Despite funding release, officials still expect reduced A+ scholarship reimbursements

By Ashley Jost

Thursday, November 6, 2014 at 10:40 am

Despite the governor releasing $2 million for the A+ scholarship program, Missouri Department of Higher Education officials still expect the state won’t be able to fully reimburse student participants this spring.

Department spokeswoman Liz Coleman said the money released by Gov. Jay Nixon on Wednesday would help lower the out-of-pocket costs that students and their families will have to pay to make up for the underfunded program.

Among a slew of other financial line items, Nixon released $3 million yesterday that he restricted earlier this year for higher education scholarship programs. Of that money, $2 million was from the A+ program, which reimburses students who meet a set of criteria for the cost of two years of classes at a community college. The other $1 million was for the Access Missouri grant, the state’s only need-based scholarship. Nixon has yet to release $11 million more in Access Missouri funding.

The state Department of Higher Education started notifying community colleges of the possibility that the A+ scholarship wouldn’t be fully funded based on continued growth in the number of students using the program. The program now is funded at $33.1 million, including lottery money.

“Early on, we thought it would be one to four credit hours” that students would have pay for out of pocket, Coleman said. “Four hours was a worst-case scenario. Hopefully, it will be less than that.”

Coleman said department staff will continue analyzing current enrollment numbers — which colleges are still solidifying — and figure out by late December how much students and families can expect to have to pay.
The department estimates more than 51,000 students are eligible for the need-based Access Missouri grant this year. The program divides the money equally among those eligible — though there is a difference between what students attending two-year and four-year institutions receive — which causes the number to fluctuate each year. Including lottery money, the program now is funded at $62.7 million.

During a news conference Wednesday afternoon, Nixon said he released the money because the state has seen a 4.3 percent growth in revenue so far this year.

“Revenue remains limited, and it is important to note we would need to see revenue growth of 11 percent, more than we now anticipate, to fund fully the budget passed by the legislature,” Nixon said.

November 7, 2014

Are We Forgiving Too Much Student-Loan Debt?

By Max Lewontin

Back in 2007, Congress made a simple promise to student-loan borrowers: Stick with a public-service career for 10 years, making monthly payments along the way, and we’ll forgive the rest of your debt.

Now, as the bill gets closer to coming due, a growing chorus of analysts and observers is asking: Was that the right promise to make?

At issue is a program known as Public Service Loan Forgiveness. The program, included in the College Cost Reduction and Access Act of 2007, is an attempt to fight two problems at once: ballooning student-loan debt and a scarcity of graduates serving the public good.

At least, that’s the thinking. And it’s been the thinking behind loan forgiveness for quite a while. Since 1958, when Congress created the first such program—to forgive
the loan debts of teachers—lawmakers have offered loan forgiveness to people working in a wide variety of fields, including military-service members, doctors working on American Indian reservations, even large-animal veterinarians and U.S. Capitol police officers.

All told, there are about 30 other loan-forgiveness programs now on the books. Millions of dollars in debt are scrubbed each year, some by the federal government, some by states.

**Tearful Testimony**

The large number of participants in some programs—particularly for teachers and health professionals—may indicate that loan forgiveness encourages people to pursue those low-paying but valuable careers. An administrator of one such plan describes some participants as growing tearful when they speak of the impact loan forgiveness has had on their careers.

"I wish I could bring Congress to this and let them see that this is one program that they put in place that really is doing what they want," says the administrator, who declines to be named because she is not authorized to speak for her agency.

But while advocates see the new plan as an extension of that goal, others see a program with several loopholes—one that could allow borrowers to forgo dangerously large amounts of debt while leaving taxpayers to pick up the tab.

What’s different this time around? Much of the controversy comes down to two key features of the program, which will begin forgiving loans in 2017. First, unlike its predecessors, it puts no cap on how much money can be forgiven. Second, its broader eligibility requirements could make forgiveness available to more people, in more jobs, than ever before.

Those features mean the plan could have a wide impact on legions of borrowers struggling with the burdens of student-loan debt. But they also raise questions about whether the program can be exploited.
With the first wave of payouts bearing down, lawmakers, think tanks, and even President Obama have recommended significant modifications. Their suggestions have stoked a broader question: What, exactly, is loan forgiveness meant to achieve?

