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Tip^{of} the Week

Apply to attend the TG Financial Aid Leadership Symposium, a week-long training event geared specifically to mid-level managers in financial aid. To learn more about the Symposium, visit *TG Online* at www.tgslc.org/training/leaders/index.cfm

Federal updates

ED issues DCL exercising authority to waive grant overpayment resulting from withdrawal due to disaster

The Secretary of Education (Secretary) has decided to exercise recently granted authority that allows the Secretary to waive a student's requirement to repay a grant overpayment that the student owes as a result of withdrawing from school due to a major disaster. In Dear Colleague Letter (DCL) GEN-05-17, released on November 10, ED states that this waiver applies to student withdrawals occurring within a school's academic year or the following academic year, beginning with any academic year that occurs, in whole or in part, within the 2005-06 award year (which runs from July 1, 2005, to June 30, 2006).

Background

As reported in *Shoptalk Online* [Edition 328](#), the president recently signed two pieces of legislation — the Pell Grant Hurricane and Disaster Relief Act and the Student Grant Hurricane and Disaster Relief Act — that authorize the Secretary to waive certain requirements for repayment of a federal student grant by a student if all of the following apply:

- The student was residing in, employed in, or attending a school located in a major disaster area. (“Major disaster” designations are available on the Federal Emergency Management Agency’s [FEMA] Web site at www.fema.gov/news/disasters.fema.)
- The student withdrew because of the disaster's impact on the student or the school.
- The student's withdrawal occurred within the academic year during which the major disaster designation occurred or during the next succeeding academic year.

School actions

ED instructs schools with affected students whose overpayments have been waived to abstain from notifying the student or the National Student Loan Data System (NSLDS) of the overpayment, and from referring any portion of the overpayment to ED. The school must, however, document in the student’s file the application of this waiver and the amount of the overpayment waived.

More information

To access DCL GEN-05-17, go to the Information for Financial Aid Professionals Web site at www.ifap.ed.gov/dpcletters/GEN0517.html.

TG updates

TG names Kevin Harris as director, lender partnerships

As director of lender partnerships, Kevin Harris will lead TG’s lender partnership consultants to provide enhanced customer service to TG’s lending partners as part of TG’s relationship management and consulting team. His goal will be to lead the development of new lender partnerships, while also enhancing TG’s existing lender relationships.



Kevin joined TG in August 1998 as a lender consultant with the customer services team working with Texas lenders and servicers and has nearly 15 years of student financial aid experience in the lender and servicer community. Prior to joining TG, Kevin worked in loan origination and guarantee processing at Sallie Mae. He then moved on to product marketing at Education First. Most recently,

Kevin served on TG's national consulting team as a senior lender consultant.

"Kevin has been an asset to TG and to our lending partners for the past seven years. He is an excellent leader and problem solver who also provides excellent customer service. He has worked with a variety of lenders — from small, local banks to large, regional institutions — which makes him a great resource for the student aid community," said Kim Alexander, TG vice president for customer focus.

Kevin graduated from Virginia State University as a military officer with a bachelor's degree in marketing.

More information

Kevin can be reached at (800) 252-9743, ext. 2805, or by e-mail at kevin.harris@tgslc.org.

Real-Time Access and Change Transactions: What's the difference?

One benefit of using AdvanTG Web™ is that it includes under one umbrella all of the components our business partners need in their daily student loan processing – from application processing to default aversion and cohort default rate management tools.

Because AdvanTG Web offers complete life-of-the-loan support, sometimes more than one tool can be used to perform similar tasks, even though the objective and function of each tool are different. For this reason, it is important for our customers to know which tool will best meet their needs. An example of this situation is the similarity between Real-Time Access (RTA) and AdvanTG Web Change Transactions (CT).

Some of the functions that RTA enables schools and lenders to perform also can be done via a CT. For example, you may change a disbursement date or amount, cancel a disbursement or loan, or change the loan period or anticipated graduation date on a loan, using either of these tools. So how do you determine whether you should create a CT or make an update via RTA?

Real-Time Access

TG created RTA almost 10 years ago to provide schools and lenders with a connection to TG's mainframe system. RTA enables our customers to access TG's mainframe to view and update application and loan portfolio information. A CT also allows schools and lenders to update disbursement and loan information, but was developed several years after RTA, when the student loan industry began adopting CommonLine (CL) file standards. TG incorporated CL standards into AdvanTG Web and those standards are, therefore, the basis for change transaction processing in AdvanTG Web.

Updates made through RTA are immediate. You only need to know the borrower's Social Security number and loan suffix to view and update loan and disbursement information in RTA. When you make an update in RTA, the lender is notified via a CL 'Refresh' response. This response is simply a snapshot of the loan after the completed update. While this alerts lenders and servicers that something has changed on a loan, it does not identify exactly what that change was. Some lenders and servicers are not able to react as quickly to this type of notification. For example, if a school reduces a scheduled disbursement amount via RTA, the lender may disburse the original amount, because they could not determine that it was the disbursement amount that changed from the 'Refresh' response. One notable exception is 'Hold/Release' changes made via RTA. TG is able to generate a CT when the 'Hold/Release' indicator is updated via RTA.

Change Transactions

Using TG's AdvanTG Web Change Transaction process also allows schools and lenders to change, add, or correct information on a loan record. AdvanTG Web offers a handy tool for creating CT records and it pre-populates the borrower and loan information. Most importantly, just about all lenders and servicers can update their systems immediately from a CT, because unlike RTA, a CT identifies exactly what has been updated on a loan.

