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Tip^{of} the Week

Compile a calendar of important dates for students to remember regarding their financial aid. Then submit it to your campus newspaper editor to be included in the publication’s calendar of events.

Federal updates

Deferment form news

There are two developments in the world of FFELP deferment forms this week. The first concerns the emergency extension of the current forms, and the second concerns the development of Spanish-language versions of the forms.

Current forms extended

The FFELP deferment forms are set to expire on September 30, 2005. However, ED has received a notice from the Office of Management and Budget (OMB) approving an emergency extension of the current forms until such time as the revised forms

are approved. *Shoptalk Online* will keep you informed when the revised deferment forms are available.

Spanish-language versions now available

Several years ago, ED developed Spanish-language versions of forms used to obtain deferments under the Federal Direct Loan Program (FDLP). Recently, in a continuing effort to bring parity between the FFELP and the FDLP, ED released Spanish-language versions of FFELP deferment forms. These forms have the same OMB-approved form number and expiration dates as the English-language versions of the forms, and include:

- Economic Hardship Deferment Request (HRD)
- Education Related Deferment Request (EDU)
- In-School Deferment Request (SCH)
- Parental Leave/Working Mother Deferment Request (PLWM)
- PLUS Borrower with Dependent Student Deferment Request (PLUS)
- Public Service Deferment Request (PUB)
- Temporary Total Disability Deferment Request (TDIS)
- Unemployment Deferment Request (UNEM)

In addition, Spanish-language versions of the two forms that apply to the Teacher Loan Forgiveness Program are also available:

- Teacher Loan Forgiveness Application
- Teacher Loan Forgiveness Forbearance

ED currently has no plans to develop Spanish-language versions of other FFELP forms.

To download or order

To download the English- and Spanish-language deferment or teacher loan forgiveness forms, visit www.tgslc.org/forms/index.cfm (click on 'Deferment Forms' or 'Discharge and Forgiveness Forms'). To order the English- and Spanish-language versions of the deferment forms, click on 'Online Forms/Publications Ordering.'

More information

For more information or questions concerning these forms, contact TG customer assistance at (800) 845-6267 or send an e-mail message to cust.assist@tgslc.org.

TG updates

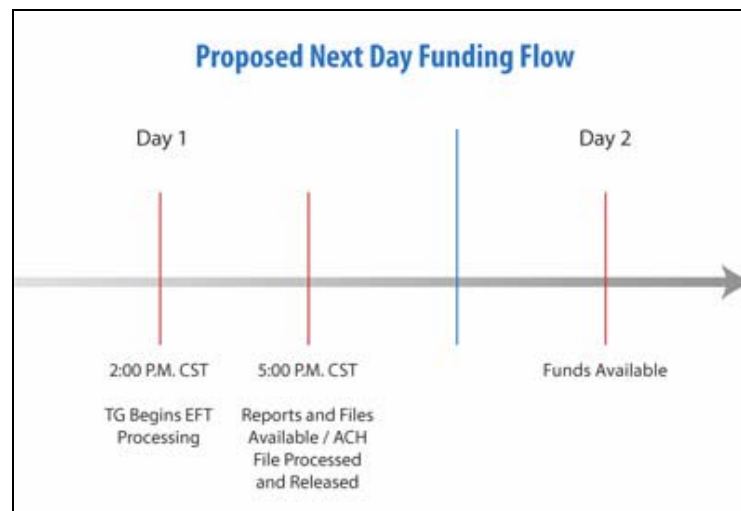
TG announces upcoming Electronic Funds Transfer (EFT) enhancements

This fall, TG will introduce its Next Day Funding (NDF) EFT process, which will compress our three-day funding into an overnight process. In addition to faster funds delivery, TG's Change Transaction and Disbursement Roster processing will be enhanced from the evening batch method to hourly processing.

TG EFT customers can expect to see these enhancements late November.

