

Consolidation deadline passes

Loans subject to new, higher rates

BY WILLIAM SCHWARZER
STAFF WRITER

The window for students to save some money on their college loans has been shut.

On June 30, students had their last opportunity to consolidate their college loans before interest rates went up almost 2 percentage points.

Many students raced to beat the deadline during the last days of the offer.

"A lot of students waited until the last minute," said Tracy Olson, the student loan sales manager at Stafford Federal Student Loans.

"Friday, we were open till midnight to help those students until the official deadline."

Stafford provides both subsidized and unsubsidized loans to college students at interest rates that are determined at the beginning of each fiscal year and remain constant throughout the school year.

By federal law, interest rates on Stafford loans for undergraduate and graduate students cannot be higher than 8.25 percent.

Consolidation typically lowers the interest rate on loans. This year, given the country's rising interest rates, lenders encouraged most students to consolidate before new rates of higher than 7 percent for graduates — and 6.5 percent for students still in school — kicked in on existing loans.

The increase in rates on student loans marks the largest hike in more than five years.

And basic undergraduate economics classes are not always helping students wade through the changes to their loans.

"Our phone calls have almost doubled, if not tripled," Olson said.

"With all of our outreach and

customer service handling our overflow, it's probably quite a bit higher."

For some students, however, consolidation wasn't necessarily an option.

Unlike most loans, which can be refinanced many times, student loans only can be consolidated once — leaving some in the UNC system angry about looming interest-rate hikes.

"I'm pissed about having to pay so much money to get an education for a degree I'm not even going to use until I go to grad school," said Sara Gallagher a rising senior who is double majoring in political science and Slavic languages and literature at UNC-Chapel Hill.

"College is already enough to pay for — why do we have to spend more money on it?"

But future rate increases might not be as bad as many expected.

Federal reports showing an economic slowdown in some sectors of the economy, such as manufacturing, might convince the Federal Reserve to pull the plug on its recent spate of interest-rate hikes — and, in turn, keep interest rates low on currently existing loans.

Students with new federal loans aren't subjected to the whims of the market, as Congress has set a fixed rate for such loans.

Also driving an interest in consolidation was a new law that ends a requirement that students consolidate their loans with the lender they originally borrowed their money from.

Olson said that it was this change that drove the volume of interest in consolidation, rather than just the threat of interest rates increasing.

"Congress eliminated that two weeks ago," Olson said.

"So now we can choose anyone they wanted."

Contact the State & National Editor at stntdesk@unc.edu.

Schools name bus driver of the year

Driver shows dedication, love of job

BY GRAY CALDWELL
CITY EDITOR

Wanda Bain's first bus driver left quite an impression on her.

"She was a lady that was driving for 20 years from the neighborhood," Bain said.

In high school, Bain served as the bus monitor quite a bit, and her father, Albert Clayton, was chosen as a rookie bus driver of the year for Orange County Schools.

All of those factors led Bain to start driving buses, and on Saturday, Bain received the honor of being named Orange County Schools' bus driver of the year.

"I was very excited, very honored that they would think enough of me to choose me for it," Bain said.

After three years of perfect attendance — save for three days when she and her daughters caught the flu — it's not much of a surprise that Bain came home with the award.

"She's always been very dedicated, working each and every day possible," said Robert Miller, transportation director for Orange County Schools. "She runs a real good bus."

Bain said she loves being a driver because "you get to meet a lot of nice kids." One of the best parts of the job, she added, is how you can

get so attached to them.

"When you see them out, they've got jobs, starting out life," she said. "It's really good to see them because they remember you."

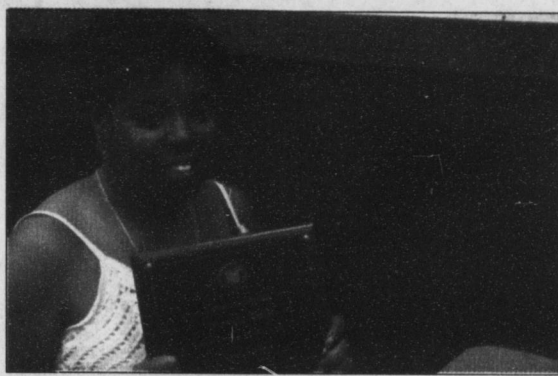
Bain said connecting with riders and parents is not only emotionally rewarding — she also gets flowers, candy and thank-you notes.

Bain was born and raised in Hillsborough. She is married and has two children in Orange County Schools whom she has driven to and from school every day.

"I spend a lot of time with them and meet a lot of their friends and hear a lot of what's going on," she said.

Bain said she never had any discipline problems on her bus — which served routes for New Hope Elementary School, C.W. Stanford Middle School, Orange High School and Cameron Park Elementary School — and Miller said it is because of Bain's personality.

"She keeps the kids in line good, and I think she does it with her pleasant attitude," Miller said. "That's just the kind of person she is."



DTH/SELKEL GUZMAN
Wanda Bain is interviewed in Hillsborough. Bain has been making sure Orange County's children get to and from school safely for seven years.

Bain drove routes that had both middle and high school students last year — something that will not happen in county schools now because of new, standardized start and end times in schools.

