

# UPDATE

**EFG Technologies**  
**Winston-Salem, NC**

**April 30, 2001**

## **INSIDE THIS ISSUE:**

- ◆ Legislative Update
- ◆ Regulatory Update
- ◆ Education Department Update
- ◆ PIRG Report
- ◆ Poverty Guidelines
- ◆ Compliance and Controls Audit
- ◆ Late Charge Increase
- ◆ Deferment Processing Enhancements
- ◆ *DocumentDirect* Enhancement
- ◆ Long-term Customers Recognized
- ◆ Year End Preparations
- ◆ Web Site Enhancements
- ◆ Quarterly *Update* Index
- ◆ Workshops
- ◆ Regional Meetings
- ◆ Conferences
- ◆ Cutoff Dates
- ◆ Fun Fact
- ◆ *How to Process Credit Balances*

## **HOLIDAY SCHEDULE:**

**MAY 28, Memorial Day**  
**(System III<sup>SM</sup> will be**  
**available during**  
**normally scheduled**  
**hours.)**

**INSIDE EFG Technologies:**  
**Kathy Jo Roberts, Business Architect**

**For on-line issues of the *Update*, visit our web site at [www.efg.net/efgtechnologies](http://www.efg.net/efgtechnologies).**

## **President Offers Detailed Budget**

President Bush has sent Congress a detailed budget plan for FY02 that fills in the blanks left in his earlier broad budget outline. Under this plan, the Department of Education's (ED) percentage increase is larger than any other federal domestic agency's, but the percentage increase is less than one-half of the increases that had been appropriated by Congress in the last five years. President Bush's plan recommends a maximum Pell award of \$3,850, a \$100 increase over last year's maximum, while Campus-based spending is frozen at last year's levels. Other student aid and student aid-related programs are either frozen at last year's levels or eliminated.

## **LEGISLATIVE UPDATE**

## **Change in 2001-2002 FAFSA "Drug Conviction" Question**

ED reports that changes to the drug conviction question on the 2001-2002 FAFSA eliminated most of the confusion applicants experienced the year before. However, ED is amending the processing procedure and re-establishing the use of a 'C' code, which requires applicants to respond to Question 35 as of March 26, 2001. Schools must receive a revised ISIR that shows a response to Question 35 of '1' or '2' before disbursing any SFA funds. On March 29, 2001, SFA began reprocessing ISIRs for those students who left the question blank before this processing change was implemented.

## **REGULATORY UPDATE**

## REGULATORY UPDATE (continued)

### Campus-based Program Funding for 2001-2002

ED has issued CB-01-03, informing institutions of their final funding authorization under the Campus-based Programs for the 2001-2002 award year. Final 2001-2002 funding levels were determined in accordance with procedures contained in the Higher Education Act of 1965 (HEA), as amended; and Section 34 CFR Part 673 of the Campus-based Program Regulations.

Institutions should have received copies of their final funding worksheets in their Student Aid Internet Gateway mailboxes. The worksheet for each program shows the specific steps that were used to calculate their awards. For line-by-line worksheet instructions, refer to *Dear Colleague Letter*, CB-01-01 (January 01) posted on ED's Web site at: [www.ifap.ed.gov](http://www.ifap.ed.gov).

### ED Issues Correction to Federal Student Aid Application File

ED published a notice in the April 11, 2001, *Federal Register* correcting a section in the Federal Student Aid Application File (Privacy Act Information) that deals with the use of information in the file.

On June 4, 1999, ED re-published a listing of all of its systems of record in the *Federal Register* (64 FR 30105). They recently discovered that when re-publishing this information, they had inadvertently deleted information regarding a routine use involving disclosures to third parties under computer-matching programs. The correction, published in the April 11, 2001, *Federal Register*, discloses that information provided by applicants in their applications for federal student financial aid can be shared with entities under approved computer-matching programs for the purpose of verifying the application information.

