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Tip^{of} the Week

Are some of your students and families last minute tax filers? Help them find the IRS tax benefits that can help them pay for their higher education. Visit TG's tax benefits page on *TG Online* at www.tgslc.org/borrowers/tax/index.cfm.

Federal updates

New consolidation forms approved by ED

Yesterday, ED released DCL FP-07-03, announcing the availability of the revised Federal Consolidation Loan Application and Promissory Note (Consolidation Loan Application). The revised form, which expires January 31, 2010, replaces the current version of the Consolidation Loan Application and the accompanying addendum.

FFELP participants may begin using the revised form immediately, or may continue to use their existing supply of Consolidation Loan Applications until October 1, 2007, when only the revised Consolidation Loan Application may be provided to borrowers. Lenders may, however, process the prior version of the Consolidation Loan Application if a borrower submits that form to the lender after October 1, 2007.

Changes to the forms

The Consolidation Loan Application forms have been revised to reflect changes brought about by the Higher Education Reconciliation Act of 2005 (HERA) and the Emergency Supplemental Appropriations Act of 2006. As a result, business partners are no longer required to provide the addendum to the Federal Consolidation Loan Application and Promissory Note that was introduced in July 2006. The addendum will remain available on *TG Online* until October 1, 2007, for the convenience of our business partners who wish to exhaust existing supplies of the former application, but it has been moved to the end of the Consolidation Loan Application forms list.

For more information

To access DCL FP-07-03, go to <http://ifap.ed.gov/dpccletters/FP0703.html>. The DCL includes the related forms and attachments in PDF format. In addition, TG has posted the typeset version of the revised forms in PDF format on *TG Online* at www.tgslc.org/forms/frms_con.cfm.

Supplies of the revised Consolidation Loan Application will be available soon to order. Watch *Shoptalk Online* for the announcement.

TG updates

TG to hold teleconference on barriers to higher education study

A Texas A&M University study, sponsored through a TG grant, shows that high school students need more information about applying to and paying for college to overcome financial barriers that keep many of them from college enrollment.

TG is sponsoring a teleconference on March 21 for student financial aid professionals to present specific findings of the study. The teleconference, which is free, will be held from 1:30 - 3 p.m. (CDT). Participants may dial in at (888) 428-4473.

The study, which was conducted by the Department of Financial Aid at Texas A&M through a grant from TG's Public Benefit Grant Program, determined that what students know about financial aid and how early they know it are strong predictors for college enrollment.

Students who lack information about going to college are at an immediate disadvantage. The research also found that financial barriers include the perception that college is not affordable or that funding is not available.

The researchers gathered data from 1,800 adults in Texas, ages 25 and older, and specifically studied the academic, attitudinal, financial, social, and familial barriers that kept many of them from enrolling in college.

"This study shows the need for colleges to offer educational outreach to ensure that more high school students have a better understanding of how to apply to and pay for college so they can make more informed decisions about enrolling in college," said Christopher Teran, management analyst with Texas A&M's Department of Student Financial Aid.

Jacob Fraire, TG's assistant vice president of educational alliances, said the study's results also provide a blueprint for schools and local communities to tailor specific educational awareness campaigns.

"The sample used in this study is representative of Texas, which is largely diverse and reflects rural and urban communities. We believe that most states and regions should be able to relate the study to their own state population," Fraire said.

A brief question-and-answer session will follow the telephone conference. Pre-registration is not required. For more information about the event, visit www.tgslc.org/training/teleconference/index.cfm, or call (800) 252-9743, ext. 4576.

2007 TG Conference offers third annual Financial Aid 4K and mystery dinner theater



This year's TG Conference, which will be held April 3 – 5 at the Hilton Austin, offers a number of activities to keep participants busy outside regular conference hours. For the third year in a row, TG will hold its popular and heart-healthy Financial Aid 4K on the shores of the Colorado River. The night before the 4K, all Conference participants are invited to attend a special dinner, which combines awards with entertainment in the form of a murder mystery. Each event is designed to give attendees time to relax and re-energize between conference sessions.

4K benefits music charity

TG's Financial Aid 4K Fun Run/Walk will be held the morning of April 4. Participants are asked to register on Tuesday, April 3, at the Information Booth at the TG conference registration area where a \$10 registration fee will be collected and official T-shirts will be distributed. Runners and walkers are invited to meet in the lobby of the Hilton Austin from 6 a.m. - 6:30 a.m. to walk together to the start line. Participants will run, walk, or jog a 2.5 mile loop of the Town Lake Hike 'n' Bike Trail. The trail, which circles the heart of Austin, features some of the signature elements of the downtown cityscape, including the Congress Street Bridge and City Hall.

Registration fees will go to support the Austin Jazz Workshop, a local nonprofit organization that brings professional jazz musicians directly into the public school classroom. The Austin Jazz Workshop focuses on the powerful, positive influence that music can have on children. Involvement in school musical organizations gives

students the motivation and self-esteem they need to stay in school through graduation day.

