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Tip of the Week

Looking to do more with less? Join TG for a day of free training focused on helping seasoned financial aid professionals achieve peak performance. Preview the agenda, find the city nearest you, and register today at www.tgslc.org/workshops/winter/winter.cfm.

TG updates

EFT enhancements speed up file transmissions and processing for schools and lenders

Over the last year, TG has been diligently working to enhance our EFT process. Although our legacy system has proven to be stable and reliable for over a decade, TG and our EFT vendor partner Global eXchange Services (GXS, formerly GEIS) decided last year to upgrade our EFT processing platform to an E-Commerce platform, or Internet Commerce Platform (ICP). The challenge with upgrading the system infrastructure was to maintain the stability and integrity that our customers have come to rely upon.

To ensure seamless service for customers, the upgrade was accomplished in two phases. First, a new Virtual Private Network (VPN) transmission mechanism was implemented over the summer in 2003. The second phase, transition to a new ICP, was completed in December 2003.

The new Web-based EFT system offers several benefits for our business partners:

- File transmissions and processing are faster.

- The need for BNET is eliminated, which translates to earlier delivery of EFT reports and files to customers.
- CommonLine version 5 functionality is added to the EFT process.
- Customers now have an additional option to access an EFT Web site to retrieve and request EFT reports and files.

Faster file transmissions and processing

The new EFT system uses a secure VPN transmission method, which provides TG with a method for faster communication with GXS, our EFT vendor partner. This fast and reliable transmission vehicle minimizes the risk of report and file delays.

This enhancement was implemented in summer 2003 in anticipation of fall peak period demands. Customers immediately noticed that their EFT reports were waiting for them each morning when they arrived in their offices. The enhanced process ensures that even peak period reports and files are accessible prior to 9:00 a.m. CST. This earlier delivery of data allows customers to avoid bottlenecks in the delivery of loan funds during the most critical processing periods for students.

In another effort to make the EFT process more efficient, TG consulted with the TG User Group Board of Directors to determine whether it was critical for schools to receive blank reports and files on days when no EFT activity occurred. The consensus was that these notifications of "no EFT activity" were no longer necessary. The implementation of the new EFT Web site provides a confirmation of no EFT activity for auditors who can access the EFT Web site and perform a search for a specified date. If no activity occurs on a specified date, a message will appear indicating that "The search located 0 reports matching your criteria." The elimination of notifications of "no EFT activity" results in even faster processing and earlier delivery of EFT Payment Details, Advance Debit Notifications, and CommonLine Disbursement Rosters.

Elimination of BNET

BNET was the original transmission and delivery method for all EFT reports and files. This modem-based system became obsolete as customers transitioned to using Report Request Distribution (RRD) or AdvanTG Web™ for access to EFT reports and files.

CommonLine version 5

The Disbursement Roster and Acknowledgement file were both enhanced to provide CommonLine version 5 processing capabilities. Enhancements included new fields and the expansion of field lengths. In addition, TG's proprietary EFT reports (Payment Detail and Advance Debit Notification) were updated to reflect the longer disbursement number field lengths.

EFT Web site

As an added benefit to the new Web-based EFT product, customers now have access to a Web site offering several capabilities. Users can retrieve all standard EFT reports (Payment Details, Advance Debit Notifications, and CommonLine Disbursement Rosters) by specified date ranges. Reports and files can be downloaded and saved from any location with Internet access. If there is no activity for an institution, the search will result in a message stating that "The search located 0 reports matching your criteria." This notification can be printed for auditing purposes as needed. One advantage of the Standard EFT Reports feature is the ability to generate past EFT reports and files. From the Web site's debut in early December, EFT data will be stored for a period of three years. This will enable customers to retrieve past reports on demand, without having to contact TG product support.

A Custom Report feature is also available on the site which allows users to tailor reports to individual needs. Users can include all search criteria to generate a report or can specify one or more data elements to be included. The results of these reports can then be saved in text (.txt) or comma separated value (.csv) formats and downloaded. These reports are not saved within the system; however, data will be available for a period of three years, similar to EFT Standard Reports, and are easily regenerated.

Within the EFT Web site, each institution will also have access to its EFT profile information. Users will be able to update contact name, phone number, and fax numbers, and will have the added functionality to receive e-mail notifications of EFT report availability for up to five participants.

The EFT Web site is available at <https://eft.tgslc.org> and through AdvanTG Web, as a link under "Helpful Resources" on the AdvanTG Web portal. Customers interested in accessing the EFT Web site must first complete an EFT user request form, which is available from TG's school and lender consultants. Each user will be assigned a password for access to the system.

Here to help

If you have questions concerning TG's EFT enhancements, or are interested in access to the EFT Web site, please contact your school or lender consultant or TG's product support team at (800) 332-1455 or product.support@tgslc.org.

Trends and issues

NCHELP Electronic Standards Committee seeks school involvement

The National Council of Higher Education Loan Programs (NCHELP) Electronic Standards Committee (ESC) wants schools to become more involved with its development of FFELP industry initiatives that provide for more efficient, cost-

effective processing of FFELP loans. ESC coordinates and facilitates a proactive approach to all of NCHELP's electronic efforts, including the timely development of electronic-communication standards within the FFELP.

