KENTUCKY ASSOCIATION OF STUDENT RECEIVABLE OFFICERS

FALL 2015

KASRO KONNECTIONS

OFFICIAL NEWSLETTER

Celebrating 24 Years

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A Message from our President

I am truly very honored and privileged to be representing the KASRO organization as President for the 2015/16 year and would like thank all of my fellow members for allowing me this opportunity. I also want to thank those that have served on past and current executive boards. Without the volunteering of their time, KASRO would not be approaching its milestone of 25 years of existence.

Founded in 1991, we continue to be one of the premier organizations that focuses on student business service related issues. These issues have allowed for the exchanging of ideas and the willingness to share knowledge with our fellow members throughout the Kentucky region. As we grow and look to extend our membership outside of our state's borders, our mission remains the same: Network, Communicate, and Reciprocate, providing knowledge and professional development for our constituents.

As part of our 2015/16 membership year, we again offer the opportunity for TWO professional conferences. The first will be the Fall 2015 Conference hosted by the University of Louisville in Louisville, KY October 8-9, 2015. We will also offer a Spring Conference May 4-6, 2016 at General Butler State Park in Carrollton, KY. The conferences include federal updates to the Perkins Loan, opportunities to network, and become more proactive in sharing methods related to handling the ever changing student business services environment.

In an effort to modernize and expand the impact of our web presence, we have updated our KASRO web site and added social media opportunities through Facebook. We hope you will become familiar with our new web site, and use it as a resource for upcoming events and News Updates. Most importantly, we hope you will use the new web site to renew your membership or become a new member of KASRO. Your annual membership fee for a college or university participant is only $75.00. Your membership affords you the opportunity to attend the Fall 2015 and Spring 2016 Conferences with NO additional fee.

Now is a great time to be or become a member of KASRO. Remember, "Great professional college and university connections can change your professional business knowledge and allow for you to potentially bring new ideas to your college or university and maybe even your professional life." I believe you can make these great connections by attending the Fall 2015 and/or Spring 2016 Conference. Check out the new KASRO web site at www.kasro.net.

Thank you for your continued support of KASRO and renewing/becoming a member of KASRO. If you are not already a member, please consider joining today. I look forward to welcoming you and meeting you at the Fall 2015 Conference October 8-9 in Louisville, KY.

Gregory D. Atkins

KASRO BOARD 2015-16

President	Greg Atkins	University of Louisville	gregory.atkins@louisville.edu
Past President	Vacant		
President Elect	Rochelle Seals	Eastern Kentucky University	rochelle.seals@eku.edu
VP Annual Conference	Tina Shanks	University of Kentucky	tina.shanks@uky.edu
VP Pub. Relations/ Membership	Scott Medley	Reliant Capital Solutions	smedley@reliant-cap.com
VP Professional Development	Kevin Hunt	Williams & Fudge	khunt@wfcorp.com
Treasurer	Carrie McCubbins	University of Louisville	cnmccu02@louisville.edu
Secretary	Nancy Taylor	University of Kentucky	ntaylor@uky.edu
VP Technology & Social Media	Loretta DeToma	University of Kentucky	ldetoma@uky.edu

KASRO MEMBER NEWS

Welcome to New Employees

Stacy Kirchoff, Oakland City University, the new Assistant to the Supervisor of Collections, started on April 1st. Anita Miskell says Stacy is a great asset – and was so happy it was ***not*** an April Fool's joke!

Sarah Habel, University of Kentucky, is the new Student Account Analyst. Sarah previously worked at National College.

Michael Matkowsky, is the new Account Control Technology (ACT) representative for Kentucky. Michael has more than 19 years of experience in client services, and looks forward to the KASRO conference.

ACT is holding its annual ACT for a Cure fundraiser during the month of September to build awareness and help in the fight to end breast cancer.

Wendy Christian, Whitney Jackson, & LaTanya Walker (UK) attended CBMI this summer, held at the University of Kentucky. Wendy graduated!

cbmi 2015 College Business Management Institute

Greg Atkins, Carrie McCubbins, Don Hudson (UL), **Nancy Taylor** and **LaTanya Walker** (UK), and **Randle Teague** (UCumberlands) attended the Heartland ECSI Users Conference in June.

Scott Medley, after 31 years with GRC, has joined forces with Reliant Capital Solutions as Vice President of Sales & Marketing. Scott will continue to be a true champion for KASRO.

Interested in serving on the KASRO Board?
Contact Greg Atkins at gregory.atkins@louisville.edu

Immediate Vacancy to be elected at the Fall 2015 Conference:

- **Past President**

Positions to be elected at the Spring 2016 Conference:

- **President- Elect**
- **VP Annual Conference**
- **VP Public Relations/Membership**
- **Secretary**

View position duties at:
KASRO Executive Board
Pages 11-16

MISSION

KASRO's mission is to offer professional development and educational opportunities for University Business Officers that will enhance their post-secondary institutional mission of implementing sound financial controls and providing excellent customer service.

You are encouraged to submit letters, photographs and announcements. Items of interest are welcome.

Contact: Nancy Taylor
KASRO Secretary
ntaylor@uky.edu

FAREWELL FROM ANNA NEVIUS

Dear KASRO Friends:

As a number of you already know, I have recently accepted a position with Ball Homes as their Assistant Controller. In doing so, I have resigned my position as Past President on the KASRO Board. By the time many of you read this, my new adventure will have already begun. I have learned a great deal and worked with many of you with whom I will remain friends for a long time. I can only wish that my new job will give me such rewarding experiences and supportive friends. Thank you for the opportunity to serve on the KASRO Board as well as the support, guidance and encouragement you have provided over the years.

