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Tip^{of} the Week

Does your institution have December graduates? If so, provide budget worksheets to students during exit counseling. Templates are available from TG's public service Web site, *Adventures in Education*, at www.AIE.org.

Federal updates

ED provides recent guidance pertaining to Hurricanes Katrina, Rita, and Wilma

On November 1, ED issued concurrent electronic announcements extending the administrative forbearance period permitted for borrowers who live in federally declared disaster areas as a result of either Hurricane Katrina or Rita. According to the announcements, impacted borrowers of the FFELP, Federal Direct Loan Program, and Federal Perkins Loan Program may receive an administrative forbearance from August 29, 2005, through February 28, 2006. This extends the 90-day forbearance period that ED had previously granted under Dear Colleague Letter [GEN-04-04: General guidance for helping Title IV participants affected by a disaster](#).

The borrower can request this forbearance verbally or in writing and does not need to provide supporting documentation or a written agreement to be eligible to receive this forbearance. The lender must document the reason for the forbearance in the borrower's file.

On November 7, ED announced a new *Federal Register* notice that provides information on the campus-based funds reallocation process for schools that have enrolled students affected by Hurricanes Katrina and Rita. The notice provides

background information on the reallocation process, definitions of terms, and the information that a school must submit in its application for reallocated campus-based funds.

To view the announcement concerning Hurricane Rita, go to <http://ifap.ed.gov/eannouncements/1104ritann5cbreallocation.html>. To view the announcement concerning Hurricane Katrina, go to <http://ifap.ed.gov/eannouncements/1104katann8cbreallocation.html>.

Hurricane Wilma guidance

In addition, ED has stated that guidance in DCL GEN-04-04 applies to victims of Hurricane Wilma who, at the time of the disaster, were residing in, employed in, or attending a school located in a county designated as a federally-declared disaster area. As of October 25, FEMA had designated ten [counties](#) in Florida eligible for federal assistance as a result of Hurricane Wilma.

More information

To access all of the ED guidance on assistance available to those impacted by the recent hurricanes, visit ED's Federal Student Aid Hurricane Information Web page at www.ifap.ed.gov/eannouncements/katrina.html.

TG updates

Skill Builders: Five tips for volunteering

In the higher education environment, there are abundant opportunities to volunteer. From on-campus activities involving mentoring and building financial aid awareness, to community-based outreach and FAFSA workshops, there are always opportunities to contribute your time and further the worthy goals of important organizations.

Often, however, it can be overwhelming to consider taking on other activities in addition to your existing responsibilities. This can be a good time to reflect on some of the benefits volunteering can provide to your personal and professional growth.

The benefits of lending a helping hand

Volunteering for a cause in which you believe provides the satisfaction of knowing you've done your part to make the world a better place. It can open many doors for you. It will help you develop skills, gain work experience, develop knowledge of different career settings, create a network for finding a job, discover your hidden strengths and talents, gain self-confidence, find references, and build a sense of independence. Also, volunteering is a terrific way to meet people who share your passions.

Evaluating your options

Here are five things to consider when evaluating opportunities to volunteer:

1. Do your research.

Explore the mission and goals of each group you are considering. Visit their Web sites, read their literature, and talk to their members. Get an idea of future activities from the group's priorities.

2. Match your skills to volunteer opportunities.

Where do your skills and talents lie? If you know how to do things more efficiently, volunteer for positions where you can use and teach these skills. Your contributions will be appreciated by others on the team.

3. Learn something new.

Volunteering can offer an excellent learning experience. If you'd like to develop new skills, find an opportunity that will challenge you to learn from more experienced participants in the group.

4. Budget your time wisely.

Start slowly when making volunteer commitments and budget your time wisely. You don't want to burn yourself out, frustrate others, and end up with a negative experience.

5. Create your own opportunity.

Every group is always seeking new ideas to complete projects and accomplish goals. Do you have ideas about how to get things done right? Write a one-page outline about what you can do, how you can do it, and go do it. Deliver it to the committee chair or other leaders of the organization and start down your path to a fulfilling and worthwhile experience.

Question of the Week

Q: Is it permissible for a financial aid administrator (FAA) to include in the transportation allowance of a student's cost of attendance (COA) the cost of the purchase and/or maintenance of a car?

A: No. Guidance from the 2005-06 version of the ED online training module FSA COACH (located at www.ed.gov/offices/OSFAP/fsacoach/index.html), module 5-01, category #2, states that the FAA may include in a student's transportation allowance the "Costs of operating and maintaining (NOT purchasing or leasing) a car for local commuters." This is based on final regulations that were published in the November 10, 1986, *Federal Register* that states, under the definition of "estimated cost of attendance" that "[A student's] expenses may not include the purchase of a motor vehicle" and the 1989-90 *Federal Student Aid Handbook*, page 5-8, that states, "Transportation may include the cost of travel between the student's residence and the school, and travel costs required for completing a

course of study. When public transportation is not available for travel to and from school, the cost of operating and maintaining a car (gas, oil, license, insurance, and repair, for example) may be included."

