

In this issue:

TG updates	1
TG leads national English-Spanish industry glossary initiative.....	1
TG to offer industry, professional development training opportunities for schools, lenders	3
Students, parents to receive answers about financial aid, FAFSA, and career during MYF chat	5
Federal updates	6
ED amends guidance on post-120-day late disbursements.....	6
Trends and issues	7
Student Title IV eligibility in various enrollment situations	7
This, that, and the other	9

Tip^{of} the Week

Start the year off on a positive and productive note. Bring your team together to review your campus default management plan, and have each person make a resolution to proactively enhance at least one of its objectives.

TG updates

TG leads national English-Spanish industry glossary initiative

TG has recently sponsored and led a national initiative to create an English-Spanish glossary of standard terms relating to student financial aid and postsecondary education. The glossary is free and available on TG’s corporate Web site *TG Online* at www.tgslc.org/pdf/Spanish_glossary.pdf in an easily searchable Portable Document Format (PDF).

Background

TG has a strong tradition of promoting access to college and financial aid as a public service to its customers and communities. Part of that commitment involves providing TG awareness tools – such as the *FAFSA Made Easy* Video Conference, awareness publications, and *Adventures In Education* (www.AIE.org) – in English and Spanish.

Early in its development of Spanish-language tools, TG recognized the need for consistent use of Spanish-language terminology to help Spanish-speaking students and their families better synthesize and comprehend information in a wide array of resources. As a result, TG developed an internal glossary of Spanish-language terms. This glossary was subsequently adopted by Texas' *Closing the Gaps* Campaign, which seeks to increase postsecondary enrollment in Texas by 500,000 students by 2015.

TG's glossary formed a large part of the basis for the recently developed national glossary.

Organizational participation

Many organizations involved in student financial aid and in promoting access to higher education to Hispanics throughout the country participated in the national English-Spanish glossary initiative. These organizations include the following:

- Hispanic Association of Colleges and Universities (HACU)
- National Association for College Admission Counseling (NACAC)
- National Association of Student Financial Aid Administrators (NASFAA)
- National Council for Community and Education Partnerships (NCCEP)
- National Council of Higher Education Loan Programs (NCHELP)
- U.S. Department of Education
- U.S. General Services Administration through *FirstGov en Español*

The participating organizations developed the English-Spanish glossary to provide a consistent and easy-to-use resource to help those involved in creating Spanish-language materials about higher education and student financial aid. The participating organizations created a workgroup of education, student financial aid, and Spanish-language experts who revised and merged pre-existing glossaries into a single reference tool. The initiative encourages organizations that produce Spanish-language materials about postsecondary education and student financial aid to take advantage of this glossary to facilitate that process and to ensure greater consistency in vocabulary.

Long-term benefits

Studies have shown that fewer Hispanics continue their education after high school than do members of other ethnic groups. One reason for this appears to be the lack of awareness in Hispanic communities about financial resources available to help pay for college. Part of the challenge of providing information about college and student financial aid to Hispanics comes from the bilingual aspect of many Hispanic communities. Often, in those communities, a family's parents speak only Spanish, while the children are bilingual. Furthermore, a recent survey found that many Hispanic parents and students would prefer to learn about student financial aid in

Spanish. Thus, providing Spanish-language information about college and student financial aid may facilitate college attendance among Hispanics, particularly since parental support is such an important factor in a child's college attendance and completion.

Annual review process

TG and the organizations involved in the development of this glossary will review the glossary each spring. The review will incorporate a process that allows interested parties to provide input. In order to continue the spirit of cooperation and inclusion that has characterized the development of this glossary, the first review will be in spring 2005.

Anyone wishing to provide input can submit his or her comments to Brent Hay, TG coordinator of pre-collegiate outreach events, at brent.hay@tgslc.org by January 15, 2005. The initiative participants will establish a workgroup to evaluate the comments and review the glossary. The updated glossary will be released each year at the end of March.

TG to offer industry, professional development training opportunities for schools, lenders

TG is initiating the year with a variety of opportunities for industry partners to enhance their knowledge, skills, and abilities. All training opportunities are offered at no cost for current and prospective partners. Registration is required.

