Shoptalk Online

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TG

In this issue:

Tip of the Week

You'll find a complete listing of TG's relationship management and consulting (RMC) team members on *TG Online* at www.tgslc.org/rmc/index.cfm. Account executives are committed to answering your questions and providing you the best service possible.

Federal updates

Higher education summit concludes with a national action plan

A group of business, higher education, and philanthropic leaders convened for a one-day summit on March 22 in Washington, D.C., to collaborate on a plan to implement the recommendations of the U.S. Secretary of Education's Commission on the Future of Higher Education. The Commission released and presented its final report to Secretary of Education Margaret Spellings last fall.

The summit, titled "A Test of Leadership: Committing to Advance Postsecondary Education for all Americans," focused on five key items recommended by the

Secretary's Commission to improve college access, affordability, and accountability. The key items were:

- Aligning K-12 and higher education expectations
- Increasing need-based aid for access and success
- Using accreditation to support and emphasize student learning outcomes
- Serving adults and other nontraditional students
- Enhancing affordability, decreasing costs, and promoting productivity

Undersecretary of Education Sara Martinez Tucker explained that the purpose of the meeting was to think about the recommendations put forward by the Secretary's Commission and to walk out with a national action plan to be implemented in the next 12-18 months.

Laying the foundation

Secretary Spellings feels that serious strides have been taken within the past six months. She highlighted the proposal of the largest increase in the Pell grant maximum in 30 years; the introduction of the FAFSA4caster tool, which will help to simplify student aid; and the continued work on accreditation.

ED also has launched a pilot program in Florida, Minnesota, and Kentucky to develop consumer information. The three states each were provided grants of $100,000 to test three "consumer Web sites," which should be online by August 2008. The Web sites will allow students to compare colleges based on specific criteria of importance to them. They also will provide students with statistics about financial aid and academics.

Additional efforts also have been initiated, such as the development of meetings with agencies to take a cohesive approach to improving adult literacy rates and with financial aid experts to assist in the redesign of the federal financial aid system.

Putting the plan into action

Over the course of the day, the group produced a list of 25 action items to put the group's plan into action. The items included strategies to:

- Finance statewide postsecondary-education information systems that can produce reports on student outcomes
- Reward institutions and state systems that adopt aligned school and college curricula and assessments
- Design market research studies and compile data on adult learners and prospective adult learners

- Ensure that institutional, state, and federal financial aid and enrollment policies consider the needs of part-time students
- Provide financing incentives so institutions can align resources and policies designed to recruit, retain, and graduate more low-income students
- Increase private-sector investment in need-based aid
- Create incentives and rewards for institutions and systems to improve postsecondary attainment rates and student learning at lower per-student costs
- Remove regulatory, legislative, and academic barriers that prevent institutions and systems from creating collaborative and innovative programs that could lower per-student costs and create value
- Increase public awareness and understanding of the results of accreditation through greater openness
- Develop and pilot the voluntary use of measures of learning that could facilitate comparisons across institutions

ED officials said they are still working on how the responsibilities for each of the action items will be assigned. They hope to have that information available in the coming days.

What lies ahead

Undersecretary Tucker stated that ED officials would be meeting to "figure out which areas we can get the fastest traction on." She further added, "My hope would be that you will be hearing from us shortly about next steps."

ED has also planned to hold "mini-summits" across the country in Atlanta, Boston, Phoenix, Kansas City, Mo., and Seattle in order to get involvement from the community.

More information

To learn more about the Secretary's Commission on the Future of Higher Education final report visit *TG Online* at www.tgslc.org/lege_report/2006/lr_060921.cfm.

The complete report is available at www.ed.gov/about/bdscomm/list/hiedfuture/reports/pre-pub-report.pdf.