Do you have a question?

If you have a question that needs an answer, feel free to *Ask TG™*. To submit a question to *Ask TG*, visit <http://tgslc.custhelp.com>.

Common Manual

Common Manual updates

On October 20, 2005, guarantor representatives approved several changes to the *Common Manual*. Details on these changes and a newly updated *Integrated Common Manual* incorporating the changes soon will be available online at www.tgslc.org/resources/integrated_online_manual.cfm. Following are summaries of the latest policy changes.

Please note that the Bulletin Language for Policy Proposal #835 Administrative Forbearance Period if the Loan Discharge Application is Undeliverable has been moved to considered by the Policy Committee.

Power of Attorney Documentation

The *Common Manual* has been revised to require lenders to submit a copy of the applicable power of attorney (POA) documentation as part of the claim file if the Master Promissory Note (MPN) is signed by a third party with POA for the borrower. In addition, if the lender is aware that the promissory notes of any of the underlying loans for a Consolidation loan are signed using a POA, and the lender is filing a closed school or false certification claim, the lender must include a copy of the applicable POA document in the claim file.

Affected Sections: 13.1.D Claim File Documentation
13.8.B Closed School
13.8.D False Certification

Effective Date: All claims filed on or after January 1, 2006, unless implemented earlier by the guarantor.

Basis: None.

Policy Information: 836/Batch 124

Guarantor Comments: None.

Increased Unsubsidized Stafford Loan Limits for Naturopathic Medicine Programs

The *Common Manual* has been updated to state that schools offering certain health profession programs are eligible to award increased unsubsidized Stafford loan

limits only to students enrolled in those specific health profession programs. Information has also been added stating that a school that offers a Naturopathic Medicine program that leads to a Doctor of Naturopathic Medicine (N.M.D.) Degree or a Doctor of Naturopathy (N.D.) Degree and is accredited by the Council on Naturopathic Medical Education (CNME) is eligible to award the increased unsubsidized Stafford loan limits. The increased unsubsidized loan limit that an eligible student may borrow for enrollment in this program is \$20,000 for a 9-month academic year and \$26,667 for a 12-month academic year. Health profession students in these programs who are eligible for increased unsubsidized Stafford loans may receive an aggregate amount of \$189,125. Subsidized Stafford loans may comprise no more than \$65,500 of this amount. If a student is ineligible for subsidized Stafford loan funds, the student may borrow the entire \$189,125 aggregate loan limit in unsubsidized Stafford loan funds.

Affected Sections: 6.11.C Increased Unsubsidized Stafford Loan Limits for Health Profession Students

Effective Date: Loan periods that begin on or after May 1, 2005.

Basis: DCL GEN-05-09.

Policy Information: 837/Batch 124

Guarantor Comments: None.

Stafford Annual and Aggregate Loan Limits

The *Common Manual* has been revised to reorganize and clarify text pertaining to Stafford aggregate loan limits. Text regarding graduate Stafford aggregate loan limits has been moved from the subsection titled Stafford Annual Loan Limits to the subsection titled Stafford Aggregate Loan Limits. In addition, text has been added stating that a dependent undergraduate student borrower is eligible to receive a combined subsidized and unsubsidized base Stafford aggregate loan amount of \$23,000. Clarification has also been added to state that if a student is ineligible for subsidized loan funds, the student may borrow the entire Stafford annual or aggregate loan limit in unsubsidized loan funds.

Affected Sections: 6.11.A Stafford Annual Loan Limits
6.11.B Stafford Aggregate Loan Limits

Effective Date: Retroactive to the implementation of the *Common Manual*.

Basis: None.

Policy Information: 838/Batch 124

Guarantor Comments: None.

Determining Annual Loan Limits

The *Common Manual* has been updated to state that a student who transfers from one program of study to another at the same school or a different school is eligible

for Stafford loan funds not to exceed the annual loan limits applicable to the student's grade level in the student's new program of study, as determined by the school, even if that student previously obtained an undergraduate degree in a different program.

Affected Sections: 6.11.A Stafford Annual Loan Limits
Effective Date: Retroactive to the implementation of the *Common Manual*.
Basis: None.
Policy Information: 839/Batch 124
Guarantor Comments: None.

Legislative update

The November 7 issue of TG's *Legislative Report* includes updates on HEA Reauthorization, Health and Human Services, Labor, and Education FY 2006 Budget Reconciliation, and an Appropriations Update. Keep up with the latest developments by reading the full report on *TG Online* at www.tgslc.org/lege_report/index.cfm.

This, that, and the other

The FSA COACH (Federal Student Aid Computer-Based Orientation to Aid Concepts and How-to's), ED's training module for financial aid administrators, has been released for the 2005-06 award year. It is located at www.ed.gov/offices/OSFAP/fsacoach/index.html.

Reminder: TG offices will be closed on Friday, November 11, for Veterans Day.



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To ask questions about *Shoptalk Online*, please contact Communications at (800) 252-9743, ext. 4732 or communications@tgslc.org.

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