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Record Numbers Attend 2001 TG Conference

More than 500 student financial aid professionals recently attended the 2001 Texas Guaranteed (TG) Annual Conference in Austin. This year's conference, *Passport to Success ... Around FFELP in Three Days*, offered participants a detailed look at issues central to the student loan industry and to higher education. Student financial aid experts representing schools, lenders, servicers, secondary markets, and others from across the nation with an interest in the Federal Family Education Loan Program (FFELP) joined TG for its ninth annual conference at the Austin Marriott at the Capitol on April 25-27.

Conference Beginnings

In welcoming the conference participants and in keeping with the conference's travel theme, Jane Phipps, Chair of TG's Board of Directors, asked those in attendance to notice their "fellow passengers" by saying, "They represent the best and brightest in the world of the FFELP. Each person in this room has made a positive impact on the lives of countless families and students. I consider it a privilege to join all of you on this adventure."

Dr. John Daly, Amon Carter Professor, College of Communication at the University of Texas at Austin, presented the keynote address, *Bolstering Your Interpersonal Effectiveness*. In this session, participants learned critical communication skills that are characteristic of people who are successful at working with others, an essential element of the student loan industry.

Informative Sessions

Several sessions offered participants the opportunity to catch up on the latest information regarding industry and community initiatives, such as the Meteor Project

(see page 14 for more information about Meteor), FastTrack Funding, CommonLine, the National Student Loan Data System, learnstudentaid.org, and electronic signatures. Additional sessions covered regulatory and industry issues such as the return of Title IV funds, default prevention, and new regulations. The rapid pace of technological change facing the student loan community also formed a central focus of numerous sessions with topics such as AdvanTG Web™, distance education, change transactions, and consumer privacy.

TG Solutions and Tools

Vickie Tanner, Assistant Vice President of TG Customer Services, helped launch Phase I of AdvanTG Web™ in another conference session. AdvanTG Web™ is a dynamic web-based application that combines features from TG's library of student loan management tools. This latest TG solution, along with various other TG solutions and tools, was available for participants to preview in the TG demo room during the conference. Next door, in the TG Cyber Café, attendees were able to access the Internet, check their e-mail,

See CONFERENCE on page 14.

The Best Ever

Survey results for the 2001 Conference indicate that it was the best ever. Attendees gave the conference an overall score of 4.8 out of a 5.0 scale!

Don't miss what TG has in store for 2002. Start planning now for next year's conference, scheduled for April 10-12, 2002, at the Austin Marriott at the Capitol.

CLOSED SCHOOL CORNER

NEWLY REPORTED CLOSURES

TG SCHOOL ID#	SCHOOL NAME	SCHOOL ADDRESS	UNOFFICIAL CLOSURE DATE	ED'S OFFICIAL CLOSURE DATE
022000000	Arizona College of the Bible	1718 W. Maryland Ave. Phoenix, AZ 85015-1701	N/A	08/17/1998
012038000	Classic Beauty College	1548-A W. Montebello Phoenix, AZ 85015	N/A	06/12/1996
020636000	TAD Technical Institute – Kansas City	7910 Troost Ave. Kansas City, MO 64131-9896	N/A	05/22/1998

ED CLOSED DATE REVISIONS

TG SCHOOL ID#	SCHOOL NAME	SCHOOL ADDRESS	PREVIOUS ED CLOSURE DATE	REVISED OFFICIAL ED CLOSURE DATE
007113000	Southwestern College	2625 E. Cactus Rd. Phoenix, AZ 85032-7097	08/17/1998	* N/A (Remains Open)

* ED has removed the school from the Cumulative List of Closed Schools. The school was erroneously reported as closed.

Successful Chat Event Targets Repayment

On May 8, 2001, Texas Guaranteed (TG) hosted a national chat event titled *Know Before You Go into Repayment*. The chat event targeted parents, students exiting college, and students entering repayment on their student loans.

The chat event, held from 6 to 8 p.m. (CDT), is one component of a much larger TG project in which TG Default Prevention aggressively pioneers new methods for reaching out to students. The goal of the chat and other project components is to provide information about student loans and financial aid, increase student knowledge and awareness, and in turn, reduce delinquencies and defaults.

“At TG, we think it’s important to reach out to students in various ways. By developing new methods of communication and trying a variety of vehicles, we can do more to reach those students who might otherwise not have access to the information they need,” said Shelia Dunlap, Manager, TG Default Prevention. “Gone are the days when we could wait for students to show up and ask for help. We are committed to finding the most effective ways to reach students and thus reduce delinquencies and defaults.”

Throughout the event, chat counselors provided immediate responses to questions submitted by participants. Those counselors were Stacy Flood, Austin Community College Financial Aid Counselor, and several TG team members: Patty Boman, TG Customer Assistance; Kelly Kaelin, TG Policy and Regulatory Affairs; Kristin Miller, TG Default Prevention; and Rosie Wilson, TG Default Prevention. Additional TG team members worked before and during the event to help assure its success.

The *Mapping Your Future* (mapping-your-future.org) team provided technical assistance for the chat night, and the event was accessible through *Adventures in Education* (AIE) (AdventuresInEducation.org or AIE.org). Michelle Enriquez, AIE’s Web Content Director, served as the event’s moderator.

Preliminary results of the chat indicate that students from several states joined the chat and posed many interesting questions. Results and full transcripts are available online at mapping-your-future.org/services/chatqa.cfm?E=20010508&title=May%208,%202001.

Questions and More Information

For questions or more information about TG’s default prevention efforts, contact Shelia Dunlap at (800) 252-9743, ext. 4642, or send an e-mail message to prevent.default@tgslc.org.

For more information about AIE and the *Know Before Your Go* chat series, contact Michelle Enriquez, at (800) 252-9743, ext. 4588, or send an e-mail message to michelle.enriquez@tgslc.org. ★

Index Change for PLUS and SLS Interest Rates

Last December, student-loan related provisions of the Consolidated Appropriations Act, 2001, included a change to the index for calculating PLUS and SLS loan interest rates for loans that base rates on the 52-week Treasury bill. Starting July 1, 2001, the new index will be the weekly average one-year constant maturity Treasury yield, as published by the Federal Reserve, for the calendar week ending on or before the preceding June 26. ★

TG to Sponsor National Distance Education Conference

Texas Guaranteed (TG) has been actively participating in the national dialogue on distance education and its impact on higher education and student financial aid. As a continuation of those efforts, TG will help sponsor a national distance education conference presented by Higher Education Washington, Inc. (HEWI) and the National Association of Student Financial Aid Administrators (NASFAA). The conference is scheduled for October 29-30, 2001, at the Inn and Conference Center at the University of Maryland University College.

Conference Issues

The conference, "Distance Learning: The Future of Education," will cover a wide range of distance education issues of interest to schools and lenders. In addition to discussion about student financial aid for distance education, the conference will also include panel discussions about "being a virtual educator," intellectual property, corporate e-learning, LAAP grants, accrediting standards, and many other sessions designed to help expand the distance education dialogue.

"The exciting thing about distance education," said TG President and CEO Milt Wright, "is that it uses technology to reach more students. Through distance education, millions more Americans may be able to pursue their educational and career dreams, right from their own homes."

