

## In this issue:

<b>Federal updates</b> .....	<b>1</b>
President signs HEA extension into law .....	1
Remaining 2007-08 interest rates released.....	2
<b>TG updates</b> .....	<b>2</b>
Mark your NASFAA National Conference agenda for TG's trainings .....	2
Stay on top of the new Stafford loan limits with this handy chart .....	3
Spotlight on TG's Public Benefit Grants: the Valley Initiative for Development and Advancement's partnership with a local Dual Enrollment Academy	4
<b>Trends and issues</b> .....	<b>5</b>
Performance boost: It's all in the coaching you give your FAO staff .....	5
Question of the week .....	7
<b>This, that, and the other</b> .....	<b>7</b>

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

Take advantage of TG's Integrated Default Assistant (IDA™) and learn how it can help your school manage its TG cohort default rate. To find out more, call (800) 338-4752.

## Federal updates

### President signs HEA extension into law

On July 3, the president signed legislation (S. 1704) to extend the Higher Education Act (HEA) through July 31, 2007.

S. 1704, the First Higher Education Extension Act of 2007, is the seventh overall extension in the current reauthorization cycle and is a "clean" extension (i.e., it is free from extraneous provisions).

S. 1704 was introduced by Chairman of the Senate Committee on Health, Education, Labor, and Pensions Edward Kennedy, along with the Ranking Member of the Committee, Michael Enzi.

## To learn more

To read the complete text, find the legislation on the Library of Congress *Thomas* Web site at <http://thomas.loc.gov>.

## Remaining 2007-08 interest rates released

There are two categories of interest rates that are announced at the end of June, as mentioned in *Shoptalk Online* Edition [408](#). Interest rates for older PLUS and SLS loans are based on the weekly average of the one-year constant-maturity Treasury yield for the last calendar week ending on or before June 26. Interest rates for the HEAL portion of Federal Consolidation loans are based on the 91-day Treasury bill (T-bill) auctioned for the quarter ending June 30.

### PLUS and SLS

Following are the interest rates for older PLUS and SLS loans, which are effective July 1, 2007, through June 30, 2008:

- 8.05 percent for loans first disbursed on or after October 1, 1992, but before July 1, 1998.
- 8.20 percent for loans disbursed on or after July 1, 1987, but before October 1, 1992.

### HEAL Consolidation

Following is the interest rate for the HEAL portion of Federal Consolidation loans:

- 7.90 percent for loan applications received on or after November 13, 1997.

### More information

To access TG's annual interest rate chart for all applicable interest rates, visit [www.tgslc.org/policy/intrates.cfm](http://www.tgslc.org/policy/intrates.cfm).

## TG updates

### Mark your NASFAA National Conference agenda for TG's trainings

Each year, the NASFAA National Conference offers a well-rounded roster of training opportunities on federal regulatory changes, financial aid office management, and topics in professional development. TG provides two sessions at this year's conference, which will be held next week in Washington, D.C., from July 8 – 11.

#### A workshop and a forum on customer service

On Monday, July 9, from 4:15 p.m. - 5:30 p.m., a TG presenter will facilitate a session on the regulatory intricacies of managing graduate and professional student

aid. To say the regulations that govern the administration of federal financial aid — and, in particular, financial aid for graduate and professional programs — are complex may be an understatement. This session will help you explore a variety of regulatory issues for these programs and do so in a game-like format, entertaining you and helping you to learn more at the same time.

TG follows up this session with one on Tuesday, July 10, from 9 a.m. - 10:15 a.m., which will focus on ways to improve your office's customer service. This session works like a forum and features simultaneous table-top discussions managed by experts on a particular aspect of customer service. A panel of guests from four-year public and private universities, two-year colleges, and for-profit schools will each offer three or four of their best practices for improving customer service in the financial aid office. Impressing customers with your physical environment, dealing with difficult customers, serving the first-year student, working with customers over the phone, and serving the online student are just some of the prescribed topics for discussion.

### **More information**

To learn more about the NASFAA National Conference, including its agenda, visit the [NASFAA Annual Conference 2007](#) Web site.

## **Stay on top of the new Stafford loan limits with this handy chart**

The Higher Education Reconciliation Act (HERA) of 2005 mandated a number of changes to the FFELP, including increases to certain Federal Stafford loan annual limits, effective July 1, 2007. TG offers a printable chart to remind you of the new Stafford loan annual maximums, detailing what amounts students can borrow by year and by student type.

