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Tip^{of} the Week

Give your students tools to stay on top of their student loan debt with the *Top Ten Ways to Avoid Default on a Student Loan*.

Find it on *TG Online* at <http://www.tgslc.org/borrowers/topten.cfm>.

Federal updates

ED releases FY 2004 cohort default rates

On September 11, ED will release the official cohort default rates for FY 2004. A domestic school will receive its electronic cohort default rate (eCDR) through the Student Aid Internet Gateway (SAIG) destination point designated by the school. A foreign school will receive its cohort default rate through a hard copy notification package.

Loan Record Detail Report

A school with an FY 2004 cohort rate of 10 percent or greater should receive a Loan Record Detail Report (LRDR) along with ED's notification of the official cohort default rate. If a school does not receive its report or wishes to request the LRDR in an electronic format (also known as the eLRDR), the school may request an FY 2004 eLRDR through ED's NSLDS Web site at www.nslsdfap.ed.gov. For more details about the eLRDR, visit www.ifap.ed.gov/eannouncements/0211Draft2000eLRDR.html.

Consequences of high cohort default rates

A school with an official cohort default rate of 25 percent or greater for the three most recent fiscal years (FY02, FY03, and FY04) is subject to loss of eligibility to

participate in the FFELP, Federal Direct Loan Program, and Federal Pell Grant Program, unless the school successfully appeals the eligibility loss. A school with high cohort default rates that was not participating in the FFELP or Direct Loan Program on October 7, 1998, and has not participated in either of those programs since that time, is exempt from the loss of Pell Grant Program eligibility.

A school with an official FY 2004 cohort default rate that is greater than 40 percent may lose its eligibility to participate in the FFELP and Direct Loan Program, unless the school successfully appeals the eligibility loss.

Appeals and adjustments

A school that is subject to sanction because of a high official FY 2004 cohort default rate may appeal its rate within 30 days of receiving notification of sanction. The school may appeal if it feels the sanction is based on allegations of incorrect data, improper loan servicing and collection, and/or exceptional mitigating circumstances, as described in federal regulations and the *Cohort Default Rate Guide*.

As in the past, appeals based on incorrect data and improper loan servicing of FFELP loans must be submitted to the school's guarantor(s) within specified time frames to permit the school's continued eligibility while the appeal is pending. A school must submit an appeal regarding exceptional mitigating circumstances directly to ED. A school must also submit any appeal pertaining to Direct loans directly to ED.

A school also may be eligible to submit an Uncorrected Data Adjustment or a New Data Adjustment based on official FY 2004 cohort default rates. The Guide explains the procedures, time frames, and other requirements for submitting these requests for adjustment.

Schools are advised to send cohort default rate appeals to TG's compliance administrative operations at the corporate mailing or overnight shipping address, as appropriate:

Mailing address

TG
Attn: Compliance Analyst
P.O. Box 83100
Round Rock, Texas 78683-3100

Overnight delivery services

TG Distribution Center
Attn: Compliance Analyst
3500 Wadley Place, Building C, Suite 303
Austin, Texas 78728-1244

Time frame for appeals

The time frame for a domestic school to initiate the appeal process begins the sixth business day following the announced transmission date of the eCDR packages. In other words, if the announced transmission date is September 11, 2006, the appeal clock starts ticking on September 19, 2006. For a foreign school, the appeal time frame begins on the date the hard-copy cohort default rate package arrives.

Guide available online

ED's *Cohort Default Rate Guide* has been updated to incorporate changes under the Higher Education Reconciliation Act of 2005. You can download the latest version of the Guide at <http://ifap.ed.gov/DefaultManagement/DefaultManagement.html>. Please note that updates to this publication will be reflected only at <http://ifap.ed.gov/drmaterials/changelog.html>. Therefore, periodic review of this site is recommended for maintaining an up-to-date version of the Guide.

Upcoming changes

ED has announced its plans to develop a Web-based solution to automate the submission of schools' CDR challenges, adjustments, and appeals. ED plans to begin this project over the upcoming winter and spring and requests input and involvement from schools and data managers. If you would like to participate on this project, contact Mary McGeorge with ED's Default Prevention and Management at (202) 377-3199 or at Mary.McGeorge@ed.gov.

Questions?

For questions about the FY 2004 official cohort default rate and appeal procedures, contact Ken Johnson in TG compliance administrative operations at (800) 252-9743, ext. 4701, or send an e-mail message to ken.johnson@tgsic.org.

TG updates



AIE™ en español: TG reaches out to Spanish-speaking students with redesigned Web site

In early August, TG launched a redesign of its award-winning college and career planning Web site — *Adventures In Education* (AIE). Just this past week, the audience grew for the revamped AIE when TG rolled out the site in its Spanish version (<http://www.aie.org/Spanish/>). Both versions of the site — English and Spanish — offer information to help students and families prepare and pay for college. The site also serves as a great resource for exploring career options.

