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Tip of the Week

Registration for the 2006 TG Conference, *"Caring for our generation and the next..."* is now available. For more information and to register, visit www.tgslc.org/tgconference/index.cfm

TG updates

TG hosts 2006 lender and servicer training

TG held its 2006 Annual Lender and Servicer Training on Thursday, January 26, 2006, in Round Rock, Texas, welcoming more than 90 lender partners for a day of industry training and professional development. During the event, lender and



Kevin Harris, director of lender partnerships, visits with a lender training participant.

servicer partners were briefed on many of the reasons TG has grown to become the fourth largest guarantor of FFELP loans in the U.S., with a strong financial base and a reputation as a leader in technology, industry expertise, and customer care.

During the day, participants were provided information and updates on many issues, including:

- TG's financial stability and future initiatives;
- The results of recent studies concerning cohort default rates;
- A comprehensive overview of TG's default aversion activities and operations;

- Delinquency and default prevention initiatives;
- A thorough federal update on issues affecting lenders; and
- Teacher Loan Forgiveness payment and application.

Overall, feedback from participants was overwhelmingly positive. Lenders were particularly pleased with TG's federal update information.

To request handouts and other materials

If you would like a copy of handouts provided at the event, please contact Viola Perez at (800) 252-9743, ext. 4507, or send an e-mail message to viola.perez@tgscl.org.

To reach a TG lender partnerships consultant, please contact Kevin Harris at (800) 252-9743, ext. 2805, or send an e-mail message to kevin.harris@tgscl.org.

TG improves functionality of Enhanced EFT Reports

TG's Enhanced EFT Reporting Web site is undergoing improvements that will make it an even more useful tool for TG's business partners by offering expanded reporting functions.

The Enhanced EFT Reporting Web site provides customers with access to information needed for daily EFT processing, as well as three years of archived data. Information available through the site includes TG standard EFT reports and data, such as Payment Detail, Advance Debit Notification, and CommonLine Rosters, as well as custom reports and data downloads. The site can be used in conjunction with AdvanTG Web Reporting, or it can be used independently.

The enhancements will be made to the following areas of the Web site:

- Standard EFT Reports
- Custom EFT Query
- Custom EFT Reports

Standard EFT Reports

"On-demand" vs. "pushed" reports

TG reports and data no longer will be "pushed" to an institution daily. Instead, the reports will be generated "on demand." TG has expanded the functionality of Standard EFT Reports by allowing each customer to define and request the report information appropriate for the respective institution.

According to the current process, a customer selects a single date for that institution and may retrieve the Payment Detail, Advance Debit Notification report

or data file, or the CommonLine Roster (schools only) that was created for that institution.

With the new TG EFT Standard Reports query screen customers will be able to select a variety of combinations for requesting an on-demand report. The customer will be able to request the Payment Detail and the Advance Debit Notification reports to include the same information they currently receive, or they can include non-TG FFELP and/or alternative loan disbursement information.

Another example of the flexibility of the enhanced Web site is the ability of a customer to request multiple Payment Detail reports for different loan types (Stafford, PLUS, or alternative) by different loan categories (TG-guaranteed loans, non-TG-guaranteed loans, or alternative loans). For instance, a customer could request two different Payment Detail reports on a daily basis. One report could contain TG-guaranteed FFELP disbursements, and the second could contain both non-TG-guaranteed FFELP and alternative loan disbursements.

Sorting

The new EFT Standard Report offers customers the ability to change the sort option at any time. Reports can be sorted by Social Security number or alphabetically by borrower last name.

Date Range Options

Customers now will have a wider range of date options to select from — current business date (the default selection), previous business date, next business date, last seven calendar days, last 31 calendar days, or a specific date range.

Date range selection is limited to a maximum of 31 days and cannot include any future dates. Requests for the next business date are put into a queue, but are not executed until the next business date.