The chart also provides a listing of aggregate loan limits for dependent, independent, and graduate and professional students.

Print the chart to have on hand in the office, or pass it out to staff and students.

### **To print or download the chart**

You can print or save the chart from *TG Online* at [www.tgslc.org/pdf/loanlimits.pdf](http://www.tgslc.org/pdf/loanlimits.pdf).

### **To learn more**

You can direct your student and parent borrowers to other sources of help as well as give them this handy chart. For questions about the FFELP and the latest changes to Stafford loan limits, contact TG's customer assistance team at (800) 845-6267, or send an e-mail message to [cust.assist@tgslc.org](mailto:cust.assist@tgslc.org).

## Spotlight on TG's Public Benefit Grants: the Valley Initiative for Development and Advancement's partnership with a local Dual Enrollment Academy



The U.S. Census shows that the Rio Grande Valley of Texas is one of the poorest regions in the United States. It's also a textbook example of the self-perpetuating character of poverty, at least according to local civic organizations. With over half of the population living below the poverty line, seniors graduating from high school are faced with a stark reality: Go to college or get a job to feed the family and contribute to the household. In such circumstances, the more immediate need — economic survival — often takes precedence, and education, oftentimes the only key to a brighter future, is completely forgotten.

This is especially true for places like the Rio Grande Valley where the population is primarily Hispanic and under-educated. In this area, college is traditionally seen as a waste of time, especially for women. Other factors contribute to making college a dim possibility: The valley is home to a large number of migrant workers, who work on a seasonal cycle out of sync with college semesters; families typically have only one car, which makes getting to school difficult; and parents often lack a basic knowledge about financial aid and the affordability of a higher education.

Since 1994, the Valley Initiative for Development and Advancement (VIDA), a nonprofit based in the Rio Grande Valley, has been working to right the negative perception of education among local families. They're also making a higher education possible for more students. Recently, they formed a partnership between local independent school districts (ISDs) and South Texas College (STC). Together, these organizations offer a unique education solution to valley students — a Dual Enrollment Academy (DEA). In a DEA, students can take college courses at the same time they're in high school and earn credit for college and high school simultaneously. When they graduate, they gain both a high school diploma and an associate's degree. To help students in the program, TG provided VIDA with a grant for FY 2007.

### **Personalized connection = a higher retention and graduation rate**

VIDA's primary focus is ensuring student retention. To that end, the organization introduces some basic tools of case management. They hold weekly meetings with students to track progress. During those meetings, counselors ensure students complete course assignments on-time and work with those who have issues.

But VIDA also offers a variety of other services that create a more personal connection to the student and that tend to keep students dedicated to the program. Among other things, the organization provides tutoring on specialized subjects, counseling on academic readiness, workshops on college planning and life skills,

and a series of personal growth seminars on everything from college vocabulary to handling peer pressure.

They also provide for more basic needs like transportation to and from school. And, to help students plan for a future after college, they host presentations by engineering and health professionals, organize career exploration seminars, and feature learning sessions on money management and debt avoidance.

In short, VIDA offers an effective outreach program of solid support in academic and life skills to students. Such a program may serve as a model to other efforts in the region and go some ways in stemming the high 57 percent drop-out rate from area colleges.

### **About TG's Public Benefit Award Program**

TG established its Public Benefit Award 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.

To receive funds, organizations are required to submit proposals that address the issue of access to postsecondary education and that focus 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/publicbenefit/index.cfm](http://www.tgslc.org/publicbenefit/index.cfm).

## **Trends and issues**

### **Performance boost: It's all in the coaching you give your FAO staff**

If you're a new supervisor, you acquire a number of things with the change in title: different responsibilities, sometimes a separate office, even a staff. You also inherit the mix of abilities and motivations that your staff brings to work. This is important to know, since often a supervisor or manager's performance hinges on how well his or her team performs.

To help shape your financial aid staff into an effective force, offer them coaching — consistent feedback on performance that sets measurable goals and expectations. With good coaching, you give your staff an understanding of their importance at work, ensure they have your trust, and create a rapport on which to build for future conversations about work and performance.

