.

Instead of defending the status quo, we have worked to change it. We've abolished 13 of the eduction programs we inherited. We have cut another 38 programs that we thought were less than essential. We have consolidated 70 more programs in the budget I have just sent to Congress. And all of this is designed to empower students and working people, not educational bureaucrats; to help teachers to do their job, not to help the federal government to regulate more.

Others have talked about such things, but our administration has actually cut over a quarter of a trillion dollars in federal spending, we have reduced more than 300 domestic programs, we have eliminated more than 100,000 people from the federal payroll, and we have used the savings from the payroll reduction to put 100,000 more police officers on our streets in community policing settings, not run by the federal government, but people who work at the grass roots level on the problems they confront every day.

We are on our way, if no other law passes, to cutting more than a quarter of a million people from the federal payroll and putting all those resources back into making our communities more secure. And the budget I have just sent to Congress proposes another $144 billion in spending cuts. But my strategy is eliminating yesterday's government to meet the demands of today and tomorrow, to give us a leaner, but not a meaner government; to cut government to reduce the deficit and to increase our investments in the future --in education, in technology, in research, things like Head Start and Goals 2000, and the defense conversion programs we supported, and the medical research programs we supported.

These things make us stronger as a people. They build opportunity, and they demand responsibility, and they are good for America. We should be discriminating in this work we are doing. We should move beyond rhetoric to reality. Let others talk about cutting spending; we have done it, and we'd like some more help. But we have to realize why we're doing it. We're doing it to lift the country up and bring the country together and move the country forward, not to find some way to divide us in a new and different way so we have more rhetoric, more hot air, and less progress. Let that be our commitment: to do better. (Applause.)

You know, now I admit that some in the new Republican Congress see education in another way. They think education at the national level is just another area to cut and gut. Their proposals will cut investments in our future and increase the cost of student loans to our neediest students to fund tax cuts for the wealthy. They will limit the availability of lower-cost direct loans to middle class students to increase profits for the middleman in the student loans, even though that means a higher deficit. Indeed, the only thing they have proposed spending more money in education on are funds going to middlemen by limiting the amount of the direct loan program, by cutting it off, just as it's becoming more and more successful.

And some of them don't want to reinvent the Department of Education as I have done to make it stronger and leaner and more effective, they want to abolish it altogether. Well, I think Dick Riley's worth the money. (Applause.)

And so, I want you to know that to all of this, I will say, no. I will fight these proposals -- every step of the way. And I want you to join me in fighting them, too.

The fight for education is the fight for the American Dream. It is the fight for America's middle class. It is the fight for the 21st century. It should, therefore -- and I emphasize "it should therefore" -- be a bipartisan fight. When we passed the Elementary and Secondary Education Act last year, drastically reducing regulation, emphasizing more help to poor children in need, giving teachers and school principals more flexibility, it had bipartisan support.

Look, I want to work with this new Republican Congress to help America. We support many of the same initiatives. I supported them when they passed the bill to apply to Congress all the laws they put on private employers. I have supported our common efforts to reduce the burden of unfunded mandates on state and local governments. I have supported giving more flexibility to the states in pursuing welfare reform and health care reform. I've supported the line-item veto. But we clearly have our differences.

Look at the student loan reforms. We eliminated the middlemen and got the funds directly to the schools and the borrowers which meant -- unbelievably -- lower fees, lower interest rates, easier repayment choices for students, it meant less paperwork, less red tape, less bureaucracy to administer the programs for colleges and universities, and it meant much, much lower costs to the taxpayers.

Our proposal, when fully implemented, will save the taxpayers

$12 billion over a six-year period, while lowering the cost of college loans to the student, and reducing the hassles to you. That is Reinventing Government at its best. That is the new Democrat approach. It ought to be the new Republican approach. But, instead, they want to cap these loans. I want to expand them. I want to include all the schools and all the students who want to be a part of this program by 1997. Your choice, but I'll be darned if I want to cut it off from you when I know that it will help you.

They want to pay for the tax cuts in their Contract For America by eliminating the student loan subsidy so that we start charging interest on the loans to our poorest students while they're in college. That costs $2 billion a year. That adds 20 percent on the average to the cost of going to college for some of our neediest students to pay for tax cuts. It is not right. That would be the biggest cut in student financial aid in the history of the United States.

Our approach is to help students and their hard-working parents to cut bureaucracy, to reduce the deficit by not subsidizing noncompetitive middlemen. I might add that those who wish to compete for student loans are now doing it in many places for lower costs than they were providing when the government was giving them a locked-down guarantee because of the competition from the direct loan program.

Now, that is our approach. The other approach would increase the cost of education, would keep the bureaucracy and the red tape, and would increase the deficit by guaranteeing billions and billions more in no-risk funds to middlemen in the student loan system. It is wrong. It is wrong. And we should not stand for it. And I hope you won't stand for it. I hope you'll stand up and fight for it. (Applause.)

Now, as you well know -- and I want to emphasize -- we are not talking about a give-away. This Department of Education has gotten tougher on enforcing laws against default. And the default rate has dropped by one-third. The net annual cost to the taxpayers has fallen by almost two-thirds since we have been in office, from $2.8 billion to $1 billion, because we're enforcing the laws against default. I think it is wrong to default on your student loan. This Department of Education has gotten tough with scam operators masquerading as higher education. And every one of you wanted us to do that.

Now, with this progress, I hope we can continue to remove the regulatory burdens from many of the strong institutions with proven records of responsibility; that's what you want us to do. That's his Valentine present to you. (Applause.)

But that's the way we ought to be doing this. Secretary Riley will work with you to find a better way of balancing the flexibility yo want with our obligations to the taxpayers. But the point is, other people talk about this stuff, but when I showed up in town two years ago, I found a student loan program that was too costly, helping too few people, gave too few options to the borrowers with a red-tape headache to you, and the taxpayers were being ripped off. And we've tried to change it.

Now, when we proposed these direct student loans, our opponents and those who wanted to protect the status quo said that the federal government was completely incapable of administering a loan program. Well, they weren't right; they were wrong.

I got a letter that was sent to Terry Hartle by Jerome Supple, the President of Southwest Texas State in San Marcos. It's a big school now; it has 21,000 students. It distributes grants and loans in excess of $23 million. President Supple wrote about what direct lending has meant to his school. He also wrote to me, but Dick Riley gave me this copy of his letter to Terry Hartle, and I like it better than what the speechwriters put in, so I'm going to write what he actually said. (Laughter and applause.)

This is what he said: "We are aware of the concern of some members of the financial community about the shift to direct lending, and can understand the concern for a loss of revenue. However, the savings to the government and the improved service to other students offered by direct lending are of greater importance. The other argument that the federal government cannot effectively administer such a program and much rely on the expertise of the private sector is counter to our experience."

Listen to this: "The results have more than met our expectations. We have gone from an institution that was scrambling to meet our students' need, often after classes have started, to an institution that was one of the first in the state to get awards out last fall -- so early, in fact, that it had a positive effect on our admissions program.

While the direct lending program has shared some of the some of the credit for the improvement of our financial aid services with our hard-working and talented staff" -- there's a good politician -- (laughter) -- also true -- "there is no doubt that direct lending allows us to serve our students better. And finally," he says, "it is legitimate to express concern about the ability of the Department of Education to manage the direct lending program and full capacity, but the experience to date suggests they can do this very well. It is rare that the federal government creates a program that both saves money and improves service to its constituents." (Applause.)

Listen to what the students say. I got a letter from Marie Lyons, a 40-year-old student -- rather more typical these days. She wrote to me to say that she had given up hope on going to college. But with our loan reforms, she's been able to go to Murray State University in Kentucky, studying criminal justice. She'll be the first person in her family to graduate from college.

You know, we can't take hope away from people like Marie Lyons, and all the other people now that are flooding back into your institutions -- into the community colleges, into the four-year institutions, because they know -- they're way ahead of the politicians. They know what they need to do to make good lives for themselves, and they're coming to you. They're coming to you in record numbers. But people like that deserve the best opportunity we can give them. They are very responsible; they are working hard. They are people from all races and income groups and backgrounds with a million different life stories; but they are chasing a common dream. Because of people like that, we should not abolish the Department of Education, either. We should not do that. (Applause.)

You know, everybody talks about this being the information age. The White House and now the House of Representatives are in this little friendly contest to see who can do the most high-techy stuff on Internet; and call us on the computer and see what we have to offer;. read the administration's budget. But if this is true, if the new economy really is based more than ever before on knowledge and skills, we have to do more of education and undercutting education at this time, saying that this is not a national concern, that would be like undercutting the Department of Defense during the Cold War. We won the Cold War because we stayed strong. And we will win the fight for our own future and a place in the 21st century if we stay strong with education. That is what we should do. (Applause.)

You know our future depends upon it. As President, as has already been said, I've worked pretty hard for us to do well in this new war for the minds and hearts of our people and for the future. And I do think one of the smartest things I ever did was to appoint Dick Riley as the Secretary of Education. One of the reasons is, I find that once you become President, sometimes people -- even people you think know you very well all of a sudden don't really tell you what's on their minds. It drives me nuts since I don't mind hearing what's on people's minds. Sometimes they don't want to hear what's on mine in return when they tell me, but it's okay. (Laughter.) But one of the things you need to know about the Secretary of Education is, we've been friends since I was barely old enough to shave -- he always tells me what's on his mind. (Laughter.) And what's on his mind is you and your students and the future of this country.

So I'll say again, we're cutting inessential education programs. We've saved more money by going to the direct student loans than they can save by cutting out the people who work at the Department of

Education. Who are we trying to kid here? He is worth the investment; the other people who work there are worth the investment.

We are not running education, but we are trying to energize it and create opportunity and shine a light to the future. This is a classic battle, and we ought to fight it and win it together. -- not just the battle to save the Department of Education, not just a battle for the direct loan program, not just a battle against increasing the cost of student loans, but the larger issue -- and I will say again -- this ought to be a bipartisan battle that we fight so that we can meet our responsibility to prepare our children for the 21st century and so that we can make the most of our own lives.

For two years, we have done everything we could do to prepare our people for the new economy. Last year when I came before you, I presented a comprehensive agenda for lifelong learning. I'm proud to report that with the last Congress, we did produce a tremendously successful record in achieving that agenda. We reformed Head Start and expanded it by 30,000 more children. And next year, I want to expand it again by at least that many. That's why we're cutting inessential programs, not only to reduce the deficit, but to put the money where the people need it. I think the taxpayers want the Head Start program expanded. (Applause.)

We passed the Goals 2000 program, and, for the first time, we spell out a national understanding of what our young people must learn to compete in the world. This goes right to the heart of the whole approach of the national role in education -- not trying to tell people how to teach or regulate how they spend every day and every hour, or control them through a blizzard of paperwork, but to set national standards and then give state and local governments the control, the power, the opportunity, and, where we can, the resources to get the job done, to give them the flexibility through waivers of complex federal rules and reforms like charter schools and public school choice. And to do it with no new federal regulations to diminish state and local control. I'm proud of that.

The way we're running that program is the way the federal government ought to relate to the states in the area of public education. We are raising the bar for everyone. All of our young people are going to have to do better. I think we all know that. All of our parents and grandparents are going to have to help our young people to do better. All of you in this room now accept as a truism that we have the best higher education system in the world, but that we have to do better in our school systems K-12, and we are all going to have to teach the higher standards, to work the higher standards, to learn the higher standards.

Our communities, our businesses, they're going to have to pitch in and do more. And our young people, we know -- and let me say this with all sincerity and convictions -- we know that too many of them are still trying to learn in atmospheres that are too dominated by violence and drugs. They can't walk down the halls or learn in the classrooms because they're afraid for their safety, then all the reforms will not be successful.

That's why our making our school environment safe and disciplined and drug-free are important to all the other standards being achieved, and why we have worked so hard in this administration and in this Department of Education to make sure that all of our legislative efforts included the safe schools initiatives.

You know, some young people -- I ought to emphasize, too, because I know who all is out here -- don't plan to go on to four-year colleges. And that's fine. If they don't plan to do that, we also have to make sure that they have the academic strength and skills they need to compete.

That's what our school-to-work opportunities act was all about -- to reinvent the relationship of high school to the world of work and the work of post-high school education with high standards that enable our students to learn in class and to begin to reach out into the real world. Along with their classroom learnings, they are learning real jobs, dealing with real people, and we expect them to go on to some post-high school education as well.

We're not doing this with a big national bureaucracy; we're doing it with grants and advice and help and support to let every state set up a flexible network, working with employers and schools and the post-secondary educational institutions to make sure that we fill this enormous gap in the American system. There are too many of our young people still who, neither get a four-year college degree or at least have a good school-to-work transition they way many of our competitors do.

These reforms -- every one of them -- will make sure that more capable students are coming into your institutions, which means you'll have to spend less time bringing them up to speed. I know that would be a relief to all of you. A lot of us have been working on it for years and years, but I believe it will make a difference.

Something else we did last year that I'm very proud of that two or three of you have already mentioned to me today is our national service program, AmeriCorps. It already has 20,000 Americans taking responsibility for improving their country at the grass roots level and earning some money to go to school. It is a very, very important thing for this country, and I am very proud of it.

Americans like the 16 members at the University of California at Berkeley, who have 750 of their classmates tutoring middle school students and helping four local police departments set up neighborhood watch programs. Now, that's just one example of hundreds I could give you of what a modest federal investment can do to get a big result. Eighty-nine members of AmeriCorps in Texas immunized -- listen to this -- 104,000 infants in Texas two summers ago. (Applause.)

In Simpson County, Kentucky, AmeriCorps members are teaching second-graders to read, and they've already raised the reading levels there from two years behind the official standard to one year ahead of it. Now, again, some people in the new Republican Congress say that AmeriCorps is a waste of money, bribing people to do service, an expensive way to send people to college. I say it's about the best thing that's happened to this country in a long time. (Applause.) I'm going to fight to keep it, and I hope you'll fight for that, too. And for all of you that have had AmeriCorps projects on your campuses and with your students, I thank you, and I hope more of you will ask to do it.

We've got a lot more work to do. We have to protect the Pell Grants, and as Juliet said, my budget raises the maximum grant by 12 percent. We all know the Pell Grant program got in trouble, and we had to make it solvent again, and it hasn't kept up with the economy. But this is a good step in the right direction.

We've got to preserve the work-study program, the other campus-based programs that we all know are important to the students on your campuses. And we've got to keep moving forward on university-based research with expanded investments and less red tape. I do not believe that it is the right thing to do to take universities out of the partnerships we now see forming. In defense conversion, for example, where we are doing remarkable things with the decline of the defense budget, taking some of that decline and putting it into partnerships between universities and private companies with some federal investment and a whole lot of private investment. Again, there are some in the new Congress who say, let's get rid of all that. That's our competitive edge -- research, development, mind work, making connections, moving forward.

All of this is an agenda that works. In his State of American Education address earlier this month, to which Secretary Riley alluded, he said that America is turning the corner from being a nation at risk in education to being a nation on the move. Well, you've got my word: I will fight for the education and training reforms that will keep us on the move. And I want you to fight for them, too, and we will win because the American people are for us.

STUDENT FINANCIAL AID

NEWS STORIES OF INTEREST

Schools' Ratings Of Direct Lending

Editor's note: Education Daily telephoned 104 schools participating in the Direct Student Loan program. The following chart shows their ratings of the program on a scale of 1 being the lowest and 5 the best.

5

American University, Washington, D.C.
Bennett College, Greensboro, N.C.
Bradley University, Peoria, Ill.
Brown University, Providence, R.I.
CAD Institute Inc., Phoenix
University of California at Irvine
California Institute of Technology, Pasadena
The Chubb Institute, Parsippany, N.J.
Cloud County Community College, Concordia, Kan.
University of Colorado at Boulder
Colorado Aero Tech, Broomfield
Colorado State University, Fort Collins
Connecticut Institute of Art, Greenwich
Cuyahoga Community College, Cleveland
Dalfort Aircraft Tech, Dallas
DeVry Institute of Technology, Addison, Ill.
University of the District of Columbia
University of Florida, Gainesville
Fox Secretarial College, Oak Lawn, Ill.
Gaston College, Dallas, N.C.
Gustavus Adolphus College, St. Peter, Minn.
Harvard University, Cambridge, Mass.
Hood College, Frederick, Md.
Hope College, Holland, Mich.
University of Idaho, Moscow
University of Illinois at Urbana
Interior Designers Institute, Newport Beach, Calif.
Iowa State University, Ames
Kentucky Career Institute, Florence
Keiser College of Technology, Fort Lauderdale, Fla.
Lehigh Carbon Community College, Schnecksville, Pa.
University of Maine at Presque Isle
Miami-Jacobs College, Dayton, Ohio
University of Michigan, Ann Arbor
University of Michigan at Dearborn
Mid-America College of Funeral Service, Jeffersonville, Ind.
University of Minnesota at Duluth
Missouri Southern State College, Joplin
Modern Technology School of X-Ray, Roswell, Ga.
New Mexico Junior College, Hobbs
Ohio University, Athens
Oklahoma State University, Stillwater
Old Dominion University, Norfolk, Va.
University of Oregon, Eugene
Pace University, New York
Radcliffe College, Cambridge, Mass.
Red River Technical College, Hope, Ark.
Rutgers-The State University of New Jersey, New Brunswick
Salisbury State University, Md.
Southwest Texas State University, San Marcos, Texas
State University of New York College at Brockport
Stonehill College, North Easton, Mass.
Tougaloo College, Miss.
University of Vermont, Burlington
University of Washington, Seattle
West Tennessee Business College, Jackson
W Virginia University, Morgantown
Williams College, Williamstown, M
Xavier University of Louisiana, New Orleans

4.5

Amherst College, Mass.
Cornell University, Ithaca, N.Y.
Mr. Bernard's School of Hair Fashion, Lewiston, Maine
Philadelphia College of Pharmacy & Science
Rowan College of New Jersey, Glassboro

4

Aero Mechanics Schools, Riverside, Mo.
University of Alabama, Birmingham
American Business & Fashion Institute, Charlotte, N.C.
Bryan College of Court Reporting, Los Angeles
College of Charleston, S.C.
Computer Tech, Pittsburgh
Delaware Technical & Community College, Stanton/Wilmington
Earlham College, Richmond, Ind.
Faust Institute of Cosmetology, Storm Lake, Iowa
Florida A&M University, Tallahassee
Georgia State University, Atlanta
Hudson Valley Community College, Troy, N.Y.
International Business College, Las Cruces, N.M.
Interstate Business College, Fargo, N.D.
Lawrence University, Appleton, Wis.
Memphis State University, Tenn.
University of Michigan at Flint
University of Michigan Law School, Ann Arbor
University of Michigan Medical School, Ann Arbor
Michigan Institute of Aeronautics, Belleville
Montana State University, Bozeman
New England Technical Institute of Connecticut, New Britain
Ohio Auto Diesel Technical Institute, Cleveland
Roger Williams University, Bristol, R.I.
Seton Hall University, South Orange, N.J.
Southeastern Academy, Kissimmee, Fla.
St. Louis Tech, St. Ann, Mo.
Tarrant County Junior College, Fort Worth, Texas
The Braxton School of Business, Richmond, Va.
Universal Technical Institute, Omaha, Neb.
Western Connecticut State University, Danbury
Western Michigan University, Kalamazoo

3.5

Rocky Mountain College of Art & Design, Denver

3

Advanced Institute of Hair Design, Milwaukee
California Academy of Merchandising Art & Design, Sacramento
Dover Business College, Paramus, N.J.
Huron University, S.D.
Prairie View A&M University, Texas
William Paterson College of New Jersey, Wayne

Declined comment

ITT Technical I tute, Indianapolis

Schools Give Direct Lending High Marks In *ED* Survey

The vast majority of schools in the direct lending program rate it exceptional, and all would recommend it to other schools, according to an *Education Daily* poll of the 104 participating institutions.

Most of the postsecondary schools also lauded their loan servicers and the Education Department for quickly answering questions, addressing problems and being receptive to suggestions about the program that started last July.

Fifty-nine of the schools, nearly 57 percent, gave DSL the top rating on a 5-point scale. And 92 percent gave it a rating of 4, 4.5 or 5.

No school gave the program—through which they provide loans directly to students rather than working through private lenders—anything below a "fair" ranking of 3.

The survey, conducted in the past four weeks, backs up ED claims that schools generally have been quite pleased with the nine-month old initiative that ED hopes will replace the Family Education Loan (FEL) program by 1998

The number of schools participating will expand to 1,495 in July amid a flurry of congressional proposals to curb it.

Ditching Middleman

The program streamlines administrative work, benefiting students because they receive their loans faster, say financial aid officers contacted for the poll.

At the University of Washington in Seattle, officials say that by the beginning of classes last fall, students had three times as much money in hand than the previous year under FEL.

"The money flows faster," said Eric Godfrey, the school's assistant vice president of student affairs and financial aid director.

"If a student needs money, we can access it very quickly and have the money in students' hands in a couple of days," noted Kay Jacks, executive director of student aid services at Colorado State University in Fort Collins.

Many schools that didn't switch entirely to DSL, such as New Mexico Junior College, plan to boost their participation because it is simpler to operate than FEL.

Aside from software glitches and some related minor problems reconciling balances, schools reported no DSL problems. Most software problems were resolved, and school officials that have the updated software for the second year of the program say it is much better.

Lowering Staff Expenses

Some schools indicated they already have seen a savings from DSL, mostly through not filling positions in the financial aid office because a smaller staff is needed.

Such savings outweigh the DSL costs, such as some schools' need to buy a new computer network, noted Washington's Godfrey.

The aid officers added that student borrowers understand the DSL program more easily than FEL, because the roles of the lenders, guarantors and secondary markets do not have to be explained.

Conditional Endorsement

A few schools that would recommend DSL to others said they would do so only if the institutions have the proper computer system to run the program.

"They'd have to fully understand that it takes a lot of time to make this program work, but that does not mean I wouldn't recommend it," said Lawrence Digregorio, a financial aid officer at Delaware Technical & Community College at Newark.

Of the 104 schools that helped inaugurate the program, 36 are public four-year schools, 35 are trade schools, 22 are private four-year schools, nine are community colleges, one is a medical college and one is a law school.
—Matthew Dembicki

service was the gradual phase-in of a system that would have the federal government lend money to students directly rather than provide financial incentives and guarantees to coax banks into making the loans. Even though new workers will have to be hired by the Department of Education to run the program, it still saves considerable sums. That's why Clinton wants to accelerate its availability to all the nation's 7,000 eligible schools. But bankers and other firms that trade student loans for investors have aggressively battled the loss of this lucrative line of business and heatedly dispute Clinton's claim that the program saves money.

Their lobbying, fueled by at least $11.3 million in campaign contributions, has helped encourage Republican congressional leaders Rep. William Goodling of Pennsylvania and Sen. Nancy Kassebaum of Kansas to push legislation that would limit the expansion of the program to 40 percent of all student loans. Some moderate Democrats like Rep. Bart Gordon of Tennessee also support the move on the theory that the new lending program should be tested before it becomes the norm for all colleges. House Speaker Newt Gingrich wants to kill the program. He argues that Clinton's reforms vest too much power in the government, especially because the lending program is run by the Department of Education, which has allowed fraud to flourish in aid programs for decades.