I have made many friends through KASRO and hope everyone will stay in touch. I can be reached at my personal email address (anna.nevius@gmail.com).

My very best wishes for the future go out to each and every one of you and KASRO.

Yours sincerely,
Anna M. Nevius

Thank you for everything, Anna. You will be missed. Best wishes from your KASRO friends.

***Allison Colvin, UL**, announces the birth of her son, Grady James Colvin, born March 8, 2015, 2:32 pm, 8 lbs, 6 oz, 21 inches. Born a Cardinal fan!*

As they came in to pay, students signed a banner in Student Account Services during Fall 2015 peak payment season.

FALL CONFERENCE OCTOBER 8-9, 2015

UNIVERSITY OF LOUISVILLE

Clinical Translational Research Building, Rm 101/102
505 Hancock St., Louisville, KY 40202

IT'S TIME TO PAY THE ANNUAL MEMBERSHIP FEE FOR 2015-16.

Go to **www.kasro.net** and click on **Membership** to pay the membership fee.

GALT HOUSE HOTEL
The Heart of Louisville

FALL CONFERENCE AGENDA

Thursday, October 8, 2015

8:00 a.m.	**Conference Registration/Breakfast** Room 101/102 Clinical Translational Research Bldg
9:00 a.m.	**Welcome** John R. Shipley, U of Louisville AVP/Controller
9:15 a.m.	**Business Meeting**
9:30 a.m.	**Starting Off the Day Right** Tricia Palm, Williams & Fudge VP Human Resources
10:45 a.m.	Networking Break
11:00 a.m.	**Round Table Discussions**
12:00 p.m.	Lunch
1:15 p.m.	**Do Employees Want to Work for You…or Do They Have to Work for You?** (Part One) Terry Mattingly, Training & Coaching Specialists
2:45 p.m.	Networking Break
3:00 p.m.	**Do Employees Want to Work for You…** (Part Two) Terry Mattingly
4:30 p.m.	Back to Hotel
6:30 p.m.	Evening Event – Howl at the Moon

Live Music
Dueling Pianos

FOURTH STREET Live!

http://www.howlatthemoon.com/louisville/

FALL CONFERENCE AGENDA (continued)

Friday, October 9, 2015

8:00 a.m.	**Breakfast/Networking**
9:00 a.m.	**Review/PreviewSessions/Recognize Sponsors**
9:15 a.m.	**Be the Driving Force Behind an Unstoppable Team** Kimberly Goughler, U of L Executive Coordinator of the Cardiovascular Innovation Institute (CII)
10:00 a.m.	Networking Break/Exchange Business Contacts
10:15 a.m.	**Department of Education Update – COHEAO** Karen Reddick, NCM & COHEAO Membership Chair
11:00 a.m.	**Business Meeting/KASRO Prize Drawing** Must be present to win Passing of the Cup to the Fall 2016 Host

FUN FACTS

The University of Louisville was originally chartered as Jefferson Seminary in 1798.

U of L joined the state system of higher education in 1970.

COHEAO UPDATE – Communications Chair, Michael Mietelski

Regional Director of Business Development
ConServe
200 CrossKeys Office Park, P.O. Box 7
Fairport, NY 14450-0007
Phone (800) 724-7500 x 4450
Email mmietelski@conserve-arm.com

Thank you for the opportunity to provide a COHEAO update and share some recent and noteworthy highlights within and around COHEAO. For the past 32 years, COHEAO has served as a partnership of colleges, universities, and organizations dedicated to promoting the Federal campus-based loan programs and other student financial services. Committed to the preservation and improvement of the Federal Perkins Loan and Health and Human Services Loan Programs, COHEAO advocates for their continuance as well as for increased annual appropriation levels.

Message from the COHEAO President

There are extensive efforts underway to Save the Perkins Loan Program! COHEAO members have been extremely busy since Mike provided the last COHEAO update to KASRO in March and I am excited to share that we have been successful in gaining valuable support for the Perkins Program in Congress.

On June 3rd, Congressman Luke Messer (R-IN) introduced H.Res.294 – "Expressing support for the continuation of the Perkins Loan Program". Congressman Mark Pocan (D-WI) immediately signed on as cosponsor to this bi-partisan resolution and since then, an additional ***45 Congressional Representatives have cosponsored*** *the resolution.*

In addition, on June 16, 2015, Rep. Louise Slaughter (D-NY) issued a Dear Colleague Letter (DCL) to seek the support and signatures of other Members of Congress on her letter to the House Committee on Education and the Workforce supporting the reauthorization of the Federal Perkins Loan Program. ***This DCL amassed 95 signatures of support by Members of Congress!***

Congresswoman Slaughter is truly a Perkins Champion! *I had the pleasure of attending a press event on September 2nd in Representative Slaughter's district office where, in addition to the Congresswoman, 5 university presidents from the area spoke on the value of the Perkins Program to their schools and students – two of whom were Perkins Loan recipients. In addition, 3 medical students from the University of Rochester educated the press on how significant Perkins is in providing affordable financing to graduate students who have fewer options.*

A press event is scheduled for September 9th in DC to promote the Perkins Resolution. Representatives Messer, Pocan and Slaughter are all scheduled to participate! COHEAO will share the details from this event in our bi-weekly Torch publication and through Spark Notes.