ED issues DCL on borrower choice

On Friday, ED issued Dear Colleague Letter (DCL) GEN-07-01/FP-07-04. The DCL centers on ED's recent concerns that some borrowers have been denied their choice of lender for a FFELP loan. ED reminds a school that it may not refuse to certify a borrower's Stafford or PLUS loan based on any of several factors, including the borrower's choice of lender or guarantor. The DCL provides potential action that ED may take against a school that refuses to comply with these requirements. ED also reminds FFELP participants that this issue of borrower choice is being discussed at the current negotiated rulemaking (Neg Reg) sessions. For more information about Neg Reg and the issues on the agenda, go to www.tgslc.org/shoptalk/2007/st397/st39701.cfm#negreg.

More information

DCL GEN-07-01/FP-07-04 is available on the Information for Financial Aid Professionals Web site at http://ifap.ed.gov/dpcletters/FP0704.html. For questions on the DCL, call TG customer assistance at (800) 845-6267 or send an e-mail message to cust.assist@tgslc.org.

TG updates

2007 TG Annual Conference, "Heart and Soul," kicks off today in Austin

Each year, TG plans and hosts one of the premier training events in financial aid — the TG Annual Conference. This year's conference will draw more than 700 financial aid professionals to Austin, Texas for three days of workshops on assorted industry topics. Typically, participants give TG's conference high marks for the expert presenters, well-planned sessions, and balance of regulatory subjects and professional development. The 2007 TG Annual Conference, which begins today and continues through Thursday at the Hilton Austin, is set to deliver another in this series of great training experiences — one that leaves attendees re-energized in their mission and refreshed with industry knowledge.

Conference highlights

For the 15th annual conference, TG has set a tight agenda, offering more than 40 sessions organized by topic areas — or "tracks" — such as debt management and default aversion, program integrity, and college access and success.

To give you a better sense of the spectrum of trainings, here's a look at some of the sessions presented over the next two days. You'll find a complete summary agenda online at www.tgslc.org/pdf/2007pocketagenda.pdf.

- **SEM Planning 101:** What are the major components of any Strategic Enrollment Management (SEM) planning model? You'll learn what they are and how to apply them in this informative, fact-filled workshop on SEM. Bob Wilkinson, director of analysis, planning and assessment at Pittsburg State University will lead discussion.
- **College and Career Counseling: Perspectives from Practitioners:** Panelists share their insights on what secondary institutions can do to better engage, motivate, and prepare students for college.

- **The Way the Future Was: Forum on the Future of Higher Education:** To plan for the future means developing a vision of what that future will bring. Learn what your colleagues from Texas and from various other states believe will be the future course of higher education. This session will leave you with some surprising insights about changes to come as well as help prepare you to serve students of the future.
- **Role of Financial Aid – Telling the Financial Aid Story:** You know financial aid — its processes, its importance to students and schools — but your customers may not. This session focuses on how you can get the message out about the resources and services your office provides to students.

What's up the rest of the week?

Wednesday morning, participants are invited to run or walk the third Financial Aid 4K Fun Run and Walk along Town Lake. Registration fees for this year's event will benefit the Austin Jazz Workshop.

Wednesday's agenda covers various topics including default aversion, the return of Title IV funds, college and career counseling, and professional development. Beginning at 2:35 p.m., attendees will be able to learn more about TG's work and meet its team members at a reception-style session called "TG's Heart and Soul."

To learn more about the TG Annual Conference

Visit *TG Online* at www.tgslc.org/tgconference/index.cfm to find out the latest conference news.

TG issues new edition of *School Fact Sheets* about Texas colleges, lenders

TG has issued its latest edition of *School Fact Sheets*, an all-inclusive publication about Texas educational institutions of higher learning.

The publication offers pertinent information about Texas two- and four-year public and private institutions and proprietary schools, including key data about these schools, the lenders they work with, and the students they serve. Demographics, typical federal student loan debt loads, cohort default rates, and loan volume information — which includes the new Grad PLUS loan — are also provided.

The *School Fact Sheets* are available in both an interactive HTML version and a printer-ready PDF format. The HTML version provides a list of every TG lender that provides Federal Family Education Loan Program (FFELP) loans at a given school with helpful links to each *Lender Fact Sheet*. These lender lists within the *School Fact Sheets* report fiscal year-to-date loan volume at each school; lists are updated monthly.

