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Tip^{of} the Week

Send a notice to your May 2004 grads that their grace period is almost over and repayment begins soon. Offer to answer questions, or direct them to TG's Default Prevention team at (800) 338-4752.

TG updates

Guarantees 14 times a day!

Have you ever missed the 12 p.m. cut off for TG's noontime guarantee processing? Take your time and finish your meal, because you now will have seven more opportunities after lunch to submit a loan request and receive a guarantee. That is just one of the many benefits of TG's new hourly MPN processing schedule, which began on October 15.

Hourly processing

TG's system was updated on Friday to process Federal Stafford and PLUS loan requests on an hourly basis between 7 a.m. and 7 p.m. Monday through Friday except business holidays. This new processing schedule provides a total of 14 opportunities for you to receive processing results on MPNs sent for guarantee. This schedule includes 13 hourly runs throughout the day and the normal overnight process. You can expect a response about 30 minutes after the hour depending on the volume received during a particular processing time frame.

Another benefit of this change is that guarantee responses, resulting from TG Loans By Web™, will be sent to lenders on a more frequent basis. Previously, schools received the guarantee response immediately, but lenders would not receive their notification until the next batch cycle – either at noon or overnight. Lenders will now receive notifications of guarantees for all of the “early bird” students, who

complete their loan requests between 1 a.m. and 7 a.m., during the 7 a.m. application processing. If a borrower completes his or her loan request during the day, the lender will receive the notice of guarantee within an hour of the borrower completing the information in TG Loans By Web.

This change may also facilitate delivery of funds to students faster by providing lenders with a guarantee response earlier in the day. While TG's EFT process is still a 3-day process, the process can begin sooner. Earlier delivery is dependent on the frequency and time of day at which each lender updates its system with new guarantee files and how often the lender produces roster records.

Flexibility is the key

What if your system can only support one overnight batch update? AdvanTG Web™ will still support as many, or as few, exports as each entity desires to fit its processing needs. All response records can be combined into one file upon export from AdvanTG Web. To ensure that you receive all records sent throughout the day, TG recommends using the "Everything not previously exported" option on exports. (See article in this edition of *Shoptalk Online* for further details.)

Those not using AdvanTG Web will receive guarantee responses hourly based on the number and timing of the files submitted for processing.

Questions or concerns

If you have any questions or concerns about this processing change, please contact TG Product Support at (800) 332-1455 or by e-mail at product.support@tgsic.org.

TG awards \$1 million in grants to benefit college students with financial need

More than 120 Texas colleges and universities this year qualified to receive Charley Wootan Grant funds from TG. For the second year in a row, TG allocated \$1 million for awards to benefit students with financial need.

"TG strives to ensure educational access in everything we do," said Sue McMillin, TG president and CEO. "It is especially rewarding to know that these funds directly impact students in higher education communities throughout Texas."

TG selects Charley Wootan Grant recipient schools based on the level of student financial need at each school. Each recipient school will receive \$8,125 to be awarded to eligible students at the discretion of the school's financial aid office. TG determines the amount of the award each year based on the typical student loan debt for Texas undergraduates. In 2003, the median borrower indebtedness for college students in Texas was \$8,125.

TG established the grant program in 2000 to provide assistance to students who have difficulties pursuing their higher education dreams because of financial need. In 2001, the TG board of directors voted to expand and rename the program in

memory of former TG Board Chair Dr. Charley V. Wootan for his generous contributions and service in the field of education in the state of Texas and the nation.

Federal updates

ED releases official deadline extensions

TG announced in a previously published *Shoptalk Online* that ED intended to extend certain institutional reporting and applicant filing deadlines for schools and students located in federally declared disaster areas created by this summer's hurricanes.

In its Dear Colleague Letter (DCL) GEN-04-09, ED announced its intent to publish the extended deadlines in a future *Federal Register* and provided information on the Title IV program deadlines scheduled for extension. ED has now posted a notice in the October 15, 2004, *Federal Register* officially establishing the new deadlines.

More information

To access the *Federal Register* that contains information about the deadlines and affected Title IV programs, go to <http://a257.g.akamaitech.net/7/257/2422/06jun20041800/edocket.access.gpo.gov/2004/pdf/04-23183.pdf>

Previously published, GEN-09-04 is available on ED's Information for Financial Aid Professionals (IFAP) Web site at www.ifap.ed.gov/dpclatters/GEN0409.html.

Trends and issues

Default management efforts come front and center

With publication of the latest cohort default rates, schools have a good opportunity to reassess their approach to default management. An annual review of what's working on your campus and what's not is important to the success of your school's efforts and, ultimately, to the success of the students you serve.

FSA default management tools

There are several resources that can help you in evaluating campus default management. ED has created a default management resource and FSA Self-Assessment Tool for schools on the Federal Student Aid (FSA) Web site. The default management assessment module is a comprehensive tool with information covering everything from analyzing data to counseling borrowers and best practices. The assessment module may be downloaded onto your desktop and utilized offline or may be completed online at the FSA Web site. To access the FSA Web site default management assessment module go to:

<http://ifap.ed.gov/qamodule/DefaultManagement/DefaultManagement.html>.

