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Smart Solutions

TG's *Adventures In Education* (AIE™) offers some great resources for college graduates looking for a job, including tips on writing a resume, interviewing, and job-hunting. Refer your graduating seniors to AIE [to learn more](#).

Industry Update

Fall 2009 Negotiated Rulemaking on school-related issues is underway, Part II

This fall, the change of season brings beautiful foliage, cooler breezes, and, in an unusual development, Negotiated Rulemaking (Neg Reg). While the Neg Reg process generally occurs during the winter and spring months, this year ED is holding an additional round of negotiations beginning in November and continuing through February. ED has established two committees, or teams, to develop proposed regulations on a variety of issues: Team I is discussing issues relating to

school program integrity, while Team II is considering topics specific to foreign schools.

Team I

Team I held its first meeting from November 2-6. The overview below offers a partial summary of the issues discussed; remaining issues were considered in a previous *Shoptalk* article (see edition [530](#)).

- **Agreements between institutions of higher education**

Should the regulatory provisions on agreements between two Title IV eligible schools be changed to limit the amount of instruction that may be offered away from the “home institution?” If changes to the rules would be appropriate, how should ED approach this to retain sufficient support for beneficial collaborative and cooperative agreements that improve student access and use valuable innovation? Should additional limitations be placed on agreements involving an eligible school and another type of entity? Finally, to what extent should accreditation approval of these arrangements (including curriculum and mode of delivery) be relied upon for ED approval?

- **Verification of information included on student aid applications**

How should the current verification regulations be modified to align with recent statutory changes to the need analysis provisions and with operational improvements in the application processing system, such as the IRS data retrieval process (see *Shoptalk* edition [530](#))? Should the 30 percent verification requirement be reconsidered, since it is based on a statutory provision that no longer exists? Using data provided for individual students, should ED attempt to more narrowly focus verification requirements on certain data elements for specific borrowers, as appropriate?

Additionally, how can ED best balance the need to obtain accurate applicant information with the goal of not impeding student access, and how can ED advance FAFSA simplification without creating undue complexity and delays at the school level?

- **Satisfactory academic progress (SAP)**

Should ED modify and strengthen the SAP regulations to ensure that students who are receiving Title IV aid are truly progressing in their academic programs within a reasonable time period? For example, should schools be required to assess SAP more frequently, and should course completion progress or maximum timeframe rules be re-examined? And should a school’s policies on probationary periods or appeals be subject to regulation? Finally, should graduate students be subject to appropriate SAP requirements?

- **Retaking coursework**

There are no current regulations that specifically govern retaking coursework, but ED is examining inconsistencies in this area as they relate to the treatment of students who are enrolled in certain clock-hour or nonterm credit-hour programs. Should ED harmonize the treatment for retaking coursework between term-based credit hour programs and other programs?

- **Return of Title IV funds (R2T4) and term-based programs with modules or compressed courses**

ED has previously provided guidance on whether a student is considered to have withdrawn from a standard term-based module program for purposes of R2T4, and has also extended this guidance to certain nonstandard term programs. Should ED modify its policy, which states that a student who completes only one module or compressed course in a term in which he or she is expected to continue attendance in additional coursework is not considered to have withdrawn for purposes of the return calculation?

- **R2T4 and taking attendance**

Are modifications needed to the R2T4 requirements related to taking attendance? For example, should a school be required to use any information it has about the student's actual attendance dates when completing the R2T4 calculation, even if the school is not required to take attendance by an outside entity?

- **Disbursements of Title IV funds**

Should ED establish disbursement rules limiting how long a school may delay disbursing Pell grant funds, to ensure that students have access to those funds within a reasonable timeframe?

Team II

The foreign schools issues team held its first session from November 16-20. This team is focused on the following agenda items:

- **United States Generally Accepted Accounting Principles (U.S. GAAP) financial statements**

Should ED modify the financial audit requirements for foreign schools whose enrolled students received \$500,000 or more in FFELP funds, and if so, how?

- **Compliance audits**

Should ED modify or waive the compliance audit requirements for foreign schools, and if so, in what manner?

- **Definition of a foreign school**

ED has not explicitly regulated what makes a foreign school “foreign” except that the school may not be located in a state.

- **Nonprofit status for foreign schools**

ED plans to develop a definition of nonprofit status specific to foreign schools that is comparable to the definition applicable to non-foreign schools.

