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Tip^{of} the Week

Not receiving your weekly edition of *Shoptalk Online* on a regular basis? Your spam filter may be removing it from your In-Box.

To get your spam filter to recognize your subscription, please add our "From" address (webmaster@tgsfc.org) to your address book.

TG updates

TG study examines student loan default at the University of South Florida

TG has published a new study which confirms previous findings that a student's academic success in college can be a significant indicator of whether he or she will succeed in repaying student loans.

The study, based on a sample of 17,036 undergraduate student borrowers from the University of South Florida (USF), provides an in-depth examination of the variables that relate to a borrower's likelihood of successful student loan repayment.

The USF research confirms results achieved at a similar study TG conducted at Texas A&M University that showed a correlation between a student's graduation status, number of hours failed, and grade point average, and whether the student will repay student loans successfully.

"By identifying USF students who are most likely to default, TG's study allows us to strategically direct efforts and effectively target resources toward at-risk students for intervention," said Leonard Gude, director of financial aid for USF.

The USF undergraduate borrowers in the study had an overall default rate of 4.5 percent, and the findings reflect a change relative to this average. The study

revealed that a number of variables have significant relationships to student loan default. Significant findings include:

- Graduation is a key indicator of a student's likelihood of successful student loan repayment. USF borrowers who graduate are three percentage points less likely to default than those who do not graduate.
- Tracking the number of hours a student fails can provide an early alert to problems that may lead to an increased likelihood of student loan default. USF borrowers' likelihood of default gains four percentage points when they fail between two and nine course hours, and increases nine percentage points when 10 or more hours are failed.
- Success in college coursework correlates to a student's ability to repay his or her loans successfully. In fact, USF students who have a grade point average (GPA) of less than 2.0 have a risk of default that is three percentage points higher than students who have a GPA between 3.0 and 4.0.

"We feel that the study provides USF with performance measures – especially number of hours failed and GPA – that can serve as an early warning of potential repayment difficulties," said Matt Steiner, TG's principal researcher for the study. "It's also rewarding to apply research to the goal of helping institutions understand borrower behavior so that they can develop default prevention strategies that will benefit their students and the loan programs as a whole."

The study is available in portable document format (PDF) from *TG Online* at www.tgslc.org/publications/index.cfm.

Reminder: Where to mail TG claims documentation

Recently, TG has received several claims requests from lenders at our physical address. To serve you more effectively, TG wants to remind all of our customers that all claims submittals, including overnight deliveries, must be sent directly to the TG distribution center at the following address:

TG Claims Department

3500 Wadley Place, Bldg C, Ste 303

Austin, TX 78728-1244

This address should be used for all claim types, including default, specialty (e.g., bankruptcy), and supplemental claims. Failure to route claim submittals to the appropriate address may delay or otherwise jeopardize claim payment.

More information

If you have any questions regarding the submission of claims, please contact Ron Stroud at (800) 252-9743, ext. 4779, or send an e-mail message to ron.stroud@tgslc.org.

TG Partner Resources: NCES provides useful education-related information

TG and other education and financial aid professionals refer to NCES for important industry-related information. The National Center for Education Statistics (NCES) is a federally-funded organization that collects and analyzes data related to education in the U.S. and other nations.

As part of the U.S. Department of Education and the Institute of Education Sciences, NCES collects, analyzes, and reports complete statistics on the condition of education in the United States. Furthermore, NCES conducts and publishes reports on education activities internationally.

According to its Web site (www.NCES.ed.gov), NCES helps educational and financial aid-related institutions by:

- Addressing high-priority education data needs;
- Providing consistent, reliable, complete, and accurate indicators of education status and trends; and
- Reporting timely, useful, and high quality data to education policymakers and data users.

In addition, NCES issues numerous publications and datasets each year. These include: early releases, issue briefs, statistical reports, and handbooks of standard terminology.

More information

To learn more about NCES and how its information and publications can help your office, visit www.NCES.ed.gov.

Skillbuilders: Creating and managing e-mail effectively

Communicating by e-mail is no longer a luxury in the business environment — it is a necessity. E-mail has become the method of choice for many forms of communicating, particularly when you want something documented, when you need to send a quick request for information, or when you'd rather not meet with or interrupt the recipient. Unfortunately, not everyone uses e-mail effectively, and many people find that they must spend hours on end just digging through overloaded in-boxes of "useless" e-mail.

To assist you in making e-mail your friend, *Shoptalk Online* offers the following tips:

Make sure e-mail is the most effective choice to meet your need.

Often e-mail is used as an escape to avoid meeting with the recipient, but it may be just as easy to place a quick call or stop by the recipient's desk to make your

request or deliver your message. Face-to-face communication offers an opportunity to ask follow-up questions, and you also benefit from reading nonverbal communication cues. Also, although your message may be urgent, it may not be read immediately. Some people only check e-mail a couple of times a day.

Craft a subject line that gets to the point—fast.

How many times have you received e-mail messages with ambiguous or cryptic subject lines, only to become frustrated when you open the message and find out it's irrelevant to you? Remember that the subject line is an opportunity to cue in the recipient on the contents, and it can also be used to communicate the expected action. Consider starting your subject line with such items as "For your review," "For your approval," or "For your information," for example. That helps the reader prioritize his or her reading more efficiently.

Act on every message the first time it's received—before it gets lost.

Make a decision on each message when you receive it. Don't open it and then set it aside for later—you'll forget it. If it's something that needs action on your part, create a task to complete it. If it can be delegated, forward it immediately to the person you are delegating it to, with instructions. If it's irrelevant to you, archive it or delete it. This helps eliminate "In-box clutter."

Put yourself in the recipient's shoes – and write your message from that perspective.

Few people have the luxury of reading e-mail essays—today's business environment requires everyone to handle multiple tasks quickly and efficiently. Keep your message short. For example, use bullets to make your points, or explain the issue and the desired action of the recipient within the first two or three sentences. It's very likely that only the first few sentences will be read, and if the recipient has questions, he or she can always call you or reply with a follow-up question.

Use the "Forward" button to make friends, not enemies.

This nifty invention makes it very easy to forward a message to a large group of individuals. However, think carefully about each recipient before using it. "FYIs," or e-mails for your information, can be helpful. If that is your intent, then say so. Because e-mail can be used very easily to over-communicate, try to avoid sending too many messages that can overwhelm recipients' in-boxes.

Don't include or create messages that would embarrass you if they were posted at the water cooler.

These days, many messages go through several generations of forwarding, and it is highly likely that the information you created initially will reach tens or even hundreds of people. E-mail in the workplace can be reviewed by everyone, so mind your manners. Often even a second of hesitation in clicking the "send" button is

enough warning that perhaps you should deliver your message in person or over the telephone. In this situation, follow the adage, "When in doubt...don't."

Used effectively, e-mail can be one of the best ways to build relationships, complete projects and tasks, and create major successes for your team and your organization. Take some time with your coworkers to review these best practices and come up with others, and together you can make e-mail a highly productive tool in your workplace.

This, that, and the other

College admissions counselors say taking a year off between high school and college can benefit students, as long as they do more than goof off during that time, according to an Associated Press article. Taking a "gap year" to travel abroad, work, intern, or volunteer can help students figure out who they are and where their interests lie before enrolling in college. This, in turn, can help students decide on a major and career path that best suits them. To read the article, visit www.cnn.com/2005/EDUCATION/07/11/college.gap.year.ap/index.html.



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