#### E-mail Directory

Debra Adams, Call Center Specialist.: [dadams@efg.net](mailto:dadams@efg.net)  
 Steve Anderson, Conversion Supervisor: [sanderson@efg.net](mailto:sanderson@efg.net)  
 Bob Balsamo, Production Control Supervisor: [bbalsamo@efg.net](mailto:bbalsamo@efg.net)  
 Daisy Bass, Customer Service Assoc. Director: [dbass@efg.net](mailto:dbass@efg.net)  
 Beth Bealle, Product Development Director: [bbealle@efg.net](mailto:bbealle@efg.net)  
 Mark Bondurant, Private Loan Servicing Manager: [mbondurant@efg.net](mailto:mbondurant@efg.net)  
 Betsy Burton, Market Development Director: [bburton@efg.net](mailto:bburton@efg.net)  
 Vicky Caldwell, Customer Service Rep.: [vcaldwell@efg.net](mailto:vcaldwell@efg.net)  
 Sharon Cameron, School Relations Coord.: [scameron@efg.net](mailto:scameron@efg.net)  
 Bridgett Christian, Human Resources Mgr.: [bchristian@efg.net](mailto:bchristian@efg.net)  
 Joel Cofer, Customer Service Rep.: [jcofer@efg.net](mailto:jcofer@efg.net)  
 Charles Cornelius, Default Prevention Svr.: [ccornelius@efg.net](mailto:ccornelius@efg.net)  
 Joanna Cortez-Gann, Private Loan Servicing Svr.: [jcortez-gann@efg.net](mailto:jcortez-gann@efg.net)  
 Sharal Duncan, Customer Service Rep.: [sduncan@efg.net](mailto:sduncan@efg.net)  
 Terry Gaither, Customer Service Rep. Team Leader: [tgaither@efg.net](mailto:tgaither@efg.net)  
 Wallace Grooms, Private Loan Servicing Svr.: [wgrooms@efg.net](mailto:wgrooms@efg.net)  
 John Elliott, Info. Technology Infrastructure Dir.: [jelliott@efg.net](mailto:jelliott@efg.net)  
 Wendy Cox, Customer Service Rep.: [wcox@efg.net](mailto:wcox@efg.net)  
 LaShonda Fields, School Relations Coord.: [lfields@efg.net](mailto:lfields@efg.net)  
 Charles Fulp, Facilities/Distribution Manager: [cfulp@efg.net](mailto:cfulp@efg.net)  
 Paula Hall, Payment Processing Svr.: [phall@efg.net](mailto:phall@efg.net)

Barbara Joyce, Accounts Rec. Supervisor: [bjoyce@efg.net](mailto:bjoyce@efg.net)  
 Lisa Koniuto, Contract and Proposals Mgr.: [lkoniuto@efg.net](mailto:lkoniuto@efg.net)  
 Lando Little, Customer Service Assoc. Director: [llittle@efg.net](mailto:llittle@efg.net)  
 Debbie Morgan, Call Center Supervisor: [dmorgan@efg.net](mailto:dmorgan@efg.net)  
 Charles Parker, Customer Support Director: [cparker@efg.net](mailto:cparker@efg.net)  
 Kathy Riddle, Transaction Processing Mgr.: [kriddle@efg.net](mailto:kriddle@efg.net)  
 Bennette Roberson, Customer Service Rep.: [broberson@efg.net](mailto:broberson@efg.net)  
 Pedro Rodriquez, Customer Service Rep.: [prodriquez@efg.net](mailto:prodriquez@efg.net)  
 Jeff Smejkal, Operations Research Manager: [jsmejkal@efg.net](mailto:jsmejkal@efg.net)  
 Judy Smith, Information Technologies Mrg.: [jsmith@efg.net](mailto:jsmith@efg.net)  
 Kathy Speight, Training & Develepment Coord.: [kspeight@efg.net](mailto:kspeight@efg.net)  
 Betsy Spencer, Account Executive: [bspencer@efg.net](mailto:bspencer@efg.net)  
 Andrea Thompson, Customer Service Rep.: [athompson@efg.net](mailto:athompson@efg.net)  
 Tracy Walters, Customer Service Rep.: [twalters@efg.net](mailto:twalters@efg.net)  
 Carolyn Williams, Documentation Supervisor: [cwilliams@efg.net](mailto:cwilliams@efg.net)  
 Jim Williams, Audit and Compliance Dir.: [jwilliams@efg.net](mailto:jwilliams@efg.net)  
 Kim Wilson, School Relations Coord.: [kwilson@efg.net](mailto:kwilson@efg.net)  
 Cletra Wormley, School Relations Coord.: [cwormley@efg.net](mailto:cwormley@efg.net)  
 Kim Wright, Information Technology Dir.: [kwright@efg.net](mailto:kwright@efg.net)  
 Customer Service Requests: [campusbased@efg.net](mailto:campusbased@efg.net)  
 World Wide Web Site: <http://www.efg.net/efgtechnologies>

**ED Finds Delinquent Loans Among New Hires**

ED's first data match with a national database of new hires has turned up individuals with \$2 billion in delinquent student loans. Altogether, the database match identified 424,000 loans eligible for collection activity, out of 1.1 million matches between the department's collection records and the *National Directory of New Hires*. ED's collection database contains 1.9 million records.

The new hires directory, published by the Department of Health and Human Services (HHS), was created to make it easier to collect delinquent child support payments across state lines. Last year the HHS Office of Child Support Enforcement identified 1.2 million delinquent parents.

