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## FEDERAL UPDATES

### Second Neg Reg Session Starts

The second session of the 2002 Negotiated Rulemaking (Neg Reg) process is currently underway. This session is scheduled from March 4-8, 2002. See *Shoptalk Online*, Edition 137, for additional information on the process of Neg Reg, the participants, and this year’s two Neg Reg teams.

#### Previous Session

The first session, which was held from January 14-18, established the organizational protocols to be used and the issues to be decided in this year’s Neg Reg. The protocols and final agendas for Team I (Student Loan Issues) and Team II (Program and Other Issues) are posted on ED’s Neg Reg web site, located at [www.ed.gov/offices/OPE/rulemaking/index2002.html](http://www.ed.gov/offices/OPE/rulemaking/index2002.html).

#### Draft Language

ED has also released draft language that it has written for some of the issues currently being discussed. Neg Reg participants (ED and other non-Federal negotiators) will start with this draft language to develop proposed language that will be sent out for public comment (see below).

The draft language, separated into four documents, is available on the National Association of Student Financial Aid Administrators (NASFAA) web site at [www.nasfaa.org/publications/2002/nrnonquickfix022602.html](http://www.nasfaa.org/publications/2002/nrnonquickfix022602.html). ED released the documents in advance of the March 4-8 session. The documents contain draft regulatory language for rules governing specifically the Perkins, FFELP, and Direct Loan Programs.

### Final Session

The third and final Neg Reg session will occur from April 22-26. After Neg Reg is concluded, ED will release proposed regulatory language in the *Federal Register* in a Notice of Proposed Rulemaking (NPRM). The public will have a designated comment period to submit comments and suggested changes to ED. Once that period is over, ED will consider the suggestions, incorporate or reject them, and publish Final Rules.

### Your Participation

TG strongly encourages its customers to stay tuned as the Neg Reg process continues. TG will be closely monitoring the process with an observer at each session. (Neal Combs, TG's Senior Vice President, Chief Operating Officer, and General Counsel, is a negotiator on Team II.)

TG also welcomes input from its customers on the draft language posted by ED and encourages you to submit comments to Vickie Tanner, TG Assistant Vice President of Customer Services, at (800) 252-9743, ext. 4526 or to send an e-mail message to [vickie.tanner@tgsllc.org](mailto:vickie.tanner@tgsllc.org).

## Closed School Corner

NEWLY REPORTED CLOSURES				
OPE ID#	SCHOOL NAME	SCHOOL ADDRESS	UNOFFICIAL CLOSURE DATE	ED'S OFFICIAL CLOSURE DATE
02360100	Professional Career College	1401 N. Central Expressway Richardson, TX 75080-4410	2/18/2002	N/A
00958900	Fern's Beauty College	4135 W. Broadway Minneapolis, MN 55422	N/A	5/31/1988
01015400	National College of Technology	4141 Highline Blvd. #100 Oklahoma City, OK 73108	N/A	2/17/1989
01024500	Commercial College	2640 Youree Dr. Shreveport, LA 71104	N/A	11/29/1995

ERROR CORRECTIONS				
OPE ID#	SCHOOL NAME	SCHOOL ADDRESS	PREVIOUSLY REPORTED CLOSURE DATE	ED'S OFFICIAL CLOSURE DATE
00948200	Mansfield Business School	10325 Lake June Rd. Dallas, TX 75217	3/31/1993	4/23/1993
00948203	Mansfield Business School	2638 Two Notch Rd. Columbia, SC 29204	8/1/1991	4/29/1993
01039700	Laurenwood College	9719 Lincoln Village Sacramento, CA 95814	4/5/1989	3/31/1989
01040300	Cosmetology Training Center	6337 Penn Ave. S. Richfield, MN 55423	8/5/1994	8/4/1994

## TG UPDATES

### 2001 Annual Report Focuses on Year's Successes

In sharing its message of success, TG's FY 2001 Annual Report asks "What's TG about?" and concludes "We're about you!" During FY 2001, TG again achieved a level of success measured not only in numbers but also in the quality of the support and service the corporation offers to the many individuals and groups that choose TG to meet their needs for guarantee services.