Winter training workshops offered nationwide

TG's Winter Training series offers prospective school representatives an opportunity to enhance their knowledge on popular industry topics such as the return of Title IV funds, loan consolidation, and effective default aversion practices. Professional development programs include Whale Done™, Ducks in a Row, and Understanding Today's Multigenerational Workforce.

This year's winter training series workshops are scheduled for the following dates and locations:

- January 25 – Phoenix, Arizona
- February 11 – Albuquerque, New Mexico
- February 17 – Denver, Colorado
- February 24 – Long Beach, California
- March 3 – Columbia, South Carolina
- March 4 – Dayton, Ohio
- March 9 – Montgomery, Alabama

- March 11 – New York City, New York

Sessions are free, and lunch will be provided. To learn more about these training opportunities, to review agendas, and to register, visit *TG Online* at www.tgslc.org/wintertraining. For questions about any of these training opportunities, please call Cheryl McAuliffe at (800) 252-9743, ext. 2960, or send an e-mail message to cheryl.mcauliffe@tgslc.org.

Regional training workshops offered in Texas

TG's regional training series is continuing in locations throughout Texas. Initiated during the fall, our regional training workshops provide participants with opportunities to learn more about such topics as TG Awards By Web™, AdvanTG Web™ enhancements, and TG's new Integrated Default Assistant (IDA). Professional development sessions include Getting to The End of Your Rainbow and Making a Difference, One Student at a Time.

Currently, workshops are scheduled for the following dates and locations:

- January 19 – Dallas, Texas
- January 21 – Dallas, Texas (For Proprietary Schools)
- February 18 – Houston, Texas (For Proprietary Schools)

Other dates and locations will be announced as the series continues. To learn more about these training opportunities, to review agendas, and to register, visit *TG Online* at www.tgslc.org/workshops/regional. For questions about any of these training opportunities, please contact Sheila Casey at (800) 252-9743, ext. 4576, or send an e-mail message to sheila.casey@tgslc.org.

Training for lenders and servicers

TG is also offering TG Lender Training, an all-day series of training and support specifically geared to student loan lending and servicing professionals. Session topics include: AdvanTG Web Update, Regulatory Update, an overview of TG's PLUS Credit Check Connection, and a session on best practices for virtual teams.

TG's Lender Training will be held on Friday, January 28, 2005, from 8:30 a.m. to 4:00 p.m. CT at the Austin Marriott North, located near TG's Campus in Round Rock, Texas. Lunch will be provided courtesy of TG.

Registration for TG's Lender Training will soon be available on *TG Online* at www.tgslc.org. In the meantime, if you have any questions about the upcoming program, please call TG's lender consultants team at (800) 252-9743, or send an e-mail message to lenderrequests@tgslc.org.

Mark your calendars for 2005 TG Conference

And just as a reminder, all industry partners are invited to attend the 2005 TG Conference, scheduled for April 11-13, 2005, at the Hilton Austin, 500 East 4th

Street, Austin, Texas. Look for more information and updates on the TG Conference in mid-January on *TG Online* at www.tgslc.org, or contact Judith Cunningham at (800) 252-9743, ext. 2905 or by e-mail at judith.cunningham@tgslc.org if you have any questions. More information about the 2005 TG Conference is also forthcoming in future editions of *Shoptalk Online*.

Students, parents to receive answers about financial aid, FAFSA, and career during MYF chat

Students, parents, and high school counselors can get answers to their financial aid and career questions and receive assistance with completing the FAFSA during a chat event on the *Mapping Your Future* (MYF) Web site (<http://mapping-your-future.org>) on Tuesday, January 11, 2005, at 7 p.m. Eastern, 6 p.m. Central, 5 p.m. Mountain, and 4 p.m. Pacific.

Topics

During the chat, financial aid experts from across the country will answer questions about:

- Paying for school
- Completing the FAFSA
- Eligibility for federal student aid
- Financial need and the expected family contribution (EFC)
- Choosing a career

Easy access

Joining the MYF chat events in 2005 will remain as easy as ever — Internet access is all that's needed. Interested families and students simply visit mapping-your-future.org just before the chat and follow the chat link on the site.

Future chat events for 2005

Other special chat events are scheduled during the year:

- February 8, 2005: FAFSA, financial aid, and careers
- March 8, 2005: Online and distance education
- April 12, 2005: Deferments, forbearances, and default prevention
- May 10, 2005: Loan consolidation, forgiveness, cancellation, and discharge
- August 9, 2005: College admissions and standardized tests
- September 13, 2005: Debt management strategies

MYF is a public service Web site sponsored by TG and others in the financial aid industry to provide free college, career, financial aid, and financial literacy services for families, students, and schools.