**Students Unaware of Total Costs of Loans, Says PIRG****PIRG REPORT**

The State Public Interest Research Groups' (PIRG) Higher Education Project recently released a study of college debt entitled, *Big Loans Bigger Problems: A Report on the Sticker Shock of Student Loans*. According to the report, students frequently experience post-secondary "sticker shock" when they apply to college, but they also can be shocked to learn upon graduation that their debt is much larger than they planned or expected.

Four areas were studied to determine the students' understanding of loan debt and their ability to plan for repayment. The report looked at the students' comprehension of the impact of interest, their ability to estimate future income and borrow accordingly, debt-to-income ratio, and their knowledge of repayment options.

Students who do not understand loan repayment and loan costs might borrow more money than they can afford and then experience difficulty in repaying their loans. The consequences can include altered career choices, restricted economic participation, or loan default. As borrowing increases, the pitfalls of debt can become even more significant.

**Poverty Guidelines Issued****2001 POVERTY  
GUIDELINES**

Poverty guidelines are issued each year in the *Federal Register*. These guidelines are primarily used for administrative purposes — for instance, determining financial eligibility for certain federal programs. In addition, these figures are used to determine eligibility for certain deferment provisions within the Title IV and Title VII loan programs.

*EFG Technologies UPDATE*, a newsletter for our customers, is published monthly by EFG Technologies in Winston-Salem, NC. Editor: Carolyn Williams and Legislative and Regulatory Editor: Jim Williams. Contributors this issue: Beth Bealle, Betsy Burton, Sharon Cameron, Lisa King, Charles Parker, Kathy Riddle, Cletra Wormley, and Kim Wilson. NOTE: This publication contains material related to the interpretation of federal rules and regulations of the Title IV Program of the Higher Education Act. While EFG Technologies believes the information contained herein is accurate and factual, this publication has not been reviewed or approved by the US Department of Education. Please consult the Department of Education or your legal counsel with questions or concerns. Please send any correspondence to Documentation Department, EFG Technologies, PO Box 3176, Winston-Salem, NC 27102-3176 or directly to Carolyn Williams, Editor, at [cwilliams@efg.net](mailto:cwilliams@efg.net).

## 2001 POVERTY GUIDELINES (continued)

The following are the 2001 Poverty Guidelines:

### 2001 HHS Poverty Guidelines

Size of Family Unit	48 Contiguous States and D.C.	Alaska	Hawaii
1	\$ 8,590	\$10,730	\$ 9,890
2	\$11,610	\$14,510	\$13,360
3	\$14,630	\$18,290	\$16,830
4	\$17,650	\$22,070	\$20,300
5	\$20,670	\$25,850	\$23,770
6	\$23,690	\$29,630	\$27,240
7	\$26,710	\$33,410	\$30,710
8	\$29,730	\$37,190	\$34,180
For each additional person, add:	\$ 3,020	\$ 3,780	\$ 3,470

Source: *Federal Register*, Vol. 66, No. 33, February 16, 2001, pp.10695-10697

The poverty level guidelines are designated by the year in which they are issued. For instance, the guidelines issued in February 2001 are designated as the 2001 poverty guidelines. However, the 2001 HHS poverty guidelines only reflect price changes through calendar year 2000.

## AUDIT

### Audit Begins in April

EFG Technologies will soon be undertaking its Compliance and Controls audit of Fiscal Year 2000-2001. We have engaged the firm of PricewaterhouseCoopers to conduct this year's audit. The audit will be concluded during the middle of July, and copies will be available in August. Information on obtaining a copy of this year's audit will be provided in a future *Update*.

The Higher Education Act of 1965, as amended, requires annual financial and compliance audits (see 34 CFR Part 668.23) of participants (and their servicers) in the following Title IV programs:

- Federal Family Educational Loan Program (FFELP);
- Federal Direct;
- Federal Pell Grant;
- Federal Perkins;
- Federal Work Study; and
- Federal Supplemental Educational Opportunity Grants (FSEOG).

These audits must be performed in accordance with the standards for financial audits issued in the U.S. General Accounting Office's *Government Auditing Standards*. Documents containing SFA audit guidance are available through a link to the "SFA AUDITS - SPECIFIC GUIDANCE" Web page located in the ED's Office of Inspector General Web site. The Web page provides information regarding A-133 Single Audits, School/School Servicer Audits, Lenders/Lender Servicer Audits, Guaranty Agencies/Servicer Audits, and related documents.

Third-party auditors have performed Compliance and Controls audits for EFG Technologies since 1993. All audit opinions have been issued as "unqualified," which means they are issued without reservation and signify the highest level of compliance possible. In fact, EFG Technologies began doing external audits before they were required by the federal government and has a proven history of successful opinions stretching back over 15 years.

### **Increase in Late Charge Amounts**

We recently reviewed the amount of late charge that should be assessed to borrowers to comply with the requirements of Section 674.43 (Billing Procedures) in the *Federal Perkins Regulations*. Section 674.47(a) of the *Federal Perkins Regulations*, states that "...the institution shall assess against the borrower, in accordance with Sec. 674.43 (b)(2), the cost of actions taken with regard to past due payments on the loan."