Discover what TG's about by reading the annual report online at [www.tgslc.org/tgslc/publications/financials/finance.htm](http://www.tgslc.org/tgslc/publications/financials/finance.htm), or request a printed copy from TG Communications at (800) 252-9743, ext. 2878, or [communications@tgslc.org](mailto:communications@tgslc.org).

### Click Me In

This is the first installment of a new monthly feature in *Shoptalk Online*. Click Me In (an expanded version of Pencil Me In) will offer highlights from two or three items from TG's online Events Calendar and links to more information about the highlighted events and the entire calendar. The calendar provides items several months in advance along with links to web pages with more details about the events.

If you're ready for April showers and May flowers but few flowers are blooming where you live, why not plan a little trip to Maryland or Texas for an early taste of spring-time learning?

- In Adelphi, Maryland, on March 11-12, Higher Education Washington, Inc., and NASFAA will host "Distance Learning: The Future of Education Conference" ([www.hewi.net/Oct2901.htm](http://www.hewi.net/Oct2901.htm)) at the Inn and Conference Center at the University of Maryland University College.
- In Frisco, Texas, on March 17-20, NCHelp will host the NCHelp Debt Management Conference ([www.nchelp.org/events/coming\\_events/DebtMgmt/DM-default.htm](http://www.nchelp.org/events/coming_events/DebtMgmt/DM-default.htm)) at the Westin Stonebriar North Dallas.

Visit the Events Calendar often at [www.tgslc.org/tgslc/abouttg/dates.htm](http://www.tgslc.org/tgslc/abouttg/dates.htm). Today, you'll find links to information about numerous other conferences, including the TG 2002 Annual Conference from April 10-12, 2002. And if you bookmark the calendar, you can visit it frequently for updates between issues of Click Me In.

# TG SOLUTIONS AND TOOLS

## Enhanced EFT—Simplifying Electronic Funds Transfers

Recent enhancements to TG’s Electronic Funds Transfer (EFT) process allow TG to act as a single disbursing agent not only for TG-guaranteed FFELP loan disbursements but also for non-TG-guaranteed FFELP loan and alternative loan disbursements.

“Interfacing with one disbursing agent simplifies the disbursement process for financial aid and fiscal offices by reducing paperwork and time spent in administration,” said Vickie Tanner, TG’s Assistant Vice President for Customer Services. “Since TG’s EFT process allows schools to choose which loan funds they would like to receive electronically, the process provides the flexibility that schools need.”

### Added Features

The ability to offer electronic disbursements for FFELP and alternative loans through one process is only one of several enhancements the new EFT process offers. TG has also added the following new EFT features:

- The ability to accept and process CommonLine Disbursement Rosters from lenders/servicers (either through POP3 encrypted e-mail protocol or through AdvanTG Web™).
- The ability for lenders to inform TG, via the CommonLine Disbursement Roster, that they are paying origination fees on behalf of students. TG’s EFT process adjusts and reflects the net disbursement in EFT reports.
- A simplified reporting and reconciliation process is now available. Reports can now be accessed through TG’s Report Request/Distribution System (RRD), either the desktop version or the web version. Schools and lenders can continue to receive TG’s proprietary EFT reports—Payment Detail and Advanced Debit Notification—for TG FFELP loans or can choose to use the CommonLine Disbursement Roster for an integrated report that includes TG FFELP, non-TG FFELP, and alternative loans.

### Continued Benefits

Since 1991, TG’s EFT has disbursed more than \$5 billion in student loans in nearly three million disbursements. Veteran users can either continue to use EFT as they always have—to disburse TG guaranteed loans only—or can add other disbursements to their EFT process.

