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FEDERAL UPDATES

Team I NPRM Released

The first Notice of Proposed Rulemaking (NPRM) to result from this year’s negotiated rulemaking (Neg Reg) sessions has been released in the August 6 *Federal Register*, available at www.access.gpo.gov/su_docs/fedreg/a020806c.html.

Earlier this year, representatives from across the financial aid industry participated in Neg Reg. This NPRM is the result of the negotiations of Team I, which dealt with Student Loan Issues. The Team II NPRM has not yet been released.

Some of the issues addressed in this NPRM include the following:

- Entrance and exit counseling requirements
- Stafford loan first payment due date
- Deferment and forbearance simplification
- Partial Consolidation loan discharges
- Retention of promissory notes

Comments on the Team I NPRM are due to the Department of Education on or before October 7, 2002.

See *Shoptalk Online*, Edition 134 for more information on the Neg Reg process and Edition 153 for a wrap-up of this year’s three Neg Reg sessions.

TG UPDATES

Helping Students Prepare for Success

Entering freshmen usually have a great deal of enthusiasm about the journey they are beginning. Even if returning students aren't quite as enthusiastic about the upcoming semester, they usually do have at least one thing in common with the freshmen: a need for information to help make their journey successful.

TG offers valuable resources to help you meet the information needs of all your students. We can help them with the essentials of general awareness as well as various forms of financial aid and money management information.

Online Resources

As you help your students get off on the right foot this school year, remember to share these useful online resources with them.

- **College Section on *Adventures In Education***
In the College section of TG's public service awareness site, students find free information about developing career goals, getting ready for the college experience, financing their education, and getting a job. Access the College section, available in both English and Spanish (as is the entire site), at www.adventuresineducation.org/CCS/ccs_intro.htm.
- **Managing Your Money Section on *Adventures In Education***
Managing Your Money is an entryway to some of the most valuable online information available. College students often face issues that they have never before encountered about managing their money. Those who obtain the right information early on can avoid the problems of poor financial management and negative credit status that can wreak havoc on a successful college experience. You'll find Managing Your Money at www.adventuresineducation.org/Managing/Managing.htm. The entire site is available in both English and Spanish.
- **JobGusher.com™** (www.JobGusher.com)
College students often depend on part-time employment to help them pay expenses. In addition, students often search for internships and other on-the-job opportunities to expand their skills by using the knowledge they acquire in their studies. JobGusher offers the perfect help for such students, offering both full-time and part-time job listings, such as internships and entry-level positions. Job seekers will also find helpful information and tools, such as online job fairs, a checklist for applying for a job, and information about and samples of effective cover letters and résumés.
- **Mapping Your Future** (www.mapping-your-future.org)
Sponsored by FFELP guarantors, this web site offers free information to help plan a career, select a school, and pay for college. In addition, the site offers Online Entrance and Exit Counseling for Stafford and Perkins loans, special chat events, and other resources for students.
- **TG's Support Knowledgebase** (<http://tg.custhelp.com/cgi-bin/tg.cfg/php/enduser/home.php>)
Students with specific questions about their individual situations can turn to TG's Support Knowledgebase for answers. Visitors can submit questions for direct answers regarding the loan issues they're faced with, browse or search the existing questions and answers, and even set up a "My Stuff" section that helps them organize the questions they submit and the answers they receive.

Print Resources

Print resources can also help you keep your students informed. Why not consider making them part of your entrance counseling offerings?

- *Your Future* — This free guide to financing education, available in English and Spanish, offers information about career planning and higher education, financial aid options, financial responsibility, and the FFELP. You can access the document online at www.tgslc.org/tgslc/publications/Your_Future/your_future.htm.
- FFELP Brochure – TG offers free copies of a brochure, available in English and Spanish, that outlines the specifics about subsidized and unsubsidized Federal Stafford loans and Federal PLUS loans. It includes details about loan amounts, interest rates, and repayment. You can access the content online at www.tgslc.org/tgslc/publications/brochures/2ffelp-en-0500.htm.
- *Managing Repayment of Your Student Loans* and *Default Prevention FAQs* – It's never too early to get borrowers thinking about planning for repayment. Both of these brochures offer valuable information to help student borrowers stay on the right track. You can order printed copies from TG or access the documents online at www.tgslc.org/tgslc/students/dp_repay.htm and www.tgslc.org/tgslc/students/defprev.htm.
- Both *Adventures In Education* (www.AdventuresInEducation.org) and *Mapping Your Future* offer material, such as brochures and bookmarks, to help inform students and families about their availability.

To obtain free copies of these print resources to distribute to your students, contact TG Customer Services at (800) 252-9743, ext. 4546, or send an e-mail message to joyce.henderson@tgslc.org.

