



UPDATE

EFG Technologies
Winston-Salem, NC

September 30, 2001

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HOLIDAY SCHEDULE:

**October 8,
Columbus Day**
(System IIISM will be available during normally scheduled hours.)

INSIDE EFG Technologies:

Betsy Spencer, Account Executive

For on-line issues of the *Update*, visit our web site at www.efg.net/efgtechnologies.

EFG Technologies Implements Disaster Relief

We at EFG Technologies are shocked and saddened by the events of September 11, 2001. Our thoughts and prayers are extended to all those who are suffering and grieving.

We want to help you, our customers, and your borrowers recover from this situation as quickly as possible. If you know of borrowers who have been affected by this tragedy or hear from their friends or relatives, please let us know immediately.

On September 17, 2001, the Department of Education issued two *Dear Colleague Letters* (Gen-01-11-Relief for Borrowers in the Title IV Loan Programs and Gen-01-12-Institutional Reporting Deadlines) in response to this national crisis. Excerpts from *Dear Colleague Letter Gen-01-11* and excerpts from *Dear Colleague Letter Gen-01-12* pertinent to Perkins loan servicing are available on our Web site. These letters are included with this issue of the *Update*. Another letter addressing the treatment of students and borrowers called to active military duty will be released soon.

If you are having communication difficulties and need for us to contact borrowers on your behalf, please let us know of those borrowers.

RESPONDING TO CRISIS

RESPONDING TO CRISIS (Continued)

We are here to help you. You can reach us in the following ways:

Email: campusbased@efg.net
 Fax: 336/607-2093 or 336/607-2025
 Phone: 800/458-4492 and press "4" or enter "1" plus the extension
 Mail: P.O. Box 2902, Winston-Salem, NC 27102

What is EFG Technologies Doing to Help?

We are focused on two areas right now: helping borrowers and helping schools. The following are our plans.

Helping Borrowers

With the regulatory relief that was issued, any borrowers who fall within the zip code range 10000-11999 are eligible for immediate forbearance. If we have any contact with the borrower, a family member or friend, and the address falls within this zip code range, we will immediately offer forbearance. The forbearance will have effective dates of September 11, 2001 to January 31, 2002. We will process according to the due dates and the billing cycle of the loan.

If we have contact with a borrower or family member (no other third party except the school) outside the indicated zip code and reference is made to hardship because of the disaster, we will offer forbearance that will be processed as above.

If the borrower is in a delinquency status, the forbearance will be processed only for the time allowed by ED. Forbearance requests from a borrower (current or delinquent) that extend or precede the dates above must have corresponding documentation to support the request. Forbearances will be processed as a 'Y' customer adjustment, interest will continue to accrue, interest will be due at the end of the period, and the forbearance will not be counted towards the three year limit. Supporting history comments will be included.

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 World Wide Web Site: <http://www.efg.net/efgtechnologies>

Note: We will process an administrative forbearance on institutional loans as well. If you do not want us to process these on your institutional loan programs, please inform your Customer Service Representative.

◆ **Helping Schools**

We have created a report that identifies borrowers who are eligible for the immediate forbearance. This report was created using the zip codes that are in the five boroughs of New York. If you are interested in receiving a copy of this report, please contact your School Relations Coordinator (see following state breakdown). If you identify borrowers on this list who you feel should receive the administrative forbearance, contact your Customer Service Representative. The forbearance also can be processed online as a “Y-3” adjustment on **MAIN** or **DEF**.

EFG Technologies chose not to process the administrative forbearance automatically, as not all borrowers are affected. Since the forbearance continues to accrue interest (at the higher balance), we felt many borrowers may not see the forbearance as a benefit.

Below is the text for the history comments and the *QuikLetters* that have been created.

History comment #408 states: FORB for WASH/NY DISASTER

History comment #409 states: T/C DISASTR FORB REQ SNT TO CS

QuikLetter #00239 is a monetary QuikLetter with the following text:

Per your request, we have processed a forbearance on your loan through the beginning of 2002. The following is the status of your loan(s) reflecting this information:

(monetary information)

Please contact our office at 1-800-334-8609 if we can be of further assistance during this trying time.

QuikLetter #00219 is a monetary QuikLetter with the following text:

Your lending institution has requested that we process a forbearance on your loan through the beginning of 2002. The following is the status of your loan(s) reflecting this information:

(monetary information)

If you wish to decline this forbearance, please contact our office immediately at 1-800-334-8609. Please let us know if we can be of further assistance during this trying time.

We are making every effort to be sensitive to borrowers and customers during this difficult time. If there is anything we can do to help, please let us know.

- **ATTACHMENT:** *Dear Colleague Letter (Gen-01-11)*
Relief for Borrowers
Dear Colleague Letter (Gen-01-12)
Institutional Reporting Deadlines

UPDATED E-MAIL ADDRESSES

Updated E-mail Addresses Needed

During this time of crisis, we sent two e-mails to our customers to discuss the disaster relief provisions we anticipated receiving from ED. At this time we realized that we did not have updated e-mail addresses for all of our customers. If you received the e-mails (sent under the name Betsy Burton), we have your correct address. If you did not receive the e-mails, please send your e-mail address to your School Relations Coordinator so that we can update our records. Thank you for your assistance.

Northeast Territory – LaShonda Fields, lfields@efg.net, 800/458-4492 x 2281 (includes ME, VT, NJ, NY, PA, DE, MD, RI, CT, NH, PR, VI)

Mid-Central Territory – Sharon Cameron, scameron@efg.net, 800/458-4492 x 2060 (includes NC, WV, KY, OH, DC)

Southeast Territory – Pattie Mastin, pmastin@efg.net, 800/458-4492 x 2279 (includes VA, SC, TN, GA, FL, LA, AL, MS, TX)

MidWest and Western Territory – Kim Wilson, kwilson@efg.net, 800/458-4492 x 2826 (includes AR, OK, IN, IL, MI, WI, IA, MN, MT, ID, CO, WA, OR, CA, NV, AZ, NM, KS, MO, NE, AK, HI)

WELCOME NEW CUSTOMER

St. Catharine's College Joins EFG Technologies

We are pleased to announce that St. Catharine College, located in Saint Catharine, KY, converted to our system in August. St. Catharine is a two-year college that offers Associate degrees. Visit St. Catharine at www.scckky.edu for more information.

REGULATORY UPDATE

Deadline and Submission Dates Published for 2001-02 Award Year

ED has published the deadline and submission dates for receiving documents from institutions and applicants for assistance under the Perkins, FWS, FSEOG, FFEL, Direct Loan, Pell Grant, and LEAP programs for the 2001-2002 award year. Table A provides deadline dates for application processing and receipt of SARs or ISIRs. Table B provides the earliest submission and deadline dates for submitting Pell Grant Disbursement Records to the Department's RFMS. Table B also provides the latest date an institution may request Year-To-Date records and administrative relief. These tables are available at: http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=2001_register&docid=C1-20855-filed.pdf.

Ignore Prisoner Matches Per ED

ED has started preliminary matching with the Social Security Administration (SSA) to determine if any applicants have been reported to the SSA as incarcerated. Out of more than 900,000 transactions processed, approximately 3,500 came back with indicators showing incarceration. Because a quality control check of some of these cases suggested that some of these matches may be incorrect, ED has announced that schools may ignore SSA/Prisoner match results until they issue further guidance.