TG's Role in Distance Education

TG first took an interest in distance education when it won a prestigious Learning Anytime Anywhere Partnerships (LAAP) program award to develop learnstudentaid.org in partnership with NASFAA and the University of North Carolina at Wilmington. [Learnstudentaid.org](http://learnstudentaid.org) will be the nation's first program to teach the profession of student financial aid administration online. Steve Smith, TG Assistant Vice President for Strategic Planning and Development, will be speaking about learnstudentaid.org at the conference.

In addition to learnstudentaid.org, TG is participating in efforts to understand and develop

ways to deliver financial aid to distance education students. Distance education is a rapidly expanding trend in higher education. TG estimates that in 1999 – 2000, 72 percent of postsecondary institutions offered some form of distance education, double that offered in 1997 – 1998, just two years earlier. TG along with the UT TeleCampus (the distance education consortium of the University of Texas System), presented a session on financial aid issues in distance education at the 2001 TG Conference in Austin. The session highlighted many of the current issues facing campuses dealing with distance education.

Conference Speakers

One of the conference keynote speakers will be Dr. Bruce Chaloux, Director of the Southern Regional Education Board's Electronic Campus and the Distance Learning Policy Laboratory. The Distance Learning Policy Laboratory is an ambitious project (also funded through a LAAP grant) that seeks to understand how national and state policies affect the development of distance education. TG is participating in the Policy Laboratory's efforts to understand and recommend improvements to financial aid policies and distance education.

Other conference speakers will include:

- Tony Digiovanni, President of University of Phoenix Online, keynote speaker on Oct. 30
- Peter Margolis, Academic Services Consultant, eCollege
- Mark Smith, Associate Director of Government Relations, American Association of University Professors
- Frank Russell, President and Chief Operating Officer, Geo Learning
- Gordon Macomber, CEO and President, NYU Online
- Jack Goetz, Dean, Concord University School of Law
- Ellen Blackmun, LAAP Project Director, NASFAA
- Steve Smith, Assistant Vice President for Strategic Planning and Development, Texas Guaranteed Student Loan Corporation

- Kay Gilcher, Distance Education Demonstration Program, US Department of Education
- Joe McCormick, Vice President National Affairs, Apollo Group
- Dees Stallings, Executive Director for Higher Education Services, VCampus Corp.

Distance Learning and Financial Aid

NASFAA's participation in "Distance Learning: The Future of Education" emphasizes the importance of financial aid as one of the many critical topics of discussion for the future of distance education.

According to John Dean, President of HEWI, "NASFAA's desire to co-present this conference further solidifies the need for continued financial aid reform for e-learning students. Their presence and support will help bring financial aid regulation reform into the spotlight and give attendees insight into another dimension of the distance learning initiative that is sweeping our nation."

More Information

To register for the conference and learn more about the agenda, speakers, and hotel accommodations, visit www.hewi.net, or call Anne Popovich, HEWI, at (202) 842-4989. ★

TG to Sponsor NASFAA Symposium

TG is proud to be one of the sponsors of the 2001 NASFAA Conference Pre-Conference Symposium on Distance Learning and Student Financial Aid. The Pre-conference session will be held on Saturday, July 21, 2001, at the Opryland Hotel in Nashville just prior to the start of the 2001 NASFAA Conference.

For more information and to register for the Pre-Conference, visit the NASFAA web site at www.nasfaa.org. ★

COMMON MANUAL UPDATES

INFORMATION ON REVISIONS TO THE COMMON MANUAL

Note: Current *Common Manual Updates* (Updates) and an integrated version of the *Common Manual* (integrated version) are available on *TGWorks Online* under "Schools & Lenders." By posting Updates and the integrated version online, TG offers its customers access to new policies shortly after the *Common Manual* Governing Board approves them.

If you want to be notified each time Updates and a revised integrated version are posted online, you can join TG's electronic news service, *TG NetWorks*. To join, go to *TGWorks Online* at www.tgslc.org, click "Subscribe," and complete the online form.

Week of Instruction

The *Common Manual* has been revised to change the definition of "a week of instruction" with respect to time for preparation for final examination. Such periods of time counted toward "a week of instruction" may include only preparation for final examination occurring after the last scheduled day of classes for a payment period. In addition, homework has been added to the list of activities that are not considered as instructional time.

Affected Sections: 4.1.C., 5.7.B.

Effective Date: "A week of instruction" as determined by the school for purposes of establishing or maintaining school program eligibility on or after July 1, 2001.

Basis: Final Rules published in Part IX of the *Federal Register*, pages 65662-65676, dated November 1, 2000; §668.2(b)(2); §668.8(b)(2), (3), and (4).

Policy Information: Reference 489

Guarantor Comments: None.

Suspension of Due Diligence for Death Claims

The *Common Manual* has been revised to include a lender option to grant an additional 60-day suspension of due diligence activities, for a total of up to 120 days, when reliable but unofficial notification is received that a borrower or student has died. This additional 60-day suspension may be applied only when the initial 60-day suspension has

ended and it is determined that additional time is required to obtain the required death claim documentation.

Affected Sections: 7.11.B., 8.2.B., ^{cci}8.2.B.

Effective Date: Administrative forbearances granted by the lender on or after November 1, 1999.

Basis: Final Rules published in Part X of the *Federal Register*, pages 65676-65694, dated November 1, 2000; §682.402(b)(3); DCL GEN-99-36/99-G-324/00-L-217.

Policy Information: Reference 497

Guarantor Comments: None.

Default Aversion Assistance Time Frames Chart

The *Common Manual* has been revised to include a Default Aversion Assistance Time Frames chart. (See chart on page 11 of this edition of *Shoptalk*.)

Affected Sections: 8.1.J., ^{cci}8.1.J.

Effective Date: For default aversion assistance (DAA) requests submitted on or after July 1, 2001, unless implemented earlier by the guarantor.

Basis: None.

Policy Information: Reference 501

Guarantor Comments: None.

Claim Recalls/Repurchase

The *Common Manual* Common Claim Initiative (CCI) policy has been updated to reflect that, whether the lender is required to recall the claim or the lender chooses to recall the claim, if a claim is later filed, the lender must provide a complete history of the account from the out-of-school date reported on the Claim Form. (Refer to subsection ^{cci}8.3.B. for documentation requirements.)

In addition, policy language and glossary language have been revised to expand the definition of "recall" and to redefine the term "repurchase."

The definition of "recall" under the CCI now includes claims for which the lender returns the claim payment amount within 30 days of the lender's receipt. "Repurchase" has been redefined under the CCI as a transaction that occurs more than 30 days after the date the lender receives the claim payment.

Affected Sections: ^{cci}8.5, ^{cci}8.7, appendix G

Effective Date: Claims recalled or repurchased on or after 18 months from publication of the Common Account Maintenance claim submittal records (CAM Chapter 11), unless implemented earlier by the guarantor.

Basis: CAM Initiative.

Policy Information: Reference 502

Guarantor Comments: None.

Claim Repurchase

The *Common Manual* Common Claim Initiative (CCI) policy has been updated to reflect that a repayment schedule must be sent to the borrower for rehabilitated and repurchased loans no more than 60 days and first payment due date set no more than 75 days after the lender considers the purchase to be complete (e.g., the date the repurchase check is sent to the guarantor, the date the lender receives the loan file from the guarantor, or the date the lender receives collateral from the guarantor).