However, the first reports about direct lending are very positive. Students and college-based loan officers say funds are available to students in weeks rather than months. The paperwork is simpler, and college officials have to deal with only one federal office rather than many banks. "Being in direct loans has been almost a spiritual experience," says Kay Jacks, director of financial aid at Colorado State University. "It helps us provide better service to students, period." Karen Fooks, the financial aid director at the University of Florida, says her whole office threatened to quit if it was ordered to return to the bank system from direct lending.

"Pay as you can." But bankers argue that doling out money is the easy part. Collecting it is something the government hasn't done very well. Many new loans will be on a "pay as you can" basis, letting borrowers pay back a portion of their earnings over many years, rather than a fixed monthly payment. Administering that will tax even the most efficient agency.

That is why one thoughtful critic, author Steven Waldman, has argued that this upcoming struggle misses the main point. Waldman, who wrote the recently released book *The Bill* about the legislative battle over national service, believes Clinton has achieved an enormously beneficial reform in the "pay as you can" scheme. It relieves some of the financial pressure on borrowers and potentially encourages them to choose socially useful – but less-high-paying – careers like teaching because their loans are pegged to their ability to pay. But Waldman argues that Clinton's achievement is jeopardized because neither banks nor the federal education bureaucracy can prevent the program from becoming another boondoggle. His solution: Call in the IRS, the only agency that "could accurately and efficiently assess a person's income and be sure to collect."

An idea like that puts tough-minded Republicans in a bind. If they want to fix a potentially flawed Clinton idea and do right by taxpayers, their best bet is to vest more power in a much-feared federal agency. Who knows, maybe the students who have newfound appreciation for the easier-to-fathom lending system run by the government might not balk too much at paying when the bills come due. ■

BY JAMES POPKIN AND VIVA HARDIGG WITH SUSAN HEADDEN

U.S. NEWS & WORLD REPORT, March 13, 1995 p. 64

The college aid face-off

Clinton fights the GOP and bankers over what students get and who runs the loan business

Believe it or not, there is a group of Americans who truly delight in one of the things Bill Clinton has accomplished as president, who think that a government-run program that handles gobs of money is preferable to one run by the private sector and think that the paperwork created by public bureaucrats is easier to navigate than the forms devised by well-run corporations. They are the thousands of college students who got their loans last fall directly from the government instead of from banks. The verdict from Anthony Gallegos, a 22-year-old journalism major at Colorado State University: "It's the best thing since microwavable brownies."

But all is not entirely happy in loan land. Even though many students at 104 schools say they got their money with fewer hassles in a fraction of the time it usually takes and taxpayers might benefit because banks and middlemen didn't collect subsidies to make the loans, the direct-lending program is now the object of a bitter new battle in Washington. In fact, every major federal college aid program is considered a target in one form or another by the new Republican majority in Congress. The disputes have all the hallmarks of postmodern politics: None really centers on principle; almost everyone in Washington believes the government has a useful and morally defensible role to play in helping more kids get into college and pay for it. The fight so far centers on the spoils system – whether the public or private sector administers the program – and arcane federal budget accounting questions.

Millions affected. Those are not inconsequential issues, because billions of dollars of profits (for banks) or potential savings (for taxpayers) are at issue. But the bigger fight will come as Congress deals with the budget. It will feature the first serious talk of major cuts in college loans and grants since the early days of the Reagan administration. "What is at stake is nothing less than access to higher education for millions of middle- and lower-income students at a time when public-college tuition is rising sharply," says Terry Hartle, a vice president of the American Council on Education. The biggest dispute could center on a plan circulating among Republicans to cut loan subsidies to needy students during their time in school – a move that might save $9 billion over five years and could hit 6 million students with higher debt and payments.

This sets up a political showdown that Clinton is unusually pleased to face. He has called for increasing federal funds for college aid by 10 percent to $35.8 billion as part of his middle-class "Bill of Rights," including expansion of many of the programs Republicans are eyeing for cutbacks. Clinton won major reforms in federal college aid initiatives in 1993 as part of his national service program, which he heralds as a cornerstone of his "New Covenant" to provide government help to those who help themselves. Asked if Clinton is willing to renegotiate any feature of the national service or college aid programs, one senior White House aide responded: "My guess is his answer is between 'No' and 'Hell, no.' " A probable Clinton veto of any cuts in college aid means that these programs will survive intact for now, but there is still a good chance that his plans to expand them could be held up.

In coming weeks, the direct-lending program will grab the most attention. One of the reforms enacted in national

more...

Give It a Chance

Congress threatens to limit the president's new student-loan plan

BY JANE BRYANT QUINN

A CLINTON INITIATIVE VULNERABLE TO A REPUBLICAN bombing run is "direct lending"—his new approach to student loans. The president praised the fledgling program in the State of the Union Message. It's cheaper for taxpayers, he said, and saves weeks of bureaucratic time. But key Republicans hated the law when it passed in 1993, and hate it still. A bill just introduced by Rep. William Goodling of Pennsylvania caps at 40 percent the volume of student loans permitted under direct lending. That's OK, if Goodling wants only to wait and see how well the program works. It's not OK if his prime intent is to shoot it down.

At present, most loans are made by banks or other private lenders, administered by state or private guarantors and insured by the federal government. The Feds pay the banks and the guarantors for their services. If you default, the taxpayers typically cover 98 percent of the loss. So lenders earn their comfortable profits at small risk. Estimated cost to the government this fiscal year: $6.3 billion.

Make money: The president's new direct-lending program cuts out the middlemen. You get your loan directly from your school, which draws the money from a government-funded account. Repayments go to the Treasury. Private contractors administer the loans and handle collections. The government expects to make money on the program the same way the banks do—by borrowing at a low interest rate and lending to students at a higher one. The Feds also think they'll pay less in administrative costs.

Fierce resistance to direct lending, by the lenders and guarantors that now handle the business, almost snuffed the program at birth. With opponents in the ascendancy, the lobbyists are again in full cry. Controversy surrounds the question of how much money, if any, direct lending saves. Doubters say that the government wouldn't know how to run a stocking, although schools already using the system say it works fine. There *are* successful federal programs, such as social security. The question is whether direct lending can be one of them and whether the administration will be given a chance to find out. What students need to know:

Colleges like direct lending, but bankers are lobbying to get the business back

■ *Should you take a direct loan if your school offers them?* Of course. It's the same loan, with the same borrowing terms, that other students get at banks. Fees were lowered in 1994 and loan amounts raised. Dependent undergraduates can borrow up to $23,000 for their education—one third more than was formerly allowed. If you show financial need (a complex formula, comparing family income with college costs) the government pays the loan interest while you're in school. Otherwise you owe the interest although your payments can be deferred.

Around half of all undergraduates borrow today; they graduated last year with an average debt of $10,500, according to Jerry Davis, director of research for Sallie Mae, a prime player in the private-loan market. Due to rising tuitions and increased loan availability, last year's entering freshmen will probably graduate $13,600 in debt, Davis says—a 30 percent increase. Average payments will rise to $163 a month, from $126 today.

■ *Are direct loans better for you?* Probably so, in two major ways. You get the loan right at your school, which saves you a couple of steps. Even late applicants can get paid before school starts, because their request doesn't wind through the banks. The portion of student loans processed by the fall semester rose 35 percent last year at Colorado State University, reports Kay Jacks, head of financial aid—thanks largely to direct lending. If a student's eligibility changes, the loan amount can be adjusted overnight. By contrast, getting a change through a private lender can be a bureaucratic headache, Jacks says. Direct loans also save the schools from coping with each lender's separate forms.

Ironically, free-market competition wasn't fixing these problems. But government competition has been "a wake-up call," says Susan Conner of the USA Group, which guarantees and services student loans. USA now delivers loans faster and can give schools a speedy update on an application's progress, she says. Eighteen institutions with major loan programs—including Citibank, Chemical Banks and Bank of America—plan to create a common electronic lending system. Sallie Mae and USA Group are doing something similar. One reason that Duke University isn't offering direct loans, says James Belvin Jr., head of financial aid, is that private lenders are falling all over themselves to improve.

■ *How will you repay that daunting debt?* The vast majority of students pay within the normal 10-year term. But as loans mount, longer terms may become more common. Direct lending offers an "income contingent" repayment plan that pegs your payments to the money you earn and how many dependents you have. Typically, you'll owe from 4 to 15 percent of your adjusted gross income.

Private lenders will compete in this arena, too—the first being Sallie Mae, which will announce an income-sensitive plan this week. But there's a downside. Stretching out payments always increases your interest costs. In the government plan, your payment may not even cover all the interest due. Any missing amounts will be added to your loan, increasing your debt by as much as 10 percent. So use this program only as an alternative to default.

■ *What if you can't afford the student loans you have now?* You can refinance them through the direct-loan program or its private competitors. The U.S. Education Department hopes to take over large numbers of current loans, and says that will save the government money. But private lenders are screaming and the new program is unproven. Congress may dig in its heels here.

■ *Can costs be cut anywhere else?* One thought is to quit giving government-backed loans—direct or otherwise—to high-income families. For the past two years, student loans have been open to everyone, regardless of wealth. When interest rates are low, the well-to-do pay their own way. But no student is charged more than 8.25 percent. When student-loan rates go higher, as they may in July, taxpayers absorb the extra cost. If Goodling's prime concern is the federal budget, he ought to be looking at this issue, too.

Reporter: TEMMA EHRENFELD

Plans in Congress to Limit Direct-Lending Program continued...

To some extent, the department played host to a successful conference in spite of itself. The timing of the meeting—at the start of the spring academic term—bred a little resentment among many of those in attendance, who felt that they had more pressing matters at home.

Further, Education Department officials drew a few snickers when they announced that the team of direct-lending support-services personnel would be on board and trained within "30 weeks."

By that time, the financial-aid officers will have students knocking on their doors, leaving no time to revamp a computer network or rewrite the software that makes a direct-lending system function smoothly. Until the department's team is in place, campus officials will probably consult their colleagues who are now in direct lending, or the department's contractors at the Direct Loan Servicing Center.

'PERPETUAL MOTION'

All things considered, those problems were minimal. The conferees seemed to take to heart the words of the program's namesake, former Rep. William D. Ford, who addressed the conference on his first full day as a private citizen after 30 years in Congress.

"The real beauty of the way that this program is set up is that there is no paper flying back and forth between you and Washington," Mr. Ford said.

"This program has the potential to be the modern equivalent of perpetual motion: Every time you massage it a little bit, you see another way to save money and better serve students." ■

Plans in Congress to Limit Direct-Lending Program Fail to Curb Enthusiasm of Financial-Aid Officers

By Jim Zook

NEW ORLEANS

THE SCENE here this month was what bankers have feared would come to pass: Several hundred campus officials assembled to learn how to make direct lending of funds to students work at their institutions.

Financial-aid administrators, typically a hard-to-please crowd, nodded their heads in agreement with speakers from colleges that had already made the switch from the federal guaranteed-loan program to direct lending. The new system provides federal loan capital directly to colleges, eliminating the role played by banks and guarantee agencies.

"The real beauty of the way that this program is set up is that there is no paper flying back and forth between you and Washington."

On the whole, everyone seemed to go home happy from the two-day gathering, staged for colleges that will enter direct lending in 1995-96. The only concerns that could be detected were technological issues that everyone thought were manageable.

"All that I have heard has been positive," said Yvonne Maxwell, director of financial aid at Langston University. "I was concerned about whether we could monitor this program effectively, but everything that I have heard from others in the program indicates that we could."

Such reviews are essential for leaders of the Education Department, who will spend much time in the coming months defending the program against Republican efforts in Congress to limit or dismantle it. Indeed, during the conference, newspaper reports quoted Rep. William F. Goodling, the chairman of the House Economic and Educational Opportunities Committee, reiterating his intent to curb the anticipated growth of the direct-lending program.

A CAP ON EXPANSION

Mr. Goodling is expected to propose legislation soon that would cap the program's expansion at 40 per cent of new student-loan volume, a point that it will reach in academic 1995-96. The law creating the program calls for it to grow to at least 60 per cent of new loan volume by 1998-99.

Republican opposition did little to dampen the support for direct lending among those in attendance here. Presenters came from the 104 institutions that are now enlisted in direct lending's first year. Participants appeared to assume that the system would work, asking "How to" questions instead of skeptical "Why" questions.

The campus officials here said they preferred direct lending because of the degree of control that it gives to the campuses—a development that they said no amount of reform could bring to the guaranteed-loan program. There was some concern about the department's ability to manage the jump from 104 institutions now to 1,495 next year. However, those fears were largely assuaged by officials from the first-year institutions, as well as by the commitment to the program that was exhibited by the department officials on hand.

"This is a monumental step," said Kenneth R. Clarke, associate director of financial aid at the University of San Francisco. "It makes those of us in financial aid more sophisticated and user-friendly in helping to serve students. We can't do anything but do our job better."

"I'm very impressed with the Department of Education staff, their helpfulness, and their grasp of the subject," said Robert McBride, director of financial aid at Jersey City State College. "They've all demonstrated enthusiasm for the project that is going to rise with the increase in volume. I think that they will rise to the occasion."

SOME SKEPTICS ARE SWAYED

Even some who confessed to an innate skepticism about the federal government's management capabilities said they had been convinced.

An official from one first-year campus, who asked not to be identified, said that "I would have bet my paycheck" that the program would not work. The official was all smiles at the conference and admitted to playfully goading colleagues at nearby campuses whose administrators and trustees had blocked efforts to move to direct loans.

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Philadelphia Inquirer, March 9, 1995, p. 4B

Students decry proposed aid cuts, form group to fight Gingrich plar

By Edward Colimore
INQUIRER STAFF WRITER

CAMDEN — Student leaders at the Rutgers University campus here said yesterday they don't want Congress to make any "Newt" changes in their federal financial aid programs.

At a news conference in front of the university's financial aid building, they condemned aid cuts proposed this month by Republican House Speaker Newt Gingrich, as part the 104th Congress' budget deliberations.

The students also announced formation of the Coalition to Save Student Aid, a group of student governments, administrators and other student organizations that are urging the New Jersey congressional delegation to block any federal aid reductions.

Student leaders will meet with university officials tomorrow to discuss the proposals — and ways of opposing them.

"We're encouraging students to call their local representatives in the congress, to help further the cause," said Louis Rivera, president of Student Governing Association at Rutgers' Camden College of Arts and Sciences. "We can't let Newt Gingrich get away with this. . . . Students will not allow this to happen."

Erika Schneeman, a student who serves as chairwoman of the campus chapter of the New Jersey Public Interest Research Group, said Congress was poised to vote on "drastic proposals that sacrifice affordable higher education on the altar of political gain."

"Programs that provide aid and employment to needy students, help graduates pay off their loans, and streamline red tape and needless bureaucracy are all on the chopping block," she said.

In an interview at his office, Richard Woodland, director of financial aid at the Rutgers campus in Camden, said students' most pressing concern was the possible elimination of the so-called in-school interest subsidy. The federal government now pays the interest on student loans while the students are in school. They take over interest payments when they finish their studies.

That would change under Gingrich's plan. The proposal would eliminate the interest subsidy and force students to pay it while still in school.

"The effect of that is to create a spiraling debt," said Woodland. "When students leave, they'll significantly increase their student-loan debt."

Woodland said another proposal favored by Gingrich would eliminate Rutgers' direct lending program. Students now apply for federal loans directly through the university because of Clinton administration reforms that affect 104 schools including Rutgers.

Students formerly obtained loan applications at banks or other financial institutions and had them processed by the college. The loans were guaranteed by a state agency.

"Gingrich wants to go back to the bank process," said Woodland. "He says that whatever federal government does, it does badly."

Woodland said Gingrich also would like to cut off funding to a work-study program that provides campus employment for hundreds of Rutgers students. "We're very concerned about the proposals in Congress," he added.

At the students' news conference, Rivera said education should be Congress' number-one priority.

"In today's global economy an affordable education is essential for a competitive workforce and a healthy society," he said. "Education for the privileged few would have a devastating effect on our economy, not to mention our quality of life.

"Without student aid programs, students will be forced to drop out of college, and with the prospect of years and years of debts to pay, many will be deterred from going at all."

Another student, Shelley Marino, coordinator of student volunteer services, said the federal cuts would widen the gap between rich and poor by limiting educational opportunities.

"You're sending a clear-cut message to the American public that education is a privilege and not a right in this country," said Marino, a single mother with two children and two jobs. "You're sending it to us, our peers and future generations."

NORTH ADAMS (MA) TRANSCRIPT, March 1, 1995 p. 1
(Best Copy Available)

Fed student loan program proceeds

Administration pushes ahead despite GOP rumblings about loans

By ROSEMARY JETTE
Transcript staff

NORTH ADAMS — The U.S. Department of Education is going full speed ahead with President William Clinton's mandate to increase the number of schools participating in the Federal Direct Loan Program, despite rumblings in the Republican-controlled Congress to revamp student loans.

David Longanecker, U.S. assistant secretary for post-secondary education in Washington, D.C., said none of the proposals wil terminate eligibility for various government student loans. Rather, the legislative changes being proposed will reduce the value of the student loans, he said.

"We're proposing the expansion of the new Clinton loan initiative in our budget," Longanecker said. "We expect to cover all students by 1998."

Longanecker said under Clinton's proposal, the aim is to bring 100 percent of higher education campuses into the direct loan program.

The William D. Ford Federal Direct Loan Program allows students to borrow directly from the federal government through their schools, instead of through banks and other third-party lenders. The advantages of such an arrangement is less paperwork and money spent on staff overtime and phone calls to lenders, plus a much quicker turn-around time for loan processing, improved cash flow, and flexibility to structure the loan program to fit their particular needs and capabilities.

Streamlining the student loan program also has increased the number of students receiving aid than via the more complicated Federal Family Education Loan program.

Presently, 104 colleges, universities and trade schools are participating in the direct loan program's inaugural year. By July 1, this number will increase to 1,400 or 40 percent of the total loan volume, as set by law. More than 2 million students are expected to receive direct loans next year.

The loan program also opens an Individual Education Account (IEA), which allows the students to repay the loans in one of four ways. Students can change repayment plans as their financial situations change, allowing them to assume more control over their finances and career choices.

Included in the four repayment options are: Pay-as-you can or income contingent plan; extended plan, fixed payments from 12 to 30 years; graduated plan, lower initial payments then increasing every two years from 12 to 30 years; and standard plan, fixed monthly payments for up to 10 years.

Longanecker said the most troubling aspect of the GOP's proposal are the elimination of the in-school interest benefit.

"For students with assessed need of financial aid, while they are in school, the federal government pays the interest on their loan," the assistant secretary explained. "The GOP wants that subsidy eliminated to pay a large subsidy to the banks instead."

This substantial subsidy to the banks equals a $2 billion loss each year to students, with a corresponding increase in student loan debt of 20 percent. Translated this means, a student loan of $20,000 will not increase by $4,000.

The U.S. Department of Education states the Student Loan Reform Act which created the direct student loans should save taxpayers about $6.8 billion from FY 1995 to FY 2000 by eliminating unnecessary payments to lenders and taking advantage of the federal government's ability to borrow at a lower interest rate.

The Clinton administration's FY 1996 budget proposes speeding up the phase-in of direct loans to 100 percent of loan volume by academic year 1998, resulting in an additional $5.2 billion savings for a total of $12 billion.

"We think this is wrong-headed. Clinton will do everything in his power to prevent this," Longanecker said. "In San Francisco, he said he would fight very hard against this."

The education assistant secretary said at the very time the GOP wants to reduce benefits for needy students, the U.S. Department of Education is encouraging changes in tax proposals instead.

"The future of our economy rests on our students being well educated," Longanecker stressed.

LOAN CHANGES, continued...

...tant to maintain student aid funding at current levels. The survey, conducted by national polling firm KRC Research & Consulting Inc., interviewed 1,000 American adults.

Now, higher education supporters are trying to make sure that Congress gets that message. Among the House members they're targeting is Charlotte's Sue Myrick, R-N.C., because she serves on the House Budget Committee.

Myrick signed the Contract with America that suggests student aid cuts, but she wants to hold off commenting on the issue "until she can review the specific proposal" when it comes to the Budget Committee, said J.T. Taylor, Myrick's administrative aide.

While higher education leaders are working to sway Congress, students are trying to do the same.

In Charleston and Columbia last month, hundreds of college students from across the state organized to protest the proposed cuts.

At Catawba College in Salisbury, administrators have sent a memo to students that outlines the proposed cuts and suggests they make their views known to Congress.

And Tolsma, along with other Duke student leaders, is urging classmates to sign petitions, and some plan to visit Washington to lobby their representatives. They're concentrating their efforts on saving the loan interest exemption.

Not all students are complaining.

Matt Heikes, chairman of the College Republicans at the University of Minnesota, said the proposal simply asks students to assume their fair share of the pain in reducing the federal deficit.

The proposal "would add to (students') short-term debt," Heikes said, "but if we don't lower the deficit, the taxes we'd have to pay in the long run would far outweigh our additional (loan) costs."

□□□

Knight-Ridder Newspapers contributed to this article.

Who to contact?

The committee considering the federal subsidy program:
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Washington Times, March 10, 1995. P. 6

Stanford gives up on speech code

PALO ALTO, Calif. — Stanford University will not appeal a court's ruling that strikes down its ban on certain types of "hate speech," school President Gerhard Casper said yesterday.

Santa Clara County Superior Court Judge Peter Stone ruled Feb. 27 that the university's speech code violated a state law extending First Amendment free-speech protections to students at nonreligious private institutions of higher learning.

The code prohibited students from making inflammatory statements based on a fellow student's race, sex, handicap, religion or sexual orientation.

Lawyers for Stanford defended the code as a legitimate ban on "fighting words" and said the state had no jurisdiction because Stanford is a private university.

CHARLOTTE OBSERVER, March 10, 1995 p. 1
(Best Copy Available)

Students see red over loan changes

Plan cuts interest subsidies

By PAM KELLEY
Staff Writer

From Charleston to Durham, students are rallying against a Republican plan calling for deep cuts to federal college loan programs.

The proposal now before the House Economic and Educational Opportunity Committee would eliminate federal subsidies that pay the interest on student loans while students are in college.

Under the plan, the interest on the loan would begin accruing while the student was still in college. Students could either begin repaying while still enrolled or wait until after graduation.

The subsidies resulting from the present interest exemption will cost the federal government $2.2 billion this year. Eliminating the subsidies would help reduce the federal deficit and rein in government spending, supporters of the proposal say.

It would also sharply increase the debt load of the more than 4.5 million college students who borrow money under the federal loan-subsidy program.

Students and campus administrators argue that cuts will harm students, families and the country's future. Nearly half of all college students take out loans to pay for their education. Last year, students around the country borrowed about $23 billion.

"Where (the loan program) affects students the most are students like me, who are in the middle," says Duke student government president John Tolsma, a senior from Houston. "We don't qualify for tons of aid, but we have the ability to take out loans."

Both Tolsma and his brother attend Duke, which costs about $25,000 a year. "It's really a stretch for my family to have us both here." Without the benefit of the student-loan interest exemption, he says, they both might not have been able to attend.

Students aren't charged interest on federal Stafford loans until six months after graduation.

