



March 10, 2006

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OGSLP Plan for Deficit Reduction Act Implementation

Are you curious about changes to the loan programs stemming from the Deficit Reduction Act signed into law on February 8, 2006? Well, rest assured that the FFELP community is working together with the Department of Education to determine how best to implement changes from the legislation. We are actively involved in this process and have developed a plan to keep you informed as events progress. [>>Click here to read more on OGSLP's plan.](#)

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Mark Your Calendars for OGSLP's Annual Conference

In addition to our Deficit Reduction Act training, please plan to attend our annual conference on Thursday, June 1! OGSLP is planning an educational and fun day for you.

[Product Update Nelnet's Dynamic Forms Solution](#)

Early Assistance can HELP

OGSLP launched its Early Assistance program almost one year ago. We are one of a small number of guarantors who supplement default prevention requirements with a proactive, early assistance initiative designed to encourage borrowers' successful transition into the repayment phase of borrowing. [>>Click here to read more on Early Assistance.](#)

[ARCHIVES]

Update on Federal Stafford and PLUS Master Promissory Notes (MPNs)

Don't throw away your current MPN forms! The FFELP community is seeking a two-year extension of the current Stafford and PLUS MPNs. [>>Click here to read more on MPNs.](#)

Save These Important Dates!

- April 18 - Deficit Reduction Act Training in Tulsa area
- April 20 - Deficit Reduction Act Training in OKC area
- June 1 - OGSLP Annual Conference

OGSLP Online News is sponsored and operated by the Oklahoma Guaranteed Student Loan Program, a division of the Oklahoma State Regents for Higher Education. OGSLP Online News provides information to schools and lenders participating in the Federal Family Education Loan (FFEL) Program. For more information contact us at 405-234-4440 (OKC), 800-247-0420, fax 405-234-4390, e-mail gslcommunications@ogslp.org, or send mail to P.O. Box 3000 Oklahoma City, OK 73101-3000. E-mail newsletters are sent to members of the OGSLP school and lender network. To unsubscribe or change your mailing preferences, [click here](#) and follow the directions at the bottom of the page. Copyright 2003-2008. [Disclaimer](#).



03/10/2006

Common Manual News

The Common Manual Governing Board recently approved changes that modified policies contained in the July 2005 version of the Common Manual. These changes are identified in OGSLP's Common Manual Update, CM-97. These revisions will soon be included in the integrated version of the Common Manual. The integrated version gives you the most up-to-date policy information available. You can view the entire Common Manual including the monthly changes made since the July 2005 print date.



03/10/2006

NSLDS News

Enrollment Reporting Alert

To insure your borrowers are not being placed into repayment early, and to avoid having lenders contact you for updated enrollment information, OGSLP would like to offer the following tip. When updating a student's enrollment status, remember to update the enrollment status **date** as well. If the status date is not updated the old status will be used, which will result in premature separation (from school) dates being used by lenders to service the loans.

For additional information on enrollment reporting, click here to view the [NSLDS Enrollment Guide](#) or you may contact NSLDS Customer Service at 800.999.8219 or by email at NSLDS@pearson.com. You may also contact OGSLP's NSLDS Supervisor, Mary Heid, at 405.225.9489 or by email at mheid@osrhe.edu.

NSLDS Newsletter #11

Don't miss the [February edition of the NSLDS newsletter](#). Below are a couple of the topics included in this edition.

- Consolidation Loans and Aggregate Calculations – As of January 2006, NSLDS does not use unallocated amounts when calculating aggregate subsidized, unsubsidized, and combined outstanding principal balances. (NSLDS will continue to report unallocated amounts on web pages and ISIRs.) Additionally, financial aid administrators (FAAs) are not required to investigate whether an unallocated amount might impact a student's eligibility for additional aid. This change to the FAA requirement is effective immediately.
- Organization Contacts list on NSLDSFAP.ED.GOV – The Department reminds users to update their organizations contact information located on the Org tab under the Org Contact List link.

Student Aid Internet Gateway (SAIG)

The Department of Education is going through a process of tightening its security for the Student Aid Internet Gateway (SAIG) and NSLDS. This process was explained in a [February electronic announcement](#)

In February, a Destination Point Administrator (DPA) Roster arrived in school's mailboxes to assist in the managing of TG numbers and staff's access to Federal Student Aid secure data systems. A second report, Financial Aid Administrator (FAA) Roster, is scheduled to arrive in school's mailboxes during the week of March 5. Please read the February 1, 2006 electronic announcement for more information on these reports.



03/10/2006

Do You Know the Answer?

If a school changes its disbursement method from paper check to EFT, does the school need to send a notification to the student (or parent) when funds have been credited to the student's account for tuition, fees, and room and board? Or, does the Notice of Loan Guarantee (NOG) provided by the guarantee agency suffice?