### **LATE CHARGE INCREASE**

Because EFG Technologies performs due diligence requirements on your behalf, you should charge your borrowers at least the amount that represents our average cost of carrying out the required past due contacts. The amounts that you assess to your borrowers may be more than our average cost if your school performs additional due diligence contacts prior to placing a loan in collection. As required by *Federal Regulations*, System III is designed not to exceed 20% of the past due installment on Federal Perkins loans.

Based on three recent postal service increases and a total increase in the consumer price index (CPI) of 15% since our last adjustment, we have increased the standard amount of late charges imposed on your borrowers as follows:

Federal Perkins with 90-day phone call:	from \$3.65 to \$4.20
Federal Perkins without 90-day phone call:	from \$3.55 to \$4.10

If you currently assess the above pre-increase charges, we will automatically update the tables to reflect the new amounts. If you do not want the late charge amount to be increased, your written instructions must be received before June 15, 2001. The new amounts will be effective on July 1, 2001.

If you currently assess a different late charge, you may want to consider an increase. Please notify your Customer Service Representative in writing of your new late charge amount or if you have any additional questions.

## DEFERMENT PROCESSING ENHANCEMENTS

### Processing Deferments via the National Student Clearinghouse

EFG Technologies has been working with the National Student Clearinghouse (NSC) to develop a new, automated *Deferment Processing Service* for processing grace and student deferments, based on enrollment information from the NSC database. This service will provide more timely, efficient, and accurate deferment processing for your student borrowers.

The NSC is a clearinghouse that allows colleges and universities to send information regarding students who are currently enrolled at their institution. This information is collected to populate the NSC's database of enrolled students throughout the country. There are over 2,400 institutions reporting enrollment information to the NSC.

We will be sending a monthly data file of borrowers to NSC, who will cross-reference their database to identify borrowers currently enrolled at least half time at an institution. We will then receive data files back from NSC, indicating the borrower "matches." Then we will determine if we need to process a separation date change or a grace/student deferment on System III<sup>SM</sup>. We will advise borrowers of any updates to accounts serviced by EFG Technologies.

We are currently testing this process with a limited number of our Perkins and private loan customers, and we expect to expand the service to others in July 2001. Stay tuned to future issues of the *Update*, where we will provide you with additional information about the *Clearinghouse Deferment Processing Service* and how to sign up for it.

### Processing Forbearances and Hardship Deferments

Effective July 1, 2001, EFG Technologies will begin processing forbearance, economic hardship, and hardship deferments on behalf of our full service customers. In the next issue of *Update*, we will provide information regarding our processing procedures for these transactions. Should your institution elect to continue processing these transactions internally, please send us a written notice. If you prefer that EFG Technologies process these transactions on your behalf, no further action is necessary.

Please consult your next issue of *Update* for more details. We are pleased to offer this new service!

## DOCUMENTDIRECT ENHANCEMENT

### DocumentDirect Enhancement

We are working on an enhancement to *DocumentDirect* that allows a report to be viewed on the full screen. When you select a report to view, it will appear in a separate window which can be maximized to allow the report to be seen on a full screen. Be on the lookout for this improvement to our online report viewing product.

## LONG -TERM CUSTOMERS

### Long-term Customers Recognized

Our deepest appreciation goes to customers celebrating long-term anniversaries with us during April, May, and June. Special recognition goes to Johnson C. Smith University and the University of Kentucky, customers for 35 years, and Eastern Mennonite University, Elmira College, Finger Lakes Community College, Spartanburg Methodist College, the University of North Carolina-Asheville, and the University of Virginia.

College at Wise, who have been customers for 30 years. Names of customers attaining milestone anniversaries with us are attached. Customer anniversaries for the third quarter will be listed in the July *Update*.

➤ **ATTACHMENT:** Long-term Customer Anniversaries

## **Fiscal Year End is Approaching**

The countdown to June 30 is underway. Use this checklist to close the fiscal year successfully:

## **YEAR END PREPARATIONS**

### **1. Reconcile loan and accounting information.**

- √ Reconcile all disbursements for the year.
- √ Correct and return all unpostable new loans and advances.
- √ Check and update separation dates.
- √ Reconcile your general ledger.

### **2. Determine special needs and communicate them to us.**

- √ Contact your auditors to determine their needs for reports.
- √ Provide instructions for any special mailing requirements for your year-end reports.
- √ Submit change/adjustment requests for processing.

### **3. Work the Cohort Default Rate Report.**

- √ Provide your Customer Service Representative with requests for coding changes.