NDF timeline

Next day funding will shorten TG's EFT process by moving the approval/roster deadline to 1 p.m. (CST) each business day (Day 1). At 2 p.m. (CST), TG will begin the funding process for disbursements and return transactions that are to be credited or debited the next business day. EFT reports and files will be available a short time later. EFT funds will be available the morning of the next business day (Day 2).



Change Transaction processing

- Nightly Change Transaction (CT) batch processing now will occur hourly during the day.
- Responses generated in the change process will to be sent to TG's business partners after the hourly runs.
- Money-moving CTs successfully processed prior to TG's 2 p.m. (CST) EFT processing (see chart) will generate EFT reports and files available that afternoon and funds will move the following business day.

- Changes that are processed after the 2 p.m. (CST) EFT processing will generate reports and files the following business day and funds will move on the third business day (TG's current EFT flow).
- CTs will continue to be processed hourly through 6 p.m. (CST).

Disbursement Roster processing

- Disbursement Roster processing will be enhanced from once-a-night to hourly, following the CT processing. This will give lenders the opportunity to correct any error roster records and re-submit them for the next hourly run.
- At the end of each processing hour an 'acknowledgement file' containing only error records will be sent for every roster submitted. One consolidated 'acknowledgement file' of all successfully processed records will be sent to each lender after the last hourly Disbursement Roster run at 1 p.m. (CST).

Please note: The last roster processing hour results will be combined with the consolidated 'acknowledgement file' and may contain both successful and error records.

- Disbursement roster processing will continue hourly through 6 p.m. (CST). Rosters and approvals that are received and processed after 2 p.m. (CST) will generate reports and files the following business day and funds will be available on the third business day (TG's current EFT flow).

Lender considerations

- To participate in TG's NDF process, Disbursement Rosters or online approvals must be submitted and successfully processed prior to 2 p.m. (CST).
- Lenders who submit rosters or approvals multiple times prior to 1 p.m. (CST) have the potential to receive multiple, error-only 'Acknowledgement files' in addition to the consolidated 'Acknowledgement file' that will be produced.
- Lenders who wish to receive only one 'Acknowledgement file' should submit rosters or approvals between noon and 1 p.m. (CST).
- Funding in the NDF flow will occur on Day 2 of the process when debits and credits settle to the lender and school EFT accounts.
- If an online approval or Disbursement Roster is received after 1 p.m. (CST), the approval or roster will be processed on Day 1, and the funds will move in TG's current three-day process. Lenders will receive the 'Acknowledgement file' on the next business morning (Day 2), and funds will move the following business day (Day 3).

School considerations

Schools will receive EFT reports and files at a new time:

- EFT reports and files now will be available to all institutions by 5 p.m. (CST).
- In the NDF flow, disbursements will be credited to the school's EFT account the next business day.
- For CT processing, all changes received and successfully processed by 1 p.m. (CST) will result in reports and files available the same business day (Day 1). Funds will be debited and credited to and from the lender's and school's EFT account the following business day (Day 2).

Institutional work flows

To successfully take advantage of the enhanced funding timeline and hourly processing, TG encourages all institutions to consider how the proposed enhancements will affect the operational work flows within their own offices and within their bursar, loan origination, and cash management teams.

To learn more

For more information about TG's Next Day Funding or the new Change Transaction and Disbursement Roster processing cycles, contact TG product support at (800) 332-1455, or send an e-mail message to Renee Gilmer at renee.gilmer@tgslc.org.

Skill builders: What did you say? Learn to be a better communicator

Have you ever ended a conversation with a customer or coworker unsure if that person understood what you were trying to say or whether you clearly addressed his or her concerns?

Communicating effectively often can be difficult, especially with all of today's distractions, but anyone can learn to be a better communicator. One way is with help from the TG Speakers Bureau training session titled *Say What? Communicating More Effectively*.

Why communication is important

Darron Grussendorf, senior customer trainer, said *Say What?* focuses on the importance of good communication at work, whether among coworkers or customers, as well as in personal relationships.

