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**Student Assistance Foundation: Contract to Service Federally Owned Student Loans
Delayed**

Student Assistance Foundation's subsidiary, Tru Student, Inc., received word last week that its July 2012 "go live" date to begin servicing federally held student loans at its Helena-based facility has been delayed.

"We will continue to work closely with U.S. Department of Education staff on this project," said Jim Stipcich, president/chief executive officer of SAF and Tru Student. "We plan to use the time before our revised go live date to fine tune our efforts and continue to develop our other product lines."

According to Stipcich, Tru Student has hired and trained more than 30 employees in recent weeks in order to prepare for the additional work the contract with the U.S. Department of Education was expected to deliver to its loan portfolio.

"We are excited to have these people on board and anticipate using the upcoming months to continue to prepare our people to deliver the best service possible to borrowers from across the nation," he said. "However, given the change in our timeline, we will be slowing our recruitment efforts in the community for the time being."

Stipcich added that the student lending industry is complex and constantly changing — it was a significant shift in the industry in 2010 that prompted SAF to establish Tru Student and begin pursuing a student loan servicing contract with the federal government in the first place. At that time, Congress discontinued the origination of student loans through the Federal Family Education Loan (FFEL) program.

"I view this as an opportunity for us to take advantage of this time in a positive manner and become an even stronger organization in the long run," he said. "We will be ready to proceed with the servicing of federally held loans at the earliest possible date the Department of Education can provide to us."

SAF continues to service a \$3.2 billion loan portfolio for approximately 134,000 borrowers nationally. Since 2000, SAF has delivered \$25 million to Montana citizens through its public benefit programs including Acce\$\$ Grants, Circle of Succe\$\$ Scholarships, campus and community outreach, College Goal Montana, and "A Step Ahead" College Prep Camp for Montana foster care youths.

Tru Student is in the process of implementing a contract with the U.S. Department of Education and has yet to execute a formal contract. The content of this publication does not necessarily reflect the views or policies of the U.S.

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