Some of the functions that AdvanTG Web CTs enable schools and lenders to accomplish are:

- Updating loan information (anticipated graduation date, loan period, etc.)
- Canceling a loan
- Reducing, canceling, reissuing, or adding new disbursements
- Changing disbursement dates or amounts
- Returning funds

CTs provide timely notification of changes

When CTs are submitted to TG, we update our mainframe system and forward a courtesy copy of the CT, exactly as submitted by the school, along with a 'Refresh' response to the lender and/or servicer. Because the majority of lenders and servicers are able to process CTs, TG recommends that schools submit CTs using AdvanTG Web to ensure that business partners are notified of the changes that you requested and that all parties understand and make the change.

In addition, AdvanTG Web offers CT reports to help you monitor and track your change transactions and to assist with the audit process.

More information

To learn more about Real-Time Access or Change Transaction processing through AdvanTG Web, contact your TG account executive. You may also contact TG's

product support team at (800) 332-1455, or send an e-mail message to product.support@tgslc.org.

To request a copy of TG's *Change Transaction Quick Reference Guide*, contact Joyce Henderson at (800) 252-9743, ext. 4546, or send an e-mail message to joyce.henderson@tgslc.org.

Electronic copies of the Guide also are available on *TG Online* at www.tgslc.org/pdf/CL_change_transactions.pdf

TG Resources: Center promotes influence of two-year colleges on financial aid policy

TG established the Center for Financial Aid Policy in Community Colleges to help influence state and national financial aid policies and practices that affect community colleges. The center is an advocate, resource, and counselor to community colleges as they work to serve the next generation of students.

The mission of the Center is to advocate on behalf of two-year colleges and work with the broader education community to develop policies and solutions that address the unique challenges faced by two-year colleges. In addition, the center offers professional development programs, research, and resources on best practices. Vickie Murillo, Ph.D., serves as director of the Center and works with education and policy organizations to shape effective financial aid policies and practices that impact student enrollment, retention, and graduation in community colleges.

The Center's advisory board met on November 3 and set the following five goals for the Center in FY06:

- Review and identify all of the federal and state financial aid regulations that are incongruent with operations in community colleges.
- Conduct an anonymous survey of financial aid practitioners at community colleges to identify the major areas of disconnects between policy and practice in the field.
- Develop and distribute position papers to policymakers and other stakeholders on the major issues identified from the survey.
- Conduct professional development training focused on community college regarding state and federal policy and regulatory issues. Develop and submit conference proposals regarding issues impacting community colleges.
- Explore building a portal that will serve to distribute information on the efforts of the Center and to serve as a conduit for communications among financial aid professionals.

To learn more about the Center for Financial Aid Policy in Community Colleges, visit *TG Online* at www.tgslc.org/cfapcc/index.cfm. You may also contact Vickie Murillo at (800) 252-9743, ext. 4531, or send an e-mail message to vickie.murillo@tgslc.org.

Question of the week

Q: My loan was reported to a credit bureau. Who reported my loan to a credit bureau and why? (Question submitted by a borrower)

A: Federal regulations require your lender to report information on each FFELP loan it makes or holds to at least one national credit bureau. In addition, your guarantor will report each loan it purchases as a default claim (i.e., a loan that the guarantor has acquired because the borrower has failed to make installment payments when due for a period of at least 270 days) to all national credit bureaus. If you make your loan payments in a timely manner, it can have a positive effect on your credit history. On the other hand, if you fail to make your loan payments in a timely manner, it can have serious consequences on your credit history and your ability to obtain credit in the future. For a list of some of the major consequences of default, go to www.tgslc.org/borrowers/conseque.cfm.

To obtain information about what is being reported on your credit report, you can visit the major credit bureaus' Web sites at www.experian.com, www.equifax.com, and www.transunion.com.

Do you have a question?

If you have a question that needs an answer, feel free to *Ask TG*[™]. *Ask TG* is TG's online query tool for borrowers, schools, and lenders. *Ask TG* includes a database of frequently asked questions about financial aid, student loan processing, and TG's products and services. To submit a question to *Ask TG*, visit <http://tgslc.custhelp.com>.

Trends and issues

TG sponsors online chat event offering advice on student loans to students and parents

TG will co-sponsor a live chat event hosted by *Mapping Your Future*[®] on Tuesday, November 15, 2005 at 6 p.m. (CST). The chat event will offer students and parents information about managing student loans, including information on repayment options, consolidation, and discharge.

Borrowers will have the opportunity to ask questions about money management and debt during the chat. Student loan and financial experts will answer questions about using student loans to pay for higher education expenses. Topics will include:

- Avoiding student loan default,
- Credit cards,
- Credit reports,
- Budgeting, and
- Student loan consolidation and discharge.

Easy access

Internet access is all that is needed to join the chat event. Families and students should visit mapping-your-future.org just before the scheduled chat time and follow the chat link on the site.

Mapping Your Future is a public-service Web site sponsored by TG and others in the financial aid industry.

This, that, and the other

TG offices will be closing at noon on Wednesday, November 23, for the remainder of the week. The TG team will be back to serve you on Monday, November 28.

Shoptalk Online will not be published on Tuesday, November 22. We will resume normal publication on Tuesday, November 29.

Happy Thanksgiving from all of us at TG!



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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.

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