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

Start the new school year with training for your staff in federal regulatory issues, professional development, and industry topics. The TG Speakers Bureau has a complete roster of training sessions tailored to what your office needs. Find out more at [www.tgslc.org/speakers/index.cfm](http://www.tgslc.org/speakers/index.cfm).

## Federal updates

### Help for schools affected by Hurricanes Katrina and Rita

Last week, Secretary of Education Margaret Spellings announced additional grant funding for schools affected by Hurricanes Katrina and Rita. Two years after the storms wreaked devastation along the Gulf Coast, many schools that suffered damage are still rebuilding their campuses and recovering from the impact of lost revenue.

The \$30 million in grant funds, awarded under the Hurricane Education Recovery Awards program authorized by the Higher Education Act, will be used to construct or renovate facilities, provide grants for students that would have been covered by

lost revenue, and fund faculty and staff positions. A total of 22 schools, including four in Texas, will benefit from this additional funding.

### **More information**

To view ED's press release, visit

[www.ed.gov/news/pressreleases/2007/09/09132007.html](http://www.ed.gov/news/pressreleases/2007/09/09132007.html).

### **Changes in FAFSA distribution**

Citing a steady decrease in the submission rate of the paper FAFSA versus the FAFSA on the Web (FOTW), ED has released an Electronic Announcement notifying schools that the 2008-09 paper FAFSA will not be available for ordering via FSAPubs. The FOTW Worksheet will still be available for bulk order by schools through FSAPubs at [www.FSAPubs.org](http://www.FSAPubs.org). Students wishing to complete a paper FAFSA may request up to three copies by calling the Federal Student Aid Information Center at 1-800-4-FED-AID.

Also new for 2008-09 is a PDF version of the FAFSA that will be available for download at [www.FederalStudentAid.ed.gov](http://www.FederalStudentAid.ed.gov). Students can access the PDF, complete the form on the computer or by hand, and submit the form by mail for processing. Schools will also be able to access the PDF from the FSA Pubs Web site.

### **More information**

The electronic announcement may be viewed at

[www.ifap.ed.gov/eannouncements/0913FAFSAFOTW0809Update.html](http://www.ifap.ed.gov/eannouncements/0913FAFSAFOTW0809Update.html).

## **TG updates**

### **Read about the largest and growing segment of students — the "nontraditional" kind — in TG's *Edufacts*<sup>TM</sup>**

She holds down a job, goes to class part time, builds up mortgage equity, and has a child to raise — meet the new student. According to a study by the National Center for Education Statistics (NCES), *Special Analysis 2002 — Nontraditional Undergraduates*, the typical first-year undergraduate isn't what we might normally identify as a run-of-the-mill freshman — someone fresh out of high school and living on campus. These days, three-quarters of all undergraduate students have at least one of the seven characteristics of a "nontraditional" student. For example, they delay enrollment after high school graduation, attend college part time, work full time, or have one or more children.

Though their numbers are growing steadily, nontraditional students face some formidable challenges to attaining a college degree, especially from a higher education system geared to accommodate the "traditional" student. In various ways, class schedules, degree requirements, and financial aid all seem to work against the nontraditional student.

In particular, finding a way to attend and pay for college can be especially daunting for those who may be raising a family and handling mortgage or health insurance payments at the same time. With expenses like these, nontraditional students often do not have anything left in the budget for tuition, fees, and textbooks.

Many schools are taking steps to help remove academic, financial, and situational barriers for nontraditional students. Some schools are offering flexible schedules and workshops to reorient older students to college life; others are adding more support and financial aid services, including weekend-only classes, weekend hours for student services, and supplemental instruction that provides an opportunity for students to meet with classmates to study.

### **To learn more**

To read the complete edition of the September *Edufacts* or to review other editions, visit [www.tgslc.org/edufacts/index.cfm](http://www.tgslc.org/edufacts/index.cfm).

## **Can your students pass the financial fitness test? Help them with this four-step model**

Each fall, you probably encounter at least one or two students just learning the basics of money management. For these students, the financial aid check means more than ready cash for tuition and books — it also means getting a crash course in handling their finances responsibly and strategically. Unfortunately, many of them haven't balanced a checkbook or learned the difference between essential purchases — e.g., food — and luxury choices — e.g., that spring break skiing trip.

