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Tip of the Week

If you're looking to inspire prospective college students, consider the student testimonial videos on TG's *Adventures In Education*. These "College Success Stories" offer numerous first-person accounts of college graduates who got ahead because of an education. You can view the short clips at www.adventuresineducation.org/video/videos_sss.cfm.

Federal updates

Master Agreements released, Notice of Intent to Participate revised and deadline extended

Shoptalk Online reported [last week](#) that ED was delaying the release of the Master Loan Sale Agreement and the Master Participation Agreement that will be used to implement ED's loan purchase and participation plans under the Ensuring Continued

Access to Student Loans Act of 2008 (ECASLA). Previous communication from ED indicated that the delay would not result in an extension of the deadline for submitting the Notice of Intent to Participate (Notice). However, when ED released the Master Agreements last week, it also released a revised version of the Notice and extended the deadline to submit the Notice.

New deadline to submit Notice

Remember, while the Notice serves as a lender's preliminary notification to ED that it is interested in participating in the new loan purchase and/or participation program — without obligating the lender to participate — the submission date of the Notice also establishes the earliest disbursement date applicable to 2008-09 loans that a lender may include in either plan.

Previously, ED stated that in order to include loans originated as early as May 1, 2008, a lender must submit the Notice by July 16. Under the revised deadline, a lender considering participation in the program(s) must submit the Notice by **July 31** in order to include loans originated as early as May 1, 2008; if a lender submits the Notice after that date, only loans made on or after ED's receipt of the Notice are eligible for the program(s).

Revisions to the Notice

Based upon comments and suggestions received from the community, ED has modified the format of the Notice, and has changed the contact and submission instructions. However, ED will accept submissions using the original format, and, if an entity has already submitted a Notice using the original format, it does not need to submit a revised Notice.

Master Agreements

The Master Participation Agreement and/or the Master Loan Sale Agreement must be executed by a FFELP lender or holder that wishes to participate in one or both of the ECASLA programs. ED states that it will provide additional information in the near future, including document submission directions, regarding the next steps for a lender that plans to execute one or both of the agreements with ED.

For more information

The announcement, along with the Master Agreements and Notice, is available on the Information for Financial Aid Professionals (IFAP) Web site at <http://ifap.ed.gov/eannouncements/071108MasterLoanPurAgreements.html>.

ED accelerates updates to R2T4 on the Web

As reported in *Shoptalk Online* edition [461](#), ED recently announced that its Return of Title IV funds (R2T4) on the Web site would be updated on September 28, 2008, to implement provisions related to the College Cost Reduction and Access Act of 2007 (CCRAA). ED advised that the R2T4 on the Web would be unavailable for most calculations during the update process and as a result, schools would be required to

use CCRAA-compliant paper worksheets to complete the R2T4 calculation in the interim.

In a follow-up Electronic Announcement released to the financial aid community on July 2, ED stated that, "As a result of concerns you have expressed to us regarding the September 28, 2008, implementation date, we have accelerated the implementation schedule and will now be able to offer a CCRAA-compliant R2T4 on the Web site on July 27, 2008. We will implement additional, non-CCRAA-specific updates to R2T4 on the Web on September 28, 2008."

Between July 1, 2008, and July 27, 2008, schools that normally use R2T4 on the Web should instead use the CCRAA-compliant paper worksheets to perform calculations for students with a withdrawal date on or after July 1, 2008. The system currently will not allow entry of student records with a withdrawal date on or after July 1, 2008; this block will be removed as part of the July 27, 2008, update to the site. Note that a school can continue to use R2T4 on the Web after July 1, 2008, to perform calculations for students with a withdrawal date prior to July 1, 2008.

In this announcement, ED also discusses the enhancements that will be incorporated in the July and September 2008 versions of R2T4 on the Web.

For more information

To view the July 2 Electronic Announcement, visit the Information for Financial Aid Professionals (IFAP) Web site at

<http://ifap.ed.gov/eannouncements/0702CCRAAR2T4WebRelease.html>.

The CCRAA-compliant versions of the R2T4 and Post-Withdrawal Disbursement worksheets are available in PDF format on the IFAP Web site at

<http://ifap.ed.gov/aidworksheets/currentoptions.htm>.

If you have any questions regarding R2T4 on the Web, contact CPS/SAIG Technical Support at (800) 330-5947 (for TDD/TTY, contact (800) 511-5806); or send an e-mail message to CPSSAIG@ed.gov.

