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Tip^{of} the Week

Adventures In Education's Scholarship Search feature contains information on more than 10,000 scholarships worth more than \$7 billion. Students can do simple, or global, searches in the site, which yields a lot of scholarship information. Or they can use the Advanced Search to find more specialized scholarship opportunities. The Scholarship Search can be found at www.aie.org/scholarships/.

Federal updates

Latest volume of the 2007-08 FSA Handbook now online

ED has released volume 4, *Processing Aid and Managing Federal Student Aid Funds*, of the new 2007-08 *Federal Student Aid Handbook* (FSA Handbook). In total, four volumes of the latest FSA Handbook have been released, including:

- *The Application and Verification Guide*
- Volume 1: *Student Eligibility*
- Volume 4: *Processing Aid and Managing Federal Student Aid Funds*
- Volume 5: *Overawards, Overpayments, and Withdrawal Calculations*

The current volumes are available on *TG Online* at www.tgslc.org/resources/fsa_handbook.cfm. Other volumes will be posted as they

are released. Once all the volumes of the 2007-08 FSA Handbook have been released, TG will provide a single downloadable file encompassing all of the volumes. Watch future editions of *Shoptalk Online* for details.

TG updates

Join TG at its regional training in Houston

Through its Web sites, publications, and training, TG helps schools stay informed about the latest changes in financial aid. TG's upcoming regional training in Houston, Texas is just the latest example of this kind of work. The day-long workshop held July 13 at the University Hilton on the main campus of the University of Houston offers a menu of training opportunities in a variety of areas — policy, professional development, and changes in the student loan industry. To learn more about the event, read through the following short descriptions of sessions offered. A complete listing of other training events that TG will attend or present at can be found online at www.tgslc.org/abouttg/calendar.cfm.

- **Consolidation 101:** This session provides a basic overview of the Federal Consolidation Loan Program. Among other things, it enumerates the factors that a borrower should consider before consolidating. Learn about the pros and cons of this loan repayment option so that you can assist your students in making informed decisions about their student loans.
- **The Brewing Storm: Consumerism and Financial Literacy:** This session considers the effects of loan advertising and promotion on students and how students can avoid being enticed into excessive or needless debt.
- **Writing Like A Pro:** Tune up your team's business writing skills through this hands-on workshop, which covers the basics of sentence construction, subject-verb agreement, and punctuation. Session exercises and discussion focus on higher education and financial aid terminology.
- **Federal Updates — Policy Potpourri:** Do you think you know your regulatory stuff? Find out in this session during which presenters ask the audience a series of challenging policy questions on a variety of current federal student aid topics. The session uses a game show format to involve audiences in learning more about the latest changes and regulatory requirements affecting financial aid. Participants will enjoy the fun, interactive nature of the presentation and leave with valuable, practical regulatory knowledge.

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.

Certain Stafford loan annual limits increase July 1 — order TG's updated brochure on FFELP borrowing



The Higher Education Reconciliation Act (HERA) of 2005 reauthorized major parts of the Higher Education Act (HEA) and made a number of changes to the FFELP. Among other things, it mandated increases to certain Federal Stafford loan annual limits, effective July 1, 2007. TG's *Your Guide to Borrowing for an Education* brochure offers a chart of the new Stafford Loan maximums, detailing what amounts students can borrow by year and by student type.

The brochure also provides a synopsis of how the FFELP works, spells out the advantages of the FFELP, and specifies details of the subsidized Federal Stafford loan, unsubsidized Federal Stafford loan, and the Federal PLUS loan for parents of dependent students and for graduate/professional students.

Consider providing the brochure with its updated Stafford loan annual limit chart to new or continuing students.

A look inside

Your guide to borrowing for an education answers many of the financial and procedural questions that students and borrowers may have about the Federal Stafford and PLUS Loan Programs. Here are some highlights.