Luckily, TG offers some readymade training in financial literacy that you and your students can take advantage of. These workshops help students foster basic money management skills and provide a good foundation for financial planning over the course of their academic career and after college. The program — POSITIVE+BALANCE™ — is fully customizable and can be integrated with existing campus programs on academic and career development.

### **A roadmap to financial well-being**

To give you a sense of the material TG offers on financial literacy, here's a capsule summary of one module of POSITIVE+BALANCE. You may draw from this content for your own program or request that TG provide the training — complete with trainers and collateral — on your campus.

- **Identify your goals:** Have your students decide on a spending strategy. Teach them to distinguish between saving for emergencies and future purchases — like a spring vacation — and investing, which involves a more long-term commitment to lifestyle changes like retirement. Students in the early stages of learning money management generally have to know to ask the right questions, such as: Am I willing to reduce my expenses to pay for something in the future? Some oft-quoted guidance on money management helps epitomize the right

fiscal attitude: Pay yourself first! Of course, along with this, students need to be realistic about what they can save.

- **Evaluate your financial well-being:** Make your students take stock of their financial situation — create a baseline, so to speak, of financial well-being. This process can determine what goals they should aim for. To evaluate their financial position, students can do a number of things, including deciding on the essential items they need — place to stay, meals — versus the things they desire but don't need — expensive designer shoes or a new PC. You should also have your students identify all sources of income coming in, add up all expenses, and figure out the difference between the two. A key question at this point may be: Is there enough money in the bank account after all necessary purchases to cover emergency issues?
- **Plan your spending:** With a firm understanding of what they need and do spend money on, have your students set goals that they can realistically achieve. Ensure they can devise a balanced spending plan. Spending plans can take many different forms, including just a simple worksheet that tracks income and expenses each month. Students might want to set particular goals — perhaps paying down credit cards or making student loan payments and saving money. Progress should be documented so that students can feel they've achieved something measurable and real once a goal is reached.
- **Keep records of your spending:** One of the first rules of good money management — Maintain financial documents in a safe place and in a well-organized form that allows you to search for things easily. If you ever have to find proof for a purchase or transaction, your best friend will be well-ordered records. Also, it's generally a good rule of thumb to keep records for at least three years, including items such as receipts, promissory notes, etc. You can gauge long-term trends in your purchasing this way not to mention be ready in case questions arise, for example, any issues with credit card purchases.

### Learn more

To find out more about POSITIVE+BALANCE and this particular training module, contact your account executive at (800) 252-9743. You can also learn more from Rett Anderton or Joe Braxton, TG's default aversion consultants. Rett Anderton may be reached at (800) 252-9743, ext. 4765, or by sending an e-mail message to [rett.anderton@tgsllc.org](mailto:rett.anderton@tgsllc.org). Joe Braxton may be reached at (800) 252-9743, ext. 4696, or by sending an e-mail message to [joe.braxton@tgsllc.org](mailto:joe.braxton@tgsllc.org).

### Scholarship connection: Offer your students help in their funding search with AIE™

An ever-popular topic with students preparing for college is scholarships. TG's education awareness Web site, *Adventures In Education* (AIE), provides students and their parents a variety of tools for effectively planning for college and career, including a versatile scholarship search feature.



AIE's Scholarship Search contains information on more than 10,000 scholarships with a combined value of more than \$7 billion. On its results pages, it presents students with a variety of key information about scholarships, including award amounts, deadlines, sponsor and/or contact information, the number of awards offered, and the type of award.

Visitors to the site can access this information easily and quickly through various easy-to-use search options. A Quick Search casts a wide net and gathers a large amount of scholarship information. The Advanced Search tool serves to narrow searches, which is useful for finding scholarships that fit specific needs.

### **Quick Search**

The Quick Search works like a normal Internet search engine. AIE visitors simply enter in relevant keywords — such as "minority" or "art" — and a list of scholarships that fit these descriptors appears. For visitors who may not know where to start, a list of popular keywords is provided at the bottom of the page. Simply click a word and a listing appears.