**To Cap or Not to Cap?**

Much of the concern about Public Service Loan Forgiveness stems from a single source: the New America Foundation, a nonprofit public-policy institute that has been raising alarms about the program since 2012.

And on New America’s list of fears, the lack of a cap looms large. Nearly all other existing programs restrict the amount that can be forgiven—often holding it to around $40,000 to $60,000 total, sometimes less.

If the government doesn’t cap how much debt can be wiped clean, the group argues, the new program could simply encourage borrowers to take on unmanageable debt levels.

Overborrowing is a problem for everyone, not just the borrower, says Jason Delisle, a policy analyst at New America, because it could drive the cost of college further upward. "Public Service Loan Forgiveness tells the colleges, Yes, you can charge 60 grand, and tells the student, Yeah, you can borrow 60 grand."

New America’s predictions have had a far-reaching impact. In March, President Obama, traditionally a proponent of expanding federal programs that would reduce student debt, took a step back. His 2015 budget proposal includes a plan to limit the amount of individual debt forgiven under the public-service program to $57,500, which is the current limit that financially independent undergraduates can take out in federal loans.

Some student-loan administrators share the president’s concern.

"There’s a moral hazard for the student—whether it’s degree-hopping or whether it’s going too far into debt for any single program," says Justin Draeger, president of the National Association of Student Financial Aid Administrators.
In a recent report, the group also recommended limiting forgiveness to the $57,500 level. But it suggested that borrowers also have half of any additional loan debt forgiven, up to a total of $138,500.

Mr. Obama’s proposed cap has yet to be reviewed by lawmakers. But it has already raised its own set of concerns—chief among them that adding a cap amounts to neutering the program.

"Do we need to have some safeguards to prevent overborrowing?" asks David A. Bergeron, vice president for postsecondary education at the Center for American Progress, a public-policy group. "Maybe—but we’re a little early in that process to make that determination."

Mr. Bergeron, a former Education Department official, points out that the cost of Public Service Loan Forgiveness is built into the government’s loan program. Essentially, he says, the profits from other borrowers who go into default or forbearance on their federal loans subsidize loan forgiveness.

It’s difficult to assess how the lack of a cap will affect the new program, especially because it requires a much longer public-service commitment than most others of its kind. But a closer look at earlier loan-forgiveness programs serves as a reminder that not everyone takes advantage of the full benefits.

For example, the Government Employee Student Loan Repayment Program allows employees of nearly any federal agency to have up to $10,000 forgiven each year, up to a maximum of $60,000. In 2012, $70.3-million in debt was forgiven for 10,543 employees who participated. That works out to an average of $6,670 per person, about two-thirds of the amount available.

**Who Counts as a Public Servant?**

The new loan-forgiveness program covers several jobs traditionally thought of as rooted in public service—teacher, public defender, social worker, nurse. But the program also offers forgiveness to anyone working at tax-exempt nonprofit
organizations for 10 years. That could open up forgiveness to policy analysts or public-relations officials, for example.

Analysts at New America think that might be a loophole. Here’s how that would work, according to Mr. Delisle. A borrower’s monthly loan payments would be based on his or her income, not on the amount of debt he or she had incurred. If someone gets an expensive degree and then enters into a low-paying job, the gap between the debt paid and the debt forgiven after 10 years can grow wide.

In one example presented by New America, a nurse who owes $75,000 in debt would make regular payments amounting to $36,000 in total over 10 years. Factor in high interest rates, and that nurse could end up with $67,000 in forgiven loans.

The think tank argues that it’s a real problem when that kind of money is spent to subsidize career choices that don’t seem underrepresented or vital to the public.

Analysts at New America have frequently singled out Georgetown University’s law school, which informs its students about the loan-forgiveness plan as part of its routine financial-aid counseling, as an example. Too many law students—who have among the largest amounts of debt of any student group—could take advantage of the program, New America says, because the expansive list of eligible jobs now goes beyond traditional public-service roles like public defenders or county prosecutors. Charles W. Pruett, assistant dean for financial aid at Georgetown’s law school, rejects the charge that Georgetown is exploiting the program as a backdoor way to offer a "free" education. The 10-year public-service commitment is too onerous to appeal to on-the-fence students, he says, and the program requires participants to continue to make loan payments over those 10 years anyway.

