



UPDATE

AMS Servicing Group

Winston-Salem, NC

October 31, 2002

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Holiday Schedule:
Veteran's Day
Monday, November 11
and Thanksgiving,
November 28 and 29
 (System IIISM will
 be available during
 normally scheduled
 hours.)

INSIDE AMS Servicing:

Ella Hallums, Control Analyst, Customer Support

Visit our Web site at www.amsservicing.com
 for up-to-the minute publications, forms, and information.

2002-2003 Supplemental Campus-Based Award Process

The 2002-2003 supplemental campus-based awards have been distributed to schools that have been awarded supplemental funding in one or more of the campus-based programs. ED provides information on the supplemental process in *Dear Partner/Colleague Letter CB-02-15*. This *Dear Colleague Letter* can be accessed through: <http://www.ifap.ed.gov/dpcletters/CB0215.html>.

**EDUCATION
 DEPARTMENT
 UPDATE**

Web-Based Training On FISAP Available

Web-based training on the *Fiscal Operations Report and Application to Participate* (FISAP) is now available. This online course provides financial aid administrators with the skills and knowledge needed to successfully complete an accurate FISAP for their schools and transmit the data without unexplained errors or rejects. This information is available at the following Web address:

<http://www.ifap.ed.gov/eannouncements/0917FISAPTrainingmodule.html>.

Enhancements for the SAIG Enrollment Site

ED and CPS/WAN Technical Support announced enhancements for the SAIG Enrollment Site that they say will make it much easier for Title IV participants to enroll

**EDUCATION
DEPARTMENT
UPDATE
(Continued)**

in SAIG supported programs. These changes went into effect on Monday, September 30, 2002. More information is available from:
<http://ifap.ed.gov/eannouncements/0926NewEnrollmentSite.html>.

2002-2003 Federal Student Financial Aid Handbook

The 2002-2003 Student Financial Aid Handbook is available at:
<http://www.ifap.ed.gov/IFAPWebApp/currentSFAHandbooksPag.jsp>. Volume 5 includes information on the Federal Perkins Loan Program. Be sure and bookmark this valuable tool.

SAVE Computer Matching Between ED and Department of Justice

NASFAA announced the publication of a *Federal Register* notice regarding an impending computer matching program between ED and the Immigration and Naturalization Service. The Systematic Alien Verification for Entitlement (SAVE) program will permit ED to confirm the immigration status of alien applicants for, or recipients of, assistance as authorized by Title IV. The notice describes the records to be used in the match and the roles of the matching participants.

Complete information on this topic is available at: <http://www.NASFAA.org/publications/2002/frcomputermatch091902.html>.

**TOTAL AND
PERMANENT
DISABILITY
DISCHARGE
UPDATE**

Total and Permanent Disability Discharge

In the August *Update*, we included our processing procedures for Total and Permanent Disability. In order to make a preliminary decision, it might be necessary to verify a physician's license number. The NCHELP Web site provides a listing of organizations in each state that can verify if a physician is licensed to practice medicine in that state and also can confirm the license number of the physician in question. The list was compiled by the Department of Education (ED) and includes Web site addresses and phone numbers listed for each state's verifying agency. You may use this information to complete a "search." The matrix is available through the NCHELP