If you value this Program as a critical and unique source of funding for your students, PLEASE get involved in our advocacy efforts! Congress needs to hear from you NOW, as both the House and Senate Education Committees are engaged in drafting their reauthorization bills. And, PLEASE promote the Perkins Petition. We need to get our signature count up to 20,000 before the end of September so share the link and encourage students, friends and colleagues to sign!

COHEAO is working with schools all across the country in organizing calls to Congressional Members and their Staff to convey the importance of reauthorizing the Perkins Program. We encourage you to participate in a Congressional call, send an email to your Congressional Representative, and engage colleagues on your campus to ensure this Program's survival. Please feel free to reach out to me or any of the COHEAO board members for guidance.

#SavePerkinsNow
Maria Livolsi
COHEAO President
Director, State University of New York

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COHEAO Conferences and Webinars

The Agenda Committee organizes two conferences a year and at least one webinar each month. These events are designed to provide timely information to COHEAO members to assist them with regulatory and legislative updates, best practices and other topics of importance in Higher Education.

COHEAO has a number of upcoming webinars for the fall. First is a ***TCPA*** Webinar with Mark Brennan, from Hogan Lovells US LLP, and Bob Perrin, from Williams & Fudge Inc., which will take place on September 23rd or 24th – check the COHEAO website for an update soon. We also have plans for webinars on ***Credit Reporting and the Fair Credit Reform Act***, the new ***Perkins Loan Electronic Assignment System***, and the annual ***GLB and Red Flag Training***. We will also offer a webinar featuring a full update on the Federal Perkins Loan Program, as soon as we have any new information!

Be sure to **Save the Date** for the **2016 COHEAO Annual Conference** in Washington D.C. January 31 – February 3, 2016.

Reasons to Attend: In addition to the professional development and networking opportunities, the COHEAO Annual Conference focuses on current legislative and regulatory issues and provides an opportunity for attendees to visit Capitol Hill and advocate directly to congressional representatives on areas of importance to your institution. ***Who Should Attend:*** Staff from Student Financial Services including the business office, Bursars and Financial Aid professionals.

Federal Perkins Loan Program

Update on Perkin Loan Advocacy

COHEAO has been extremely busy working on initiatives to support the continuation of the Perkins Loan Program. Our focus is to ensure that Perkins is included in legislation for an extension along with other programs covered by the Higher Education Act to ensure its continuance after the September 30th expiration date. COHEAO has been in touch with many Congressional offices and has been working closely with other higher education associations and with leaders from individual universities to support the continuance of the Perkins Program.

Congress would likely pass a bill that would extend Perkins, at least until the entire Higher Education Act is reauthorized, however, the Congressional Budget Office has indicated there may be a federal cost associated with extending Perkins. That cost would have to be offset, even though no new federal spending would be taking place. COHEAO is working extremely hard on helping Congress figure out a way forward so that the cost of an extension doesn't cause the Program to sunset on September 30. No decisions will be made until closer to the expiration date.

Meanwhile, there is much that can be done to encourage Congress to find a way to continue the Perkins program. For example, the Change.Org petition is nearing its goal of 20,000 signatures. Please sign it if you haven't already and encourage colleagues and especially students to sign it as well. Go to https://www.change.org/p/save-perkins-now to sign!

Additionally, COHEAO continues to coordinate calls with staff in Senate and House offices and college and university representatives. Please contact Legislative Chair Jan Hnilica if you would like to participate in a Congressional call with your Representative.

Another great development is a "Dear Colleague" letter supporting Perkins that has 95 signatures in the House of Representatives. Representative Louise Slaughter of New York has scheduled a press conference for September 2nd to announce the delivery of the letter to the Chairman and ranking minority member of the House Committee on Education and the Workforce.

Also notable, the House resolution, H.Res. 290, supporting reauthorization of the Perkins Program, had 46 cosponsors as of August 31. In addition to the Congressional cosponsors, dozens of national and regional education organizations and colleges and universities have endorsed the resolution through a letter of support. COHEAO welcomes your support for the **Save Perkins Now** campaign. Please contact Legislative Chair Jan Hnilica, President Maria Livolsi, other members of the Board of Directors, or the COHEAO staff in Washington, DC, with questions and ideas.

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COHEAO Comments on OMB Approved Forms for Perkins Loans:

COHEAO submitted comments on the Department of Education's proposed updates for loan deferment forms. The Department is seeking to move to a standard form for deferments and forbearances for all federal student loans, and given the relative size of the programs, all efforts to standardize forms and processes across loan programs will start from a base of Direct Loans. To review the comments submitted by COHEAO, click here.

COHEAO Scholarships

COHEAO is pleased to announce it has awarded four (4) $1,000 scholarships to very deserving students attending COHEAO member institutions. The scholarship winners for the 2015-2016 academic year are: Neel Shah from Northeastern University; Miranda Oliverius from Concordia College – Moorhead; Steven Chao from George Washington University; and Kelsey Clinton from Vanderbilt University. Congratulations to our winners and their COHEAO schools.

Accounts Receivable Management

COHEAO is also extremely active in the area of campus accounts receivable. We are committed to promoting discussion and sharing best practices in several areas regarding the current challenges that campuses face in managing accounts receivable, including collection regulations, TILA, institutional loans, TCPA, and cash management.