Financial aid administrators are encouraged to attend the upcoming ESC School Summit to learn more about student loan processing initiatives currently under development as well initiatives being discussed for future development. Schools will also find out how they can share their suggestions and feedback with ESC's school-advisory group at the summit and beyond. This ongoing input will help enhance future electronic products for all FFELP participants.

TG is sponsoring the University of Texas at Austin and the University of South Florida to attend the summit.

Registration and more information

The ESC School Summit will be held in Jacksonville, Florida, in conjunction with the ESC conference running January 26-28, 2004. Any school may attend. Registration is available on the NCHELP Web site at www.nchelp.org (select the "ESC School Summit" link). For more information about ESC, go to www.nchelp.org/committees/e_standards/esc.asp.

MYF offers information on education loyalty and affinity programs

Mapping Your Future (MYF) now features information on the major education loyalty and affinity programs at www.mapping-your-future.org/paying/affinity.htm. Loyalty and affinity programs allow students and family members to save money for higher education by shopping at designated retailers or using a designated debit or credit card.

The Loyalty and Affinity Programs page, developed by the MYF content team, includes information about Upromise™ (www.upromise.com), edexpress (www.edexpress.com), and Baby Mint (www.babymint.com). While these programs can assist with educational costs, MYF advises students and families to also consider saving for college on their own and investigating financial aid and scholarship opportunities.

MYF is cosponsored by TG and other guarantors. MYF is a national collaborative public service project of the financial aid industry, bringing together the expertise of the industry to provide free college, career, financial aid, and financial literacy services for schools, students, and families.

New details available on the Texas B-on-Time Program

The Texas Higher Education Coordinating Board (THECB) has recently released, in its monthly publication *CB Update*, additional information on the new Texas B-on-Time Program, which schools may award to Texas residents for the 2003-2004

academic year starting this month. The program provides zero-interest educational loans to eligible higher education students with provisions for forgiveness for those who graduate “on time” with at least a B average. See *Shoptalk Online* Edition 216 for more information about eligibility criteria that students must meet to qualify for the program.

For schools, the following new details have emerged to aid in your awarding of eligible students for the program:

- Texas schools should already have testing instructions for the program, the process for which (from certification by the school to application by the student to disbursement of the funds) will be completely electronic. Once the testing phase is complete, a school should be able to begin processing Texas B-on-Time loans.
- Although the program is not need-based, due to limited funding, priority must be given to students who are TEXAS Grant eligible but who are not receiving a TEXAS Grant due to insufficient funds.
- Although priority will be given to these TEXAS Grant-eligible students (who demonstrate financial need), any remaining allocation may be used to award Texas B-on-Time loans to eligible students as long as the amount of the loan does not exceed the student’s cost of attendance. That is, the loan can be used to replace a student’s federal expected family contribution (EFC) for purposes of financial aid packaging.
- If you offer a student this loan option, you should then direct the student to complete the master promissory note (MPN) for the loan online. Electronic signature is in the works, but since it is currently unavailable, applicants will have to print and sign the MPN, and mail it to the THECB.
- Funds for eligible recipients will be sent to schools via electronic funds transfer (EFT).
- There will be two disbursements per academic year, unless more than one half of the loan period has passed (as will be the case for fall/spring awards this year).
- There will be no summer awards for the 2003-2004 academic year.

More information

To access the aforementioned *CB Update*, go to www.thecb.state.tx.us/cbupdate/03vol06.doc. For questions on the Texas B-on-Time Loan Program, contact the THECB’s Connie Cooper, Manager, Loan Services, at (800) 242-3062 or connie.cooper@thecb.state.tx.us.

The THECB has developed a Texas B-on-Time Loan Program Fact Sheet for students, available at www.hhloans.com/borrowers/BOTfactsheet.cfm.

Legislative updates

The January 16 issue of TG's *Legislative Report* includes updates on high-priority legislation facing Congress this year; the latest Congressional Budget Office figures on rising federal deficits, entitlements, and defense spending; and a \$750 million reduction in higher education spending proposed by California's Governor Arnold Schwarzenegger. Keep up with the latest developments by reading the full report on *TG Online* at www.tgslc.org/lege_report/index.cfm.

This, that, and the other

Want to help the families and students you serve avoid scholarship scams? A list of red flags is provided in this week's edition of AIEmail, an e-newsletter from TG that offers hints and tips geared to students and their parents.

Some of the warning signs explained include free seminars, ego stroking, pay to play provisions, notification by phone, time pressure, lack of phone number, Better Business Bureau or federal agency endorsement claims, and requests for sensitive personal financial information.

Access this week's AIEmail online at www.aie.org/aiemail/issues/20040119.html. If you think this kind of information would be helpful to those you serve, spread the word that families and students can subscribe online at www.aie.org/aiemail/subscribe.cfm.



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