Rohit Chopra, student-loan ombudsman at the federal government’s Consumer Financial Protection Bureau, thinks it’s premature to worry about stretching the meaning of public service. "If borrowers had a crystal ball as to who their employers would be—yeah, they would likely be able to figure out how much income" they
could have forgiven, Mr. Chopra says. As it stands, he says, that’s a very difficult calculation to make.

What Is Forgiveness Really For?
The debates over policy point to a larger question about loan forgiveness: What problem is it trying to solve? The answer depends on whom you ask.

For Mr. Delisle, the goal of federal spending on higher education should be improving college access. In that sense, he says, loan-forgiveness programs are problematic because they often benefit people who have borrowed in pursuit of advanced degrees.

"You’re subsidizing people who already have college degrees," he says. "I think you’re just asking too much of the student-loan program. It’s supposed to help people go to school, and then help people who stumble."

But others point out that graduate credentials are often required to pursue certain fields. Capping the amount of funding, they say, leaves in the lurch low-income students who aspire to fields like social work or teaching.

"The people that go into social work go into it knowing that they’re not going to be rich," says Mark Kantrowitz, a financial-aid consultant. Loan forgiveness, he says, can be "the difference between knowing you can take care of your family or not."

Curtailing the program, Mr. Pruett says, could send a dangerous message: "that you have to be wealthy to pursue these types of jobs."

Some students say they worry about just that.

Matt A. McCune, a graduate student in physics at the University of Missouri at Columbia, says that, compared with many graduate students, he considers himself lucky. He has less than a third of the debt of an average graduate student, and he and his wife hope to pay off their student loans within the next several years.
Mr. McCune earned his bachelor’s degree at 27 after attending part time while working as a night manager at Lowe’s. He describes himself as coming from a "relatively well-off background," but he depended on Pell Grants to complete his bachelor’s degree.

Now, as he turns 36 with two years still remaining until he expects to earn his Ph.D., Mr. McCune says he is keeping his options open. "I’m interested in a job in a national lab, in industry, in policy," he says.

Would loan forgiveness tip the scales toward a career in public service? Not if the future of the program is in doubt, he says: "I don’t think anybody can really take a job and assume this loan-forgiveness program can be there in 10 years."

"People are out there claiming that graduate students are out there overspending and overborrowing, but I don’t know any of these people," he says. "I don’t know anybody who graduates and says, ‘It’s only 10 or 20 years until my loans are forgiven.’"

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COLUMBIA MISSOURIAN

War artifacts featured in MU exhibit to commemorate Veterans Day

Thursday, November 6, 2014 | 7:13 p.m. CST; updated 6:32 a.m. CST, Friday, November 7, 2014
BY YIZHU WANG

COLUMBIA — A special one-day event Saturday at the State Historical Society of Missouri will showcase letters and artifacts from major American wars and conflicts.

A World War I diary from Mary Paxton Keeley, the first female graduate of the Missouri School of Journalism, will be featured Saturday along with battlefield letters and artifacts from the Civil War, the Revolutionary War, World War I and World War II.
The manuscripts and artifacts will be displayed alongside a four-month exhibit of World War I posters and editorial cartoons to mark the beginning of the war 100 years ago.

**Joan Stack, curator of art collections, will guide walking tours through the exhibition from 1:30 to 2:30 p.m. Saturday at the State Historical Society, adjacent to Ellis Library at MU.**

"This is a salute in some ways to the veterans who participated in various wars, but it is also an opportunity to try to understand how Missourians and Americans have experienced war at home," Stack said.

Keeley, who has a Columbia elementary school named after her, worked for the Young Men's Christian Association in France as a hostess who served food and drinks to soldiers from 1918 to 1919 and recorded the two-year experience:

"September 9. I get my call. I am certainly awfully busy. Going to New York, going to Europe, and going to war at once (sic) is almost too much for me," Keeley wrote in 1918.

After the tour, John Konzal, manuscript specialist for the State Historical Society, will discuss documents and artifacts and show a view of war as seen by enemies. He will show letters found next to the body of a Viet Cong in the Vietnam War that were written by the soldier to his mother and brother.

Konzal will also display an original Japanese letter written on rice paper found in 1944 on a battlefield in Guam. The letter was written in a brush pen by a Japanese father: "You are my pride, son, who has been serving in order to save our country, our 'land,' on the battlefield."

Numerous battlefield artifacts being displayed were donated by John Pattrick, a veteran of World War I, who brought them back to Missouri. Items include crashed pieces of an airship, silver capsules used to carry messages delivered by homing pigeons and a bullet necklace made by soldiers that was a popular souvenir after the war.