Affected Sections: ^{cci}8.7, ^{cci}8.10

Effective Date: Loans rehabilitated or claims repurchased on or after 18 months from publication of the Common Account Maintenance claim submittal records (CAM Chapter 11), unless implemented earlier by the guarantor.

Basis: §682.405; CAM Initiative.

Policy Information: Reference 503

Guarantor Comments: None.

PLUS Interest Rate Change

Since July 1, 1987, PLUS and SLS loans have accrued interest based on a variable interest rate. For PLUS loans disbursed on or after July 1, 1998, the rates have been calculated based on a 91-day Treasury bill rate which remains in effect for these loans. For loans first disbursed prior to July 1, 1998, the variable rates have been determined based on the 52-week Treasury bill rate. However, beginning July 1, 2001, the variable interest rate for PLUS and SLS loans first disbursed during the period beginning July 1, 1987 and ending June 30, 1998 will be adjusted annually on July 1, and calculated by

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adding 3.1% or 3.25%, as applicable, to the weekly average one-year constant maturity Treasury yield, as published by the Board of Governors of the Federal Reserve System, for the last calendar week ending on or before June 26 of that year.

Affected Sections: 6.1.F.

Effective Date: PLUS and SLS loan interest rates calculated on or after July 1, 2001.

Basis: HEA 427A(c)(4)(B)(ii) as amended December 15, 2000.

Policy Information: Reference 504

Guarantor Comments: None.

Mandatory Forbearance for Teacher Loan Forgiveness Program

The *Common Manual* has been revised to include the requirement that a lender grant a mandatory forbearance annually, at the borrower's request, while the borrower maintains eligibility for loan forgiveness under the Teacher Loan Forgiveness Program. At the time of each annual request, the lender must be reasonably sure that the cancellation amount will satisfy the anticipated outstanding loan balance at the time of the expected cancellation. Before granting a forbearance to a borrower, the lender must require the borrower to submit the following:

- Documentation showing the beginning and anticipated ending dates of the period during which the borrower expects to perform the qualifying teacher service for that year.
- A self-certifying statement of the borrower's intent to satisfy the teacher loan forgiveness requirements.

The lender also grants a forbearance, at the borrower's request, for a period not to exceed 60 days while the lender is waiting for a completed teacher loan forgiveness application from the borrower. In addition, after receiving the application, and if requested by the borrower, the lender grants a forbearance to cover the period needed by the guarantor to determine the borrower's eligibility for discharge. The forbearance begins on the date the lender receives the completed teacher loan forgiveness application and ends on the date the lender receives a denial of the request or the

loan discharge amount from the guarantor. For this forbearance, as with other forbearances, comakers of a consolidation loan must individually qualify for the same, or a different forbearance in order for one to be granted.

Affected Sections: 7.11.C.

Effective Date: Forbearance requests granted by the lender on or after July 1, 2001, unless implemented earlier by the guarantor.

Basis: Final Rules published in Part VI of the *Federal Register*, pages 65624-65630, dated November 1, 2000; §682.211(h)(2)(ii)(C); §682.211(h)(3)(iii); §682.215(e)(i), (ii), and (iii).

Policy Information: Reference 505

Guarantor Comments: None.

Teacher Loan Forgiveness Program

The *Common Manual* has been revised to reflect the new requirements for the Teacher Loan Forgiveness Program and eliminate references to the previous Loan Forgiveness Program for Teachers. The Teacher Loan Forgiveness Program is intended to encourage individuals to enter and continue in the teaching profession in certain eligible elementary and secondary schools that serve low-income families. Under this program, the Department repays all or a portion of a borrower's Stafford loan obligations, and Consolidation loan obligations to the extent that a Consolidation loan repaid a borrower's Stafford loan(s). To be eligible for this forgiveness program, borrowers must meet the following criteria:

- The borrower must be a "new borrower" on or after October 1, 1998.
- The borrower must have been employed as a full-time teacher for 5 consecutive, complete academic years in a qualified school, as certified by the chief administrative officer at that school. A qualified school is one that meets all of the following criteria:
 - Is in a school district that qualifies for funds under Title I of the Elementary and Secondary Education Act of 1965, as amended.
 - Has been selected by the Department based on a determination that more than

30 percent of the school's total enrollment is made up of children who qualify for services provided under Title I.

- Is listed in the Annual Directory of Designated Low-Income Schools for Teacher Cancellation Benefits. (If this directory is not available before May 1 of any year, the previous year's directory may be used.)

If the school where the borrower is employed meets the eligibility criteria for any year of the borrower's employment, all subsequent years continue to qualify the borrower even if the school is no longer eligible. However, if the borrower is initially employed by a school that does not meet the criteria and the school later qualifies, the borrower's 5 qualified years of service begin when the school meets the eligibility criteria.

- If employed as an elementary school teacher, the borrower must have demonstrated knowledge and teaching skills in reading, writing, mathematics, and other areas of the school's curriculum, as certified by the chief administrative officer of the school at which the borrower is employed.
- If employed as a secondary school teacher, the borrower must be teaching a subject which is relevant to the borrower's academic major, as certified by the chief administrative officer of the secondary school at which the borrower is employed.
- One of the 5 years of qualifying service must be performed after the 1997-1998 academic year.
- A borrower who is in default on a loan(s) for which the borrower seeks forgiveness must have made satisfactory repayment arrangements on the defaulted loan(s) to reinstate Title IV aid eligibility. See section 8.9.

The loan for which forgiveness is sought must have been made before the end of the 5th year of qualifying teaching service.

Completion of one-half of an academic year is considered to be 1 academic year if the borrower's employer considers the borrower to have fulfilled his or her contract requirements for the academic year

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for the purposes of salary increases, tenure, and retirement, and the borrower is unable to complete the academic year due to any one of the following:

- A return to postsecondary education on at least a half-time basis in a program directly related to the borrower's teaching service.
- A condition covered under the Family and Medical Leave Act.
- An order to active duty status for more than 30 days.

A break in the borrower's teaching service for any one of the above reasons, (even if not counted as part of an eligible academic year for the purpose of the discharge), along with the time required to return to qualifying teaching service at the beginning of the next regularly scheduled academic year, is not considered a break in the required 5 consecutive years of service.

For the purpose of the Teacher Loan Forgiveness Program, the following definitions apply:

- An academic year means 1 complete school year at the same school, or 2 complete and consecutive half-years from different school years at either the same or different schools. Half-years exclude summer and generally fall within a 12-month period. For schools that have a year-round program of instruction, a minimum of 9 months is considered to comprise an academic year.
- Full-time means the standard used by a state in defining full-time employment as a teacher. For a borrower teaching in more than one school, the determination of full time is based on the combination of all qualifying employment. A borrower may combine service at multiple qualifying schools to equal full-time teaching service.
- Elementary school means a public or nonprofit private school that provides elementary education as determined by state law or the Department if that school is not in a state.
- Secondary school means a public or nonprofit private school that provides secondary education as determined by state law or the Department if the school is not in a state.

- Teacher means a person who provides direct classroom teaching or classroom-type teaching in a non-classroom setting, including special education teachers.

