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## Tip of the Week

Help your students estimate their college expenses with *Adventures In Education's* (AIE™) online [planning guide](#). AIE outlines the basic expenses for going to college and serves students as they begin locating financial resources.

## Federal updates

### Technical corrections bill hodgepodge

In recent weeks, *Shoptalk Online* has reported on various changes made to the Higher Education Act by H.R. 1777, which was signed into law on July 1 (see *Shoptalk Online* editions [510](#) and [511](#)). Many of the changes are related to provisions found in the Higher Education Opportunity Act of 2008 (HEOA). Following are additional H.R. 1777 changes not previously discussed in *Shoptalk Online*:

- For a student whose parent died as a result of military service in Iraq or Afghanistan after September 11, 2001, if the student was under 24 years of age

or enrolled in an institution of higher education at the time of the parent's death:

- Clarifies that the HEOA provision (effective July 1, 2009) that allows an automatic-zero EFC only applies to a student who is already Pell-eligible. The U.S. Departments of Defense and Veterans Affairs are charged with providing relevant student eligibility information to the Department of Education.
- Creates a non-need-based "Iraq and Afghanistan Service Grant" (effective July 1, 2010).
- Makes certain HEOA changes to the definition of Institution of Higher Education effective retroactively to August 14, 2008, rather than July 1, 2010.
- Clarifies that nursing schools outside the U.S. that were eligible to participate in FFELP as of August 13, 2008, are not required to comply with new eligibility rules established by the HEOA until July 1, 2012.
- Revises the Self-Certification Form for Private Education Loans mandated by the HEOA to exclude the borrower's Expected Family Contribution (EFC).
- Extends the operation of experimental sites that have not been deemed "successful" from June 30, 2009, to June 30, 2010.

### **For more information**

To access the text of H.R. 1777, go to THOMAS, the U.S. Congress Web site, at <http://thomas.loc.gov>. In the space for "Search Bill Summary & Status" enter "H.R. 1777," click on "Bill Number," and then "Search." On the resulting table, click on "Text of Legislation," then choose the link after item 4: "To make technical corrections to the Higher Education Act of 1965, and for other purposes. (Enrolled as Agreed to or Passed by Both House and Senate)[H.R. 1777.ENR]."

*Shoptalk Online* will keep readers informed as ED releases further guidance on the implementation of H.R. 1777.

For questions, contact TG customer assistance at (800) 845-6267, or send an e-mail message to [cust.assist@tgsic.org](mailto:cust.assist@tgsic.org).

## **ED releases Volume 1 of the 2009-10 *Federal Student Aid Handbook***

ED has published Volume 1: Student Eligibility, of the 2009-10 *Federal Student Aid Handbook* (FSA Handbook). TG will make Volume 1 available on [TG Online](#). Other volumes will be posted as they are released. Once all the volumes of the 2009-10 FSA Handbook have been released, TG will provide a single downloadable file encompassing all of the volumes.

## For more information

Watch future editions of *Shoptalk Online* for details. Volume 1 is also available on the Information for Financial Aid Professionals (IFAP) Web site at <http://ifap.ed.gov/fsahandbook/0910FSAHbkVolume1.html>.

## Closed school corner

The following table provides a list of newly reported school closures and corrections from the Postsecondary Educational Participants System (PEPS) and from the July 2009 *Closed School Monthly Report* supplied by ED. Schools listed are those with which TG has done business or to which TG has otherwise provided services.

### Newly reported closures

OPE School ID	School Name and Address	Unofficial Closure Date	ED's Official Closure Date
02113611	American InterContinental University–Buckhead 3330 Peachtree Rd., NE Atlanta, GA 30326-1001	N/A	06/26/2009

## TG updates

### Register now for TG's second financial literacy symposium of 2009

More colleges and universities are taking on a task of growing importance: Imparting basic money management skills to today's students. To help schools in their endeavors, TG offers some great resources, including a dedicated Web site (the [Positive+Balance Community<sup>SM</sup>](#)), student training ([Positive+Balance<sup>TM</sup>](#) workshops), and forums, or symposiums, on financial literacy.

TG's symposiums offer a setting for sharing practices on how to design an effective campus financial literacy program. The first 2009 Financial Literacy Symposium took place in Houston on Monday, June 29. Attendees heard from guest speakers and participated in small group discussions on developing and improving financial literacy initiatives for students.

### Chicago symposium next week

School representatives who missed the Houston event still have time to register to attend the second TG 2009 Financial Literacy Symposium to be held in Chicago on Tuesday, July 21. Guest speakers will include Bryant Anderson, director of student financial services at Illinois College of Optometry, and Janelle Wade, assistant director of student financial assistance at Loyola University Chicago.

