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Tip^{of} the Week

Help your student and parent loan borrowers get the most bang for their buck at tax time. Refer them to *TG Online* for helpful information on the student loan interest deduction, tuition and fees deductions, and Hope and Lifetime Learning tax credits at www.tgslc.org/resources/tax.cfm.

TG updates

TG training workshops coming to cities across Texas

Join your financial aid colleagues and TG for an unforgettable learning and professional development experience. You and your financial aid team are invited to participate in one of our new series of statewide regional training workshops being hosted by the TG Customer Services team. Workshops will be held in Abilene and Lubbock next week, and in several other Texas cities this spring and summer.

Our training experts are preparing fun and informative sessions on a variety of topics that can help you and your team grow personally and professionally. Attendees will have lots of opportunities to interact with other financial aid professionals in your region of the state during the sessions and over lunch.

Times and places

TG will bring regional training workshops to the following cities in the coming months:

- Lubbock – March 23 at Lubbock Christian University
- Abilene – March 25 at Abilene Christian University
- Dallas – May 11 at Dallas Baptist University

- San Antonio – May 20 at a location to be announced soon
- Tyler – May 20 at Tyler Junior College
- El Paso – May 27 at Western Technical Institute, Diana Campus
- Kingsville – June 11 at Texas A&M University-Kingsville
- Midland – June 17 at Midland College
- Houston – July 9 at a location to be announced soon
- Amarillo – July 15 at Amarillo College
- College Station – August 4 at Texas A&M University

Each workshop begins at 9 a.m. and concludes around 3 p.m. Training is offered free of charge, and lunch will be provided by TG.

For more details on workshop locations and tentative agendas, visit *TG Online* at www.tgslc.org/workshops/regional/locations.cfm.

How to register

You can register for the workshops online at www.tgslc.org/workshops/regional/register.cfm. Please register each person from your institution who plans to attend so that we can ensure that we have the right number of lunches and session handouts available. Also, please tell us if anyone has special dietary needs so that we may plan menus accordingly.

For more information

If you have any questions or special needs, please contact Sheila Casey at (800) 252-9743, extension 4576, or send us an e-mail at sheila.casey@tgslc.org.

Federal updates

Clarification issued on recent RT4 guidance

Jeff Baker, Policy Liaison and Implementation Director of ED's office of Federal Student Aid (FSA), recently provided clarification on one of the provisions in newly released Dear Colleague Letter (DCL) GEN-04-03 (see *Shoptalk Online* Edition 243). Baker provided this information during a presentation at the Region VI Advisory Council of Private Career Schools Conference in Dallas, Texas this past weekend.

The DCL, written on the subject of return of Title IV funds (RT4), contains a provision that states that for schools that are required to record attendance by an outside agency other than ED (such as a state, accrediting, or other regulatory agency), the school's date of determination that a student withdrew should be no later than a week after the student's withdrawal date — that is, the last date of academic attendance as determined by the school from its attendance records. The rationale behind this is that since the school is required to record attendance, it should take no more than a week for the school to determine that a student is no longer attending school.

However, some schools that are required to record attendance by an outside agency may actually allow a student, per that agency's rules, a longer period of absence before considering the student withdrawn. So how does a school reconcile such a timeframe with the provision in the DCL that states that the school is expected to determine that the student is withdrawn after one week?

Jeff Baker stated that if, within that week, a school contacts or is contacted by a student who indicates that he or she will return within the timeframe allowed by the outside agency's rules (that is, within the timeframe at the end of which the student is considered withdrawn), the following guidance applies. The school may ? instead of determining no later than one week after the student's last date of academic attendance that the student withdrew, as required by the DCL ? determine, based on information it has received, that the student will be returning within the timeframe allowed by the outside agency's rules. The school is strongly encouraged to document this determination in the student's file.

Questions

For questions on RT4, contact TG customer assistance at (800) 845-6267 or send an e-mail message to cust.assist@tgslc.org.

Trends and issues

Study finds that students and taxpayers would benefit from Consolidation loan reform

A new study from two noted economists concludes that taxpayers would save billions of dollars if interest rates on Federal Consolidation loans were adjusted annually like other federal student loans. Variable rates on Consolidation loans would also reduce stark inequities in the amount of interest borrowers pay depending on when they consolidate their loans, according to the report *The Fiscal and Social Costs of Consolidating Student Loans at Fixed Interest Rates*.

Three years of sharply declining interest rates have created a consolidation boom. Federal Consolidation loan volume surged more than fivefold from 2000 to 2003, as the average interest rate for the loans dropped from 8.25 percent to 3.5 percent.