Accessing the FISAP on the Web

On August 22, 2001, ED issued an Electronic Announcement regarding institutional access to the FISAP on the Web. Visit <http://www.ifap.ed.gov/eannouncements/0822AccessingFISAP.html> to review *Questions and Answers*, which provide information on navigating your way through the completion of an electronic FISAP.

Clarification on the Use of IRS Letter 1722 for Financial Aid Purposes

Recently a question was raised on FINAID-L about the meaning of a statement in the on-line errata sheet for the *2001-2002 Student Financial Aid Handbook*. An inquirer wanted to know if the statement that IRS Letter 1722 is no longer used meant that the IRS no longer uses it or that it was no longer to be used for financial aid purposes.

Brian Schelling from ED provided the following reply: “We meant the former, but it turns out we received conflicting advice from the IRS. When we were editing the Application / Verification Guide, we heard from the financial aid community that the IRS no longer used Letter 1722 as documentation of information on an individual’s tax return. We contacted the IRS and were told that, yes, the 1722 was obsolete and that the preferred phrase to use when requesting a copy of tax return information was ‘tax transcript.’ Accordingly, we replaced mention of the 1722 with the phrase ‘tax transcript.’ Recently, however, we spoke with the IRS again on this matter and were told that the 1722 is still being used. Financial aid administrators have discovered that this is true because they received the letter from students. We will, though, continue to use ‘tax transcript’ in the Application / Verification Guide. It will be easier for students, FAAs, and the persons at the IRS who handle document requests. Though IRS field offices might not be consistent in which document they send when a tax filer requests a copy of return data, any IRS document with current and accurate information is sufficient for financial aid purposes, as mentioned in the Application / Verification Guide, p. AVG-47.”

Changes to the 2002-03 Renewal FAFSA Process

In August, ED issued GEN-01-10 (Action Letter #1) which provides the following information:

- ◆ A summary of the major changes made by ED to the Renewal Application process for the 2002-2003 award year;
- ◆ A schedule of important dates; and
- ◆ Specific procedures for the Renewal FAFSA options available to schools for 2002-2003.

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: Steve Anderson, Beth Bealle, Betsy Burton, Sharon Cameron, Tammy Gupton, Charles Parker, Kathy Riddle, Pat Spry, and Sharon Swaim. 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.

REGULATORY UPDATE (Continued)

It also includes procedures and tips for using SFA's FAA Access on the Web site and record layouts for Type 2 PIN request files.

Federal Perkins Loan Program IRS Skiptracing Service

In August, ED sent out Campus-Based *Dear Partner Letter* (CB-01-12) explaining the IRS/ED Skiptracing Service, which helps locate borrowers who are or will be going into default on repayment of their Federal Perkins loans. It explains how the service works, requirements to participate in the service, safeguard reports, and submission deadlines.

You are not required to use the IRS/ED Skiptracing Service for carrying out the due diligence provisions of the Federal Perkins Loan Program, but ED strongly encourages schools to use this free service.

If you participate in this program, you will receive a report titled, *Federal Perkins Loan IRS Skiptracing Address Report*. ED obtains this IRS data by the first Friday of the month, and the address data is sent to the requestors before the second week of the month. If a social security number (SSN) and name match is completed, the latest street address, post office box number, or other address, city, state, and zip code furnished to IRS by the taxpayer will be provided. The total processing time is approximately two weeks from the time the input is received until the results are returned to you. If you have any questions regarding these procedures, ED has provided the following name and contact information: Pamela Wills at (202) 401-3293 or e-mail her at Pamela.Wills@ed.gov.

HARDSHIP AND FORBEARANCE PROCESSING

Processing Procedures Clarified

Since we began processing unemployment/economic hardship and forbearance transactions, several questions have been raised regarding the processing of these forms. By detailing these procedures, we hope to answer your questions.

When a borrower contacts us and tells our staff that they cannot make their payments, we ask the borrower the following questions or take the following actions:

1. *Are you still enrolled at least half-time at an institution of higher learning?*
 - a. *If yes, we tell the borrower how to obtain a deferment form from our Web site, or we send a deferment form explaining what dates of enrollment we are missing.*
 - b. *If no, we explain the other options available to the borrower if he or she meets eligibility requirements.*
2. *Can you make any type of payment on your loan?*
 - a. *If yes, the borrower is referred to the lending institution for special payment arrangements.*

HARDSHIP AND FORBEARANCE PROCESSING (Continued)

b. If no, we explain provisions for forbearance, unemployment, and economic hardship deferments to the borrower. Depending on what type of benefit the borrower may qualify for, we tell them how to obtain a deferment form from our Web site, or we send a special QuikLetter.

Each QuikLetter explains special billing, forbearance, unemployment, and economic hardship deferment benefits options in detail, and also includes a forbearance or unemployment/economic hardship deferment form. These forms must be completed by the borrower with all of the necessary information and the required supporting documentation. Upon receipt of the completed form, our staff will have the information necessary to determine if the borrower is eligible for the benefit they have requested.

- 3. If the borrower asks for a forbearance, we will process an "M" deferment and process it up to one year in the future or as specified on the form (not to exceed one year).*
- 4. If the borrower requests an economic hardship deferment, we will process a "K" deferment for up to six months at a time. The borrower will also receive a six-month post-deferment grace period. If the borrower requests an unemployment deferment, we will process a "U" deferment.*

Please see the attachment that includes the forms we send to borrowers. The text for each of the *QuikLetters* is also included. If you have further questions, please contact your Customer Service Representative.

➤ **ATTACHMENT:** *Forms and QuikLetters*

New Default Processing Screen

We are pleased to announce that we are finalizing a new screen called the *Default Processing Screen* (Option "DFLT"). It was designed to assist with processing assigned and accepted transactions on defaulted NDSL and Perkins loans. Look for more information on the "Default Processing Screen" in the *October Update*.

SYSTEM III ENHANCEMENTS

Changes to the NDSL Fiscal Operations Analysis

We have made changes this month to enhance the calculation used to produce the billing forecast in the *NDSL Fiscal Operations Analysis Report*. By using the date that the schedule will mature, we can more effectively calculate the number of bills that will be generated during the projected twelve month period more effectively. We also have enhanced our calculation of the amount billed by determining the amount of the loan that has not yet been billed to the borrower. Because of the changes we made to the calculations, you may notice a reduction in these figures.

NSLDS Load Error Report Available in On-Line

As we mentioned in the *August Update*, *NSLDS Load Error Reports* are now available to clients via *DocumentDirect*. Changes were made to existing ID numbers during September to authorize access to these reports. This access is based on the

NSLDS NEWS

NSLDS NEWS (Continued)

OPE ID number associated with the Perkins program number(s) currently linked to the ID number in *DocumentDirect* security.

NSLDS Load Error Reports are located in *DocumentDirect* under “NPSLSNSLDS NSLDS SCHOOL REPORTING”. Within that heading, the reports are listed by the date they were received from NSLDS and loaded in *DocumentDirect*.

The reports are loaded in *DocumentDirect* in the same format as you are currently receiving on paper. Please review the reports and contact your Customer Service Representative if you have any difficulty accessing them. As indicated in the August *Update*, we will stop printing and mailing paper copies of the reports by the end of 2001.

AUDIT AVAILABLE

Audit Report Available

If you have not yet ordered a copy of our third-party audit Report for fiscal year ending June 30, 2001, please contact your Customer Service Representative or visit our web site at www.efg.net/efgtechnologies to download an order form.