Yes. If the school credits the student's account after receiving an EFT disbursement, they are also required to notify the student or parent borrower of the credit no earlier than 30 days before and no later than 30 days after the date the school credits the student's account with loan proceeds. The notification must contain several required statements, including advising the student or parent borrower that he or she may cancel all or a portion of the loan or loan disbursement. For the complete list of required statements, see the Common Manual section referenced below. (For schools that receive their loan proceeds via paper or master check, the Notice of Loan Guarantee (NOGs) sent by the guarantee agency satisfies this notification requirement.)

Source: Common Manual - Chapter 8 – 8.2.B and Federal Student Aid Handbook 2005-06, Volume 4, Chapter 2, page 4-13.

Scholarship Opportunities

Nelnet - National Scholarship Sweepstakes

Sweepstakes: September 2, 2005 through March 31, 2006

Nelnet College Planning is awarding \$31,000 in scholarships! High school seniors can register for a chance to win a \$1,000 scholarship. One winner is chosen every week from Sept. 2, 2005 - March 31, 2006.

To enter the sweepstakes, participants must be a high school senior, a registered member of Nelnet College Planning, and planning to enroll in college for the 2006-2007 school year. Entries will be accepted between September 2, 2005 and March 31, 2006. All winners will be notified by e-mail and U.S. mail. Scholarship checks will be made co-payable to the winner's school and mailed to the school in August 2006.

Additional scholarship opportunities are available as well as a free scholarship search service. Information can be found at www.nelnet.net/collegeplanning.

Bank of Oklahoma Scholarship

Application Deadline: March 30, 2006

Bank of Oklahoma will award a \$1,000 scholarship to 10 Oklahoma high school seniors in the graduating class of 2006. This scholarship can be used at any approved college or university in the state of Oklahoma. Consideration is given to those students with a minimum grade point average (GPA) of 3.0 AND minimum ACT/SAT test scores of 20/930. Scholarship winners will be selected at random from a pool of qualified applicants. The application deadline is March 31, 2006.

Additional information including the scholarship application can be found at www.bok.com/personal/student.

EFSI - National Scholarship Sweepstakes

Sweepstakes: January 1, 2006 through July 31, 2006

As a member of the Brazos Group of Companies, the leading not-for-profit student loan holder in the country, EFSI is proud to award \$50,000 in scholarships to help students pay for their first year college expenses. The \$50K Giveaway awards 10 scholarships for \$5,000 each. It's free to enter, there's no essay to complete and eligibility is not based on GPA, major or financial need.

The scholarship sweepstakes is open to first year students who are attending an accredited college or trade school. Entries will be accepted starting January 1, 2006 and will close on July 31, 2006. Winners will be selected on or about August 5, 2006. Scholarship proceeds will be sent directly to the school of attendance to be credited to the student's account.

Only one entry per person will be accepted. Duplicate entries will be discarded. No purchase or order necessary to enter or win. Official sweepstakes rules and eligibility requirements can be found at www.efsi.net.

Oklahoma Money Matters (OKMM) - AmeriCorps Education Award Program

Through a federal partnership with AmeriCorps, OKMM offers an Education Award program. Members who successfully complete a term of service teaching fellow Oklahomans about personal finance, consumer credit and student financial aid are eligible to receive a \$1,000 Education Award voucher from the National Service Trust to pay college expenses, such as tuition, room and board, and repayment of student loans.

New OKMM AmeriCorps members are enrolled in January, June, and September each year. To join the program applicants must contact a participating field site; currently, there are 13 field sites in central, eastern, and western Oklahoma. Participants must be at least 17 years old and hold a high school diploma or GED. All applicants are subject to an OSBI criminal history and background check. For more information about the OKMM AmeriCorps program or to discuss adding your organization as a field site, call 405-234-4457 or 1-800-970-OKMM, or visit www.oklahomamoneymatters.org.

Grants & Scholarships Administered by the Oklahoma State Regents for Higher Education

There are many grant and scholarship programs that are administered by the Oklahoma State Regents for Higher Education. A list of available programs is available at www.okhighered.org/student-center/financial-aid/grants.shtml or you can call 800.858.1840.

Are you Aware of Scholarship Opportunities?

If you are aware of scholarship opportunities that should be promoted in the Oklahoma financial aid community, please contact Pam Hicks at phicks@ogslp.org or 405.234.4452.



03/10/2006

Product Update - Nelnet's Dynamic Forms

Nelnet has experienced consultants who can meet with university executive officers and map out current and optimal business processes, and then call on internal and partner resources to help transition from existing to preferred business processes. In doing so, Nelnet can help schools do more with the same amount of resources, and generally improve the higher education experience outside of the classroom for both students and families. One example of this is Nelnet's Dynamic Forms solution.

Dynamic Forms

At Nelnet, our objective is rather simple; provide continuous value to campuses and their students, particularly through innovative means. Our latest offering, Dynamic Forms, accomplishes this objective in a variety of ways:

- Eliminates the need for paper-based forms and PDF files
- Solves the SIS data integration issue
- Incorporates electronic signature
- Substantially reduces postage and returned mail costs
- Dramatically improves overall campus-based ROI

When you consider the time, materials, and rework associated with paper or non-interactive electronic forms, it's easy to see how Nelnet Dynamic Forms will positively impact your bottom line.