With the end of the fiscal year approaching, our goal is to process all requests for changes in a timely manner. All requests arriving by regular mail, overnight mail, fax, DataLink<sup>SM</sup> Dispatch, or e-mail are processed in the order that we receive them. The following are the deadlines for receipt in our office:

- 6/04** Requests for duplicate reports
- 6/08** Requests for special mailing of year-end reports
- 6/25** Requests for Change/Adjustment memos
- 6/29** Year-end post begins

Remember you can use *DocumentDirect* to access your fiscal year-end reports immediately following year-end processing. This Internet tool provides you with the fastest method of receiving your year-end information.

## **Enhancements to the EFG Technologies' Web Site**

We've made several improvements recently to our Web site to make it easier for borrowers to find information and forms that are pertinent to them. We are in the process of adding the site address to billing statements, *Quikletters*, and other correspondence. If you have not visited our site lately, please check it out at: [www.efg.net/efgtechnologies](http://www.efg.net/efgtechnologies)! You also can review advance copies of the *Update*, which are posted on-line on the day of month-end cut-off.

## **WEB SITE ENHANCEMENTS**

## INDEX

### Quarterly Update Index Available

We will start publishing the Index for the *Update* on a quarterly basis starting this month. You can also locate past articles through our online Index.

➤ **ATTACHMENT:** Index for January-March 2001

## WORKSHOPS

### Spring 2001 Workshop

We would like to thank all participants for making our annual spring *Service Overview Workshop* a success. We had a record-breaking crowd during the three day workshop, with 31 participants from 21 schools and 10 participants from seven different collection agencies attending. This year's workshop, held at the Ramada Plaza Hotel in Winston-Salem, marked the first time the workshop was held off-site. Photos of this session's participants are located on our web page at: [www.efg.net/efgtechnologies](http://www.efg.net/efgtechnologies).

Sixteen participants representing 13 schools attended our two-day *On-Line Workshop*. Nothing can take the place of the hands-on training so we included a demonstration of our Web site, *WebConnect*, and our on-line report view product, *Document Direct* in our training. Participants were impressed with these features, but the stars of the show were definitely each of you who attended this workshop.

### More Workshops Scheduled

Due to the overwhelming response to our *On-Line Workshop*, a second session was held on April 19-20. This smaller group included participants from local institutions and collection agencies. In order to accommodate the continued requests for this workshop, we will be offering it more frequently, with the next *On-Line Workshop* scheduled for July 19-20. This workshop will be held at our Winston-Salem facility. Seating is limited, so complete the attached registration form and return it to us as soon as possible.

➤ **ATTACHMENT:** *On-Line Workshop* Flyer and Registration Form

We have already scheduled our Fall *Service Overview* and *On-Line Processing Workshops* for September 24-28, 2001. We will include a workshop registration form as additional details become available. You may register now by e-mailing us at [schoolrelations@efg.net](mailto:schoolrelations@efg.net). Please start planning for this workshop now.

## REGIONAL MEETINGS

### Regional Meetings a Success

Sharon Cameron and Betsy Burton facilitated a regional meeting held on March 12, 2001, at Brandeis University in Boston, Massachusetts. A total of 20 participants representing 11 schools and one collection agency attended the meeting. Many thanks go to Claudia Huntley, Assistant Bursar at Brandeis University, for hosting the meeting and to General Revenue Corporation for sponsoring the lunch.

Cletra Wormley facilitated our Columbia, South Carolina Regional Meeting held on April 6, 2001. The session was well-attended, with 21 representatives from 13 schools



## REGIONAL MEETINGS (Continued)

participating. Ron Isgett from NCO graciously hosted our lunch, and several schools expressed an interest in hosting a future meeting in their area.

Here is a list of the remaining 2001 regional meetings. Please note that we still need hosts for several meetings. If you are interested in hosting one of these meetings, please contact your School Relations Coordinator.

<u>Location</u>	<u>Date</u>	<u>Host</u>
Dayton, OH	May 14	University of Dayton
Winter Park, FL	May 21	Rollins College
Philadelphia, PA	June 11	Chestnut Hill College
Seattle, WA	June 14	Seattle Pacific University
Parkville, MO (Kansas City)	July 26	Park University
Chapel Hill, NC	September	<b>Open</b>
Phoenix, AZ	October	<b>Open</b>
New York, NY	November	St. Thomas Aquinas College
Maryland	November	<b>Open</b>
Arlington, TX	November	<b>Open</b>

### Upcoming Conferences

Representatives from EFG Technologies will be attending the following conferences. As we learn of more conferences, we will publish the information in future issues of the *Update* and on our web site at [www.efg.net/efgtechnologies](http://www.efg.net/efgtechnologies).

The **63rd Annual Meeting of the Western Association of College and University Business Officers (WACUBO)** will be held April 28-May 2 at the Broadmoor Resort in Colorado Springs, Colorado. More information is available at [www.wacubo.org](http://www.wacubo.org).