**E-mail Directory for AMS Servicing Group
Management and Customer Service Staff**

Debra Adams, Call Center Specialist.: dadams@amsweb.com	Charles Fulp, Facilities/Distribution Mgr.: cfulp@amsweb.com
Steve Anderson, Conversion Supervisor: sanderson@amsweb.com	Paula Hall, Payment Processing Svr.: phall@amsweb.com
Bob Balsamo, Production Control Supervisor: rbalsamo@amsweb.com	Barbara Joyce, Accounts Rec. Supervisor: bjoyce@amsweb.com
Daisy Bass, Customer Service Assoc. Director: dbass@amsweb.com	Lisa Koniuto, Contracts and Audit Mgr.: lkoniuto@amsweb.com
Beth Bealle, Product Development Director: bbealle@amsweb.com	Lando Little, Customer Service Assoc. Dir.: llittle@amsweb.com
Teressa Beam, Training and Development Coord.: tbeam@amsweb.com	Yvonne Marlowe, Cust. Svc. Rep.: ymarlowe@amsweb.com
Kim Blackburn, Customer Service Rep.: kblackburn@amsweb.com	Pattie Mastin, Account Executive: pmastin@amsweb.com
Mark Bondurant, Private Loan Mgr.: mbondurant@amsweb.com	Debbie Morgan, Call Center Supervisor: dmorgan@amsweb.com
Betsy Burton, Market Development Director: bburton@amsweb.com	Charles Parker, Customer Support Dir.: cparker@amsweb.com
Sharon Cameron, Audit/Compliance Spec.: scameron@amsweb.com	Branko Pivko, Audit/Compliance Spec.: bpivko@amsweb.com
Bridgett Christian, Human Resources Mgr.: bchristian@amsweb.com	Kathy Riddle, Transaction Processing Mgr.: kriddle@amsweb.com
Joel Cofer, Customer Service Rep.: jcofer@amsweb.com	Will Shaw, School Relations Coord.: wshaw@amsweb.com
Charles Cornelius, Default Prevention Svr.: ccornelius@amsweb.com	Jeff Smejkal, Operations Research Mgr.: jsmejkal@amsweb.com
Joanna Cortez-Gann, Private Loan Svr.: jcortez-gann@amsweb.com	Judy Smith, Information Technologies Mgr.: jsmith@amsweb.com
Wendy Cox, Customer Service Rep.: wcox@amsweb.com	Andrea Thompson, Cust. Svc. Rep.: athompson@amsweb.com
Sharal Duncan, Customer Service Rep.: sduncan@amsweb.com	Carolyn Williams, Documentation Svr.: cwilliams@amsweb.com
Terry Gaither, Cust. Service Rep. Team Lead: tgaither@amsweb.com	Kim Wilson, Technical Coord.: kwilson@amsweb.com
Wallace Grooms, Private Loan Servicing Svr.: wgrooms@amsweb.com	Billi Wolfe, School Relations Coord.: bwolfe@amsweb.com
John Elliott, Info. Technology Infrastructure Dir.: jelliott@amsweb.com	Kim Wright, Information Technology Dir.: kwright@amsweb.com
LaShonda Fields, School Relations Coord.: lfields@amsweb.com	World Wide Web Site: http://www.amsservicing.com

Web site E-library under Reference Materials/Helpful Web sites at the following address: http://www.nchelp.org/elibraryII/Main/10-RefMaterial/10B-WebLinks/Physician's_WebSite_Listing1.pdf.

TOTAL AND PERMANENT DISABILITY DISCHARGE UPDATE (Continued)

Be Sure to Notify AMS Servicing Group When Assigning Loans

Whether assigning defaulted loans or assigning a loan due to a conditional discharge for Total and Permanent Disability, please be sure to notify AMS Servicing Group. We have completed programming changes to allow loans that have a **conditional discharge** due to **Total and Permanent Disability** to report to the credit bureau as “claim filed.”

Loans in a **defaulted status** that you prepare for assignment should be removed from credit bureau reporting 60 days prior to assignment with ED. The “60-day wait” period gives the credit bureaus an opportunity to stop reporting the loan (previously reported by AMS) so that it will now show ED as the loan holder.

