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## Tip<sup>of</sup> the Week

If you're looking to replenish your store of MPN forms for Stafford and PLUS loans, use TG's *Online Form / Publications Ordering* page.

To place an order, go to [www.tgslc.org/order/index.cfm](http://www.tgslc.org/order/index.cfm)

## Federal updates

### Commission on the Future of Higher Education releases final report

Last week, the Commission on the Future of Higher Education (Commission) released its long awaited report, *A Test of Our Leadership: Charting the Future of U.S. Higher Education*. The document is the fifth and final version of a report that the Commission has been working on since its creation one year ago. Tasked with developing a comprehensive national strategy for postsecondary education that will meet the needs of America's future, the Commission drafted a report that focuses on the areas of access, cost and affordability, financial aid, learning, transparency and accountability, and innovation in postsecondary education.

In the report, the Commission points to several shortcomings that currently exist in American postsecondary education. Some of those shortcomings include a lack of preparation in our secondary schools, rising costs coupled with a complex financial aid system, and a lack of accountability in colleges.

In addition to highlighting shortcomings, the Commission's report recommends several action steps and strategies aimed at correcting these shortcomings. Many of the recommendations call for sweeping joint national efforts between colleges and policymakers including national strategies for lifetime learning and the complete restructuring of the federal financial aid system.

### **To learn more**

Additional information regarding the Commission along with the full report is available on the Commission's Web site at [www.ed.gov/about/bdscomm/list/hiedfuture/reports/pre-pub-report.pdf](http://www.ed.gov/about/bdscomm/list/hiedfuture/reports/pre-pub-report.pdf).

## **ACSFA report cites financial barriers as biggest impediment to postsecondary education access**

*Mortgaging Our Future*, a report recently released by the federal Advisory Committee on Student Financial Assistance (ACSFA), states that, because of financial barriers in higher education, millions of college-qualified high school students will be unable to obtain bachelor's degrees. The ACSFA provides guidance to Congress and to the Secretary of Education on student financial aid matters.

The report claims that the nation has failed to invest copiously in student aid so the U.S. could ensure its economic future and uphold America's competitiveness in the global economy. The report notes that even as academic preparation has improved and the financial aid process has been simplified, completion rates for bachelor's degrees by family income show no signs of improvement. The ACSFA estimates that, during this decade, between 1.4 and 2.4 million college-qualified low-to-moderate income students will not attain a bachelor's degree because of rising college prices and insufficient need-based grant aid.

### **The committee's recommendations**

The ACSFA emphasizes that in order to lower financial barriers, improve bachelor's degree attainment rates, expand the pool of college-qualified high school graduates, and improve America's economic competitiveness, the nation must:

- Reinvigorate the access and persistence partnership in higher education to increase need-based aid from all sources.
- Restrain increases in the price of college and offset necessary increases with need-based aid.
- Moderate the trend at all levels toward merit-based aid and increasing reliance on loans.

- Reduce financial barriers to transfer from two-year to four-year colleges.
- Strengthen early intervention programs for low-and moderate- income middle school students.
- Invest in efficient and productive remediation in college.

The ACSFA recommends improvements to increase efficiency and a further streamlined process of the federal Title IV programs. According to the committee, the current reauthorization of the Higher Education Act is the ideal opportunity for making lasting improvements in student aid.

### **To learn more**

To read the complete ACSFA report, visit [www.ed.gov/about/bdscomm/list/acsfa/mof.pdf](http://www.ed.gov/about/bdscomm/list/acsfa/mof.pdf).

## **New disbursement guidelines for students studying outside the United States**

The Higher Education Reconciliation Act of 2005 (HERA) established new requirements for the direct disbursement of Stafford loans to students studying abroad and at foreign schools. This article examines both the policy and procedural angles for each type of direct disbursement.

### **Direct disbursement to a study-abroad student**

A student who is studying abroad may request that the lender disburse his or her Stafford loan directly to the student. This has been permitted since before the passage of the HERA. However, the HERA added the provision that in order for a lender to disburse a loan directly to a study-abroad student on or after July 1, 2006, the student's enrollment in the study-abroad program must be verified with the home institution.

TG lender partners are required to verify a student's study-abroad enrollment with the home institution for direct-to-student disbursements. In addition, lenders who make loans to students in study-abroad programs under TG's Blanket Guarantee Addendum must verify the student's enrollment prior to issuing loan funds directly to the student. According to the interim final regulations in 34 CFR 682.207(b)(2)(iv), for any disbursement made directly to a student studying abroad, the lender must send a notification to the school at the time of disbursement.

### **Direct disbursement to a student attending a foreign school**

The HERA provisions also modified the process for requesting direct-to-student disbursements for students attending foreign schools. Effective July 1, 2006, the foreign school, not the student, must make the request for direct disbursement to the student.

TG performs foreign school enrollment verification on behalf of lender partners for all foreign school disbursements, including first and subsequent disbursements, whether the disbursement is made to the school or directly to the student. According to the interim final regulations in 34 CFR 682.207(b)(2)(iv), for any disbursement made directly to a student attending a foreign school, the lender must send a notification to the school at the time of disbursement.