COHEAO recently added a new online resource available to COHEAO members. Thanks to the work of Chairman Larry Rock and the STAR Task Force Committee, COHEAO now has a resource page providing links to valuable information on statutes of limitations and collection fees on a state-by-state basis. To visit the STAR Task Force Resource website, please use the following link: http://www.coheao.com/taskforces-committees/student-financial-services/.

TCPA News: The TCPA prohibits autodialed or prerecorded non-emergency calls to cell phone numbers unless the call is made with "the prior express consent of the called party." Legal uncertainty about the rules has fueled the explosion of TCPA consumer class actions in federal and state courts that the industry is now facing.

The Federal Communications Commission (FCC) released a Declaratory Ruling and Order on July 10 that intended to address the nearly two dozen petitions seeking guidance on TCPA issues that the agency received. COHEAO has commented in support of several of the petitions calling for modernization of rules to permit using predictive dialers to call cell phones, something that is permitted for calls to land lines. COHEAO has repeatedly pointed out that for higher education, the antiquated rules are unworkable since the vast majority of students and recent students don't have land lines and probably never will. COHEAO also called for more protection against being sued when consent was received to call a cell phone, but the phone number was transferred to someone new, thus cancelling the consent without the knowledge of the caller.

ACA International immediately filed a lawsuit against the FCC seeking judicial review of the Ruling from the U.S. Court of Appeals for the D.C. Circuit. Likewise, the Professional Association for Customer Engagement, Inc. (PACE), a non-profit trade organization, and Sirius XM Radio, Inc., both filed separate but identical Petitions for Review of the FCC's Ruling. Many expect similar lawsuits and petitions against the FCC's Ruling to be filed within the next few weeks.

Cash Management News: July 1 was the deadline for comments on the Department of Education's proposed regulations relating to cash management in the Title IV programs. The responses from banking and higher education trade associations show there are significant concerns with the proposal.

Continued on Page 8

In particular, COHEAO signed onto a comment sent to the Department of Education from the National Association of College and University Business Officers (NACUBO) that identifies many problems with the regulations. The letter offers the following three major areas of concern:

> • *If these rules are too proscriptive, too difficult, and too expensive to implement, third-party servicers and banks will simply exit this marketplace, leaving colleges and universities without valuable partners who have helped them improve services to students.*
>
> • *ED has overstepped its statutory authority in the proposed rules.*
>
> • *The proposed regulations go well beyond the remedies necessary to resolve the problems that ED has identified in justifying its action, imposing considerable and unnecessary burden on the regulated parties for very little added benefit.*

COHEAO along with NASFAA, NAICU, the American Association of Community College Trustees, and the National Association of Campus Card Users joined NACUBO as signatories on the letter. For the NACUBO letter, see: http://www.regulations.gov/contentStreamer?documentId=ED-2015-OPE-0020-0158&attachmentNumber=1&disposition=attachment&contentType=pdf

Student advocacy groups, along with the consumer focused plaintiffs' bar, were generally pleased with the proposal. Though in some cases, these groups argued the proposal did not go far enough to ensure that students did not have to pay any fees related to their Title IV funds.

Financial Literacy

In the August edition of the Financial Literacy Newsletter, published by COHEAO's Financial Literacy Chair, Todd Woodlee, Todd shared news of three recent conferences he had attended and how exciting it was to see the amount of focus spent on improving the financial and debt education of college students and alumni. Topics from the conferences that were highlighted in the newsletter included: 1. Financial literacy, the lackluster evidence of noteworthy progress, particularly with middle/high school students; 2. We do not have a student loan debt crisis…we have a graduation/completion and information crisis; and, 3. It's not a "one-size-fits-all" solution - students need dynamic, engaging and interactive financial education and it is the institution's responsibility to support the students by providing funding and resources for these programs. To read the August edition of the financial literacy newsletter, go to: **www.coheao.com/wp-content/uploads/2011/04/August-2015-Financial-Literacy-Newsletter.pdf**

Consumer Financial Protection Bureau

COHEAO filed a response to the Consumer Financial Protection Bureau's Request for Information on student loan servicing. Although the focus of the RFI was on servicing of Direct Loans and FFELs, there was mention of private loans (which include institutional loans) and a brief mention of collections. The CFPB's **proposed policy statement** would add the consumer's narrative, and essentially publish the consumer's detailed description of what happened, including potentially inflammatory or offensive statements and identifying information pertaining to company employees. COHEAO is aggressively drafting a response expressing our concerns about disclosing unverified data. The inclusion of consumer narratives will only serve to increase the reputational risks inherent in such disclosures.

Continued on Page 9

CFPB Publishes Newest Complaint Report Spotlighting Credit Reporting Bureaus

The Consumer Financial Protection Bureau (CFPB) published its monthly consumer complaints snapshot on August 25. The report spotlights credit reporting complaints, which sharply increased compared to the prior month and the prior year. According to the report, the majority of the credit reporting complaints were about problems with incorrect information on the reports. The report shows a 45% year over year increase in complaints about credit bureaus.

The report also showed growth in student loan complaints, although given the amount of publicity about problems with student loan repayment, the monthly average number of 639 for the May-July period is still relatively small. It's up 12% from the same period last year. The report states that for the 23rd consecutive month, the Bureau received the most complaints about debt collection, representing about 31% of all complaints submitted this past July. The data shows a 1% reduction in debt collection complaints from last year. For the CFPB news release and report, see: http://www.consumerfinance.gov/newsroom/cfpb-monthly-complaint-snapshot-spotlights-credit-reporting-complaints/

COHEAO & KASRO

As COHEAO remains committed to the challenges of our alliance membership, we invite you to bring forward any new initiatives you have and to provide your valuable feedback. Please reach out to any COHEAO board member through the list of email addresses that can be found on our COHEAO.org website and share your questions, concerns or suggestions.

