



IN THIS EDITION:

TG UPDATES

- **EDUFACTS™—APRIL 2002**..... 1
- **HELPING STUDENTS PREPARE FOR REPAYMENT** 2

TRENDS AND ISSUES

- **MYF OFFERS VARIETY OF FINANCIAL CALCULATORS**..... 3

COMMON MANUAL

- **THE ICM: JUST LIKE PAPER, ONLY BETTER**..... 4
- **COMMON MANUAL UPDATES**..... 6

- THIS, THAT, AND THE OTHER 9

TG UPDATES

Edufacts™—April 2002

National Teacher Appreciation Week will be observed May 5-11. Although few would question the value of education or the importance of educators in shaping the future, teachers often make personal sacrifices to make a difference for their students. Many times, schools require teachers to serve in nontraditional roles, yet they are seldom compensated for the extra time and personal expenditures this may involve.

Some financial relief is available for educators through the Teacher Loan Forgiveness Program for FFELP and Direct loans, which was initiated last year. Teachers who have taught for at least five years in a Title I school may be eligible for up to \$5000 of loan forgiveness. Borrowers who are just graduating from college this year may request a forbearance in annual increments over the next five years of qualifying teaching service, thereby suspending loan and interest payments until they have fulfilled the five-year teaching requirement. Borrowers should call TG’s Customer Assistance Team at (800) 845-6267 to find out more.

Our April *Edufacts* illustrates that teachers collectively spend over \$1.3 billion of their personal funds on classroom materials—an average of \$437 per teacher.

High resolution files suitable for publication in school or lender internal newsletters, student newspapers, or other publications are available as a free download from TG’s web site at www.tgslc.org/tgslc/newsroom/edufacts/index.htm.

More Information

For more information, contact Kristin Boyer at (800) 252-9743, ext. 4990 or at kristin.boyer@tgslc.org.

Helping Students Prepare for Repayment

Change is difficult. And sometimes graduating students face lots of changes that can complicate their lives. One of those changes is the transition into repayment that student loan borrowers make soon after graduation.

Fortunately, TG offers numerous resources to help your students get ready for repayment, at no cost to you or your students. By encouraging them to take advantage of these resources, you can help ease them into repayment, while making a difference in your default rate at the same time.

Online Resources

These TG resources are available to students to use whenever they're ready to learn more about repaying their loans:

- **College Section on *Adventures In Education*** (www.AdventuresInEducation.org or www.AIE.org)
In AIE's College section, borrowers will find a segment titled "Repaying Your Student Loan" (www.adventuresineducation.org/CCS/ccs_repay.htm). The pages offer details about when borrowers should contact their lenders, avoiding default, consolidating student loans, the consequences of default, postponing loan payments, budget worksheets, where to get help, and more.
- **Borrower Section on TG's Web Site** (www.tgslc.org/tgslc/borrowers/index.htm)
The Borrower Section on TG's web site offers information and tools to encourage sound debt management. In one spot, borrowers have access to information about what default is, why it should be avoided, helpful options for those having trouble repaying their loans, frequently asked questions, options for returning to repayment after default, and links to other helpful resources, such as Student Loan Inquiry.
- **JobGusher.com™** (www.JobGusher.com)
Finding a job is often all the encouragement a borrower needs to repay student loan debt. JobGusher.com offers just the help borrowers preparing for repayment need. JobGusher is an online recruitment site geared toward filling employer needs for full-time and part-time employees who are interested in career opportunities, such as internships and entry-level positions. Job seekers will find lots of helpful information and tools, such as online job fairs, a checklist for applying for a job, and information and samples of effective cover letters and résumés.
- **Student Loan Inquiry** (www.adventuresineducation.org/sli/inquire.htm)
Housed on AIE, TG's Student Loan Inquiry offers borrowers summary information about the disbursements they have received for loans guaranteed by TG.
- **TG's Support Knowledgebase** (<http://tg.custhelp.com/cgi-bin/tg.cfg/php/enduser/home.php>)
One of TG's latest tools, the Support Knowledgebase serves to put users in direct contact with the expert information they need with as little bother as possible. Visitors can browse or search the existing questions and answers, submit questions for direct answers regarding the issues they're faced with, and even set up a "My Stuff" section that helps them organize the questions they submit and the answers they receive.

Print Resources

TG also offers some resources in print that you can distribute to your students who are nearing repayment to help them prepare. You can request copies of these print resources from TG Customer Services at (800) 252-9743, ext. 4546, or view and/or print them online. They're available in English and Spanish.

