
From: Ayala, Miguel
Sent: Monday, June 16, 2008 6:22 PM
To: Dear Colleague
Subject: Dear Colleague; Education; Enhancing Higher Education Access and Success for Minority Students

June 16, 2008

ENHANCING HIGHER EDUCATION ACCESS AND SUCCESS FOR MINORITY STUDENTS

BRIEFING: Monday, June 23rd – 10am – HC-5

Dear Colleague:

We invite you to a briefing sponsored by the Congressional Black Caucus, the Congressional Hispanic Caucus, the Congressional Hispanic Conference, and the Congressional Asian Pacific American Caucus on the “Guarantor Role in the Family Federal Education Loan Program (FFEL)” on June 23 from 10:00 to 11:00 a.m. in room HC-5.

Guarantors play an increasingly critical role in the delivery of student financial aid. Not only do they approve and process every one of the 12 million FFEL program student loans (totaling \$55 billion in Fiscal Year 2006), standing behind these funds to protect the Federal Government’s investment in our students, but they also enhance access to and success in postsecondary education through early awareness, outreach, financial literacy, debt management, and avoidance of student loan delinquency and default.

Guarantors, backed by the latest information and telecommunications technology, help students avert defaults by providing entrance- and exit-counseling programs that colleges, universities and private career schools can customize to provide students with meaningful guidance about managing their education debt before they take out loans and before they leave campus. They also equip postsecondary institutions with financial literacy tools to teach their students to manage their time and money while on campus and following graduation.

More importantly, guarantors work to ensure that every deserving student can benefit from higher education. Based on federal government reports that project members of ethnic minority groups will make up a large percentage of the college-going population in the coming years, and that many of these prospective students will need financial aid to pay for college, guarantors give special attention to helping these students overcome barriers to higher

education. Specifically, guarantors support programs that promote higher education preparedness, access and success for students who are members of ethnic minority groups, including scholarships, early awareness programs, symposiums for minority-serving institutions, research to promote college access for minority students and Spanish-language college planning materials.

These efforts have resulted in a “win-win” situation for minority students, who not only benefit from the programs that promote college access but who also learn how to avoid the significant adverse consequences of student loan delinquency and default. In fact, because of the guarantors’ emphasis on delinquency and default prevention, the national default rate has fallen to 4.6 percent, down from 22.4 percent in 1990 and at a time when the dollar volume of new loans has more than doubled. And this work has saved the taxpayers and the borrowers billions of dollars.

Please join us to learn more about what services guarantors provide for your constituents. If you have any questions, please contact Miguel Ayala (Hispanic Caucus) at 5-2410.

Sincerely,

/s

Joe Baca
Chair
Congressional Hispanic Caucus

/s

Michael Honda
Chair
Congressional Asian Pacific American Caucus

/s

Carolyn Kilpatrick
Chair
Congressional Black Caucus

/s

Luis Fortuño
Chair
Congressional Hispanic Conference