In addition to flexibility, the new process offers the following benefits:

- **Simplicity:** With one disbursing agent, users get a process that’s easy to manage—one report to reconcile saves time and trouble.
- **Service:** TG’s team of customer service representatives is available when help is needed—by phone, fax, or e-mail.
- **Complete Automation:** When schools allow borrowers to select automatic deposit, the student’s entire disbursement process is fully automated.

### Benefits to Schools

EFT offers schools a single EFT source of data and funds, all at no cost to the school or the borrower, along with:

- Elimination of paper checks for alternative loans.
- Elimination of multiple disbursement timelines and processes.
- The ability to offer students the additional borrower benefit of lender-paid origination fees.

## Benefits to Lenders

Lenders, too, receive a single EFT source for TG FFELP, non-TG FFELP, and alternative loans, along with:

- CommonLine compliance.
- The accompanying ability to offer origination fee payment in the EFT market.
- Cost efficiency.

## Questions

For questions about how TG's EFT enhancements can help simplify your disbursement process, contact TG Customer Services at (800) 332-1455 or send an e-mail message to [product.support@tgslc.org](mailto:product.support@tgslc.org).

## Finding the Right Tool: Practical Default Prevention Strategies

Everyone knows that the right tool makes the job easier. The same is true for battling default.

That's why TG offers a variety of tools to make it easier for its partners to identify and work with borrowers who need default prevention help the most. Some of the available tools are:

- TG's Default Management Report, a special report designed to help schools identify borrowers that might benefit the most from default prevention efforts.
- *Default Prevention—A Model for Institutions of Higher Learning*, a model for default prevention developed from work conducted at the University of Texas-Pan American and published in booklet form by the Council for the Management of Educational Finance and TG.
- TG's Report Request/Distribution System, a system for creating and receiving reports that provide the information schools and lenders need to identify borrowers who require repayment support.
- TG's Virtual Default Conference, a searchable database of suggested strategies for successful default prevention.

## Practical Strategies

TG's Default Prevention team will offer information on these tools and others, including brochures, posters, and online resources, during a series of training events beginning in March 2002.

Find out more about the "Practical Strategies for Effective Default Aversion" workshops and register online at [www.tgslc.org](http://www.tgslc.org).

## LEGISLATIVE UPDATE

TG's February 26 *Legislative Report* includes an article about possible legislation relating to privacy issues, a summary of a report about factors affecting tuition and fee increases, and an article about a recent meeting of the Texas Joint Committee on Higher Education Excellence Funding. Read the articles at [www.tgslc.org/tgslc/publications/lege\\_report/2002/lr\\_020226.htm](http://www.tgslc.org/tgslc/publications/lege_report/2002/lr_020226.htm).

## THIS, THAT, AND THE OTHER

ED's National Center for Education Statistics (NCES) released a study on February 15, 2002, that indicates that the causes behind increases in college tuition and fees vary depending on the type of institution. The "Study of College Costs and Prices" compares cost trends at public and private institutions during the ten years from 1988 to 1998.

Tuition charges for both types of institutions rose at a faster rate than inflation during the time period. However, the cause for the increase differs. Generally, increases in attendance costs at private institutions were most likely to be related to increases in institutional financial aid or to faculty salaries. In contrast, the most likely reason for increases in tuition for public institutions was a decrease in state appropriations.

The study, which Congress commissioned in 1998, is available online at <http://nces.ed.gov/pubsearch/pubsinfo.asp?pubid=2002157>.

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<b>Contributors to this week's edition:</b>	Kristin Boyer	Kelly Kaelin	Art Martinez
	Renée Gilmer	Charles Krcy	George Torres
		Laura Lavergne	

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To ask questions about the articles in *Shoptalk Online*, subscribe or order additional copies, please contact Communications at (800) 252-9743, ext. 2878 or [communications@tgslc.org](mailto:communications@tgslc.org).

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