

In this issue:

Federal updates	1
ED releases DCL covering a variety of issues	1
TG updates	2
TG introduces Financial Aid Leadership Symposium.....	2
Meet Rey Trevino, default aversion counselor	3
TG reaches milestone in Speakers Bureau training	5
TG Resources: Free booklet addresses student loan repayment options.....	6
Question of the week	7
This, that, and the other	7

Tip^{of} the Week

Does your institution have December graduates? If so, provide budget worksheets to students during exit counseling. Templates are available from TG's public service Web site, *Adventures In Education*, at www.AIE.org.

Federal updates

ED releases DCL covering a variety of issues

On Thursday, ED released Dear Colleague Letter (DCL) GEN-05-16, entitled "Responses to recent, recurring Federal Student Aid questions."

The DCL covers a large and varied number of issues that ED has determined require clarification and is written in a question-and-answer format. The issues addressed include:

- The requirement for a signed promissory note for loan funds to be included as "aid that could have been disbursed" in the return of Title IV funds calculation and for such funds to be available to be disbursed as late disbursements.
- The use of Web sites to provide required notifications and disclosures directly to students.
- Additional unsubsidized Stafford loan amounts for an otherwise eligible child of a parent who is not a U.S. citizen or permanent resident.
- Bankruptcy and eligibility for PLUS and additional unsubsidized loan amounts.

- FAFSA questions and same-sex marriage.
- Asset valuations of a rental unit within a principal place of residence in need analysis.
- The definition of a veteran.
- The treatment of combat pay.
- The use of stored-value cards (a.k.a. pre-paid debit cards) and other alternative methods of managing Title IV funds.
- Debit cards and third-party servicers.
- The Reserve Educational Assistance Program (REAP or Chapter 1607).

More information

To access DCL GEN-05-16, go to the Information for Financial Aid Professionals (IFAP) Web site at www.ifap.ed.gov/IFAPWebApp/currentDPCLettersTypePag.jsp?p1=GEN&p2=c. If you have questions about any of the issues discussed in the DCL, contact TG customer assistance at (800) 845-6267 or send an e-mail message to cust.assist@tgsic.org.

TG updates

TG introduces Financial Aid Leadership Symposium

To contribute to the career growth and leadership excellence of financial aid professionals, TG is offering a Financial Aid Leadership Symposium, a week-long professional development event specifically designed to enhance the leadership skills of managers in postsecondary school financial aid offices. TG will host the Symposium February 6 – 10, 2006, in Round Rock, Texas.

“There really isn’t any other leadership training available that is designed and geared specifically for those who work in the financial aid office,” said Kim Alexander, TG’s vice president for customer focus. “TG has numerous internal leadership training programs and opportunities that members of our advisory committees have encouraged us to expand to external customers in the financial aid industry.”

The Symposium will focus on enhancing the following skills:

- Team building
- Building trust
- Embracing change

- Identifying values and vision
- Motivation
- Customer service
- Goal setting and action planning
- Synergy

Participants will attend specific training sessions and roundtable discussions focusing on these skills, along with further instruction on leadership, management, and financial aid office operations. Sessions will be interactive, with exercises developed from real-world financial aid office scenarios presented by fellow Symposium members.

The Financial Aid Leadership Symposium is open to mid-level student financial aid managers. Interested individuals must apply to the program. The Symposium is limited to no more than 16 participants to create a comfortable atmosphere for focused discussions and interactive exercises. The application for the program is available at www.tgslc.org/training/leaders/. All applications must be submitted by December 1, 2005, for consideration.

Meet Rey Trevino, default aversion counselor

Some students graduating from college with student loans may have difficulty figuring out how to balance their student loan obligation and other living expenses on a starting salary. For those borrowers, any help they can get is important, whether it be information or moral support. TG's default prevention team offers



both — informing borrowers about their financial obligations and options, as well as offering a calm, attentive ear to listen whenever it's needed.

TG's default prevention team makes between 5,000 and 6,000 calls to borrowers and answers as many as 400 incoming calls each day. Counselors work with borrowers with loans at all stages of repayment: those who are just entering repayment, those who are past due, and those who are in default. Whatever situation the borrower is in, TG's counselors listen carefully, review the account status, explore repayment solutions, and outline borrower responsibilities, including the consequences of default. An essential part of this communication is forming a strong connection to the customer. This personal connection allows the counselors to provide borrowers with the highest level of customer service.