Federal updates

ED amends guidance on post-120-day late disbursements

ED has modified guidance that it provided last June (see *Shoptalk Online* 259) concerning how a school requests to make a late disbursement beyond the 120-day timeframe allowed by federal regulations. At the recent Electronic Access Conferences, ED announced the following revised procedures.

How to submit a request

To request to make a late disbursement beyond the 120-day limit, the school must send a fax to COD School Relations Center, Late Disbursement Request, at (877) 623-5082. This allows schools to request permission from a single party to make a late disbursement of funds from any applicable program.

Requests by e-mail are not permitted because the electronic transmission of Social Security Numbers (SSNs) is not secure. However, the school will be notified of the outcome of its request via e-mail.

Required components

The request must include:

- The school's name and OPE ID.
- The contact person at the school, his or her phone and fax numbers, and his or her e-mail address.
- The name and SSN of the student (and the name and SSN of the parent, if the request is to late disburse a PLUS loan).
- The type and amounts of Title IV aid to be disbursed.
- The reason the late disbursement was not made within the 120-day deadline, including why it was not the student's fault.

If the request is for permission to make a late disbursement of a FFELP or Direct loan, the request must also include:

- The type of loan (subsidized, unsubsidized, or PLUS).
- The date the loan was certified (FFELP) or originated (Direct).
- The loan period beginning and ending dates.

- Information as to whether the student completed the loan period, and, if not, the date the student ceased to be enrolled at least half time.
- Information as to whether the requested disbursement is the first or second disbursement of the loan.
- The lender's name, for a FFELP loan; the award ID, for a Direct loan.

If the request is for permission to make a late disbursement of a Pell grant, the request must also include:

- The award year.
- The payment period beginning and ending dates.
- The date the student completed the payment period or withdrew from school.

More information

ED plans to publish this new guidance as a correction to page 4-31 of the *2004-2005 Federal Student Aid Handbook* (FSA Handbook). TG has posted the *2004-2005 FSA Handbook* on *TG Online* at www.tgslc.org/resources/fsa_handbook.cfm.

Trends and issues

Student Title IV eligibility in various enrollment situations

When a new period of enrollment is about to begin at a school, the school's financial aid officers dream that each student who is receiving financial aid will register for and maintain full-time hours for the entire period. Unfortunately, that dream soon fades as many students change their enrollment statuses before and during the period of enrollment. Because we know that these changes will occur, it is useful to review how some typical student enrollment status changes affect a student's eligibility for Title IV aid. They are as follows:

Student fails to register or is expelled before the first class day, or never begins attendance

If a student fails to register or is expelled before the first class day, or never begins attendance in any class, the return of Title IV funds regulations in 34 CFR 668.22 do not apply. Instead, the school must return 100% of any Perkins loan, Pell grant, and SEOG funds that were delivered to the student (including both funds that the school retained for institutional charges and funds the school sent to the student as a credit balance for noninstitutional charges) per the federal regulations in 34 CFR 668.21. The school must also return any FFELP loan funds that the school holds, per 34 CFR 682.604(d)(4). Any FFELP loan funds that the student holds may be finally demanded by the lender, per 34 CFR 682.412(a), since the loan is ineligible due to borrower error (the error being that the student withdrew prior to the first day of class and never established eligibility for the loan).

Student begins attendance but withdraws at any point during the period

In this scenario, the school must perform a return of Title IV funds calculation within 30 days of the date it determines that the student withdrew, per the federal regulations in 34 CFR 668.22. The results of the calculation determine whether the school and student have to return funds to the Title IV programs and, if so, in what amounts. If the calculation results in the school having to return funds to the Title IV programs, the school must do so within 30 days of the date it determines that the student withdrew, according to the regulations in 34 CFR 668.22(g). If the calculation results in the student having to return Title IV funds, the student must return those funds according to the regulations in 34 CFR 668.22(h).