Under the proposed change, interest would accumulate while they're in school, and be added to their payment after graduation.

Now, a student who borrows the maximum for four years at 8% interest would owe $17,125 upon graduation, according to estimates by the American Council on Education, a Washington-based advocacy group. Without the interest exemption, that figure would rise to $20,532, and monthly payments would rise from $205 to $246.

For a typical graduate student who borrows the maximum $51,125 over eight years, the loss of the government subsidy would add $17,325 to the student's overall loan payments.

Along with axing the interest exemption, Congress is also contemplating abolishing three campus-based aid programs — Federal Work-Study, Perkins Loans and Supplementary Educational Opportunity Grants.

In total, the aid cuts would save the nation more than $20 billion over five years. But critics of the plan worry that increasing students' debt load could limit educational opportunities.

In the wake of November's Republican landslide elections, about 40 national higher education organizations formed the Alliance to Save Student Aid, to fight the student aid cuts proposed in the GOP's Contract with America.

As part of their effort, they commissioned a public opinion poll that found federal student aid "ranks right up there with Social Security as an area of the budget that people don't want cut," says David Merkowitz, spokesman for the American Council on Education.

In the opinion poll, 89% of the respondents believed it was impor-

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UNITED STATES DEPARTMENT OF EDUCATION

RICHARD W. RILEY
U.S. SECRETARY OF EDUCATION
BIOGRAPHICAL SKETCH

The soft-spoken but accomplished Secretary of Education, Richard Wilson Riley, has been praised widely for his role in recent progress in American education. For those who follow education and politics, Secretary Riley's success is not surprising. Riley's nomination in December, 1992 received unequivocal support and he was unanimously confirmed a month later immediately following the President's inauguration. Syndicated columnist David Broder wrote that "probably the best thing the president has done for education is to pick his old friend, former South Carolina governor Richard Riley, as the secretary of education." Broder called Riley one of the "most decent and honorable people in public life."

President Clinton chose Secretary Riley for the post so that Riley could help work the same kind of education reform on a national scale that he did as a two-term Governor of South Carolina, where he spearheaded a comprehensive and highly successful reform of that state's school system. It was an endeavor that most informed observers at the time considered to be an impossible task, but which Riley accomplished by bringing together a coalition of groups, including business people, educators, and parents.

Riley's work as Secretary of Education has lived up to the high expectations. In just the first 21 months of the Clinton Administration, due in large part to the efforts of Secretary Riley and his ability to build bipartisan coalitions, President Clinton signed into law six groundbreaking education initiatives -- a cohesive set of programs that span from kindergarten through college. As one national newspaper editorialized, "the cause was helped by the persistence of the self-effacing education secretary, Richard Riley. The Cabinet member who is perhaps the quietest was also among the most effective."

These achievements include the expansion and streamlining of the college loan program while eliminating government waste and saving taxpayers billions of dollars; the creation of laws to help local school districts ensure that children can learn in safety and security; enactment of programs that develop links between schools and the work place so America's students will be better prepared for jobs of the future or continuing their education; the establishment of challenging standards for learning that every child can reach; and the redesign and improvement of the primary federal program for helping disadvantaged elementary and high school students.

These new and improved laws, along with initiatives developed by Riley, like the Family Involvement Partnership for Learning designed to get parents more involved in their children's education, offer positive solutions that are helping families and their children gain the control and the skills necessary to navigate today's challenges. Riley's work has helped to refocus the nation's attention in an area of growing importance and inspired new and creative thinking.

Riley was born in Greenville County, South Carolina on January 2, 1933. He graduated *cum laude* from Furman University in 1954, and served for two years as an officer on a minesweeper in the United States Navy. In 1959, Riley received a law degree from the University of South Carolina School of Law. He served as legal counsel to the Judiciary Committee of the United States Senate. He also served as a South Carolina state representative and state senator from 1963 to 1977. Riley was elected governor in 1978, and reelected in 1982, after the people of South Carolina voted to amend the state constitution to enable Riley to be the first person in modern South Carolina history to run for a second term. Riley is married to the former Ann Osteen Yarborough. They have four children and six grandchildren.

"The University of Michigan is proud to have been among the first 104 institutions to successfully implement the Federal Direct Student Loan program enacted by the Congress and the President on August 10, 1993. We are pleased to help shape this new initiative which will have a profound positive impact for years to come on the way students and families finance higher education."

James J. Duderstadt
President
University of Michigan

"Quite honestly, I was skeptical as to the Department of Education's abilities to deliver ...I am delighted to say that I have been proven wrong."

Mariko Gomez
Director, Student Financial Aid
Southwest Texas State University

"After two full quarters in the Ford Federal Direct Student Loan Program, the University of Washington is convinced that our early support for direct lending was more than justified. Earlier disbursement of Direct Loan proceeds resulted in other efficiencies at the UW. We saw a drop in the number of students requesting short-term emergency loans and we were able to process an ever increasing number of Stafford/PLUS loans with reductions in staffing. The Direct Loan Program works."

Judith Fingar
Chief Fiscal Officer
University of Washington

"Direct Loans has resulted in a 65 percent reduction in overtime at Rutgers and a 50 percent reduction in telephone calls from students with questions about their aid packages."

Stephen D. Rouff
Acting Financial Aid Director
Rutgers University

DIRECT LOANS

QUOTES

"It is rare that the federal government creates a program that both saves money and improves service to its constituents. Direct lending is such a program..."

Jerome H. Supple
President
Southwest Texas State University

"With our first year of experience in direct lending behind us, I can say confidently that this is a system that works. It is more efficient for us, far better for the students than the previous process and saves the taxpayers a significant amount of money."

John Van de Wetering
President
SUNY Brockport

"How do we measure the success or failure of our program? It's obvious. The students. Our students continue to praise the program for its simplicity and ability to provide loan funds to them in a short period of time. We had more loan funds available for students to use at registration than any time in the history of the University."

Dr. Daniel Davenport
Director
Admissions & Student
Financial Aid Services
University of Idaho

"While the full benefits of the program have not yet been realized, we can say that the University of Florida considers the Direct Loan Program to be an unqualified success. The process is easier for students and staff to understand, delivery is faster and much more efficient, and problem resolution is much, much easier."

Karen Fooks
Financial Aid Director
University of Florida

over

- ***Taxpayers save $6.8 billion*** by the year 2000 through the elimination of reinsurance fees and other subsidies paid to banks, secondary markets, and guarantee agencies under the FFEL program. These savings would increase to $12 billion under the President's proposal to accelerate the program.
- ***Schools have no greater liability*** when participating in Direct Loans than they do currently while participating in any other Title IV student financial aid program.
- ***Schools receive free software, training, and technical assistance.*** In addition, Direct Loan schools are not charged for their electronic transactions, including those related to obtaining student data through the Central Processing System. Toll-free numbers ensure that students and schools receive the help they need.
- ***Schools are paid an administrative fee per borrower***, depending on the level of responsibility the school assumes.

DIRECT LOANS

FACT SHEET

- *Students do not borrow from banks.* The Federal Government raises the loan funds through its regular Treasury bill auctions, and the Federal Government is the recipient of loan repayments.

- *The process is simpler for borrowers.* They do not submit a separate loan application to a bank. Instead, once they complete the Free Application for Federal Student Aid, that's it.

  Because borrowing is directly by the Federal Government, Direct Loans are never sold. Borrowers make a single loan payment to the Department of Education for the life of their loans. It's "One-Stop-Shopping" from loan application to payback.

- *Students don't wait in lines* to endorse bank checks because schools receive loan funds electronically from the Federal Government and disburse to students directly.

- *Students borrow only what they need* because they're confident that if they need more, the funds will be there quickly.

- *Borrowers have more flexible repayment options* with a Direct Loan Individual Education Account (IEA), including Income Contingent Repayment, and they can change options when they need to without a fee.

- *Schools do not wait for or process checks* from multiple lenders. Funds transfer electronically from a single source, the Federal Government, which means less processing time at the school, so there's more time for helping students, and better cash flow.

- *The Federal Family Education Loan (FFEL) Program is not a private program.* Taxpayers pay billions of dollars annually to lenders, guarantee agencies, secondary markets, and servicers in special allowances, administrative expense allowances, default claims, and interest benefits. Without these subsidies, private lenders would not participate.

over

DIRECT LOANS

TRUE/FALSE TEST

T ☑ F ☐ 1. ***Direct Loans provide "local control" to participating schools.***
Schools decide how much administrative responsibility they wish to assume, determine the division of work between financial aid and business offices, and decide how they carry out their day-to-day operations.

T ☑ F ☐ 2. ***There is no greater liability risk in participating in Direct Loans than there is in any other Title IV student financial aid program.***
The Department's Office of General Counsel has carefully researched this frequently-raised concern and determined that the liability for schools participating in Direct Loans is no greater than that which exists for schools participating in any other Title IV student financial aid program. A detailed written opinion on this issue is available from the Direct Loan Task Force.

T ☐ F ☑ 3. ***Direct Loan Schools have to hire additional staff and incur major costs in converting to a new way of operating.***
Virtually none of the Direct Loan schools participating in the program's first year report having added staff in either the financial aid or the business office. Most schools that plan to add staff in the future reported understaffing before joining Direct Loans.

Most schools report minimal equipment purchases, typically for a new PC or high speed printer. Although some Direct Loan schools chose to upgrade their entire systems, involving significant sums, these onetime purchases were long planned for and driven by the need for improvements in both their financial aid and business office operations regardless of their Direct Loan participation.

T ☐ F ☑ 4. ***Schools have to assume many duties such as credit checks, collections, and loan servicing previously performed by banks.***
Under Direct Loans, the Department of Education, through contracts with private companies, performs credit checks on PLUS borrowers, services, and collects all loans. Schools bear no responsibility or cost for these duties.

T ☑ F ☐ 5. ***Cashflow at institutions is greatly improved under the Direct Loan Program.***
The 1994-95 Direct Loan participants report that institutions and therefore students were able to receive loan funds much earlier than ever before. Some institutions reported posting almost twice as many student accounts/receivables by the same point in the previous year. Most 1994-95 schools were able to either reduce or eliminate the need for short-term, emergency loans.

over

T F ☑ ☐ 6. ***Students borrow less under Direct Loans because they know they can get the funds they need quickly.***

Schools report that students borrow what they need rather than the maximum allowable. They understand that if they need additional money, they can get it quickly and easily with Direct Loans. They do not need to over borrow "just in case."

T F ☑ ☐ 7. ***Direct Loans is designed to reduce defaults by providing borrowers with better information, better service (with a single loan source) and flexibility throughout the life of the loan.***

Because FFELP loans are typically sold (sometimes several times) and most borrowers have several such loans, borrowers frequently report confusion about just where to send their loan payments, deferment forms, and requests for forbearance. Lack of service and responsiveness on the part of lenders, secondary markets, and loan servicers are the two problems most often reported by FFELP borrowers.

T F ☑ ☐ 8. ***The Department of Education provides Direct Loan schools with the assistance and support they need to successfully implement this program on their home campus.***

The Department is committed to providing the highest quality customer support and technical assistance to all participating schools, whether in their first year of the program or their fifth year. Software training, instructional materials, program information, and technical and program assistance, both on and off site, are provided free from the Department of Education.

T F ☐ ☑ 9. ***Direct Loans will create more "big government" as it takes over FFELP, a private program.***

FFELP is not a private program. Taxpayers pay billions of dollars annually to lenders, guarantee agencies, secondary markets, and servicers in the form of special allowances, administrative expense allowances, default claims, and interest benefits. Without these subsidies, private lenders would not participate. Not more than 350 permanent federal employees will have been hired for the Direct Loan Program by 1998. By that same time, however, the Department as a whole will have reduced its overall work force by 375. Workers are employed by companies under contract with the Department of Education to perform the majority of work for Direct Loans.

DIRECT LOANS

A HISTORY OF DIRECT LOANS

The William D. Ford Federal Direct Loan Program was initially authorized as a demonstration pilot by the Higher Education Amendments of 1992. The Student Loan Reform Act of 1993, a part of the Omnibus Budget Reconciliation Act of 1993, authorized that the program be implemented on a phased-in basis. Such a phase would be based on total guaranteed student loan volume: 5 percent in the first year, 1994-95; 40 percent in the second year, 1995-96; 50 percent in the third and fourth years, 1996-97 and 1997-98; and 60 percent in the fifth year, 1998-99. After the 1995-96 year, the loan volume percentages may be increased if institutional demand for participation is greater.

The Direct Loan Program is intended to redress many of the problems that have grown over the last 25 years with the existing Federal Family Educational Loan Program (FFELP), primarily its complexity for schools and borrowers and its cost to the taxpayer. In fact, as part of the Budget Reconciliation Act of 1993, Direct Loans are scored as estimated by CBO to save over $4.3 billion by FY 1998. The savings will increase to $6.8 billion by FY 2000. This savings is derived from the elimination of special allowances, administrative expense allowances, default claims, and interest benefits to lenders, guarantee agencies, secondary markets and servicers and the lower cost of funds made available by the government.

Direct Loans are simpler. There are only three players: the student, the school and the Department of Education. Students complete only one application, the Free Application for Federal Student Aid (FAFSA). There is no need for a separate loan application to a bank. The school determines how much a student will need to borrow and electronically transmits all the required loan information to the Department of Education. When the loan is approved, the student simply signs a promissory note and the school credits the student's tuition account.

The primary benefits to students are: they receive their loan funds much more quickly; and they know exactly who to contact for deferments and repayment or any questions they might have about their loan, because their loans will never be sold.

The benefits for schools are: greater control over the loan process by receiving the loan funds electronically; receiving tuition payments faster; and improving cashflow, a benefit for large schools as well as smaller ones.

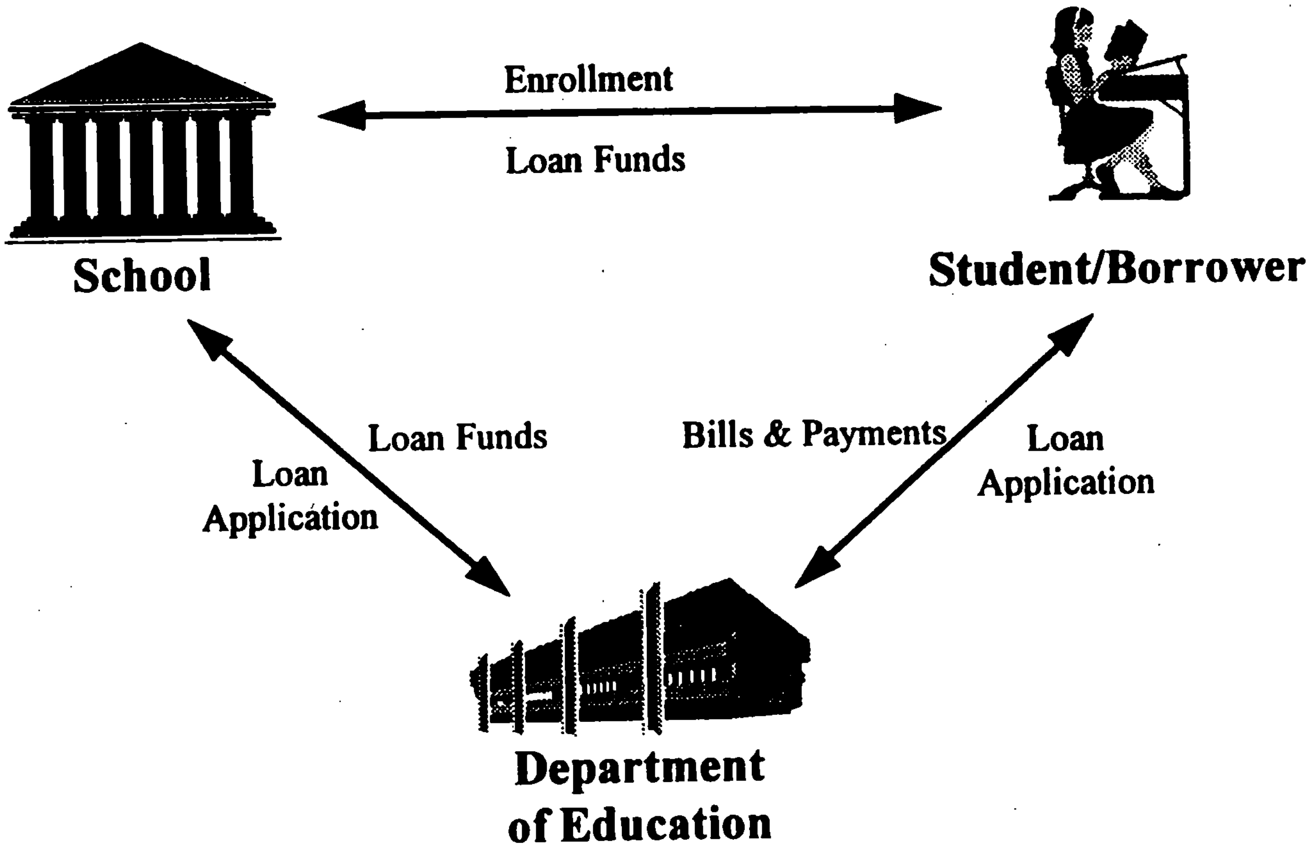
In the first year of the program 104 institutions participated. For the second year 1,495 institutions have been accepted into the program and are currently being trained. Second-year schools will begin making loans in July, 1995. Applications to participate in 1996-97 are now being accepted.

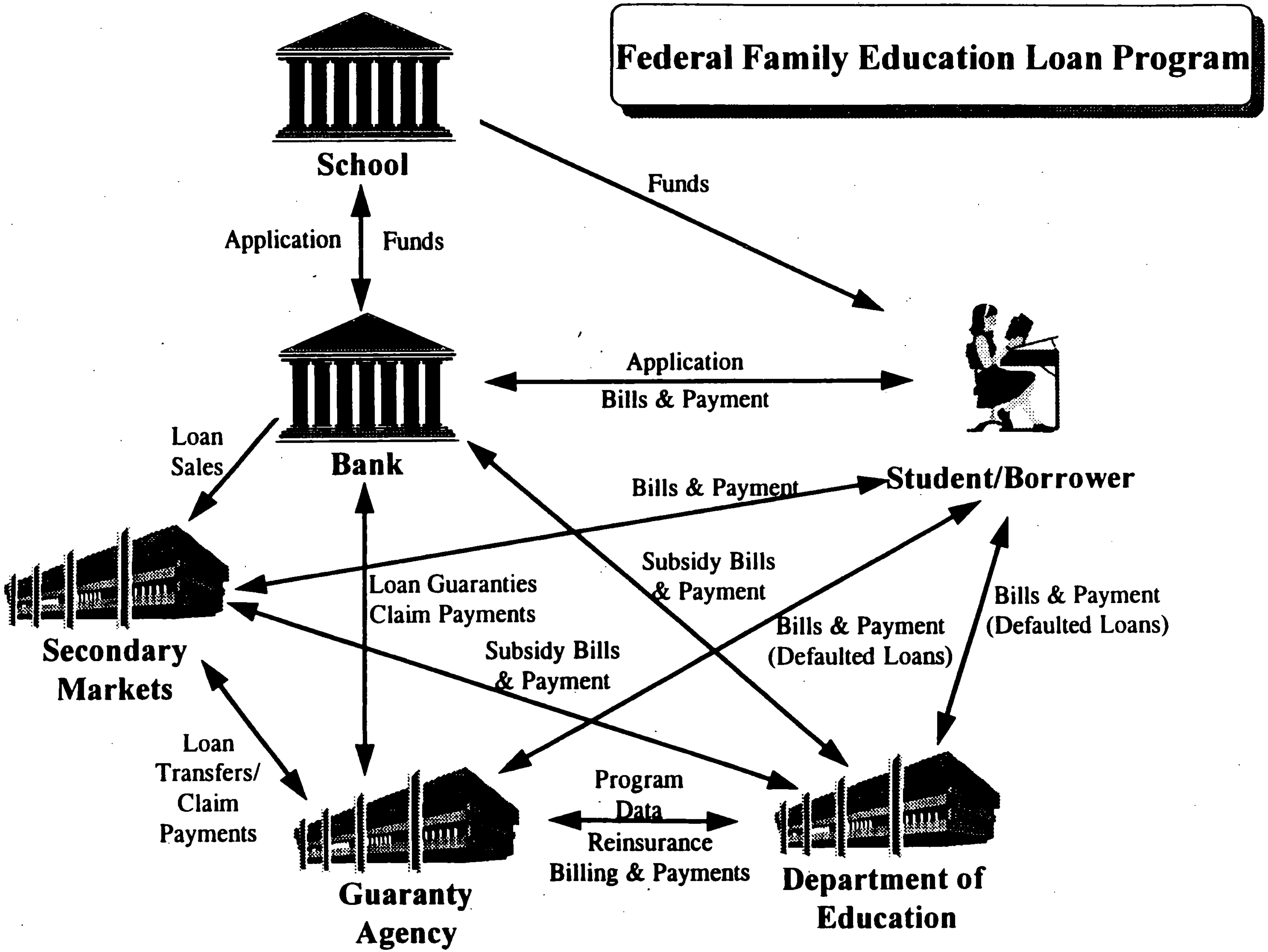
DIRECT LOANS

TIMELINE

7/23/92	Federal Direct Loan Demonstration Program established under provisions of the Higher Education Amendments of 1992 (P.L. 102-325).
8/10/93	Current Direct Loan Program authorized in Subtitle A Omnibus Reconciliation Act of 1993 (P.L. 103-66).
9/10/93	Secretary Riley publishes notice in Federal Register soliciting applications from schools for participation in Direct Loan Program. Over 1,100 schools respond.
12/28/93	Secretary Riley selects 104 schools (representing approximately 5% of the total Federal Family Education Loan (FFEL) Program loan volume) to participate in Direct Loan Program for Year One (academic year beginning July 1, 1994).
2/17/94	Secretary Riley invites applications from schools to participate in Direct Loan Program for Year Two (academic year beginning July 1, 1995).
7/1/94	First Federal Direct Loan made at West Virginia University.
10/20/94	Program renamed the William D. Ford Federal Direct Loan Program (P.L. 103-382).
11/30/94	Secretary Riley announces selection of 1,495 schools (representing approximately 40% of the total FFEL Program loan volume) to participate in Year Two.
1/95	Secretary Riley invites applications for participation in Year Three (academic year beginning July 1, 1996).
3/95	Secretary Riley announces first round of Year Three schools.

Federal Direct Student Loan Program




Federal Family Education Loan Program
School
Funds
Application
Funds
Bank
Application
Bills & Payment
Student/Borrower
Loan
Sales
Bills & Payment
Secondary
Markets
Loan Guaranties
Claim Payments
Subsidy Bills
& Payment
Subsidy Bills
& Payment
Bills & Payment
(Defaulted Loans)
Bills & Payment
(Defaulted Loans)
Loan
Transfers/
Claim
Payments
Program
Data
Reinsurance
Billing & Payments
Guaranty
Agency
Department of
Education

UNITED STATES
DEPARTMENT OF EDUCATION NEWS

FOR RELEASE —
February 14, 1995

Contact: Jane Glickman (202) 401-1307
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DIRECT LOANS WORK FOR STUDENTS, SCHOOLS AND TAXPAYERS

"Getting a student loan was easier than I ever imagined," says Jennifer Phillips, a graduate student at the John F. Kennedy School of Government at Harvard University.

