

Fall 2005

Alumni

CONNECTIONS

**Ivy Tech is a
Community
College!**

Congratulations, citizens of Indiana! You have now joined the majority of Americans who enjoy greater access to higher education through state community college systems. Governor Mitch Daniels has signed into law state legislation making Ivy Tech “Ivy Tech Community College of Indiana,” ensuring that you and your fellow citizens have a greater range of educational options, closer to home.



Whether you're an Ivy Tech student or alumnus, have a business or an organization to run, a community to lead, a stalled career or a fulfilling one, whether you are nearly 17 or past 76, Ivy Tech has something to add to your life. We look forward to a conversation in your community about how Ivy Tech can help individuals, businesses and communities toward their dreams.

With campuses around the state and an annual enrollment of over 100,000 students, Ivy Tech is well-positioned to serve as Indiana's comprehensive community college. We are proud to join the ranks of nearly 1,200 community colleges across the country whose students represent an astonishing 46 percent of the 14 million college undergraduates in this country. President Gerald I. Lamkin insists that, more than ever, “We are going to make a college education possible for everyone in Indiana who is willing to work hard toward that goal.” Offering the first two years of a bachelor's degree is a key function of a community college, and the most obvious. But there is much more to their role: Ivy Tech has a blueprint for workforce education, lifelong learning, community service, student life, diversity, K-12th grade quality, and more – all to help boost the people of Indiana to a higher standard of living and higher quality of life. For over three decades, Ivy Tech has responded to state and community needs, and now has behind it the full weight of a community college structure. Working with state and local government and our fellow institutions of higher education, Ivy Tech Community College will help transform Indiana by transforming individuals, towns, and cities.



Good Debt vs. Bad Debt



Sometimes it makes sense to borrow; a lot of times it doesn't. It's almost impossible to live debt-free; most of us can't pay cash for our homes or our children's college educations. But too many of us let debt get out of hand. Ideally, experts say, your total monthly long-term debt payments, including your mortgage and credit cards, should not exceed 36% of your gross monthly income. That's one factor mortgage bankers consider when assessing the creditworthiness of a potential borrower.

It's far too easy to spend more than you can afford, especially when you pay by credit card. The average U.S. household with at least one credit card carries nearly a \$9,200 balance, according to a recent survey, and personal bankruptcies have hit record highs in recent years.

Of course, avoiding debt at any cost is not smart, either, if it means depleting your cash reserves for emergencies. The challenge is learning how to judge which debt makes sense and which does not, and then wisely managing the money you do borrow.

Good debt includes anything you need but can't afford to pay for up front without wiping out cash reserves or liquidating all your investments. In cases where debt makes sense, only take loans for which you can afford the monthly payments.

Bad debt includes debt you've taken on for things you don't need and can't afford (that new speed boat, for instance). The worst form of debt is credit card debt, since it usually carries the highest interest rates.

Three examples of good debt – your home, school and car qualify. Debt is not always a bad thing. In fact, there are instances where a loan actually helps put you in a better overall financial position.



Buying a home: The chance that you can pay for a new home in cash is slim. Carefully consider how much you can afford to put down and how much loan you can carry. The more you put down, the less you'll owe and the less you'll pay in interest over time.

Although it may seem logical to plunk down every available dime to cut your interest payments, it's not always the best move. You need to consider other issues, such as your need for cash reserves and what your investments are earning.

Also, don't pour all your cash into a home if you have other debt. Mortgages tend to have lower interest rates than other debt, and you may be able to deduct all or a portion of the interest you pay on a mortgage loan. If your mortgage has a high rate, you can always refinance later if rates fall.



A 20% down payment is traditional and may help buyers get the best mortgage deals — although that's less frequently the case as the housing market has boomed along with the mortgage lending market. Many home buyers do put down less - as little as 3% in some cases. But if you do, you'll end up paying higher monthly mortgage bills because you're borrowing more money and you will have to pay for primary mortgage insurance (PMI), which protects the lender in the event you default.