- **Interest rates and fees:** Provides interest rates effective for Stafford and PLUS loans first disbursed on or after July 1, 2006; defines particular fees that apply.
- **How to apply:** Describes the first step for all federal financial aid purposes: the Free Application for Federal Student Aid, or FAFSA; lists Web address information and phone contacts to begin the application process.
- **Paying back the loan:** Defines the general terms by which many borrowers pay back Stafford and PLUS loans, including the minimum payment amount, term limits, time by which to begin repayment, and other details.
- **Stafford Loan Maximums chart:** Lists maximum amounts for Stafford loans by year and for aggregate amounts; updated to reflect HERA-required changes effective July 1, 2007.

To order

The brochure is available in both English and Spanish. To order either version of the publication, visit the "Online Forms/Publications" ordering page on *TG Online* at www.tgslc.org/order/index.cfm.

To learn more

You can always direct your student and parent borrowers to other sources of help as well as give them this handy brochure. For questions about the FFELP, contact

TG's customer assistance team at (800) 845-6267, or send an e-mail message to cust.assist@tgslc.org.

Read the latest *Edufacts*™ — June 2007

The June 2007 edition of *Edufacts* features a close look at the federal Teacher Loan Forgiveness Program.

Congress established the Teacher Loan Forgiveness (TLF) Program in 1998 as a way to boost the number of teachers in key subjects such as math and science, and to retain teachers in schools where more than 30 percent of the students come from low-income households, which are categorized as Title I schools by ED. For math, science, or special education teachers, the incentives can be more than three times that of other teachers.

Under the TLF program, a borrower of federal Stafford loans who teaches five consecutive and complete years at a qualifying school may be eligible for a total of \$5,000 in loan forgiveness. Highly-qualified math, science and special education teachers are eligible for as much as \$17,500 in loan forgiveness.

Rewarding teachers with loan forgiveness is helping attract and retain talented and dedicated professionals to a traditionally low-paying field. According to the National Education Association, beginning public school teachers earn on average \$31,000 annually — the figure is less for new Texas teachers. The low pay for teachers makes it difficult to keep up with an average college loan indebtedness of \$19,000, and a loan payment that can approach \$400 a month.

Learn more

To read the complete edition of the June *Edufacts* or to review other editions, visit www.tgslc.org/edufacts/index.cfm.

Trends and issues

Five tips for interviewing for your financial aid office

Financial aid can be a demanding profession, requiring a great deal from workers in terms of patience and concentration. Ensuring you have the staff to handle the challenges of your financial aid office means hiring people with the right set of qualifications.

To hire workers with strong credentials and high incentive, you'll need to be an effective interviewer. A good interview offers a number of benefits: It gives you clear indications whether the individual knows the financial aid field and is motivated to learn more; it offers a way ensure a fit between the candidate and the needs of your office; and it helps clearly set job expectations from the get-go.

A hiring tipsheet

There's no tried and true recipe for interviewing well every time. To some degree, interviewing is an art form that can elude even the savviest business managers. But there are a few interviewing "principles" you can follow, which can sharpen your interviewing technique and help you find the best qualified individual for your team.

- **Look beneath the "surface" of the resume:** Examine the resume carefully, looking for gaps in employment, lengthy periods of time "stalled" in one position, excessive claims about managing projects or teams, or inaccurate uses of jargon. These can all be indications that the candidate is smoothing over potential problems or hiding a lack of experience.
- **Watch for physical cues about stress:** During the interview itself, keep a sharp eye on your candidate's emotional reaction to questions about stress, workload, or working relationships. Shifty movements or prolonged pauses may mean the individual isn't answering the question honestly or has problems handling stress.
- **Be an active listener:** Repeat and rephrase answers you hear so that you have more time to sift through the information and ask more questions. In repeating answers, you consider the response more fully but also have the opportunity to probe more deeply if alarm bells are set off.
- **Show respect for your candidate:** Interviews are stressful events for most people, but showing your candidate that you respect him or her helps the individual relax and open up. You'll be likely to see how the person truly interacts with others and you'll encourage them to show what they know.
- **Learn something for yourself from the interview:** If you set a learning objective for yourself — for example, find out more about a previous occupation or company from the candidate's resume — you'll be more attentive to the nuances of an interview. Among other things, you'll be careful to watch the candidate's reactions and consider fully the extent of the information he or she offers you.