- *New Directions* — A guide to repaying student loans, this is an excellent resource for all exiting students. (www.tgslc.org/tgslc/publications/brochures/newdir.htm and/or www.tgslc.org/tgslc/publications/brochures/newdir.pdf).
- *Default Prevention FAQs* — This resource provides answers to some common questions about default prevention. (www.tgslc.org/tgslc/students/defprev.htm and/or www.tgslc.org/tgslc/students/FAQ.pdf).
- *Managing Repayment of Your Student Loans* —By managing the repayment of student loans, borrowers can meet their responsibilities, avoid financial problems, and help assure a clean financial record for the future. (www.tgslc.org/tgslc/students/dp_repay.htm and/or www.tgslc.org/tgslc/students/Repay.pdf).

Person-to-Person Resources

Borrowers can also contact TG Customer Assistance for information and guidance on repayment issues. TG Customer Assistance is available at (800) 845-6267 or by e-mail at cust.assist@tgslc.org. TG's representatives can give recent graduates the person-to-person contact they need to make the transition into repayment one of the simplest changes they'll make in their new lives.

TRENDS AND ISSUES

MYF Offers Variety of Financial Calculators

You already know that *Mapping Your Future* (MYF) (www.mapping-your-future.org) is a one-stop source for students and parents with information on financial strategies, career options, and college planning. You also know about MYF's Online Student Loan Counseling, Chat Events, and award-winning web site. But did you know about MYF's handy calculators that cover a variety of financial issues?

MYF offers students four calculators that can assist them in making wise financial decisions. These calculators include the following:

- Debt/Salary Wizard
- Student Loan Calculator
- Budget Calculator
- Loan Consolidator Worksheet

Debt/Salary Wizard

One critical piece of advice for students considering their options for paying for college is to borrow no more than they can reasonably expect to repay. But how can students know what they might be able to repay when they are still in college?

If students have a good idea of what career they're interested in, MYF's Debt/Salary Wizard can help. It's an interactive calculator, located at www.mapping-your-future.org/apps/debtwizard/index.cfm, that helps students and parents determine:

- How much salary is needed to make payments on current and future student loans?
- How much can be borrowed if the student knows the salary he or she will earn upon graduation?

The Debt/Salary Wizard allows a student to enter his or her anticipated salary to see how much the student can reasonably afford to borrow. It also allows a student to enter anticipated loan debt to see how much of a salary the student needs to make required payments. For students

who are unsure of their future earnings, the site provides a link to www.salary.com where they can obtain estimates.

Student Loan Calculator

After students have used the Debt/Salary Wizard to determine prudent debt limits, the Student Loan Calculator, located at www.mapping-your-future.org/features/loancalc.htm, allows those students to estimate their future monthly loan payments and plan ahead for their future fiscal responsibilities. Students enter the interest rate, principal, and number of payments, and the calculator determines the monthly payment amount and total interest cost over the life of the loan.

Budget Calculator

One key to financial success is for students to establish a budget. The Budget Calculator helps them determine how much money they need to accommodate all of their expenses after they graduate. Located at www.mapping-your-future.org/features/budgetcalc.htm, the Budget Calculator provides blanks for students to enter their anticipated gross earnings, withholdings, and expenses (including any student loan monthly payments estimated using the Student Loan Calculator, above). The calculator predicts any discretionary income that students will have once all of their bills are paid. If that number is low or even negative, the Budget Calculator guides students to understand that they may have to cut some of the “wants” out of their budget so that all of their “needs” are met.

Loan Consolidator Worksheet

The final calculator, located at www.mapping-your-future.org/features/dmconsolid.htm, is the Loan Consolidator Worksheet. For those borrowers who are considering consolidating their student loans, this worksheet provides a projected impact of consolidation. Students enter the existing balance and current interest rates of the loans they are thinking about consolidating, and the calculator determines the number of monthly payments for the loan, an estimated interest rate, and the total amount of the consolidation loan. The calculator also offers the option to receive an amortization table detailing every payment over the life of the loan.

More Information and Questions

For more information on these great financial tools offered by MYF or for questions about MYF itself, contact Cathy Mueller at cathy.mueller@tgsdc.org.

MYF is a public service web site sponsored by TG and other student loan guaranty agencies. It offers college, career, and financial aid information and services to students, families, and schools.

COMMON MANUAL

The ICM: Just Like Paper, Only Better

Most *Common Manual* users are aware of the availability of the *Integrated Common Manual* (ICM), the electronic version of the manual that is updated monthly with the latest policy changes at www.tgsdc.org/tgsdc/schools/integrated_online_manual.htm. But many of you still don't want to abandon your comfortable paper manual for fear of having to learn another unfamiliar, perhaps even intimidating, format.