LOAN CONSOLIDATION

Loan Consolidation Information on Our Web Site

In order to help borrowers manage their student loan debts through loan consolidation, we have provided a link from our Web site at www.efg.net/efgtechnologies to the Web site of our affiliate company, Academic Management Services (AMS). As part of this site, AMS provides borrowers with specific information on how loan consolidation works, the financial benefits associated with loan consolidation, and how to contact them. For further information, visit www.tuitionpay.com.

REGIONAL MEETINGS

Regional Meetings Scheduled for Fall

We have a few more Regional Meetings scheduled for the remainder of 2001. Don't miss this opportunity to meet with our staff and other student loan professionals. Many participants cite these meetings as very helpful for generating new ideas for handling default rates and other re-occurring situations.

<u>Location</u>	<u>Date</u>	<u>Host</u>
Phoenix, AZ	October 16	Art Institute of Phoenix
Chapel Hill, NC	October 22	Sheration-Chapel Hill
New York, NY	November	Pending
Arlington, TX	November	Open

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.

CONFERENCES**Conferences Scheduled**

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.

Williams & Fudge, Inc. will present the **15th Annual Student Loans Collections Conference 2001** on October 7-10 at the Embassy Suites at Myrtle Beach, SC. For more information, contact Williams & Fudge at 803-329-9791.

The Professional Development Group will be hosting its **Student Loan Receivables/Collections Conference 2001** in two locations this fall. Its East Coast meeting will be held October 14-17 at the Hyatt Regency in Savannah, Georgia, and the West Coast meeting will be held on November 11-14 at the Wyndham Palm Springs in Palm Springs, California. Please visit www.prodev.com for more information.

We have a booth at the **Minnesota Collection Network's Mega Conference IX** which will be held October 22-24 at the Radison South and Plaza Tower in Bloomington, MN. More information can be obtained at www.ndsu.nodak.edu/SLSC/MegaConf.htm.

The **NACUBO** Collection Student Loans Conference will be held on October 28-30 at the Kansas City Country Club Plaza Marriott in Kansas City, Mo. For more information, visit their Web Site at www.NACUBO.org.

Cutoff Dates

The cutoff dates for September and October are listed in the table below. To help you with planning, cutoff dates for 2002 appear on the following page.

CUTOFF DATES

Month	October 2001	November 2001
Last day to receive collection payments	10/26/01	11/27/01
Last day to receive regular payments	10/29/01	11/28/01
Last day for online payments	11/02/01	11/30/01
Date final post begins	11/02/01	11/30/01
Report date used for final post	10/31/01	11/30/01
Last day deposits created for deposit to bank account	10/31/01	11/30/01

CUTOFF DATES (Continued)

Cutoff Dates for 2002

Month	Last day to receive collection payments	Last Day to receive regular payments	Last day for on-line payments	Date final post begins	Report date used for final post	Last day deposits created for deposit to bank account
January 2002	01/28/02	01/29/02	02/01/02	02/01/02	01/31/02	01/31/02
February 2002	02/25/02	02/26/02	03/01/02	03/01/02	02/28/02	02/28/02
March 2002	03/26/02	03/27/02	03/29/02	03/29/02	03/31/02	03/29/02
April 2002	04/23/02	04/24/02	04/26/02	04/26/02	04/30/02	04/26/02
May 2002	05/28/02	05/29/02	05/31/02	05/31/02	05/31/02	05/31/02
June 2002	06/25/02	06/26/02	06/28/02	06/28/02	06/30/02	06/28/02
July 2002	07/26/02	07/29/02	08/02/02	08/02/02	07/31/02	07/31/02
August 2002	08/27/02	08/28/02	08/30/02	08/30/02	08/31/02	08/30/02
September 2002	09/24/02	09/25/02	09/27/02	09/27/02	09/30/02	09/27/02
October 2002	10/28/02	10/29/02	11/01/02	11/01/02	10/31/02	10/31/02
November 2002	11/22/02	11/25/02	11/27/02	11/29/02	11/30/02	11/27/02
December 2002	12/23/02	12/24/02	12/27/02	12/27/02	12/31/02	12/27/02
January 2003	1/28/03	1/29/03	01/31/03	01/31/03	01/31/03	01/31/03

FUN FACT



FUN FACT

Did you know that since we sent our first submission to the National Student Clearinghouse, we have received over 30,000 account matches? This means each of these loans may be reviewed to determine if a grace/student deferment needs to be processed!

Attachment
Dear Colleague Letter (GEN-01-11)

GEN-01-11

September 2001

Subject: Recent Terrorist Attacks - Relief for Borrowers in the Title IV Loan Programs

Summary: This letter is the first of a series that will provide guidance regarding the administration of the federal student aid programs authorized under Title IV of the Higher Education Act as a result of the terrorist attacks on the United States. The first three letters (this letter and ones that will address institutional reporting deadlines and the treatment of students and borrowers who are affected by their call to active military duty) should be available by the end of this week. We will also publish a letter that will comprehensively address other issues that relate to regulatory and administrative relief for those affected by the terrorist attacks.

This letter specifically addresses the immediate needs of borrowers who are in repayment on a loan under the Federal Family Education Loan (FFEL), the William D. Ford Federal Direct Loan (Direct Loan), and Federal Perkins Loan programs.

Dear Colleague:

On September 11, 2001, President Bush designated all five boroughs of New York City (The Bronx, Brooklyn, Manhattan, Queens and Staten Island) as eligible for national disaster assistance. There may be borrowers affected by the attacks who will need assistance with their loan obligation.

The following provides guidance to Title IV loan holders on the granting of forbearances and discharges to affected borrowers. It also provides guidance on the treatment of defaulted borrowers who have been affected by the disaster.

Forbearance in the FFEL and Direct Loan Programs

Forbearance for borrowers who reside or work in the designated disaster area

Until it can be determined whether a borrower qualifies for a deferment or discharge because of disruptions caused by the terrorist attacks, the Secretary is authorizing FFEL lenders to grant mandatory administrative forbearance to certain borrowers (or endorsers, if applicable) who either reside in or, to the extent the lender has knowledge, work in the designated disaster area (New York City). Mandatory administrative forbearance does not require either a request or documentation from the borrower. This period of mandatory administrative forbearance is effective from September 11, 2001 through January 31, 2002. The Secretary is granting administrative forbearance to similarly situated Direct Loan borrowers for the same period. See 34 CFR 682.211(i)(2)(i) and 34 CFR 685.205(b)(8).

Borrowers must be notified that an administrative forbearance has been granted to allow them to pursue other potential program benefits that may be available to them or to ask for resumption of normal billing and payment schedules. Forbearance beyond January 31, 2002 may be granted only based on supporting documentation and with a written forbearance agreement with the borrower.

Forbearance for other borrowers

Based upon the request of the affected borrower, the borrower's family or another reliable source, borrowers who have been impacted by the terrorist attacks (other than those who reside or work in New York City) should be granted forbearance for a period that ends no later than January 31, 2002 without supporting documentation and without a written forbearance agreement. The reasons for granting the forbearance should be documented in the borrower's loan records. Forbearance beyond the initial period will require supporting documentation and a written agreement with the borrower.

During the initial forbearance process, lenders are encouraged to examine the borrower's eligibility for available deferment or discharge benefits.