The artifacts were donated some 40 years ago.

"We are very fortunate," Konzal said. "This particular gentleman was someone who wanted to ensure that these things were preserved. He collected this material with an
understanding that in the future they would be used to help the next generations better understand the First World War."

The standing exhibit of World War I posters and cartoons includes a poster of a nurse, her arms outstretched, calling for donations to the Red Cross.

Charity posters are an important category of World War I posters in the exhibit. Other posters encourage viewers to conserve food, buy war bonds and contribute funds to help international refugees.

Editorial cartoons on display are originals donated by artist Daniel Robert Fitzpatrick, a cartoonist who worked for the St. Louis Post-Dispatch beginning in 1913. The cartoons "help us to understand that there are a lot of things that happened during World War I, things that changed the history of the world, that still affect us today," Stack said.

Since it was founded in 1898, the State Historical Society of Missouri has collected and preserved newspapers, manuscripts, artwork and other historical materials. The organization is planning an exhibit of clothing related to World War I and World War II that will open in March, in partnership with the Missouri Historic Costume and Textile Collection and MU Department of Textile and Apparel Management.

COLUMBIA MISSOURIAN

Mizzou for Malawi celebrates support for Pothawira village

Friday, November 7, 2014 | 12:12 a.m. CST

BY MEGAN BEDFORD

COLUMBIA — Hanging from nearly every wall were pictures of hopeful faces of Malawian children and their village, a reminder of the cause the fundraising event supported Thursday night.

Mizzou for Malawi, a philanthropic organization, celebrated the success of a school in Malawi, a country in southeast Africa, along with the continuing support it plans to provide for the students. The event was called
Chisangalalo, which means "celebration" in Chichewa, Malawi’s official language.

People filed through the doors of BBC II. The room filled with sounds of laughter, conversations, karaoke music and singing.

According to its blog, Mizzou for Malawi is a "students for students" organization that works to raise money to secure the future academic development of orphans in the Pothawira village in Salima in central Malawi. "Pothawira" means "safe haven" in Chichewa.

The organization began in 2008 when three MU students decided to work with the Global Orphan Project. The group has since grown to 34 members. With the help of student donations, T-shirt sales and tickets to the event, the group has raised more than $40,000 to build a self-sustaining town with a school, housing, a birthing center and a church for more than 600 orphans and tenants.

Since its start, Mizzou for Malawi has funded the construction of a primary school that enrolls 119 orphans in the Pothawira village, along with school uniforms for all of the children.

"In the country of Malawi, the educational infrastructure is not very sound, and so many kids who are eligible and quite capable of going to high school don't go because there is not enough room," said Michael Baldetti, a director of the group. "So the major focus of building the secondary school is to continue the education of the 119 kids."

The primary school has since celebrated the fulfillment of its first full year in session.

Hannah Satterlee, one of the directors, and another member of Mizzou for Malawi visited the village of Pothawira in the summer of 2013 with a group from the Colonial Presbyterian Church in Kansas City to see exactly what the groups were funding.

The two visitors shadowed some of the classes at the primary school. Their stay overlapped with the last few days of the school year, and they were able to see firsthand the graduation of many of the students.
Satterlee said that distance can sometimes be an issue because MU is more than 7,000 miles away from Malawi, so many members only hear about the natives and see pictures.

Peter Maseko is the founder of the village of Pothawira and also acts as a doctor, preacher and father to all 119 orphans who attend the primary school in Salima.

"Stepping inside of that school was one of the most surreal moments of my life," Satterlee said. "We walked into the school with Peter Maseko, and he put his arms around us, and he was like, 'This is you guys; you guys made this happen.' It was really cool to see that our work here in Columbia, Missouri, actually makes a difference in Salima, Malawi."

Maseko and his wife, Emma, visited MU on Wednesday to meet the steering committee of Mizzou for Malawi.

"We got to bring a little piece of Malawi to (the steering committee) so that everyone that's heard so much about Peter could meet him," Satterlee said. Satterlee said the Masekos will be in the United States for one month. They were in Kansas City for one week and took one day to come to Columbia.

"To find affordable and quality education in Salima, Malawi, is virtually unheard of, but that's what our school is," Satterlee said.