You can remain active and up-to-date on all topics relevant to student aid services via COHEAO webinars, our bi-weekly edition of The Torch, and our breaking news alerts provided in Spark Notes.

Thank you for the important work you do in support of our common goal of helping to provide More Education for More People! We look forward to exchanging ideas and information with you at the upcoming TCPA webinar on either September 23 or 24, (stay tuned) and at our annual conference in Washington D.C. January 31 – February 3, 2016.

KASRO is proud to be an alliance member of COHEAO.

SPRING CONFERENCE 2015 HIGHLIGHTS *Kentucky Dam Village State Park*

Craig Zablocki, our hilarious keynote speaker, motivated us to put fear, worry, and ego aside to succeed. Jamie Hart (see him?) assisted!

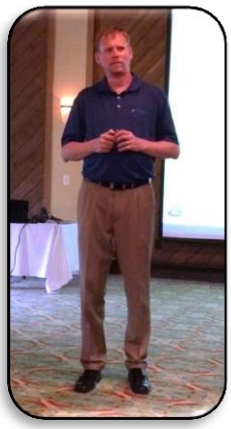
Merle Isgett, ERS, put us some through some entertaining exercises (treats were involved ☺) to demonstrate how to "tap into existing knowledge".

Reuben Harness, UK, gave us excellent advice on business and dining etiquette. Of course, we all critiqued each other at dinner!

Drew Rozzi, Heartland ESCI, updated us on the subject we all love to hate - the 1098-T.

Valuable information was shared by members in informal breakout groups, moderated by Kevin Hunt, W&F, and Greg Atkins, U of L.

Jamie Hart of Weltman, Weinberg & Reis, gave us a lesson on the ABCs - not those, but the ones about collection laws and student loans and accounts receivable.



Chris Gent, ConServe, presented on the key factors to consider when evaluating collection agencies.

Mary Johnson, Higher One, gave an outstanding presentation on "Becoming a Financial Literacy Champion". Her Power Point is available on the KASRO web site.

Karen Reddick, NCM and COHEAO, gave us information on the Perkins Loan Program and other news from the Hill. Note the Save Perkins Now pin!

SPRING CONFERENCE 2015 PICTURES

Kentucky Dam Village State Park

MORE SPRING CONFERENCE 2015 PICTURES

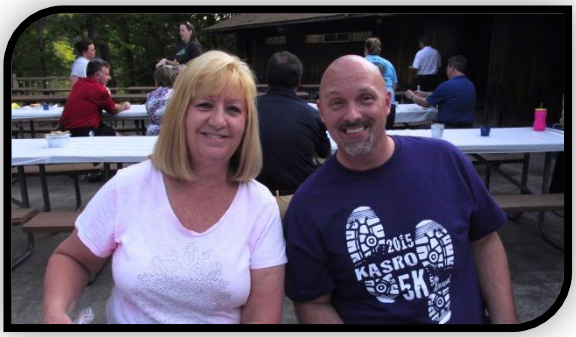
Kentucky Dam Village

Anita Poynor paid us a visit!

EVEN MORE SPRING CONFERENCE 2015 PICTURES *Kentucky Dam Village*

Grand Prize Winners
Anna Dunkelberger & Anita Miskell

Darnell Award Winner Tina Shanks
with VP Scott Medley



Speedsters
Rochelle Seals & Jamie Hart

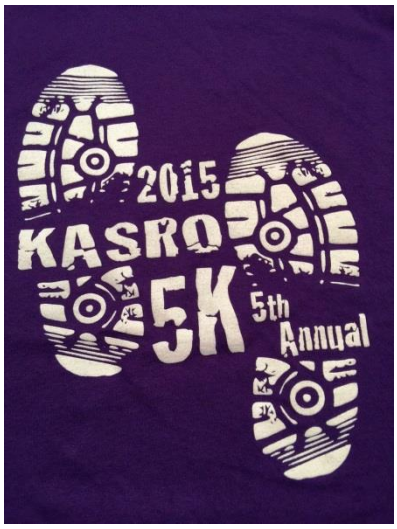
Happy
Retirement,

Kathleen
McGregor

5th Annual KASRO 5K/1 mile Fun Run

Proceeds from the 5K/ 1 Mile Fun Run went to the American Cancer Society in memory of Carol Babb and to support those fighting cancer.

Looking forward to another great event next spring at General Butler in May 2016, so start training now!