Use the Loan Monitoring Report

If you are not currently using the *Loan Monitoring Report*, you might want to use it to keep track of borrowers who have filed for Total and Permanent Disability (TPD). Once loans are assigned to ED for Total and Permanent Disability, the loan will appear on your *Loans Assigned to/Accepted by the US Report* which you receive monthly and on the *Inventory of Loans Referred/Assigned/Accepted to the US* that you receive quarterly. If you want a separate listing of borrowers who have filed for TPD, AMS Servicing Group can provide you with a *Loan Monitoring Report* at no additional cost. Loans included on the report have been “flagged” for monitoring. Your Customer Service Representative can flag any loans you want included on the report, or if you have online access to System III, you may flag loans individually using the MAIN or the LN5 screen. Just enter a “Y” in the Loan Monitor Flag field, and the selected loans will appear on the *Loan Monitoring Report*.

Do You Have Old Loans Still in an Assigned Status?

As mentioned above, AMS provides you with a quarterly *Inventory of Loans Referred/Assigned/Accepted to the US*. As a rule, it should only take a few months for ED to “accept” an assigned loan. Therefore, if you have loans in an assigned status (status 82) on this report and the assigned date is six months ago or longer, you should write to ED to determine its status. You may also request a list of loans that have been assigned/accepted by ED to make a comparison with our *Inventory Report*. To obtain ED’s report, write to:

ASSIGNED/ ACCEPTED LOANS

AMS Servicing Group UPDATE, a newsletter for our customers, is published monthly by AMS Servicing Group in Winston-Salem, NC. Editor: Carolyn Williams. Legislative and Regulatory Editor: Sharon Cameron. Contributors this issue: Beth Bealle, LaShonda Fields, Tammy Gupton, Kathy Riddle, 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 AMS Servicing Group 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, AMS Servicing Group, PO Box 3176, Winston-Salem, NC 27102-3176 or directly to Carolyn Williams, Editor, at cwilliams@amsweb.com.

ASSIGNED/ ACCEPTED LOANS

US Dept of Education
Attention: Collections
PO Box 4222
Iowa City, IA 52244-4222.

LOAN REHAB UPDATE

To Cancel or Not to Cancel After Rehabilitation

Posted to the LMS listserv last month was guidance from ED regarding granting retroactive cancellation benefits to a borrower whose loan has been rehabilitated. Here's a scenario:

A borrower started the rehabilitation process in December 2000 and successfully completed it in March 2002. He filed a cancellation for 2001-2002. Is he eligible for cancellation benefits?

ED responded with this statement on September 10, 2002:

"After a defaulted Perkins loan has been rehabilitated and returned to regular repayment status, 'the borrower regains the balance of the benefits and privileges of the promissory note as applied prior to the borrower's default on the loan.' [674.39(d)]. The borrower regains eligibility for benefits that were lost when the borrower's loan went into default. But these benefits cannot be applied retroactively to the loan for the period when the loan was in default and had not yet being rehabilitated."

Based on this response, the borrower is not eligible for cancellation benefits for 2001-2002.

EXIT INTERVIEW PACKAGES

Improvements to Exit Interview Packages

In the coming weeks, you will see enhancements to our *Exit Interview Packages*. The first change is a new and improved label, allowing a better quality of print on the package. The new label is not as thick as the current one, so the borrower's name and address print much clearer.

We are just a few weeks away from the release of our new *Generic Exit Package*. This package has been designed so that all Perkins, Health Profession, Nursing, and Institutional loans may be printed on the same form. By consolidating these forms into one document, it allows us more flexibility when updates are needed. These packages will be printed on the new form with the new label. You will continue to receive *Fact Sheets* to distribute to your students with the packages. In addition, the Fact Sheets are available on our Web site.

MASTERFILE ENHANCEMENTS

Masterfile Enhancements

We will make the following changes to our current Masterfile layouts effective in December month-end.

1. TRA start and end dates will be changed to "filler" fields on the masterfiles. The

The mission of AMS Servicing Group 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.

MASTERFILE ENHANCEMENTS (Continued)

IRS removed the requirement that a borrower could only claim the interest paid during the first 60 months of repayment. Since this information is no longer required, we are removing it from the masterfile.