"I didn't have to shop around to find a lender and wait for all the paperwork to be processed. Instead I went to the financial aid office to coordinate all my student financial aid. There's so much to be done when you're going to school, and this was one less important thing to worry about. It was a tremendous relief."

Students like Phillips -- and financial aid administrators across the country -- are praising the new William D. Ford Federal Direct Loan Program, which allows students to borrow directly from the federal government through their schools instead of through banks and other third-party lenders.

Schools cite a number of benefits to direct lending: it's simple, with less paperwork, less money spent on staff overtime and phone calls to lenders, and much quicker turn-around time for loan processing; improved cash flow; and flexibility to structure the loan program to fit their particular needs and capabilities.

"The program is so much simpler than the FFEL (Federal Family Education Loan) program that we've completed awarding aid to 800 more students this year than we did at the same time last year," said a financial aid administrator at SUNY-Brockport just a few weeks into the program.

-MORE-

And at the University of Idaho, the financial aid director said, "The biggest joy of direct lending is having the money ready for the students when they expect to receive it. Our students have definitely been the beneficiaries of better service."

The University of Florida pointed to other administrative benefits: "...a happier, more in-control financial aid staff who are better able to meet their customers' needs and an overall cash flow improvement for the school."

These are just some of the comments from the 104 colleges, universities and trade schools participating in the first year of the direct loan program. Beginning July 1, the total number of schools in the program will climb to about 1,400, or 40 percent of total loan volume, as set by law. More than 2 million students are expected to receive direct loans next year.

Benefits for students were summed up by University of Michigan President James J. Duderstadt, "With one-stop shopping, students have been able to obtain their loans in record time. By the end of the first month of school this year, there was a 43 percent increase over 1993 in loans originated and funds disbursed to students."

In addition to having loan money earlier in the school term to pay for books and other up-front expenses, students also report that they borrow less because it is now so easy and simple to obtain additional funds if needed compared to the hassle under the FFEL program.

Borrowers with direct loans also benefit when it's time to pay back their loans. They can open an Individual Education Account (IEA), giving them the option to repay their loan in one of four ways, to switch repayment plans as their financial situations change, and to assume more control over their finances and career choices.

-MORE-

The four repayment options are:

- **Pay-as-you-can or income contingent plan** -- monthly payments are based on a percentage of annual income, family size and loan amount, with payments rising and falling as income fluctuates.
- **Extended plan** -- monthly payments are a fixed amount over a period of 12 to 30 years, depending on loan amount.
- **Graduated plan** -- payments are lower initially and then increase every two years over a period of 12 to 30 years.
- **Standard plan** -- monthly payments are a fixed amount for up to 10 years.

Taxpayers also gain from direct lending. From the Student Loan Reform Act that created direct loans, the government expects to save an estimated $6.8 billion from FY 1995 to FY 2000 by eliminating unnecessary payments to lenders and taking advantage of the federal government's ability to borrow at a lower interest rate. The administration's FY 1996 budget proposes speeding-up the phase-in of direct loans to 100 percent of loan volume by academic year 1998, for an additional $5.2 billion savings ($12 billion total savings).

"We are determined to take the expense and confusion out of how students finance and pay for higher education," said U.S. Secretary of Education Richard W. Riley. "We're determined to make the loan process simple, easy and efficient, and it's working. Both schools and students recognize that direct lending accomplishes these goals -- and saves billions of dollars at the same time."

Last month, the Education Department held a meeting in New Orleans to provide schools who will begin direct lending in the 1995-96 school year with training and technical assistance to get the program up and running smoothly. Campus officials from the 104 schools that began direct lending this year also attended, sharing their start-up experiences and describing its advantages.

One benefit cited by many financial aid directors was the importance of being in control of their own programs and funds -- an impossibility in the guaranteed student loan program, which involves over 7,000 lenders, 42 guaranty agencies and more than 50 secondary markets. Assuming control of the loans, they said, means corrections and adjustments are easy to do and the whole process flows more smoothly.

"My staff is able to give one-on-one service to students to solve their problems immediately," said Otto Reyer, assistant vice chancellor at the University of California, Irvine. "There's no more waiting for checks or tracking down checks with 101 different lenders. We think direct lending is great -- but our students think it's even greater."

The financial aid director at Ohio University in Athens put it this way: "Direct loans put the students back where they belong -- at the center of this business. Our purpose is to provide the best service possible and to deliver financial aid in a timely manner. Go direct loans!"

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27E

PAGE: 1
2/03/95
2:09 pm

DIRECTORY OF SCHOOLS SELECTED FROM APPLICATIONS TO DIRECT LOAN PROGRAM 1995-96

NOTE: FIRST YEAR PARTICIPANTS DESIGNATED IN LAST COLUMN

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
001002	Alabama Agricultural &	Mechanical University	Normal	AL	35762	
001005	Alabama State University		Montgomery	AL	36101	
001008	Athens State College		Athens	AL	35611	
001009	Auburn University		Auburn	AL	36849	
008310	Auburn University Montgomery		Montgomery	AL	36117	
010193	Herzing Institute		Birmingham	AL	35205	
001020	Jacksonville State University		Jacksonville	AL	36265	
001022	Jefferson State Community	College	Birmingham	AL	35215	
001013	John C Calhoun State Community	College	Decatur	AL	35609	
001028	Miles College		Birmingham	AL	35208	
021804	New World College of Beauty		Anniston	AL	36202	
001037	Selma University		Selma	AL	36701	
026055	Southeast College of Technology		Mobile	AL	36609	
001041	Spring Hill College		Mobile	AL	36608	
001044	Stillman College		Tuscaloosa	AL	35403	
001047	Troy State University		Troy	AL	36082	
001050	Tuskegee University		Tuskegee	AL	36088	
001051	University of Alabama		Tuscaloosa	AL	35487	
001052	University of Alabama Birmingham		Birmingham	AL	35294	Y
001055	University of Alabama Huntsville		Huntsville	AL	35899	
001004	University of Montevallo		Montevallo	AL	35115	
001016	University of North Alabama		Florence	AL	35632	
001057	University of South Alabama		Mobile	AL	36688	
		# in AL:	23			
001087	Arkansas Baptist College		Little Rock	AR	72202	
012260	East Arkansas Community College		Forrest City	AR	72335	
001102	Ouachita Baptist University		Arkadelphia	AR	71923	
001103	Philander Smith College		Little Rock	AR	72203	
005732	Red River Technical College		Hope	AR	71801	Y
001085	University of Arkansas	Monticello	Monticello	AR	71655	
001086	University of Arkansas	Pine Bluff	Pine Bluff	AR	71601	
001092	University of Central Arkansas		Conway	AR	72032	
001106	Williams Baptist College		Walnut Ridge	AR	72476	

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
		# in AR:	9			
021749	Al Collins Graphic Design School		Tempe	AZ	85281	
008865	Allure Career College of Beauty		Tucson	AZ	85716	
012937	Allure Career College of Beauty		Scottsdale	AZ	85257	
025908	American Teller Schools of	Arizona	Phoenix	AZ	85013	
008864	Arizona Academy of Beauty		Tucson	AZ	85711	
011802	Arizona Academy of Beauty North		Tucson	AZ	85705	
010847	Arizona Automotive Institute		Glendale	AZ	85301	
022188	Arizona Institute of Business &	Technology	Phoenix	AZ	85019	
001081	Arizona State University		Tempe	AZ	85287	
001071	Arizona Western College		Yuma	AZ	85364	
024915	Art Center		Tucson	AZ	85716	
011570	Aztech College		Mesa	AZ	85202	
025590	CAD Institute		Phoenix	AZ	85040	Y
030769	Career Blazers Learning Center		Phoenix	AZ	85012	
030978	Carsten Institute of Hair And	Beauty	Tempe	AZ	85282	
007283	Central Arizona College		Coolidge	AZ	85228	
030722	Chandler Gilbert Community	College Center	Chandler	AZ	85225	
022805	Charles of Italy Beauty College		Lake Havasu City	AZ	86403	
025017	Charles of Italy Beauty College		Bullhead City	AZ	86442	
021005	Clinton Technical Institute		Phoenix	AZ	85027	
011808	College of Beauty Arts &	Sciences	Flagstaff	AZ	86001	
030344	Conservatory of Recording Arts	& Sciences	Phoenix	AZ	85014	
021733	Devoe College of Beauty		Sierra Vista	AZ	85635	
008303	Gateway Community College		Phoenix	AZ	85034	
022631	High Technical Institute		Phoenix	AZ	85014	
020712	Long Medical Institute		Phoenix	AZ	85017	
030812	Metropolitan College of Court	Reporting	Phoenix	AZ	85040	
030047	Mundus Institute		Phoenix	AZ	85014	
026025	Northern Arizona Institute of	Technology	Flagstaff	AZ	86001	
001082	Northern Arizona University		Flagstaff	AZ	86011	
022171	Pima Medical Institute		Tucson	AZ	85716	
011689	Refrigeration School		Phoenix	AZ	85034	
004467	Tucson College		Tucson	AZ	85710	

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
		# in AZ:	33			
007605	Academy Pacific Business &	Travel College	Los Angeles	CA	90028	
007531	Academy of Art College		San Francisco	CA	94102	
030987	Academy of Court Reporting		La Mesa	CA	91942	
023276	Advertising Arts College		San Diego	CA	92121	
022586	Alameda Beauty College		Alameda	CA	94501	
022823	Alhambra Beauty College		Alhambra	CA	91801	
020577	Almaden Beauty College		San Jose	CA	95123	
007196	Ambassador Beauty College		Burbank	CA	91505	
022418	American Career College		Los Angeles	CA	90004	
025594	American Career College		Santa Ana	CA	92705	
025891	American College of Business		North Hollywood	CA	91602	
023063	Andon College of Modesto		Modesto	CA	95354	
025956	Asian American International	Beauty College	Garden Grove	CA	92644	
025198	Avance Beauty College		San Diego	CA	92154	
025434	Brownson Technical School		Anaheim	CA	92805	
007164	Bryan College of Court Reporting		Los Angeles	CA	90057	Y
023519	California Academy of	Merchandising and Design	Sacramento	CA	95825	Y
001127	California College of Arts &	Crafts	Oakland	CA	94618	
020864	California Cosmetology College	San Jose	San Jose	CA	95127	
022202	California Culinary Academy		San Francisco	CA	94102	
001131	California Institute of	Technology	Pasadena	CA	91125	Y
001133	California Lutheran University		Thousand Oaks	CA	91360	
026196	California Nannie College		Sacramento	CA	95825	
021125	California School of Court	Reporting	Santa Ana	CA	92701	
030695	California School of Court	Reporting Riverside	Riverside	CA	92504	
007993	California State College	Bakersfield	Bakersfield	CA	93311	
001140	California State University	Los Angeles	Los Angeles	CA	90032	
001141	California State University	Dominguez Hills	Carson	CA	90747	
001146	California State University	Chico	Chico	CA	95929	
001150	California State University	Sacremento	Sacramento	CA	95819	
001153	California State University	Northridge	Northridge	CA	91330	
030113	California State University	San Marcos	San Marcos	CA	92069	
030854	Career West Academy		Chico	CA	95928	

2/03/95 SCHOOLS SELECTED TO DATE

2:09 pm FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
013075	Carmichael Beauty College		Carmichael	CA	95608	
006731	Casa Loma College		Sylmar	CA	91342	
026199	Catherine College		Panorama City	CA	91402	
023328	Center For Employment Training		San Jose	CA	95110	
030977	Central California School of	Continuing Education	San Luis Obispo	CA	93401	
001161	Cerritos College		Norwalk	CA	90650	
001162	Chabot College		Hayward	CA	94545	
007296	Coleman College		La Mesa	CA	92041	
022200	Colleen Ohara Beauty Academy		Orange	CA	92666	
006720	College of Alameda		Alameda	CA	94501	
009591	Computer Learning Center		Los Angeles	CA	90010	
030630	Computer Learning Center San	Jose	San Jose	CA	95113	
030642	Computer Learning Center of	Anaheim	Anaheim	CA	92806	
022770	Contempo School of Beauty		Inglewood	CA	90301	
001190	Contra Costa College		San Pablo	CA	94806	
001192	Cuesta Community College		San Luis Obispo	CA	93403	
001193	Cypress College		Cypress	CA	90630	
030196	DMC Automotive Training School		Placentia	CA	92670	
022980	Design Institute of San Diego		San Diego	CA	92121	
007246	Dons Beauty School		San Mateo	CA	94401	
008868	Dons Beauty School		Oakland	CA	94612	
001197	El Camino College		Torrance	CA	90506	
020912	Elegance International		Los Angeles	CA	90010	
020549	Elegante Beauty College		Laguna Hills	CA	92653	
012651	Elegante School of Hair Design		La Puente	CA	91744	
030944	Elite Progressive School of	Cosmetology	Sacramento	CA	95841	
026090	Emperors College of Traditional	Oriental Medicine	Santa Monica	CA	90403	
009032	Empire College		Santa Rosa	CA	95403	
021261	Estelle Harman Actors Workshop		Los Angeles	CA	90036	
030276	Exxel College of Business		Los Angeles	CA	90010	
008597	Feather River Community College	District	Quincy	CA	95971	
007214	Federico Colleges of Hairstyling		Sacramento	CA	95822	
007253	Federico Colleges of Hairstyling		Sacramento	CA	95825	
001199	Foothill College Foothill Deanza	Community College District	Los Altos	CA	94022	
022309	Fredrick & Charles Beauty	College	Eureka	CA	95501	

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
030675	Fresno Institute of Technology		Fresno	CA	93728	
001201	Fullerton College		Fullerton	CA	92634	
022996	Gino Robair Beauty College		Riverside	CA	92504	
023385	Glendale Career College		Glendale	CA	91201	
001206	Golden West College		Huntington Beach	CA	92647	
001211	Heald Business College		San Jose	CA	95130	
007234	Heald Business College		San Francisco	CA	94103	
007477	Heald Business College		Rancho Cordova	CA	95670	
008532	Heald Business College		Hayward	CA	94545	
020798	Heald Business College		Concord	CA	94520	
022623	Heald Business College		Santa Rosa	CA	95403	
030340	Heald Business College		Salinas	CA	93901	
001210	Heald Institute of Technology		San Francisco	CA	94134	
021875	Heald Institute of Technology		Martinez	CA	94553	
025929	Heald Institute of Technology		Hayward	CA	94545	
025931	Heald Institute of Technology		Sacramento	CA	95821	
025932	Heald Institute of Technology		San Jose	CA	95130	
022851	Hilltop Beauty School		Daly City	CA	94014	
024960	Huntington College of Dental	Technology	Huntington Beach	CA	92647	
025459	Hypnosis Motivation Institute		Tarzana	CA	91356	
021209	ITT Technical Institute		Sacramento	CA	95827	
021283	Institute For Business &	Technology	Santa Clara	CA	95050	
022676	Institute of Transpersonal	Psychology	Palo Alto	CA	94303	
025203	Interior Designers Institute		Newport Beach	CA	92660	Y
030622	International Business Institute		Lake Forest	CA	90802	
021168	Irvine College of Business		Irvine	CA	92714	
012026	Je Boutique College of Beauty		El Cajon	CA	92021	
025611	Jewelry Technical Institute		Garden Grove	CA	92641	
009268	Kelsey Jenney College		San Diego	CA	92101	
021501	Kristofers School of Beauty		Santa Barbara	CA	93101	
001266	Laney College		Oakland	CA	94607	
030357	Las Positas College		Livermore	CA	94550	
001217	Lassen College		Susanville	CA	96130	
012551	Laurel Beauty Academy		North Hollywood	CA	91606	
024948	Lola Beauty College		Garden Grove	CA	92641	

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
001219	Long Beach Community College	District Long Beach City C	Long Beach	CA	90808	
001223	Los Angeles City College		Los Angeles	CA	90029	
001224	Los Angeles Harbor College		Wilmington	CA	90744	
012550	Los Angeles Mission College		Sylmar	CA	91342	
001226	Los Angeles Pierce College		Woodland Hills	CA	91371	
007047	Los Angeles Southwest College		Los Angeles	CA	90047	
001228	Los Angeles Valley College		Van Nuys	CA	91401	
025196	MTI College		Orange	CA	92668	
012912	MTI Western Business College		Sacramento	CA	95841	
022086	Madera Beauty College		Madera	CA	93637	
012316	Manchester Beauty College		Fresno	CA	93726	
020917	Maric College of Medical	Careers	San Diego	CA	92120	
025490	Maric College of Medical Careers		San Marcos	CA	92067	
022047	Marin Beauty College		San Rafael	CA	94901	
007210	Marinello School of Beauty		Reseda	CA	91335	
007219	Marinello School of Beauty		San Bernardino	CA	92401	
007226	Marinello School of Beauty		San Diego	CA	92103	
007456	Marinello School of Beauty		Buena Park	CA	90620	
007457	Marinello School of Beauty		Inglewood	CA	90301	
007458	Marinello School of Beauty		Santa Ana	CA	92701	
008981	Marinello School of Beauty		Whittier	CA	90601	
010768	Marinello School of Beauty		Ontario	CA	91764	
007148	Marinello Schools of Beauty		Los Angeles	CA	90036	
013220	Milpitas Beauty College		Milpitas	CA	95035	
025012	Milpitas Electrolysis &	Thermolysis College	Milpitas	CA	95035	
023387	Miss Martys School of Beauty &	Hairstyling	San Francisco	CA	94108	
021191	Mission College		Santa Clara	CA	95054	
012445	Modern Beauty Academy		Los Angeles	CA	90022	
025391	Modern Technology School of	X-Ray	North Hollywood	CA	91606	Y
023458	Montebello Beauty College		Montebello	CA	90640	
013078	Monterey Academy of Hair Design		San Jose	CA	95113	
022057	Moro Beauty College		Glendale	CA	91203	
001245	Mt San Antonio College		Walnut	CA	91789	
001247	Napa Valley College		Napa	CA	94558	
011107	National Education Center	Bryman Campus	Orangem	CA	92668	

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
011460	National University		San Diego	CA	92108	
030245	Nationwide Beauty College		Pomona	CA	91766	
025842	Newbridge College		Tustin	CA	92680	
011707	North West College of Medical &	Dental Assistants	West Covina	CA	91790	
012872	Northwest College of Medical &	Dental Assistants	Pomona	CA	91768	
001250	Orange Coast College		Costa Mesa	CA	92626	
025372	Palomar Institute of Cosmetology		San Marcos	CA	92069	
001261	Pasadena City College		Pasadena	CA	91106	
004490	Patten College		Oakland	CA	94601	
026203	Platt College		Newport Beach	CA	92660	
026240	Platt College		Ontario	CA	91764	
030399	Platt College		Cerritos	CA	90701	
030400	Platt College		San Francisco	CA	94105	
030627	Platt College		Los Angeles	CA	90041	
023434	Poway Academy of Hair Design		Poway	CA	92064	
012984	Professional Institute of Beauty		El Monte	CA	91731	
001269	Rio Hondo Junior College		Whittier	CA	90601	
012942	Rosemead Beauty School		Rosemead	CA	91770	
001273	San Diego City College		San Diego	CA	92101	
001275	San Diego Mesa College		San Diego	CA	92111	
011820	San Diego Miramar College		San Diego	CA	92126	
001151	San Diego State University		San Diego	CA	92182	
007229	San Fernando Beauty Academy		Sylmar	CA	91342	
001154	San Francisco State University		San Francisco	CA	94132	
001279	San Francisco Theological	Seminary	San Anselmo	CA	94960	
021419	San Gorgonio Beauty College		Banning	CA	92220	
001280	San Joaquin Delta College		Stockton	CA	95207	
021207	San Joaquin Valley College		Visalia	CA	93291	
023135	San Joaquin Valley College of	Medical & Dental Career	Bakersfield	CA	93309	
007245	San Jose Beauty College		San Jose	CA	95126	
009989	Santa Barbara Business College		Santa Barbara	CA	93111	
025779	Santa Barbara Business College		Bakersfield	CA	93309	
025780	Santa Barbara Business College		Santa Maria	CA	93454	
030727	Santa Barbara Business College		Fremont	CA	94536	
001285	Santa Barbara City College		Santa Barbara	CA	93109	

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
001326	Santa Clara University		Santa Clara	CA	95053	
020511	Santa Maria Beauty College		Santa Maria	CA	93454	
001287	Santa Rosa Junior College		Santa Rosa	CA	95401	
021884	Sierra Valley Business College		Fresno	CA	93726	
030693	Silicon Valley College		Fremont	CA	94538	
001156	Sonoma State University		Rohnert Park	CA	94928	
026089	Sound Masters Recording	Engineering Schools Audio	North Hollywood	CA	91601	
025973	South Baylo University		Garden Grove	CA	92641	
022774	South Coast College of Court	Reporting	Anaheim	CA	92806	
030144	Southern California College of	Business & Law	Brea	CA	92621	
030445	Southern California College of	Court Reporting	Anaheim	CA	92805	
001294	Southwestern College		Chula Vista	CA	91910	
024973	Trinity Business College		San Francisco	CA	94107	
030535	Universal Computing Institute		Reseda	CA	91335	
001312	University of California	Berkeley	Berkeley	CA	94720	
001316	University of California	Riverside	Riverside	CA	92521	
001320	University of California	Santa Barbara	Santa Barbara	CA	93106	
001321	University of California	Santa Cruz	Santa Cruz	CA	95064	
001313	University of California Davis		Davis	CA	95616	
001314	University of California Irvine		Irvine	CA	92717	Y
001329	University of Pacific		Stockton	CA	95211	
001325	University of San Francisco		San Francisco	CA	94117	
001328	University of Southern	California	Los Angeles	CA	90089	
009890	Valley Commerical College		Modesto	CA	95354	
021282	Victor Valley Beauty College		Victorville	CA	92392	
001335	Victor Valley College		Victorville	CA	92392	
020932	Watterson College		Oxnard	CA	93030	
020578	Waynes College of Beauty		Watsonville	CA	95076	
001176	West Hills Community College		Coalinga	CA	93210	
008596	West Los Angeles College		Culver City	CA	90230	
001338	West Valley Joint Community	College District	Saratoga	CA	95070	
030623	Westech College		Pomona	CA	91766	
023180	Western Beauty College		Los Angeles	CA	90005	
009748	Western Career College		Sacramento	CA	95826	
013081	Westgate Beauty College		San Jose	CA	95129	