"Many problems in the office are a result of miscommunication," Darron said. "So many times we think we've communicated well with someone, but we both walk away with two different ideas of what just transpired in our conversation."

Darron said the class helps participants work on their communication skills by providing lots of opportunity for interactivity, scenarios, and role playing. Participants learn about the barriers to communication, the importance of "I" messages, reading and monitoring nonverbal behavior, and how to improve their listening and speaking skills.

“Most people are either good speakers or good listeners, not usually both,” he said. “But communication is a two-way street, so it’s necessary to hone both of these skills to be an effective communicator.”

Listening is the key

Learning to become a good listener is the most important skill in becoming a good communicator, Darron noted, but often is the most difficult skill to develop. He pointed out that while many people have received training in speech or public speaking, most have not been trained in listening.

However, being a poor listener can be a barrier to good communication because, without fully listening to the other person, we often make assumptions about what that person is saying or find ourselves formulating a response before he or she has finished speaking.

“This can be especially true in the financial aid office, where staff members often hear the same question or concern from customers,” Darron said. “But if we tune out before they are done speaking, we may miss something important they’ve said that makes their question or concern unique. This can lead to misunderstandings, upset customers, and poor customer service.”

Listening = Caring

Empathy is another critical tool in becoming a good listener. Showing empathy, or that you can understand or relate to other people’s situations or concerns, goes a long way in letting them know you have heard them.

“When people feel heard, they feel valued and understood,” Darron said.

Learn more

For more information about *Say What?* or to schedule a TG Speakers Bureau event, contact TG Speakers Bureau at (800) 252-9743, ext. 4650, or send an e-mail message to customer.services@tgslc.org.

You can also complete an online TG Speakers Bureau request and learn about other Speakers Bureau topics by visiting *TG Online* at www.tgslc.org/speakers/index.cfm.

Partner resources: NASFAA and TG — working together to promote advancement of student aid

TG is a member of the National Association of Student Financial Aid Administrators (NASFAA) and often works with the organization to share professional expertise with industry partners, associates, and customers.

What is NASFAA?

NASFAA is a nonprofit membership organization that represents more than 10,000 financial aid professionals at nearly 3,000 colleges, universities, and career schools

across the country. Based in Washington, D.C., NASFAA is the only national association with a primary focus on student aid legislation, regulatory analysis, and training for financial aid administrators.

Each year, members help more than 8 million students receive funding for postsecondary education. In addition to its Member Web site at www.NASFAA.org, the association offers a Web site with financial aid information for parents and students at www.StudentAid.org.

NASFAA's annual conference provides more than 2,000 financial aid industry experts across the country an opportunity to foster new relationships and discuss challenging issues in the field of student aid.

TG and NASFAA

In 2000, TG was one of the original partners of NASFAA who helped develop the nation's first online training for student financial aid administrators, www.learnstudentaid.org. The site is the first Web-based learning community created by financial aid administrators for financial aid administrators. As of August 1, 2005, the online training is available to non-NASFAA Members, including other associations and organizations with an interest in the professional training of individuals who assist students with financing their education.

Question of the week

Q: Can a borrower receive teacher loan forgiveness on a Consolidation loan?

A: Assuming that the borrower meets all applicable eligibility criteria, a borrower may receive teacher loan forgiveness on only the outstanding portion of a Consolidation loan that was used to repay the borrower's qualifying Stafford loan.

Do you have a question?

If you have a question that needs an answer, feel free to *Ask TG*[™]. To submit a question to *Ask TG*, go to <http://tgsic.custhelp.com>.

Trends and issues

The in-school consolidation "aftermath": Determining Stafford loan aggregate limits for borrowers with Consolidation loans

Consolidation. In recent months, we have heard this word repeated again and again as throngs of borrowers, including many thousands of borrowers still in school, rushed to consolidate prior to the increase in student loan interest rates. But now that the dust has settled, what will the aftermath of the in-school consolidation rush be?