Financing a car: Figuring out the best way to finance a car depends on how long you plan to keep it, since a car's value plummets as soon as you drive it off the lot. It also depends on how much cash you have on hand.

If you can pay for the car outright, it makes sense to do so if you plan to keep the car until it dies or for longer than the term of a high-interest car loan or pricey lease. It's also smart to use cash if that money is unlikely to earn more invested than what you would pay in loan interest.

Most people, however, can't afford to put down 100%. So the goal is to put down as much as possible without jeopardizing your other financial goals and emergency fund. Typically you won't be able to get a car loan without putting down at least 10%. A loan makes most sense if you want to buy a new car and plan to keep driving it long after your loan payments have stopped.

Leasing a car might be your best bet if the following applies: you want a new car every three or four years; you want to avoid a down payment of 10% to 20%; you don't drive more than the 15,000 miles a year allowed in most leases; and you keep your vehicle in good condition so that you avoid end-of-lease penalties.

Whatever route you choose, shop for the best deals. Remember, it's in the car dealer's best interest to finance at the highest rate possible, so look at what you'll pay overall, not just the monthly amount. If you tell your car dealer you can spend \$400 a month, you could end up with a new car for \$400 a month based on an uncompetitive interest rate.



Paying for college: When it comes to paying for your children's education, allowing your kids to take loans makes far more sense than liquidating or borrowing against your retirement fund.

That's because your kids have plenty of financial sources to draw on for college, but no one is going to give you a scholarship for your retirement. What's more, your retirement account balance won't count against you if you apply for financial aid since retirement savings are not counted as available assets.

It's also unwise to borrow against your home to cover tuition. If you run into financial difficulties down the road, you risk losing the house.

Your best bet is to save what you can for your kids' educations without compromising your own financial health. Then let your kids borrow what you can't provide.

Faculty Focus

Golden Apple Award Winner Named

Cindy Abel, Medical Assisting Program Chair, received the 'Golden Apple' award, which is the highest award given by the Indiana State Medical Assistants Association. She received the award at the state meeting that was held in April 2005.



One award is distributed yearly. Nominations are evaluated by three physician liaisons. Abel received only the fourth award presented by the association. Indiana consists of one state chapter and seven districts. Abel served at the national level as a delegate, and for a brief time, on the Curriculum Review Board. She has co-authored four textbooks and was the content expert on a video series. She has been with Ivy Tech for over 15 years - five years in a part-time position in Kokomo, and 10 years as Program Chair in Lafayette. She received her medical assistant training at Ivy Tech in Kokomo.

Ivy Tech Faculty Nominated to Who's Who

For the second year in a row, two General Education Division program chairs have been nominated to *Who's Who Among American Teachers*. Repeating their listing in the 2005 edition are Life Science Program Chair **Janet Brodsky** and Communication Program Chair **Roger Priest**. Both were also listed in the 2004 edition of this nationally published book.



Brodsky has been at Ivy Tech Community College-Lafayette since August 1997, and Priest has been at Ivy Tech since August of 2002. The publication honors educators nominated by their peers and former students. Instructors on both the secondary and collegiate levels are included.

You've attended college or received other education beyond high school, and you received federal student loans from the US Department of Education (ED) along the way. You're now about to deal with paying them back. You'll need to know how to manage your student loan debt to avoid repayment problems and what steps to take so you won't get behind in payments or go into default.



Federal student loans are real loans, just like car loans or mortgage loans. You can't just get out of repaying a student loan if your financial circumstances become difficult any more than you could get out of a car loan or mortgage, unless you qualify for bankruptcy. But, it's very difficult to have federal student loans discharged in bankruptcy; this happens only rarely. Also, you can't cancel your student loans if you didn't get the education you expected, didn't get the job you expected, or didn't complete your education, unless you leave school for a reason that qualifies you for a discharge of your loan. *Remember, your student loans belong to you; you have to pay them back.*

This is the first in a series of articles concerning student loans.