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
		# in CA: 208				
007582	Aims College		Greeley	CO	80632	
021590	American Diesel & Automotive	College	Denver	CO	80223	
021713	Americana Academy of Beauty #6		Alamosa	CO	81101	
004504	Barnes Business College		Denver	CO	80226	
007297	Colorado Aero Technology		Broomfield	CO	80020	Y
021321	Colorado Beauty College III		Canon City	CO	81212	
020789	Colorado Institute of Art		Denver	CO	80203	
004506	Colorado Mountain Junior College	District	Glenwood Springs	CO	81601	
011572	Colorado School of Trades		Lakewood	CO	80215	
030278	Colorado School of Travel		Lakewood	CO	80215	
001350	Colorado State University		Ft Collins	CO	80523	Y
009542	Community College of Denver		Denver	CO	80217	
007548	Denver Institute of Technology		Denver	CO	80221	
021676	Denver Paralegal Institute		Denver	CO	80202	
007648	Denver Technical College		Denver	CO	80224	
022675	Glenwood Beauty Academy		Glenwood Springs	CO	81601	
025901	Hair Dynamics Education Center	II	Littleton	CO	80121	
001354	Iliff School of Theology		Denver	CO	80210	
001358	Mesa State College		Grand Junction	CO	81502	
009981	Morgan Community College		Ft Morgan	CO	80701	
008635	PPI Health Careers School		Colorado Springs	CO	80909	
011291	Penrose Hospital School of	Medical Technology	Colorado Springs	CO	80933	
022462	Penrose Hospital School of	Histologic Technique	Colorado Springs	CO	80933	
022958	Penrose Hospital School of	Diagnostic Medical Sonogra	Colorado Springs	CO	80933	
030149	Platt College		Aurora	CO	80014	
001363	Regis University		Denver	CO	80221	
007649	Rocky Mountain College of Art &	Design	Denver	CO	80224	Y
022537	Technical Trades Institute		Colorado Springs	CO	80909	
030669	Technical Trades Institute		Grand Junction	CO	81506	
001370	University of Colorado Boulder		Boulder	CO	80309	Y
004508	University of Colorado Health	Sciences Center	Denver	CO	80220	
001371	University of Denver Colorado	Seminary	Denver	CO	80203	
001365	University of Southern Colorado		Pueblo	CO	81001	

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
001372	Western State College of	Colorado	Gunnison	CO	81230	
		# in CO:	34			
001374	Albertus Magnus College		New Haven	CT	06511	
022288	Baran Institute of Technology		Windsor	CT	06095	
020740	Branford Hall School of Business		Branford	CT	06405	
001378	Central Connecticut State	University	New Britain	CT	06050	
010887	Connecticut Business Institute		Stratford	CT	06497	
021344	Connecticut Institute of Art		Greenwich	CT	06830	Y
022449	Data Institute		East Hartford	CT	06108	
002804	Hartford Graduate Center		Hartford	CT	06120	
021066	Hartford Secretarial School		Hartford	CT	06105	
030948	Industrial Management & Training	Institute	Waterbury	CT	06706	
012913	Leon Institute of Hair Design		Bridgeport	CT	06604	
001394	Morse School of Business		Hartford	CT	06103	
007303	New England Technical Institute	of Connecticut	New Britain	CT	06051	Y
010779	Porter & Chester Institute		Stratford	CT	06497	
012289	Sampieri School of Hair Design		Waterbury	CT	06705	
012425	Stone Academy		Hamden	CT	06514	
001414	Trinity College		Hartford	CT	06106	
001380	Western Connecticut State	College	Danbury	CT	06810	Y
		# in CT:	18			
001434	American University		Washington	DC	20016	Y
001444	George Washington University		Washington	DC	20052	
001448	Howard University		Washington	DC	20059	
001441	University of The District of	Columbia	Washington	DC	20008	Y
		# in DC:	4			
001428	Delaware State College		Dover	DE	19901	
021449	Delaware Technical & Community	College Stanton Wilmington	Newark	DE	19711	Y
021904	Schilling Douglas School of	Hair Design	Newark	DE	19711	
001431	University of Delaware		Newark	DE	19716	
		# in DE:	4			

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SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
010195	Art Institute of Ft Lauderdale		Ft Lauderdale	FL	33316	
001467	Bethune Cookman College		Daytona Beach	FL	32015	
030716	Business & Technology Institute		Miami	FL	33125	
030963	Business Training Institute of	Lakeland	Lakeland	FL	33813	
026146	Career Center		West Palm Beach	FL	33407	
001471	Central Florida Community	College	Ocala	FL	32678	
001480	Florida Agricultural &	Mechanical University	Tallahassee	FL	32307	Y
030086	Florida Institute of Massage	Therapy	Lauderhill	FL	33351	
001486	Florida Memorial College		Miami	FL	33146	
023384	Ft Pierce Beauty Academy		Ft Pierce	FL	34982	
030880	Hi Technicians School of Miami		Miami	FL	33174	
030799	Institute of Specialized	Training & Management	Casselberry	FL	32707	
030375	International College		Naples	FL	33962	
008878	International Fine Arts College		Miami	FL	33132	
021519	Keiser College of Technology		Ft Lauderdale	FL	33309	Y
025732	La Belle Beauty Academy		Miami	FL	33135	
025971	Labaron Hairdressing Academy		Ft Myers	FL	33907	
001501	Lake City Community College		Lake City	FL	32055	
030359	National Aviation Academy		Clearwater	FL	34622	
022808	New England Institute of	Technology Palm Beach	West Palm Beach	FL	33407	
008849	Palm Beach Atlantic College		West Palm Beach	FL	33401	
030849	Pompano Academy of Aeronautics		Pompano Beach	FL	33060	
030266	Recreational Vehicle Service	Academy	Sarasota	FL	34232	
030000	Reese Institute School of	Massage Therapy	Oviedo	FL	32765	
001515	Rollins College		Winter Park	FL	32789	
001519	Santa Fe Community College		Gainesville	FL	32606	
025862	Segal Institute of Court	Reporting	Clearwater	FL	34624	
023342	Southeastern Academy		Kissimmee	FL	32742	Y
010035	Southern College		Orlando	FL	32807	
023269	Sunstate Academy of Hair Design		Port Charlotte	FL	33948	
023268	Sunstate College of Hair Design		Sarasota	FL	33583	
030542	Technical Career Institute		Miami	FL	33125	
001535	University of Florida		Gainesville	FL	32611	Y
003955	University of West Florida		Pensacola	FL	32505	
030032	Ward Stone College		Miami	FL	33186	

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SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
		# in FL:	35			
025027	Advanced Career Training		Atlanta	GA	30329	
001544	Albany State College		Albany	GA	31705	
021136	American College For The Applied	Arts	Atlanta	GA	30326	
009270	Art Institute of Atlanta		Atlanta	GA	30326	
026214	Asher School of Business		Norcross	GA	30071	
001547	Atlanta Christian College		East Point	GA	30344	
011574	Bauder College		Atlanta	GA	30326	
001554	Berry College		Rome	GA	30149	
001559	Clark Atlanta University		Atlanta	GA	30314	
030906	Cobb Beauty College		Kennesaw	GA	30144	
001561	Columbus College		Columbus	GA	31993	
001543	Darton College		Albany	GA	31707	
009224	Devry Institute of Technology		Decatur	GA	30030	
001566	Fort Valley State College		Ft Valley	GA	31030	
001602	Georgia College		Milledgeville	GA	31061	
030891	Georgia Institute of Cosmetology		Athens	GA	30605	
001569	Georgia Institute of Technology		Atlanta	GA	30332	
001572	Georgia Southern University		Statesboro	GA	30460	
001574	Georgia State University		Atlanta	GA	30303	Y
025830	Gwinnett College of Business		Lilburn	GA	30247	Y
001568	Interdenominational Theological	Center	Atlanta	GA	30314	
025200	International School of Skin &	Nailcare	Atlanta	GA	30342	
001577	Kennesaw State College		Marietta	GA	30061	
022053	Kerr Business College		La Grange	GA	30240	
020897	Massey Business College		Atlanta	GA	30308	
001580	Mercer University Main		Macon	GA	31207	
026052	Metropolitain School of Hair	Design	Stone Mountain	GA	30083	
001581	Middle Georgia College		Cochran	GA	31014	
001582	Morehouse College		Atlanta	GA	30314	
001583	Morris Brown College		Atlanta	GA	30314	
001587	Paine College		Augusta	GA	30910	
001588	Piedmont College		Demorest	GA	30535	
022172	Portfolio Center		Atlanta	GA	30309	

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SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
021415	Savannah College of Art & Design		Savannah	GA	31401	
001590	Savannah State College		Savannah	GA	31404	
001591	Shorter College		Rome	GA	30165	
013039	South College		Savannah	GA	31406	
001570	Southern College of Technology		Marietta	GA	30060	
025613	Total Image University of	Cosmetology	Griffin	GA	30223	
001598	University of Georgia		Athens	GA	30602	
001599	Valdosta State College		Valdosta	GA	31698	
001600	Wesleyan College		Macon	GA	31297	
001601	West Georgia College		Carrollton	GA	30118	
		# in GA:	43			
003935	University of Guam		Mangilao	GU	96923	
		# in GU:	1			
030178	Travel Institute of The Pacific		Honolulu	HI	96814	
		# in HI:	1			
030691	Allen College of Nursing		Waterloo	IA	50703	
004586	American Institute of Commerce		Davenport	IA	52807	
001847	Buena Vista College		Storm Lake	IA	50588	
026092	Business & Banking Institute		Des Moines	IA	50310	
007588	Capri Cosmetology College		Dubuque	IA	52001	
001850	Central University of Iowa		Pella	IA	50219	
001854	Coe College		Cedar Rapids	IA	52402	
007120	Des Moines Area Community	College	Ankeny	IA	50021	
022625	Faust Institute of Cosmetology		Storm Lake	IA	50588	Y
001866	Graceland College		Lamoni	IA	50140	
004220	Hamilton Business College		Cedar Rapids	IA	52404	
012064	Hamilton Technical College		Davenport	IA	52807	
004595	Hawkeye Community College		Waterloo	IA	50704	
008403	Indian Hills Community College		Ottumwa	IA	52501	
022258	Institute of Cosmetology Arts		Burlington	IA	52601	
008260	Iowa School of Beauty		Des Moines	IA	50322	
023069	Iowa School of Beauty		Ottumwa	IA	52501	

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
023309	Iowa School of Beauty		Marshalltown	IA	50158	
001869	Iowa State University of Sciency	& Technology	Ames	IA	50011	Y
004076	Kirkwood Community College		Cedar Rapids	IA	52406	
007659	La James College of Hairstyling		Mason City	IA	50401	
008424	La James College of Hairstyling		Ft Dodge	IA	50501	
009593	La James College of Hairstyling		Iowa City	IA	52240	
013006	La James College of Hairstyling	of Cedar Falls	Cedar Falls	IA	50613	
021320	La James College of Hairstyling		Waterloo	IA	50703	
021345	La James College of Hairstyling		Davenport	IA	52806	
022741	La James College of Hairstyling		Des Moines	IA	50322	
001874	Luther College		Decorah	IA	52101	
001875	Marshalltown Community College		Marshalltown	IA	50158	
001880	Mt Mercy College		Cedar Rapids	IA	52402	
001881	Mt St Clare College		Clinton	IA	52732	
001877	North Iowa Area Community	College	Mason City	IA	50401	
004587	Northeast Iowa Community College		Calmar	IA	52132	
021609	Professional Cosmetology	Institute	Ames	IA	50010	
001887	Simpson College		Indianola	IA	50125	
023288	Southwest Iowa Cosmetology	College	Shenandoah	IA	51601	
001857	Southwestern Community College		Creston	IA	50801	
007611	Stewart School of Hairstyling		Council Bluffs	IA	51503	
001891	University of Dubuque		Dubuque	IA	52001	
001892	University of Iowa		Iowa City	IA	52242	
001890	University of Northern Iowa		Cedar Falls	IA	50614	
001895	Waldorf College		Forest City	IA	50436	
		# in IA:	42			
001616	Boise State University		Boise	ID	83725	
001619	College of Southern Idaho		Twin Falls	ID	83303	
004553	ITT Technical Institute		Boise	ID	83706	Y
001620	Idaho State University		Pocatello	ID	83209	
022758	Mr Leons School of Hair Design		Moscow	ID	83843	
026071	New Images Academy of Beauty		Boise	ID	83706	
001624	Northwest Nazarene College		Nampa	ID	83651	
001626	University of Idaho		Moscow	ID	83843	Y

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

in ID: 8

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
022641	Altamore School of Cosmetology	Inc	Machesney Park	IL	61111	
008328	Alvareitas College of	Cosmetology	Edwardsville	IL	62025	
023494	Alvareitas College of	Cosmetology	Godfrey	IL	62035	
021452	Arlington Academy		Arlington Heights	IL	60005	
001635	Barat College		Lake Forest	IL	60045	
023117	Belleville Barber College		Belleville	IL	62220	
001641	Bradley University		Peoria	IL	61625	Y
030653	Broadway Beauty School		Bradley	IL	60915	
030784	Cameo Beauty Academy		Oak Lawn	IL	60453	
013087	Capri Garfield Ridge School of	Beauty Culture	Chicago	IL	60638	
013088	Capri Oak Forest College of	Beauty Culture	Oak Forest	IL	60452	
001649	City College Chicago	Richard J Daley College	Chicago	IL	60652	
009455	Coiffure School of Cosmetology	Arts & Sciences	Belleville	IL	62220	
001664	College of St Francis		Joliet	IL	60435	
001665	Columbia College		Chicago	IL	60605	
023173	Concept College of Cosmetology		Danville	IL	61832	
001666	Concordia College		River Forest	IL	60305	
031018	Connecticut School of	Broadcasting	Lombard	IL	60148	
023522	Cooking & Hospitality Institute	of Chicago (The)	Chicago	IL	60610	
007549	Coyne American Institute		Chicago	IL	60614	
001671	DePaul University		Chicago	IL	60604	
010727	Devry Institute of Technology		Chicago	IL	60618	
022966	Devry Institute of Technology		Addison	IL	60101	Y
021506	Don Roberts Beauty School		Mchenry	IL	60050	
001674	Eastern Illinois University		Charleston	IL	61920	
008259	Educators of Beauty		Sterling	IL	61081	
009475	Educators of Beauty		La Salle	IL	61301	
001675	Elgin Community College District	#509	Elgin	IL	60123	
001676	Elmhurst College		Elmhurst	IL	60126	
025561	Environmental Technical	Institute	Itasca	IL	60143	
025228	Fox College		Oak Lawn	IL	60453	Y
009145	Governors State University		Park Forest	IL	60466	
001684	Greenville College		Greenville	IL	62246	

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
022612	Hair Professionals Academy of	Cosmetology	Streamwood	IL	60103	
023026	Hair Professionals Academy of	Cosmetology	Downers Grove	IL	60515	
024982	Hair Professionals Academy of	Cosmetology	Wheaton	IL	60187	
023322	Hair Professionals Career	College	De Kalb	IL	60115	
022621	Hair Professionals School of	Cosmetology	Oswego	IL	60543	
023024	Hair Professionals School of	Cosmetology	Aurora	IL	60505	
030792	Heartland School of Business		Jacksonville	IL	62650	
006753	Illinois Central College		East Peoria	IL	61635	
025877	Illinois Institute of	Cosmetology	Palos Hills	IL	60465	
001692	Illinois State University		Normal	IL	61761	
001705	Illinois Valley Community	College	Oglesby	IL	61348	
021603	International Academy of	Merchandising & Design	Chicago	IL	60602	
008076	John A Logan College		Carterville	IL	62918	
001699	Joliet Junior College		Joliet	IL	60436	
001700	Judson College		Elgin	IL	60123	
001704	Knox College		Galesburg	IL	61401	
001709	Lincoln College		Lincoln	IL	62656	
010316	Lincoln Technical Institute		Norridge	IL	60656	
023619	Lincoln Technical Institute		Oak Lawn	IL	60453	
022281	Mac Daniels Beauty School		Chicago	IL	60640	
001716	MacCormac College		Chicago	IL	60605	
001722	McKendree College		Lebanon	IL	62254	
024971	Medical Careers Institute		Chicago	IL	60603	
008880	Morrison Institute of Technology		Morrison	IL	61270	
021924	Mr Johns School of Cosmetology	of Decatur	Decatur	IL	62521	
001732	National College of	Chiropractics	Lombard	IL	60148	
025566	Niles School of Beauty Cutlure		Niles	IL	60648	
001737	Northern Illinois University		De Kalb	IL	60115	
012362	Northwestern Business College		Chicago	IL	60630	
030252	Nu Wave School of Hair Design		Waukegan	IL	60085	
030082	OIC Vocational Institute		Rockford	IL	61101	
022975	Oehrlein School of Cosmetology		East Peoria	IL	61611	
007118	Parkland College		Champaign	IL	61821	
008545	Rockford Business College		Rockford	IL	61103	
001749	Roosevelt University		Chicago	IL	60605	

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
030829	Rosel School of Cosmetology		Chicago	IL	60659	
030706	Sanford Brown College		Granite City	IL	62040	
007693	Shawnee College		Ullin	IL	62992	
001758	Southern Illinois University	Carbondale	Carbondale	IL	62901	
001759	Southern Illinois University	Edwardsville	Edwardsville	IL	62026	
006243	St Joseph College of Nursing		Joliet	IL	60435	
022964	Tyler School of Secretarial	Sciences	Chicago	IL	60652	
021244	Undergraduate School of	Cosmetology	Springfield	IL	62705	
001775	University of Illinois		Urbana	IL	61801	Y
001776	University of Illinois Chicago		Chicago	IL	60680	
001780	Western Illinois University		Macomb	IL	61455	
001655	Wilbur Wright College		Chicago	IL	60634	
003961	William Rainey Harper College		Palatine	IL	60067	
026182	Youngs Beauty School		Chicago	IL	60625	
		# in IL:	82			
023452	A Cut Above Beauty College		Greenwood	IN	46143	
001786	Ball State University		Muncie	IN	47306	
026158	College of Court Reporting		Hobart	IN	46342	
021032	Commonwealth Business College		Merrillville	IN	46410	
021588	Don Roberts Beauty School		Valparaiso	IN	46383	
021643	Don Roberts School of Hair	Design	Munster	IN	46321	
001793	Earlham College		Richmond	IN	47374	Y
001799	Goshen College		Goshen	IN	46526	
021584	Indiana Business College		Indianapolis	IN	46204	
025297	Indiana Cosmetology Academy		Jeffersonville	IN	47130	
026228	Indiana Cosmetology Academy		Bloomington	IN	47404	
001809	Indiana University Bloomington		Bloomington	IN	47405	
001816	Indiana University South Bend		South Bend	IN	46615	
007938	Lincoln Technical Institute		Indianapolis	IN	46202	
001820	Manchester College		North Manchester	IN	46962	
001821	Marian College		Indianapolis	IN	46222	
004583	Michiana College		South Bend	IN	46617	
010618	Mid America College of Funeral	Service	Jeffersonville	IN	47130	Y
022417	PJs College of Cosmetology		Clarksville	IN	47129	

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
023048	PJs College of Cosmetology		Richmond	IN	47374	
009777	Professional Careers Institute		Indianapolis	IN	46214	
020848	Ravenscroft Beauty College		Ft Wayne	IN	46805	
001830	Rose Hulman Institute of	Technology	Terre Haute	IN	47803	
001832	St Francis College		Ft Wayne	IN	46808	
001837	St Meinrad College		St Meinrad	IN	47577	
001839	Tri State University		Angola	IN	46703	
001842	Valparaiso University		Valparaiso	IN	46383	
010151	Vincennes Beauty College		Vincennes	IN	47591	
		# in IN:	28			
008682	Academy of Hair Design		Salina	KS	67401	
022049	American Academy of Hair Design		Topeka	KS	66611	
030662	Bryan Travel College		Topeka	KS	66604	
001909	Cloud County Community College		Concordia	KS	66901	Y
001911	Colby Community College		Colby	KS	67701	
001913	Dodge City Community College		Dodge City	KS	67801	
022577	Hays Academy of Hair Design		Hays	KS	67601	
001921	Highland Community College		Highland	KS	66035	
001923	Hutchinson Community College		Hutchinson	KS	67501	
008244	Johnson County Community College		Overland Park	KS	66210	
001928	Kansas State University	Agriculture & Applied Sci	Manhattan	KS	66506	
001929	Kansas Wesleyan University		Salina	KS	67401	
023407	Labaron Hairdressing Academy		Overland Park	KS	66204	
007032	Midamerica Nazarene College		Olathe	KS	66061	
005266	Northeast Kansas Area Vocational	Technical School	Atchison	KS	66002	
005268	Southeast Kansas Area Vocational	Technical School	Coffeyville	KS	67337	
001940	Southwestern College		Winfield	KS	67156	
030313	Superior School of Hairstyling		Olathe	KS	66061	
010461	Topeka Technical College		Topeka	KS	66618	
		# in KS:	19			
001990	Ashland Community College		Ashland	KY	41101	
030777	Computer Education Services		Louisville	KY	40203	
030708	Computer School		Lexington	KY	40504	

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
001991	Elizabethtown Community College		Elizabethtown	KY	42701	
022798	Etown Beauty School		Elizabethtown	KY	42701	
004617	Fugazzi Business College		Lexington	KY	40502	
001964	Georgetown College		Georgetown	KY	40324	
012914	Hair Design School		Louisville	KY	40218	
006962	Hazard Community College		Hazard	KY	41701	
030262	Heads West Kentucky Beauty	College	Madisonville	KY	42431	
001993	Henderson Community College		Henderson	KY	42420	
001994	Hopkinsville Community College		Hopkinsville	KY	42241	
006961	Jefferson Community College		Louisville	KY	40202	
010424	Kaufman Beauty School		Lexington	KY	40502	
024911	Kentucky Career Institute		Florence	KY	41022	Y
030828	Kentucky Career Institute		Louisville	KY	40207	
010489	Kentucky College of Business		Lexington	KY	40576	
001968	Kentucky State University		Frankfort	KY	40601	
001970	Lees College		Jackson	KY	41339	
009707	Lexington Community College		Lexington	KY	40506	
012088	Louisville Technical Institute		Louisville	KY	40232	
009010	Madisonville Community College		Madisonville	KY	40506	
006960	Maysville Community College		Maysville	KY	41056	
001976	Morehead State University		Morehead	KY	40351	
023184	New Image Careers		Corbin	KY	40701	
030292	Nu Tek Academy of Beauty		Mt Sterling	KY	40353	
009313	Owensboro Junior College of	Business	Owensboro	KY	42301	
023372	PJs College of Cosmetology		Bowling Green	KY	42101	
025511	PJs College of Cosmetology		Glasgow	KY	42141	
001979	Paducah Community College		Paducah	KY	42001	
001996	Prestonsburg Community College		Prestonsburg	KY	41653	
030360	School of Business And Banking		Louisville	KY	40213	
001997	Somerset Community College		Somerset	KY	42501	
001998	Southeast Community College		Cumberland	KY	40823	
004618	Spencerian College		Louisville	KY	40216	
004619	Sullivan College		Louisville	KY	40205	
002001	Thomas More College		Crestview Hills	KY	41017	
022629	Tri State Beauty Academy		Morehead	KY	40351	