Defaulted Borrowers in the FFEL and Direct Loan Programs

The Secretary will, without a request from the borrower, curtail collection activities from September 11, 2001 through January 31, 2002 for defaulted borrowers who reside or work in the designated disaster area (New York City) and

Attachment

Dear Colleague Letter (GEN-01-11)

authorizes guaranty agencies in the FFEL Program to do the same for their defaulted borrowers. For other defaulted borrowers who have been impacted by the disaster the Secretary will and guaranty agencies may, upon request of the borrower, curtail collection activities for a period that ends no later than January 31, 2002.

Forbearance in the Federal Perkins Loan Program

Perkins Loan borrowers who reside or work in the designated disaster area (New York City) should be granted a forbearance without a borrower request or written forbearance agreement from September 11, 2001 through January 31, 2002. Borrowers must be notified that a forbearance has been granted to allow them to pursue other potential program benefits that may be available to them. Forbearance beyond this period may be granted only based on a written request of the borrower, supporting documentation and with a written forbearance agreement with the borrower.

Collection efforts on the accounts of defaulted borrowers in the designated areas may be discontinued from September 11, 2001 through January 31, 2002.

For other affected borrowers, forbearance should be granted for a period that ends no later than January 31, 2002 based on the request of the borrower, the borrower's family or another reliable source (which need not be in writing) and without supporting documentation and without a written forbearance agreement. Forbearance beyond the initial period will require supporting documentation and a written forbearance agreement with the borrower.

For defaulted borrowers, upon request of the borrower, the school may discontinue collection efforts for a period that ends no later than January 31, 2002.

Discharges

The Secretary encourages FFEL lenders (without approval from the Secretary or from the guaranty agency), guaranty agencies, and Perkins schools to use "reliable information" of a borrower's (or the dependent student in the case of a PLUS loan) death due to the terrorist attacks, as the information becomes available, to immediately suspend collection activities without contacting the borrower's family for whatever period is necessary in order to process a death discharge. The Secretary reminds guaranty agencies and schools that they may grant a death discharge on the basis of exceptional circumstances using reliable documentation other than an original or certified copy of a death certificate.

"Other reliable documentation" may include, but is not limited to, obituary notices and published listings of the dead provided by a Federal, State, or local government entity, or by one of the affected airlines. The Secretary will implement these same guidelines for the Direct Loan Program and for other loans held by the Department.

Guaranty agencies and schools are encouraged, at a later date, to obtain a certified copy of the death certificate if one is available through alternative sources without contacting the borrower's family.

Due Diligence Timelines

Due to disruptions in mail and other communications throughout the country, the Secretary will, for the period of September 11, 2001 through October 31, 2001 or later if the Secretary determines that these disruptions still exist, not enforce time sensitive deadlines that lenders and guaranty agencies in the FFEL Program and institutions in the Perkins Loan Program normally are required to comply with in their loan due diligence activities.

I want to thank you in advance for serving those borrowers who have been impacted by these terrible tragedies. Sincerely,

William D. Hansen
Deputy Secretary

Attachment
Dear Colleague Letter (Gen-01-12)

GEN-01-12

September 2001

Subject: Recent Terrorist Attacks - Institutional Reporting Deadlines

Summary: This letter is the second of a series providing guidance regarding the administration of the federal student aid programs authorized under Title IV of the Higher Education Act as a result of the terrorist attacks on the United States. The first letter (GEN-01-11), published yesterday, addressed the immediate needs of borrowers who are in repayment on federal student loans. This letter concerns upcoming institutional deadlines that may impact certain schools. Later this week we will publish a third letter that deals with the treatment of students and borrowers who are affected by the recent military mobilization. We will publish a fourth letter that will comprehensively address other issues that relate to regulatory and administrative relief for those affected by the terrorist attacks.

Dear Colleague:

On September 11, 2001, President Bush designated all five boroughs of New York City (The Bronx, Brooklyn, Manhattan, Queens and Staten Island) as eligible for national disaster assistance. We expect that there are institutions that, because of the attacks, may be unable to comply with one or more Title IV reporting requirements. This letter addresses three issues of immediate concern involving institutional reporting as discussed below. A subsequent Dear Colleague Letter will address other reporting requirements.

Filing Deadline for FISAP - Upon a school's request, we will grant an extension to the submission deadline for the upcoming FISAP if a school is unable to meet the published deadline of October 1, 2001 because of the disaster. Affected schools should make such a request, as soon as they are able, by contacting Richard Coppage in Campus-Based Operations by e-mail at Richard.Coppage@ed.gov or by phone at (202) 708-4694. After October 11, 2001, Richard's phone number will be (202) 377-3174.

Final 2000-2001 Federal Pell Grant Reporting Deadline - Upon a school's request, we will grant an extension to the reporting deadline of final 2000-2001 Federal Pell Grant payments if the school is unable to meet the published deadline of October 1, 2001 because of the disaster. Affected schools should make such a request, as soon as they are able, by contacting Barbara Maddox in Pell Grant Operations by e-mail at Barbara.Maddox@ed.gov or by phone at (202) 708-8825. After October 11, 2001, Barbara's phone number will be (202) 377-3116.

Deadline for Reporting Federal Pell Grant Disbursement Records - For schools impacted by these disasters, we will not enforce the deadline that a school submit a Pell Grant disbursement record within 30 days after the school makes a payment to the student or changes a previously-reported payment, but instead will require submission within 90 days. If a school finds it impossible to meet this 90-day requirement, we will consider a request for a further extension on a case-by-case basis. Requests for such an extension should be made by contacting Barbara Maddox in Pell Grant Operations by e-mail at Barbara.Maddox@ed.gov or by phone at (202) 708-8825. After October 11, 2001, Barbara's phone number will be (202) 377-3116.

Submission of Federal Direct Loan Records - For schools impacted by these disasters, we will not enforce the deadline that a school submit Direct Loan promissory notes, loan origination records, and initial and subsequent disbursement records no later than 30 days following the date of disbursement, but instead we will require schools to submit these records within 90 days of the date of disbursement. If a school finds it impossible to meet this 90-day requirement, we will consider a request for a further extension on a case-by-case basis. Requests for such an extension should be made by contacting Sarah Utz in Direct Loan Operations by e-mail at Sarah.Utz@ed.gov or by phone at (202) 260-5032. After October 11, 2001, Sarah's phone number will be (202) 377-3140.

As indicated above, we expect to provide more comprehensive guidance within the next few days. In the meantime, if you have any questions or suggestions, please contact the SFA Customer Service Call Center through any of the following means:

Attachment

Dear Colleague Letter (Gen-01-12)

- Via phone, Call Center staff members are available Monday through Friday between the hours of 9:00 AM and 5:00 PM (Eastern Time) at 1-800-433-7327. After hours calls will be accepted by an automated voice response system. Callers leaving their name and phone number will receive a return call the next business day.
- Via FAX, inquiries should be sent to the Call Center at (202) 260-4199.
- Via e-mail, inquiries should be directed to the Call Center staff at SFA.Customer.Support@ed.gov.
- Via the Schools Portal on the Internet, by going to www.SFA4Schools.sfa.ed.gov then clicking on the "Got a Question?" button.

I want to thank you in advance for serving those who have been impacted by these terrible tragedies.