### **Advanced Search**

When a visitor clicks on the Advanced Search button, a page appears with a series of tabs across the top, including Me, My Place, My School, My Interests, and My Jobs. These tabs provide a listing of more specific criteria based on characteristics of the person making the search, such as age; geographic location; details of a desired school; personal interests; and affiliations through jobs and organizations. Search results appear in the My Results area.

### **To learn more**

To try out AIE's Scholarship Search for yourself, visit [www.AIE.org/scholarships](http://www.AIE.org/scholarships). To explore the entire site, visit AIE at [www.AIE.org](http://www.AIE.org).

## **Your instant conference planner: TG's Events Calendar**

Annually, the financial aid industry holds dozens of conferences to keep members abreast of the latest changes in the industry. If you're planning to attend any of these events, you'll know the value of a handy and effective tool in tracking conferences. TG offers its own version of a "conference planner" with its Events Calendar, a Web page listing of important industry-related trainings. Among other things, the calendar provides TG's annual schedule of conferences, holidays, and other non-TG events and dates useful to financial aid professionals.

Customers who would like to attend certain TG-sponsored events are just a click away from the online registration page. In addition, some conferences and workshops included on the calendar are linked to Web sites that provide more information about each event and its sponsor. Don't forget TG's Events Calendar the next time you're planning your office's annual conference attendance.

## Find out more

You can access TG's Events Calendar through *TG Online* at [www.tgslc.org/abouttg/calendar.cfm](http://www.tgslc.org/abouttg/calendar.cfm).

## Trends and issues

### Question of the week

**Q.:** What are the conditions under which loan proration is necessary?

**A.:** Proration is required for Stafford loans in undergraduate programs of study, but only under certain conditions. Per the 2007-08 *Federal Student Aid Handbook* (FSA Handbook), page 3-92:

"The annual maximum loan amount an undergraduate student may borrow must be prorated in certain situations:

- When the student is enrolled in a program that is shorter than a full academic year; and
- When the student is enrolled in a program that is one academic year or more in length, but is in a remaining period of study that is shorter than a full academic year.

"Please bear in mind that loan limit proration determines the maximum loan amount that a student may borrow for a program or remaining balance of a program, not the loan amount that the student actually receives. In some cases, the actual loan amount that a student is eligible to receive (based on costs, EFC, and other aid) may be less than the prorated loan limit."

Pages 3-92 and 3-93 of the FSA Handbook provide the formulas for calculating prorated loan amounts for the two conditions in which proration is necessary; and pages 3-94 and 3-95 provide proration examples.

Note also that loan proration requirements do not apply to loans made to students taking preparatory coursework necessary for admission into either an undergraduate or a graduate program of study or coursework necessary for teacher certification.

To download a single, searchable PDF copy of the 2007-08 FSA Handbook, go to [www.tgslc.org/policy/fsa\\_handbook.cfm](http://www.tgslc.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 [tgslc.custhelp.com](http://tgslc.custhelp.com).

## This, that, and the other

A recent College Board study provides the statistical back-up for what many in higher education already believe, even base their careers on. According to the organization's report — "Education Pays 2007: The Benefits of Higher Education for Individuals and Society" — a college degree enriches both students and society as a whole. Education helps the individual in the form of better wages and more benefits; and it serves the interests of the common culture, since college graduates are more likely to volunteer, vote, and contribute to the overall health of a community by, for example, donating blood.

The report — the latest in an annual series from the College Board — finds that benefits increase with each degree an individual earns. According to the organization, "almost 70 percent of full-time employees with at least a bachelor's degree have access to pension plans while only 53 percent of high school graduates have that access. The percentage drops to 32 for employees who do not have a high school degree."

At the same time, society benefits as levels of unemployment and poverty go down. Also, the report notes that an education contributes to socially-valuable behavior like tolerance for the opinions of others.

While noting the many positive aspects of an education, the report also points to the continuing disparity in college access across demographic groups. Immediately after high school, more graduates from the highest income bracket enroll in college than those from the lowest bracket. The study also shows significant differences in college enrollment related to ethnicity.

You can learn more about the report and find a link to a copy of it at [www.collegeboard.com/press/releases/185478.html](http://www.collegeboard.com/press/releases/185478.html)



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*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.

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