To register for the 4K

Registration for the Financial Aid 4K is available by visiting the TG Conference Web page at www.tgslc.org/tgconference/index.cfm. For more information on the Financial Aid 4K, contact Judith Cunningham at (800) 252-9743, ext. 2905, or send an e-mail message to judith.cunningham@tgslc.org.

“Murder at the Jazz Club”

On the evening of Tuesday, April 3, conference-goers will be treated to a dinner that honors the spirit of humor and care, which so many financial aid professionals bring to their work. Awards will be given to individuals who exemplify that spirit of humor. During the dinner, local motivational troupe Laughing Out Loud will perform a unique entertainment called “Murder at the Jazz Club.” The play relies on audience participation to solve its central mystery; attendees may even be called on to act out key roles.

Laughing Out Loud will supply their own form of help during closing ceremonies also. On the last day of the TG Conference, TG traditionally thanks the generous sponsors who help make the TG conference possible. Actors from Laughing Out Loud will help host the ceremony, hand out awards, and even perform a mini-musical called “Blues Brothers Bling” during the event.

To register for the TG Conference

Visit *TG Online* at www.tgslc.org/tgconference/index.cfm to register or to find out more about the 2007 TG Annual Conference. Registration is waived for school attendees.

If you prefer to speak with someone directly, contact Judith Cunningham at (800) 252-9743, ext. 2905, or send an e-mail message to judith.cunningham@tgslc.org.

Spotlight on TG's Public Benefit Grant Program: Texas State University – San Marcos



Scholarships form a key source of funding for many students. Unfortunately, a great number of students fail to understand the role that a good scholarship essay plays in getting a scholarship. Simple spelling mistakes, grammar problems, even a trite, poorly-organized essay can sink a student’s chances for an award.

Student resumés offer similar problems. Scholarship committees frequently require resumés in order to better understand whether the student has the skills and dedication to succeed in college. A weak resumé that fails

to paint a clear picture of accomplishment can remove a student from scholarship running just as surely as a bad essay.

Texas State University – San Marcos (Texas State) provides a remedy in a new program geared to students from high schools in low socio-economic communities. Funded by a grant from TG's Public Benefit Grant Program, the program offers students — and their parents — a workshop in compelling essay-writing and resumé-building. Workshops are targeted for schools in the Rio Grande Valley, around Laredo, and throughout the Palestine-Tyler area. Texas State offers a similar workshop for school faculty and counselors.

Improving access for under-represented students

The scholarship workshops serve to level the playing field, so to speak, giving students from low socioeconomic backgrounds the tools to compete more effectively with students from affluent high schools. This way, Texas State, which has an ethnically-diverse campus community, makes postsecondary access a reality for more students who have been traditionally under-represented on college campuses.

"Our goal is not only to assist current students through this program," said Chris Murr, assistant director of Financial Aid at Texas State and an architect of the scholarship program, "but also to help future students gain access to scholarships at colleges and universities."

Texas State began providing the workshops in February, and has tentative plans to continue through May and perhaps the summer. Response has been very positive, according to Murr. Originally, administrators estimated the need for about 20 of the 90 minute workshop sessions. However, various high schools have requested as many as 20 sessions at each campus. Luckily, Texas State has been able to provide online scholarship sessions, which means multiple campuses can tune in to a workshop via the Web.

What are students taught during an on-site or online session? Among other things, they learn the elements of an effective essay and resumé; sharpen their skills at writing a strong opening paragraph; and get some practice in creating a resumé that emphasizes a student's leadership skills and community involvement.

"These unique workshops will benefit students who might not otherwise consider a college education, because, absent scholarship aid, college may not be affordable to them," said Jacob Fraire, TG's assistant vice president of educational alliances.

"Through this program, Texas State meets a real need since scholarships are often essential to students from low-socioeconomic areas."

TG's Public Benefit Award Program

One way TG reinvests in the higher education community is through its Public Benefit Grant Program. TG established the program to promote college access and student retention in higher education. The program provides grants to institutions

that have projects and services created to enhance academic access and success, especially for student populations that have been traditionally underserved on college campuses.

To receive funds, organizations, including Texas State University, were required to submit proposals that addressed the issue of access to postsecondary education and that focused on the needs of first-generation college students, students from high schools with low college-going rates, and/or students who are underrepresented in higher education.

To learn more

If you'd like to learn more about TG's Public Benefit Grant Program, you'll find a description of its purpose and process on *TG Online* at www.tgslc.org/public_benefit/index.cfm.

How to make student debt management a campus-wide priority

As a financial aid professional, you understand how important effective debt management is for your students. In fact, it's probably one of your priorities. Getting your campus partners — admissions, student services, and alumni affairs, for example — to see it as one of their priorities may be a challenge.

Understandably, every campus office is focused on its work. Growing student enrollments, budget cuts, and the consolidation of institutional functions make it difficult for higher education professionals to think beyond their immediate responsibilities.