"Having a good rapport with a customer helps to ensure that they listen to what we're saying," said default aversion counselor Rey Trevino. Rey has been providing borrowers with exceptional customer service for two and a half years by educating

them and empowering them to take more control of their financial obligations. Rey says helping customers in this way is one of the most gratifying aspects of his job.

That's great news for schools, which can rely on default aversion counselors like Rey to help manage their cohort default rates by emphasizing the importance of responsible student loan repayment to the thousands of students who graduate each year. It's great for borrowers, because they can count on TG as a resource to help them manage their student loan debt.

To learn more about what he does, *Shoptalk Online* asked Rey a few questions.

Shoptalk Online: Can you briefly describe your work?

Rey: My team works mainly with borrowers who have gone 60 days past due in repayment and with those who have a default claim pending on their account. However, whether they're delinquent or in default, we try to get them back on track by offering information and possible solutions. We educate our borrowers about the various ways they can better manage their loan responsibilities. This includes offering them information about deferments and forbearances, if they qualify. We'll also discuss alternative repayment options, which they can pursue with their lenders, and even the possibility of consolidating their loans. Hopefully, one or a combination of these options will help the borrower. In that case, we've succeeded in doing our job.

Shoptalk Online: How do you connect with borrowers over the phone?

Rey: Verbal cues are really important. As an effective counselor, you can't speak to your customers in a monotone or inexpressive way if you expect them to pay attention. You have to be able to show concern and interest. It's true that people can hear it in your voice when you smile over the phone. The customer has to feel comfortable with us so they hear what we're saying and participate in the conversation by describing their situation. You don't want to make them feel like just another number, because they won't respond. I try to build a connection with each customer by treating the customer with respect. To do this, I try to put myself in their situation, and I offer them counseling in a way that I would like to receive it.

Shoptalk Online: How does your team measure success?

Rey: We have goals we strive to meet as a team, such as a "cure" rate for delinquencies and defaults. "Cure" refers to the percentage of borrowers that re-enter repayment after being delinquent or in default. Along with tracking this rate, we also send borrowers "customer speaks" survey cards that ask for feedback on our customer service performance during a call. These go out randomly to any borrower, no matter what the outcome of the call.

Shoptalk Online: What motivates you in your work?

Rey: I like the fact that I can provide peace of mind to borrowers. If I can offer them a few new options — something that they hadn't considered or knew about — then I feel I did a good job. I get a lot of gratification knowing that the situation has been turned around for them — that with my help, they're able to go back into repayment or find a solution that helps everyone involved.

TG reaches milestone in Speakers Bureau training

Since its inception in 2001, the TG Speakers Bureau has helped tens of thousands of financial aid professionals nationwide improve their skills by sharing industry knowledge and offering professional development training.

TG recently celebrated its 500th Speakers Bureau training event at the Court Reporting Institute of Dallas (CRID). Darron Grussendorf, senior customer trainer for business partner services, delivered the session *Crafting the Keys to Customer Service* to the financial aid office staff.

Darron reflected on how it was both ironic and appropriate that he presented the 500th TG Speakers Bureau to the CRID staff, because it is also where Darron presented his very first TG Speakers Bureau in 2002.

"It's hard to believe that we've already reached our 500th event in such a short period of time. It's very fitting that it takes place at CRID, a long-time TG customer who has requested our training services several times since the program was launched," Darron said.

Not only did Pam Bennett, academic dean at CRID, and her staff enjoy the party at the school in celebration of the 500th TG Speakers Bureau, she also appreciates the knowledge and support the training sessions provide.

"The customer service presentation was tailor-made to address CRID's specific needs by offering 'best practices,' which will help our faculty and staff members implement good customer service principles throughout campus," Pam said.

History of TG Speakers Bureau

Providing our customers with relevant and informative training opportunities has been a priority for TG since our creation in 1979. Whether educating schools and lenders on recent developments in student financial aid, helping our business partners simplify their processes, or enhancing customers' professional development skills, TG has led the way with our customized, interactive training events.

In 2001, TG recognized our customers' need for reliable training and sought to fill that void by offering a selection of training opportunities that focused primarily, at that time, on industry knowledge.