"We are pleased to offer this information to help the higher education and lending communities," said Jeff Webster, TG assistant vice president for research and analytical services. "The feedback we receive consistently indicates that schools, lenders, legislators, and others find the information relevant and useful in helping them understand the costs of higher education in Texas."

The *School Fact Sheets* include data from TG, the U.S. Departments of Education, Agriculture, and Housing and Urban Development, the Texas Higher Education Coordinating Board, the Independent Colleges and Universities of Texas, Texas Legislative Council, and various other sources.

To learn more

The *School Fact Sheets* can be found at www.tgslc.org by going to "Schools" and selecting "School Fact Sheets" under the "More Resources" category. Printed copies of the four-volume *School Fact Sheets* are available upon request.

TG offers workshops on its Public Benefit Grant Program

TG established its Public Benefit Grant Program to promote college access and student retention in higher education. The program provides grants to institutions that have created projects and services to enhance academic access and success, especially for student populations that have been traditionally underserved on college campuses.

TG has begun accepting proposals for grant funding for FY 2008. Proposals must be for projects — research or services — planned for FY 2008. The application is located online at www.tgslc.org/publicbenefit/apply.cfm. To help interested institutions understand TG's guidelines and prepare a proposal, TG is holding workshops throughout the U.S.

These information forums will provide an overview of the grant guidelines, project highlights from the past two years, and a brief training session on grant-writing basics.

TG will sponsor forums in five locations:

- Houston, Texas - April 10
- Columbus, Ohio - April 12
- Dallas, Texas - April 17 (currently full; contact Kristin Boyer for availability)
- Orlando, Fla. - April 24
- Albuquerque, N.M. - May 4

To learn more

Visit www.tgslc.org/publicbenefit/ for more information about these events and to learn more about the Public Benefit Grant Program. If you have any questions, please feel free to contact TG's director of public benefit operations, Kristin Boyer, at (800) 252-9743, ext. 4518, or send an e-mail message to kristin.boyer@tgslc.org.

Save the date: join TG at these spring training events

The spring conference season offers you a chance to deepen your knowledge about financial aid and potentially gain a new perspective on your work. TG participates in a variety of training events to ensure you get that knowledge and perspective. Over the next few months, TG will offer workshops at conferences and other events in Oklahoma, Minnesota, California, Texas, and New Mexico. To learn more about these workshops, read through the following short session descriptions. A complete listing of conferences that TG will be attending can be found online at www.tgslc.org/abouttg/calendar.cfm.

A partial list of TG's upcoming training conference or workshops

Oklahoma Association of Student Financial Aid Administrators (OASFAA) Spring Conference, Tulsa, Okla., April 11 – 13

- **How Full Is Your Bucket?:** Research shows that negative emotions can be harmful to your health and might even shorten your life span. This workshop, based on the New York Times bestseller book, considers strategies for increasing positive emotions. In particular, it offers ways to positively fill your emotional "bank account" and those of your coworkers.

Midwest Association of Student Employment Administrators (MASEA) Regional Conference, Minneapolis, Minn., May 23 - 25

- **Today's Multi-Generational Workforce:** What differentiates a member of Generation X from Generation Next or a Baby Boomer from a Baby Buster? Learn how you can use research on the differences between generations to better motivate your staff.

Texas Association of Student Financial Aid Administrators (TASFAA) New Aid Officer's Training, San Antonio, Texas, May 21 - 24

- **Teamwork: Can Your Team Survive?:** Participants in this seminar identify the characteristics of great teams; each person also assesses his or her predominant behavior style when working in a team. Discussion will focus on the strengths and liabilities of given styles and how each person can become a more supportive team player.

TG Regional Trainings, Roswell, New Mexico (New Mexico Military Institute), April 26

This event includes a full-day of TG training. Sessions cover a variety of industry topics and related subjects in professional development, including:

- **The PURR Principle:** Do you or your staff spend a great deal of time assisting customers on the telephone? This presentation helps instill a customer-positive culture in the workplace, so your staff and your customers benefit.