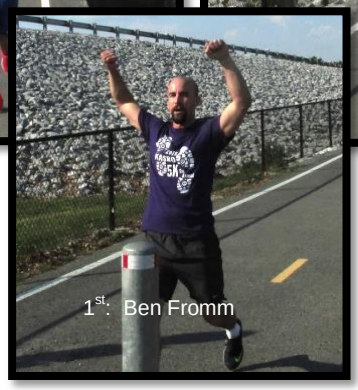


Tina Shanks

University of Kentucky

Recipient of the 2015 Lou Darnell Award For Distinguished Service

Presented by: Loretta DeToma



INDUSTRY ODDS & ENDS

IRS Waiving Penalties for 1098-T Forms Filed Incorrectly or Missing TINs

Prepared by: Michelle Cravez
(mcravez@wpllc.net) August 31, 2015

On June 29, Congress passed new trade legislation that included an amendment that eased 1098-T penalties on institutions of higher education and others for failing to properly report student taxpayer ID numbers (TIN), such as social security numbers. While this provision goes into effect for statements originating after December 31, 2015, schools have reported receiving IRS Notices of penalties for failing to provide accurate information on 1098-T forms filed from previous tax years. On Friday, the IRS announced it will drop penalties for tax years 2012, 2013 and 2014 and described the process to follow to have penalties waived.

The Taxpayer Relief Act of 1997 requires schools to file a 1098-T form for any student where a reportable transaction was made to help the taxpayer and IRS in determining a taxpayer's eligibility for education tax credits. Since 2011, schools can be fined up to $100 for each information return document sent to the IRS with missing or incorrect TINs. Colleges and universities voiced their concerns over these penalties as many report they are unable to obtain TINs from students or that they unknowingly receive an incorrect TIN. The National Association of College and University Business Offices (NACUBO) and other higher education organizations fought hard against what they believe were unjust penalties, and their efforts have proven successful with the passage of the legislation and the most recent IRS announcement.

In 2014, the IRS said it would waive 1098-T fees for the tax year 2011 only. However, last week's announcement confirms that the agency will also be granting such relief for tax years 2012, 2013, and 2014.

The IRS announcement reads as follows:

"Relief for these three years is being given in light of recent legislation that provides relief to educational institutions from future penalties for missing or incorrect TINs if the educational institution certifies under penalty of perjury that it has complied with regulations governing solicitation of payee TINs. Although this legislation permits this certification, it does not remove the requirement to properly solicit payee TINs.

For tax year 2012, each educational institution that was previously assessed such penalty will receive a letter from the IRS informing them of the IRS' decision. Affected institutions that do not receive a letter by Oct. 1, 2015, should respond to the IRS using the original penalty assessment notice. The IRS is not assessing penalties for incorrect or missing TINs for tax years 2013 and 2014."

As mentioned above, the recently enacted *Trade Preferences Extension Act of 2015*, creates a safe harbor for eligible higher education institutions from IRS penalty notices for missing taxpayer identification numbers and requires certain taxpayers claiming education tax benefits to possess a valid 1098-T.

The new law reads:

"No penalty shall be imposed under section 6721 or 6722 solely by reason of failing to provide the TIN of an individual on a return or statement required by section 6050(S)(a)(1) if the eligible educational institution required to make such return contemporaneously makes a true and accurate certification under penalty of perjury (and in such form and manner as may be prescribed by the Secretary) that it has complied with standards promulgated by the Secretary for obtaining such individual's TIN."

This provision goes into effect for statements furnished after December 31, 2015.

Source: COHEAO *Spark*, August 31, 2015

TCPA Do's and Don'ts: Lessons Learned From the Recent Litigation Wave and FCC Order

By Bradley M. Baglien, Heather Zachary and D. Reed Freeman Jr ***EXCERPT***

Takeaways: Do's and Don'ts to Consider

The takeaway message of recent TCPA litigation and enforcement is clear: Businesses and their counsel need to be vigilant about TCPA compliance both internally and for third-party marketing partners and must ensure that consumer communications fall within the scope of consent provided by the recipient. However, the TCPA was not intended to "be a barrier to normal, expected, and desired business communications."[16] Mobile communication strategies can be both effective and TCPA-compliant. Below are some considerations for any business that wishes to reduce its risk of TCPA liability, or at a minimum to ensure that key defenses are available in the event of TCPA litigation:

• **Do: Obtain Express Written Consent Prior to Initiating or Sending Telemarketing Calls to Consumers.** It should be apparent that prior express consent is a critical aspect of TCPA compliance and litigation defense. Having documented, clear, express written consent is the best way that a business can avoid facing a TCPA lawsuit entirely, or be in the best position to defend and quickly resolve litigation that is filed. Conversely, contacting consumer mobile phones without prior express consent presents an extremely high risk of TCPA liability. Awareness among attorneys and consumers of the TCPA has grown, and the barriers to filing a TCPA action are relatively low. Indeed, at least two mobile phone applications have been created for the purpose of allowing consumers to create documentation of unwanted robo calls and other telemarketing calls and forward that information directly to law firms specializing in class action lawsuits.[17]

• **Do: Provide One or More Opt-Out Mechanisms.** While not expressly required by the TCPA, it is advisable to have clear and easily accessible methods that allow a consumer to opt out of (revoke his or her consent for) future communications. This process should be able to capture, document and process opt-out requests in a manner that ensures that communications will cease post-opt-out. Some examples include allowing the consumer to text "stop," "end" or something similar, or directing the consumer to a straightforward Web form that can be easily completed. The importance of allowing consumers to opt out is reinforced by the June 18 Order, which apparently clarifies that consumers may revoke consent "in any reasonable way at any time."

• **Do: Require All Third-Party Vendors or Marketing Partners to Be in Compliance with the TCPA.** Understand the activities and policies of any third-party marketing partners that you engage and ensure that they are TCPA-compliant. As discussed above, TCPA liability is not limited to the party who "initiates" an unsolicited call or fax in violation of the statute. Courts have held that a "seller" can be held directly liable under the TCPA for calls messages sent by a third-party marketing firm engaged to promote the seller's goods or services. Accordingly, a business cannot shield itself from the TCPA by hiring a third party to handle direct communications with customers. Rather, a business should assume that any third-party activity that promotes or communicates about the business's products or services could subject the business to TCPA liability as if the business itself were making the call.