Sincerely,

William D. Hansen
Deputy Secretary

APPLICATION FOR FORBEARANCE

(You must fill out both sides of this form)

Name: _____ Account Number(s) _____
Address: _____
Telephone: _____ (home) _____
_____ (work) _____ Social Security Number _____

I request forbearance of my student loan(s) payments, beginning _____ and ending _____. I meet the qualification(s) I have checked below, and I have attached the required documentation. I understand that I must pay the interest that continues to accrue during this period of forbearance, and that the maximum benefit is three years, which may be granted to me in periods of not more than twelve months at a time.

REASON FOR FORBEARANCE: (Check one)

- ☐ Poor health/prolonged illness, starting ____ and ending _____. Attach explanation of how your health affects your ability to pay this loan(s). Provide physician statement of diagnosis and submit with this application. Complete the **Income & Expense Summary** on reverse side.
- ☐ The total amount of payments I must make on all my Title IV federal education loans is 20% or more of my total monthly gross income. To determine your eligibility for forbearance of payments under this provision, provide the following:

Total monthly gross income (the gross amount you receive from employment and other sources before taxes and other deductions): \$_____ (attach copies of last income tax return and most recent pay statement); **AND**

Total monthly payments on federal education loans. List below, or on a separate sheet, each federal loan **lender** (school/financial institution), **type** of Title IV federal loan (Perkins/NDSL, Stafford, Direct, Consolidation loan, etc.), the amount you borrowed, and the **amount** of monthly payment for each one. Attach copy of monthly bill for each loan.

Lender:	Type of Loan:	Amount Borrowed	Monthly Payment
1. _____	_____	\$ _____	\$ _____
2. _____	_____	\$ _____	\$ _____
3. _____	_____	\$ _____	\$ _____
4. _____	_____	\$ _____	\$ _____
5. _____	_____	\$ _____	\$ _____

- ☐ Other reason. Please attach a description of the condition(s) that affects your ability to pay this loan(s), as well as documentation to support your claim.

FORM OF FORBEARANCE (Select one option):

- ☐ Temporarily stop making payments during the period I have indicated above. I am aware that interest will continue to accrue, and I wish to pay this interest:
- ☐ in a lump sum at the end of the forbearance period; or
- ☐ as it accrues. If I choose this option, I will be billed for accrued interest each month.
- ☐ Temporarily reducing the amount of my payments from \$ _____ to \$ _____ per _____ (month or quarter) during the period I have indicated above.

Signature: _____

Date: _____

INCOME & EXPENSES SUMMARY

The following information is requested to determine your eligibility for hardship/unemployment deferment, forbearance, or a revision of your repayment schedule. The information you provide will remain confidential, however, we reserve the right to use this information if collection efforts become necessary. We also reserve the right to use a credit report to verify the information you provide.

Name: _____
Address: _____
Telephone: _____ (home)
_____ (work)

Account Number(s): _____
Date of Birth: _____
Social Security Number: _____

1. Marital Status:

- ☐ Single
☐ Married
☐ Widow(er)
☐ Separated/Divorced

2. Number of Dependents: _____

Relationship: _____ Age: _____

3. Monthly Income from ALL Sources*:

Gross Monthly Salary/Wages \$ _____
Spouse's Monthly Salary/Wages \$ _____
Child Support \$ _____
Alimony/Support \$ _____
Unemployment \$ _____
Public Assistance \$ _____
Social Security/Veteran \$ _____
Stocks, Bonds & Investments \$ _____
Other: _____ \$ _____
Total Monthly Income: \$ _____

4. Checking Account Balance: \$ _____

5. Savings Account Balance: \$ _____

6. Monthly Expenses:

Rent/Mortgage: \$ _____
Utilities: \$ _____
Child Care: \$ _____
Car Payments: \$ _____
Other Vehicle(s) \$ _____
Public Transportation: \$ _____
Insurance: \$ _____
Telephone: \$ _____
Cellular Phone/Pager: \$ _____
Food: \$ _____
Credit Card(s) \$ _____
Other Charge Accounts: \$ _____
Medical: \$ _____
Cable/Satellite TV: \$ _____
Entertainment: \$ _____
Clothing: \$ _____
Dry Cleaning: \$ _____
Cleaning/Yard Service: \$ _____
Other: _____ \$ _____
_____ \$ _____
_____ \$ _____
_____ \$ _____
Total Monthly Expenses: \$ _____

*Attach a copy of your most recent income tax return **AND** documentation to substantiate all income and expense entries.

APPLICATION FOR HARDSHIP/UNEMPLOYMENT DEFERMENT

(You must fill out both sides of this form)

Name: _____ Account Number(s) _____
Address: _____
Telephone: _____ (home) _____
_____ (work) _____ Social Security No. _____

I request deferment of my student loan(s) payments, beginning _____ and ending _____. I meet the qualification(s) I have checked below, and I have attached the required documentation. I understand that the maximum benefit is three years, which will be granted to me in periods of not more than six months at a time. **Read this entire form before you fill it out.** If you do not qualify for any of these benefits, please send a request for forbearance.

1. ☐ Prolonged illness, starting _____ and ending _____. Attach explanation of how your health affects your ability to pay this loan(s). Provide physician statement of diagnosis, and submit with this application. Complete the **Income & Expense Summary** on reverse side. I understand that interest accrues during this type of deferment.
2. ☐ Unemployed since _____. Provide documentation such as proof that you are collecting unemployment benefits and, if you are still unemployed, that you are actively seeking employment (attach a list of firms where you have applied for employment, including the firms' name and address, and the name and telephone number of a person to contact for verification); **or**
☐ working part time and unable to find full-time employment (full time = 30 hours per week for three consecutive months). I have not worked full time since _____. **To receive deferment of payments under this provision, provide one of the following information:**
☐ I registered with the following public or private employment agency (does not include school placement offices or temporary employment agencies):

Name of agency: _____ **Address:** _____
Contact: _____
Telephone: _____

- ☐ I have not registered with an employment agency (attach explanation).
- ☐ In the last six months, I have attempted to secure employment. Attach a list of firms where you have applied for employment, including the firms' name and address, and the name and telephone number of a person to contact for verification.
3. ☐ I have been granted an Economic Hardship Deferment on my other federal loan(s) for the period starting _____ and ending _____, and I request this same deferment, for the same period of time, on my Federal Perkins Loan. I have attached documentation of the deferment I received on my other federal loan(s).
4. ☐ I receive payment under a federal or state public assistance program, such as Aid to Families with Dependent Children, Supplemental Security Income, Food Stamps, or state general public assistance. I have attached documentation that I am receiving these benefits.
5. I work full time (30 or more hours per week), and
☐ my Total Monthly Gross Income (TMGI) does not exceed the federal minimum wage, or 100% of the poverty line for a family of two;¹ **or**
☐ my TMGI is not greater than twice the federal minimum wage or the poverty line for a family of two¹ and when I subtract the amount of payments I must make on all my federal education loans from my TMGI, the result is not more than the greater of the federal minimum wage or the poverty line for a family of two; **or**
☐ the amount of payments I must make on all my federal education loans² is at least 20% my TMGI, and the difference between my TMGI and the amount of payments I must make on my federal education loans is less than 220% of the minimum wage or the poverty line, whichever is greater. To determine your eligibility for deferment of payments under No. 5, provide the following:
Total monthly gross income (the gross amount you receive from employment and other sources before taxes and other deductions): \$ _____
(attach copy of last tax return, and most recent pay statement).

Total monthly payments on federal education loans (list each federal loan **lender** (school/financial institution), **type** of federal education loan (Perkins/NDSL, Stafford, Direct, Consolidation, Health Professions/Nursing, etc.), the amount you borrowed, and the **amount** of your monthly payment for each one. Attach copy of monthly bill for **each** loan.