TG Regional Training, Burbank, Calif. (Marriott Burbank Airport), May 1

This event includes a full-day of TG training. Sessions cover a variety of industry topics and related subjects in professional development, including:

- **Working Without a Script:** Attendees learn the basics of improvisation developed by the famous Second City Comedy Troupe. These techniques have a strong business application — they can be adapted to develop more open communication, build stronger teams, and create a positive, collaborative work environment in your office.

To learn more

Would you like to learn more about the many training opportunities TG offers through its Speakers Bureau? Visit www.tgslc.org/speakers/index.cfm to read the training catalog. Keep in mind that TG can tailor training to meet the needs of your financial aid office. To find out how, contact the TG Speakers Bureau at (800) 252-9743, ext. 4650, or send an e-mail message to businesspartner.services@tgslc.org.

Trends and issues

Question of the week

Q.: If a loan has two disbursements — one at the beginning of the fall and one at the beginning of the spring, for example — and the spring disbursement date has already passed and no disbursements on the loan have been made, can the school request that both disbursement amounts be disbursed in one lump sum?

A.: Yes; per the *Common Manual* subsection 7.7.B, "If the date on which a disbursement would be made is on or after the earliest date that the subsequent disbursements could be made, the disbursement amount may be the sum of all disbursements scheduled by the school through that date."

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 tgslc.custhelp.com.

Common Manual

Common Manual updates

On March 15, 2007, guarantor representatives who serve on the *Common Manual* Governing Board approved several changes to the *Common Manual*. Details on these changes and a newly updated *Integrated Common Manual* incorporating the changes are available online at www.tgslc.org/resources/integrated_online_manual.cfm.

Return of Title IV Funds

The *Common Manual* has been revised to incorporate regulatory clarifications to the return of Title IV funds requirements provided in an electronic announcement posted by the Department on June 30, 2006, and the *Federal Registers* published August 9, 2006, and November 1, 2006. Revised policy clarifies that, if there are unearned grant funds that must be repaid as a result of the return of Title IV funds calculation, the student is not required to return a grant overpayment for which the original amount was $50 or less on a program-by-program basis. Furthermore, a student who owes a grant overpayment for which the original balance was $50 or less as a result of a return of Title IV funds calculation remains eligible to receive Title IV program assistance.

Revised policy also states that a school's return of FFELP funds is considered timely if performed within 45 days of the date the school determined that the student withdrew. If the funds are returned by check, the check must be endorsed by the lender's bank within 60 days of the date the school determined that the student withdrew.

In addition, revised policy includes the ACG, SMART Grant, and Grad PLUS programs in the order in which unearned funds must be returned to the Title IV programs.

Affected Sections:	5.2.D Prior Overpayment 9.5.A Return Amounts for Title IV Grant and Loan Programs 9.5.B Processing Returned Funds
Effective Date:	Withdrawals that occur on or after July 1, 2006.
Basis:	Higher Education Act of 1965, Sections 484B(b)(3)(B), 484B(b)(1), and 484B(b)(2)(C), as amended by the Higher Education Reconciliation Act (HERA) of 2005; electronic announcement Return to Title IV Funds Worksheets posted by the Department on June 30, 2006; *Federal Register* dated August 9, 2006, pages 45671-45672 and 45694-45696, §668.22(i)(2), §668.35(e), §668.173(b); *Federal Register* dated November 1, 2006, pages 64380-64381 and 64397, §668.22(h)(3)(ii)(B); Dear Colleague Letter GEN-06-09.
Policy Information:	929/Batch 139

Guarantor Comments: None.

PLUS Loans for Graduate and Professional Students

The *Common Manual* has been updated to provide additional clarification that in the case of a school that participates in both the FFELP and the Direct Loan Program, the school must determine the student's maximum Stafford Loan eligibility under the program in which the school is participating for Stafford loan purposes before the student may apply for a Grad PLUS loan.

