

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. Compliance Corner: Deactivated Lenders

If a borrower chooses a lender that no longer participates in the Federal Family Education Loan Program and has been deactivated on the SLGFA guarantor system, must the borrower choose a new lender? Click on the following link for the response to this question:

<http://www.slgfa.org/slqfa/pubs/updates/compliancecorner/CC041808.asp>

2. Clarification of April 4, 2008 Compliance Corner

In the April 4, 2008 edition of E-Updates, SLGFA published a question and answer in the [Compliance Corner](#) regarding the Department's interpretation of the meaning of the phrase "three lenders not affiliated with each other." This guidance was based on information published in the NASFAA *Today's News* dated April 1, 2008.

SLGFA has since learned that NASFAA wrote a letter to the U.S. Department of Education seeking further clarification. According to an article published April 15, 2008 in *Today's News*, NASFAA President and CEO Dr. Philip Day writes, "... the current interpretation of the regulations appears to contradict the discussion of preferred lender lists during negotiated rulemaking last year"

SLGFA apologizes for any confusion this guidance may have caused. We will continue to monitor the development on this issue and provide updates as they become available.

3. March Loan Volume Report Posted

The March 2008 Lender Loan Volume Report is available on SLGFA's website. Click on the provided link to access loan volume reports: <http://www.slgfa.org/slqfa/LVReports/LLVR.asp>

4. Common Manual Revisions

The *Common Manual* Governing Board approved the most recent revisions, eight proposals from Batch 148, to the *Common Manual* on March 20, 2008. Each is currently available. More information about these revisions to the *Common Manual* can be found by clicking the following link:

<http://www.slgfa.org/slqfa/pubs/cm-revisions/Marchrevisions/Mar2008/Batch148.asp>

5. Department of Education Releases Special Allowance Rates

The Department of Education has released the special allowance rates for the quarter ending March 31, 2008. The average of the bond equivalent rates of the 91-day Treasury bills auctioned during the quarter is 2.10 percent. The average of the bond equivalent rates of the quotes of the 3-month financial rates in effect for each of the days in that same quarter is 3.24 percent. For more details on these rates, please click on the following link: <http://ifap.ed.gov/ffelspeccrates/040408SAPmemoNEW.html>

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

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