However, successful debt management can improve your institution's and, more importantly, your students' long-term success. Fortunately, you can do some simple things to make student debt management a campus-wide effort.

Sharing the big picture with colleagues

To convince your colleagues of the need for a campus-wide commitment to debt management, show them how strong awareness can contribute positively to your institution's success. Point out a few facts like the following:

- The typical graduate with a bachelor's degree now leaves school with about \$18,000 in student loans.
- Students are often unaware of how their earning potential will compare with the monthly payments they will have to make to service their education debt and general living expenses.
- How well students manage their indebtedness can affect their perceived satisfaction with their education, their experience at your institution, and their willingness to support the institution financially after graduation.

You can share these points during casual conversations or in formalized training on the topic. TG also offers workshops to foster a campus-wide commitment to promoting effective debt management. To learn more about TG's offerings, please contact Matt Short, TG's director of strategic enrollment management services, at (800) 252-9743, ext. 4622, or by e-mail at matt.short@tgslc.org.

Focusing on area-specific approaches

Invite colleagues from other departments to a brief, one-hour brown bag lunch, or "brainstorming" sessions to identify awareness opportunities and simultaneously create "buy-in." To get started, here are some best practices to consider.

Admissions

Find out your admissions' office approach to recruiting students and to managing and communicating the financial aspects of access to higher education. Parents are usually in the picture early on in this relationship. Are they being provided the tools to explore and evaluate their higher education opportunities from a financial perspective? Do your admissions team members know the Median Borrower Indebtedness (MBI) for your student population, and how it factors into a students' long-term success?

Student Services and Career Counseling Services

Student services plays a key role in retention and, thus, in the success of the institution. When meeting with this team, explore the scope of initiatives and services that they provide to students, particularly those related to personal finance. Determine whether students are offered opportunities to take short trainings on money management issues. Often, organizations like TG are willing to come to your campus to provide training and materials for students. Just as an example, TG offers a complete financial literacy program in its POSITIVE+BALANCE™ workshops. Campus career counselors also play an important role in this endeavor; gainful employment is a key factor to long-term student success.

Academic Affairs

Perhaps no area has more "face-to-face" time with your students than faculty and staff in academic affairs. These professionals influence your student population and play an important role in retention. Therefore, it is important that faculty not only understand why promoting debt management is important, but that they also encourage students to enhance their money management skills whenever possible. Long after students have completed their studies, they may play an important role in contributing to future enrollment and supporting your school financially or academically. It is in the faculty's best interest to encourage success.

Alumni Relations

For your alumni relations team, it is much easier to identify the benefits of fostering an awareness of effective debt management in the student population. Current students are future financial contributors to your institution. Effective money management skills enhance the possibility students will be able to give back long after they have left your campus. However, other less obvious opportunities may exist as well. For example, alumni relations may assist in delivering training and resources to alumni on debt management. It is also possible that this group may be able to perform research on the status of alumni based upon efforts you implement to increase debt management awareness.

How TG can help

To foster financial literacy for your current students and future alumni, consider TG's comprehensive program: POSITIVE+BALANCE™. Positive+Balance offers a complete set of trainings on debt management and financial literacy for students, as well as a well-structured set of workshops on default management for campus administrators. To learn more, please contact Joe Braxton at (800) 252-9743, ext. 4696, or send an e-mail message to positivebalance@tgsic.org.

Trends and issues

Question of the week

Q.: I was recently approved for loan forgiveness under the Teacher Loan Forgiveness Program; must I report the dollar amount forgiven as income for federal income tax purposes?

A.: No, based on the public service component which entitles a borrower to receive teacher loan forgiveness, a borrower is not required to report the amount forgiven as income.

The Internal Revenue Code (IRC) Section 108(f) exempts from inclusion in gross income discharge of any student loan if such discharge was pursuant to a provision of such loan under which all or part of the indebtedness of the individual would be discharged if the individual worked for a certain period of time in certain professions for any of a broad class of employees.

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. It 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 tg.custhelp.com.

This, that, and the other

High school students nationwide are taking seemingly tougher courses and earning better grades, but their reading skills are not improving through the effort, according to two federal reports released Thursday that cite grade inflation as a possible explanation.

The National Assessment of Educational Progress, an exam commonly known as the nation's report card, found that the reading skills of 12th graders tested in 2005 were significantly worse than those of students in 1992, when a comparable test was first given, and essentially flat since students previously took the exam in 2002.

The test results also showed that the overwhelming majority of high school seniors have not fully mastered high-school-level math.

At the same time, however, grade-point averages have risen nationwide, according to a separate survey by the National Assessment. The survey considered the transcripts of 26,000 students and compared them with a study of students' coursework in 1990.

To learn about these two studies, read the complete *New York Times* article on the topic at

www.nytimes.com/2007/02/23/education/23tests.html?ex=1173931200&en=dc668fa4a345eb0f&ei=5070.



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