2. "TRA current year interest paid" will be changed to "calendar year capitalized balance paid." This field will contain the amount the borrower has paid towards the capitalized balance during the calendar year. TRA interest can be found using the calendar year interest paid field.
3. The date the loan was posted with a collection agency will be added to the end of the Masterfile. This will be the date that the placement to a collection agency was posted to the loan.

Again, the changes to the Masterfiles will not be made until December 2002. Please contact your School Relations Coordinator if you need a new masterfile layout.

Pay-By-Phone Fee to be Implemented During November

PAY-BY-PHONE FEE

In November, we will begin charging borrowers a \$2.00 fee to pay their student loan bill via telephone. This fee will be automatically input to the Payment Request Screen (PREQ) for any DataLink users who process pay-by-phone transactions.

Our Borrower Services Representatives have implemented counseling procedures to encourage borrowers who pay-by-phone to sign up for our Automatic Direct Draft (ADD) service. In some cases, we may waive the pay-by-phone fee for borrowers who sign up for ADD.

If you have any questions, please contact your Customer Service Representative.

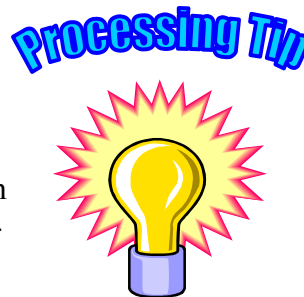
Processing Tip

PROCESSING TIP

Here is another timely tip to help you in processing loans online through Datalink.

SIH Connection Processing Tip

Customers using our online system might want to use the **Borrower Remark** or **Loan Remark** field to indicate that a loan is in a conditional discharge for Total and Permanent Disability. Both fields contain a 25-character free-form remark field that you may use at your discretion and can be found on the **MAIN Screen**. Many customers use these fields to add a borrower's work telephone number or e-mail address. However, if these fields are not in use, you might want to enter a remark similar to the following: LN ASSIGN TO ED/TPD/10/02



Customer Service Week

CUSTOMER SERVICE WEEK

Call Center Managers went all out the week of October 7-11, 2002 to recognize the employees in Customer Service, the Help Desk, and Borrower Services, who staff our phone lines up to 12 hours a day. These employees, who answer questions and provide loan servicing information to you and your borrowers, are often the main link

CUSTOMER SERVICE WEEK (Continued)

you have with our company. To celebrate their importance to our company's success, managers provided breakfast, lunch, snacks, and prizes for them throughout the week.

Because our customer service and experience set us apart from the other companies, we wanted to reward our dedicated Call Center employees for their efforts. Whether our staff is working with long-term customers such as **Hiwassee College**, **Roanoke College**, or **Tennessee Wesleyan College**, who are celebrating 35 years of partnership with us this quarter, or newer customers like **Alvernia College** in Pennsylvania, we always expect our staff to exceed expectations.

You can read about Ella Hallums, one of our employees who has been exceeding customer expectations for over 32 years, in this month's "Inside AMS Servicing."

CUSTOMER ANNIVERSARIES

Long-term Customers Recognized

We would like to express our appreciation to customers reaching long-term anniversaries with us during October, November, and December. Special recognition goes to **Hiwassee College**, **Roanoke College**, and **Tennessee Wesleyan College**, who as we mentioned above, have been our customers for 35 years. We also want to recognize **Mount Olive College**, **Mt. Saint Mary College**, **Niagara County Community College**, **Robert Parker Hospital**, and **Savannah State University**, for allowing us to service their loans for the past 30 years. Names of all customers attaining milestone anniversaries with us are attached. Customers celebrating anniversaries with us during the first quarter of 2003 will be listed in the January *Update*.

➤ **Attachment:** *Customer Anniversaries*

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Index

You can find previously published articles easily by consulting our online index at <http://www.amsservicing.com/Publications/Update/Index2002.asp>.