Lender:	Type of Loan:	Amount Borrowed	Monthly Payment
1. _____	_____	\$ _____	\$ _____
2. _____	_____	\$ _____	\$ _____
3. _____	_____	\$ _____	\$ _____
4. _____	_____	\$ _____	\$ _____
5. _____	_____	\$ _____	\$ _____

Signature: _____ Date: _____

1. The Poverty Line for a family of two is determined each year by the Federal Government and published in the Federal Register. Effective February 2001, the Poverty Line income was \$14,510 for Alaska, \$13,360 for Hawaii, and \$11,610 for all other states and the District of Columbia.
2. Total monthly payments, adjusted, if necessary, to reflect the maximum ten-year repayment period, will be calculated based on the information I provide.

INCOME & EXPENSES SUMMARY

The following information is requested to determine your eligibility for hardship/unemployment deferment, forbearance, or a revision of your repayment schedule. The information you provide will remain confidential, however, we reserve the right to use this information if collection efforts become necessary. We also reserve the right to use a credit report to verify the information you provide.

Name: _____ Account Number(s): _____
Address: _____
Telephone: _____ (home) Date of Birth: _____
_____ (work) Social Security Number: _____

1. Marital Status:

- ☐ Single
☐ Married
☐ Widow(er)
☐ Separated/Divorced

2. Number of Dependents: _____

Relationship: _____ Age: _____

3. Monthly Income from ALL Sources*:

Gross Monthly Salary/Wages \$ _____
Spouse's Monthly Salary/Wages \$ _____
Child Support \$ _____
Alimony/Support \$ _____
Unemployment \$ _____
Public Assistance \$ _____
Social Security/Veteran \$ _____
Stocks, Bonds & Investments \$ _____
Other: _____ \$ _____
Total Monthly Income: \$ _____

4. Checking Account Balance: \$ _____

5. Savings Account Balance: \$ _____

6. Monthly Expenses:

Rent/Mortgage: \$ _____
Utilities: \$ _____
Child Care: \$ _____
Car Payments: \$ _____
Other Vehicle(s) \$ _____
Public Transportation: \$ _____
Insurance: \$ _____
Telephone: \$ _____
Cellular Phone/Pager: \$ _____
Food: \$ _____
Credit Card(s) \$ _____
Other Charge Accounts: \$ _____
Medical: \$ _____
Cable/Satellite TV: \$ _____
Entertainment: \$ _____
Clothing: \$ _____
Dry Cleaning: \$ _____
Cleaning/Yard Service: \$ _____
Other: _____ \$ _____

Total Monthly Expenses: \$ _____

*Attach a copy of your most recent income tax return **AND** documentation to substantiate all income and expense entries.

Attachment

QuikLetters

QuikLetter 00762

We are in receipt of your request regarding your student loans(s). You have indicated that at this time you are unable to meet your normal repayment agreement. Please review the following to determine which option might suit your current situation:

Option I Are you able to make partial or reduced payments? Contact your lending institution for special payment arrangements.

Option II If you are not eligible for forbearance and your loan was received before July 1, 1993, and the period for which you are requesting a deferment begins on or after October 7, 1998, you may qualify for an unemployment/economic hardship deferment.

If you feel you may qualify for this benefit, please complete the form and return it in the self-addressed envelope as soon as possible. If you have any questions, please call our office at 1-800-334-8609.

QuikLetter 00761

We are in receipt of your request regarding your student loans(s). You have indicated that at this time you are unable to meet your normal repayment agreement. Please review the following to determine which option might suit your current situation:

Option I Are you able to make partial or reduced payments? Contact your lending institution for special payment arrangements.

Option II Do you qualify for forbearance? This would allow you to temporarily stop making payments for a period of time. Please see the enclosed form to assist you in determining if you meet one of the criteria.

Option III If you are not eligible for forbearance and your loan was received before July 1, 1993, and the period for which you are requesting a deferment begins on or after October 7, 1998, you may qualify for an unemployment/economic hardship deferment. Please see the enclosed form to assist you in determining if you meet one of the criteria.

If you feel you qualify for one of these benefits, please complete the form and return it in the self-addressed envelope as soon as possible. If you have any questions please call our office at 1-800-334-8609.

QuikLetter 00743

We are in receipt of your request regarding your student loans(s). You have indicated that at this time you are unable to meet your normal repayment agreement. Please review the following to determine which option might suit your current situation:

Option I Are you able to make partial or reduced payments? Contact your lending institution for special payment arrangements.

Option II Do you qualify for forbearance? This would allow you to temporarily stop making payments for a period of time. Please see the enclosed form to assist you in determining if you meet one of the criteria.

Option III If you are not eligible for forbearance and your loan was received before July 1, 1993, and the period for which you are requesting a deferment begins on or after October 7, 1998, you may qualify for an unemployment/economic hardship deferment. Please see the enclosed form to assist you in determining if you meet one of the criteria.

If you feel you qualify for one of these benefits, please complete the form and return it in the self-addressed envelope as soon as possible. If you have any questions, please call our office at 1-800-334-8609.

How To

Process New Loans and Advances and Unpostable New Loans and Advances

It's That Time of Year Again!

EFG Technologies offers customers several methods to submit information on new loans and advances: **electronically** through **DataDirect** File Transfer Protocol (FTP), on a reel tape or cartridge, on a form transmittal, or using **on-line data entry**. All methods require that the loan data be accurate and complete. We also offer two reports, the *Unpostable New Loans Response Document* and the *Unpostable Advances Response Document*, to aid you in correcting any new loans and advances rejected during posting.

If you have a large number of disbursements to report, using **FTP DataDirect** is the best method. By utilizing **FTP DataDirect**, schools can eliminate the need for technical support required when using tapes and cartridges. Additionally, **FTP DataDirect** expedites the process since there is no physical media to mail. Whether you use **FTP DataDirect**, a reel tape, or a cartridge to send data, transferring information electronically is always easier and more efficient. Ask your School Relations Coordinator for information on how to set up **FTP DataDirect** for your school or for a copy of our specifications to share with your programmers. EFG Technologies must receive and approve a test file before routine FTP transmissions or tapes will be accepted.



Some loan administrators choose to send disbursements to EFG Technologies on a form specifically created for this purpose. The *New Loan Input Form* is used to submit initial loan disbursements to System IIISM. To help you complete the form, EFG Technologies offers a sheet with input codes and field definitions for reference. You may submit up to 50 *New Loan Input Forms* in one batch.



The *New Loan Batch Ticket* is used as a cover sheet for groups of loans submitted to EFG Technologies. It must accompany each batch of *New Loan Input Forms* for balancing and accuracy. You can take advantage of common fields within the batch - such as loan type, separation date, repayment frequency, and repayment plan - and record that data in the uniform values section of the *New Loan Batch Ticket*. You may then omit those fields on the individual *New Loan Input Forms*.

The forms are easy to complete — just remember that all shaded fields must be completed. Please send these forms by mail instead of faxing them, because fax machines darken the shaded boxes, often making the information entered impossible to read.

Keep in mind that System III can store up to five addresses. It is to your advantage to include as many addresses as possible on the *New Loan Input Form*. If EFG Technologies has multiple addresses on System III, it's easier to locate a borrower who has moved. EFG Technologies' DataLinkSM users will find it helpful to have multiple addresses on-line if they need to contact borrowers who are past due.