"We knew that schools were starved for information, and we also knew that our team members had a wealth of information to offer," said Margie Harvey, assistant

vice president for relationship management and consulting. "It seemed only natural that we would offer this information to our customers."

Since then, the Speakers Bureau has grown to include more than 50 sessions on topics that range from industry knowledge, to the future of financial aid, to enhancing professional development skills such as leadership and team building.

TG Speakers Bureau is ever-evolving

TG's expert trainers pay close attention to what skills our customers want to improve, on what industry topics they would like instruction or clarification, and new trends in the industry. Sessions are added or enhanced based on our customers' changing needs and their feedback.

More information

To learn more about TG Speakers Bureau training sessions, visit the TG Speakers Bureau page on *TG Online* at www.tgslc.org/speakers/index.cfm. To schedule a TG Speakers Bureau event, call (800) 252-9743, ext. 4650, or send an e-mail message to customer.services@tgslc.org.

TG Resources: Free booklet addresses student loan repayment options

TG's New Directions — A guide to repaying your student loans brochure provides useful information to help recent graduates understand their available options for student loan repayment.

The 16-page booklet includes information about:

- Money management,
- The rights and responsibilities of a student loan borrower,
- The consequences of not repaying a student loan,
- Estimated student loan payment amounts, and
- The options available to students who have difficulty making payments.

The publication also contains a budget worksheet to help borrowers calculate costs and estimate monthly payments and information on consolidating loans.

New Directions — A guide to repaying your student loans is available at no cost by calling (800) 252-9743, ext. 4546. It may also be downloaded in PDF format from *TG Online* at www.tgslc.org/publications/index.cfm or ordered through *TG Online* at www.tgslc.org/publications/index.cfm

Question of the week

Q: Per Department of Education guidance, if a student at our school receives all F's at the end of an academic term, we consider the student to be an unofficial withdrawal. In the fall semester, however, this can be difficult to assess, because we receive the reports of students with all F's when we come back from the winter break. By what date are we required to make the determination that the student is an unofficial withdrawal and complete the return of Title IV funds calculation?

A: For a school that is not required to take attendance, you must have a mechanism in place for identifying and resolving instances in which a student's attendance through the end of the payment period or period of enrollment (as applicable) cannot be confirmed. You must determine whether a student is an unofficial withdrawal no later than 30 days after the end of the earlier of the:

- Payment period or period of enrollment, as applicable,
- Academic year in which the student withdrew, or
- Educational program from which the student withdrew.

So, you'll want to make this determination as soon as possible after the end of the payment period (the fall semester) but certainly within 30 days after the end of the term. This means that you'll probably want to look at your reports of students with all F's for the fall semester as soon as you get back from winter break.

If you determine that the student is an unofficial withdrawal, you subsequently have 30 days from this date of determination to complete the return of Title IV funds calculation, return any unearned funds for which the school is responsible (if necessary), offer a post-withdrawal disbursement (if necessary), and notify the student of any grant overpayment (if necessary).

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*, visit <http://tgslc.custhelp.com>.

This, that, and the other

Many recent college graduates intend to go on to graduate school or enter into their chosen career, but not immediately, according to a recent *New York Times* article. A growing number of college graduates are taking time away from school and the vigorous pursuit of a career. Some are looking for new experiences; others want to test potential careers or devote themselves to public service for a while; still others simply want to have a good time after the rigors of high school and college.

Career counselors say there have always been students who opt to take a few years off to pursue other interests, such as the Peace Corps. But taking time off now has become a more common occurrence, and is more socially acceptable. Career development professionals call the break the timeout or gap years, and the

directors of career offices at a dozen major colleges and universities said more students are taking it than ever before. In response, the career offices have begun changing how they function. To read the article, visit www.nytimes.com/2005/10/23/education/23careers.html?ex=1130907600&en=2cbdd4664dc26b2&ei=5070&pagewanted=all



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, Rob Davenport, Kelly Kaelin, Art Martinez, Susan Martinez, and Matt Smith. Edited by TG Communications and Policy and Regulatory Affairs. Designed by TG Communications.

©2005 Texas Guaranteed Student Loan Corporation.
Ask TG and the TG logo are trademarks of Texas Guaranteed Student Loan Corporation.