• **Do: Review and Categorize Messages Sent.** The need for prior express *written* consent depends on whether a message or call is considered "telemarketing" in nature. As a general matter, a message that includes any form of advertising or otherwise encourages a consumer to purchase or use a product or service is likely to be interpreted as telemarketing. Be vigilant to keep telemarketing and non-telemarketing campaigns separate, or get prior express written consent for *all* messages.

• **Do: Keep "Informational" Messages Content-Neutral.** Certain informational text messages--for example, those confirming opt-in, opt-out or other customer status--must be content-neutral and free of any advertising or promotion of products or services. While the FCC has indicated that such "informational" or "confirmatory" messages and calls may not subject the sender to TCPA liability, any protection is stripped if the message or call also contains promotional information or advertising.

• **Do: Make Consent Forms Clear, Conspicuous and User-Friendly.** Consent forms should leave no doubt that a consumer is consenting to receive communications of a specific nature and that they may be sent using an ATDS. For telemarketing communications, consent must be in writing and include at least the following: the signature of the person to be called (which can be in electronic or digital form); clear authorization for the company to deliver (or cause to be delivered) to the person telemarketing messages using an ATDS or artificial or prerecorded voice; the phone number to which the signatory authorizes the messages or calls to be delivered; and a statement that the person is not required to give consent as a condition of purchasing any property, goods or services.[18]

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• **Do: Keep All Records of Consent for At Least Four Years.** The statute of limitations for lodging a TCPA action is four years. Accordingly, records of consent should be maintained for at least that period, even if a phone number is no longer part of an active marketing campaign (i.e., the business is no longer making calls to the number). In TCPA litigation, consent is an affirmative defense--the burden falls on the defendant to prove consent, typically through record evidence.

• **Do Not: Assume That Consent Received in the Past Remains Valid.** The FCC instituted the prior *written* consent requirement for telemarketing calls as of October 2013.[19] A company cannot rely on consent that was valid at the time it was offered but would not suffice under current rules or court precedent. Similarly, the June 18 Order makes clear that even otherwise valid consent can become "stale" after passage of time to the extent mobile phone numbers become reassigned. The limited "safe harbor" provided in the Order will shield businesses from liability for only a single call to a reassigned number. At a minimum, companies should immediately remove mobile phone numbers from their database upon receiving notice that consent to contact has been revoked.

• **Do Not: Place Unnecessary Restrictions on the Scope of Consent.** TCPA litigation focuses not only on *whether* a consumer provided consent to be contacted, but also whether contact *exceeds the scope* of that consent. While clarity and transparency in consent documents should be encouraged, companies often place unnecessary boundaries on the scope of that consent--most frequently, by limiting the number of calls or texts that they will place in a given time period. Consider carefully whether to include a hard cap on the number of calls or texts that may be placed--any calls exceeding that limit are subject to TCPA liability, notwithstanding otherwise valid consent to contact the consumer. Such "scope of consent" class actions are now common.[20]

• **Do Not: Assume That a Device Is Not an ATDS.** Remember that a device need not actually *function* as an ATDS in placing challenged calls or text messages. The focus is on *capacity*, and the FCC's June 18 Order appears to clarify that even if a device does not have the *present* capacity, it may be considered an ATDS if it has the mere ability to function (for example, with future alteration) as an auto dialer. In short, businesses should assume that the use of any electronic device to automate or facilitate mass communications with consumers is at significant risk for being interpreted as an ATDS.

• **Do Not: Assume That You Are Safe From TCPA Liability by Using a Third-Party Marketer or Vendor.** As explained above, vicarious liability is an increasingly significant area of TCPA litigation, particularly where the third-party who initiated calls or texts is judgment-proof (through, for example, insolvency or foreign corporation status). While a business may attempt to protect itself through contractual requirements and indemnity clauses, it is unlikely that such agreements will prevent a TCPA lawsuit in the first instance (and the consequent defense costs) if a third-party vendor violates the TCPA.

679-80 (9th Cir. 2014) (applying agency principles in finding that company was not vicariously liable for text messages sent by third parties) ; *Gomez v. Campbell-Ewald*, 768 F.3d 871 (9th Cir. 2014) (finding that companies are not shielded from TCPA liability by using third-party marketing company) .

[16]*In re GroupMe, Inc. / Skype Commc'ns Petition for Expedited Declaratory Ruling Rules & Regulations Implementing the Tel. Consumer Prot. Act of 1991*, 59 Communications Reg. (P&F) 1554 (F.C.C. Mar. 27, 2014), at 3; *see also* H.R. Rep. No. 102-317, at 17 (1991) ("The restriction … does not apply when the called party has provided the telephone number of such a line to the caller for use in normal business communications").

[17]*See, e.g.*, Block Calls Get Cash, http://www.blockcallsgetcash.com/how-it-works/; Stop Calls Get Cash, http://www.stopcallsgetcash.com/.

[18]*See*47 C.F.R. §64.1200(f)(8).

[19]*See*47 C.F.R. §64.1200(f)(8), as amended June 11, 2012.