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
001989	University of Kentucky		Lexington	KY	40506	
002002	Western Kentucky University		Bowling Green	KY	42101	
		# in KY:	40			
030614	Ascension College		Gonzales	LA	70737	
020555	Delta School of Business &	Technology	Lake Charles	LA	70601	
002004	Dillard University		New Orleans	LA	70122	
030112	Domestic Health Care Institute		Baton Rouge	LA	70808	
021661	Elaine P Nunez Community College		Chalmette	LA	70043	
025822	Guys Shreveport Academy of	Cosmetology	Shreveport	LA	71105	
021662	International Technicians	Institute	Baton Rouge	LA	70817	
025383	Louisiana Art Institute		Baton Rouge	LA	70806	
002008	Louisiana Technical University		Ruston	LA	71273	
030802	Louisiana Training Center		Sulphur	LA	70663	
002016	Loyola University New Orleans		New Orleans	LA	70118	
020651	R E T S Training Center		Metairie	LA	70002	
030615	Refrigeration School of	New Orleans	New Orleans	LA	70117	
002025	Southern University & A & M	College	Baton Rouge	LA	70813	
002026	Southern University New Orleans		New Orleans	LA	70126	
007686	Southern University Shreveport	Bossier	Shreveport	LA	71107	
002032	Xavier University of Louisiana		New Orleans	LA	70125	Y
		# in LA:	17			
002115	Amherst College		Amherst	MA	01002	Y
002119	Atlantic Union College		South Lancaster	MA	01561	
023382	Bay State School of Appliances		Canton	MA	02021	
002126	Berklee College of Music		Boston	MA	02215	
020922	Blaine Hair School		Lowell	MA	01852	
012921	Blaine The Hair & Beauty School		Boston	MA	02215	
020794	Blaine The Hair & Beauty School		Waltham	MA	02154	
002129	Boston Conservatory		Boston	MA	02215	
002130	Boston University		Boston	MA	02215	
002132	Bradford College		Haverhill	MA	01830	
002133	Brandeis University		Waltham	MA	02154	
002183	Bridgewater State College		Bridgewater	MA	02324	

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
002134	Burdett School		Boston	MA	02116	
002139	Clark University		Worcester	MA	01610	
002146	Emerson College		Boston	MA	02116	
002184	Fitchurg State College		Fitchburg	MA	01420	
002151	Franklin Institute of Boston		Boston	MA	02116	
005279	Greater Lowell Regional	Vocational Technical Schoo	Tyngsboro	MA	01879	
022151	Hallmark Institute of	Photography	Turners Falls	MA	01376	
004661	Hampshire College		Amherst	MA	01002	
002155	Harvard University		Cambridge	MA	02138	Y
023257	Labaron Hairdressing Academy		New Bedford	MA	02740	
023258	Labaron Hairdressing Academy	Brockton	Brockton	MA	02401	
009129	Learning Institute For Beauty	Sciences	Malden	MA	02148	
012414	Learning Institute For Beauty	Sciences	Worcester	MA	01608	
012042	Mansfield Beauty Schools		Quincy	MA	02169	
012068	Mansfield Beauty Schools		Springfield	MA	01103	
002180	Massachusetts College of Art		Boston	MA	02215	
002178	Massachusetts Institute of	Technology	Cambridge	MA	02139	
002181	Massachusetts Maritime Academy		Buzzards Bay	MA	02532	
002120	Merrimack College		North Andover	MA	01845	
002192	Mt Holyoke College		South Hadley	MA	01075	
002193	Mt Ida College		Newton	MA	02159	
002164	New England College of	Optometry	Boston	MA	02115	
007484	Newbury College		Brookline	MA	02146	
002187	North Adams State College		North Adams	MA	01247	
002175	Quinsigamond Community College		Worcester	MA	01606	
002156	Radcliffe College		Cambridge	MA	02138	Y
009645	Simons Rock of Bard College		Great Barrington	MA	01230	
002209	Smith College		Northampton	MA	01063	
002211	Springfield College		Springfield	MA	01109	
008078	Springfield Technical Community	College	Springfield	MA	01101	
002217	Stonehill College		North Easton	MA	02357	Y
002161	University of Massachusetts	Lowell	Lowell	MA	01854	
002221	University of Massachusetts	Amherst	Amherst	MA	01002	
002225	Wentworth Institute of	Technology	Boston	MA	02115	
011685	Wentworth Technical School		Lexington	MA	02173	

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
002226	Western New England College		Springfield	MA	01119	
002189	Westfield State College		Westfield	MA	01086	
002229	Williams College		Williamstown	MA	01267	Y
		# in MA:	50			
022889	Abbie Business Institute		Frederick	MD	21701	
010410	Arundel Institute of Technology		Baltimore	MD	21213	
008263	Award Beauty School		Hagerstown	MD	21740	
002062	Bowie State University		Bowie	MD	20715	
002068	Coppin State College		Baltimore	MD	21216	
009935	Dundalk Community College		Dundalk	MD	21222	
010246	Fleet Business School		Annapolis	MD	21401	
002071	Frederick Community College		Frederick	MD	21702	
002072	Frostburg State College		Frostburg	MD	21532	
010014	Garrett Community College		Mchenry	MD	21541	
007946	Hagerstown Business College		Hagerstown	MD	21742	
002076	Hood College		Frederick	MD	21701	Y
007341	International Beauty School		Cumberland	MD	21502	
022698	International Beauty School		Glen Burnie	MD	21061	
002077	Johns Hopkins University		Baltimore	MD	21218	
007490	Lincoln Technical Institute		Baltimore	MD	21229	
007936	Lincoln Technical Institute		Capitol Heights	MD	20743	
002078	Loyola College		Baltimore	MD	21210	
010319	Medix School		Towson	MD	21204	
023438	Montgomery Beauty School		Silver Spring	MD	20901	
002083	Morgan State University		Baltimore	MD	21239	
007491	R E T S Electronic Schools		Baltimore	MD	21227	
002091	Salisbury State College		Salisbury	MD	21801	Y
002096	St Marys Seminary & University		Baltimore	MD	21210	
020836	TESST Electronics & Computer	Institute	Hyattsville	MD	20781	
021679	Technical Center		Rockville	MD	20850	
002099	Towson State University		Towson	MD	21204	
011644	University of Maryland	University College	College Park	MD	20742	
002104	University of Maryland Baltimore		Baltimore	MD	21201	
002105	University of Maryland Baltimore	County	Catonsville	MD	21228	

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SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
002103	University of Maryland College	Park	College Park	MD	20742	
002106	University of Maryland Eastern	Shore	Princess Anne	MD	21853	
002108	Washington College		Chestertown	MD	21620	
		# in MD:	33			
002036	Bates College		Lewiston	ME	04240	
002039	Colby College		Waterville	ME	04901	
021044	Head Hunter II School of Hair	Design	Portland	ME	04101	
009038	Mr Bernards School of Hair	Fashion	Lewiston	ME	04240	Y
002052	Thomas College		Waterville	ME	04901	
006760	University of Maine Augusta		Augusta	ME	04330	
002033	University of Maine Presque Isle		Presque Isle	ME	04769	Y
002054	University of Southern Maine		Portland	ME	04103	
		# in ME:	8			
025756	Academy of Health Careers		Madison Heights	MI	48071	
030055	Air Con Technical Institute		Troy	MI	48083	
002236	Alma College		Alma	MI	48801	
010639	Alpenas Hollywood School of	Beauty	Alpena	MI	49707	
025575	American Education Centers		Huntington Woods	MI	48070	
002238	Andrews University		Berrien Springs	MI	49104	
004673	Baker College		Flint	MI	48507	
022857	Bayshire Beauty Academy		Bay City	MI	48706	
030114	Cadillac Academy of Beauty		Cadillac	MI	49601	
002241	Calvin College		Grand Rapids	MI	49506	
002243	Central Michigan University		Mt Pleasant	MI	48859	
008178	Chic University of Cosmetology		Grand Rapids	MI	49505	
010827	David Pressley Professional	School of Cosmetology	Royal Oak	MI	48067	
021410	Fashion School of Beauty		Utica	MI	48317	
025947	Fenton School of Hair Design		Fenton	MI	48430	
025194	Ferraris School of Cosmetology &	Advanced Hair Design	Battle Creek	MI	49017	
002260	Ferris State University		Big Rapids	MI	49307	
002268	Grand Valley State University		Allendale	MI	49401	
006770	Great Lakes Junior College of	Business	Saginaw	MI	48607	
024985	Hairacy College of Cosmetology		Lapeer	MI	48446	

SCHOOLS SELECTED TO DATE

FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
024986	Hairacy II College of	Cosmetology	Port Huron	MI	48060	
020603	Hawes Career Institute		Belleville	MI	48111	Y
002270	Henry Ford Community College		Dearborn	MI	48128	
025879	High Technical Learning		Warren	MI	48091	
025957	Hillsdale Beauty College		Hillsdale	MI	49242	
002273	Hope College		Holland	MI	49423	Y
025946	Howell College of Cosmetology		Howell	MI	48843	
002275	Kalamazoo College		Kalamazoo	MI	49007	
002276	Kellogg Community College		Battle Creek	MI	49017	
002293	Lake Superior State University		Sault Ste. Marie	MI	49783	
002278	Lansing Community College		Lansing	MI	48901	
002279	Lawrence Institute of Technology		Southfield	MI	48075	
008906	Macomb County Community College	South Campus	Warren	MI	48093	
002282	Madonna University		Livonia	MI	48150	
002284	Marygrove College		Detroit	MI	48221	
002288	Michigan Christian College		Rochester	MI	48063	
021256	Michigan College of Beauty		Sterling Heights	MI	48078	
023245	Michigan College of Beauty		Monroe	MI	48161	
002290	Michigan State University		East Lansing	MI	48824	
011858	National Education Center	National Institute of	Wyoming	MI	49509	
002301	Northern Michigan University		Marquette	MI	49855	
025401	Northwestern Beauty Academy		Traverse City	MI	49684	
002307	Oakland University		Rochester	MI	48063	
008946	Port Huron Cosmetology College		Port Huron	MI	48060	
025336	Ross Medical Education Center		Lansing	MI	48910	
002315	Schoolcraft College		Livonia	MI	48152	
030232	Travel Training Center		Dearborn	MI	48126	
002325	University of Michigan		Ann Arbor	MI	48109	Y
002326	University of Michigan Dearborn		Dearborn	MI	48128	Y
002327	University of Michigan Flint		Flint	MI	48503	Y
002328	Washtenaw Community College		Ann Arbor	MI	48106	
026064	Wayne Starr School of	Cosmetology	Davison	MI	48423	
002329	Wayne State University		Detroit	MI	48202	
002330	Western Michigan University		Kalamazoo	MI	49008	Y

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
		# in MI:	54			
002336	Bemidji State University		Bemidji	MN	56601	
002341	College of St Benedict		St Joseph	MN	56374	
021598	Cosmetology Career Unlimited		Hibbing	MN	55746	
009600	Cosmetology Careers Unlimited		Duluth	MN	55802	
009892	Duluth Business University		Duluth	MN	55802	
004642	Globe College of Business		St Paul	MN	55101	
002353	Gustavus Adolphus College		St Peter	MN	56082	Y
020973	Hastings Beauty School		Hastings	MN	55033	
007590	Lakeland Medical Dental Academy		Minneapolis	MN	55408	
007352	McConnell School		Minneapolis	MN	55402	
007619	Medical Institute of Minnesota		Bloomington	MN	55437	
011017	Minneapolis Drafting School		Minneapolis	MN	55428	
022381	Minnesota Cosmetology Education	Center	South St. Paul	MN	55075	
007351	National Education Center Brown	Institute Campus	Minneapolis	MN	55407	
007353	Nei College of Technology		Columbia Heights	MN	55421	
009602	Oliver Thein Beauty School		Burnsville	MN	55337	
004648	Rasmussen Business College		Eagan	MN	55122	
011686	Rasmussen Business College	Minneapolis	Hopkins	MN	55343	
025033	Rasmussen Business College	Mankato	Mankato	MN	56001	
010490	Regency Beauty Academy		Blaine	MN	55434	
025436	Ritas Moorhead Beauty School		Moorhead	MN	56560	
021523	School of Communications Arts		Minneapolis	MN	55406	
008694	St Cloud Business College		St Cloud	MN	56303	
002379	St Johns University		Collegeville	MN	56321	
003969	University of Minnesota	Twin Cities	Minneapolis	MN	55455	
004069	University of Minnesota	Crookston	Crookston	MN	56716	
002388	University of Minnesota Duluth		Duluth	MN	55812	Y
002389	University of Minnesota Morris	Campus	Morris	MN	56267	
		# in MN:	28			
030361	Aero Mechanics School		Riverside	MO	64152	Y
030663	Bryan Travel College		Springfield	MO	65807	
002454	Central Missouri State	University	Warrensburg	MO	64093	

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
021659	Chillicothe Beauty Academy		Chillicothe	MO	64601	
002457	Concordia Seminary		St Louis	MO	63105	
002460	Culver Stockton College		Canton	MO	63435	
006385	Deaconess College of Nursing		St Louis	MO	63139	
008862	East Central College		Union	MO	63084	
010405	Electronics Institute		Kansas City	MO	64147	
020561	Four Rivers Area Vocational	Technical School	Washington	MO	63090	
022428	Gibson Technical Center		Reeds Spring	MO	65737	
030845	Lael College & Graduate School		St Ann	MO	63074	
002479	Lincoln University		Jefferson City	MO	65101	
009139	Maple Woods Community College		Kansas City	MO	64156	
002482	Maryville University		St Louis	MO	63141	
025208	Merrell University of Beauty	Arts & Sciences	Jefferson City	MO	65109	
021211	Midwest Institute For Medical	Assistants	Kirkwood	MO	63122	
002488	Missouri Southern State College		Joplin	MO	64801	Y
023040	Missouri Technical School		St Louis	MO	63132	
009520	National Academy of Beauty Arts		St Louis	MO	63128	
024984	National Career Institute		Independence	MO	64055	
002496	Northwest Missouri State	University	Maryville	MO	64468	
025438	Paris II Educational Center		Gladstone	MO	64118	
022052	Sanford Brown College		Des Peres	MO	63131	
002501	Southeast Missouri State	University	Cape Girardeau	MO	63701	
002503	Southwest Missouri State	University	Springfield	MO	65804	
020714	St Louis Technical		St Ann	MO	63074	Y
030417	Ste Genevieve Beauty College		St Genevieve	MO	63670	
020636	Tad Technical Institute Kansas	City	Kansas City	MO	64131	
002516	University of Missouri Columbia		Columbia	MO	65211	
002518	University of Missouri Kansas	City	Kansas City	MO	64110	
002517	University of Missouri Rolla		Rolla	MO	65401	
002519	University of Missouri St Louis		St Louis	MO	63121	
025997	Vatterott College		St Ann	MO	63074	
002524	William Jewell College		Liberty	MO	64068	
		# in MO:	35			
002396	Alcorn State University		Lorman	MS	39096	

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
011517	American Beauty College		Gulfport	MS	39501	
002401	Coahoma Community College		Clarksdale	MS	38614	
025021	Creations College of Cosmetology		Tupelo	MS	38803	
002407	Hinds Community College		Raymond	MS	39154	
024902	Institute For Cosmetology	Sciences	Corinth	MS	38834	
030218	Southern Drivers Academy		Jackson	MS	39212	
002439	Tougaloo College		Tougaloo	MS	39174	Y
011461	Wesley College		Florence	MS	39073	
		# in MS:	9			
002527	College of Great Falls		Great Falls	MT	59405	
023225	Maddios Hairstyling &	Cosmetology College	Helena	MT	59601	
022362	May Technical College		Billings	MT	59102	
002532	Montana State University		Bozeman	MT	59717	Y
		# in MT:	4			
023371	Alliance Tractor Trailer	Training Center	Arden	NC	28704	
021105	American Business & Fashion	Institute	Charlotte	NC	28209	Y
026135	Arnolds Beauty College		Durham	NC	27707	
002909	Barber Scotia College		Concord	NC	28025	
002910	Belmont Abbey College		Belmojt	NC	28012	
002911	Bennett College		Greensboro	NC	27420	Y
007814	Brookstone College of Business		Charlotte	NC	28213	
022863	Carolina Beauty College		High Point	NC	27262	
002926	Elizabeth City State University		Elizabeth City	NC	27909	
002928	Fayetteville State University		Fayetteville	NC	28301	
002973	Gaston College		Dallas	NC	28034	Y
002931	Guilford College		Greensboro	NC	27410	
002933	High Point University		High Point	NC	27262	
002936	Johnson C Smith University		Charlotte	NC	28216	
002937	Kings College		Charlotte	NC	28204	
002941	Lenoir Rhyne College		Hickory	NC	28603	
002942	Livingstone College		Salisbury	NC	28144	
002946	Methodist College		Fayetteville	NC	28301	
011799	Mitchells Hair Styling Academy		Fayetteville	NC	28303	

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
020565	Mitchells Hair Styling Academy		Wilson	NC	27893	
022278	Mitchells Hair Styling Academy		Goldsboro	NC	27530	
022279	Mitchells Hair Styling Academy		Raleigh	NC	27604	
002905	North Carolina Agricultural &	Technical State University	Greensboro	NC	27411	
002950	North Carolina Central	University	Durham	NC	27707	
003981	North Carolina School of The	Arts	Winston-salem	NC	27107	
030339	Sanford School of Cosmetology		Sanford	NC	27330	
002962	Shaw University		Raleigh	NC	27611	
002968	St Augustines College		Raleigh	NC	27610	
011194	Stanly Community College		Albemarle	NC	28001	
002907	University of North Carolina	Asheville	Asheville	NC	28814	
002975	University of North Carolina	Charlotte	Charlotte	NC	28223	
002981	Western Carolina University		Cullowhee	NC	28723	
		# in NC:	32			
022982	Headquarters Academy of Hair	Design	Minot	ND	58701	
004847	Interstate Business College		Fargo	ND	58103	Y
026195	Meyer Vocational Technical	School	Minot	ND	58702	
		# in ND:	3			
030233	Business & Banking Institute		Omaha	NE	68106	
002539	Chadron State College		Chadron	NE	69337	
009862	Clarkson College		Omaha	NE	68131	
002543	Dana College		Blair	NE	68008	
030343	Dr Welbes College of Massage	Therapy	Omaha	NE	68107	
004721	Lincoln School of Commerce		Lincoln	NE	68508	
002553	Midland Lutheran College		Fremont	NE	68025	
011217	Omaha College of Health Careers		Omaha	NE	68154	
010197	Stewart School of Hairstyling		Omaha	NE	68114	
007501	Universal Technical Institute		Omaha	NE	68102	Y
002565	University of Nebraska Lincoln		Lincoln	NE	68588	
002560	Western Nebraska Community	College	Scottsbluff	NE	69361	
		# in NE:	12			
004731	Daniel Webster College		Nashua	NH	03063	

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
004730	McIntosh College		Dover	NH	03820	
021748	Michaels School of Hair Design		Manchester	NH	03101	
023597	Northeast Career Schools		Manchester	NH	03109	
		# in NH:	4			
025587	Academy of Computer Graphics		Berlin	NJ	08009	
025259	Artistic Academy of Hair Design		Fair Lawn	NJ	07410	
021323	Berdan Institute		Totowa	NJ	07512	
007502	Berkeley College of Business	Garret Mount	West Paterson	NJ	07424	
011911	Brick Computer Science Institute		Brick	NJ	08723	
007730	Burlington County College		Pemberton	NJ	08068	
023019	Business Training Institute		Paramus	NJ	07652	
009078	Capri Institute of Hair Design		Clifton	NJ	07011	
021037	Capri Institute of Hair Design	Paramus	Paramus	NJ	07652	
021381	Capri Institute of Hair Design		Raritan	NJ	08869	
021836	Capri Institute of Hair Design		Kenilworth	NJ	07033	
022655	Capri Institute of Hair Design		Brick Town	NJ	08724	
010851	Chubb Institute		Parsippany	NJ	07054	
012346	Dover Business College		Dover	NJ	07801	Y
021311	Du Cret School of The Arts		Plainfield	NJ	07060	
021885	Gloucester County Vocational	School	Sewell	NJ	08080	
025282	Hair Fashion Institute		North Plainfield	NJ	07060	
021040	Harris School of Business		Cherry Hill	NJ	08002	
020537	Ho Ho Kus School		Ramsey	NJ	07446	
002613	Jersey City State College		Jersey City	NJ	07305	
010753	Joseph Paterno College of Beauty	Culture	Dover	NJ	07801	
002622	Kean College of New Jersey		Union	NJ	07083	
010465	Learning Institute For Beauty	Sciences	Succasunna	NJ	07876	
007366	Lincoln Technical Institute		Pennsauken	NJ	08110	
007506	Lincoln Technical Institute		Union	NJ	07083	
004740	Mercer County Community College		Trenton	NJ	08690	
002616	Monmouth College		West Long Branch	NJ	07764	
002617	Montclair State College		Upper Montclair	NJ	07043	
011708	Natural Motion Institute of Hair	Design	Jersey City	NJ	07306	
022237	New Horizons Institute of	Cosmetology	West New York	NJ	07093	

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
002621	New Jersey Institute of	Technology	Newark	NJ	07102	
010629	P B Method of Hair Design		Gloucester City	NJ	08030	
007593	Parisian Beauty School		Hackensack	NJ	07601	
021316	Pennco Technology		Blackwood	NJ	08012	
007508	Plaza School		Paramus	NJ	07652	
002627	Princeton University		Princeton	NJ	08544	
009344	Ramapo College of New Jersey		Mahwah	NJ	07430	
009345	Richard Stockton College of	New Jersey	Pomona	NJ	08240	
002628	Rider University		Lawrenceville	NJ	08648	
020618	Roman Academy of Beauty Culture		Hawthorne	NJ	07506	
002609	Rowan College of New Jersey		Glassboro	NJ	08028	Y
002629	Rutgers The State University of	New Jersey	New Brunswick	NJ	08903	Y
002632	Seton Hall University		South Orange	NJ	07079	Y
022346	Shore Beauty School		Pleasantville	NJ	08232	
006428	St Francis Hospital School of	Nursing	Jersey City	NJ	07302	
021867	Star Technical Institute		Edgewater Park	NJ	08010	
025868	Star Technical Institute		Vineland	NJ	08360	
002639	Stevens Institute of Technology		Hoboken	NJ	07030	
002642	Trenton State College		Trenton	NJ	08650	
026164	Ultrasound Diagnostic School		Iselin	NJ	08830	
002625	William Paterson College of New	Jersey	Wayne	NJ	07470	Y
		# in NJ:	51			
030315	Albuquerque Career Institute		Albuquerque	NM	87123	
012008	Hollywood Beauty School		Albuquerque	NM	87110	
025329	International Business College	Las Cruces	Las Cruces	NM	88001	Y
025330	International Business College	Alamogordo	Alamogordo	NM	88310	
030993	Metropolitan College of Court	Reporting	Albuquerque	NM	87110	
025603	Montes Academy of Cosmetology #1		Alamogordo	NM	88310	
022399	Mr Johns Academy of Beauty	Culture	Farmington	NM	87401	
002655	New Mexico Junior College		Hobbs	NM	88240	Y
002663	University of New Mexico		Albuquerque	NM	87131	
		# in NM:	9			
013232	Academy of Hair Design		Las Vegas	NV	89102	

