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Tip of the Week

Remember to stress to graduating students that student loan default is very preventable, and that counselors are ready to assist them any time they think they might need help. Tell them that they can always call TG at (800) 338-4752.

TG updates

TG begins pilot program for online financial aid awards system

TG is developing an online financial aid award packaging system to help financial aid professionals operate more efficiently and provide more convenient access to information for the students they serve.

TG Awards By Web™ will enter its pilot phase this month with Texas Tech University and the University of Houston – Victoria. The system will allow the two universities to notify students electronically as soon as their financial aid package is ready. Students can then go online to view the scholarships, grants, work study, and loan amounts for which they are eligible and accept or decline them, or make any necessary reductions in loan amounts.

Packaging to disbursement — all online

Adapted from the online awards system developed by OvertureSM Technologies, TG Awards By Web will be fully integrated with TG's premiere life-of-the-loan processing tool AdvanTG Web™. When used in combination with TG Loans By Web™, an online loan application tool for student and parent borrowers, the entire

system will allow users to go from packaging through the loan application, promissory note, guarantee, and disbursement process electronically. TG also plans to offer TG Awards By Web as a stand-alone solution for financial aid offices using other products.

“One of our primary goals is to provide as many choices for students and schools as possible,” said Kim Alexander, TG vice president for customer focus. “We recognize that many of our school partners are looking for ways to meet increasing demand for 24/7 Web-based services for their students. This solution will not only help meet that demand from students, it will also reduce paperwork, mailing costs, and administrative time within the financial aid office.”

Speed, savings, and better communication

The two financial aid offices participating in the TG Awards By Web pilot are eager to get started.

“The University of Houston – Victoria is always trying to expedite the financial aid process for our students since approximately half of our student body is over 100 miles away from campus,” said financial aid director Carolyn Mallory. “We have reviewed many electronic award letter programs and determined that TG Awards By Web meets our expectations. TG Awards By Web will save UHV approximately \$6,000 in printing, mailing, and copying costs.”

“Texas Tech University is pleased to be a part of the TG Awards By Web pilot project,” said Jim Anderson, associate director of systems for student financial aid at Texas Tech. “The implementation of such an application will facilitate communication between the university, students, and parents who are involved in the aid process. The use of TG Awards By Web also continues the mission of Texas Tech’s Office of Financial Aid, which is the student-first philosophy.”

The future

TG anticipates making TG Awards By Web available to any interested financial aid office beginning this summer. The program will be offered at no cost to higher education institutions, students, or families.

For more information about any of TG’s solutions or tools, visit www.tgslc.org, or call (800) 252-9743.

Federal updates

New DCL provides RT4 guidance

Last Friday, ED released new guidance on return of Title IV funds (RT4). ED issued the guidance in Dear Colleague Letter (DCL) GEN-04-03, the second in a series of letters on RT4 that began with GEN-00-24 in December 2000.

Subjects addressed in the new DCL include:

- Title IV credit balance.
- Title IV aid that could have been disbursed.
- Verification not completed before withdrawal.
- Treatment of a student who fails to receive a passing grade in any class.
- Percentage of Title IV aid earned for withdrawal from a credit-hour non-term program.
- Date of the institution's determination that the student withdrew, for institutions required to take attendance.
- Treatment of LEAP funds

More information

TG will provide more details on GEN-04-03 in an upcoming edition of *Shoptalk Online*. To access GEN-04-03, go to <http://ifap.ed.gov/dpcletters/GEN0403.html>.

Feds sweeten loan repayment deal to attract employees

The federal government has raised the amount that it will repay on behalf of federal employees under the Federal Student Loan Repayment Program. This year, the program, administered by the Office of Personnel Management (OPM), increased the annual maximum that may be repaid under the program from \$6,000 to \$10,000, and the aggregate maximum from \$40,000 to \$60,000.

Though not a FFELP loan forgiveness program (it's not authorized under the Higher Education Act, but instead under the Government Organization and Employees section of the U.S. Code), the Federal Student Loan Repayment Program has some similarities. Under the program, the federal government provides repayment of federal student loans in exchange for at least three years of service, as a means to attract and retain federal employees. More years of service may be required to maximize the loan repayment benefit.

More information

If you have students who are interested in a career with the federal government, encourage them to check out the OPM website on the Federal Student Loan Repayment Program at www.opm.gov/oca/pay/StudentLoan/. The career that they obtain may pay off in more ways than one.

Trends and issues

Adult students to receive financial aid answers during upcoming online chat

Adults planning to attend a college or university next fall can take the first step toward understanding the college application and financial aid processes by joining a special *Mapping Your Future* online chat event on Tuesday, March 9, 2004, at 6 p.m. CST.

Financial aid experts across the country will be available online to answer questions and assist with the Free Application for Federal Student Aid (FAFSA) during the chat.

Topics

The chat will cover several topics of interest to adult students:

- Paying for school.
- Choosing a career.
- Completing the FAFSA.
- Determining eligibility for federal student aid.
- Figuring financial need.

Joining the chat

Anyone with access to the Web can join the chat by visiting www.mapping-your-future.org at 6 p.m. on Tuesday, March 9. Simple instructions on the site will guide visitors to the chat.

More chats to come

The special chat for adult learners is just one of the many chats being offered by *Mapping Your Future*. Other chats scheduled for the coming months include:

April 6, 2004 - Student loan default prevention

May 11, 2004 - Student loan forgiveness, cancellation, and discharge

June 8, 2004 - Loan consolidation

Aug. 10, 2004 - Student loan default prevention

Sept. 7, 2004 - FAFSA and financial aid

Mapping Your Future is a public-service project of the financial aid industry. *Mapping Your Future* is cosponsored by TG and other guarantors and brings

together the expertise of its members to provide free college, career, financial aid, and financial literacy services for schools, students, and families.

Legislative updates

The February 10 issue of TG's *Legislative Report* includes updates on the reaction of House and Senate Republicans to President Bush's budget request for FY 2005, the breakdown of federal grant outlays to state and local governments under the administration's proposed budget, the Congressional Budget Office's estimate for the 10-year cost of last year's Medicare reform bill (H.R. 1), and two recently introduced bills affecting federal student assistance. 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

If you have questions about what the recently enacted HEROES Act means for your office and the students you serve, get the answers you need by joining TG's free teleconference this Thursday from 2 to 3 p.m. CST.

The teleconference will offer practical guidance for financial aid and lending professionals on implementation of federal regulations revised in accordance with the HEROES Act. The presentation will be followed by a question and answer session. You can submit your questions in advance to Sheila Casey at sheila.casey@tgslc.org.

To join the teleconference, just call (888) 855-5428 shortly before 2 p.m. CST on Thursday afternoon, and reference confirmation number 292416.



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To ask questions about *Shoptalk Online*, please contact Communications at (800) 252-9743, ext. 4732 or communications@tgslc.org.

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