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Tip^{of}the Week

Involve parents in entrance counseling for any students enrolling midyear. TG can provide a list of items to cover during entrance counseling sessions. Call (800) 338-4752 to find out more.

TG updates

NSLDS releases 2005 federal reporting schedule

The National Student Loan Data System (NSLDS) has released its schedule for 2005 federal reporting. Lender Manifest, Common Account Maintenance (CAM), and Enrollment Reporting submissions must be received at TG by 10 a.m. on the date listed in the TG submission file date column below, in order to be included in the corresponding month's TG monthly NSLDS file.

The updates will appear on the NSLDS on Friday of the following week.

2005 NSLDS Data Provider Schedule

TG Submission File Date	NSLDS Viewable Date
January 14	January 21
February 11	February 18
March 11	March 18
April 15	April 22

May 13	May 20
June 10	June 17
July 15	July 22
August 12	August 19
September 9	September 16
October 14	October 21
November 11	November 18
December 9	December 16

For questions, concerns, or other issues related to submissions to be included in TG monthly NSLDS File, send an e-mail message to good.data@tgslc.org, or call (800) 252-9743, ext. 2917.

Federal updates

President signs FY 2005 appropriations bill

On December 2, President Bush signed the FY 2005 omnibus appropriations bill into law, setting the spending levels for a fiscal year that is already underway. Below are some high points of the bill that affect higher education funding.

Pell maximum does not change

Although funding for the Pell Grant Program has been increased by \$458 million over FY 2004 to accommodate increased demand for the program, Congress did not appropriate any additional funds to increase the maximum Pell Grant. Therefore, the maximum Pell Grant will remain at \$4,050 for FY 2005 — the same amount it has been since FY 2003.

Congress provides increases in other programs

There were a few notable increases in postsecondary education funding. They are as follows:

Program	FY05 Funding	Increase over FY04
Supplemental Educational Opportunity Grant (SEOG)	\$785 million	\$14.6 million
TRIO	\$843 million	\$10.7 million
GEAR UP	\$309 million	\$10.7 million
Strengthening Historically Black Colleges	\$240 million	\$17.7 million
Strengthening Hispanic-Serving Institutions	\$96 million	\$1.9 million

Congress imposes across-the-board spending cut

For FY 2005, the House and Senate budget negotiators have also imposed a 0.8 percent spending cut. This across-the-board cut applies to the entire spending measure and is imposed after taking spending increases into account.

This means that the spending increases listed above actually will be slightly less than identified, while higher education programs that received no increase, including the Federal Work-Study Program and the Leveraging Educational Assistance Partnerships (LEAP) Program, actually will experience a slight cut in funding. Pell Grants are not affected by the spending cut, however. Because Pell is an entitlement program (i.e., any eligible student is entitled to receive the grant), the amount of the maximum Pell Grant is not tied to the amount appropriated for the program for that fiscal year.

ED permitted to change tables that affect EFC calculation

Congress decided not to prohibit ED from updating the need analysis State and Other tax tables used in the calculation of the expected family contribution (EFC) for the 2004-2005 award year. ED's update of these tables will cause more families to have higher EFCs and will reportedly prevent about 100,000 students from qualifying for Pell Grants in the 2005-2006 academic year.

Some Bush programs didn't make the final cut

Lawmakers did not fund several programs that Bush promoted in his FY 2005 budget proposal, including \$33 million for the Enhanced Pell Grants for State Scholars program. The program would have provided up to an additional \$1,000 in Pell Grant funds for the first two years of postsecondary education to college students who took rigorous courses in high school.

Byrd inserts Constitutional education provision

Included in the omnibus bill is a new provision that is leaving everyone scratching their heads. Senator Robert C. Byrd introduced a last-minute stipulation that requires any school that receives federal funding to offer its students instruction about the U.S. Constitution each September 17, which was the date the Constitution was signed in 1787. The language in the bill does not explain how schools are to carry out this instruction, and a Dear Colleague Letter or other guidance is expected from ED on the subject in the near future.

More information

For more information on the FY 2005 appropriations, contact TG customer assistance at (800) 845-6267, or cust.assist@tgslc.org.

Variable interest rate for calendar year 2005

ED has announced the PLUS/SLS variable interest rate for 2005 for loans using the "91-day Treasury Bill" interest rate calculation method. Due to wording of promissory notes, some older loans are subject to a calendar year adjustment of the variable interest rate based on the "91-day Treasury Bill" method that existed prior to the enactment of the Higher Education Act Technical Amendments of 1987. Most of the loans with this interest rate provision have likely already been paid in full or refinanced.

The interest rate is equal to the average of the 91-day Treasury Bills (T-bills) auctioned during the previous 12-month period ending November 30 plus 3.75 percent, not to exceed 12 percent. The interest rate for calendar year 2005 is **5.05 percent** (the current 91-day T-bill average of 1.06% + 3.75%).

To access ED's electronic announcement regarding this interest rate, go to <http://ifap.ed.gov/eannouncements/PlusRate2005.html>. For interest rates on all other FFELP loans, visit *TG Online* at <http://www.tgslc.org/resources/intrates.cfm>.

Closed school corner

Following is a list of newly reported school closures and error corrections from the Postsecondary Educational Participants System (PEPS) and from the December 2004 Closed School Monthly Report supplied by the Department of Education:

Newly reported closures

OPE School ID	School Name and Address	Unofficial Closure Date	ED's Official Closure Date
02498700	Demarge College 9301 S. Western Ave. Oklahoma City, OK 73139-2728	N/A	11/11/2004
02493500	International Academy of Hairstyling 1599 10 th Ave. Vero Beach, FL 32960-5727	N/A	11/14/2003

Legislative update

The December 10, 2004 issue of TG's *Legislative Report* includes updates on the naming of Brian Fitzgerald to executive director of the Business-Higher Education Forum, pre-filed bills for the upcoming 79th Texas Legislature, which convenes on January 11, 2005, and the final session of the 108th Congress, which adjourned sine die on December 9. 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

Like most of you, the *Shoptalk Online* team is taking a break for the holidays. *Shoptalk Online* will not be published the week of December 20. You will receive your next weekly edition of *Shoptalk Online* on Tuesday, December 28.

TG will be closed Thursday and Friday, December 23 and 24, for the Christmas holiday, and Friday, December 31, for the New Year's holiday.

Happy Holidays!



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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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