The Department will repay, on behalf of a qualified borrower, no more than a combined total of \$5,000 under both the FFELP and FDLP for outstanding principal and accrued interest on his or her qualifying Stafford loan(s) [or the outstanding portion of a Consolidation loan used to repay qualifying Stafford loan(s)] at the end of the 5th complete year of teaching. Receipt of a benefit under this program does not entitle the borrower to a refund of any payments made on the loan(s).

No borrower may, for the same service, receive benefit under both the Teacher Loan Forgiveness Program and subtitle D of Title I of the National and Community Service Act of 1990.

Procedures for applying for the Teacher Loan Forgiveness Program have not been defined, but are being addressed by the community in its discussions with the Department.

Affected Sections: 7.14.

Effective Date: Teacher loan forgiveness applications received by the lender on or after July 1, 2001, from a new borrower on or after October 1, 1998, who has been employed as a full-time teacher for five consecutive complete years as long as one of the years is after the 1997-1998 academic year—unless implemented earlier by the guarantor.

Basis: Final Rules published in Part VI of the *Federal Register*, pages 65624-65630, dated November 1, 2000; §682.215.

Policy Information: Reference 506

Guarantor Comments: None.

False Certification Loan Discharges

The *Common Manual* has been revised to allow the guarantor or Department to initiate the false certification discharge process if either possesses knowledge of false certification eligibility. If the guarantor or Department initiates the discharge process, the borrower may not be required to complete a discharge request.

Affected Sections: 8.2.H., ^{cc}8.2.H

Effective Date: Discharge eligibility determined by the guarantor or Department on or after July 1, 2001, unless implemented earlier by the guarantor.

Basis: Final Rules published in Part V of the *Federal Register*, pages 65615-66522, dated November 1, 2000; §682.402(e)(14).

Policy Information: Reference 507

Guarantor Comments: None.

False Certification Loan Discharges

The *Common Manual* has been revised to remove the borrower's employment attempt conditions previously required for false certification loan discharge requests. Borrowers are no longer required to certify that a reasonable attempt was made to obtain employment in the occupation for which the program was intended to provide training.

Affected Sections: 8.2.H., ^{cc}8.2.H.

Effective Date: False certification loan discharge requests received by the lender on or after July 1, 2000.

Basis: Dear Guaranty Agency Partner Letter G-00-327 issued July 2000; 682.402(e)(13)(ii)(C).

Policy Information: Reference 508

Guarantor Comments: None.

Cohort Default Rates

Common Manual chapter 10 has undergone major revisions to more accurately reflect the actual cohort default rate process and mimic the modified structure of federal regulations. In addition, new text includes the substantive changes derived from new regulations published November 1, 2000 and the budget bill signed into law in December. While the structure of the chapter changes dramatically, the following are the substantive regulatory and policy changes of which schools should be aware:

- A school will lose eligibility to participate in the FFELP and the FDLP 30 days after receiving notice that its official cohort default rate for the most recent fiscal year exceeds 40%, unless the school appeals or requests an adjustment to that rate. The loss of eligibility

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is applicable to the remainder of the fiscal year in which the notice is received and the next 2 fiscal years.

- A school will lose eligibility to participate in the FFELP, the FDLP, and the Federal Pell Grant Program 30 days after receiving notice that its 3 most recent official cohort default rates equal or exceed 25%, unless the school appeals or requests an adjustment to that rate. The loss of eligibility is applicable to the remainder of the fiscal year in which the notice is received and the next 2 fiscal years.
- Any school may appeal its most recent cohort default rate based on improper servicing and collection. A school subject to an initial loss of eligibility may appeal any cohort default rate upon which the loss of eligibility is based. This appeal alleges that improper servicing and collection caused defaults on specific loans that were included in the calculation of the cohort default rate. A school subject to an extended loss of eligibility may appeal only its most recent official cohort default rate.
- A school subject to provisional certification may appeal its cohort default rate using the erroneous data appeal.
- The calculation of the Participation Rate Index (PRI) challenge or appeal has been expanded to address schools with a single cohort default rate over 40%. The PRI puts into perspective the impact of the school's cohort default rate on the federal fiscal interest. Thus, a low PRI indicates that the overall impact of the school's students who default is not significant in terms of federal dollars.

The PRI is the percentage of a school's students that obtain FFELP or FDLP loans multiplied by the school's cohort default rate. The calculation is accomplished as follows:

Step 1 — Select a 12-month period that ends no more than 6 months prior to the beginning of the fiscal year for which the cohort default rate is calculated.

Step 2 — Determine the number of regular students enrolled on at least a half-time basis during any part of the selected 12-month period.

Step 3 — Of those students identified in Step 2, determine the number who received FFELP or FDLP loan funds to attend the school during a loan period that overlaps with any part of the 12-month period selected in Step 1.

Step 4 — Divide the result of Step 3 by the result of Step 2 to determine the percentage of students who received loans.

Step 5 — Multiply the result of Step 4 by the school's cohort default rate to obtain the PRI.

A school that is subject to a loss of FFELP eligibility may use the PRI appeal based on either of the following conditions:

- The school has one cohort default rate over 40% and the PRI for that cohort's fiscal year is less than or equal to 0.06015.
- The school has three consecutive cohort default rates of 25% or more and the PRI for any one of the three cohorts' fiscal years is less than or equal to 0.0375.
- A school remains accountable for the consequences of a high official cohort default rate after its merger with or acquisition of another school, or after a branch campus becomes a separate, freestanding school. Rules for calculating cohort default rates for schools affected by these structural changes are explained in detail in the new regulations.
- Any school that merges with or acquires another school and that is otherwise eligible to participate in the FFELP loses FFELP eligibility based on a single official cohort default rate greater than 40% or equal to or greater than 25% for each of its 3 most recent official cohort rates if all of the following criteria apply:
 - Both schools are parties to a transaction that results in a change in structure or identity.
 - The FFELP-eligible school offers an educational program at substantially the same address as that at which the FFELP-ineligible school offered programs before the change in structure or identity.
 - There is a commonality of ownership or management between the two schools.

The Department will notify the school that it is subject to the same loss of eligibility as the ineligible school. The loss applies to all of the school's locations from the date the school receives the notice until the end of the ineligible period applicable to the ineligible school. A school subject to an applied loss of eligibility may submit a request for adjustment or an appeal that would be applicable to the ineligible school.

- A school subject to a loss of eligibility due to a single cohort default rate exceeding 40% may submit an "average rate appeal" if at least 2 of the school's 3 most recent cohort default rates of 25% or more are calculated at an average rate, and at least 2 of those rates would be less than 25% if calculated for the applicable fiscal year alone.
- A school subject to a loss of eligibility based on a total of thirty or fewer borrowers in the 3 most recent cohorts of borrowers used to calculate the school's cohort default rates may submit a "thirty-or-fewer borrowers" appeal.
- HR 4577, signed by the President in December 2000, extends until July 1, 2004, the period during which historically black colleges and universities (HBCUs) and tribally controlled and Navajo community colleges may qualify for exemptions from loss of FFELP eligibility and other sanctions that would otherwise result from high cohort default rates.
- All references to "days" in cohort default rate regulations refer to calendar days. Previously, various time frames and deadlines carried their own specific definition of days, sometimes "business days" and sometimes "calendar days." The new time frames are comparable to the former ones in most cases.
- All references to the "weighted average cohort default rate" have been changed to the "dual-program cohort default rate," as the latter term is the one used by the Department in its publications.
- References to the Department's *Draft Cohort Default Rate Guide* and *Official Cohort Default Rate Guide* have been revised to refer simply to the Cohort Default Rate Guide. It is the

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Department's intention to consolidate both the draft and official information into a single publication that will be updated annually.