WORKSHOP UPDATE

Workshop a Hit With New and Experienced Loan Administrators

The inaugural *Student Loans 202 Workshop* was held October 3-4, 2002 in Winston-Salem, NC. Still a work in progress, the class offered some great information for the advanced student loan administrator. Attendees represented the follow-

*****ATTENTION: DATALINK CUSTOMERS*****

During each weekend in November, we will be completing hardware and software upgrades which may impact System III availability. We apologize for any inconvenience this may cause.

WORKSHOP UPDATE (Continued)

ing schools: **Columbia College, Elon University, High Point University, Mount Vernon Nazarene University, University of Maryland Baltimore County, University of North Carolina Charlotte, and University of South Carolina.**

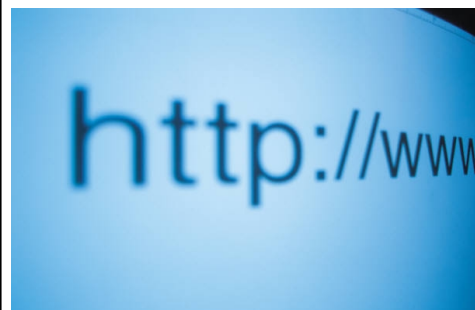
The approach for *Student Loans 202* was a bit different from the *Student Loans 101 Workshop* for the student loan novice. We showcased skilled presenters from AMS Servicing Group with between 10-28 years of experience in the student loan industry. We discussed such hot topics as Federal Regulations including Total and Permanent Disability, Forms Processing, How to Read History on WebConnect, Accounting, NSLDS, NSC, and held a collection agency discussion. Special thanks go to BJ Lee and Clay Goodyear of Williams & Fudge Accounts Receivable Management for their assistance. The attendees offered great feedback and used their own experiences in student loans to help us all get a better understanding of the duties of a student loan administrator.

Our goal is to provide training workshops that continuously enhance knowledge in this industry. *Student Loans 202* targets administrators who have worked in student loans for at least two years and is appropriate for those who are close to retirement as well. If you have been in your current position less than two years, we encourage you to attend the *Student Loans 101 Workshop* as a prerequisite. *Student Loans 202* is certain to be a hit with our more experienced customers.

Conference Schedule

Representatives from AMS Servicing Group will attend the **West Coast Student Loan Receivables/Collection Conference** sponsored by Professional Development Group (PDG). The conference will be held in Las Vegas, Nevada from November 10-13, 2002. For more information, go to the PDG Web site at www.prodev.com.

CONFERENCES



FUN FACT

Did you know that you can go to our Web site (www.amsservicing.com) and link to any of the Web sites underlined in the *Update*. That sure is easier than keying in some of the longer URLs.

FUN FACT

**CUTOFF
DATES****Cutoff Dates**

The cutoff dates for November and December are listed below.

Transaction	November 2002	December 2002
Last day to receive collection payments	11/22/02	12/23/02
Last day to receive regular payments	11/25/02	12/24/02
Last day for online payments	11/27/02	12/27/02
Date final post begins	11/29/02	12/27/02
Report date used for final post	11/30/02	12/31/02
Last day deposits created for deposit to bank account	11/27/02	12/27/02

A decorative border with a repeating pattern of stylized flowers and leaves in a dark purple color, framing the central white text area.

Fourth Quarter Customer Anniversaries for 2002

Thirty-five Years

Hiwassee College
Roanoke College
Tennessee Wesleyan College

Thirty Years

Mount Olive College
Mount Saint Mary College
Niagara County Community College
Robert Packer Hospital
Savannah State University

Twenty-five Years

Becker College
North Florida Junior College
Ohio Technical College
Rosemont College
Saint Joseph Seminary College
Sherman College of Straight Chiropractic

A decorative border with a repeating pattern of stylized flowers and leaves in a light blue color, set against a dark blue background.

