

In this issue:

Federal updates	1
ED announces webinars on loan purchase and participation interest programs	1
TG updates	2
TG names Donna G. Smith director of center for financial aid policy in community colleges.....	2
TG and Council release annual report on council activities and projects	3
TG releases demo of upcoming lender survey tool	4
TG-supported program helps Ohio students earn dual credit	5
Trends and issues	7
Question of the week	7
Legislative update	8
This, that, and the other	8

Tip^{of} the Week

Federal Stafford and PLUS loans can seem complicated to first-time borrowers. You can provide a handy summary of the differences between the types of loans by directing students and parents to *TG Online* at www.tgslc.org/borrowers/loans/index.cfm.

Federal updates

ED announces webinars on loan purchase and participation interest programs

Last week, ED released an e-announcement (available at www.ifap.ed.gov/eannouncements/0718LIVEInternetWebinars.html) regarding two webinars on ED's plans to purchase FFELP loans and participation interests in FFELP loans under the provisions of the Ensuring Continued Access to Student Loans Act of 2008 (ECASLA). The first webinar, held earlier today, pertained to the provisions of the Master Participation Agreement (posted on July 10, 2008, at www.federalstudentaid.ed.gov/ffelp), which covers the terms and conditions of the loan participation purchase program.

ED is expected to post a copy of the session presentation and/or handouts in the near future at www.federalstudentaid.ed.gov/ffelp.

The second webinar will review the Master Loan Sale Agreement that covers the terms and conditions of the loan purchase commitment program. This event will be held Thursday, July 24, 2008, from 2 p.m. to 4 p.m. EDT.

To register for this event, interested parties should go to www.fsaregistration.ed.gov/profile/form/index.cfm?PKformID=0x452942a29e.

More information

ED held its first webinar on these topics on July 1. The recording for that event and additional information about the FFELP purchase programs is available at www.federalstudentaid.ed.gov/ffelp.

TG updates

TG names Donna G. Smith director of center for financial aid policy in community colleges

Donna G. Smith has been named director of TG's Center for Financial Aid Policy in Community Colleges. Donna has 18 years experience in the student financial aid arena.

In her new role, Donna will facilitate the efforts of a TG advisory board of community college financial aid professionals formed to address education and policy issues especially relevant to community colleges. TG established the Center for Financial Aid Policy in Community Colleges to raise awareness among state and national policymakers about effective financial aid policies and practices relating to community colleges and their students.

Donna joins TG from Key Bank in Houston where she had served as an account executive for the educational loan division since 2005. From 2002-05, she was director of financial aid and scholarships for the North Harris Montgomery Community College District. Donna also served as a financial aid advisor at Texas Woman's University's Houston campus from 2000-02.

From 1990-97, she was a financial aid counselor at the University of South Alabama, where she also earned a bachelor's and a master's degree.

"Donna's experience and knowledge of the unique issues facing community colleges will be invaluable in her new position," said Kim Alexander, TG's vice president of customer focus. "She will work closely with the community college advisory board to develop workable strategies to advance the educational mission of 2-year institutions."

TG and Council release annual report on council activities and projects

TG and the Council for the Management of Educational Finance (Council) recently published an annual report on the Council's accomplishments for 2007-08. The annual report provides a snapshot of important Council projects, including entrance and exit counseling training; a second edition of the training model, *A Clear and Present Danger to Institutional and Student Success*; and the inaugural issue of the *Enrollment Management Journal*, a refereed journal that focuses on issues of student access, finance, and success.

Productive year

In collaboration with TG and other postsecondary institutions, the Council provides the higher education community with innovative leadership, including activities, resources, and services that improve the understanding and management of personal and education finance by students and families.

The Council celebrated its 10th anniversary last year. Over the past decade, the Council has taken a holistic approach to addressing default prevention and debt management. According to Maria Luna-Torres, who provides operational leadership to the Council, the Council saw some significant achievements in FY 2008.

"This is the third year that the Council spearheaded an initiative devoted to offering training on entrance and exit counseling," said Maria. "Originally, the training was developed for training lender representatives, but because of changes in regulations, the training module was revised to train financial aid administrators on the requirements for entrance and exit counseling and how to conduct in-person entrance and exit counseling sessions. The revised module was first presented this year at the TG Annual Training Conference. The session drew over 70 participants."

Scholarly journal debuts

The Council worked in cooperation with TG to produce a second edition of *A Clear and Present Danger to Institutional and Student Success: A training model for embedding student loan default aversion within strategic enrollment management*. The training model is designed to help institutions build enrollment management and default aversion plans. The model advocates early and sustained intervention and education; recommends campus participation in promoting wise borrowing; and offers ideas for developing systemic default aversion efforts within strategic enrollment management.

