

SLGFA E-Updates

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E-UPDATES is an electronic newsletter sponsored and operated by the Student Loan Guarantee Foundation of Arkansas (SLGFA) to provide program information to schools and lenders participating in the Federal Family Education Loan Program (FFELP).

IN THIS ISSUE:

1. **Reminder: PLUS MPN Now Mandatory**

SLGFA would like to remind our clients that as of July 1, 2004, all FFELP participants must utilize the PLUS Master Promissory Note (MPN). Guidance previously provided in Dear Colleague Letter (DCL) GEN-03-03 made the use of the PLUS MPN optional after July 1, 2003, but mandatory effective July 1, 2004. Additional information about the PLUS MPN can be read by clicking on the provided link:

<http://www.slgfa.org/slgfa/pubs/mpn/PLUSMPNReminder.asp>

2. **Lender OpenNet Allows Web Access to Borrower Information**

Lenders and lender servicers can now access borrower information via the web through the OpenNet product. For more information about this tool, click on the following link:

<http://www.slgfa.org/slgfa/pubs/other/lenderopenNet.asp>

3. **IFAP Reports Student Financial Aid Scam**

The Information for Financial Aid Professionals (IFAP) posted a letter July 13, 2004, on their web site to inform the financial aid community about someone who is impersonating a U. S. Department of Education official and is offering students grants for a processing fee. For further information about this student financial aid scam, click on the provided link:

<http://www.slgfa.org/slgfa/pubs/updates/IFAPFraudReport.asp>

4. **New Student Loan Historical Interest Rate Charts Available**

Record low student loan interest rates were reported in the [June 11, 2004, E-Updates edition](#), and historical student loan interest rate charts are now available from SLGFA's Web site. To review or download the charts, go to the provided link:

http://www.slgfa.org/slgfa/download/ffelp_forms/interestrate.asp

5. **Second Quarter Special Allowance Rates Are Available**

The Treasury Department has published the average of the bond equivalent rates of the 91-day Treasury bills auctioned during the quarter ending **June 30, 2004**, as **1.12 percent**. The average of the bond equivalent rates of the quotes of the 3-month commercial paper rates in effect for the quarter ending **June 30, 2004**, is **1.23 percent**. For more information, please click on the provided link:

http://www.slgfa.org/slgfa/pubs/special_rates/2004-2ndQtr.asp

6. **ECM 2004 Update Ready for Download from SLGFA Web site**

The *Common Manual* Governing Board has released the 2004 annual update of the *Electronic Common Manual: Unified Student Loan Policy*. This year's update reflects federal regulations and guarantor policies in effect as of July 1, 2004. The annual update has been enhanced to provide additional resources and information that users will find helpful in their administration of loans under the FFELP. To read more about the ECM 2004 update, click on the following link:

<http://www.slgfa.org/slgfa/pubs/CommonManual/E-CommonManual2004.asp>

7. **Common Manual Training Brief**

The *Common Manual* Policy Committee has released *Common Manual Training Brief #13*. The training brief covers the *Governing Board Structure: Why Draft a Proposal?* It describes the content of the policy proposal, the vehicle for developing text changes for the Common Manual. More information about Training Brief #13 can be read by clicking on the provided link:

<http://www.slgfa.org/slgfa/pubs/CommonManual/TrainBrief13.asp>

8. ASLA Changed Leadership on July 1

Passion for higher education and helping students achieve the dream of attaining a college degree is the legacy he imprinted into the Arkansas Student Loan Authority (ASLA). R. Preston Woodruff, Jr., president and chief executive officer for ASLA, retired on June 30, 2004. His legacy can best be summed up in his own words, which have anchored themselves within ASLA's staff over the past 25 years, "It's about the kids." To read more about Preston Woodruff's contribution to the financial aid community, click on the following link: <http://www.slgfa.org/slgfa/pubs/updates/PrestonWoodruff.asp>

9. Federal Reserve Amends FACT Act: Adds Negative Information Disclosure Model

The Federal Reserve Board issued amendments to Regulation V, which implements the Fair Credit Reporting Act, on Tuesday, June 8, 2004. The revisions add model notices that financial institutions may use to comply with the notice requirement relating to furnishing negative information contained in section 217 of the Fair and Accurate Credit Transactions Act of 2003 (FACT Act). To read more information about the recently proposed rules and regulations under the FACT Act, click on the following link:

<http://www.slgfa.org/slgfa/pubs/updates/FACTActAmend.asp>

10. E-Legislation

Five new education Bills were introduced in the House and Senate in May 2004, and the House Education and the Workforce Committee Subcommittee on Education Reform held a hearing on H.R. 4496, the "Vocational and Technical Education for the Future Act," on Tuesday, June 15, 2004. Click on the provided link to review the introduced Bills and access to the Subcommittee hearings:

<http://www.slgfa.org/slgfa/pubs/updates/E-Legislation/E-Legislation06-25-04.asp>

11. Mortarboard FYI

Financial aid professionals and parent borrowers can now access SLGFA's **new Federal Family Education Loan Programs (FFELP) PLUS brochure** online as a PDF document. [Schools](#) and [Lenders](#) will be able to access the new brochure from their respective web pages. To download the PLUS brochure, please click on the provided link: <http://www.slgfa.org/slgfa/lenders/FFELP-PLUSBroWeb.pdf>

Disclaimers: <http://www.slgfa.org/slgfa/e-updates/f-print.asp>.

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