Fourth Quarter Customer Anniversaries for 2002

Twenty Years
Reinhardt College
Saint Michael's College
St. Peter's College

Fifteen Years
Simmons College
Texas College

Ten Years
Springfield College
St. Louis College of Pharmacy
The Lawrenceville School
The Masters School
Young Harris College

Five Years
Webster Institute of Technology

Ella Hallums

The "All-Around" Person

Ella Hallums, Control Analyst in Customer Support, describes herself as an "all-around person" in her department. After 32 years with the company, she knows so much about the Control/Transactions area that her co-workers naturally go to her for help, and she can almost always help them.

As a Control Analyst, Ella performs critical functions for the company. Ever wonder what happens if a borrower sends in a payment without identifying a loan number? Ella takes care of that. How does our company confirm that a borrower or customer is owed a refund? Ella takes care of that, too. What happens if a borrower disputes his or her payment history? You guessed it. Ella is on top of that, too. Ella handles these duties by researching System III or microfilm files to come up with the answers. She matches up borrowers with their payments so they get proper credit, confirms borrowers or customers are due refunds, and finds out if a borrower's payment history is accurate. Her other duties include preparing Tax Offset Reports, distributing mail to her area, helping to set up borrowers on Automatic Direct Draft, and helping with deferment processing.

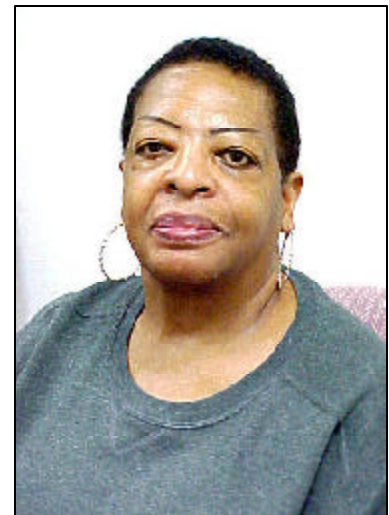
Finding out the answers to questions and confirming information is both the most challenging aspect and the most rewarding part of her job. She says, "I love researching something other people are having trouble finding." Through diligent efforts, she finds answers every time. In addition to the personal satisfaction she gets from her "detective work," Ella also wants to provide good customer service. "If I don't do a good job, the problem will just come back to me. If I keep it running smooth, everyone benefits."

Ella came to the company in 1970, working in the Data Processing department. When she progressed to the Control area, she knew that she had found her niche. A graduate of Winston-Salem State University, she had taught school for several years, but was attracted to the banking business because she loved "numbers." The opportunity to work in Control fulfilled her dream of working in the financial industry. She has stayed with our company because of the relationships she has with other long-term employees and the bonds she has with newer employees. Working here has allowed her to meet many people over the years and learn more about different lifestyles through them.

One of the long-term employees she admires greatly is

Ella Hallums:

"If I don't do a good job, the problem will just come back to me. If I keep it running smooth, everyone benefits."



Charles Parker, Director of Customer Support. Charles has been here even longer than Ella has, and she knows she can go to him on the rare occasion when she is stumped. "He always helps when I can't figure out something. I can sit down with him and talk about it."

Beyond perseverance, Ella has another attribute that sets her apart from most employees. She has had perfect attendance since 1999 when she was out due to surgery. That statistic is impressive in itself, but prior to 1999, she had achieved perfect attendance since 1970! When asked how she maintains her long record of perfect attendance, Ella simply says, "I just keep getting up to go to work. I don't want to stay out for a minor reason."

In the next few years, she will be planning her retirement when she can do the things she enjoys most--spending time with her daughter, sewing, and reading. Ella is a voracious reader and reads everything she gets her hands on. Sometimes, she relates with a smile, she does not go to the bookstore in order to avoid overspending on books. She also enjoys all types of music and finds peace in solitude and her religious faith. Until her retirement, we can count on two things—Ella will be at work everyday, and she will make customers, borrowers, and co-workers happy by finding those missing pieces of information.