New teacher loan forgiveness forms approved

Last week, ED released *Dear Colleague Letter* (DCL) GEN-08-11/FP-08-09, which announced the approval of revised Teacher Loan Forgiveness (TLF) Application and TLF Forbearance forms and provided guidance for the implementation of the new forms.

Lenders and servicers may begin to use the new forms immediately but must provide only the newly approved forms to borrowers beginning January 1, 2009. However, the previous versions of the forms may continue to be processed after that date, if applicable.

PDF versions of the new forms are available as attachments to the DCL and on *TG Online* at www.tgslc.org/forms/frms_tlf.cfm.

More information

To access GEN-08-11/FP-08-09, visit <http://ifap.ed.gov/dpccletters/GEN0811.html>. For questions about TLF, contact TG customer assistance at (800) 845-6267, or send an e-mail message to cust.assist@tgslc.org.

Current special allowance rates: Quarter ending June 30, 2008

The following rates apply for the quarter ending June 30, 2008:

The average of the bond equivalent rates of the 91-day Treasury bills auctioned during the quarter ending June 30, 2008, is 1.71 percent.

The average of the bond equivalent rates of the quotes of the three-month commercial paper (financial) rates in effect for each of the days in the quarter ending June 30, 2008, is 2.75 percent.

The FFELP special allowance rates for the most recent quarter are available on *TG Online* at www.tgslc.org/policy/index.cfm.

Questions

For questions about special allowance rates, contact TG customer assistance at (800) 845-6267, or send an e-mail message to cust.assist@tgslc.org.

TG updates

TG completes preparations for school designations in lender-of-last-resort program

In accordance with ED's implementation deadline of July 1, 2008, TG has completed system enhancements to support the new lender-of-last-resort (LLR) provisions of the Ensuring Continued Access to Student Loans Act of 2008 (ECASLA).

The LLR program, as it has existed for many years, is designed to ensure that eligible student loan borrowers who are unable to locate a lender have access to FFELP funds through the LLR program administered by guarantors. With the passage of ECASLA, the LLR program was expanded to provide for the possibility of an entire school being designated as an LLR institution, if appropriate, thus qualifying all students attending the school to receive LLR loans. Federal rules require that a school request the LLR designation through the state-designated guarantor, for review and approval by ED. LLR loans may then be obtained through the designated guarantor in the state where the school is located or where the borrower resides.

TG's systems have now been updated to accommodate this new feature. Schools approved by ED for an LLR designation will be profiled as such on TG's system. The schools will be able to submit their loan certifications to TG for processing via current transmission methods; AdvanTG Web™ will not be required to obtain LLR loans through TG in such cases.

TG remains very hopeful that there will not be a need for school-wide LLR designations, given recent actions taken by Congress and ED to ensure broad access to FFELP loans during the coming academic year as the current credit market disruption is resolved. Nevertheless, these system preparations underscore TG's commitment to proactively ensure borrower access to FFELP loans in a smooth and efficient manner, in the event that LLR loans are needed to serve a school and its students.

For more help

Shoptalk Online will keep readers informed as developments occur. Schools seeking additional information about TG's LLR program can contact Cynthia Mayberry, TG's manager of the Texas region, at (800) 252-9743, ext. 4683. Lenders can contact Kevin Harris, director of lender relationships, at (800) 252-9743, ext. 2805.

TG awards \$5.6 million in competitive grants to advance college access and student retention

TG has awarded more than \$5.6 million in competitive grants to 49 institutions and nonprofit organizations to advance college access, student retention, and educational research. This is the fourth consecutive year that TG has awarded the competitive grants through its Public Benefit Grant Program, the company's philanthropic initiative.

In reviewing grant proposals, TG required each grant applicant to use the funding to improve access to, or participation in, postsecondary education, college retention, and student access. Grant funding was particularly targeted to help, either directly or indirectly, students from low- to moderate-income families. Priority also was given to proposals that addressed the needs of first-generation college students, and/or students who are under-represented in higher education.

TG's grant funds will help this year's award recipients with need-based grants to students; student mentoring and internships; pre-college outreach to students and families; academic support and instruction; student retention; student transfer guidance and support; and education research. Last year, TG awarded \$5.2 million in grants to 42 institutions and nonprofit organizations. These grants are in addition to direct grant aid that TG provides through the Charley Wootan Grant Program.