Shoptalk Online starts a new series examining the issues of which the FFELP industry will need to be cognizant now that this new generation of “in-school” Consolidation loan borrowers has emerged.

The first article in the series looks at how to determine Stafford aggregate loan limits for student borrowers who now have Consolidation loans. Although this issue isn’t exactly new (borrowers with Consolidation loans have gone back to school and obtained additional Stafford loans for years), the prevalence of this situation is going to increase dramatically since the in-school consolidation rush of 2005. And many schools that are used to seeing student borrowers with Consolidation loans in their financial aid history only once in a blue moon will see — and need to deal with — these situations on a more regular basis.

So, for a borrower who consolidated while still in school by entering repayment early, how will you know what portion of the borrower’s new Consolidation loan counts against his or her Stafford aggregate loan limit in order to award the borrower future Stafford loans?

Using the NSLDS to determine a borrower’s Stafford loan totals

The National Student Loan Data System (NSLDS) contains valuable information that can help you determine if a student has reached or exceeded his or her Stafford aggregate loan limit. However, when reviewing loan information on the NSLDS for Financial Aid Professionals Web site (www.nslidsfap.ed.gov), some of the loan totals provided in a student borrower’s loan history can be a bit confusing. With this in mind, here is a helpful process you can use to calculate a student’s remaining Stafford loan eligibility.

1. On the NSLDS Web site, access the student borrower’s loan history. Note: it is important to look beyond the ‘Aggregate Loan Information’ table provided at the top of the page because the Consolidation loan total will often include underlying subsidized and unsubsidized Stafford loan amounts. In addition, when reviewing the Consolidation loan total, keep in mind that the amount may include capitalized interest; collection fees; spousal loans included in a spousal consolidation; and other federal loans, such as Perkins, PLUS, and HEAL loans (all of which do not count against a student’s Stafford aggregate loan limit).
2. Go to the ‘Loan Summary’ section in order to review the individual loans that the borrower has borrowed. Your goal is to manually calculate the borrower’s subsidized and unsubsidized Stafford loans to determine how close the borrower is to his or her aggregate limits. To differentiate between the loans that are included in the borrower’s Consolidation loan and the loans that are outside of the Consolidation loan, you’ll need to review the loans’ statuses.
3. To do this, sort the ‘Loan Summary’ by ‘Loan Type’ (subsidized Stafford and unsubsidized Stafford). For each loan type, review the list of loan statuses to see if any loans are not listed as PN (a code which means ‘Non-defaulted, Paid in Full through Consolidation Loan’), DN (a code which means ‘Defaulted, Paid in Full

through Consolidation Loan'), or PC (an older code which means 'Paid in Full through Consolidation loan'). You want to do this because there may be loans that are coded incorrectly that are part of the Consolidation loan.

a. If a non-PN/DN/PC loan shows in an 'open' status, it counts toward the student's Stafford aggregate loan limit.

b. If a non-PN/DN/PC loan shows in a closed status, check to see if the closed date is within 210 days of the consolidation. If this is the case, the non-PN/DN/PC loan may be coded incorrectly as a PF ('Paid in Full') or DP ('Defaulted, Paid in Full') and may be a part of the Consolidation loan (and may count against the borrower's Stafford aggregate loan limit). To determine this, you may want to contact the student's consolidating lender to verify what loans were included in the consolidation. If a loan is coded incorrectly, the underlying loan holder can update the code on Real Time Access within AdvanTG Web™.

c. If there are other non-PN/DN/PC loans in a closed status that have a closed date that is not within 210 days of the consolidation, it is possible that the borrower paid the loan in full and this loan should not be counted against the borrower's Stafford aggregate loan limit.

4. Again by loan type (subsidized Stafford and unsubsidized Stafford), manually calculate the aggregate outstanding principal balance (Agg OPB) amounts listed for loans that you have identified as counting against the borrower's Stafford aggregate loan limit.