Affected Sections: 6.15.C PLUS Loan Certification

Effective Date: Loans certified by the school on or after December 1, 2006.

Basis: Preamble to the *Federal Register* dated November 1, 2006, page 64383; §682.201(b)(3).

Policy Information: 930/Batch 139

Guarantor Comments: None.

Return of Title IV Funds

The *Common Manual* has been revised to incorporate regulatory changes and clarifications to the post-withdrawal disbursement requirements provided in the Federal Register published August 9, 2006 and November 1, 2006. Revised policy specifies that, in order to credit loan funds to outstanding school charges or to deliver a credit balance of funds directly to the student, or borrower in the case of a parent PLUS loan, the school must provide a written notice within 30 days of determining that the student has withdrawn. In this notice, the school must request confirmation of the borrower's consent for the credit of a post-withdrawal disbursement of loan funds to the student's account, or for the direct delivery of loan funds to the student or parent, in the case of a parent PLUS loan. For a post-withdrawal disbursement of loan funds, the school must explain that a borrower who does not confirm that a post-withdrawal disbursement of loan funds may be credited to outstanding school charges may not receive the direct delivery of any of those loan funds unless the school concurs. The school must explain that the student, or parent in the case of a parent PLUS loan, may accept or decline some or all of the funds, and must explain the obligation of the borrower to repay any loan funds he or she chooses to have delivered.

The notice must inform the loan recipient of the deadline to respond and that the school will not deliver the funds if the school does not receive a timely response to the notice, unless the school opts to deliver a post-withdrawal disbursement based on a late response. The deadline may be set by school policy, but may not be less than 14 days after the date the school sent the notification. The deadline must be the same for funds to be applied to outstanding school charges and for funds to be directly delivered to the borrower.

If the school receives no response to the post-withdrawal disbursement notice, the school may not deliver any of those funds. If the school receives a timely response to the post-withdrawal disbursement notice, the school must deliver the funds in the manner specified by the student, or parent in the case of a parent PLUS loan. If the school receives a late response to the notice, the school may deliver the disbursement, provided that the school delivers all of the funds accepted, or the school may decline to deliver any funds. A post-withdrawal disbursement may not be delivered later than 120 days after the date of the school's determination that the student withdrew, unless an exception is granted by the Department. If the school decides not to deliver a post-withdrawal disbursement due to the untimely response of the borrower, the school must provide written notification to the borrower of the denial of the post-withdrawal disbursement.

The school must document in the student's file the result of any notification made of the student's right to cancel or accept all or a portion of the funds, and the final determination made concerning the post-withdrawal disbursement.

Revised policy clarifies that the school is not required to provide additional notice to the student or parent borrower of the credit of a post-withdrawal loan disbursement to outstanding school charges.

Affected Sections:	8.2.B School Notice of Credit to Student Account 9.5.A Return Amounts for Title IV Grant and Loan Programs
Effective Date:	For post-withdrawal disbursement confirmations, withdrawals that occur on or after September 8, 2006. For aid types to be included in the return of Title IV funds calculation, withdrawals that occur on or after July 1, 2006.
Basis:	Higher Education Act of 1965, Sections 484B(a)(3)(C)(i) and 484B(a)(4), as amended by the Higher Education Reconciliation Act (HERA) of 2005; *Federal Register* dated August 9, 2006, pages 45669-45670, 45694-45695; *Federal Register* dated November 1, 2006, pages 64379-64380, 64397; §668.164(g)(4)(i); Dear Colleague Letter GEN-06-05; electronic announcement Return to Title IV Funds Worksheets posted by the Department on June 30, 2006.
Policy Information:	931/Batch 139
Guarantor Comments:	None.

Forbearance

The *Common Manual* has been revised to include the requirement that when a lender and borrower verbally agree to the terms of a forbearance, the lender must send a notice confirming the terms of the forbearance agreement to the borrower within 30 days of the date that agreement was made with the borrower.