"These grants reflect our continued commitment to support programs that directly benefit families and students," said Sue McMillin, TG president and CEO. "This year's grant recipients are providing services and shaping opportunities for needy students to realize their higher educational goals."

About TG's Public Benefit Grant Program

TG's Public Benefit Grant Program is administered based solely on merit and need, and without regard to the business of TG or any form of *quid pro quo* consideration.

TG latest *Edufacts*™: Economic downturn? Not necessarily for college graduates

TG's newest edition of *Edufacts*, a public information series on issues in higher education, examines recent research into the hire rates for recent college graduates.

According to the National Association of Colleges and Employers (NACE), the leading source of information on the employment of the college educated, the U.S. unemployment rate recently took a big jump to 5.5 percent, up from 4.5 percent during the same time in 2007. However, for recent college graduates the unemployment rate is less than half that — about 2.3 percent.

Despite the current anemic economy, and consensus by leading economists that it could get worse, recent college graduates are not having trouble landing good jobs. In fact, college graduates of the class of 2008 are finding jobs that pay better than their 2007 counterparts.

NACE's most recent report also found that hiring for college graduates of the class of 2008 will increase by 8 percent from last year, and that salaries are up 4 percent compared to 2007.

Why such positive prospects for graduates? Many employers may be taking a long-term approach in the hiring of recent college graduates and looking at more factors than just the bottom line.

The NACE report on 2008 college graduates shows that those with technical degrees are not only getting job offers ahead of other graduates, but also drawing the highest salaries. The average salary for a graduate with a chemical engineering degree is \$63,749, an increase of 6.2 percent from 2007 and 10 percent from two years ago.

Graduates with computer science degrees had the highest average percentage salary increase from the previous year — 7.9 percent. This year, computer science majors are finding jobs that pay \$56,921, second only to chemical engineers, and just ahead of electrical engineers (\$56,512) and mechanical engineers (\$56,429).

To learn more

To read the complete edition of this *Edufacts*, visit www.tgslc.org/edufacts/2008/edufacts_0708.cfm.

Bonnie Brinkley helps TG's guarantee, support, and reporting team go the extra mile



During peak season, TG's loan guarantee operations (LGO) team has a standing rule: Nobody goes home until the work is done. Some issues — like missing data — may require follow-up by others, but the LGO team does all it can to bring things to completion before the end of the day.

This peak season, LGO's strong work ethic has paid off. Call volume is up some 40 percent over this same time last year, with more than 24,000 phone calls and 25,000 e-mails expected by fiscal year-end. Response rates haven't suffered despite the excessive load. LGO answers e-mails and faxes within an hour and often resolves guarantee issues within the same business day. Borrowers and schools appreciate the speed at this time of year. They also like the fact that the team works rejected applications by hand.

"Our customers are our partners," said Bonnie Brinkley, assistant vice president of the guarantee, services, and reporting (GSR) team, of which LGO is one part. "We all work very hard to ensure that we meet the needs of our students."

Dedication like this is typical of team members at all levels in GSR. Bonnie herself offers a hand, manually entering loan changes and backing up team members when needed. At the same time, she serves as a "champion" for the TG customer, helping guide projects that enhance TG's guarantee services and products.

"It is my responsibility to make sure that our customers' needs are met," said Bonnie. "When a school or lender entrusts TG with its business, the experience should be as seamless for them as possible."

An opportunity with every loan

Bonnie manages two other teams in addition to LGO — the data reporting team, which, among other things, reports TG's loan data to the National Student Loan Data System (NSLDS); and the product support group, which helps customers process change transactions through TG and offers industry expertise in electronic loan processing and refresher training on TG products such as AdvanTG Web™. The LGO team itself handles a variety of other responsibilities besides rejected loan applications; for example, tracking student enrollment and processing pre- and post-disbursement loan changes.

Managing such a varied team of professionals is a great experience according to Bonnie. The family-like atmosphere of mutual support maintains team spirit and keeps everyone focused on priorities. Team members also share their expertise with each other, enriching the technical knowledge of colleagues. Bonnie likes the camaraderie and finds it very important in a changing loan industry.

"I believe in TG's mission more now than ever," said Bonnie. "I know from having a son who is a senior in college that this program is important. It is nice to work in an industry that does care about its students. These are not just random guarantees. Each loan represents a student's opportunity to get an education."