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
030846	Interior Design Institute		Las Vegas	NV	89119	
026007	Las Vegas Gaming & Technical	School	Las Vegas	NV	89109	
030432	Professional Careers		Las Vegas	NV	89103	
002569	University of Nevada Las Vegas		Las Vegas	NV	89154	
002568	University of Nevada Reno		Reno	NV	89557	
		# in NV:	6			
002668	Alfred University		Alfred	NY	14802	
002669	Bank Street College of Education		New York	NY	10025	
007394	Berkeley School of Manhattan		New York	NY	10017	
007421	Berkeley School of Westchester		White Plains	NY	10604	
007273	CUNY Bernard M Baruch College		New York	NY	10010	
002691	CUNY Borough of Manhattan	Community College	New York	NY	10007	
002692	CUNY Bronx Community College		Bronx	NY	10453	
002687	CUNY Brooklyn College Midwood		Brooklyn	NY	11210	
002688	CUNY City College		New York	NY	10031	
002698	CUNY College of Staten Island	College	Staten Island	NY	10301	
004765	CUNY Graduate School &	University Center	New York	NY	10036	
007022	CUNY Herbert H Lehman College		Bronx	NY	10468	
002689	CUNY Hunter College		New York	NY	10703	
002693	CUNY John Jay College of	Criminal Justice	New York	NY	10019	
002694	CUNY Kingsborough Community	College	Brooklyn	NY	11235	
010051	CUNY La Guardia Community	College	Long Island City	NY	11101	
010097	CUNY Medgar Evers College		Brooklyn	NY	11225	
002696	CUNY New York City Technical	College	Brooklyn	NY	11201	
002690	CUNY Queens College		Flushing	NY	11367	
004759	CUNY York College		Jamaica	NY	11451	
020564	Capri School of Hair Design		Spring Valley	NY	10977	
023487	Career Blazers Learning Center		New York	NY	10017	
009409	Central City Business Institute		Syracuse	NY	13202	
030962	Charles Stuart School of Diamond	Setting	Brooklyn	NY	11229	
002699	Clarkson University		Potsdam	NY	13676	
009769	College For Human Services		New York	NY	10014	
002665	College of Aeronautics		Flushing	NY	11371	
002704	College of New Rochelle		New Rochelle	NY	10805	

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
003979	Columbia University Teachers	College	New York	NY	10027	
002711	Cornell University Endowed	College	Ithaca	NY	14850	Y
002667	Dowling College		Oakdale	NY	11769	
011916	Drake Business School		Flushing	NY	11354	
004828	Eastman School of Music		Rochester	NY	14604	
012561	Five Towns College		Dix Hills	NY	11746	
002722	Fordham University		Bronx	NY	10458	
026001	Graduate School of Figurative	Art	New York	NY	10003	
002728	Hamilton College		Clinton	NY	13323	
002731	Hobart & William Smith College		Geneva	NY	14456	
022949	Institute of Audio Research		New York	NY	10003	
007375	Island Drafting & Technical	Institute	Amityville	NY	11701	
002739	Ithaca College		Ithaca	NY	14850	
008495	Jamestown Business College		Jamestown	NY	14701	
002742	Julliard School		New York	NY	10023	
007466	Laboratory Institute of	Merchandising	New York	NY	10022	
007573	Learning Institute For Beauty	Sciences	Astoria	NY	11103	
004779	Long Island University Brooklyn		Brooklyn	NY	11201	
002758	Manhattan College		Bronx	NY	10471	
002765	Marist College		Poughkeepsie	NY	12601	
002768	Marymount College		Tarrytown	NY	10591	
002772	Mercy College		Dobbs Ferry	NY	10522	
022195	Mildred Elley Business School		Albany	NY	12205	
004799	Monroe College		Bronx	NY	10468	
002749	New York College of Podiatric	Medicine	New York	NY	10035	
025256	New York Restaurant School		New York	NY	10013	
010551	New York School For Medical &	Dental Assistants	Forest Hills	NY	11375	
002785	New York University		New York	NY	10012	
024543	New York University Medical	Center	New York	NY	10016	
002791	Pace University		New York	NY	10038	Y
002798	Pratt Institute		Brooklyn	NY	11205	
002697	Queensborough Community College		Flushing	NY	11364	
008614	Rabbinical College Bobover	Yeshiva Bhei Zion	Brooklyn	NY	11219	
002803	Rensselaer Polytechnic Institute		Troy	NY	12181	
009109	Riverside School of Aeronautics		Utica	NY	13501	

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
002805	Roberts Wesleyan College		Rochester	NY	14624	
002806	Rochester Institute of	Technology	Rochester	NY	14623	
002855	SUNY Agricultural & Technical	College Canton	Canton	NY	13617	
002859	SUNY Agricultural & Technical	College Morrisville	Morrisville	NY	13408	
002836	SUNY Binghamton		Binghamton	NY	13901	
002837	SUNY Buffalo		Buffalo	NY	14214	
002841	SUNY College Brockport		Brockport	NY	14420	Y
002843	SUNY College Cortland		Cortland	NY	13045	
002849	SUNY College Plattsburgh		Plattsburgh	NY	12901	
002850	SUNY College Potsdam		Potsdam	NY	13676	
002864	SUNY Dutchess Community College		Poughkeepsie	NY	12601	
004788	SUNY Herkimer County Community	College	Herkimer	NY	13350	
002868	SUNY Hudson Valley Community	College	Troy	NY	12180	Y
011678	SUNY Institute of Technology At	Utica Rome	Utica	NY	13504	
002871	SUNY Mohawk Valley Community	College	Utica	NY	13501	
002872	SUNY Monroe Community College		Rochester	NY	14623	
006785	Schenectady County Community	College	Schenectady	NY	12305	
026166	Shear Ego International School	of Hair Design	Rochester	NY	14617	
021763	Spencer Business & Technical	Institute	Schenectady	NY	12305	
002829	St Lawrence University		Canton	NY	13617	
021700	Swedish Institute		New York	NY	10001	
025858	Tefft Business School		White Plains	NY	10601	
030310	Travel Institute		New York	NY	10038	
021739	Ulster County BOCES School of	Practical Nursing	Port Ewen	NY	12466	
021160	Ultrasound Diagnostic School		New York	NY	10001	
026149	Ultrasound Diagnostic School		Elmsford	NY	10523	
026150	Ultrasound Diagnostic School		Carle Place	NY	11514	
002894	University of Rochester		Rochester	NY	14627	
024601	University of Rochester School	of Medicine & Dentistry	Rochester	NY	14642	
002883	Utica College		Utica	NY	13502	
012293	Veeb Nassau County School of	Practical Nursing	Uniondale	NY	11553	
		# in NY:	94			
009527	3 B School of Beauty		Newark	OH	43055	
021521	Academy of Court Reporting		Cleveland	OH	44113	

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
020695	Akron Medical Dental Institute		Akron	OH	44223	
023538	Alliance Beauty College		Alliance	OH	44601	
003012	Ashland University		Ashland	OH	44805	
012046	Boardman Beauty School		Boardman	OH	44512	
003018	Bowling Green State University		Bowling Green	OH	43403	
022744	Bryant & Stratton Business	Institute Cleveland West	Parma	OH	44130	
003024	Case Western Reserve University		Cleveland	OH	44106	
003026	Central State University		Wilberforce	OH	45384	
022225	Cincinnati School of Court	Reporting & Business	Cincinnati	OH	45202	
021107	Cleveland Institute of Dental	Medical Assistants	Cleveland	OH	44115	
003031	Cleveland Institute of Music		Cleveland	OH	44106	
003037	College of Wooster		Wooster	OH	44691	
030682	Connecticut School of	Broadcasting	Independence	OH	44131	
030780	Connecticut School of	Broadcasting	Cincinnati	OH	45227	
003040	Cuyahoga Community College		Cleveland	OH	44115	Y
003042	Denison University		Granville	OH	43023	
003099	Devry Institute of Technology		Columbus	OH	43209	
021851	ESI Career Center		Euclid	OH	44117	
009343	ETI Technical College		Cleveland	OH	44103	
030778	ETI Technical College		North Canton	OH	44720	
003046	Franklin University		Columbus	OH	43215	
022205	Gods Bible School & College		Cincinnati	OH	45210	
006494	Good Samaritan Hospital School	of Nursing	Cincinnati	OH	45220	
025600	Hair Academy		Youngstown	OH	44515	
003049	Hiram College		Hiram	OH	44234	
023343	International Academy of Hair	Design	Cincinnati	OH	45239	
013132	International College of	Broadcasting	Dayton	OH	45431	
007035	Kettering College of Medical	Arts	Kettering	OH	45429	
003076	Miami Jacobs College		Dayton	OH	45401	Y
011745	Ohio Auto Diesel Technical	Institute	Cleveland	OH	44103	Y
020520	Ohio Institute of Photography &	Technology	Dayton	OH	45439	
010280	Ohio State Beauty Academy		Lima	OH	45801	
003090	Ohio State University		Columbus	OH	43210	
003100	Ohio University		Athens	OH	45701	Y
003109	Ohio Wesleyan University		Delaware	OH	43015	

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
021907	RETS Technical Center		Centerville	OH	45459	
003119	Sinclair Community College		Dayton	OH	45402	
030079	Southeastern Business College		Gallipolis	OH	45631	
012870	Southern State Community College		Hillsboro	OH	45133	
025283	T D D S		Diamond	OH	44412	
003121	Tiffin University		Tiffin	OH	44883	
020543	Trumbull Business College Inc		Warren	OH	44484	
003127	University of Dayton		Dayton	OH	45469	
003045	University of Findlay		Findlay	OH	45840	
003116	University of Rio Grande		Rio Grande	OH	45674	
003131	University of Toledo		Toledo	OH	43606	
012896	Virginia Marti College of	Fashion & Art	Lakewood	OH	44107	
009187	West Side Institute of	Technology	Cleveland	OH	44102	
003141	Wilberforce University		Wilberforce	OH	45384	
003078	Wright State University		Dayton	OH	45435	
003144	Xavier University		Cincinnati	OH	45207	
		# in OH:	53			
003157	Langston University		Langston	OK	73050	
030813	Metropolitan College of Court	Reporting	Oklahoma City	OK	73112	
030673	Metropolitan College of Legal	Studies	Tulsa	OK	74105	
007678	National Education Center	Spartan School of Aeronaut	Tulsa	OK	74151	
003170	Oklahoma State University		Stillwater	OK	74078	Y
003985	Oral Roberts University		Tulsa	OK	74171	
025974	Pontotoc Area Vocational	Technical School	Ada	OK	74820	
003168	Rogers State College		Claremore	OK	74017	
003183	St Gregorys College		Shawnee	OK	74801	
003185	University of Tulsa		Tulsa	OK	74104	
		# in OK:	10			
009532	A Art College of Beauty		Eugene	OR	97405	
003189	Clatsop Community College		Astoria	OR	97103	
025216	Columbia College of Business		Clackamas	OR	97015	
003193	Eastern Oregon State College		La Grande	OR	97850	
003194	George Fox College		Newberg	OR	97132	

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
025788	Northwest Nannies Institute		Lake Oswego	OR	97034	
004882	Oregon Health Sciences	University	Portland	OR	97201	
003210	Oregon State University		Corvallis	OR	97330	
003212	Pacific University		Forest Grove	OR	97116	
023301	Pioneer Pacific College		Wilsonville	OR	97070	
003216	Portland State University		Portland	OR	97207	
003219	Southern Oregon State College		Ashland	OR	97520	
009581	Springfield College of Beauty		Springfield	OR	97477	
003222	Umpqua Community College		Roseburg	OR	97470	
003223	University of Oregon		Eugene	OR	97403	Y
003224	University of Portland		Portland	OR	97203	
001339	Western Baptist College		Salem	OR	97301	
003209	Western Oregon State College		Monmouth	OR	97361	
003227	Willamette University		Salem	OR	97301	
		# in OR:	19			
023493	Academy of Beauty Culture		St Marys	PA	15857	
030289	Allegheny Business Institute		Pittsburgh	PA	15222	
030115	Allied Medical Careers		Edwardsville	PA	18704	
030116	Allied Medical Careers		Scranton	PA	18505	
022062	Ambler Beauty Academy		Ambler	PA	19002	
030670	Antonelli Medical & Professional	Institute	Pottstown	PA	19464	
008350	Art Institute of Philadelphia		Philadelphia	PA	19103	
007470	Art Institute of Pittsburgh		Pittsburgh	PA	15222	
022401	Barber Styling Institute		Camp Hill	PA	17011	
009721	Bradford School		Pittsburgh	PA	15222	
025578	Bradley Academy For The Visual	Arts	York	PA	17405	
022898	CHI Institute		Southampton	PA	18966	
003316	California University of	Pennsylvania	California	PA	15419	
026095	Career Training Academy		New Kensington	PA	15068	
003317	Cheyney University of	Pennsylvania	Cheyney	PA	19319	
008441	Chubbs Institute Keystone School		Springfield	PA	19064	Y
023193	Computer Learning Center		Philadelphia	PA	19104	
023044	Computer Learning Network	Resident School	Camp Hill	PA	17011	
030819	Computer Learning Network		Altoona	PA	16602	

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
010217	Computer Technical		Pittsburgh	PA	15222	Y
030316	Data Processing Trainers		Philadelphia	PA	19114	
003259	Eastern College		St Davids	PA	19087	
004886	Electronic Instructors		Pittsburgh	PA	15217	
003266	Gannon University		Erie	PA	16541	
003267	Geneva College		Beaver Falls	PA	15010	
003268	Gettysburg College		Gettysburg	PA	17325	
008891	Gordon Phillips School of Beauty	Culture	Norristown	PA	19401	
009783	Gordon Phillips School of Beauty	Culture	Philadelphia	PA	19135	
013015	Gordon Phillips School of Beauty	Culture	Philadelphia	PA	19102	
020634	Gordon Phillips School of Beauty	Culture	Upper Darby	PA	19082	
021490	Gordon Phillips School of Beauty	Culture	Downingtown	PA	19335	
021498	Gordon Phillips School of Beauty	Culture	Bensalem	PA	19020	
023443	Gordon Phillips School of Beauty	Culture	Bethlehem	PA	18018	
003272	Harcum Junior College		Bryn Mawr	PA	19010	
007436	ICM School of Business		Pittsburgh	PA	15222	
030664	Institute For Science & Business	Education	Philadelphia	PA	19123	
022731	International Beauty School		Chambersburg	PA	17201	
021122	J H Thompson Academies		Erie	PA	16508	
026161	Jean Madeline Education Center	For Cosmetology	Philadelphia	PA	19147	
022127	Lancaster School of Cosmetology		Lancaster	PA	17602	
025462	Laurel Business Institute		Uniontown	PA	15401	
003288	Lebanon Valley College		Annville	PA	17003	
006810	Lehigh County Community College		Schnecksville	PA	18078	Y
007759	Lincoln Technical Institute		Allentown	PA	18104	
007832	Lincoln Technical Institute		Philadelphia	PA	19136	
003290	Lincoln University		Lincoln University	PA	19352	
003294	Manor Junior College		Jenkintown	PA	19046	
003298	Messiah College		Grantham	PA	17027	
007191	Northampton County Area	Community College	Bethlehem	PA	18017	
021830	Orleans Technical Institute		Philadelphia	PA	19111	
023013	PJA School		Upper Darby	PA	19082	
022895	Pace Institute		Reading	PA	19601	
009449	Pennco Technical		Bristol	PA	19007	
010998	Pennsylvania Institute of	Technology	Media	PA	19063	

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
030068	Pennsylvania Institute of	Culinary Arts	Pittsburgh	PA	15222	
003353	Philadelphia College of	Pharmacy & Science	Philadelphia	PA	19104	Y
022243	Pittsburgh Diesel Institute		Wexford	PA	15090	
005310	Pittsburgh Institute of	Aeronautics	Pittsburgh	PA	15236	
007437	Pittsburgh Technical Institute		Pittsburgh	PA	15222	
023107	Randy Rick Beauty Academy		Reading	PA	19602	
003359	Robert Morris College		Coraopolis	PA	15108	
012050	Rosedale Technical Institute		Pittsburgh	PA	15217	
011131	Sawyer School		Pittsburgh	PA	15222	
030852	Star Beauty Academy		Wilkes-barre	PA	18701	
003371	Temple University		Philadelphia	PA	19122	
030108	Tri State Business Institute		Erie	PA	16506	
007839	Triangle Technical		Pittsburgh	PA	15214	
020902	Triangle Technical		Erie	PA	16502	
021290	Triangle Technical		Greensburg	PA	15601	
021744	Triangle Technical		Du Bois	PA	15801	
020585	Uniontown Beauty Academy		Uniontown	PA	15401	
003386	Valley Forge Military Junior	College	Wayne	PA	19087	
013134	Yeshivath Beth Moshe		Scranton	PA	18505	
003399	York College of Pennsylvania		York	PA	17403	
021274	York Technical Institute		York	PA	17402	
		# in PA:	75			
021988	Abbynell Beauty & Technical	Institute	Caguas	PR	00626	
022349	Antilles School of Technical	Careers	Hato Rey	PR	00917	
025054	Atlantic College		Guaynabo	PR	00657	
005022	Bayamon Central University		Bayamon	PR	00619	
003941	College University Del Este		Carolina	PR	00628	
021651	Electronic Data Processing	College of Puerto Rico	San Juan	PR	00919	
023406	Humacao Community College		Humacao	PR	00791	
003938	Inter American University of	Puerto Rico	San Juan	PR	00936	Y
003939	Inter American University of	Puerto Rico Aguadalla	Aguadilla	PR	00603	Y
003940	Inter American University of	Puerto Rico Metropolitan	San Juan	PR	00904	Y
005026	Inter American University of	Puerto Rico Arecibo	Arecibo	PR	00613	Y
005027	Inter American University of	Puerto Rico Barranquitas	Barranquitas	PR	00618	Y

Community Colleges and Direct Lending

by

Melanie Jackson, Director of Federal Relations
Association of Community College Trustees
February 1995

Background--History

Community colleges have supported the concept of a direct loan program as an additional choice or option (with institutional participation voluntary) for the distribution of federal guaranteed student loan funds since the proposal for a small, pilot program was launched by the Bush Administration in 1991. The 1992 Amendments to the Higher Education Act, signed on July 23, 1992, included the Bush proposal for a pilot program. However, before it could be implemented, the new Clinton Administration took office and pushed for legislation to change to a full-blown system of direct lending, with the federal government making loans to students through their colleges. The Clinton proposal eliminated banks, secondary markets, and guaranty agencies, and claimed the federal government would save billions in costs by this move. Although the 103rd Congress was eager to apply the billions in savings toward deficit reduction, concerns were raised about possible disruption in the financial markets and the ability of the U.S. Department of Education to effectively and efficiently manage a full-blown program.

Congress and the Administration compromised, and the 1993 Budget Reconciliation bill yielded a dual program. The current bank-based system was continued, but federal subsidies to lenders and guaranty agencies were reduced. Expanded authority was given to the Department of Education to implement a direct government loan program for students, but a five-year phase-in was required and caps were set on the amount of loan volume allowed to be handled by the government for each year. The program was to start small in the 1994-1995 academic year, with a first-year cap at 5 percent of the loan volume, rising to 40 percent the second year (plus institutional demand), and a fifth-year cap set at 60 percent (plus institutional demand). One hundred and four schools, nine of which are community colleges, were selected by the Department of Education to participate in the program's initial year.

The Current Policy Climate--Conflicting Proposals

Just as the second semester of the first year of direct lending got underway (January 1995), winds of change for the program appeared to be blowing again from Washington. The Administration is pushing for a complete switch to direct lending. Included in the President's Fiscal Year 1996 budget is a proposal calling for participation in the direct loan program to be expanded to include 80 percent of loan volume in academic year 1996-97, with full implementation of the program (100 percent) in academic year 1997-98. The budget projects that a move to full implementation of direct lending (and the elimination of the bank-based program) would save the government an additional $6.8 billion (on top of previous savings already achieved--more than $4 billion) by the year 2000. However, the 104th Congress appears to be heading in a different direction. Some in the Republican-controlled Congress are suggesting that the federal government's involvement in this program is inappropriate and therefore the program should be ended altogether. Others in Congress want to insure that the dual program continues; they are proposing to lower the maximum participation cap to a ceiling of 40 percent of loan volume (the authorized level for the 1995-96 academic year).

Meanwhile, as these conflicting proposals are being tossed about in Washington, more than 125 community colleges that volunteered (and were approved by the Department) to become participants in the program for the 1995-96 academic year are planning, training, and gearing up to become loan originators.

The ACCT Community College Direct Lending Survey

To enable trustees (and ACCT staff) to respond effectively to Congressional office and press inquiries about how community colleges view the direct lending program, and how community college students might be affected if the program were reduced or eliminated, the Association of Community College Trustees conducted a survey of the nine schools currently participating in the program: Cloud County Community College, KS; Cuyahoga Community College, OH; Delaware Technical and Community College, DE; Gaston College, NC; Hudson Valley Community College, NY; LeHigh Carbon Community College, PA; New Mexico Junior College, NM; Red River Technical College, AR; and Tarrant County Junior College, TX.

The ACCT Direct Lending Survey instrument consisted of six simple questions: how many loans were originated (and corresponding enrollment numbers compared to the prior year), how the direct lending program better serves students (if it does), how direct lending benefits institutions, the perception of the quality of service rendered by the Department of Education (and its ability to manage the program), advice that could be offered to institutions who are considering participation in direct lending in future years, and finally, what message the participating institution would send to the 104th Congress that evaluates or describes their experience with the program.

The ACCT survey questionnaire was distributed by fax to the financial aid administrators at the nine colleges, after they had been notified by telephone of its purpose. All nine community colleges completed the survey.

The Community College Survey Results

Overall, the survey responses demonstrated that community college aid administrators like the new direct loan program. All responses to the questions asked about the program's benefits to students and institutions were favorable. Similarly, all responses were positive to the question about the Department's management of the program and quality of service rendered. The general advice that was repeatedly offered by survey respondents for colleges that might be considering participation in direct lending in the future: plan early, get top-of-the-line computer hardware and software, and attend all training sessions offered! The message current program participants would send to the 104th Congress: *the program works, it is simple, we like it, and the students like it.*

The following is a compilation of the survey questions and responses ACCT received. The comments listed (to all but the first question regarding number of loans and enrollment) are direct quotes from community college aid administrators. Their responses are presented in random order for each question, to retain anonymity.

<u>Numbers of loans and institution size -- a cautionary note:</u>

The community colleges participating in this first year of direct lending range in size from very small (less than 1,000 headcount enrollment) to very large (over 26,000 headcount enrollment), but four (half of the respondents), fell in the 3,000-4,000 enrollment range. The number of direct loans originated by each institution did not correlate to the size of enrollment at the institution. (For example, the number of loans originated at the smallest institution was more than 200, while the smallest total number of direct loans originated by a community college this first year was 60, from a college with 4,000 headcount enrollment.) The total number of direct loans originated by the nine respondent colleges was just over 8,800. The colleges reported a previous year's total of students with loans (from the bank-based program) of approximately 6,600. This represents a 25 percent, one-year increase in the number of community college student borrowers (from these eight institutions). Although this percentage increase is based on a small sample, it does seem to illustrate a continuing trend of upward growth in borrowing by community college students to meet their educational expenses. (In 1993-94 the number of community college borrowers increased by 31 percent over the 1992-93 academic year.)