Submit

A customer will enter his or her selection criteria and select the submit button. The Web site will perform a brief analysis of the requested data and the customer is prompted to either save or open the report, or depending on the size of the report, it will be queued and be made available via the Download EFT Reports menu option.

Download Reports

To view reports, customers will access the Download Reports screen from the menu bar. The Download Reports screen will display a list of all the reports requested by the customer during the last three business days. The screen will also display the status for each listed report. The status range will indicate if the report is in-process, pending, completed, or aborted. The screen also will inform the customer if the data does not exist for the selected criteria or if the report is a daily request.

Custom EFT Query

The EFT Custom Query offers customers access to data that otherwise would be inaccessible. A user can create a query and save the resulting file to create a completely customized report that meets the school's, the lender's, or the servicer's needs.

Output Format

Which output format selected depends on the customer's needs. Selecting the Adobe® Portable Document Format (PDF) does not allow the user to manipulate the data to create a custom report. The Comma Separated Value (.csv) format, which is the default format, will generate a .csv file that can be imported into a spreadsheet or database program.

Custom EFT Reports

Enhanced EFT Reporting now offers three new reports: loan type; loan volume; and loan period. Each of these reports is offered in a summary and a detailed option.

The summary version of the loan type and volume reports provides the user with either a total number or total amount of disbursements categorized by loan type for the selected institutions. The detailed option provides the same information, but also includes a breakdown by institution. The customer also can select what loan types to include.

Up to 30 days of data can be selected, and the reports can be displayed in a table or in a graphical format including:

- Summary - Pie chart and bar chart
- Detail – Stacked bar chart, 3-D bar chart, or bar chart with multiple series

Once the user submits the request and the results are returned, the user can change views, print, or return to the selection criteria and refine or change the report criteria.

Learn more

TG remains committed to providing flexibility, innovation, and choice for our customers. For more information about the new Enhanced EFT Reporting Web site features, options, and processes, contact your TG account executive. You can also send an e-mail message to PMRequests@tgisc.org.

TG awards more than \$1.8 million in grants to advance college opportunity, student retention, research

TG's Public Benefit Grant Program has awarded more than \$1.8 million to 20 institutions and non-profit organizations to help them fund local, regional, and statewide efforts to increase opportunities and access to higher education and improve student success in preparing for and earning a college degree.

“Our nation’s future depends on our ability to inspire students to achieve all that they’re capable of accomplishing,” said Sue McMillin, TG president and CEO. “Since TG’s founding 25 years ago, we have been committed to the ideal that everyone who aspires to complete a college degree should have the opportunity to do so. However, many families don’t have access to information or resources to understand how they can achieve their educational and career goals. Through TG’s Public Benefit Grants, we’re pleased that we can help these like-minded organizations reach out to students and families.”

Grant recipients

The TG Public Benefit Grant recipients for 2006 include:

- Admission Control
- College For All Texans Foundation/Texas Higher Education Coordinating Board
- Communities in Schools of San Antonio
- Council for Opportunity in Education/Pell Institute
- Georgia Foundation for Independent Colleges
- McLennan Community College Foundation
- Mountain View College
- San Antonio Education Partnership
- South Carolina Independent Colleges and Universities
- Texas A&M University
- Texas State Technical College – Waco
- Texas Tech University
- Texas Woman’s University
- University of Houston – Downtown
- University of Houston – Victoria
- University of Nebraska – Lincoln
- University of Texas at Brownsville
- University of Texas – Pan American
- West Texas A&M University
- Wichita Area Technical College

Selection process

TG required each non-profit organization that applied for the grant to declare its intent to use the grant funding to improve access to or participation in postsecondary education, college retention, and student success. TG intends for the primary beneficiaries of these efforts, directly or indirectly, to be students who are from low- to moderate-income families.

The grant awards will help organizations carry out efforts that include:

- Financial aid, in the form of grants to students;
- Student mentoring;
- Pre-college outreach to students and parents;
- Academic support and instruction;
- Student retention;

- Student transfer guidance and support;
- Debt management and default prevention; and
- Education research.