The **Collections 2001: The Conference for Student Receivable and Student Loan Collection Professionals** will be held May 13-16 at the Adam's Mark Hotel in St. Louis. More information is available at [www.conferences.indiana.edu/collect2001](http://www.conferences.indiana.edu/collect2001). Betsy Burton, our Market Development Director, will be one of the presenters.

The **Ninth Annual CCULAA Conference** will be held June 10-12 at Universal City, California. More information is available at: <http://www.cculaa.org/conference/>.

### CONFERENCES

**The mission of EFG Technologies is to provide high quality, accurate, and effective processing services in response to the needs of our customers. We strive to consistently provide superior service and innovative solutions at a competitive price.**

**CUTOFF DATES**

The following table shows the cutoff dates for May and June.

Month	May 2001	June 2001
Last day to receive collection payments	5/25/01	6/26/01
Last day to receive regular payments	5/29/01	6/27/01
Last day for online payments	6/01/01	6/29/01
Date final post begins	6/01/01	6/29/01
Report date used for final post	5/31/01	6/30/01
Last day deposits created for deposit to bank account	5/31/01	6/29/01

**FUN FACT****Fun Fact**

Did you know that we have spotlighted over 70 employees in the Inside EFG feature of the *Update*? We started this feature in 1995 and have received rave reviews from our customers. Have you found your EFG Technologies friends in the “Inside EFG Technologies?” Check our Web site for past profiles ([www.efg.net/efgtechnologies](http://www.efg.net/efgtechnologies)). If not, stay tuned! Many more to follow!

## *Second Quarter Customer Anniversaries for 2001*

### *35 Years*

*Johnson C. Smith University*  
*University of Kentucky*

### *20 Years*

*Eckerd College*  
*Middlesex County College*

### *30 Years*

*Eastern Mennonite University*  
*Elmira College*  
*Finger Lakes Community College*  
*Spartanburg Methodist College*  
*University of North Carolina-Asheville*  
*University of Virginia College at Wise*

### *15 Years*

*Amherst College*  
*Ohio Valley College*  
*Paul Smith's College*

### *10 Years*

*Augusta State University*  
*Norfolk State University*

### *25 Years*

*Lakeland Community College*  
*University of Massachusetts-Dartmouth*  
*West Chester University*  
*Wilmington College*

### *5 Years*

*Davenport University*  
*Dominican College (New York)*

# *EFG Technologies Update*

## Index for January to March 2001 Issues

---

### Customer Anniversaries

- Long-term Customers Recognized (Jan., p.5) *Attachment:* Long-term Customer Anniversaries

### Cutoff Dates

- Feb/March (Jan., p.8)
- March/April (Feb., p.10)
- April/May (March, p.6)

### Department of Education

- Annual COHEAO/HHS Conference to be Held March 19-20 (Feb., p.4)
- Availability of Quality Analysis Tool for Windows 2000-2001, v.1.0 (Jan., p.3)
- Corrected Page 31 for 2001-02 EFC Worksheets Issued (March, p.2)
- Department Policy Decisions on Hold (Feb., p.4)
- Digest of Education Statistics 2000 Released (Feb., p.5)
- ED Issues "Best Practices Handbook" on Student Loan Repayment (Feb., p.4)
- ED Issues Pre-Release Draft of 2002-03 FISAP Technical Reference (March, p.3)
- EDExpress Software Printing Incorrect ISIR Report Value (March, p.2)
- Four More Volumes of "2000-2001 ED Handbook" Available in Print (March, p.3)
- New Look for IFAP Homepage (March., p.1)
- Roderick Paige Sworn in as Seventh Secretary of Education (Feb., p.4)
- SFA's New Web Site (March, p.1)
- Third Update to Draft RFMS 2001-02 Record Layouts Posted (March, p.2)

### How To

#### *Attachments*

- Order Exit Interview Packages (Feb.)
- Manage Your Cohort Default Rate (March)
- Process a Loan Rehabilitation (Jan.)

### inside EFG - Profiles

#### *Attachments*

- Adams, Debra (Jan.)
- O'Mara, April (Feb.)
- Smith, Judy (March)

### Legislative Updates

- House Education Panel Chairman Selected (Jan., p.1)

### Miscellaneous

- Annual Statements to be Sent in February (Jan., p.4)
- Cohort Default Rate Added to *Enhanced Status* Report (Feb., p.7)
- Collection Agency Update (Feb., p.8) (New Publication)  
*Attachment:* Collection Agency Update
- GASB Publishes Guide for Analysts Related to GASB Statement 34 (Feb., p.5)
- Go Teams! (Jan., p.6)
- If a Disaster Strikes, Are You Ready? (Feb., p.8)
- Loans to Review for Cohort Default Rate (Feb., p.7)
- Long-term Employees Honored (March, p.4)
- Pat Hill named "Service Excellence Award" Recipient (Feb., p.1)  
*Attachment:* *Inside EFG* feature article on Pat Hill
- Updated On-Line Processing Manual Available (Jan., p.6)
- Use Index to Locate Articles (Jan., p.6) *Attachment:* *Update Index 2000*
- We've Got Mail! (Jan., p.5)
- William D. Ford Consolidation Loan Clarification (Jan., p.5)