- Minor changes have been made to the text in section 10.6, addressing lender cohort default rates. These changes remove reference to the Guarantor and Lender Oversight (GLOS) division of the Department and replace those references with the new name of that division, Financial Partners. Additional changes remove references to guarantor activities from the text as convention dictates that guarantor activities are not detailed in the *Common Manual*.
- Appendix G has been updated to replace the term, "Weighted Average Cohort Rate" with the term now in use by the Department, the "Dual-Program Cohort Default Rate." The definition of "Cohort Default Rate" has also been updated.

Affected Sections: Chapter 10, in its entirety, appendix G

Effective Date: Cohort default rates calculated on or after July 1, 2001.

Basis: Final Rules published in Part VII of the *Federal Register*, pages 65631-65651, dated November 1, 2000; §668.192 through §668.198.

Policy Information: References 509-514

Guarantor Comments: None.

Written Agreements Between Schools

The *Common Manual* has been updated to reflect recent changes in federal regulations that allow a school to enter into a single written agreement with a study-abroad organization representing one or more foreign schools rather than a separate agreement with each individual foreign school that its students attend. The clarification that a study-abroad organization may represent one or more foreign institutions is included on page 65663 in the preamble language of the *Federal Register* referenced below.

Affected Sections: 4.1.B.

Effective Date: Written agreements consummated by schools on or after July 1, 2001, or implemented at the school's discretion on or after November 1, 2000.

Basis: Final Rules published in Part IX of the *Federal Register*, pages 65662B65676, dated November 1, 2000; §668.5.

Policy Information: Reference 515

Guarantor Comments: None.

School Reporting Requirements

The *Common Manual* has been revised to contain school "reporting" rather than "notification" requirements for maintaining eligibility. Changes include addition of the requirements to report decreases in levels of program offering or change in governance of a public school, and the addition of a reference to 34 CFR 600.21.

Affected Sections: 4.1.C.

Effective Date: School reporting of changes for the purpose of maintaining eligibility on or after July 1, 2001.

Basis: Final Rules published in Part IX of the *Federal Register*, pages 65662-65676, dated November 1, 2000; §600.21.

Policy Information: Reference 516

Guarantor Comments: None.

Change in Ownership or Status

The *Common Manual* now includes the revised requirements regarding private nonprofit, private for-profit, and public schools that experience a change of ownership resulting in a change of control and schools that change status as nonprofit, for-profit, or public schools. Such schools may continue eligibility by submitting an application to the Department.

In response to a school's application, the Department may approve a provisional Program Participation Agreement (PPA) (previously referred to as a TPPPA). The time frames applicable to the expiration of a provisional PPA are the same as those previously applicable to the TPPPA. To obtain an extension of the provisional PPA prior to its expiration, the school must provide to the Department a "same day" balance sheet, required documentation of accrediting agency and state licensing approval, and a default management plan (unless the school is exempt from providing the plan).

Affected Sections: 4.1.C.

Effective Date: Private nonprofit, private for-profit, or public schools that experience a change of ownership resulting in a change of control or schools that change status as nonprofit, for-profit, or public schools on or after July 1, 2001, unless implemented earlier.

Basis: Final Rules published in Part IX of the *Federal Register*, pages 65662-65676, dated November 1, 2000; §600.20(b)(2)(ii) and (iii).

Policy Information: Reference 517

Guarantor Comments: None.

Change in Governance for a Public School

The *Common Manual* has been revised to state that a change in governance for a public school is not considered to be a change of ownership that results in a change in control, if the school remains a public school after the change and the new governing authority is in the same State and has acknowledged the school's continued responsibilities under its Program Participation Agreement (PPA). A public school must, within 10 days of a change in governance, report the change to the Department and each applicable guarantor.

Affected Sections: 4.1.C.

Effective Date: School reporting of changes for the purpose of maintaining eligibility on or after July 1, 2001.

Basis: Final Rules published in Part IX of the *Federal Register*, pages 65662-65676, dated November 1, 2000; §600.21.

Policy Information: Reference 518

Guarantor Comments: None.

Delivery of Title IV Funds

The *Common Manual* has been revised to state that a school may be prohibited from delivering Title IV funds to students if the school's Program Participation Agreement (PPA) expires, the school undergoes a change in ownership resulting in a change of control, or the school changes status as a non-profit, for-profit, or public school. The school may deliver Title IV funds if it has submitted a timely, materially complete application to continue certification to participate in Title IV programs.

See *COMMON MANUAL UPDATES* on page 9.

COMMON MANUAL UPDATES (Continued from page 8)

In addition, the school must receive a provisional Program Participation Agreement (PPA), submit any additional required information in a timely manner, and be awaiting a final determination from the Department. If a school does not comply with these requirements and continues to deliver Title IV funds, the school is liable for those Title IV funds delivered after the expiration of the school's eligibility. The *Common Manual* has also been updated to delete subsection 4.1.E. because this information was duplicated in section 6.4. A reference to section 6.4 was added at the end of subsection 4.1.D.

Affected Sections: 4.1.D., 4.1.E., 6.4

Effective Date: Provisions regarding the expiration of the school's Program Participation Agreement are effective retroactively to the implementation of the *Common Manual*.

Provisions relating to a change of ownership resulting in a change of control are effective for Program Participation Agreements initiated on or after July 1, 2000, and Provisional Certifications granted by the Department on or after October 29, 1999.

Basis: HEA 487(a) and 498(i); §600.31, §668.12, §668.14—as updated in the *Federal Register* dated October 29, 1999; Final Rules published in Part IX of the *Federal Register*, pages 65661-65676, dated November 1, 2000; §600.20(f) and (h); §600.40; §668.13(a) and (b); §668.26.

Policy Information: Reference #519

Guarantor Comments: None.

Prior Overpayment or Default Documentation Requirements

The *Common Manual* has been revised to include clarifications provided by the Department in its Dear Partner Letter (DPL) GEN-00-18 published November 8, 2000. The Department clarified the procedures a school should use to ensure that it does not deliver FFELP loan funds to students who are ineligible due to an unresolved prior overpayment of Title IV funds or an unresolved prior default on a Title IV loan. In all cases, the school must retain documentation that clearly substantiates its determination that a prior overpayment or default

has been resolved. The Department specifically notes that documentation that the reporting entity has "no record" of the prior overpayment or default is not considered adequate for the release of FFELP funds. Specific procedural guidance is provided in the DPL and schools are encouraged to ensure their staff is familiar with the Department's recommendations.

Affected Sections: 5.2.E.

Effective Date: Loans certified by the school on or after November 8, 2000.

Basis: Dear Partner Letter GEN-00-18, published November 8, 2000.

Policy Information: Reference 520

Guarantor Comments: None.