The Public Benefit Grant Program is the latest of TG’s philanthropic initiatives. The grants are offered in addition to ongoing support for the Charley Wootan Grant Program, a need-based grant program established by TG in 2000. During the 2005-06 academic year, \$1 million in Charley Wootan Grants were awarded to help students enrolled in postsecondary education. Since its inception, the Charley Wootan Grant Program has awarded more than \$3.7 million to hundreds of public, private, community, and career colleges and universities.

Learn more

For more information about TG’s Public Benefit Grant Program, contact Jacob Fraire at (800) 252-9743, ext. 4964, or send an e-mail message to jacob.fraire@tgslc.org.

Reporting Back: Celebrating 25 Years of Service and Care



This year, TG celebrates the silver anniversary of its first student loan guarantee.

The \$1,850 loan, guaranteed on January 16, 1981 and borrowed at 9 percent interest from Herring Bank of Amarillo, Texas, allowed a Baylor University student to attend classes for the 1981 spring semester.

Although TG’s current guarantee process is nearly instantaneous, it wasn’t quite as streamlined two and a half decades ago. TG could only guarantee about 125 applications per day because that was the maximum number the computer could handle for batch printing to be completed by the following day.



The corporation’s first annual report was issued on June 30, 1981, after six months of issuing loan guarantees and just a little over one year after opening its doors for business. A look back at that first report reveals that TG accomplished much in its first months of existence — and with only 19 employees!

Over the course of the first six months of guarantee operations, TG guaranteed 15,556 loans for a net cumulative amount of \$39,619,688. In comparison, TG guaranteed 878,691 loans for a total of \$3.3 billion in FY 2005. And cumulatively since that first guarantee, TG has guaranteed more than nine million student loans totaling over \$40 billion, enabling more than 3 million students to pursue a postsecondary education.

Question of the week

Q: Can a school limit its process flow to receive all of its Stafford and PLUS loan disbursements by electronic funds transfer (EFT) or master check (i.e., not receive any disbursements by paper check)?

A: Per the *Common Manual* subsection 7.7.D, if the school and lender agree, the lender may disburse Stafford and PLUS loan proceeds by EFT or master check. Since most lenders are able to send disbursements via EFT, this means that if a school is set up to participate in EFT, a school could, with the lenders it works with most frequently, receive the bulk of its disbursements electronically. However, if a borrower chooses as his or her lender an institution that does not participate in EFT, a school could not refuse to certify a loan for that borrower strictly because the lender would be sending the borrower's disbursements via paper check. This would limit the borrower's choice of lender, which is prohibited in the federal regulations under 34 CFR 682.603(e)(3).

So, a school could set up its preferred lender list to include only EFT-participating lenders and could encourage its borrowers to choose lenders that participate in EFT for mutual convenience. But, the school could not refuse to receive a loan disbursement for a borrower who chooses a lender that disburses loan funds only by paper check.

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>.

This, that, and the other

The number of boys who said they didn't like school rose 71 percent between 1980 and 2001, according to a University of Michigan study and reported in a January 30 *Newsweek* article. And, nowhere is the shift more evident than on college campuses.

Thirty years ago men represented 58 percent of the undergraduate student body. Now they're a minority at 44 percent. Thirty years ago it was girls, not boys, who were lagging. The 1972 federal law Title IX forced schools to provide equal opportunities for girls in the classroom and on the playing field.

Over the next two decades, billions of dollars were funneled into finding new ways to help girls achieve. By the mid-1990s, girls had reduced the gap in math and more girls than boys were taking high-school-level biology and chemistry. It was this "misguided feminism" that some scholars are saying has been hurting boys. To read the article, visit <http://www.msnbc.msn.com/id/11012356/site/newsweek/>



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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: Art Martinez, Susan Martinez, and Karen Priputin. Edited by TG Communications and Policy and Regulatory Affairs. Designed by TG Communications.

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