What many people may not realize is that the ICM is structured just like the paper manual, but in portable document format (PDF). So the ICM should actually feel very familiar. Furthermore, the features that the ICM has in common with the paper version work even better in PDF,

because they offer more functionality. Instead of combing through pages to get to the section you want, you just click and you're there!

The more that you use the ICM, the more comfortable you become. And you soon realize that in addition to the familiar features that the ICM has in common with the paper manual, the ICM's search capability and the timeliness of its information make it a far better resource.

This article describes some of the useful features of the ICM, gives an example of how to conduct a word search, and provides tips and tricks for efficient use of this valuable tool.

Treat the ICM Just Like the Paper

When you first open the ICM to find the answer to a policy question, the best approach is to do just what you would do if you were opening the paper document. Follow whatever path feels familiar to you.

Table of Contents and Index

For example, if your inclination with the paper manual would be to start first with the Table of Contents, do the same when using the ICM. Or if you normally turn to the Index to help narrow your search, then just turn to the ICM's Index. You'll find the ICM's Table of Contents and Index even more user-friendly, of course, since you can zip through both with a few clicks of the mouse.

Bookmarks

Another tool that you may find useful is the ICM's Bookmarks. These are basically just like the paper manual's tabs. And if you click on the plus (+) symbol to the left of any of the Bookmarks, you can go deeper into the document, like an expanded table of contents. Specifically, the Bookmarks go from chapter level to section, subsection, and even subheading. Just click on the location and level you want, and the ICM takes you directly to that place in the document.

Thumbnails

Or maybe you know just what page your answer is on. You can use the ICM's Thumbnails to go directly to that page. The Thumbnails tab provides a left hand column with all of the pages of the PDF in numerical order. You just scroll down to the page you want, click on it, and the page appears. It's just like flipping through a paper document, but it's more efficient and—hey—no paper cuts!

Glossary

Here's yet another valuable feature of the ICM—the highlighted glossary links. Let's say you're reading the ICM and you come across an unfamiliar highlighted word. If you click on the word, your cursor goes straight to that word's entry in the glossary. After you read the definition, hit the back arrow to return to the part in the text where you left off. No need to hold your place—the PDF holds it for you!

Conduct a Search

Learning to use the search feature of the ICM effectively is probably the best thing you can do to improve your ICM use. Here's an example that might help you get the most out of this electronic marvel.

Imagine that you are looking for information about a school's responsibilities in the process of verification. Just open up the ICM, click on the binocular icon at the top of the PDF (or hit Ctrl + F), and enter the word "verification." If the first occurrence doesn't provide the information

you need, hit Ctrl + G and the PDF automatically takes you to the next occurrence of the word in the text. You may come across a few occurrences before you get to the section you want, but it won't take long before you get to 5.6, "Verification Requirements."

Your searches can be even faster if you remember a few hints:

- You can start your search anywhere you want to in the ICM. It's often best to start at the beginning of chapter 2, which is where the text really begins.
- Sometimes less is more. That is, don't enter too much information into the search line because the PDF searches for the words exactly as you enter them. For example, if you enter the phrase "Federal Consolidation Loan Program," there are only a couple of hits for that entire phrase in the whole ICM. But if you limit your entry to just "Consolidation Loan," you'll get many more occurrences, one of which may be just the one you need.
- On the flip side, don't enter a word that's too common, or you may get bombarded with occurrences. For example, if you're looking for information on unemployment deferment, don't just enter "deferment." In this case, it's better to narrow your search and enter "unemployment deferment" in the search line instead.
- The more you use the ICM, the more savvy your searches will be. And remember, you can't do searches like this in a paper document!

Check Out "Tips and Tricks"

TG has compiled a "cheat sheet" for using, searching, and downloading the ICM. It's called "Tips and Tricks," and it's available at www.tgslc.org/tgslc/schools/pdf/Tips.pdf. Just print out this quick reference card and keep it handy so that you can make the most of the ICM.

ICM History

TG developed the original ICM for use by our customers in January 2000. Because of its popularity, TG later offered to share this online research tool with the broader FFELP community.

The *Common Manual* guarantors officially adopted the ICM in summer 2001. In January 2002, the *Common Manual* consortia took over responsibility for the ICM's production and launched its national release. TG will continue to feature the ICM and its related products at www.tgslc.org.

More Information and Questions

For more information about the ICM or for questions on use, call TG Customer Assistance at (800) 845-6267 or send an e-mail message to cust.assist@tgslc.org.