Nelnet Dynamic Forms provides an easy and inexpensive way to make your important forms interactive, and publish them to an internet environment. A product that's simple and easy for you and your students to use, yet powerful, secure, and built on state-of-the-art technology.

Please complete this [form](#) if you'd like additional information.



03/10/2006

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An NCHelp matrix has been developed and continues to circulate among industry associations for review. This matrix includes a listing of the impact items, suggested triggering events and identification of potential forms and system impacts. Once it is finalized, we will post the matrix to our site.

A set of triggering events for the changes has also been transmitted to the Department of Education. With input from the community, the Department is working on a Deficit Reduction Act Dear Colleague letter for community use. We expect this to be released in the next few weeks.

As we wait on Department guidance, OGSLP has created the attached "Deficit Reduction Act (DRA) Impact Summary." This summary will be located on our Web site in addition to a listing of Q & A's as they develop. If you have questions you'd like us to add, please contact the [Policy Implementation, Training and Communications division](#) at 405.234.4440. Once official guidance is received, we will share responses to all the questions.

Training

Ultimately, we plan to provide Deficit Reduction Act Training in two locations, OKC and Tulsa. The tentative dates for our training will be April 18th (Tulsa area) and April 20th (OKC). By that time, we'll have more definitive guidance from the Department. More information and session registration will be available in the near future. In the interim, we realize how eager clients are to receive this type of information and hope that this initial information and Q & A listing is helpful.

Attachment

[OGSLP DRA Impact Summary \(PDF\)](#)



03/10/2006

Early Assistance can HELP

OGSLP launched its Early Assistance program almost one year ago. We are one of a small number of guarantors who supplement default prevention requirements with a proactive, early assistance initiative designed to encourage borrowers' successful transition into the repayment phase of borrowing. Research indicates that this interim contact is helpful to the borrowers and contributes toward a reduction in delinquencies and defaults. Lenders help us identify students who are near the start of repayment and OGSLP in turn, contacts those borrowers to educate and assist them in understanding their repayment options and supply them important lender/servicer contact information.

Our Default Prevention department is also offering cohort rate analysis information for schools who wish to strategically focus their default prevention efforts toward their students who appear most at risk for defaulting. "We recently performed analysis on the latest published cohort default accounts using the entire cross section of schools who utilize our guarantee. We discovered some interesting results," said Wayne Sparks, OGSLP's Default Prevention and Early Assistance manager. This analysis indicates that students who default on their loans are likely to be one or more of the following:

- **Withdrawn early**, 89.3%
- In their **freshman** year, 81.3%
- Defaulted within **12-14 months** after their repayment began, 82.1%

Check out what Carl Albert State College had to say about this service, "The analysis provided by OGSLP's Default Prevention department on our cohort default data indicated that we need to focus more on freshmen borrowers and borrowers that are withdrawing. Therefore, we have added a more informative loan session during freshmen orientation explaining to students that loans must be repaid and also presenting the different repayment options. Currently, we are working to provide campus wide compliance by implementing a more effective withdraw counseling routine that adequately provides information about the borrower's responsibilities. The analysis information has been very beneficial and I appreciate the time and effort that Wayne and his staff have given us," said Robin Benson, Carl Albert State College Financial Aid Director.

Knowing that we have to educate borrowers earlier in the student loan process, the Early Assistance department is mailing postcards to borrowers who are nearing repayment. Sending the postcards prior to the borrower entering repayment, allows for better borrower education using our "We Can Help!" philosophy.

If we can be of assistance with any of our Early Assistance & Default Prevention initiatives including help with freshman orientation, entrance or exit counseling, cohort analysis, installation of default prevention school tool or default prevention training for your staff, please contact Wayne Sparks by email at wsparks@ogslp.org or at 405.234.4358.



03/10/2006

Update on Federal Stafford and PLUS Master Promissory Notes (MPNs)

Don't throw away your current MPN forms! The FFELP community is seeking a two-year extension of the current Stafford and PLUS MPNs. However, the Department of Education has advised that an addendum must be used with the existing promissory notes to accommodate the changes that were authorized in the Deficit Reduction Act (DRA). Use of this addendum will keep students and schools from experiencing a disruption of service. One addendum will be applicable for all three programs: Federal Stafford, PLUS and Consolidation. The addendum is currently being reviewed by the Department of Education for approval. Once it is finalized, we will announce its availability.

Also, the FFELP community is modifying the Plain Language Disclosure to incorporate the DRA changes. When this disclosure has been approved, we will notify our customers.

Upcoming Changes Regarding Four-Ply MPNs

Additionally, OGSLP will begin using laser-printed Master Promissory Notes (MPNs) for our in-house printing and discontinue the use of the four-ply impact (continuous feed) MPNs. This transition to laser MPN forms is scheduled for late March. OGSLP will continue to include the customized school inserts with the laser MPNs.

Until further notice, customers may continue to order the four-ply impact-printed forms from [OGSLP's Customer Service department](#). OGSLP will continue to update customers as new information is available.