Person-to-Person Resources

Students, parents, financial aid administrators, and others searching for awareness and financial aid information can also contact TG Customer Assistance for information and guidance. TG Customer Assistance is available at (800) 845-6267 or by e-mail at cust.assist@tgslc.org. TG's representatives can provide the information students need to make their educational experiences successful.

TG Offers Default Prevention Model

As part of last week's National Default Prevention Day activities, TG provided a copy of the newly-revised brochure "Default Prevention: A Model for Institutions of Higher Education" to attendees at each of the 12 workshop locations across the country. The booklet, developed cooperatively by TG and the Council for the Management of Educational Finance, provides strategies and instruction to help schools with the challenge of reducing student loan default. It includes information on the following topics:

- Studying student population
- Gathering and analyzing statistical data
- Targeting potential defaulters
- Hiring a Default Prevention Officer
- Educating borrowers
- Building alliances
- Simplifying processes through the effective use of technology

Included at the end of the document is an overview of the successful default prevention program developed at The University of Texas – Pan American.

For individuals who were unable to attend the Department of Education’s National Default Prevention Day activities, the free brochure is available online at www.tgslc.org/tgslc/publications/index.htm or by contacting TG Communications at (800) 252-9743, ext. 2878, locally at (512) 219-2878, or by e-mail at communications@tgslc.org.

Additional Information

For information about how your institution can incorporate effective default prevention strategies into your financial aid process, contact Joe Braxton at (800) 252-9743, ext. 4696, or Clarissa Baize at ext. 4765. You can also contact Joe and Clarissa by fax at (512) 219-4630 or by e-mail at joe.braxton@tgslc.org and clarissa.baize@tgslc.org.

TG Holiday Schedule for the 2002-2003 School Year

As you plan for the upcoming school year, you might want to include the following TG holidays on your calendar. TG offices will be closed on these days:

- Labor Day – Monday, September 2, 2002
- Veterans Day – Monday, November 11
- Thanksgiving Day – Thursday, November 28 and Friday, November 29
- Christmas – Tuesday, December 24 and Wednesday, December 25
- New Year’s Day – Wednesday, January 1, 2003
- Martin Luther King, Jr.’s Birthday – Monday, January 20
- Presidents Day – Monday, February 17
- Memorial Day – Monday, May 26
- Independence Day – Friday, July 4

TRENDS AND ISSUES

MYF Chat to Address Loan Consolidation Questions

Is loan consolidation the right choice for your borrowers?

With interest rates at a new low, *Mapping Your Future* (<http://mapping-your-future.org>) will offer a “Loan Consolidation” Chat on August 8, 2002, to help borrowers decide what’s right for their individual situations. The chat is designed to help students and parents who are interested in consolidation learn more about its advantages and disadvantages.

Financial aid and career experts from throughout the country will answer questions during the August event. Participants can discover more information about the following:

- Advantages and disadvantages of loan consolidation programs
- How to determine if loan consolidation is a good option
- Eligibility requirements
- Steps to apply for loan consolidation
- Additional information resources

Anyone with Internet access can join in the chat event by visiting the web site on the evening of the event and selecting the Chat session. Simple instructions will guide participants through the

process of joining the chat. This live event is scheduled for 7–8:30 p. m. (Eastern), 6–7:30 p.m. (Central), 5–6:30 p.m. (Mountain), and 4–5:30 p.m. (Pacific).

Questions and More Information

For questions about the chat or about future events, contact Cathy Mueller at cathy.mueller@mapping-your-future.org.

MYF is a public service web site providing college, career, and financial aid information and services. The guaranty agencies that sponsor the site are committed to providing information about higher education and career opportunities.

LEGISLATIVE UPDATE

July 30 *Legislative Report*

The July 30 *Legislative Report* includes a summary of the status of FY 2003 appropriations and an article that offers an update on “Closing the Gaps,” the Texas effort to increase college enrollment. You can read both articles online at www.tgslc.org/tgslc/publications/lege_report/2002/lr_020730.htm.

THIS, THAT, AND THE OTHER

With scandals and allegations of fraud circulating in the news, many companies are responding with a renewed focus on business ethics. The following shows one perspective of a contrast between the economic/business and ethics models of human behavior:

Economic/business model of human behavior—

- Egocentric, self-centered
- Motivated by pursuit of individual wants, tastes, and preferences
- Behavior is rational when its aim is to strengthen one’s own best interests
- Asks “How can I get ahead, get what I want?”

Ethics model of human behavior—

- Communal, collective
- Based on relationships with others
- Considers rights of others in addition to own desires and goals
- Asks “What ought we do?” in regard to others

To reconcile these divergent models of behavior, ethical leadership is required. Ethical leadership serves the common good, not just self-interests. It involves due consideration for the rights and interests of all stakeholders involved in a business. In addition, ethical leadership fosters the development and growth of others while helping them meet their basic needs.

These insights were taken from a presentation by Howard T. Prince II, Ph.D.

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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.

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