### NSLDS

- Assigned/Accepted Loan Reporting to NSLDS (Jan., p.4)
- Great News About NSLDS Reporting (March, p.3)
- New Edits Added for New Loans and Advances (Feb., p.6)

### Regulatory Updates

- A Guide to 2001-2002 ISIR (Feb., p.2)
- Changes Made to 2001-2002 Electronic Financial Aid Applications (Feb., p.2)
- Dear Colleague Letter GEN-01-01 (ACTION LETTER #5) (Jan., p.3)
- Dear Colleague Letter, GEN-00-24 (Jan., p.1)
- EDExpress 7.0 Issues (Feb., p.3)
- Federal Register Notice, December 22, 2000 (Jan., p.3)
- Information Pertaining to Abandoned Loans (Loan Status Code AL) (Feb., p.3)
- Message to Default Reduction Assistance Program (DRAP) Users (Jan., p.2)
- NSLDS Changes Under Consideration (Feb., p.3)
- Tentative 2001-2002 Funding Levels for Campus-Based Programs (Feb., p.2)

### Reminders

- Reminder: Mailing Address for Customer Support (Feb., p.8)

### Services

- New Sort Option Available for Exit Interview Packages (March, p.4)

### System III<sup>sm</sup> Connection

#### *Attachments*

- Are You Using the Payment Request Screen?; HOSB Screen Keeps Track of Outstanding Bills; Updated On-Line Processing Manual Available; System III
- Availability (March)

### TRA

- Form 1098-Es Mailed (Jan., p.4)  
*Attachment:* TRA Documents (3)

### Web Site

- Watch for Enhancements to the EFG Technologies' Web Site (March, p.4)

### Workshops/Regional Meetings

- Additional On-Line Workshop Available (March, p.5)  
*Attachment:* Registration Form and Workshop Flyer
- Regional Meetings (Jan., p.7; Feb., p.9; March, p.5)
- Upcoming Conferences (Jan., p.7; Feb., p.9; March, p.5)
- Workshop Offered in March (Winston-Salem) (Feb., p.8)  
*Attachment:* Registration Form and Workshop Flyer
- Workshops Update (Jan., p.7)  
*Attachment:* Registration Form and Workshop Flyer

**On-Line  
Processing  
Workshop**



**On-Line  
Processing  
Workshop**

## Play It Again, Sam

**When:** On-Line Processing Workshop, July 19-20, 2001

**Where:** EFG Technologies  
Reynolda Business Center  
2400 Reynolda Road  
Winston-Salem, NC 27106

**Fees:** On-Line Processing, \$65 per person for two days

**Provided:** On-Line Processing manual  
Morning and afternoon snacks

**Registration Deadline:** July 2, 2001





## REGISTRATION FORM

*On-Line Processing Workshop*

*Winston-Salem, NC*

*July 19-20, 2001*

Institution Name \_\_\_\_\_

Street Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

NAME \_\_\_\_\_

TITLE \_\_\_\_\_

TELEPHONE \_\_\_\_\_

E-MAIL ADDRESS \_\_\_\_\_

Sessions Attending

☐ \$65 On-Line – 7/19-20

NAME \_\_\_\_\_

TITLE \_\_\_\_\_

TELEPHONE \_\_\_\_\_

E-MAIL ADDRESS \_\_\_\_\_

Sessions Attending

☐ \$65 On-Line – 7/19-20

NAME \_\_\_\_\_

TITLE \_\_\_\_\_

TELEPHONE \_\_\_\_\_

E-MAIL ADDRESS \_\_\_\_\_

Sessions Attending

☐ \$65 On-Line – 7/19-20

### Registration Deadline: July 2, 2001

After receiving your registration form, we will send you a confirmation, hotel and workshop locations, directions and program information.

\_\_\_\_\_ Registration fee enclosed

\_\_\_\_\_ Registration fee mailed separately to address below

Signature  x  \_\_\_\_\_

**School Relations Assistant**  
**EFG Technologies**  
**P.O. Box 3176**  
**Winston-Salem, NC 27102-3176**

**Questions? (800) 458-4492,**  
**Ext. 2280**  
**Fax: (336) 607-2025**

# How To

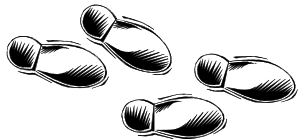


## Process Credit Balance Refunds

As a lending institution, you need to examine credit balances carefully to make sure a refund is really due before issuing a check to a borrower. Before you make a refund, we recommend taking the following steps.