Financial Aid Histories and the Delivery of Loan Proceeds

Revised *Common Manual* policy states that schools may not deliver Stafford or PLUS loan proceeds to a student or parent of a student who previously attended another eligible school until the school determines, from information obtained from NSLDS or its successor system, that the student meets eligibility requirements pertaining to his or her financial aid history. The school must determine (1) whether the student is in default or owes an overpayment to any Title IV program; (2) the amount of the student's scheduled Federal Pell Grant disbursement and the amount of any Federal Pell Grant funds already disbursed to the student; (3) the outstanding principal balance of Title IV loans made to the student; and (4) the amount of, and period of enrollment for, Title IV loans made to the student for the academic year for which Title IV aid is requested.

For a student who transfers from one school to another during the same award year (i.e., a current-year transfer student), the school the student is attending must request or access through NSLDS updated information about that student in order to determine the student's eligibility for Stafford or PLUS loan proceeds. The school must wait for 7 days following a request to NSLDS before delivering Stafford or PLUS loan proceeds. However, if before the end of 7 days, the school receives the

information from NSLDS in response to its request or obtains that information itself by directly accessing NSLDS, the school may deliver the loan proceeds as long as the student is otherwise eligible. Schools may no longer delay delivery of loan proceeds by 45 days while waiting for paper financial aid transcripts to arrive.

Schools are no longer required to respond to paper financial aid transcript requests for prior-year or current-year transfer students.

Affected Sections: 5.2.E., 6.3.E., 6.3.I.

Effective Date: Stafford and PLUS loan funds delivered by the school on or after July 1, 2001.

The elimination of paper financial aid transcripts is effective for requests received by the school on or after July 1, 2001.

Basis: Final Rules published in Part IX of the *Federal Register*, pages 65662-65676, dated November 1, 2000; §668.19; Dear Partner Letter GEN-00-12 dated August 2000.

Policy Information: Reference 521

Guarantor Comments: None.

FFELP Delivery Requirements for Non-Standard Term Credit Hour Programs

Revised policy clarifies that a program measuring academic progress in credit hours but not using a standard semester, trimester, or quarter system may deliver second or subsequent disbursements no earlier than 10 days before the first day of any payment period if the terms are substantially equal in length throughout the loan period. Terms within a loan period will be considered substantially equal in length if no term in the loan period is more than two weeks longer than any other term in the loan period. Schools with credit hour programs that do not use terms, or use terms that are not substantially equal in length, are still required to wait until the later of the calendar midpoint of the loan period or the date that the student has completed half of the academic coursework in the loan period before delivering the second disbursement of the loan.

Affected Sections: 6.3.E.

Effective Date: Stafford and PLUS loan funds delivered by the school on or after July 1, 2001.

See *COMMON MANUAL UPDATES* on page 10.

COMMON MANUAL UPDATES (Continued from page 9)

Basis: Final Rules published in Part V of the *Federal Register*, pages 65616-65622, dated November 1, 2000; §682.604(c)(6) and (7).

Policy Information: Reference 522

Guarantor Comments: None.

Economic Hardship Deferment

The *Common Manual* has been revised to update the economic hardship deferment information. Revised policy and regulation require the lender to use evidence of the borrower's "monthly income," rather than "total monthly gross income." "Monthly income" is defined as the gross amount of income received by the borrower from employment and other sources, or one-twelfth of the borrower's adjusted gross income, as recorded on the borrower's most recently filed federal income tax return. There is no longer a difference in required documentation for an initial and a subsequent economic hardship deferment. The revised policy and regulation allow a lender to grant the deferment for periods that, collectively, do not exceed 3 years. Any retroactive period of economic hardship granted under this revised policy must include July 1, 2000, or a later date. In all cases, the lender must ensure that the borrower's required documentation supports the begin date of the economic hardship period.

Affected Sections: 7.10.P.

Effective Date: Economic hardship deferments granted by the lender on or after July 1, 2001.

Basis: Final Rules published in Part V of the *Federal Register*, pages 65616-65622, dated November 1, 2000; §682.210(s)(6).

Policy Information: Reference 523

Guarantor Comments: None.

Forbearance Eligibility Chart

The *Common Manual* is revised to add a *Forbearance Eligibility Chart*. This chart is a reference tool that may be used to identify general information about discretionary, administrative, mandatory, and mandatory administrative forbearances, including situations in which these forbearance types may be used by a borrower and an endorser, if applicable. The chart also provides information about the length of the forbearance and general information about required documentation. For detailed information about each forbearance, see the applicable subsection. (See chart on page 12 of this edition of *Shoptalk*.)

Affected Sections: 7.11

Effective Date: Each forbearance detailed on the chart is effective as specified in applicable statute, regulation, Dear Colleague Letter, private letter, or approved guarantor policy.

Basis: Final Rules published in Part X of the *Federal Register*, pages 65678-65695, and Part VI of the *Federal Register*, pages 65624-65630, on November 1, 2000; §682.211; §682.215(e); §682.402.

Policy Information: Reference 524

Guarantor Comments: None.

Ineligibility Borrower Claims

The *Common Manual* has been revised to reflect guidance provided by the Department in an Office of Student Financial Assistance Dear Financial Partner Letter published October 17, 2000. Guarantors will now pay ineligible borrower claims at 98% rather than 100%.

Affected Sections: 8.6.A., ^{cc}8.6.A.

Effective Date: Ineligible borrower claims received by the guarantor on or after July 1, 2001, unless implemented earlier by the guarantor.

Basis: Office of Student Financial Assistance Dear Financial Partner Letter published October 17, 2000.

Policy Information: Reference 525

Guarantor Comments: None. ★

Final Winners Announced

Congratulations to Austin Community College and Kleberg 1st National Bank, the winners of the *Go Electronic* final drawings held at the 2001 TG Conference. These institutions have decided to go completely paperless, utilizing the online, integrated *Common Manual* in their shops rather than the paper version. Each winner will receive a catered lunch for their offices that can include up to 10 people.

TG would also like to congratulate Kelly Fonville of Stephen F. Austin State University. She is April's winner of a \$20 restaurant gift certificate.

In the June 2001 edition of *Shoptalk*, TG will announce the final results of the *Go Electronic* campaign, including the dollar amount of savings that will go toward the TG Grant Program. ★

Default Aversion Assistance (DAA) Time Frames

GUARANTOR	DAA CANCELLATION DATE ¹	SKIP DAA AVAILABLE ²	DEADLINE FOR REFILEING REJECTED DAA REQUEST ³
American Student Assistance	30	60-120	None*
California Student Aid Commission/EDFUND	0	60-120	150*
Colorado Student Loan Program	0	60-120	150*
Connecticut Student Loan Foundation	30	60-120	150*
Education Assistance Corporation	30	60-120	150*
Educational Credit Management Corporation	0	All	120
Finance Authority of Maine	30	60-120	None*
Florida Department of Education	60	All	120
Georgia Higher Education Assistance Corporation	30	60-120	150*
Great Lakes Higher Education Guaranty Corporation	30	60-120	150*
Illinois Student Assistance Commission	30	All	None*
Iowa College Student Aid Commission	0	All	150*
Kentucky Higher Education Assistance Authority	30	All	None*
Louisiana Student Financial Assistance Commission	30	All	150*
Michigan Higher Education Assistance Authority	0	60-120	150*
Missouri Student Loan Program	0	60-120	150*
Montana Guaranteed Student Loan Program	30	All	150*
National Student Loan Program	0	60-120	150*
New Hampshire Higher Education Assistance	60	None	None*
New Jersey Higher Education Student Assistance Authority	60	60-120	150*
New Mexico Student Loan Guarantee Corporation	30	60-120	150*
New York State Higher Education Services Corporation	30	All	150*
North Carolina State Education Assistance Authority	30	None	150*
Northwest Education Loan Association	0	60-120	150*
Oklahoma State Regents for Higher Education	30	60-120	150*
Oregon Student Assistance Commission	30	60-120	150*
Pennsylvania Higher Education Assistance Agency	30	All	120
Rhode Island Higher Education Assistance Authority	0	None	120
South Carolina Student Loan Corporation	30	60-120	None*
Student Loan Guarantee Foundation of Arkansas	0	All	150*
Student Loans of North Dakota	60	All	150*
Tennessee Student Assistance Corporation	30	60-120	150*
Texas Guaranteed Student Loan Corporation	0	All	150*
United Student Aid Funds, Inc.	30	60-120	None*
Utah Higher Education Assistance Authority	0	All	120
Vermont Student Assistance Corporation	30	None	None*