Common Manual Updates

Note: Current *Common Manual Updates* (Updates) and the *Integrated Common Manual* (ICM) are available at www.tgslc.org/tgslc/schools/integrated_online_manual.htm. By posting *Updates* and the ICM online, TG offers its customers access to new policies shortly after the *Common Manual* Governing Board approves them.

Assignment of a Loan

Subsections 8.3.B. and ^{CCI}8.3.B of the *Common Manual* have been updated to clarify that the assignment of a loan may be incorporated into the text of the claim form and if it is, the lender is not required to provide any other type of information or certifications regarding the assignment of the loan. In addition, lenders that are filing claims using an electronic claim

process should work directly with the guarantor to develop an accurate, timely assignment for the loan.

Affected Sections:	8.3.B., ^{CCI} 8.3.B.
Effective Date:	For provisions related to subsection 8.3.B., retroactive to the implementation of the <i>Common Manual</i> . For provisions related to subsection ^{CCI} 8.3.B., effective for claims filed on and after the guarantor's implementation of the claim portions of chapter ^{CCI} 8.
Basis:	None.
Policy Information:	Reference 566
Guarantor Comments:	None.

Consolidation Loan Eligibility Criteria

The *Common Manual* has been revised to state that by signing the common Consolidation Loan Application and Promissory Note, the borrower certifies that he or she meets those eligibility criteria that are specifically required, by statute and regulations, to be certified. Separate certifications are not necessary.

Affected Sections:	9.2
Effective Date:	Consolidation loans made using the common Consolidation Loan Application and Promissory Note.
Basis:	None.
Policy Information:	Reference 567
Guarantor Comments:	None.

Forbearance for Teacher Loan Forgiveness

The *Common Manual* Forbearance Eligibility Chart has been updated to show the new requirements for two types of teacher loan forgiveness forbearance.

The *Common Manual* has also been updated to clarify that a lender must grant a mandatory administrative forbearance for payments of principal and interest that are delinquent or that would be due during the period not to exceed 60 days while the lender is awaiting a completed Teacher Loan Forgiveness Application from the borrower. The lender must also grant a mandatory administrative forbearance for the period beginning on the date the lender receives the completed Teacher Loan Forgiveness Application from the borrower to the date the lender receives a denial of the request or the forgiveness amount from the guarantor. The borrower is no longer required to request a forbearance in either case.

Affected Sections:	7.11, 7.11.C., 7.11.D.
Effective Date:	Teacher loan forgiveness requests received by the lender on or after July 1, 2001.
Basis:	Final Rules published in Part III of the <i>Federal Register</i> , pages 34761-34766, dated June 29, 2001; §682.215(e)(1)(ii) and (iii).
Policy Information:	Reference 568
Guarantor Comments:	None.

EFT Authorization

The *Common Manual* has been revised to clarify that for loans made using a Master Promissory Note (MPN), the authorization for disbursement by electronic funds transfer (EFT) or master check on the initial or any subsequent loan is included on the MPN. Also, wording changes were made to facilitate electronic records.

Affected Sections:	4.10, 6.2.D.
Effective Date:	Disbursements made by electronic funds transfer (EFT) or master check on loans made using a Master Promissory Note (MPN).
Basis:	Final Rules published in Part III of the <i>Federal Register</i> , pages 34762-34766, dated June 29, 2001.
Policy Information:	Reference 569
Guarantor Comments:	None.

Consolidation Loan Applications

The *Common Manual* has been revised to delete the reference to a 10-year maximum repayment period from the income-sensitive repayment information to allow for other maximum repayment periods.

Affected Sections:	7.6.D.
Effective Date:	Retroactive to the implementation of the <i>Common Manual</i> .
Basis:	Final Rules published in Part III of the <i>Federal Register</i> , pages 34762-34766, dated June 29, 2001; §682.209(a)(7)(viii)(C).
Policy Information:	Reference 570
Guarantor Comments:	None.

THIS, THAT, AND THE OTHER

The FAFSA on the Web has served its two-millionth customer this year. According to an announcement posted by ED's Federal Student Aid earlier this month, as of April 4, 2002, two million students have submitted the web version of the application for the 2002-2003 award year. The FAFSA on the Web did not reach the two-million mark for the 2001-2002 award year until June 14, 2001.

The FAFSA on the Web is available at www.fafsa.ed.gov. Students with questions about either the paper or web application should call TG Customer Assistance at (800) 845-6267 or send an e-mail message to cust.assist@tgslc.org.

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