Student begins attendance at full-time enrollment but drops to half-time enrollment before the census date

A school may be subject to a census date—that is, a date in the enrollment period on which the school is required (by the state or another outside entity) to count its student population. If your school is subject to a census date, you may decide to designate that date as the date after which your school will no longer recalculate a student’s Pell grant eligibility based on changes in enrollment status [the designation of such a date is permitted—but not required—under federal regulations in 34 CFR 690.80(b)]. (Note: If a school establishes a policy allowing optional Pell grant recalculations for an educational program, this policy must be in writing and must be applied consistently.) Under such a policy, if a student drops to half-time enrollment before this “Pell recalculation date,” the school will have to recalculate the student’s Pell grant and return any Pell funds for which the student is no longer eligible.

However, the census date has no impact on a student’s eligibility for other types of Title IV aid. The student remains eligible for any other Title IV funds that he or she has already received (since the student was eligible at the time of delivery). The student also retains eligibility for any FFELP loan funds he or she has yet to receive for the period, since, per federal regulations in 34 CFR 668.32 and 682.201(a), a student is eligible to receive Title IV assistance under the Perkins, FWS, FFELP, and Direct Loan Programs if the student is enrolled or accepted for enrollment as at least a half-time student in an eligible program.

Student begins attendance at full-time enrollment but drops to less-than-half-time enrollment before the census date

In this scenario, if the school uses the census date as its “Pell recalculation date,” the school will have to recalculate the student’s Pell grant and return any Pell funds for which the student is no longer eligible. The student remains eligible for any other Title IV funds that he or she has already received (since the student was eligible at the time of delivery) and remains eligible for any first disbursements of FFELP loan funds that the student has not yet received [per the late disbursement regulations in 34 CFR 668.164(g)]. However, the student loses eligibility for any second or subsequent FFELP loan disbursements after the point at which the student dropped below half time, because the student will not have successfully

completed the period of enrollment for which the loan was intended. Under these circumstances, the school must return any undelivered loan funds and the lender should cancel any future loan disbursements.

Student begins attendance at full-time enrollment but drops to less-than-half-time enrollment after the census date

If a student drops to less-than-half-time enrollment after the census date, and if the school uses the census date as its "Pell recalculation date," the student remains eligible for any Title IV funds that he or she has already received, since, for Pell purposes, the "Pell recalculation date" has already passed and, for all other Title IV funds, the student was eligible at the time of delivery. The student also remains eligible for any first disbursements of FFELP loan funds that the student has not yet received [per the late disbursement regulations in 34 CFR 668.164(g)]. However, the student loses eligibility for any second or subsequent FFELP loan disbursements after the point at which the student dropped below half time, because the student will not have successfully completed the period of enrollment for which the loan was intended. Under these circumstances, the school must return any undelivered loan funds and the lender should cancel any future loan disbursements.

More information

For more information, contact TG customer assistance at (800) 845-6267 or send an e-mail message to cust.assist@tgslc.org. In addition, sections 600, 668, and 682 of the federal regulations are available on TG's corporate Web site, TG Online, at www.tgslc.org/resources/intreg.cfm. Section 690 is available on the US Government Printing Office (GPO) Access Web site at www.access.gpo.gov/nara/cfr/waisidx_04/34cfr690_04.html.

This, that, and the other

Over the holidays, the Department of Education (ED) received a well-deserved gift — presidential recognition for its successful management practices.

In a recent press release, ED reported that it had been honored with the Presidential Award for Management Excellence. It was one of six federal agencies to receive the award out of more than 61 agencies nominated.

ED was selected for the award for various reasons, including: receiving its first clean audit in six years (and only the second in its history); effectively managing its annual budget of over \$67 million; and maintaining one of the smallest federal agency staffs, despite having to manage the third-largest discretionary budget among cabinet-level agencies.

Read more about this accomplishment at <http://www.ed.gov/news/pressreleases/2004/12/12202004.html>.



P.O. Box 83100
Round Rock, TX 78683-3100
(800) 252-9743
(512) 219-5700
(512) 219-4560 TDD

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.

Contributors to this edition: Kristin Boyer, Andrés Cordero, Jennifer Evrard, Brent Hay, Kelly Kaelin, and Art Martinez. Edited by TG Communications and Policy and Regulatory Affairs. Designed by TG Communications.

©2005 Texas Guaranteed Student Loan Corporation.
The TG logo is a trademark of Texas Guaranteed Student Loan Corporation.