¹ If the delinquency date falls on 0 days delinquent (for guarantors with an entry of 0), or below 30 or 60 days delinquent (for guarantors with an entry of 30 or 60, respectively), the lender must notify the guarantor to cancel the request for DAA.

Guarantor time frames may be either: 0, 30 or 60

² The period of time, expressed in number of days delinquent, established by a guarantor in which a lender may request skip tracing from the guarantor. An entry of Aall@ specifies that skip DAA is available throughout the life of the loan. An entry of Anone@ specifies that the guarantor does not offer skip DAA.

Guarantor time frames may be either: all, 60-120, or none

³ The deadline, expressed in number of days delinquent, for the lender to refile the request for DAA that was originally filed timely (within the 60-120 day period), but was rejected by the guarantor. Resubmissions that occur by the deadline are considered to be timely submitted DAA requests, for which a subsequent claim would be paid without a DAA penalty. An entry of Anone@ specifies that the corrected DAA must be resubmitted before a subsequent claim is reviewed. Resubmissions that occur after these deadlines are subject to the interest penalties and special allowance limitations described in Appendix D of 34 CFR 682.

Guarantor time frames may be either: 120, 150, or none, * as long as the original request was filed during the 60-120 day DAA request period.

Forbearance Eligibility Chart

TYPE	LENGTH
Discretionary	
Financial difficulties due to personal problems when the borrower is unable to make regularly scheduled payments ¹ Reduced-Payment Forbearance ¹	The period established in the terms on the written forbearance agreement (not to exceed 12-month increments); no maximum
Mandatory	
Medical or Dental Internship/Residency ^{2, 3, 4} Department of Defense Student Loan Repayment Programs ^{3, 4} National Service ^{2, 3, 4}	12-month increments (or a lesser period equal to actual period during which the borrower is eligible); no maximum
Loan Forgiveness for Child Care Providers <i>Note: Contingent upon funding by Congress.</i>	<i>Note: Procedures for this forbearance type are currently being discussed by the industry and the Department.</i>
Debt Exceeds Monthly Income ^{4, 5}	12-month increments; 3 years maximum
Teacher Loan Forgiveness ^{2, 6, 4}	Period while borrower maintains forgiveness eligibility. 12-month increments; 5 years maximum For period while lender is awaiting completed forgiveness application, not to exceed 60 days Date lender receives a completed loan forgiveness application to date lender receives either a denial or loan discharge
Mandatory Administrative	
Local or National Emergency ⁷ Military Mobilization ⁸ Designated Disaster Area ⁷	Period specified by the Department or guarantor plus 30 days following the period
Repayment Accommodation Unpaid Refund Discharge	3-year maximum for variable interest rate; 5-year maximum for income-sensitive repayment 60 days from date application sent to borrower if application is not received by lender, and from date guarantor receives documentation to date of determination The period during guarantor review and ending on the date lender receives the guarantor's determination for a borrower who requests a review of a denial determination
Death	Date lender receives reliable notification of death to date lender receives death certificate or other acceptable documentation, not to exceed 60 days
Administrative	
Borrower Ineligible for Deferment ⁶	Beginning date to ending date of the ineligible deferment
Delinquency before a Deferment or Certain Forbearances ⁶	First date of overdue payment to the day before the beginning date of deferment or other forbearance type
Late Notification of Out-of-School Dates ⁶	Date borrower should have entered repayment to date first or next payment was established
Bankruptcy Filing ⁶	The earlier of the first date of overdue payment or receipt of reliable information that the borrower has filed bankruptcy to date of discharge determination or repurchase
Total and Permanent Disability ⁶	Date lender receives reliable information to date lender receives acceptable documentation, not to exceed 60 days Date lender receives physician letter requesting additional time to date lender receives acceptable documentation, not to exceed 60 days
Repurchase of a Non-bankruptcy Claim ⁶	The period that the loan was held by the guarantor due to a claim purchase

Forbearance Eligibility Chart (continued)

TYPE	LENGTH
Administrative (continued)	
Death	Date after mandatory administrative forbearance due to reliable notification of death ends to date lender receives death certificate or other acceptable documentation, not to exceed 60 days
Closed School	Period of unofficial closure notice as specified by guarantor
Closed School or False Certification ⁶	60 days from date application sent to borrower if application is not received by lender, and from date guarantor receives documentation to date of determination
Delinquency after Deferment or Mandatory Forbearance ⁶	Deferment or mandatory forbearance end date to establishment of next payment due date
Documentation Collection and Processing ⁶	Date borrower requests deferment, forbearance, change in repayment plan, or loan consolidation to date supporting documentation is processed by lender, not to exceed 60 days
Unpaid Refund ⁶	End date of initial 60-day mandatory administrative forbearance to receipt of completed discharge request, and during period of determination of discharge eligibility
New Out-of-School Dates after Conversion ⁶	Original repayment start date to adjusted start date
Loan Sale or Transfer ⁶	First date of delinquency to date loan is sold or transferred, if the loan is less than 60 days delinquent
Ineligible Summer Bridge Extension ⁶	Day after expiration of borrower's last in-school deferment to the 30th day after fall classes begin
Cure ⁶	Date of earliest unexcused violation to date lender receives a full payment or new signed repayment agreement
Natural Disasters ⁶	From date borrower affected, not to exceed 3 months for each occurrence
Repayment Alignment-SLS/Stafford ⁴	First payment due date to last day of the longest applicable Stafford loan grace period

Note: For detailed information about each forbearance situation, refer to the applicable subsection.

¹ A request, a signed forbearance agreement, and reason for forbearance are required.

² For borrowers only.

³ A request, supporting documentation from the authorized official(s) indicating the beginning and ending dates, and written agreement are required.

⁴ A request is required.

⁵ A request and supporting documentation of monthly income and monthly payments on Title IV education loan obligations, and written agreement are required.

⁶ Lender must notify the borrower (or endorser, if applicable) and document the beginning and ending dates and reason for the forbearance in borrower history record.

⁷ Notice from the Department or guarantor is required.

⁸ Documentation showing borrower is subject to a military mobilization is required.

Meteor Shoots into Town

Have you ever thought that you could counsel students more effectively if you had access to all of their financial aid information — but realized that assembling it would be an insurmountable task? Well, your wish and Meteor's are the same. The Meteor Project, a new initiative sponsored by the National Council of Higher Education Loan Programs (NCHELP), seeks to provide students and financial aid administrators with one-stop shopping for student financial aid information.