Bain said her favorite story in her years of driving was when a man on a John Deere tractor blocked her bus on a dirt road.

"He said, 'Stop coming through

on the bus, because there's too much dust.' That's about the best one I've had," Bain said with a laugh.

Bus driver Michael Sisolak said he was happy Bain won the award.

"She takes pride in her job," Sisolak said. "Everybody likes her as a person."

Contact the City Editor at citydesk@unc.edu.

BUDGET

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financial aid.

"We invest billions in education," Hagan said. "A strong, educated work force is what is going to improve our economy."

As of press time, a vote on the budget was scheduled for Wednesday in the Senate.

The assembly has until Friday to pass either a full budget or a continuing resolution to prevent the government from shutting down.

Such a problem was recently seen in New Jersey, where the state government was unable to pass a budget earlier this month and was forced to close all nonessential government entities.

But with the process flowing as smoothly as it appears to be, it seems unlikely that the General Assembly will do the same.

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UNC STUFF

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"they always sell very well and are inexpensive for students."

Some items stand out on the roster of UNC memorabilia not for their quirkiness, but for their price.

Last fall, Student Stores sold women's tracksuits for more than \$100.

And Chip and Pepper, a California-based company famous for its high-quality jeans, has started a line of college T-shirts for men and women that start at around \$60. UNC, Duke and other universities' logos are printed on ultra-soft shirts and are distressed to give a vintage look.

Uniquities, an up-scale boutique located at 452 W. Franklin St., carries the UNC and Duke Chip and Pepper shirts.

"They're extremely weathered, so they're super-soft and broken in," said Paige Gunther, a UNC junior who works at the store.

"The Duke shirts sold just as quickly as the UNC ones. I knew they were going to be gone quickly, so I bought one as soon as they came in."

Uniquities sold out of the shirts, but Gunther said they will become available again in the fall.

"They're expensive, but people will pay for something that looks cool and is very comfortable, especially something that they can wear often," she said.

"I've gotten more compliments on that shirt than any other shirt I wear."

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EASTHOM

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handled each situation well.

"When I approach a vote when I think I'm going to go down, I try my best to articulate my position as clearly as possible and make it understood that I am standing up for principles that direct my leadership style, and I think that she has done that really well," Kleinschmidt said.

He said Easthom has demonstrated an ability to "articulate what her position is, understand the political realities, continue to educate and keep the door open for changes in the future."

Easthom said her political role on the council is a work in progress.

"I may have differing opinions from the rest of the council, but you know, I'm new. Maybe it's a good thing."

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PRIORITIES

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Faculty also received a 6 percent wage increase, with a \$5 million pot given to system leaders to divide among the campuses to aid in faculty retention.

The proposal — which benefited significantly from North Carolina's nearly \$2 billion budget surplus — is slated to be approved today by legislators in a final vote.

Now it will be the work of each system campus to work toward creating its own list of priorities for chancellors to present each year.

Nelson Schwab, chairman of the UNC-CH Board of Trustees, said staff at Chapel Hill already complete such a list in the form of a five-year academic plan and a financial plan.

"When the chancellor goes into a meeting with the other chancellors, he has those documents that give him the priorities," Schwab said.

UNC-Charlotte Chancellor Philip Dubois said that though he was pleased with the process of making a systemwide list, it could be improved.

"There was a high consensus around the first three or four, and it kind of dribbled off from there," he said. "I think we did the best we could."

But James Ammons, chancellor at N.C. Central University, said the value of the list wasn't entirely tied to its content.

"In the end," he said, "the 16 of us coming together to agree upon a set of priorities was the real value in this process."

Contact the State & National Editor at stntdesk@unc.edu.

LAST FRIDAY

FROM PAGE 3

or 1999, Delconte couldn't say for sure.

"From the beginning, it's something that people really wanted to happen," said Jane Bomberg, an artist in the co-op. "And it's gotten bigger."

After securing some grant money, they took the fair outside, putting musicians on the lawn in front of the courthouse.

Last Fridays expanded into the winter months two years ago as Winter Fridays, primarily consisting of indoor activities.

Flicker's Chapel Hill incarnation began in 1994 when Norwood Cheek, inspired by a Flicker Film Festival he attended in Athens, Ga., organized a film festival of local works at Franklin Street music venue Local 506.

Flicker now frequently shows films at the Cat's Cradle, at 300 E. Main St. in Carrboro, and has branches nationwide.

Contact the Features Editor at features@unc.edu.

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- 22 SA STEEP CANYON RANGERS**
- 24 MO JOSH RITTER** (\$10)
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- 29 SA IRIS DEMENT** (\$25/\$28)
- 30 SU COSMIC CHARLIE

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- 6 SU THE EELS** (\$15)
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- 22 TU TRACHTENBERG FAMILY SLIDESHOW PLAYERS** (\$12)
- 27 SU SMOKING POPES w/ Criteria** (\$10/\$12)

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- 25 MO ELECTRIC 6**

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THE Daily Crossword Edited by Wayne Robert Williams

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49 Online newsgroup
50 Tristan's love
54 Actress Verdugo
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58 Nastase of tennis
60 Erato or Clio
61 Oklahoma city
63 Lah-di-
65 Half a fly?

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