According to TG's financial literacy segment manager Margie Harvey, the symposiums provide a unique opportunity for financial aid professionals in today's student loan climate. "In addition to learning about their colleagues' financial literacy initiatives, attendees can share ideas on how to teach students about personal finances," Harvey said.

### Register online

For more information about TG's 2009 Financial Literacy Symposiums, or to register to attend the Chicago event, visit [TG Online](#).

### For questions

To learn more, contact Margie Harvey at (800) 252-9743, or send an e-mail message to [margery.harvey@tqslc.org](mailto:margery.harvey@tqslc.org).

## Keep your students informed about repayment with TG's new brochures on IBR and repayment plan options

As students transition from college to career, it's vital to keep them aware of any federal student loan obligations they take with them. TG offers two new brochures to help students explore the variety of repayment options available. Order these brochures for your office lobby or provide them directly to students as mailings or handouts.



### A new plan, a new brochure

Income-Based Repayment



TG's *Income-Based Repayment* brochure describes the newest repayment plan, which could potentially benefit a variety of borrowers of federal student loans, including those experiencing difficulties in meeting their student loan payment.

For borrowers who qualify, Income-Based Repayment, or IBR, sets an affordable monthly payment based on income, federal student loan debt, and family size. TG's brochure defines IBR and offers a number of repayment examples that illustrate the possible payment amount reduction under the IBR plan. The brochure also describes how borrowers can apply for IBR and lists the types of loans that are eligible to include under an IBR plan. To help borrowers learn more, the brochure's back panel offers a list of TG's resources, including information about TG's [IBR calculator](#), [online help](#), and phone support.

## Flexible, sensible repayment plans

Federal student loan repayment plans provide many benefits to borrowers, including flexible repayment terms. TG's *Repayment Plan Options* brochure offers a concise overview of the differences among plans, including the Standard, IBR, Graduated, Extended, Income-Sensitive, and Consolidation repayment plans. A table supplies a handy comparison of all plans based on sample loan amounts. The table compares plans by monthly payment amount, term limits, total interest, and total amount paid. For borrowers who find themselves unable to make payments, the brochure also offers a short description of deferment and forbearance.



Repayment Plan Options



### To order the brochures

You can order the *Income-Based Repayment* and *Repayment Plan Options* brochures online. To order any of the items listed above, visit [TG Online](#).

### For questions about repayment

If you have questions about information available in the brochures, please call TG customer assistance at (800) 845-6267, or send an e-mail message to [cust.assist@tgslc.org](mailto:cust.assist@tgslc.org).

## There's still time to register for this week's Federal Update webinar

It's not too late to register for TG's industry training webinar scheduled for July 16. The webinar, scheduled from 2 p.m.-3:30 p.m. Central Time, will feature information on the latest legislative and regulatory changes.

This Federal Update session will provide information on recent activities that may affect the Federal Family Education Loan Program (FFELP) and other federal student aid programs. Updates will be provided on various issues including federal common forms, Dear Colleague/Partner letters issued by the Department of Education, proposed and final federal regulations, and pending legislation.

### To register

Registration for this free webinar training is available at [www.tgslc.org/training/webinars/industry.cfm](http://www.tgslc.org/training/webinars/industry.cfm).

## TG releases the summer edition of *Enrollment Management Journal* now

In collaboration with the University of Nebraska-Lincoln, TG has published the summer edition of the scholarly publication, the *Enrollment Management Journal: Student Access, Finance, and Success in Higher Education*. Each issue of the *Enrollment Management Journal* explores a variety of enrollment-related subject

matter, including admission standards, financial aid policies, the uses of student data software, and successful student enrollment strategies. As the journal's publisher, TG seeks to advance knowledge about these critical areas and make new and relevant data available to practitioners, researchers, and policymakers.

### Inside this edition

The *Enrollment Management Journal* is divided into three major sections: "Scholarship and Research," "From the Field," and "Legislative Update."

This edition's "Scholarship and Research" focuses on a variety of empirical and conceptual submissions that have completed a blind, refereed appraisal. Here's a short overview.

- "Influence of Orientation Coursework on Enrollment Persistence" examines whether a freshmen orientation course can be used to predict semester-to-semester persistence within a large, suburban community college.
- "An Examination of Stratified Price Structures and State Resources on Public Postsecondary Education Participation Between 1960 and 2000" considers initiatives to provide accessible and affordable postsecondary education. The article uses student price response theory to examine enrollment changes in community colleges from 1960 to 2000.
- "Far from Home: A Qualitative Analysis of Altered Social and Familial Interactions Among Students Attending College Significant Distances from Home" explores students' adjustments to attending universities far from home, including changes in their relationships with friends and family.
- "An Examination of Selected Predictive Variables and First- to Second-Year Persistence at a Public Liberal Arts University" examines the use of selected pre-enrollment variables to predict first- to second-year persistence at public liberal arts universities.