Because interest rates on Consolidation loans are currently fixed for the life of the loan, today's borrowers are locking in super-low rates for repayment periods of up to 30 years. But because the federal government pays lenders an interest subsidy to help cover the difference between the prevailing "commercial paper" rate and the long-term fixed rates paid by Consolidation loan borrowers, the current low rates also mean that taxpayers will be locked in to higher subsidy payments when market rates rise again, according to the report.

The report was coauthored by economists Dr. Kevin A. Hassett of the American Enterprise Institute and Dr. Robert J. Shapiro of the Brookings Institution and the

Progressive Policy Institute. Funding for the study was provided by the National Council of Higher Education Loan Programs (NCHELP), the Education Finance Council, the Consumer Bankers Association, and Sallie Mae.

A complete copy of the report is available on the NCHELP Web site at www.nchelp.org/elibraryII/Main/11-RepTest/11A-Reports/11A4-Industry/default.htm.

Legislation to change the Consolidation loan interest rate from a fixed rate to an annually adjusted variable rate has been introduced in both the House and Senate. With bipartisan support, the proposals are likely to remain on the table as Congress works through reauthorization of the Higher Education Act this year.

TG makes it easy to track the status of reauthorization legislation and other bills affecting student financial assistance. Just make regular visits to TG's *Legislative Report* page at www.tgslc.org/lege_report/index.cfm and watch for summaries of each new edition in *Shoptalk Online*.

Unusual scholarships offer something for everyone

Most students usually rely on a patchwork of grants, loans, and family savings to pay their college tuition. Some students also rely on scholarship money — usually awarded for academic or athletic achievements — to foot the bill. But what about the students who aren't in the top 10 percent of their high school class, or who can't run a four-minute mile or slam-dunk a basketball?

Well, a growing number of scholarships reward some of the more offbeat talents, hobbies, interests, and abilities of students with up to many thousands of dollars to pay for college.

Probably the most well-known of these scholarships is the \$1,000 scholarship for left-handed students at Juniata College in Pennsylvania. Here are some others:

- Got Milk? Then you may be eligible for the Scholar Athlete Milk Moustache of the Year (SAMMY) Award. In addition to looking good with milk on their upper lip, candidates must meet academic, athletic, and community service requirements.
- Talented with duct tape? The Duck Brand Duct Tape Stuck at Prom Contest awards a first prize of \$2,500 to each member of the couple who designs the best prom dress made entirely of duct tape.
- Perhaps wool would make a better prom dress. The National Make It Yourself with Wool competition awards \$1,000 and \$2,000 scholarships for knitting wool garments.
- Or maybe you'd rather quack like a duck. The Chick and Sophie Major Memorial Duck Calling Contest awards a \$1,500 scholarship to the best student duck caller.

- Can you see dead people? The Eilleen J. Garrett Scholarship awards \$3,000 to students studying the science of parapsychology.
- Are you too short? Or too tall? The Little People of America offers scholarships to people who are 4'10" or less and the Tall Clubs International offers \$1,000 to women who are at least 5'10" and men who are at least 6'2".
- Like exploring the furry things in the back of your fridge? The Mycological Society of America offers scholarships to students studying mycology (spores, mold, and fungi).
- Want to know the finer points of Merlot or Shiraz? The American Society for Enology and Viticulture awards scholarships to students studying grapes or winemaking.
- Do you speak Klingon? The Kor Memorial Scholarship is awarded by the Klingon Language Institute to recognize and encourage the study of language. Knowledge of Klingon or other constructed languages is not required.

Next time you meet a student who doesn't seem to fit the traditional scholarship descriptions, keep in mind that there are scholarships out there for everyone. For more information on these and other unusual scholarships, visit www.finaid.org/scholarships/unusual.phtml.

Legislative update

The March 12 issue of TG's *Legislative Report* provides updates on reauthorization recommendations from the Bush Administration and The Coalition for Better Student Loans. Both sets of recommendations were recently endorsed by the Texas Association of Student Financial Aid Administrators (TASFAA), the Association of Texas Lenders for Education (ATLE), and TG in a March 12 letter to the members and staff of the Texas Congressional Delegation. Review this letter and 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

This year, 35,000 students are expected to participate in alternative spring break programs that emphasize good works over good times. The programs match U.S. students with community service projects across North and Central America.

Under the programs, students volunteer to spend their spring breaks working on short-term projects addressing poverty, hunger, homelessness, literacy, and the environment. The commitment often extends beyond the spring break week; many students attend planning and training sessions to prepare for their trips.

The alternative spring break movement began with loosely organized, student-driven initiatives at Vanderbilt University and the University of Pennsylvania. Over the last 15 years, alternative spring break programs have spread to hundreds of

public and private campuses nationwide. Many of the programs are affiliated with Break Away, a national nonprofit that trains, supports, and connects campuses with community-based service organizations. For more on alternative spring breaks, visit Break Away's Web site at www.alternativebreaks.org.



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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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