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.

Question of the week

Q.: I am certifying a Stafford loan for a fifth year senior, and am unsure whether the student has reached his Stafford aggregate undergraduate loan limit since the student transferred from another

school. Do I need to check NSLDS for this information or will TG's system edits reject the loan if the new loan amount is over the aggregate undergraduate loan limit?

A.: Based on all information available, a school is responsible for certifying a loan amount that ensures that a borrower does not receive a loan in excess of the Stafford annual or aggregate loan limit. That being said, schools have three checkpoints to assist them in preventing a borrower from receiving loan funds in excess of the loan limits. First, the Institutional Student Information Record (ISIR) indicates that a student may be nearing his aggregate limit in two sections — the Aggregate Amounts section, where each prior disbursement is shown, and the MPN/Loan Limit Information section, where a message indicates whether a borrower is at or near his loan limit. Second, the NSLDS system provides a complete record of the student's loans at all institutions. If the ISIR indicates a potential problem with the aggregate limit or if the school has conflicting data, the school should access the NSLDS for a complete record of the borrower's loans. Third, the TG guarantee system has an edit that will reject a loan request if the new loan will result in the borrower exceeding his Stafford aggregate undergraduate loan limit but only if all of the borrower's loans are guaranteed by TG. If some of the borrower's loans are guaranteed with another agency, those loans will not be on the TG system, and TG's edits will not include those loans in the aggregate limit calculation.

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.

Legislative update

The House education committee has reported HR 2669 — The College Cost Reduction Act of 2007 — which proposes to achieve \$19 billion in savings from the FFELP, with \$750 million earmarked for deficit reduction and the remainder earmarked for increasing funding for Title III, Title IV, and Title V HEA programs, as well as funding for new programs. Among other things, the legislation proposes to: reduce the lender special allowance rate to 1.19 percent (for Stafford loans not in repayment status), 1.79 percent (for Stafford loans in repayment as well as PLUS loans), and 2.09 (for Consolidation loans); halve interest rates on undergraduate subsidized Stafford loans over five years from 6.8 percent to 3.4 percent, with the rate returning to 6.8 percent in 2013; reduce lender reinsurance to 95 percent (100 percent for lender of last resort loans); increase the lender fee from .5 percent to 1 percent, except for small lenders and nonprofit lenders not associated with for-profit entities; and repeal the exceptional performer program. To learn more about this legislation and other education bills being considered by both houses of

Congress, read the full *Legislative Update* report on *TG Online* at www.tgslc.org/lege_report/index.cfm.

This, that, and the other

The College and Community Fellowship, a nonprofit social service organization based in Manhattan, runs a program that helps ex-convicts complete college. The organization provides academic counseling, tutoring, and mentoring services to ex-convicts, helping to shape leadership qualities in people who were once on the margins of society. The participants sometimes receive a small stipend to cover expenses as well.

The program is not a free pass through college. Students are encouraged to apply for scholarships or find other ways to pay their tuition.

The City University of New York's Graduate Center provides space rent-free for the college program, which is privately financed through grants from foundations. In the program's seven years of existence, 74 former prisoners, mostly single mothers, have graduated. Not one of them has ended up back behind bars.

To read the complete *New York Times* article on this interesting rehabilitative program, visit www.nytimes.com/2007/06/15/nyregion/15prison.html?_r=1&adxnnl=1&oref=slogin&ref=nyregion&adxnnlx=1182204516-ADAjjTC4EsqJuCXR3LKQCA.



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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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