Q. When do I start repaying my loan?

A. After you graduate, leave school, or drop below half-time enrollment at a participating school, generally you have a "grace period" before you have to begin repayment.

- For Federal Perkins Loans, the grace period is nine months.
- For FFEL Stafford Loans and Direct Stafford Loans, the grace period is six months.
- If your parents borrow a FFEL PLUS Loan or a Direct PLUS Loan for you, there is no grace period. The first payment on these loans is generally due within 60 days after the final loan disbursement for the period of enrollment for which your parents borrowed.

During the grace period on a subsidized loan, you don't have to pay any principal, and no interest will be charged (the federal government pays the interest). During the grace period on an unsubsidized loan, you don't have to pay any principal, but interest will be charged. You can either pay the interest or it will be capitalized (added to your principal balance).

If you should return to school at least half time before the grace period ends, you again may postpone loan repayment while you're in school, and you'll be entitled to a full grace period when you terminate enrollment or drop below half-time enrollment status. You must understand, however, that once the grace period ends, you are in repayment status and must request a deferment if you want to postpone repayment.

Effective October 1, 1998, the six-month grace period excludes a period of up to three years if you're called or ordered to active duty in a reserve component of the U.S. Armed Forces. The active duty must be for a period of more than 30 days and would include any period of time necessary for you to resume enrollment at the next available regular enrollment period.

When you graduated, left school, or dropped below half-time enrollment status, the financial aid administrator at your school provided counseling to inform you of your rights and responsibilities as a borrower. The aid administrator also provided information about the types of loans you received, the address where you must send your payments and the way to contact your lender, your repayment amount, repayment options and other debt management strategies, the date repayment was to begin, and the consequences of default.

At the same time the financial aid administrator provided this information, your loan holder (the financial institution you received the loan from) should have sent you information about repayment, including payment due dates. If your grace period is almost over and you haven't received this information, contact your lender as soon as possible.

Remember, though, you're responsible for beginning repayment on time, even if you don't receive this information.



Be a Smart Borrower

- ◆ Keep all your loan documents! This simple piece of advice is one of the most important. You'll have problems later if you can't find your promissory note, can't remember what type of loans you received, or don't know who you're supposed to repay or how you go about postponing (deferring) repayment if you should have financial difficulties. Keep a file of all documents connected with your loans from the time you first get a loan, so you'll always have what you need in one place. Then, you won't be confused about what you're supposed to do or who you're supposed to contact if you have questions.
- ◆ Whenever you talk to your lender or loan servicer, keep a record of the person you talked to, the date you had the conversation, and what was said. If you send letters, always include your loan account number, and keep copies of those letters (and the responses you receive) in your file. That way, you'll know who said what and when, which can help you avoid problems and misunderstandings.
- ◆ Notify your school and/or loan holder in writing if you move, change your name or Social Security Number, or reenroll in school. You must ensure your loan holder won't lose track of you. If that happens, you could miss payments and become delinquent (late). Also, your loan could be sold, and you won't know who has it or where to send payments because you couldn't be notified.
- ◆ Ask questions if there's something you don't understand or if you're having trouble making payments. Don't wait until things become too tough - ask for help from your loan holder or loan servicer right away!

Q. Why is the amount the school told me I must repay more than the amount I actually received?

A. This is mainly because interest accumulates on your loan. Interest is a percentage of the original loan amount (the loan principal) that's added to what you have to pay. It's a charge for using borrowed money. Everyone has to pay interest, no matter what type of loan they have; education loans are no different. The interest rate for a Federal Perkins Loan is fixed at 5%. The interest rate for FFEL and Direct Loans is variable but does not exceed 8.25%. The rate is adjusted each year on July 1. You'll be notified of interest rate changes throughout the life of your FFEL or Direct Loan.