Affected Sections:	11.19.B Documentation Required for Authorized Forbearance

Effective Date:	Borrower requests processed by the lender on or after July 1, 2003, unless implemented earlier by the lender. Lenders may have implemented this provision no earlier than November 1, 2002.
Basis:	§682.211(b)(1).
Policy Information:	932/Batch 139
Guarantor Comments:	None.

Combining Teaching Service for Teacher Loan Forgiveness

The *Common Manual* has been revised to include language to state explicitly that an otherwise eligible borrower may qualify for teacher loan forgiveness by completing the 5-year teaching service requirement by combining years of full-time service at qualifying elementary and secondary schools.

Affected Sections:	13.9.B Teacher Loan Forgiveness Program
Effective Date:	Teacher loan forgiveness applications received by the lender on or after October 30, 2004.
Basis:	Preamble to the *Federal Register* dated November 1, 2006, page 64386.
Policy Information:	933/Batch 139
Guarantor Comments:	None.

Loans Eligible for Consolidation

The *Common Manual* has been updated to clarify that a borrower who has either a Federal or a Direct Consolidation loan may obtain a subsequent Federal or Direct Consolidation loan if the borrower is consolidating an existing Consolidation loan with at least one other eligible loan. An eligible loan includes another eligible Consolidation loan, regardless of whether that eligible loan was made before or after the date the most recent Consolidation loan was made.

AFFECTED SECTIONS:	15.2 Borrower Eligibility and Underlying Loan Holder Requirements
Effective Date:	Consolidation applications received on or after December 1, 2006, unless implemented earlier by the guarantor.
Basis:	Dear Colleague Letter GEN-06-20/FP-06-16.
Policy Information:	934/Batch 139
Guarantor Comments:	None.

Late Delivery Requirements Clarified

The *Common Manual* has been revised to clarify that a school must offer a late delivery of Stafford or PLUS loan funds the student or parent borrower was eligible to receive while the student was still enrolled during a payment period or period of enrollment that the student successfully completed. If a student ceases to be enrolled half time but does not withdraw, the school may, but is not required to, offer a late delivery of Stafford or PLUS loan funds to the student or parent borrower.

Revised policy also deletes the HERA-related requirement for a school to contact the borrower, obtain confirmation that the borrower still requires the loan funds, and explain the borrower's repayment obligation before making a late delivery of loan funds. In the preamble to the *Federal Register* dated November 1, 2006, the Department clarified that this requirement applies only to post-withdrawal disbursements for withdrawn students, and not to late deliveries for students who dropped to less-than-half-time enrollment but did not withdraw, or students who successfully completed a payment period or period of enrollment, as applicable.

Affected Sections:	8.7.E Late Delivery
Effective Date:	Late delivery of FFELP loan proceeds by the school on or after July 1, 2003, unless implemented earlier by the school. Schools may have implemented these provisions no earlier than November 1, 2002.
Basis:	§668.164(g)(3)(ii) and (iii); preamble to the *Federal Register* dated November 1, 2006, page 64380.
Policy Information:	935/Batch 139
Guarantor Comments:	None.

Comaker Definition Revised

The *Common Manual* has been revised to clarify that, in the context of a Federal Consolidation loan, the term comaker refers to one of two spouses who jointly borrowed a Federal Consolidation made from an application received by the consolidating lender prior to July 1, 2006. These borrowers are jointly and severally liable for the loan's repayment regardless of future marital status.

Affected Sections:	11.1.A General Deferment Eligibility Criteria Chapter 12 Introduction 13.8 Discharge Appendix G
Effective Date:	Consolidation loan applications received by the lender on or after July 1, 2006.
Basis:	Higher Education Act of 1965, Section 428C(a)(3)(C), as amended by the Higher Education Reconciliation Act (HERA) of 2005; Dear Colleague Letter GEN-06-02.

Policy Information: 936/Batch 139

Guarantor Comments: None.

This, that, and the other

TG offices will close at noon on April 6. Normal business hours will resume on Monday, April 9.

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