- **Public foreign schools and financial responsibility**

Should ED develop a financial responsibility provision specifically for public foreign schools?

- **Consolidation of select Title IV requirements on a countrywide basis**

To ease administrative burden, are there any Title IV requirements that a country or other government entity should be permitted to satisfy on behalf of multiple foreign schools?

- **Deferments for eligible non-citizens**

This topic was removed from the agenda.

- **Non-degree programs**

Many foreign schools use educational measurements that differ from clock-hour units or semester, trimester, or quarter credit-hour units used in the U.S. How should non-degree programs at foreign schools be treated for purposes of Title IV eligibility?

- **New eligibility criteria for foreign medical schools**

How should ED implement changes introduced by the Higher Education Opportunity Act of 2008 (HEOA) that impose new eligibility criteria for foreign graduate medical schools?

- **Clinical sites of foreign medical schools in other countries**

The negotiators will clarify whether locations of clinical sites of foreign graduate medical schools and foreign veterinary schools (other than those located in the U.S., which is permitted by statute) must be located in the same country as the home school.

- **Basic science locations of foreign medical schools in other countries**

Should locations of basic science classroom medical instruction of foreign graduate medical schools, foreign nursing schools, and foreign veterinary

schools be required to be located in the same country as the home school? Should it be permissible for all or part of a foreign medical, nursing, or veterinary school program be contracted out? If so, under what conditions should a school be permitted to contract out such a program?

- **Eligibility requirements for foreign veterinary schools**

Should the regulations provide guidance on determining what constitutes “adequately equipped and staffed” facilities or indicators of the equivalency of faculty members’ credentials in teaching veterinary courses, or include different standards to ensure academic quality?

- **Eligibility requirements for foreign nursing schools**

How should ED develop regulations to implement changes introduced by the HEOA regarding the eligibility of foreign nursing schools to participate in the FFELP?

- **Foreign medical and veterinary schools certified separately from larger school**

Should regulations require that all foreign medical, nursing, and veterinary schools be certified separately from any larger school? And should the certification period for foreign medical schools be shortened to three years?

More information

Team I will hold its second session from December 7-11. ED has developed a Team I Web page, available at www.ed.gov/policy/highered/reg/hearulemaking/2009/integrity.html, that includes the Team I list of negotiators, the committee’s organizational protocols, and the issue summaries developed by ED (excerpts of which were provided above).

A similar page exists for the Team II committee at www.ed.gov/policy/highered/reg/hearulemaking/2009/foreign-schools.html. Team II will hold its second meeting from January 11-15.

To provide comments on the issues under consideration, please consult the list of negotiators provided on ED’s Neg Reg Web page for the appropriate team.

Once the Neg Reg sessions have concluded, ED will publish proposed rules and provide an opportunity for community review and comment. Final rules will be published no later than November 1, 2010, and will be effective July 1, 2011.

Legislative Report

In mid-September, the House of Representatives approved student loan reform legislation — the Student Aid and Fiscal Responsibility Act (H.R. 3221). The

legislation now rests with the Senate Health, Education, Labor, and Pensions (HELP) Committee; however, the HELP Committee is one of several developing a health care reform bill. Because the committee's time has been divided between education and health care reform, student loan legislation has been stalled. However, senate committee staff members are working diligently with their House counterparts to draft legislation that will probably differ little from the House-passed bill. Once the Senate has passed its version of student loan reform legislation, a House/Senate conference committee will adjust differences between the two versions. Congress will then most likely approve the compromise bill and send it to the president before the end of the calendar year. If this doesn't happen, the bill will be passed and sent to the president early in 2010. Learn more about the latest legislative developments [online](#).

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 November 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
00992407	Ivy Tech Community College of Indiana, Anderson-Flagship 7307 Quality Circle Dr. Anderson, IN 46013-1502	N/A	10/07/2009

TG Report

TG offers webinar on enhanced default management tool, the Integrated Default Assistant™

TG recently made a number of enhancements to its default management tool, the Integrated Default Assistant™ (IDA™), including establishing IDA as a separate application from AdvanTG Web™.

IDA offers a Web-based service for monitoring and managing default rates for TG-guaranteed loans. IDA's online query feature and pre-formatted reports allow schools, lenders, and servicers to track the cohort default rate of their TG borrowers and to identify borrowers at risk of default. A letter-writing feature offers an automated way to contact delinquent or defaulted borrowers.