[20]*See, e.g.*, *Wojcik v. Buffalo Bills, Inc.*, No. 8:12-cv-02414 (M.D. Fla.); *Emanuel v. The Los Angeles Lakers, Inc.*, No. 2:12-cv-09936 (C.D. Cal.).

Source: Bloomberg BNA, July 2, 2015
http://www.bna.com/tcpa-dos-donts-n17179929013/

Article excerpt recommended by Kevin Hunt, Williams & Fudge

TIME IS RUNNING OUT!

There has been a recent wave of interest in Congress, but without **immediate** Congressional intervention, the Federal Perkins Student Loan Program will end on September 30, 2015. Congress needs to either 1) reauthorize the program or 2) extend the program as part of a continuing resolution to keep the federal government running. If they do neither, the program ends, with unclear closing out steps to come.

The Federal Perkins Loan Program, first authorized in 1958, is the longest running student loan program. It provides low-interest loans to the neediest undergraduate and graduate students. Loans are made with campus-based revolving funds, a combination of federal dollars and institutional contributions (at least 1/3). There have been no federal capital contributions since 2004. Schools loan out what they collect from former students. Schools are hands-on with Perkins borrowers, from loan origination and counseling to working closely with them throughout repayment.

The program has a 5% fixed interest rate. The interest does not start until after the 9-month grace period ends. The grace period starts when the borrower is no longer enrolled at least half-time status. The Perkins Loan offers unique cancellation benefits for borrowers working in high-need, public service areas: teachers, nurses, social workers, medical technicians, librarians, public defenders, law enforcement officers, firefighters, speech pathologists, Peace Corps volunteers, and more.

The funding is critical to assist needy students in bridging the gap between the cost of attendance and other maxed out financial aid. There is no substitute for the Perkins Loan Program. There is no magic pool of institutional funds to take the place of the Perkins dollars. There is no "new" unsubsidized Direct Loan. Nearly 500,000 students a year rely on Perkins Loans to pay for books, pay rent, and buy food. Without Perkins, they will have to turn to private loans with unfavorable repayment terms.

Sign the petition. Get others to sign the petition. Contact your Representative. Contact your Senator. Contact your boss. Contact your boss's boss. Convince them.

IT'S NOW OR NEVER.

Contact your Representative.

Contact your Senator.

Nancy D. Taylor, University of Kentucky

https://www.change.org/p/save-perkins-now

UPCOMING EVENTS:

KASRO Fall Conference
University of Louisville
October 8-9, 2015

Minnesota Collection Conference
Bloomington, MN
October 25-28, 2015

PDG
Student Loan/Receivables Collection Conference
Savannah, GA
November 1-4, 2015

SACUBO
Fall Workshop
Myrtle Beach, SC
November 8-10, 2015

COHEAO
Annual Conference
Washington DC
Jan 31-Feb 3, 2016

NACUBO
Student Financial Services
Memphis, TN
March 13-15, 2016

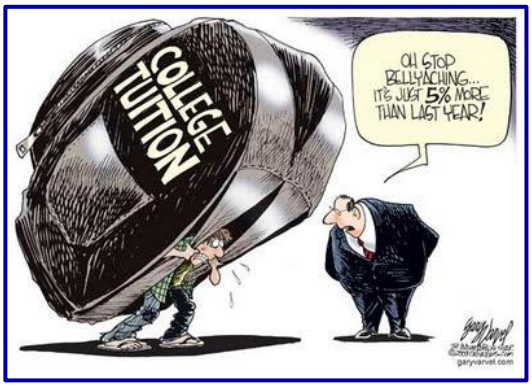
PDG
Bursars Conference
Anaheim, CA
April 3-6, 2016

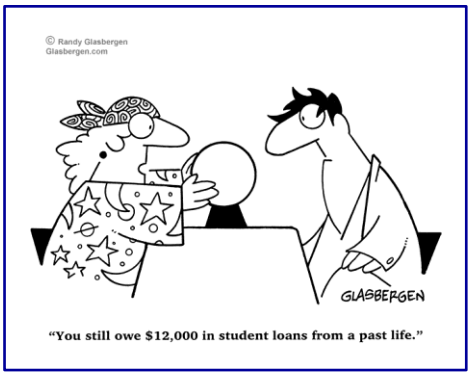
KASRO Spring Conference
General Butler State Park
Carrollton, KY
May 4-6, 2016

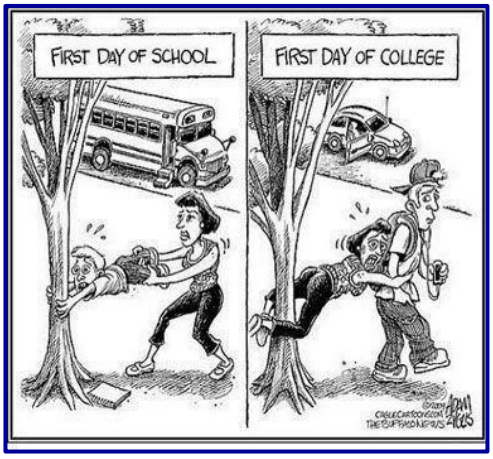
Kentucky Association of Student Receivable Officers
19 KASRO 91

www.kasro.net

JUST FOR LAUGHS!







DID YOU KNOW?

Gardiner Hall, built in 1872, one of the oldest buildings on U of L's campus, was once a House of Refuge, a reform school for girls, during the Civil War. It is now home to the College of Arts & Sciences Dean's Office and Advising Center.