An *Advance Transmittal Form* is used to submit subsequent disbursements for a borrower who already has a loan posted on System III. An *Advance Batch Ticket* must accompany *Advance Transmittals*. Up to 50 advances may be included in each batch. Don't forget to take advantage of the uniform values section, if applicable.

If you have submitted an advance in error, don't worry. Just complete an **Advance Reversal Transmittal Form** to make adjustments. Please note that when an advance is submitted for the wrong amount or in error, the entire advance amount must be reversed.

All forms are available on our Web site <http://www.efg.net/efgtechnologies> under Customer Service/Downloadable Forms.

If you have access to DataLinkSM, EFG Technologies' on-line system, you can enter new loans and advances directly on-line. Please contact your School Relations Coordinator if you have DataLinkSM and you are interested in processing these transactions online or if you do not have access to DataLink and would like more information on it.

In order to make sure that your books balance easily at end of the year, always:

1. Submit your new loans and advances regularly throughout the year;
2. Verify that the data submitted is accurate and complete; and
3. Request the optional *Funds Advanced Year-to-Date* report quarterly.

Unpostable New Loans and Advances

In some cases unpostable new loans or advances may be returned to you because of errors that can be easily corrected. The *Unpostable New Loan Response Document* provides you with a list of all unpostable new loans, loan corrections, reconstruction loans, and reconstruction loan corrections processed during the reporting period, as well as the reason(s) why the loan could not be processed. The *Unpostable Advances Response Document* also provides a list of all unpostable advances processed during the reporting period and a reason why the advances could not be processed. There is a space to enter corrected data for each error.



You should review the report(s) and make necessary corrections to the data directly on the report(s) and return them to EFG Technologies. A space is provided immediately below each data element to write in corrections on both reports. We will use the returned report to correct data stored in the New Loan Database or the Advance Database and then will release the new loan or advance for posting to System IIISM.

These are weekly reports and must be accessed through *DocumentDirect*, our on-line report viewing product. If you do not have access or need assistance obtaining these weekly reports, contact your Customer Service Representative.

Please note the deletion date on the right side of the report. Corrections need to be returned to EFG Technologies before this date or the stored data will be deleted from the system. You will then have to re-submit any rejected new loans or advances by your chosen submission method.



(For more details on correcting unpostable new loans and advances, please visit our Web site at www.efg.net/efgtechnologies and go to "Publications," then "How To," then "How To Process New Loans and Advances and Unpostable New Loans and Advances.")

Questions? Call your Customer Service Representative.

www.efg.net/efgtechnologies



System IIISM Connection

A publication by EFG Technologies

September 30, 2001

Strengthening the Weakest Link

DESKTOP SECURITY

Just like a chain, security is only as good as its weakest link. One way to insure that you are not the “weakest link” in your work environment is by paying attention to the location of your workstation. Your computer should not be in a high traffic area where people passing by can easily gain access to it, and your keyboard should not be in plain view so an onlooker can observe what keys are typed when you are typing your ID and password.

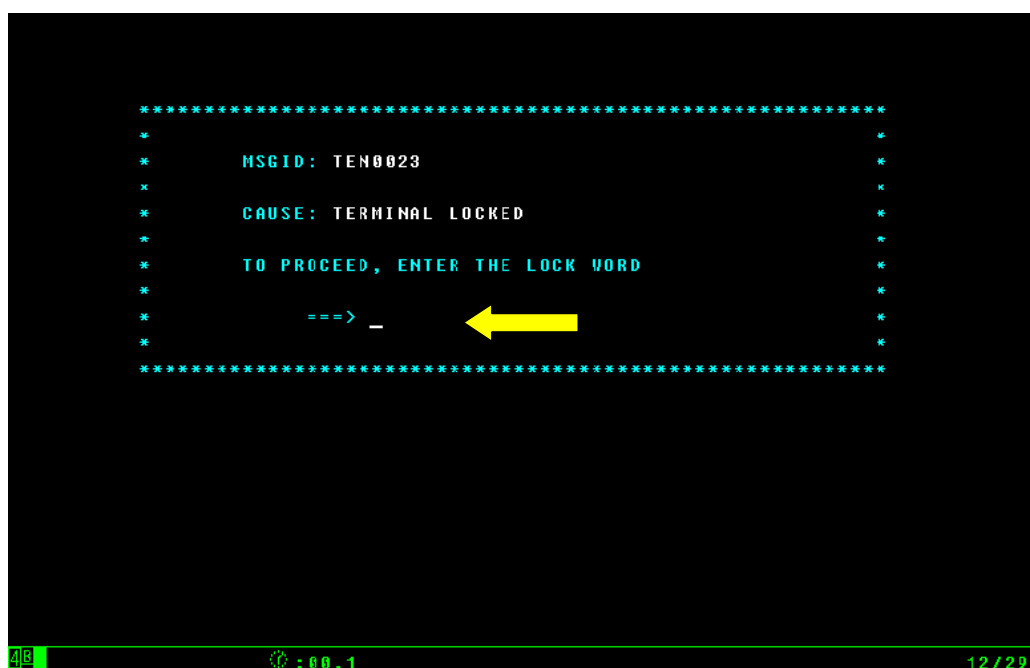
If you are going to be away from your workstation attached to our systems for more than a few minutes, you do not need to logoff our system. Instead, password protected screen savers should be enabled when you leave the work area, if they are permitted by your campus. If these screen savers are not allowed, you can lock the mainframe session by locking the screen at the TPX menu. This can be done by typing an “L” (upper or lower case) at the Command line and pressing “enter.”

```
TPX MENU FOR WA00                                     Panelid - TEN0041
                                                         Terminal - A14ULTDR
Cmdkey=PA3      Jump=PA2      Menu=NONE               Model - 3278-2A
Print=PA1      Cmdchar=\      System - TPX1BM

  Sessid      Sesskey      Session Description      Status
- CICSABE      PF 13      PRODUCTION TOR
- INFOPAC      PF 14      INFOPAC ON-LINE DOC INQUIRY
- TPXNOTES      PF 22      TPX Notepad
- IPXADMIN      PF 23      IPX Administration
- TPXMAIL      PF 24      TPX Mailbox

Command ==> L_
PF1=Help  PF7/19-Up  PF8/20-Down  PF10/22-Left  PF11/23-Right  H -Cmd Help
:00.1 23/16
```

The screen will then look like the following:



Just type the mainframe password as the “lock word” to return the TPX menu.

By doing this, you will not have to reconnect to our mainframe, which will save considerable time when using Datalink via *WebConnect*.

EXPIRED PASSWORDS

Why Did My Password Expire?

Have you signed onto *DocumentDirect* or System III DataLink via the Web (*WebConnect*) and received a message that your password had expired? No, you did not do anything wrong!

Users of *DocumentDirect* and *WebConnect* receive a unique ID number and password that allows them to access on-line reports and individual borrower loan information on to this information in a secure environment. As a security feature of both of these valuable tools, your password will periodically expire.

The passwords for *DocumentDirect* and *WebConnect* users will expire every 60 days.

If your password has expired and you are a **DataLink** customer, you will receive this message on the following screen after you have entered your ID and existing password.