Webinar focusing on IDA basics and enhancements

To help schools and lenders use IDA effectively, TG offers an overview of the product, which includes a discussion of latest enhancements.

Topics include:

- Communicating with delinquent borrowers through an online letter-writing component and a new e-mail tool
- Forecasting a school's 3-year Cohort Default Rate
- Identifying borrowers at higher risk of default based on enrollment status and highest academic level achieved
- Printing correspondence for borrowers in English, in Spanish, or in both languages

Webinar times

- Tuesday, December 8, 10 a.m.-11 a.m. Central Time
- Tuesday, December 8, 3 p.m.-4 p.m. Central Time (repeat session)

To register

Join TG for a discussion on the latest IDA enhancements by registering through [TG Online](#).

To learn more

For questions about TG's products, please contact TG's product support team at (800) 332-1455, or send an e-mail message to product.support@tgsdc.org.

You're invited to TG's regional training in Corpus Christi

TG's regional trainings offer a forum in which to examine regulatory and legislative changes as well as review some of the latest industry trends. TG's day-long workshop in Corpus Christi on December 8 provides an example of this comprehensive training approach.

Here is a summary of particular topics, all designed to help schools and lenders better manage their student loan-related work.

- **Federal update:** Learn about recent activities that may affect the Federal Family Education Loan Program (FFELP) and other federal student aid programs. The session will offer updates on various issues including federal common forms, *Dear Colleague/Partner* letters issued by ED, proposed and final federal regulations, and pending legislation.

- **Life of the loan: From delinquency prevention to surviving the consequences of default:** Review the life of the loan and learn more about TG's default prevention process. Participants will hear about the activities that occur during each phase of delinquency and discover more about the consequences of default.
- **Best practices in customer service:** Based on years of research with financial aid administrators, TG has developed a list of customer service principles geared for financial aid offices. In this interactive workshop, participants will discuss procedures that have proven successful when implementing good customer service. Attendees will also take away a copy of TG's publication, *Customer Service in Financial Aid*, which emphasizes the link between customer service and student recruitment and retention.
- **IBR basics:** Learn how Income-Based Repayment (IBR), the new student loan repayment plan, could benefit certain borrowers by minimizing monthly payments. This session presents a high-level introduction to the IBR plan, including how borrowers qualify for IBR, the forgiveness component of IBR, the benefits IBR provides to the borrower and the school, and ideas for educating borrowers about IBR.
- **TG update:** Hear about TG's FY 2010 product plans, as well as possible future products and services.

Register

To register for the Corpus Christi training, visit *TG Online* at www.tgslc.org/training/regional/register.cfm.

To learn more

TG offers a variety of training opportunities through its Speakers Bureau. Visit www.tgslc.org/speakers/index.cfm to browse the training catalog. Keep in mind that TG can adapt a training session to meet the needs of your campus. To find out how, contact your account executive at (800) 252-9743.

Register for TG's webinar on entrance and exit counseling

Entrance and exit counseling are two of the most important tools in default aversion. Since schools are responsible for ensuring that every borrower completes the required entrance and exit counseling sessions, financial aid administrators should be aware of all statutory and regulatory counseling requirements. In this training, participants will learn the basic requirements of loan counseling, explore specific strategies for counseling students effectively, and identify resources designed to enhance understanding of loan counseling requirements.

Register

TG's entrance and exit counseling webinar will be offered Thursday, December 17, from 2 p.m.-3 p.m. Central Time.

To register, visit [TG Online](#).

To learn more

TG offers a variety of training opportunities through its Speakers Bureau. Visit www.tgslc.org/speakers/index.cfm to browse the training catalog. Keep in mind that TG can adapt a training session to meet the needs of your campus. To find out how, contact your account executive at (800) 252-9743.

News Briefs

The environmental movement got its start as a grassroots initiative with fervent support among college students. According to a recent study conducted by the National Wildlife Federation, that support is going strong on many college campuses. In fact, students provide the driving force for a wide range of campus sustainability efforts, such as community outreach or education, campaigns to recycle, and fund-raising in support of "green" campus initiatives. The study, titled *Generation E: Students Leading for a Sustainable, Clean Energy Future*, spotlights research conducted on college environmental projects on 165 campuses in 46 states. [Find out more](#) about student environmental efforts.



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