TG default management tools

TG's default aversion Web pages include such tools as TG's Virtual Default Conference, a searchable database of suggested strategies for successful default prevention. This data base addresses default management strategies for implementation by category: pre-loan, pre-payment, and repayment, and can focus on specific areas of interest such as packaging philosophy, technology, borrower education and more. To access TG resources for default prevention initiatives, go to www.tgslc.org and click on the "For Schools" tab. To search TG's Virtual Default Conference, go to http://www.tgslc.org/DP_KBase/index.cfm.

Need some personal attention?

TG default aversion consultants can help—either in person, by email, or by telephone. They understand that default management is an ongoing process that demands continuous improvement. They are armed with lists of available resources, can conduct presentations on the latest ideas and trends, and can bring a renewed energy and campus-wide focus to your default management efforts. To schedule a meeting or to discuss issues, e-mail a default aversion consultant at prevent.default@tgslc.org.

Helpful questions and answers

The following Q&A from an ED conference addresses how loan limits may, or may not, be used in debt management.

Q: Can I refuse to certify a FFELP loan, or certify a loan for an amount that is less than the student is eligible to receive?

A: You may take either action only if you:

- Take such action only on a **case-by-case** basis.
- Document the reason for the action and provide it to the borrower in writing.
- Keep documentation that supports the action in the student's file.
- Do not take such actions based on the borrower's race, gender, color, religion, national origin, age, disability status or income.

Q: Can I calculate a student's loan amount on the basis of enrollment status? For example, could my school have a policy that prohibits half-time students from receiving more than one-half of the applicable annual loan limit?

A: You may not have a general policy that limits loan amounts on the basis of enrollment status or the length of period attended, or one that limits loans to amounts needed to cover institutional charges. For example, you may not establish policies that reduce loan eligibility for all borrowers who are enrolled less than full time or who are enrolled for a single term that is not a final period of study. Borrowers who are enrolled less than full time or for a single term

may be eligible to receive up to the full applicable annual loan limit, depending on cost of attendance, estimated financial assistance, and expected family contribution.

You may offer aid packages that do not include loans, as long as you notify students that loans are available. Further, you may refuse to certify a loan or may certify a loan for an amount less than a borrower is eligible to receive on a **case-by-case** basis. Because you may do this only on a case-by—case basis, you may not have a policy that automatically reduces loan eligibility for all borrowers (or for a group of borrowers) who are enrolled on less than a full-time basis or attending less than a full academic year.

Q: Is there any limit to the number of times that we can give a student the maximum annual loan amount at a particular grade level without the student progressing to a higher grade level?

A: There are no federal requirements in the FFEL program that limit the number of times a student may receive the maximum loan amount at the same grade level, as long as the student meets all eligibility requirements (including satisfactory academic progress) and at least an academic year has elapsed before the student receives another loan. However, you may establish a policy that limits the number of times a student can receive the maximum annual loan amount for a particular grade level. For example, you could allow students to receive the second year undergraduate annual loan limit only once. Such a policy must be the same for all students in the same program and may not be applied on a case-by-case basis. If a school considers establishing such a policy, it should weigh the effects it may have on certain populations of students (e.g., transfer students).

Series Part III: Share Knowledge Gained from Conference Events

The fall conference season is in full swing, with conferences in New York, Kentucky, and Georgia being held next week. Many of you are looking forward to spending time with colleagues and brushing up on the latest industry trends and developments.

In this final installment of a three-part series, *Shoptalk Online* focuses on items to consider after returning from an industry conference or event. To access previous installments, see *Shoptalk Online* [276](#) and [274](#).

Create a one- or two-page "idea log" and share with office colleagues

When you return, identify three to five of the most important ideas or concepts you learned at the conference. Summarize them in an e-mail or written document. Explain how they could be implemented in your office and share with your supervisor. If appropriate, distribute this document to your other colleagues—it may start discussions for future improvements in your office.

Write thank you notes and follow ups to new acquaintances

A quick e-mail message or note to a new acquaintance can go a long way towards building a permanent working relationship. Share a thought or idea you discussed, or offer additional information on you, your office, or your products and services. Offer your assistance in the future—everyone appreciates a helping hand.

Share your experience with colleagues

Spend 10 to 15 minutes visiting with colleagues, sharing your experiences, and distributing copies of useful information. Ask your supervisor for a few minutes during the next staff meeting to share what you learned. If you participated in any "fact-finding" activities for a colleague, now is the time to share this information as well.

Complete your expense reports and other documents as soon as possible

The longer you wait, the more difficult it becomes to fill out travel reimbursement forms and reports. Prepare these items when your activities are fresh on your mind. If you find you have limited time, spend at least five minutes sorting out receipts and sketching out basic costs and descriptions. These will jog your mind when you return to the task.

Upcoming Event Information

For a listing of several association meeting dates, visit TG's Events Calendar at <http://www.tgslc.org/abouttg/calendar.cfm>.



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Shoptalk Online is published by TG. Unless specifically noted, the policies and procedures outlined in *Shoptalk Online* apply only to loans made under the TG guarantee and not to loans underwritten by other guarantors.

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

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