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Tip^{of} the Week

Adventures In Education maintains a comprehensive calendar of important dates and activities related to financial aid. Consider offering it as a reference to your students. You'll find the calendar at www.aie.org/Calendar/financialaidcalendar.cfm.

Federal updates

Closed school corner

The following table provides a list of newly reported school closures and error corrections from the Postsecondary Educational Participants System (PEPS) and

from the May 2007 Closed School Monthly Report supplied by the Department of Education.

Newly reported closures

OPE School ID	School Name and Address	Unofficial Closure Date	ED's Official Closure Date
02245200	MTI College of Business and Technology 7277 Regency Square Blvd. Houston, TX 77036-3163	N/A	6/4/2007
02245210	MTI College of Business and Technology – Eastside 11420 East Fwy. Houston, TX 77029-1935	N/A	6/4/2007

ED publishes notice of proposed rulemaking

Last week, ED released an unofficial Notice of Proposed Rulemaking (NPRM) addressing many topics of great interest to the financial aid community. Publication of the much-anticipated proposed rules follows months of intense but ultimately unsuccessful negotiated rulemaking (see *Shoptalk Online* editions [386](#), [392](#), [397](#), [398](#), and [402](#)). Topics covered in the NPRM include prohibited inducements, preferred lenders lists, eligible lender trustees, and many other issues discussed in the Neg Reg process.

The NPRM is unofficial until publication in the *Federal Register*, at which time the proposed rules will be open to public comment for a 60-day period. Instructions for submitting comments will be provided in the *Register* notice. Following ED's review of comments, the final regulations will be published by November 1, 2007, and will become effective beginning July 1, 2008.

To learn more

For more information and to view the unofficial NPRM, visit ED's Web site at www.ed.gov/policy/highered/reg/hearulemaking/2007/loans.html.

Slight increase in variable interest rates announced for 2007-08

Last week, ED announced a slender increase in the variable interest rates for slightly older Federal Stafford and PLUS loans. The new rates, which will be effective from July 1, 2007, to June 30, 2008, will increase by 0.08 percent.

Loans disbursed prior to July 1, 2006

Interest rates for Federal Stafford and PLUS loans that are subject to the variable-rate provision and were first disbursed on or after July 1, 1998, but before July 1, 2006, will be as follows:

- 6.62 percent for Federal Stafford loans during in-school, grace, and deferment periods
- 7.22 percent for Federal Stafford loans during repayment and forbearance periods
- 8.02 percent for Federal PLUS loans

Loans disbursed on or after July 1, 2006

Federal Stafford loans first disbursed on or after July 1, 2006, retain a fixed interest rate of 6.8 percent; Federal PLUS loans first disbursed on or after July 1, 2006, retain a fixed interest rate of 8.5 percent.

More rates to come

Some older PLUS and SLS loans, which are based on the weekly average of the one-year constant maturity U.S. Treasury yield for the last calendar week ending on or before June 26, will be available in late June.

Another interest rate, which is not expected until late June, is the one applicable to the HEAL portion of Federal Consolidation Loans. Interest rates for these loans are based on the average of the bond equivalent rates of the 91-day U.S. Treasury bills auctioned for the quarter ending June 30 of each year.

More information

TG will provide more information on the new rates in future editions of *Shoptalk Online*.

ED's press release on the new variable interest rates is available online at <http://ifap.ed.gov/eannouncements/0530FFELDLInterestRate.html>.

TG updates

U.S. House higher education subcommittee holds hearing in Austin on HEA reauthorization

The U.S. House of Representatives' Subcommittee on Higher Education, Lifelong Learning, and Competitiveness held a field hearing on Monday, June 4, at the Eastview campus of Austin Community College to solicit testimony about funding issues related to Title III and Title V grant programs authorized under the Higher Education Act (HEA).

The subcommittee, which is chaired by U.S. Rep. Rubén Hinojosa (D-TX), is gathering testimony in preparation for the reauthorization of the HEA that Congress will be considering over the next few months.

Sue McMillin, TG president and CEO, submitted written testimony to the panel on funding issues and the results of a TG study titled *Ready, willing and unable: How financial barriers obstruct bachelor-degree attainment in Texas*.

This report was used widely as a resource during the recently completed state legislative session. It was also cited on the floor of the U.S. House of Representatives during the consideration of HR 5 – the College Student Loan Relief Act. *Ready, willing, and unable* looks at the barriers preventing college-qualified Texas students from completing college and the extent to which this failure is due to financial barriers.

To read the complete written testimony

The complete written testimony that McMillin submitted can be found at www.tgslc.org/pdf/mcmillin_reauth.pdf.

NSLDS access restored at TG

TG has recently had access to the National Student Loan Data System (NSLDS) restored. TG is performing the same functions and services, and has implemented the same process flows that existed before the industry's NSLDS access was suspended.