Meteor is an enabling technology — software and service — that gathers information from a number of sources (such as the federal Office of Student Financial Assistance, guaranty agencies, lenders, servicers, secondary markets, and alternative loan providers) and combines it in a single screen view. This means that if all of the expected participants partake in this effort, financial aid administrators and students will be able to obtain the most current information available on a student's financial aid through one web site with one logon.

Unlike the National Student Loan Data System (NSLDS) and the National Student Clearinghouse (NSC), where the most current loan information can be weeks to months old, Meteor will provide accurate, up-to-the-minute information on a student's Federal Family Education Loan Program (FFELP) loan status in real time. This will be possible because the Meteor software will access information directly from participants' systems.

Meteor is a remarkable project in several ways:

- Meteor began only a few months ago and has already completed the pilot phase with major users. Like its name, Meteor is traveling on an accelerated path from concept to production.
- Meteor software is expected to be fully functional in July 2001.
- Meteor will be free to the financial aid community—a gift from the sponsoring guaranty agencies and lenders.
- Institutions will be able to download Meteor software and run it from any web site.

- Meteor software will support local branding so that users may customize Meteor messages to their own look and feel. This will give customers a consistent experience at the host web site or portal.

- Meteor will implement SFA's information technology standards. Institutions will have to implement the technology used in Meteor to implement other Department of Education systems and components. Nothing new will be required.

- Meteor will provide secure access to confidential information.

Consistent with Texas Guaranteed's (TG's) mission to make the educational experience simpler and to provide innovative electronic solutions, TG is one of ten original sponsors and will be providing its loan information through Meteor. Currently, 30 NCHELP members fund the project. For more information, you can access the Meteor web site at immagic.com/meteorproject/default.htm. ★

TG CONFERENCE (Continued from page 1)

and explore TG's *Adventures In Education*, *TGWorks Online*, and *Mapping Your Future*.

Conference Sponsors and Fun

As always, the conference adventure was enhanced by the support of its presenters and participants, in particular by those sponsors that make a working conference so much fun. In addition to the fun experienced throughout the conference, attendees were also treated to a Thursday evening of Texas baseball when they watched the Round Rock Express triumph over the Tulsa Drillers at the Dell Diamond. (See sidebar for a list of 2001 conference sponsors.)

Questions and More Information

For questions or more information about any of the conference sessions, contact TG's Customer Support Group at (800) 252-9743, ext. 4444, or send an e-mail message to customer.services@tgscl.org. ★

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Perkins Loan Exit Counseling Offered by *Mapping Your Future*

Students can now complete Perkins Loan Exit Counseling requirements anytime, anywhere. A new component of *Mapping Your Future's* (MYF's) Online Student Loan Counseling (OSLC), the new system is a free service available at mapping-your-future.org/perkins/exitcounseling.

MYF developed online Perkins Loan Exit Counseling at the request of schools looking for a convenient way for their students to meet their federal counseling requirements. The new system was created with the help of students and financial aid professionals. The goals of the system are to help schools and students meet federal requirements and to actively involve students in counseling, thus enhancing their education in loan debt management — making OSLC an important default prevention tool. In addition, it enables busy financial aid professionals to spend more time with those students who need their assistance most.

Schools wishing to offer online Perkins Loan Counseling to their students should complete the online Request for Participation form at mapping-your-future.org/perkins/entrancecounseling/sch.cfm. The sign-up process usually takes less than a day but does require the school to respond to MYF to confirm the accuracy of the information on the form.

MYF offers Perkins Loan Counseling as a separate service from Stafford Loan Counseling because, at many college campuses, these loan programs are managed by separate offices. Although the procedures are similar to Stafford Loan Counseling for retrieving reports from a Financial Aid Office Access area, schools will use a different user name and password to access Perkins Loan Counseling confirmations.

Participation in Perkins Loan Exit Counseling

The service is free to schools and students. To participate, schools must register by completing the online form. Schools registered for MYF Stafford Loan Counseling must register separately for Perkins Loan Counseling. However, schools participating in Perkins Loan Entrance Counseling will automatically be signed up to participate in Perkins Loan Exit Counseling, unless they request otherwise.

As a reminder, as with other forms of Perkins loan exit counseling, students completing MYF's Perkins Loan Exit Counseling online must also sign a repayment schedule. Department of Education

officials recommend that schools send the student's repayment schedule with the notice to complete the online exit counseling session, asking the student to sign and return the repayment schedule to the school.

Questions and More Information

For questions or more information about MYF's Perkins Loan Exit Counseling, send an e-mail message to cathy.mueller@mapping-your-future.org or call (800) 252-9743, ext. 4539. ★

THE WEBSHOP

INTERNET RESOURCES REFERENCED IN THIS ISSUE

The Web addresses listed below refer to the online information mentioned in this issue of *Shoptalk*.

Transcript of Know Before You Go Into Repayment chat event

mapping-your-future.org/services/chatqa.cfm?E=20010508&title=May%208,%202001

More information about the National Distance Education Conference

www.hewi.net

More information about the NASFAA Pre-Conference Symposium

www.nasfaa.org

The Integrated Common Manual on TGWorks Online

www.tgslc.org/tgslc/schools/integrated_online_manual.htm

More information about the Meteor Project

immagic.com/meteorproject/default.htm

Perkins Loan Exit Counseling

mapping-your-future.org/perkins/exitcounseling

Online Request for Participation in MYF online counseling

mapping-your-future.org/perkins/entrancecounseling/sch.cfm

ED's SFA Schools Product Preview Web Page

www.ed.gov/offices/OSFAP/ifap/preview/index.html

IFAP's electronic announcement about the SFA Handbook

ifap.ed.gov/eannouncements/0426handbk0102.html ★

Return Service Requested

2001-2002 Federal SFA Handbook Volumes Available

The Department of Education (ED) has released seven of the nine volumes of the 2001-2002 Federal Student Financial Aid Handbook (Handbook). The volumes are available electronically at ED's SFA Schools Product Preview Web Page (www.ed.gov/offices/OSFAP/ifap/preview/index.html) with paper copies set for distribution in June 2001.

ED communicated the release of the seven volumes in an electronic announcement on April 26, 2001, and expects to release Volume 1 (Student Eligibility) and Volume 6 (Federal Work-Study) by May 7. The volumes made available in the announcement include:

- Volume 2: Institutional Eligibility
- Volume 3: Pell Grants
- Volume 4: Campus-Based Common Provisions

- Volume 5: Federal Perkins Loans
- Volume 7: Federal Supplemental Educational Opportunity Grants
- Volume 8: Direct Loan and FFEL Programs
- Volume 9: State Grant Programs

The electronic announcement also states that ED plans to "significantly advance the schedule for the release of the 2002-2003 Handbook" based on feedback from the community that expressed a need for the information to be released earlier in the year. This announcement can be viewed at the Information for Financial Aid Professionals web site at ifap.ed.gov/eannouncements/0426handbk0102.html. ★

SHOPTALK

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To ask questions about the articles in *Shoptalk*, subscribe or order additional copies, please contact Communications at (800) 252-9743, ext. 2878 or communications@tgslc.org

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