<u>Survey responses about how direct lending serves students:</u>

"Students (and the parents of dependent students) are very pleasantly surprised by the ease and efficiency associated with the Direct Loan Program. There are times when a student can walk in to the Financial Aid Office and walk out with a Direct Loan. Borrowers know when disbursement will occur, since the school is drawing down the funds versus waiting for a lender to disburse a check or wire-transfer funds. It is simple, quick, and less confusing."

"The application process is simplified. The repayment options are greater than those in the Stafford Loan Program. The loan is held by the Department of Education and will not be sold to a secondary market. We have been able to spend more time with students exploring other financial aid options and debt management issues since we have implemented the Direct Loan Program."

"Faster delivery of loan dollars to students."

"Direct lending currently offers the income contingent repayment option not available under Stafford. Also, direct loans eliminate the need for a student to deal with a middleman, the bank. Everything is handled through the school. They deal with one service."

"One lender is very beneficial. Students are able to keep track of their loan responsibilities. In the past, valuable time was spent locating information. Consolidation is very available to students. Repayment options are extended."

"One stop for all student financial aid. Less time required from time student comes in until he/she receives loan."

"We are our students personal contact from the initial loan application until disbursement. Our disbursements to our students are much sooner. Adjustments are completed and processed in a more timely manner."

"The process is simpler and more direct for the student. We can control the disbursement process so we can be sure that the students receive their funds on a timely basis."

"It is easier for students to apply, it is more controlled and there is a scheduled delivery of funds to students, though not necessarily faster. Better than Stafford."

<u>Survey responses about direct lending's benefits to institutions:</u>

"...Direct Loan has enabled us to offer aid to more students more quickly than processing FFELP loans, therefore allowing more needy students to enroll. Despite a decline in enrollment at the college, financial aid has awarded more money to more students. Direct loan has also improved cash flow to the college and the student. Is it easier to administer? No! It's different, but no easier this first year -- maybe next year. We need to tie our business office into our computer network to facilitate cash flow and reconciliation."

"Saves time. Does NOT necessarily save on institutional costs."

"Electronic transfers, crediting student accounts in a timely fashion, provides good tracking and records for auditing purposes. It saves time. Disbursement rosters allow the Business Office to date loan checks on a schedule. Students appreciate the personal service and exact date concerning disbursements. The students are informed of disbursement dates and come that day to get their loan checks rather than call and come by numerous times checking to see if checks are in."

"Again, it eliminates the middleman; less room for error, fewer contact persons. Currently it does not save time operationally because I have no interface from PC to VAX. Cost factor minimal."

"We have more control over the program. Administering the program is more efficient. Our cost is less and we have satisfied students."

"...easier to deliver. More efficient. Can do more loans with less human resources."

"We have not found that direct lending saves costs. However, it does not take additional staff or resources to implement the program. We have been able to shift staff time to other areas such as debt management. Students receive the greatest benefit in the direct lending program. That is, the application, disbursement, and repayment process is greatly simplified."

"The software provided by the Department enables us to do electronically what would be time consuming and expensive manually. Simple tasks that needed three copies sent various places now just demand one notification."

"More control and flexibility over awarding and paying students."

"The Direct Loan program is more work and does not save time for the campus. I won't say for sure about costs, but I suspect they are higher per man-hour."

<u>Comments from aid administrators about program management and institutional service rendered by the U.S. Department of Education:</u>

"Nothing short of excellent."

"With direct lending the U.S. Department of Education has shifted their emphasis from prescriptive methods to regulating outcomes. Our experience has been that the Department can provide the necessary service to this program. We have received the training and support needed to implement this program from the Department of Education."

"Our school relations group has provided excellent service to us. Our calls were returned and personnel were very patient, courteous, helpful, and supportive."

"Seems to be running relatively smoothly. Of course being a year-one school has meant our share of bugs to work out."

"It appears to have gone well in the first year. Both the Department and the services have been very supportive."

"The Department service has been very good and timely. Our servicers have been very supportive, helpful, and extremely courteous and polite."

"Department has been very responsive. They have listened to our suggestions and modified the software when needed. The draw down of cash has been simple."

"Very good service! Everyone has been helpful and responds quickly. We have been very pleased. This was one area I had a concern about, but Direct Loan Task Force, NCS, and the Direct Loan Servicer have been responsive and very professional."

"Support from customer service has been tops. I am not sure if this will be maintained in 1995-96 when far more schools are participating. As for the Department, I would hold judgement for a year or two."

Tips offered for colleges planning to become future participants in direct lending:

"Plan ahead! Test your plan! Take advantage of training opportunities. Make sure you involve the financial aid office, business officers, and computer technology staff from the beginning!"

"Take the time to plan. Call those of us involved now. Get top-of-the-line computer for software."

"We honestly feel this program is successful and should be continued in 100% participation. This program provides students with funds for education in an efficient, responsible, and cost-efficient system."

"Start early planning. Buy the biggest/fastest hardware you can afford."

"Attend all training sessions. Conduct on-site visits to first-year schools comparable to yours."

"The process is more efficient and timely. Our students receive disbursement in a more timely manner. Our staff enjoy working with the program because it is computerized."

"Yes, we recommend this program. Our advice is to plan for several months prior to implementation. That is, set up institutional task force (financial aid, business office, computer support, etc.) and review current operating procedures. How will these change? How will the tasks be split among the various offices? Contact like institutions already in the program."

"There is more work in handling Direct Loans than meets the eye. The software is cumbersome and requires a good understanding. Make sure you are set up to handle all administration."

The Message Community College Aid Administrators would send to Congress:

"Do not cap this program. Interest groups are lobbying for a cap on the direct lending program. Who would benefit from a limit on this program? Ask current participants to evaluate the program. Let the FFELP and William D. Ford Direct Loan Program exist together and schools will choose the program that best meets the needs of their students."

"Direct lending should be encouraged at the legislative level. It is refreshing to think that a program like this is more efficient, cost effective, and a valuable service to the student. Many programs never reach the students as rapidly as this has. Be bipartisan and keep the best interest of the students up front."

"This is the first time in my experience that a program was started where institutions could select how they participated and really had institutional flexibility and control. This program works and works well for students. It does not depend upon outside agencies as to whether institutions participate, drop from the program, merge with others, farm out originations, or sell to various other agencies. It is easy for the student to grasp the concept that they owe the federal government. I truly believe that this simplification will go a long way toward helping with 'paper' defaults."

"This has been the freshest breath of air in a long time. Finally, a program that the financial aid office controls. We like that and the students like it."

"I have been very pleased with the program. I enjoy the fact that there is no third party."

"Finally, financial aid offices have a program that works with us and not against us. Also, this loan program is student friendly."

"My school's experience with Direct Loan has been a positive one. We are pleased with the benefits this program offers the students and the school. We experience far fewer difficulties than we did with FFELP, i.e., many problems with lenders, slow or a lack of response from guarantors, big problems with servicers that provide students with little or no service, and enormous paperwork."

"I like the program. While there is more work than I anticipated with the Direct Loan program, I prefer it to the FFEL program because I can treat Direct Loans like a campus-based program and deal more effectively with students' needs."

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
005028	Inter American University of	Puerto Rico Bayamon	Bayamon	PR	00619	Y
005029	Inter American University of	Puerto Rico Ponce	Ponce	PR	00731	Y
022827	Inter American University of	Puerto Rico Guayama	Guayama	PR	00654	Y
022828	Inter American University of	Puerto Rico Fajardo	Fajardo	PR	00648	Y
022764	International Junior College		Santurce	PR	00910	
022606	National College of Business &	Technology	Bayamon	PR	00960	
023236	Ponce College of Technology		Ponce	PR	00733	
025349	Ponce Paramedical College		Ponce	PR	00731	
003936	Pontifical Catholic University	of Puerto Rico	Ponce	PR	00732	
011719	University Del Turabo		Gurabo	PR	00658	
025875	University Metropolitana		Rio Piedras	PR	00928	
021000	University Politecnica De	Puerto Rico	San Juan	PR	00918	
003943	University of Puerto Rico	Humacao University College	Humacao	PR	00661	
003944	University of Puerto Rico	Mayaguez	Mayaguez	PR	00681	
007206	University of Puerto Rico Cayey	University College	Cayey	PR	00633	
007108	University of Puerto Rico Rio	Piedras Campus	San Juan	PR	00931	
003937	University of The Sacred Heart		San Juan	PR	00914	
		# in PR:	29			
003401	Brown University		Providence	RI	02912	Y
025328	Lorettas School of Cosmetology		East Providence	RI	02914	
007845	New England Institute of	Technology	Warwick	RI	02886	
030694	New England Technical College		Warwick	RI	02886	
030800	Newport School of Hairdressing		Pawtucket	RI	02860	
003406	Providence College		Providence	RI	02908	
003409	Rhode Island School of Design		Providence	RI	02903	
003410	Roger Williams College		Bristol	RI	02809	Y
021717	School of Medical Secretarial	Sciences	Providence	RI	02906	
003414	University of Rhode Island		Kingston	RI	02881	
		# in RI:	10			
025524	Academy of Hair Technology		Greenville	SC	29615	
025883	Advance Beauty College		Spartanburg	SC	29302	
003417	Allen University		Columbia	SC	29204	
003420	Benedict College		Columbia	SC	29204	

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
023296	Betty Stevens Cosmetology	Institute	Florence	SC	29501	
023566	Charleston Cosmetology Institute		Charleston	SC	29420	
003423	Citadel South Carolina		Charleston	SC	29409	
003424	Claflin College		Orangeburg	SC	29115	
003428	College of Charleston		Charleston	SC	29424	Y
004922	Columbia Junior College of	Business	Columbia	SC	29203	
005363	Denmark Technical College		Denmark	SC	29042	
009226	Francis Marion University		Florence	SC	29501	
003991	Greenville Technical College		Greenville	SC	29606	
003438	Medical University of	South Carolina	Charleston	SC	29403	
003439	Morris College		Sumter	SC	29150	
003446	South Carolina State College		Orangeburg	SC	29117	
026177	Trend Benders Academy		Charleston	SC	29418	
004920	Trident Technical College		Charleston	SC	29411	
003455	Voorhees College		Denmark	SC	29042	
003456	Winthrop University		Rock Hill	SC	29733	
		# in SC:	20			
003464	Huron University		Huron	SD	57350	Y
		# in SD:	1			
022745	Academy of Cosmetology		Memphis	TN	38111	
009982	Crichton College		Memphis	TN	38175	
003486	David Lipscomb University		Nashville	TN	37204	
004934	Draughons Junior College of	Business	Nashville	TN	37217	
003487	East Tennessee State University		Johnson City	TN	37614	
022042	Electronic Computer Programming	Institute of Chattanooga	Chattanooga	TN	37411	
025950	Fayetteville Beauty School		Fayetteville	TN	37334	
003490	Fisk University		Nashville	TN	37203	
004938	Knoxville Business College		Knoxville	TN	37917	
003499	Lane College		Jackson	TN	38301	
003501	Le Moyne Owen College		Memphis	TN	38126	
003506	MeHarry Medical College		Nashville	TN	37208	
003509	Memphis State University		Memphis	TN	38152	Y
003510	Middle Tennessee State	University	Murfreesboro	TN	37130	

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
026142	Miller Motte Business College		Clarksville	TN	37040	
006836	Motlow State Community College		Tullahoma	TN	37388	
003522	Tennessee State University		Nashville	TN	37209	
004947	West Tennessee Business College		Jackson	TN	38301	Y
		# in TN:	18			
030238	Aims Academy		Grand Prairie	TX	75050	
030121	American Institute of Commerce		Dallas	TX	75240	
025212	Arlington Court Reporting	College	Arlington	TX	76006	
025396	Art Institute of Dallas		Dallas	TX	75231	
021171	Art Institute of Houston		Houston	TX	77056	
003543	Austin College		Sherman	TX	75090	
022948	Capitol City Careers		Austin	TX	78745	
025919	Career Centers of Texas El Paso		El Paso	TX	79907	
026047	Center For Advanced Legal	Studies	Houston	TX	77098	
010624	Central Texas Commercial College		Brownwood	TX	76801	
030281	Computech Vocational Schools		Houston	TX	77019	
012483	Cosmetology Career Center		Dallas	TX	75240	
021192	Court Reporting Institute of	Dallas	Dallas	TX	75247	
030260	Dalfort Aircraft Technical		Dallas	TX	75209	Y
003563	Del Mar College		Corpus Christi	TX	78404	
010139	Devry Institute of Technology		Irving	TX	75063	
003565	East Texas State University		Commerce	TX	75428	
009432	Executive Secretarial School of	Texas	Dallas	TX	75220	
004972	Galveston College		Galveston	TX	77550	
003576	Houston Baptist University		Houston	TX	77074	
025389	International Business College		Lubbock	TX	79414	
023182	KD Studio		Dallas	TX	75207	
008353	Lincoln Technical Institute		Grand Prairie	TX	75051	
003585	Lon Morris College		Jacksonville	TX	75766	
030265	M & M Word Processing Institute		Houston	TX	77056	
009797	Midland College		Midland	TX	79705	
010130	Miss Wades Fashion Merchandising	College	Dallas	TX	75258	
021886	Nell Institute		Austin	TX	78741	
030354	Occupational Safety Training	Institute	Houston	TX	77031	

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
013016	Ogle School of Hair Design		Arlington	TX	76013	
022306	Ogle School of Hair Design		Hurst	TX	76053	
023413	Palo Alto College		San Antonio	TX	78284	
003602	Paul Quinn College		Dallas	TX	75239	
030261	Polytechnic Institute		Houston	TX	77022	
003630	Prairie View A & M University		Prairie View	TX	77445	Y
003607	San Antonio College		San Antonio	TX	78212	
009466	San Antonio College of Medical &	Dental Assistants	San Antonio	TX	78212	
030323	School of Automotive Machinists		Houston	TX	77055	
030353	Southern Careers Institute		Austin	TX	78704	
020936	Southwest School of Electronics		Austin	TX	78735	
003615	Southwest Texas State University		San Marcos	TX	78666	Y
003608	St Philips College		San Antonio	TX	78203	
008958	Stenograph Institute of Texas		Abilene	TX	79604	
003626	Tarrant County Junior College		Ft Worth	TX	76102	Y
022284	Texas Aero Technical		Dallas	TX	75209	
030250	Texas College of Cosmetology		Abilene	TX	79605	
003641	Texas Lutheran College		Seguin	TX	78155	
003642	Texas Southern University		Houston	TX	77004	
022548	Texas Vocational School		Victoria	TX	77901	
003645	Texas Wesleyan University		Ft Worth	TX	76105	
023620	Universal Technical Institute		Houston	TX	77073	
003651	University of Dallas		Irving	TX	75061	
004952	University of Texas Medical	Branch Galveston	Galveston	TX	77550	
011163	University of Texas Tyler		Tyler	TX	75701	
009930	University of Texas of The	Permina Basin	Odessa	TX	79762	
030100	Vanguard Institute of Technology		Edinburg	TX	78539	
012020	Victoria Beauty College		Victoria	TX	77901	
026165	Visible Changes University		Houston	TX	77074	
020983	Western Technical Institute		El Paso	TX	79951	
003669	Wiley College		Marshall	TX	75670	
003604	William Marsh Rice University		Houston	TX	77251	
		# in TX:	61			
025728	Certified Careers Institute		Salt Lake City	UT	84119	

2/03/95 SCHOOLS SELECTED TO DATE
2:09 pm FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
003676	College of Eastern Utah		Price	UT	84501	
025727	Evans Hairstyling College		St George	UT	84770	
025731	Evans Hairstyling College		Cedar City	UT	84720	
025790	Evans Hairstyling College		Provo	UT	84057	
023610	ITT Technical Institute		Murray	UT	84123	Y
005220	Salt Lake Community College		Salt Lake City	UT	84130	
003674	Stevens Henager College of	Business	Ogden	UT	84401	
030306	Utah College of Massage Therapy		Salt Lake City	UT	84111	
004027	Utah Valley State College		Orem	UT	84058	
003681	Westminster College	Salt Lake City	Salt Lake City	UT	84105	
		# in UT:	11			
030107	ATI Hollywood		Roanoke	VA	24012	
023595	Alliance Tractor Trailer	Training II	Wytheville	VA	24382	
030911	Applied Career Training		Arlington	VA	22209	
025673	Braxton School		Richmond	VA	23230	Y
024944	Computer Dynamics Institute		Virginia Beach	VA	23462	
009572	Computer Learning Center		Springfield	VA	22150	
012901	Dominion Business School		Roanoke	VA	24017	
030768	Dominion Business School		Staunton	VA	24401	
030770	Dominion Business School		Harrisonburg	VA	22801	
010198	E C P I College of Technology		Virginia Beach	VA	23462	
025354	E C P I of Richmond		Richmond	VA	23230	
030927	ECPI Computer Institute of	Roanoke	Roanoke	VA	24016	
003709	Emory & Henry College		Emory	VA	24327	
003749	George Mason University		Fairfax	VA	22030	
030024	Graham Webb International	Academy of Hair	Arlington	VA	22201	
003714	Hampton University		Hampton	VA	23668	
003715	Hollins College		Roanoke	VA	24020	
030022	Indian River Beauty Academy		Virginia Beach	VA	23464	
009886	International Beauty School		Charlottesville	VA	22901	
003721	James Madison University		Harrisonburg	VA	22807	
003724	Marymount University		Arlington	VA	22207	
003726	National Business College		Salem	VA	24153	
030994	New Technology University		Annandale	VA	22003	

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
003765	Norfolk State University		Norfolk	VA	23504	
003727	Northern Virginia Community	College	Annandale	VA	22003	
003728	Old Dominion University		Norfolk	VA	23508	Y
023045	Potomac Academy of Hair Design		Manassas	VA	22111	
022231	Potomas Academy of Hair Design		Falls Church	VA	22046	
025942	Rudy & Kelly School of Hair	Design	Virginia Beach	VA	23462	
003737	Shenandoah University		Winchester	VA	22601	
003739	St Pauls College		Lawrenceville	VA	23868	
026059	TESST Electronics & Computer	Institute	Alexandria	VA	22314	
023344	Tidewater Technical		Virginia Beach	VA	23452	
003745	University of Virginia		Charlottesville	VA	22903	
003735	Virginia Commonwealth University		Richmond	VA	23284	
003753	Virginia Military Institute		Lexington	VA	24450	
003754	Virginia Polytechnic Institute		Blacksburg	VA	24061	
003764	Virginia State University		Petersburg	VA	23803	
003766	Virginia Union University		Richmond	VA	23220	
021088	Wards Corner Beauty Academy		Norfolk	VA	23505	
009420	Washington Business School of	Northern Virginia	Vienna	VA	22182	
003761	Wytheville Community College		Wytheville	VA	24382	
		# in VA:	42			
003946	University of The	Virgin Islands	Charlotte Amalie	VI	00801	
		# in VI:	1			
003683	Castleton State College		Castleton	VT	05735	
003688	Johnson State College		Johnson	VT	05656	
003689	Lyndon State College		Lyndonville	VT	05851	
003691	Middlebury College		Middlebury	VT	05753	
003696	University of Vermont & State	Agricultural College	Burlington	VT	05405	Y
011934	Vermont Law School		South Royalton	VT	05068	
003698	Vermont Technical College		Randolph Center	VT	05061	
030966	Whitmans Academy of Hair Design		Brattleboro	VT	05301	
		# in VT:	8			
025049	Academy of Hair Design		Wenatchee	WA	98801	

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
022913	Art Institute of Seattle		Seattle	WA	98121	
013094	Bellingham Beauty School		Bellingham	WA	98225	
025321	Business Computer Training	Institute	Everett	WA	98208	
003771	Central Washington University		Ellensburg	WA	98926	
013022	City University		Bellevue	WA	98008	
011481	Divers Institute of Technology		Seattle	WA	98107	
022033	Gene Juarez Beauty Colleges		Seattle	WA	98125	
025446	Magee Bros Beauty School		Vancouver	WA	98664	
023314	Mt Vernon Beauty School		Mt Vernon	WA	98273	
003793	Spokane Community College		Spokane	WA	99207	
009544	Spokane Falls Community College		Spokane	WA	99204	
003798	University of Washington		Seattle	WA	98195	Y
024962	Vancouver School of Beauty		Vancouver	WA	98660	
003802	Western Washington University		Bellingham	WA	98225	
		# in WA:	15			
011484	Advanced Institute of Hair	Design	Milwaukee	WI	53225	Y
026181	Business & Banking Institute		Milwaukee	WI	53203	
003842	Concordia University Wisconsin		Mequon	WI	53092	
003854	Lakeland College		Sheboygan	WI	53082	
003856	Lawrence University		Appleton	WI	54911	Y
003863	Marquette University		Milwaukee	WI	53233	
023247	Martins School of Hair Design		Oshkosh	WI	54901	
023321	Martins School of Hair Design of	Manitowoc	Manitowoc	WI	54220	
003875	Northland College		Ashland	WI	54806	
003884	Ripon College		Ripon	WI	54971	
007774	Scientific College of Beauty	Barbering	La Crosse	WI	54601	
012906	Scientific College of Beauty		Madison	WI	53711	
009641	St Francis Seminary		Milwaukee	WI	53207	
003892	St Norbert College		De Pere	WI	54115	
005009	Stratton College		Milwaukee	WI	53202	
003896	University of Wisconsin	Milwaukee	Milwaukee	WI	53201	
003917	University of Wisconsin	Eau Claire	Eau Claire	WI	54701	
003919	University of Wisconsin	La Crosse	La Crosse	WI	54601	
003925	University of Wisconsin	Superior	Superior	WI	54880	

2/03/95
2:09 pm

SCHOOLS SELECTED TO DATE
FEDERAL DIRECT STUDENT LOAN PROGRAM

ID NUMBER	SCHOOL NAME	SUBNAME	CITY	STATE	ZIP	YR 1 DL
008217	Wisconsin College of Cosmetology		Green Bay	WI	54301	
009621	Wisconsin School of Electronics		Madison	WI	53704	
		# in WI:	21			
003806	Alderson Broaddus College		Philippi	WV	26416	
003808	Bethany College		Bethany	WV	26032	
003809	Bluefield State College		Bluefield	WV	24701	
003812	Fairmont State College		Fairmont	WV	26554	
003813	Glenville State College		Glenville	WV	26351	
003815	Marshall University		Huntington	WV	25755	
030520	Meredith Manor International	Equestrian Centre	Waverly	WV	26184	
003829	Potomac State College of	West Virginia University	Keyser	WV	26726	
003820	Salem Teikyo University		Salem	WV	26426	
003822	Shepherd College		Shepherdstown	WV	25443	
026094	Valley Training Centers		Martinsburg	WV	25401	
030842	Valley Training Centers		Princeton	WV	24740	
030844	Valley Training Centers		Beckley	WV	25801	
003823	West Liberty State College		West Liberty	WV	26074	
005007	West Virginia Career College		Morgantown	WV	26505	
003827	West Virginia University		Morgantown	WV	26506	Y
003830	West Virginia Wesleyan College		Buckhannon	WV	26201	
003831	Wheeling Jesuit College		Wheeling	WV	26003	
		# in WV:	18			
022906	Cosmetic Arts & Sciences		Casper	WY	82602	
022611	Modern Trend Beauty School		Cheyenne	WY	82001	
		# in WY:	2			
		# TOTAL:	1495			