A look inside

The Spanish-language version of the site has been available since 2000. If you're curious about what the latest version of the site has to offer, consider these features:

- The **college-planning calendar** provides tips and recommended activities to help students stay on track.
- **Sample resumes and interview tips** offer guidance for creating a resume based on skills and experiences for new or first-time job seekers.
- The **FAFSA Information Center** includes common questions and errors made when completing the Free Application for Federal Student Aid.
- The **English/Spanish Glossary of Higher Education Terms** translates and provides alternate options for the most commonly-used terms in financial aid and college planning.

See for yourself

Visit *Adventures In Education* at www.AIE.org. If you have questions or need more information about the site, contact JD Hancock, AIE Web site director, at (800) 252-9743, ext. 4588, or send an e-mail message to jd.hancock@tgsic.org.

Need some stress relief during peak?

What sends you into emotional overload during peak season? The volume of paperwork? The student who submits an incomplete and incorrect application at the last minute? The irate parents who don't understand why they don't qualify for more money?

Fall peak season can wear on students scrambling to get their financing in place and on administrators working to help them. The important thing for both is to manage stress levels as much as possible. Why? Chronic stress affects the body, causing headaches and fatigue. It also affects how well we perform on the job and how good we feel about our lives.

If you're looking for ways to handle stress, consider some of the tips provided below. Together, they can provide you relief in the middle of the sometimes demanding and confusing work load that peak season brings.

- **Don't let their stress be your stress.** You deal with hundreds if not thousands of students during peak season. Some of them are likely to be confused, angry, worried, or even terrified at the prospect of moving away from home and taking out loans. Stay dedicated to your work, but remember that you don't have to take on your customer's anxieties and tension.

- **Control what you can.** Look at strategies for apportioning work in the office. Learn a particular regulatory area well so that your specialty can help others and yourself. Alternate the time you take breaks and lunches with coworkers.
- **Make the calendar your friend.** Organize and prioritize so that you don't suffer later with mass deadlines and an avalanche of paperwork. Talk with your boss about priorities and long-term goals. Set a goal to complete something each day beyond the normal workload.
- **De-brief with a coworker.** If you've had a bad encounter with a student or parent, talk it out. Turn to a colleague who has been there and outline the details so that you and others are aware of the situation. You're likely to receive good advice and learn something in the process.
- **Offer advice to help others and to feel empowered.** At the same time, you have the knowledge and skill to offer insight to others about their challenges or questions. Helping colleagues as well as students is a great way to feel your own strengths as a professional in financial aid.
- **Reward yourself when it's done.** Give yourself something to look forward to at the end of peak season. Plan a treat for yourself in the form of a special dinner or a night out, or whatever offers you that sense of reward for having done what you set out to accomplish.
- **Take care of yourself through exercise, diet, and meditation.** The literature is long and well-researched: Working out, eating right, and taking time on a daily basis to meditate offer your mind and body great rewards. If you don't already follow a plan that includes all these things, consider setting one.
- **Remember that what you do is important for students and for society as a whole.** Keep in mind the value you bring to students' lives by helping them pursue higher education. On top of that, remember the value you bring to society, since education has been the key to prosperity and growth for countless generations.

Want more help

There are many Web sites devoted to helping you manage your stress levels, but two particularly good ones are sites developed by the Mayo Clinic (<http://www.mayoclinic.com/>) and by WebMD® (<http://www.webmd.com/>). These Web pages give you the low-down on the negative side-effects of stress and offer a regimen to follow in case your life is stress-heavy.

TG also provides some great resources for understanding and managing stress in the form of several presentations from our TG Speakers Bureau trainings. *Redress Your Stress* and *Dealing with Difficult Students* are two workshops that you may find particularly helpful. Look through the online catalog of presentations to learn more (<http://www.tgslc.org/speakers/professional.cfm>).

Share your stress remedy

How do you handle stress? Send us an e-mail that describes your stress remedies. We'd like to hear the creative ways you manage stress in or out of peak season.

Trends and issues

Question of the week

Q: Must a school complete a return of Title IV funds calculation for a student who withdraws after the 60 percent point in the period?

A: Yes. The *2006-07 Federal Student Aid Handbook* states on page 5-13 that a school must complete a calculation even if the student withdrew after the 60 percent point in order to determine if the student is eligible for a post-withdrawal disbursement.

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>.

Legislative update

The August 30 issue of TG's *Legislative Report* addresses some of the potential legislative changes if November elections make Democrats the majority party in the House of Representatives and add Democratic seats in the Senate. Learn more on *TG Online* at www.tgslc.org/lege_report/index.cfm.

This, that, and the other

ED's office of Federal Student Aid is hosting a series of one-day workshops on the Higher Education Reconciliation Act (HERA). These workshops will look closely at many HERA provisions that are affecting the financial aid community in wide-ranging ways, especially the new Academic Competitiveness Grant (ACG) and the National Science and Mathematics Access to Retain Talent (SMART) Grant. Attendees will also learn about the Grad PLUS Program; the latest changes to deferment eligibility, loan limits, interest rates, and loan fees; modifications in eligibility for institutions and programs; calculation changes for the return of Title IV funds; and more. Workshops begin on September 26 and run through early December.

To learn about these workshops and to register, check out the Dear Colleague Letter ANN-06-10 on the Information for Financial Aid Professionals (IFAP) Library at <http://www.ifap.ed.gov/dpccletters/ANN0610.html>.



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

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