As you may recall, ED shut down NSLDS access for financial partners — but not schools, students, and borrowers — on April 18, citing concerns about unauthorized use of the database for marketing purposes. For more information, see *Shoptalk Online* edition [402](#).

More information

For more information about the restoration of TG's NSLDS access, call Kyle Smith, TG assistant vice president of loan guarantee operations, data reporting, and product support at (800) 252-9743, ext. 4894, or send an e-mail message to kyle.smith@tgslc.org.

TG and *Mapping Your Future*TM announce new archive policy for Online Student Loan Counseling records

TG and *Mapping Your Future* (MYF) wish to remind schools that a new archive policy for MYF's Online Student Loan Counseling (OSLC) records will be implemented, effective July 1. The new policy will limit the length of time MYF retains counseling records to better protect borrowers' confidential data. This new policy makes it even more important that schools retain counseling records, either electronically or on paper.

Schools are encouraged to review their current and past record retention policies and files. They should ensure that their files contain sufficient documentation to verify that each counseling session was completed. If there are concerns about the level of detail retained, then reports or files should be generated before July 1 to create sufficient documentation.

Beginning July 1, the policy will stand as follows:

- The most recent year of counseling records will be available online for schools to retrieve.
- The preceding two years will be available offline, available upon customer service request.

While MYF isn't a record keeper, it currently maintains all counseling records since July 16, 2003, online as a courtesy. MYF's obligation to protect borrowers now must take a higher priority. Some schools retain a copy of the counseling notification e-mail as documentation of the counseling session. The notification e-mails contain only very brief information such as the counseling type, confirmation number, first initial, last name, and last four digits of the student's Social Security number. Also, e-mail service can be interrupted from time to time, causing the e-mails to be delayed or preventing their delivery.

Therefore, MYF recommends that the school instead retain a copy of the full counseling record for documentation. The full record contains all of the information that the student enters on the student form at the end of the counseling session, such as the student's demographic information, employer, references, next of kin, etc.

To learn more

If your school hasn't regularly retrieved loan counseling records or retained them according to record retention requirements, MYF recommends that you begin doing so immediately. Focus on retrieving or retaining older records first before MYF archives them. More information on record retrieval is located in the OSLC User's Guide located at www.mapping-your-future.org/services/oslcpsindex.htm. If you have questions about retrieving OSLC records, contact Beth Ziehmer at feedback@mapping-your-future.org or (573) 796-3730.

For more information about MYF

To learn more about MYF's services for students, families, and schools, visit the Web site at www.mapping-your-future.org.

Reminder: Call for papers for TG publication on enrollment management

The deadline for submitting manuscripts for the first edition of a new TG publication on enrollment management is approaching. Contributors are encouraged to send in their papers by June 15; however, manuscripts may be accepted after this date.

In December 2007, TG will publish the first edition of a refereed journal on enrollment management, titled *Enrollment Management Journal: Student Access, Finance, and Success in Higher Education*. To produce the journal, TG is working in partnership with the Department of Educational Administration at the University of Nebraska-Lincoln.

Journal content

The journal's primary focus will be on raising discussion on campus enrollment, retention, and graduation rates. The objective is to help improve efforts in all these areas. The journal will consider the following subjects through articles and papers:

- issues of student access and success, and
- the role financial aid plays in whether students achieve their educational goals.

The journals will also accept other work, including:

- highlights of award-winning dissertations or programs,
- book reviews,
- commentaries, and
- other short pieces that highlight timely issues in the field of enrollment management.

How to submit manuscripts

Authors should submit manuscripts for the journal via e-mail. Submit manuscripts in Microsoft Word® format to EMJ@unl.edu.

Ordinarily, manuscripts should be no more than 30 pages in length, and each article should be summarized in an abstract of not more than 150 words. Manuscripts should follow the style of the fifth edition of the *Publication Manual of the American Psychological Association*. Manuscripts are accepted for consideration with the understanding that they are original material and are not under consideration for publication elsewhere. Three referees will evaluate submitted manuscripts anonymously. Their goal is to complete the review process within 90 days of receipt of manuscripts.

To find out more

If you have questions, please visit the journal's Web site on *TG Online* at www.tgslc.org/emj. You may also gather information from the journal's editors.

Contact Barbara Lacost at (402) 472-0988, or send an e-mail message to Blacost1@unl.edu. Contact Brent D. Cejda at (402) 472-0989, or send an e-mail message to bcejda2@unl.edu.

Trends and issues

Getting the word out about financial aid on your campus

It's almost impossible to underestimate the value of good communication on financial aid. Effective communication that keeps your students informed about financial aid timelines and requirements — along with your offices deadlines — can turn them into more active participants in the financial aid process. That, in turn, could help your office run more efficiently.

One of the best ways to improve campus communication on financial aid is to develop a master calendar of events and timelines. Using this calendar, your office could plan mini-communication campaigns around deadlines and peak work times. These campaigns will remind students about what they need to know, what they need to do, and when they need to act, to ensure their financial aid is processed effectively.