EXPIRED PASSWORDS (Continued)

```

      Copyright (C) 1984,1996 Computer Associates International, Inc.

      Rel. 5.0

      Userid:      W680      (or LOGOFF)      07:48:58
      Password:
      New Password:
      Account:     3192-2
      Transfer:    SMRTTEST

      ACF01017 PASSWORD FOR LOGONID 680 HAS EXPIRED
  
```

- Your cursor will now be positioned at the “New Password” field.
- Enter a NEW password (between 6-8 characters, alpha or alpha/numeric). Note: These fields are not case sensitive. You cannot re-use a previous password.
- If you have entered this information correctly, you will be asked to “Re-enter this information for verification.”
- Re-enter the same password in the “New Password” field.
- If successfully altered, you will see the following message on another screen. If you re-typed the new password incorrectly, you will be asked to type it again.

“ACF01129 PASSWORD SUCCESSFULLY ALTERED”

- Press the ENTER key.

If you are a **DocumentDirect** user and encounter the next message, take the following actions.

Expired Password

ACF01017 PASSWORD FOR LOGONID WXXX HAS

If you receive the above Error Occurred message, your password has expired. To correct the error, you need to change your password. Click the OK button on the Error Occurred message dialog box.

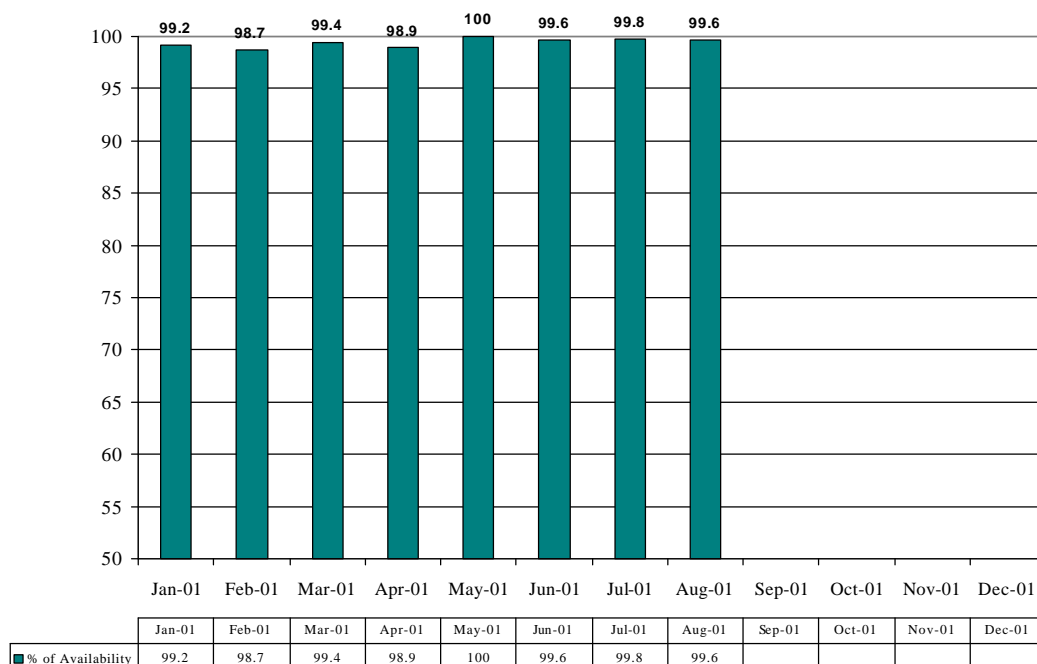
- Click the Refresh button on your default browser toolbar.
- To the right of the Document Explorer Toolbar, you will see Change Password. Click on Change Password.
- Then enter your login ID in the Recipient ID dialog box. Enter your **expired** password in the Old Password dialog box.
- At this time, you will need to enter a **new** password. In the New Password dialog box, enter your **new** password. Next, you need to confirm your **new** password. In the Confirm New Password dialog box, re-enter your **new** password. Click OK on the dialog box.

SYSTEM III AVAILABILITY

System III Availability

The graph below displays the percentage of time that System III has been available, as scheduled, for customers from January through August. System III is available Monday - Friday from 6:00 a.m. - 10:00 p.m. EST and Saturday (excluding month-end cutoff weekends) from 7:00 a.m. - 3:00 p.m. EST.

2001 System III Availability



Questions?

Call your Customer Service Representative.

**EFG Technologies HelpDesk may be reached at (800) 458-4492,
ext. 2111 or helpdesk@efg.net.**

Visit our web site at www.efg.net/efgtechnologies/.

System IIISM Connection is a quarterly publication with
news for EFG Technologies' DataLink system users.

Betsy Spencer

Always Ready for a Challenge

"Everyday do something you are afraid of." This is a quote that has guided Betsy Spencer, Account Executive for EFG Technologies, in her personal and professional life and pushes her forward to achieve her goals. As part of her quest to conquer fear, Betsy Spencer ran her first marathon, the Marine Corps Marathon held in Washington, DC, on her fortieth birthday. Since then she has run another marathon, participated in an Outward Bound trip in the mountains of North Carolina, and ridden solo on bike tours through Williamsburg and the Shenandoah Valley in Virginia. Her core of self confidence in undertaking these challenges comes into play as she develops leads and makes calls to build EFG Technologies' base of customers.

Not only does her job require her to be confident, she also must know EFG Technologies' products, stay focused and enthusiastic during the selling process, and manage accounts in all 50 states. With a background in selling accounting software and her desire to travel, she was a natural for this position. As an Account Executive, her duties include developing leads and prospects, closing sales, and attending many conferences and trade shows. In the next few months, she will be attending PDG's Student Loan/Receivables Collection Conferences in Savannah and Palm Springs, the Minnesota Collections Network Mega Conference in Bloomington, Minnesota, and the NACUBO Conference in Kansas City, Missouri.

When she meets school representatives at these meetings, she will have several exciting new products to present to them: the Collections System and the Early Intervention Program (EIP). The Collections System helps schools track delinquent borrowers and automates collection efforts, and the EIP program offers customers a chance to prevent borrowers from defaulting on their loans through early contacts to delinquent borrowers.

Betsy thinks these products, along with System III and its automatic reprocessing feature, the range of reporting capabilities offered by our company, and products such as *DocumentDirect*, give EFG Technologies a competitive edge in the marketplace. However, Betsy feels that, "Our customer service truly distinguishes us. Customers can get help from their Customer Service Representative or Customer Service management team or their School Relations Coordinator. For compliance issues, Jim

Betsy Spencer:

"Our customer service truly distinguishes us. Customers can get help from their Customer Service Representative or Customer Service Management Team, or their School Relations Coordinator. For compliance issues, Jim Williams, Director of Government Relations and Compliance is available to answer questions."



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Those same layers of support also helped Betsy learn her job. "This is a very supportive place. I felt immediately welcomed and appreciated here." She also enjoys the intellectual challenge associated with learning about the student loan industry and learning the features of System III. Helping customers solve problems by offering them software solutions is also rewarding to her.

She has to be patient because the sales cycle is so lengthy. Betsy says, "When I sold newspaper advertising years ago, I would carry six contracts with me each day. Now it may take months or even years to transition a school from a prospect to a customer."

That's fine with Betsy because she is used to setting long-term goals for herself. Two years ago she reached her decades-old goal of owning her own home. Attaining a college degree was another goal, and she will graduate from Salem College in December with an Accounting degree. Betsy's other interests include yoga, reading, and hiking. She also frequently undertakes decorating or landscaping projects at her home, where she lives with her cat, Sam.