- Review the *Paid-Out/Credit Balance/Write-off Report* or the *Cumulative Credit Balance Report* to identify borrowers whose loans reflect an overpayment.
  - Wait at least 60 days before sending a refund to make sure the check that overpaid the loan cleared the borrower's bank.
  - If the loan was assigned to a collection agency, make sure all collection fees have been assessed if the borrower was responsible for paying the fees.
  - If the payment was made by a consolidation agency, send the refund to them instead of to the borrower.
  - A payment from a consolidation agency is usually for a large amount. A history comment is made on the borrower's loan when a consolidation payment is posted.
- At this time, you should be ready to send the borrower or consolidation agency a check for the amount of the credit balance on the borrower's loan(s).**
- After you send the refund, please send us a *Change/Adjustment Request*, an e-mail, or a dispatch to notify us to adjust the balance on the loan to zero. Please be sure you state the **amount of the check**.
  - When we receive your request, we will process a refund transaction, and System III<sup>SM</sup> will automatically add a history comment to the loan record. Your *Accounting Report* will reflect the refund.

**If you do not receive the *Paid Out/Credit Balance/Write-off Report* or *Cumulative Credit Balance Report* or need additional assistance, please contact your Customer Service Representative.**



Visit our Web Site at: [www.efg.net/efgtechnologies](http://www.efg.net/efgtechnologies)



## Kathy Jo Roberts: A Drive to Succeed

With her avid interest in golf and bridge and her winning Southern charm, a stranger meeting Kathy Jo Roberts for the first time might think she spent her days on the golf course or hosting bridge parties. Nothing could be further from the truth. Kathy Jo Roberts is, in fact, among EFG Technologies' hardest working and most technologically savvy employees, devoting her days and often her evenings and weekends, to her highly technical job as Business Architect in the Product Development area of our company.

As Business Architect, Kathy Jo has responsibilities for analyzing data files, importing data to convert new loans to our system, modifying and testing System III<sup>SM</sup> as changes are made to loan programs, and formatting data using Excel and Access to create reports. Currently, one of her chief responsibilities is working to automate the reporting of data to the National Student Clearinghouse, a national repository that maintains data on student enrollment at 2,400 participating schools.

Clearinghouse reporting, which will be available to customers in July, will help determine if borrowers are enrolled in schools participating in the Clearinghouse. Companies, like EFG Technologies, can access this database in order to process deferment requests or reversals, update separation dates, or report borrower accounts to our Customer Support area for additional review and action.

Kathy Jo has developed new codes for this process on System III and created a reporting method for electronically transmitting borrower information via FTP to the Clearinghouse. Information will be sent to the Clearinghouse to determine if any of our borrowers are currently enrolled in school. The Clearinghouse will electronically inform us of any matches so we can take appropriate action.

Kathy Jo got to this point in her career through hard work and perseverance. She started with Wachovia Services in 1972, and in 1974, she joined its student loan servicing division as an Accounts Analyst. In 1978 she moved to Loan Conversions. Although conversions are now usually processed by FTP electronic exchange, in those days she had to visit schools and manually review their files in order to convert them to System III. She estimates that her work took her to schools in 40 states, staying for as long as two months at a time in some cases. The upside of these long sojourns away from home was the opportunity to make many friends across the country.

In 1996 she transferred to a former office in

### **Kathy Jo Roberts:**

"Take the opportunity to learn something new every day--I've had a good day if I've learned something new. And don't be afraid to try. If you depend on others to solve problems, you will never learn."



Minnesota. There she helped convert loans to System III and had to adjust to climatic changes. Despite the snowy winters, she made many close friends and managed to play golf five months out of the year. She returned to our Winston-Salem office in 1999.

As a longtime employee, Kathy Jo offers this advice to new employees. "Take the opportunity to learn something new every day--I've had a good day if I've learned something new. And don't be afraid to try. If you depend on others to solve problems, you will never learn."

That said, she is always available to help other people--on or off the job. She readily admits to giving money to panhandlers carrying "I will work for food" signs. "I believe if you are kind to people, life will be good to you," she says.

She credits growing up in a strong, stable family consisting of a brother, sister, and her hard working mother, as a key to her work ethic. She means it when she says her mother is her "idol." She considers her co-workers and other industry contacts as her extended family because of the close ties she has developed over the past 29 years.

In her spare time, she plays golf and Internet bridge. Jokingly calling herself "Tigress," she says she would like "to learn to drive like Duval and putt like Tiger." Internet bridge has allowed her to meet local people as well as players living as far away as Holland.

She will move into a new home later this month with her dog, Shasta. Immediate plans include adopting a cat--and if we know Kathy Jo, learning something new.