As mentioned earlier, if you borrowed an unsubsidized loan, interest starts accruing (accumulating) from the time the funds were disbursed to you, and you're responsible for paying that interest. You chose to either pay it while you were in school or let it accrue. If you let the interest accrue, it has been "capitalized" (that is, added to your principal balance). This means the total amount you repay will be greater than if you paid the interest all along.

Also, there's a fee charged for Federal Stafford and Direct loans of up to 4% of the loan. This fee is deducted proportionately from each loan disbursement you received. This means the loan amount you received was less than the amount you actually borrowed. You're responsible for repaying the entire amount you borrowed, however, not just the amount you received in loan disbursements.

Q. How is interest calculated?

A. Interest on all loans borrowed under ED's programs is calculated on a simple daily basis. The following formula demonstrates how the simple interest is calculated between payments:

$$\begin{aligned} &\text{Average daily balance between payments} \\ &\times \text{Interest rate} \\ &\times (\text{Number of days between payments} / 365.25) \end{aligned}$$

How interest accrues between payments from April 15 - May 15, for example:

$$\begin{aligned} &\text{Average daily balance: } \$10,000 \\ &\text{Interest rate: } \times .08 \\ &\text{Days between payments (30/365.25): } \times .08214 \\ &\text{Monthly interest: } \$65.71 \end{aligned}$$

The loan holder first applies your payment to late charges or collection costs on your account (if any), then to the interest that has accumulated (accrued interest). The remainder of the payment is then applied to the principal balance. Just as the accrued interest varies monthly (depending on how many days elapse between the receipt of payments), the amount of a payment applied to accrued interest and the amount applied to principal also will vary monthly.

A breakdown of how your payments are applied should be on your billing statement. If not, ask your loan holder or servicer for that information.

Q. How do I know where to send payments?

A. Before you graduated, left school, or dropped below half time enrollment status, your school should have given you information about who to repay. Also, your loan holder should be listed on your promissory note.

- You'll repay a Federal Perkins Loan to the school that made the loan or to an agency the school hires to service the loan.
- You'll repay a Direct Stafford Loan, or your parents will repay a Direct PLUS Loan, to ED's Direct Loan Servicing Center.
- Generally, you'll repay a FFEL Stafford Loan (and your parents will repay a FFEL PLUS Loan) to the lender that made the loan. Sometimes a loan holder contracts with a loan servicer to administer student loans. If that's the case, you'll make loan payments to the servicer. Also, FFEL Stafford Loans are often sold to another lender or secondary market. The loan holder is required to notify you by mail if your loan is sold and give you the name and address of the new loan holder. Even if your loan is sold - which is a common practice - your rights, responsibilities, and repayment obligation won't change.

Generally, you'll receive billing statements or a coupon book from your loan holder. But, you'll have to make all payments on time even if you don't receive these.

Q. What if I've forgotten what type of loan I have or who my loan holder is?

A. This information should be on the bill you receive from your loan holder. But, if you have questions about what loans you have, you can review your federal student loan history through the National Student Loan Data System (NSLDS). Note that NSLDS has information only about loans ED administers (the loans listed in the footnote on page 1 of this publication). If you obtained a private or nonfederal loan, you'll need to contact the loan holder or your school for more information. You can obtain information about your NSLDS record by contacting the Federal Student Aid Information Center at 800-4-FED-AID (800-433-3243).

You can also check NSLDS through the U.S. Department of Education's Federal Student Aid (FSA) Web site at www.studentaid.ed.gov. At the site, click on "Repaying," then click on "Get Your Loan Information."

To check NSLDS, you'll need a PIN (Personal Identification Number), which is a four-digit number ED will send you. With your PIN, you can review the type and amount of the ED loans you borrowed, the status of each loan, and the name, address, and telephone number of the loan holder. If you want to receive another copy of your PIN, change your PIN, or restrict access to your personal information, go to the Web site listed above. At the site, click on "Apply for PIN," right under "My FSA" in the left column.