5. If the combined subsidized and unsubsidized Stafford loan totals you calculate match the Consolidation loan total provided in the 'Aggregate Loan Information' table, no further research is required. You have the correct totals and can proceed to award the student his or her eligibility in Stafford loans, taking into account the totals that you have calculated.

6. If the totals you calculate do not match — or only nearly match — the Consolidation loan total provided in the 'Aggregate Loan Information' table, then the difference may be 'unallocated' — meaning that it may include capitalized interest; collection fees; spousal loans included in a spousal consolidation; and other federal loans, such as Perkins, PLUS, and HEAL loans (all of which do not count against a student's Stafford aggregate loan limit). Further research of this 'unallocated' amount may be required to make sure that all of the borrower's loans are accounted for properly.

If the Stafford aggregate loan totals that you calculate differ from the amount on the "Aggregate Loan Information" table on the NSLDS, remember to document your calculation in the student's file.

More information

For more information on how to calculate Stafford aggregate limits for students with Consolidation loans, see:

- Dear Colleague Letter GEN-03-12 (available from the Information for Financial Aid Professionals Web site at www.ifap.ed.gov/dpclletters/attachments/GEN0312Attach.doc),
- Editions #6, #7, #8, and #9 of the NSLDS Newsletter, available at www.ifap.ed.gov/IFAPWebApp/currentNSLDSListPag.jsp?p1=NSLDS+Newsletter&p2=c,
- The NASFAA Conference presentation 'NSLDS Update,' available at www.ifap.ed.gov/presentations/05NASFAANSLDS.html, and
- The 2004-2005 *Federal Student Aid Handbook*, page 3-72.

If you need assistance with this process, call TG customer assistance at (800) 845-6267, or send an e-mail message to cust.assist@tgslc.org. You may also call TG loan guarantee operations at (800) 446-5616, or send an e-mail message to lgo.helps@tgslc.org.

Common Manual

New training brief provides information on chapter restructure

A new training brief from the *Common Manual* Policy Committee explains the recent revisions to Chapter 4 of the manual, titled "School Participation." Chapter 4 of the 2005 version of the *Common Manual* was restructured into two chapters in order to better place the contents into the manual's life-of-the-loan format. Sections removed from Chapter 4 were relocated into a new Chapter 9, "School Reporting Responsibilities and the Return of Title IV Funds," and the subsequent chapters were renumbered accordingly. You can view this training brief, along with a chart to guide users in finding the new location of the reorganized text, and other training briefs on *TG Online* at www.tgslc.org/resources/cm_training.cfm.

We hope that you are finding the training briefs useful. If you have any comments or suggestions, please contact Michelle Anderson, senior policy advisor with TG and a member of the *Common Manual* Policy Committee, at michelle.anderson@tgslc.org or (800) 252-9743, ext. 4608.

The current version of the *Integrated Common Manual* is available on *TG Online* at www.tgslc.org/resources/integrated_online_manual.cfm.

Legislative update

The August 4 issue of TG's *Legislative Report* includes a congressional update on: the College Access Initiative provision included in the House Higher Education Act reauthorization bill; HHS, Labor, and Education FY 2006 Budget; and Reconciliation/Appropriations. 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

For years, students have relied on college brochures and "the best" rankings from national publications. Now students have another resource to help them decide on which school best fits their needs and personalities: *Schools that Rock: The Rolling Stone College Guide*. According to an article in USA Today, the new book details music programs, courses, and local music scenes at colleges and college towns across the nation. The guide describes musical offerings at both classical music schools, such as Julliard, as well as contemporary music classes at other universities. It also explores the various types of careers available to those who seek to enter the music industry. To read the article, visit www.usatoday.com/news/education/2005-07-27-college-rock_x.htm.



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

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

Contributors to this edition: Jennifer Evrard, Renee Gilmer, Kelly Kaelin, Art Martinez, Susan Martinez, and George Torres. Edited by TG Communications and Policy and Regulatory Affairs. Designed by TG Communications.

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