In January 2008, TG and the Council also released the first issue of a new scholarly publication developed in collaboration with the University of Nebraska — Lincoln. The *Enrollment Management Journal*, which is available by subscription, will be published twice this year before becoming a quarterly publication in 2009.

Each issue of the journal is composed of three sections: The first focuses on blind, refereed empirical or conceptual manuscripts written by academic researchers of

enrollment management; the second section highlights campus enrollment management activities or strategies that have proven successful; and the final section presents an overview of recent higher education legislation.

To subscribe to the journal, visit *TG Online* at www.tgslc.org/emj/subscriptions.cfm.

To download a copy

The Council's annual report can be viewed and downloaded through *TG Online* at www.tgslc.org/council/.

To find out more about the Council

More information about the Council is available at www.tgslc.org/council/index.cfm. For particular questions, contact Maria Luna-Torres, TG's director of education finance initiatives, at (800) 252-9743, ext. 4632, or send an e-mail message to maria.luna-torres@tgslc.org.

TG releases demo of upcoming lender survey tool



A preferred lender list (PLL) can be a helpful tool to students, especially during these days of change in the lending markets. Students can refer to such lists as one way to evaluate lenders based on loan terms and benefits. Many schools have traditionally relied on lists as an information resource for students, and many continue to do so.

Later this fall, TG will unveil a new Web-based product for schools to use in surveying lenders in order to create a PLL — List AssistSM. List Assist will provide an electronic way to query lenders, gather information, and weigh and rank responses according to set criteria. The online interface will cut administrative time for schools and serve, at the same time, as an effective means of documenting PLL creation.

TG recently produced an online demo of the product. The demo offers a preview of the tool's principal features and includes a summary of its key benefits for schools.

TG's List Assist is designed to add transparency to PLL creation. Schools will appreciate the simplicity of the process, and borrowers will like the information that helps them compare and choose among their lender options.

View the demo

To see the online demo of List Assist, visit *TG Online* at www.tgslc.org/products/index.cfm?ref=school and click TG List Assist Demo in the right column. For questions about List Assist, please contact your account executive

at (800) (800) 252-9743, or send an e-mail message to relationship.management@tgslc.org.

TG-supported program helps Ohio students earn dual credit



Stark County, Ohio, is a “rust belt” community in a state rapidly losing traditional manufacturing jobs. Between 2001 and 2005, county manufacturing suffered a loss of more than 10,000 jobs. Local companies are transforming themselves, focusing more on technology to compete globally. At the same time, they’re looking for highly-qualified workers educated in the math and sciences. Unfortunately, in a county where plant “line” work has been the norm, education is not traditionally seen as important.

Graduates with a bachelor’s degree account for only 19.2 percent of workers — the lowest rate in the state and well below the national average. Stark County graduates nearly 4,000 high school students per year, but only 50 percent enroll in Ohio colleges and universities. Of these, 40 percent require remedial college coursework and 80 percent persist into the second year of college.

The Stark Education Partnership, Inc., a nonprofit association of business and philanthropic organizations working to improve educational prospects for children in Stark County, offers some help. The organization is joining with the Stark County Educational Service Center (SCESC) and Ohio’s public school districts to collaborate with six colleges and universities. Together, these institutions aim to graduate more high school students with dual credit coursework in subjects like math, science, and foreign languages.

The initiative, which TG supports with a grant from its Public Benefit Grant Program, is called “Increasing Student Access and Success in College through Expanding District Capacity to Offer Dual Credit Coursework.” One of the program’s prime objectives is to make more teachers into adjuncts, that is, teachers qualified to teach dual credit classes.

“Studies show that students who have an early experience with college coursework through dual credit not only go on to college in greater numbers but also complete college more often than the general population,” said Dr. Joseph Rochford, vice-president for Stark Education Partnership.

Growing promise

In order to teach dual credit courses, teachers must meet standards set by the Higher Learning Commission. The commission requires that teachers have between 12 to 18 graduate credit hours in the subject they teach for credit. A survey of Stark County high school teachers indicated that, while interest was high in becoming adjuncts, 59 teachers had no master’s level content work in their

subjects. Of those having the content courses, 12 were accepted by the colleges and universities as adjuncts; 19 were declined; and 12 would be acceptable with additional work.

The "Increasing Student Access and Success in College" initiative came just at the right time to help more teachers become qualified adjuncts. By December 2008, the program aims to bring 31 more teachers on board as adjuncts in their chosen subject.

"Graduate coursework can be expensive, and school districts often have little or no funds to support this kind of professional development," said Dr. Rochford. "Dedicated teachers and their families often face difficult financial choices."