Next issue: Repayment Plans

Calling all alumni! Have you achieved success in your career or community service? Do you know someone who is an Ivy Tech grad and achieved success? The Alumni Association is looking for successful alumni.

Each year the Alumni Association recognizes successful alumni with the Distinguished Alumni Award presented during the commencement ceremony at the Elliott Hall of Music. Over the past twelve years, fourteen alumni have been honored with this prestigious award.

For more information contact the Alumni Affairs Office at [800] 669-4882, ext. 5619 or [765] 269-5619. To nominate yourself or another candidate, complete the included nomination form and send it to the address at the right. To download the form online, go to: www.laf.ivytech.edu

Please return completed nomination forms and/or your news about a new degree, family member, an award or a recent promotion to:
 Alumni Affairs Office
 Ivy Tech Community College
 P.O. Box 6299
 Lafayette, IN 47903-6299
dball@ivytech.edu (e-mail)

Past Distinguished Alumni Award Winners

- 1991 Kathy Vernon
- 1992 Steve Reed
- 1993 Jim Myers
- 1994 John Stall
- 1995 Tom Gaston
- 1996 Teresa Janssen & Rudy Mills
- 1997 Scott Robertson
- 1998 Billy Henderson & Patricia Shepperd
- 1999 Cherilynn Mundell
- 2003 Linda Eckert
- 2004 Diana Bonebrake

DISTINGUISHED ALUMNI AWARD NOMINATION FORM
 Ivy Tech Community College – Lafayette

CRITERIA

The nominee must be an alumna/us of the Lafayette campus of Ivy Tech Community College, having received either a Technical Certificate, Associate in Applied Science, or Associate in Science degree. In addition, the candidate must satisfy the following criteria:

1. Through leadership or volunteer work, the alumna/us has made a positive impact on her or his community and/or Ivy Tech Community College.
2. The alumna/us has achieved a unique distinction in her or his career
3. The alumna/us has graduated at least five years prior to the nomination.
4. The alumna/us is not a current employee of Ivy Tech Community College.

ALUMNA/US INFORMATION

Name _____	Phone _____
Street Address _____	Major _____
City, State, Zip _____	Degree and Graduation Year _____

On a separate sheet of paper please indicate your reasons for nominating this alumna/us.

CONTACT INFORMATION

Your Name _____	Phone _____
Title _____	Employer _____
Your Street Address _____	Date _____
City, State, Zip _____	e-mail _____

In what capacity do you know the alumna/us? _____



2005 Alan Burnette

Campus News & Accomplishments

The **Asher Agency** of Ft. Wayne has been contracted by the college to help promote the college's new name and mission with a new logo and statewide rollout campaign, which begins after Labor Day and includes radio, TV and billboards. A second campaign will begin in February of next year.

Sharon Snyder, ASA Reading Program Chair, has received the 2005 Glenn Sample Award for Instructional Excellence. **Dianna Schuster Stair**, Office Administration Program Chair, was the 2004-05 Region 4 Teaching Excellence Award Recipient. She will be the region's Sample Award nominee in 2006.

The "Growing Up Healthy" partnership involving Ivy Tech Community College in Lafayette and Tippecanoe County Child Care received the Indiana Career and Technical Education Award for Excellence. The McAllister Foundation funds the venture. **Amanda Barche Lindberg**, ECE, and **Beth Jones**, Nursing, accepted the award on February 8, 2005 at Indianapolis.



Satish Bawa, Business Administration faculty, attended the North American Small Business International Trade Educators (NASBITE) Conference while performing research on the development of a Business Administration Specialty in International Business.



John Laws, Dean of Student Affairs, was re-appointed to the National Association of Student Personnel Administrators (NASPA) Region IV-East (Midwest) Board of Directors, and was re-appointed Chair of the Community and 2 Year College Knowledge Community for NASPA.

Betsy Bunch, Finance, and **Chris Boesch**, Computing Services, received Exceptional Employee Awards at the Employee Service Award banquet.