## A coaching blueprint

Tact, directness, and a desire to help are all essential elements in a good coach. But, according to various management textbooks, including *The Team Coach* and *Coaching Through Effective Feedback*, you can, as supervisor, follow a general blueprint of action in coaching your staff — one that takes the guessing out of being a good coach and that offers you a framework on which to strengthen performance. Here is a suggested outline of action.

- **Establish an open relationship:** Trust often leads to more candid communication. You'll find that when you trust your employees, they tend to want to reciprocate with information about what's going on for them on the job. Share what your managers tell you about projects and priorities and keep the lines of communication open for questions.
- **Hold judgment:** When confronted with a situation or behavior that is problematic, remember to gather the details and facts before passing judgment on an employee. If you keep open the possibility that there are extenuating reasons or circumstances, you're likely to learn more about why your employee acts the way he or she does.
- **Pinpoint what needs correcting:** Hold a meeting with the staff member and make explicit what you believe needs changing in order for performance to improve. Also make clear that you have the individual's best interests at heart and that benefits will come if he or she changes.
- **Describe an alternate behavior and set goals:** For problem behaviors, specify in concrete terms how the employee can modify a reaction or behavior to turn around performance. Give the staff member constructive ways to accomplish this, and then set goals which the person can achieve in the near- and long-term.
- **Create a timeline for change and reward results:** Set a timeframe for revisiting issues, and periodically check in on your staff member's progress. If behavior does change, be sure to provide a reward. This could take any form — written or verbal praise, or a special commendation in front of others.
- **Keep an open door for feedback:** Remind your team that they can rely on you to support them. Hold team meetings which emphasize your willingness to listen. Show that you can take action on what they request, if their ideas improve work management or team morale.

## 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 financial aid 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).

## Question of the week

**Q.:** Can a school set a deadline within the period of enrollment after which the school will not certify a loan?

**A.:** A school cannot have a policy to set a date within the period of enrollment after which it will not certify a loan. The regulations permit a school to certify a loan up until the last day of the period of enrollment, and that is the only "limit" of time to which the school should adhere.

The only basis on which a school can refuse to certify a loan is on a case-by-case basis per the *Common Manual* subsection 6.15.E [based on the regulations in 34 CFR 682.603(e)]. When a school makes the decision not to certify a loan or to reduce the amount of the loan, the school must document the reasons and provide the explanation to the student in writing. Therefore, having a policy with a date within the period of enrollment after which a school will not certify a loan for an otherwise eligible borrower is not refusal on a case-by-case basis and would violate that regulation.

To access the latest version of the *Integrated Common Manual*, go to [www.tgslc.org/policy/integrated\\_online\\_manual.cfm](http://www.tgslc.org/policy/integrated_online_manual.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 [tgslc.custhelp.com](http://tgslc.custhelp.com).

## This, that, and the other

TG will be closed on Wednesday, July 4, 2007, in celebration of Independence Day. TG will reopen for normal business hours on Thursday, July 5, 2007.

This closure will affect EFT disbursements, change transactions, and application processing. Note that files submitted after 11:59 p.m. CST on Tuesday, July 3, 2007, will process with the next scheduled processing run on Thursday, July 5, 2007. Funds for EFT reports received on Tuesday, July 3, will be disbursed on Thursday, July 5, 2007.

If you have any questions or need further assistance, please call Product Support at (800) 332-1455, or send a message to [product.support@tgslc.org](mailto:product.support@tgslc.org).



P.O. Box 83100  
Round Rock, TX 78683-3100  
(800) 252-9743  
(512) 219-5700  
(512) 219-4560 TDD

*Shoptalk Online* is published by TG. Unless specifically noted, the policies and procedures outlined in *Shoptalk Online* apply only to loans made under the TG guarantee and not to loans underwritten by other guarantors.

To ask questions about *Shoptalk Online*, please contact Communications at (800) 252-9743, ext. 4732 or [communications@tgslc.org](mailto:communications@tgslc.org).

**Contributors to this edition:** Rob Davenport, Kelly Kaelin, Cindy Marrs, Art Martinez, and Cecilia Ortiz. Edited by TG Communications and Policy and Regulatory Affairs. Designed by TG Communications.

©2007 Texas Guaranteed Student Loan Corporation.  
Ask TG and the TG logo are trademarks of Texas Guaranteed Student Loan Corporation.