Certainly, more students will benefit from the increase in adjuncts. The Ohio Legislature passed H.B. 115, which provided state funds for offering dual credit courses at high schools. H.B. 115 was followed by H.B. 119, which expanded the program through the 2007-08 academic year. Both focused heavily on the science, technology, engineering and math disciplines, which have been seen as critical areas of need to help develop Ohio's future workforce.

The Ohio Legislature also recently unveiled a new program called "Seniors to Sophomores" to allow high school students the opportunity to gain up to a full year of college credit while in high school. Once again, dual credit was an option, this time for all academic disciplines. The higher education strategic plan reinforces Ohio's push to meet its state goal of increasing college enrollments by 230,000, by 2017.

The 'Increasing Student Access and Success in College' initiative supports Ohio's enrollment efforts. "Our program sends a powerful message to teachers that they will be supported in increasing their skills," said Dr. Rochford. "Six colleges and universities are now partners in appointing teachers as adjuncts. And the number of students taking dual credit courses has grown to over 400. That number is expected to exceed 1,000 as the new academic year begins."

About TG's Public Benefit Grant Program

To receive funds, organizations are required to submit proposals that address the issue of access to postsecondary education for low- to moderate-income students.

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.

Trends and issues

Question of the week

Q.: If a student borrower inadvertently exceeds her Stafford annual or aggregate loan limit, she is ineligible to receive additional Title IV funds until the overborrowing is resolved. One of the ways she may resolve the excess is to make satisfactory repayment arrangements with the loan holder. Does obtaining a Consolidation loan constitute “making satisfactory repayment arrangements”?

A.: A student borrower who inadvertently exceeds a Stafford annual or aggregate limit may regain eligibility for Title IV funds if one of following three actions occurs:

- The school reallocates an excess subsidized Stafford loan amount to unsubsidized;
- The borrower repays the excess loan amount in full; or
- The borrower makes arrangements satisfactory to the loan holder to repay the excess amount.

A satisfactory arrangement may include having the borrower sign an agreement acknowledging the debt and affirming his or her intention to repay the excess amount as part of the normal repayment process. And, yes, a “consolidation loan is considered to be a satisfactory arrangement to repay the excess amount that restores the borrower’s eligibility for Title IV aid” [2007-08 *Federal Student Aid Handbook*, page 3-99].

Note that while consolidation may restore the student borrower’s eligibility for additional Title IV funds, consolidation alone may not restore the student borrower’s eligibility specifically for additional Stafford loan funds. For example, a dependent undergraduate who inadvertently exceeded the combined Stafford aggregate loan limit of \$31,000 and subsequently consolidated her loans is still ineligible for additional Stafford loan funds unless she pays her outstanding principal balance below the aggregate limit.

See the *Common Manual*, Subsection 6.11.E (Exceeding Loan Limits) for more details. The newly updated *Electronic Common Manual* is available for download on *TG Online* at 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.

Legislative update

The House and Senate leadership recently issued a statement that the current Congress will complete its work by September 26 and adjourn without a post-election lame duck session. The intention is to pass a continuing resolution extending current year appropriations, and any other laws requiring reauthorization, which cannot be acted upon prior to the end of the current fiscal year.

This process will affect the reauthorization of the Higher Education Act (HEA). Though extended through July 31, 2008, the HEA may need to be extended once again for several months — unless the conference committee report can make its way onto the House and Senate calendars before the end of the month.

Learn more by reading the full *Legislative Report* on *TG Online* at www.tgslc.org/lege_report/2008/lr_080721.cfm.

This, that, and the other

The *Occupational Outlook Handbook* has been a source on career information for hundreds of thousands of job-seekers, including college students and college graduates. The *Handbook* is designed to provide valuable assistance to individuals making decisions about their future work lives. Serving as a catalog of hundreds of different types of jobs—such as computer technician, doctor, and lawyer — the *Handbook* provides information on the training and education required, projected earnings, expected job prospects, typical job duties, and a listing of general working conditions.

The *Handbook* serves in other ways: It offers job search tips and even links to information about the job market by state and region.

The Department of Labor issues the *Occupational Outlook* every quarter at www.bls.gov/opub/ooq/ooqhome.htm.



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

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To ask questions about *Shoptalk Online*, please contact Communications at (800) 252-9743, ext. 4732, or send an e-mail message to communications@tgslc.org.

Contributors to this edition: Rob Davenport, Sarah Faszholz, Kelly Kaelin, Cindy Marrs, Art Martinez, and George Torres. Edited by TG Communications and Policy and Regulatory Affairs. Designed by TG Communications.

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