Dr. David Bathe, Chancellor, has been appointed to the board of the United Way.

Jolene Miller, Division Chair of Health Sciences, has been appointed to the Westminster Village Board of Directors.

Robert Deadman, Division Chair of Business, has been appointed to the American Red Cross Disaster Planning Committee.

Cindy Miller, Computing Information Systems Program Chair, **Joan Wealing**, Computing Information Systems faculty, and **Robert Deadman**, Business Division Chair completed master of science degrees in management in information technology management.

Quotes from Recent Grads

Christine Fischer Pinkard

Surgical Technology Grad, 2000

I do feel the instructors worked hard to prepare us for the job. I've seen other schools' students and the training they receive . . . well, I feel I got a great education! I've been a private assistant for most of my time since graduation.

I had knowledge and skills to start in a personal field. I've learned so much more and it never stops! I love what I do. I've recently decided to go back to Ivy Tech to continue my education. I'm working toward a nursing degree.

Amanda Smithers Wright

Office Administration Grad, 2005

I had a great time at Ivy Tech. I made many friends and learned so much about myself, not to mention everything I learned in my classes.

The small class size allowed me the personal attention from my instructors I may have not been able to get from a larger school.

Elizabeth Mathews Hecker

Office Administration Grad, 2005

I have really enjoyed my experience at Ivy Tech, and I am continuing to take some courses online. The staff at Ivy Tech helped me to become a better person, and I really learned a lot. I am continuing to take some online courses

Stay in Touch!

Tell us your news.

Share your accomplishments. Has your marital status, job, or address changed? Please send your information to the address on page 6.

YOUR NEWS FORM Ivy Tech – Lafayette

First Name _____

Last _____

Maiden _____

Spouse's First Name _____

Last Maiden _____

Year Graduated/Years Attended _____

Home Street Address _____

City, State, Zip _____

Home Phone _____

Check here if new home address
Work Phone _____

Fax _____

e-mail _____

Employer's Name _____

Your Title _____

Work Street Address _____

City, State, Zip _____

Attach additional sheet as needed.

Chancellor's Message



*Educate and inform the whole mass of the people
 . . . they are the only sure reliance for
 the preservation of our liberty.*

~ Thomas Jefferson

On July 1, 2005, Ivy Tech State College officially became Ivy Tech Community College as a result of legislation passed by the Indiana General Assembly and signed by Governor Mitch Daniels. Ivy Tech now has a more comprehensive role in education and economic development.

The concept of a community college is relatively new to Indiana. Community colleges like Ivy Tech fulfill four primary purposes: to reflect the occupational needs of the regions they serve, to offer the first two years of a four-year education, to serve their communities by continuing the education of its citizens, and to provide access to affordable higher education.

Since its establishment in the Lafayette region in 1968, Ivy Tech has worked closely with area employers, chambers of commerce, and economic development groups to assess present and future workforce needs. One example



is our new biotechnology program established in partnership with area agriculture, biotech and pharmaceutical companies. The availability of Ivy Tech graduates in this field will help area biotechnology businesses to grow and attract new businesses.

Our community college mandate will allow Ivy Tech to enhance transferability and expand offerings in the liberal

arts that encourage students to continue their education. Lifelong learning is a cornerstone of our mission. We will continue to provide dynamic curriculum and corporate training that keeps pace with the educational needs of individuals and businesses.

Most importantly, Ivy Tech provides access to affordable higher education. Our tuition is the lowest in the state. We are expanding to a new location in Crawfordsville, and offer credit courses in Clinton and White Counties. Ivy Tech is positioned and prepared to address the educational needs of Indiana's residents, and contribute to the economic development of the state.

Dr. David Bathe
 Chancellor

*Ivy Tech Community College is an accredited,
 equal opportunity, affirmative action institution.*

Please address comments and e-mail information to:
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 P.O. Box 6299
 Lafayette, IN 47903-6299
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