The second section of the journal, "From the Field," focuses on programs that successfully employ enrollment management practice, including the following.

- The Aravaipa Learning Community at Central Arizona College promotes retention of at-risk students by combining math and social science courses.
- Creighton University's summer orientation program offers an immersion experience that introduces incoming students to a "typical day" at the university. The program has been found to decrease the number of students who do not matriculate in the fall semester.

Finally, the "Legislative Update" considers the current legislative changes occurring in terms of higher education administration. This section outlines the executive

orders and legislation already signed by President Obama. It also offers an analysis of the potential impact of the American Recovery and Reinvestment Act on postsecondary education.

### To learn more

For additional information or to subscribe, please visit [www.tgslc.org/emj](http://www.tgslc.org/emj).

The *Enrollment Management Journal*, which is available by subscription only, is an initiative of the Council for the Management of Educational Finance.

## Trends and issues

### Policy potpourri

**Q.: What's the difference between the new Income-Based Repayment (IBR) plan and Income-Sensitive Repayment (ISR) plan?**

**A.:** Both repayment plans use the borrower's income to determine the monthly payment amount. However, there are a number of unique differences as noted below:

- Monthly payment amount is based on:
  - For IBR — the borrower's adjusted gross income (AGI) in relation to the U.S. Department of Health and Human Services' poverty guideline for his or her family size.
  - For ISR — the borrower's "expected monthly income"; ISR does not consider the borrower's family size nor applicable poverty guideline.
- Maximum repayment term:
  - For IBR — can exceed 10 years (after 25 years of qualifying payments any remaining balance and accrued interest are forgiven).
  - For ISR — 10 years. However, when the decreased monthly payment amount prevents the borrower from repaying within the maximum repayment term, the lender must grant up to five years of forbearance.
- Initial qualification to enter repayment plan:
  - For IBR — the borrower must have a partial financial hardship (PFH), which occurs when the annual payment amount for all of the borrower's eligible loans — as calculated under a standard 10-year repayment plan — exceeds 15 percent of the difference between the borrower's AGI and 150 percent of the poverty guideline for the borrower's family size. Check out TG's [IBR calculator](#) to help borrowers determine if they qualify for IBR.

- For ISR — the borrower must have sufficient income to establish a monthly payment amount that will repay the loan within the 10-year maximum repayment timeframe and the lender must make sure that no single payment is more than three times greater than any other payment, including payments from other repayment plans; these requirements make it much more difficult to qualify for ISR.
- Additional IBR features:
  - For as long as the borrower has a PFH, his or her monthly payment will not exceed 15 percent of the difference between his or her AGI and 150 percent of the poverty guideline for his or her family size; ISR does not have such a threshold.
  - The borrower's calculated monthly payment amount may be \$0; a \$0 payment amount is not permitted under ISR.
  - For each subsidized Stafford loan, or the portion of a Consolidation loan that consists of subsidized Stafford loans, repaid under IBR, ED will pay the unpaid, accrued interest amount for up to three years from the established repayment period start date; this subsidy is not available under ISR.

### More information

See *Shoptalk Online* edition [510](#) for more IBR details.

### Do you have a question?

If you have a question, feel free to *Ask TG™*. *Ask TG* is TG's online query tool for borrowers, schools, and lenders. Among other things, it offers a database of frequently asked questions about financial aid, student loan processing, and TG's products and services. To submit a question, visit [tgsic.custhelp.com](http://tgsic.custhelp.com).

## This, that, and the other

*The Chronicle of Higher Education* recently released the findings of its second annual *Great Colleges to Work For* survey. More than 240 schools — both 4-year and 2-year institutions — completed the survey process. Results were based on responses from nearly 41,000 administrators, faculty members, and staff members. The survey recognizes colleges for various best practices and policies, including those affecting compensation, benefits, and faculty-administration relations. Thirty-nine colleges were named to an Honor Roll, a new survey feature. The Honor Roll highlights the top 10 colleges in each size category based on the number of times they were recognized in the individual recognition categories. The primary factor in deciding whether an institution received recognition was the employee feedback collected from faculty and staff members.

To learn more about the survey's results, read the complete *Chronicle of Higher Education* [article](#) online. Note that some articles in the *Chronicle* are available only to subscribers.



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