Lenders are reminded that loans certified by foreign schools may not be made under TG's Blanket Guarantee Addendum.

### **For more information**

To learn more about these new disbursement enrollment verification guidelines, contact Kyle Smith, TG assistant vice president of loan guarantee operations/data reporting, at (800) 252-9743, ext. 4894, or send an e-mail message to [kyle.smith@tgslc.org](mailto:kyle.smith@tgslc.org).

## **TG updates**

### **Hiring staff? Bring them up to speed fast with these nine tips**

Remember that first day on the job when you began working in financial aid? Perhaps it was a Work-Study position or even a temp job. You probably didn't know a lot about financial aid, and the process for doing things seemed hard to understand, especially given the pace of many financial aid offices. Now that you're hiring staff, think back to that time: How did you feel? What could have helped you learn your job even more quickly? Policy information? A detail of office practice? Or just some form of reassurance?

It's these kinds of questions that will help you as you train your new hires, giving you insight about their expectations and needs. You can also do a number of specific things to ensure the training process goes smoothly.

#### **Nine strategies**

Follow these nine training recommendations the next time you bring on new hires. These tips will help ensure new hires learn what they need to so that productivity levels in your office stay high and service quality isn't affected. In following them, take the perspective of your new hire, asking yourself what they need to know at every step. Just remember — you could be cultivating a future director of financial aid.

1. **Put the foundation in place — job documentation.** Manuals, job descriptions, process outlines, and other forms of documentation are the first level of education on a new job. Ensure all this information is complete and in place before they start. Your new hire will be glad to have something that

outlines exactly what they need to know, which they can use however much they need it.

2. **Learn it first before teaching it to them.** There's only one way of transferring knowledge: Know it first. Teach yourself the job if you aren't already familiar with it so that when they start asking questions, you can provide the answers.
3. **Cross-train.** Financial aid offices are often the epitome of a team effort, with counselors frequently sub-ing for each other or collaborating on questions and issues. Ensure your new hire knows everybody's responsibilities by getting them acquainted with each person's role and work. It makes them smarter about the job and gives you another layer of help if schedules get tight.
4. **Pair them with an expert.** People who know their job well can serve as mentors and coaches for your trainees. Ensure your new hire gets the feedback and attention from someone experienced on the job.
5. **Follow up with a short-term and long-term review.** Did they learn what they need to? Find out with periodic reviews that help you gauge how much they know. With these reviews, you can set the expectation that they learn and keep growing their skills.
6. **Hail their achievements.** Praise and encouragement offer the first incentive for doing better. Your new hires have to know you value what they bring to the job; otherwise the experience can seem pointless whether or not they get paid.
7. **Don't treat them differently from the rest of the team.** A perception of difference can lead to a sense of a caste system, or worse, that you don't value them as much as your other team members.
8. **Invite their ideas on change and innovation.** Your new hires have a fresh perspective on the job and even on the area of financial aid. You can gather some insights from their unique position and empower them at the same time by asking them what they think of the procedures and organization in place right now. That way, you've activated a process of questioning and thinking instead of creating a passive knowledge transfer that stops their creativity or their willingness to be proactive.
9. **Support them with online and printed resources from outside the office.** Financial aid office workers have to know a great amount of information about the job and about the financial aid industry. Fortify their knowledge with publications and resources including *Shoptalk Online*. If they can't access *Shoptalk Online* via the Web, print it out for them.

## To learn more

TG offers a variety of training through the TG Speakers Bureau, a service which can help you bring your new hires up to speed whether the issue is policy, industry regulations, or professional development. To find out more about these trainings and to request training for your office new hires, visit *TG Online* at [www.tgslc.org/speakers/index.cfm](http://www.tgslc.org/speakers/index.cfm).

## Order the new poster on the Texas Financial Aid Information Center for your office

The Texas Financial Aid Information Center (TFAIC) offers Texas schools year-round support on any issue related to student financial aid. The center serves as a one-stop resource for schools, students, and families who have questions about financial aid eligibility, the application process, state financial aid programs, education-related tax benefits, and more. Created by the Texas Legislature, the center is a collaborative effort of TG, the Texas Association of Financial Aid Administrators (TASFAA), and the Texas Higher Education Coordinating Board (THECB). Since its inception in 1999, the center has provided help to thousands of students and families.

The center, which is staffed by TG's customer assistance team, works in partnership with school financial aid offices as well as high school counselors. Schools can promote the center's availability to students by ordering this new poster from TG. Produced in both English and Spanish, the poster has a graphically-interesting design that displays the center's telephone number and encourages students to call with questions.



## To order

You can order both English and Spanish versions of the poster. To order the poster in English, complete an online order at [http://tgorder.tgslc.org/acb/stores/3/product1.asp?SID=3&Product\\_ID=88](http://tgorder.tgslc.org/acb/stores/3/product1.asp?SID=3&Product_ID=88).

To request the poster in Spanish, complete an online order at [http://tgorder.tgslc.org/acb/stores/3/product1.asp?SID=3&Product\\_ID=89](http://tgorder.tgslc.org/acb/stores/3/product1.asp?SID=3&Product_ID=89).