Asking the right communication questions

You can start designing your communication plan by asking questions that help you shape your message and choose the best format for that information. Be sure to develop your communication plan in conjunction with the deadlines and timeframes you've established for processing financial aid.

- **Who will benefit most from this information?** Narrow the focus. Rather than "students," should you direct the message to "prospective students," "current freshmen," graduate students," or "all current/returning students?"
- **What is the objective?** Determine what action you need the target audience to take as a result of having this information. Be specific about what you want to happen. Do they need to respond by directly contacting your office? Returning a form? Scheduling a visit?
- **What channels of communication will best reach the audience?** Be creative. It may not be enough to post a notice on the campus bulletin boards. You might have better luck asking for help from those who interact directly with your primary target audience, such as academic counselors, coaches, residence hall advisors, or student government leaders. Just send a quick e-mail asking for their help. Make sure you let them know why it is important that these students respond to your request, such as: "It is important for your students to respond, otherwise they may lose their eligibility for financial aid, scholarship, etc." You may also want to use student media outlets to get your message out there.

- **Was the plan effective?** At the end of any communication campaign, be sure to evaluate its effectiveness. You can do this in a number of ways: for example, you could ask the student to complete a specific action, such as return a form or a response card. The response card could ask students to rate a specific service or gather more information on what they like, don't like, find helpful, or not helpful about particular processes. Following broader awareness campaigns, you can track the number of phone, e-mail, or personal inquiries you received before, during, and after the campaign and compare these numbers to any previous campaign's.

Look for the hand of partnership

To help you in your efforts, make communication allies on campus. Build partnerships with members of your student services team to get the word out. Also, keep in mind that TG is here to help if you want to brainstorm about particular issues or creative ways to communicate.

To find out how TG can help you craft an effective communication plan, contact your TG account executive at (800) 252-9743, or send an e-mail message to relationship.management@tgsic.org.

Question of the week

Q.: I have a student whose biological father remarried. The student has been reporting his father's and step-mother's information on the FAFSA for years. The student's father just passed away. Can the student now report only the step-mother's information on the FAFSA?

A.: A step-parent who has not adopted a dependent student cannot be the student's sole parent for determining dependency status. Since the student's father has died, the student is still a dependent of his biological mother, not the step-mother. Thus, the student should now report his biological mother's — and step-father's information, if the mother remarried — on the FAFSA. If no biological parent remains, the student answers "Yes" to Question 53 of the FAFSA ("Are (a) both of your parents deceased, or (b) are you (or were you until age 18) a ward/dependent of the court?") and is independent.

This guidance is based on page AVG-26 of the 2007-08 *Federal Student Aid Handbook* found on *TG Online* at www.tgsic.org/policy/fsa_handbook.cfm.

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 tgsic.custhelp.com.

Common Manual

New training brief provides information on Policy Committee's summer activities

A new training brief from the *Common Manual* Policy Committee explains the *Common Manual* Policy Committee's focus during the summer months. While the annual version of the *Common Manual* is in production and about to be issued to the FFELP community, the Policy Committee stays busy by, among other things, researching and developing proposals to improve further the soon-to-be-released text! You can view this training brief and other training briefs on *TG Online* at www.tgslc.org/policy/cm_training.cfm.

We hope that you are finding the training briefs useful. If you have any comments or suggestions, please contact Michelle Anderson, senior policy advisor with TG and a member of the *Common Manual* Policy Committee, at michelle.anderson@tgslc.org or (800) 252-9743, ext. 4608.

To learn more

The current version of the *Integrated Common Manual* is available on *TG Online* at www.tgslc.org/resources/integrated_online_manual.cfm.

Legislative update

The 80th Regular Session of the Texas Legislature adjourned at midnight May 28, leaving several pieces of business uncompleted. Among other things, the Legislature failed to pass legislation to consolidate — and increase the eligibility requirements for — the state's student financial aid programs, as proposed by the governor; amend the state's "top 10 percent" statute to limit the program's number of eligible applicants; and establish a state statute to govern school and student loan lender relationships. Several studies concerning student financial aid will take place during the legislative interim on these and other topics. To learn more about these latest developments, read the full report on *TG Online* at www.tgslc.org/lege_report/index.cfm.

This, that, and the other

For a growing number of colleges and universities, long distances are no longer an obstacle for far-flung friends and relatives who can't make it to campus. Schools are turning to Internet broadcasts — or Webcasts — to bridge the distance on graduation day.

The broadcasts can alleviate problems that inevitably occur when indoor ceremonies limit the number of people graduates can invite.

The University of Pennsylvania has been Webcasting graduation ceremonies since 2003. The university places no restrictions on invitations, but the broadcasts

provide a service for those who cannot attend. It also helps alumni stay connected to the school.

To learn more about this trend in Webcasting, read the complete *CNN.com* article at www.cnn.com/2007/EDUCATION/06/03/graduation.webcasts.ap/index.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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