Mizzou for Malawi is now focused on funding the completion of the interior of the primary school, furnishing the classrooms with desks and breaking ground on a secondary school, according to its blog.

"I feel like here at Mizzou, a lot of people seem to take education for granted because in the United States, going to college is kind of like a right of passage, and not everyone sees it as a privilege, whereas in Malawi, it is exactly that," said Maddy Weinert, one of the group's directors.

Mizzou for Malawi wants to build a secondary school in the village but is unable to afford the bricks necessary to build it. In Pothawira, there is a shortage of bricks because of other buildings that are being constructed, Satterlee said.
It would take 10,000 bricks to build a new school, and each brick is worth $10. The group uses clickthebrick.org to help fund these bricks. The secondary school would be able to serve more than 500 students.

COLUMBIA MISSOURIAN

MU student completes Ironman to raise funds for African schools

Friday, November 7, 2014 | 6:00 a.m. CST; updated 6:51 a.m. CST, Friday, November 7, 2014
BY BEN WALTON

COLUMBIA — Evan Culbert is no stranger when it comes to pushing himself to achieve his goals.

Last November, Culbert founded an organization at MU called Hope 4 Africa, which aims to improve educational resources at seven schools in Kenya.

Ten months later, the MU junior used his platform as a triathlete to raise money for the organization by competing in an Ironman competition in Louisville, Kentucky.

He completed the race in August and raised more than $1,000 through crowdrise.com, the largest fundraiser by a single student for the organization.

The money will be sent directly to Kenya for teacher support and student sponsorships in partner schools in the Nakaru area.

In only its second semester as an official student organization, Hope 4 Africa at Mizzou continues to grow and help improve the quality of education in Africa. Three other U.S. universities have similar groups.
At its core, Hope 4 Africa is young people helping young people on the opposite side of the globe. It was started by a young Kenyan named Moses Bomett who moved to Des Moines, Iowa, when he was a teenager.

At a suburban high school in Des Moines, Bomett discovered how much better the American educational system was than in his home country. At 16, he knew that he had an opportunity to create positive change for Kenya.

After delivering a speech in 2008 about how problems in Africa can be traced to lack of education, Bomett created the first Hope 4 Africa club at Valley High School in West Des Moines.

Weeks later he found himself sharing his story in elementary schools, middle schools, high schools, colleges and churches all around central Iowa. After he graduated, he carried the club with him to Iowa State University in Ames, which would later become the headquarters of the organization. Soon, another club was founded at the University of Iowa in Iowa City.

In the spring of 2013, Culbert learned about the club from a friend at the University of Iowa. A few months later, Culbert reached out to Bomett to bring the organization to MU.

That fall, he began the tedious process of establishing an official MU student organization. After Culbert recruited students, wrote a constitution, found a faculty adviser and completing interviews, Hope 4 Africa was officially recognized by the university.

Culbert said his interest and passion for his cause didn’t stem from a dramatic experience or grand epiphany. Simply put, as he got older, he began to see the enormous amount of inequality in the world and wanted to somehow make a positive dent in this global issue.

"It's really amazing to know exactly where the money we raise is going," Culbert said. "We get to see exactly how we are impacting the people of Africa."

The MU chapter sponsors eight teachers and 20 students annually. It has also donated more than 4,000 books and 20 computers, as well as money for a library renovation,
musical instruments and a water catchment system to individual schools. Each May, students from the four U.S. clubs travel to Kenya as volunteers.

Culbert began training for his Ironman race about the same time he founded MU’s Hope 4 Africa. He and Bomett decided to create a fund-sourcing page using the website crowdrise.com.

His goal was to raise $5 for every mile he raced, a total of $703. By race day, he had exceeded that goal by nearly $300.

With a time of 45:01, he beat every triathlete in the 2.4-mile swim during Ironman Louisville on Aug. 24. He cycled the 112-mile portion in six hours. During the last eight miles of the 26.2-mile marathon, he turned his thoughts to Hope 4 Africa for inspiration.

"I knew the whole time I could finish, but during those last eight miles, I just had to think about putting one foot in front of the other," he said.

In May, he will travel with a group of students to Kenya for volunteer work in the partner schools.

"Rather than simply throwing money at the issue, we're more focused on helping educate the people of Africa and empowering them to solve the problems they deal with," Culbert said.

"One reason we make this trip is to better understand what exactly those problems are directly from the schools themselves."