Loans start to finish

Bonnie was born in Ft. Lee, Virginia, and grew up on army posts in Virginia and Germany, then lived in North Dakota before settling in Texas. She started with TG about 20 years ago, joining TG's collections team and eventually becoming the legal portfolio supervisor responsible for the bankruptcy and administrative wage garnishment portfolio. In 2003, she moved to what is now GSR.

Working with loans in collections and now in guarantee has given Bonnie a thorough 'education' in the loan life cycle. But even with such broad experience, Bonnie often learns something new from TG's policy staff or from industry colleagues.

"We have very open communication here at TG," said Bonnie. "In addition to receiving updates from our policy and regulatory affairs team, I read the industry updates to be sure I stay up-to-date on all proposed and upcoming changes. I am also a member of the NCHELP Electronic Standards Committee — Origination Standards team. That team is the initial point of contact for industry issues concerning CommonLine flat files and XML documents related to the origination, change, and disbursement process."

Bonnie finds that working in a team environment offers its advantages, especially with a complex issue like student loan guarantee. Because no one person can know everything there is to know about the intricate regulations and procedures involved in taking out a federal student loan, team members sometimes specialize in various areas and share their knowledge as needed.

Outside of work, Bonnie is an avid supporter of her local chapter of the Humane Society. She is a foster parent for cats and dogs in the market for a home. She herself recently adopted a three-legged German Shepherd, Maggie. "Maggie hobbles around but she really goes fast in a sprint," said Bonnie.

For help

If you have any questions concerning guarantee issues, please contact TG's guarantee, support, and reporting team at (800) 446-5616, or send an e-mail message to lgo.helps@tgsic.org.

Trends and issues

Question of the week

Q.: If a school uses summer as a trailer, may it certify loans for summer 2008 using the new \$2,000 unsubsidized Stafford annual loan limits for undergraduates established by the Ensuring Continued Access to Student Loans Act of 2008 (ECASLA)?

A.: A school that uses summer as a trailer may certify the increased unsubsidized Stafford loan amounts for eligible borrowers in the summer term as long as it doesn't schedule the first disbursement until on or after July 1, 2008. Whether a school includes the new limit with an existing Stafford loan or certifies a supplemental loan, ECASLA's new limits apply to periods that include July 1 (e.g., a summer loan that covers a loan period from June to August), as long as the loan is first disbursed on or after July 1. The new limits also, of course, apply to periods that begin after July 1, 2008.

[TG Online](#) offers a handy chart with the new Stafford annual and aggregate loan limits that became effective July 1, 2008.

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

2008 Common Manual updates available

The 2008 annual update to the *Common Manual* is now available in paper, on CD, and on *TG Online*. This update includes all of the policies approved since July 1, 2007.

For those who requested paper versions, paper copies were shipped out on July 1, and should have been received by now. The e-Collection CD, also available on request, may be ordered through *TG Online* at www.tgslc.org/order/index.cfm. It includes the latest edition of the *Common Manual* and other resource documents related to student financial assistance.

The *Electronic Common Manual* (ECM) is now posted to *TG Online*. The ECM is the basis for the *Integrated Common Manual* (ICM), which shows strikeouts and underlines to identify recently changed text. Program participants use the ECM until the first ICM is available near the end of September, when the Governing Board approves the first *Common Manual* policies for the new fiscal year.

To download the 2008 updates

To view and download the latest updates, visit *TG Online* at www.tgslc.org/policy/integrated_online_manual.cfm.

This, that, and the other

Rising gas prices have been a boon to one industry — distance education. More students are looking closely at their gas bills, especially since most of them — some 79 percent according to estimates — live off campus. With gas prices climbing above \$4 a gallon, “commuting online” seems to be a more cost-effective way to study.

According to a recent *New York Times* article, colleges from Massachusetts and Florida to Texas and Oregon have reported large online enrollment increases, with student numbers in some cases 50 to 100 percent higher than last year. Although 4-year institutions with large online programs have experienced increases, the largest changes have occurred at 2-year community colleges, where the majority of students are commuters and many support families.

Once a marginal expense in comparison to tuition and books, gas prices may rival these charges and surpass them in some cases. For working students already struggling to meet college costs, this can be an alarming fact.

Read the full article at

www.nytimes.com/2008/07/11/education/11colleges.html?_r=2&ref=education&oref=slogin&oref=slogin.



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