## To learn more

You can contact the center to get help or to learn more about its services by calling 1-888-311-8881. You can also learn more by visiting the *CollegeForTexans* Web site at [www.collegefortexans.com](http://www.collegefortexans.com); or send an e-mail message to [cust.assist@tgslc.org](mailto:cust.assist@tgslc.org).

## Got a financial aid question? Ask TG™

In financial aid, good customer service means getting comprehensive answers fast. TG provides multiple ways of getting those answers: Strong call center support, training on varied policy and industry issues, and an online query tool that works like an electronic guru on all things financial aid.

*Ask TG™* is an online database of questions and answers on financial aid topics for schools, lenders, borrowers, students, and families. It also provides a convenient way to query TG's customer service teams via an online form. *Ask TG's* information covers a wide range of topics collected from the more than 25 years that TG has provided customer service to schools and students. To date, visitors have viewed more than 70,000 answers to FAQs and asked nearly 3,000 original questions of the database — many of which have been added to the FAQs to help those with similar inquiries in the future.

### All-purpose tool

*Ask TG* is backed by the support teams that TG customers already count on. Questions on TG products are fielded by staff in business partner services. All other inquiries on financial aid and student loans are handled by the TG customer assistance team and other knowledgeable staff within TG. Questions on defaulted accounts are handled by TG's collections area.

*Ask TG* is available through interfaces that serve the unique needs of two different groups of TG customers:

- Financial aid and student loan professionals can access *Ask TG* through *TG Online* by selecting the "For Schools" or "For Lenders" links.
- Families, students, and borrowers access *Ask TG* also through *TG Online* by selecting the "For Borrowers" or "For Families & Students" links.

The tool offers a versatile set of features that helps schools and other customers get the most out of their experience. Visitors to *Ask TG* can:

- Submit questions for direct answers on student loan and financial aid issues. You can print the answers if you need a hardcopy record for your files.
- Browse or search archived questions and answers.
- Set up an individualized "My Stuff" profile to organize questions submitted and answers received.
- Subscribe to receive updates by e-mail if the answers are later revised because of policy or regulatory changes.

### Have a question or want to know more?

If you aren't already using *Ask TG*, be sure to access this continually-updated student loan resource the next time you visit *TG Online*.

After you've taken a look around, please take a moment to tell us what you think. Submit your comments or suggestions by clicking the "Provide Feedback" link on the *Ask TG* main page at <http://tgslc.custhelp.com>. You can also contact the TG customer assistance team by calling (800) 845-6267, or sending an e-mail message to [cust.assist@tgslc.org](mailto:cust.assist@tgslc.org).

## Trends and issues

### Question of the week

**Q: What new Title IV loan deferment was authorized under the Higher Education Reconciliation Act of 2005 (HERA)?**

**A:** The military deferment was authorized under HERA. A borrower with a loan(s) first disbursed on or after July 1, 2001 may be eligible for a military deferment if he or she is serving on active duty during a war or other military operation, or national emergency, or performing qualifying National Guard duty during a war or other military operation, or national emergency. Active duty does not include training or attendance at a military school.

### To learn more

For additional information about the new military deferment, see the interim final regulations in 34 CFR 682.210(t) and Dear Colleague Letter GEN-06-02. To download the interim final regulations, go to [www.tgslc.org/resources/intreg.cfm](http://www.tgslc.org/resources/intreg.cfm). To access GEN-06-02, go to [www.ifap.ed.gov/dpcletters/GEN0602.html](http://www.ifap.ed.gov/dpcletters/GEN0602.html).

### Do you have a question?

If you have a question that needs an answer, use *Ask TG™*, TG's online query tool and database of FAQs. To submit a question to *Ask TG*, visit [tgslc.custhelp.com](http://tgslc.custhelp.com). If you'd like to learn more about *Ask TG*, read the article in this week's edition.

## Legislative update

The September 21 issue of TG's *Legislative Report* looks closely at two publications released by the federal government: *A Test of Leadership: Charting the Future of U.S. Higher Education*, produced by the Secretary of Education's Commission on the Future of Higher Education; and *Mortgaging Our Future*, put together by Congressional Advisory Committee on Student Financial Assistance (ACSFA). Among other things, the report considers the viability of various recommendations made in these studies. Learn more by reading the full report on *TG Online* at [www.tgslc.org/lege\\_report/index.cfm](http://www.tgslc.org/lege_report/index.cfm).

## This, that, and the other

Students taking science classes in elementary and middle school lag behind their counterparts in countries like Japan, according to a study just released by the

National Research Council. U.S. schools emphasize memorization on broad areas of fact that fail to engage students, says an article in *CNN.com* on the study. Japanese students stay focused on a set of science concepts from year to year, deepening their understanding as they get older. The study also found fault with the amount of training teachers receive. Undergraduate courses fail to prepare science teachers to teach their subject well. And teachers generally aren't supported with more training and education during their career.

The complete article can be found at

[www.cnn.com/2006/EDUCATION/09/21/science.education.reut/index.html](http://www.cnn.com/2006/EDUCATION/09/21/science.education.reut/index.html)



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