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### Smart Solutions

Occasionally students and parents turn to alternative, also known as, private loans to help cover educational expenses. Before your students consider alternative loans, make sure they understand the general terms that come with these loans. TG's *Adventures In Education* offers a short primer on issues to consider in taking out alternative loans. [Offer your students this resource](#) as they put together funding for the next academic year.

## TG Report

### 2010 TG Annual Training Conference to feature industry experts



For the 2010 TG Annual Training Conference, representatives from the Department of Education (ED), the Texas Higher Education Coordinating Board (THECB), and numerous industry and TG experts will present a varied agenda, rich in industry information and timely topics. This year's conference will be held from April 7-9 at the AT&T Executive Education and Conference Center in Austin.

TG's conference offers opportunities for attendees to learn, discuss, and focus in new ways on helping students attain their educational and career goals in 2010 and beyond. The speaker list below offers a spotlight on a few such presenters. [Consult TG's online agenda](#) for the exact place and time of each event.

- **David Bergeron**, acting deputy assistant secretary for policy, planning and innovation, ED — In a general session on April 8, Thursday, Bergeron will provide an ED update.
- **Patrick Kennedy**, business operations and program management services, ED — Kennedy is serving on the Direct Lending Onboarding Team and will present during a general session Thursday morning on the transition to the Federal Direct Loan Program (FDLP). This session will include question and answer opportunities.
- **Fred Sellers**, senior policy analyst, ED — In a general session on April 9, Friday, Sellers will present information on "Two Pell's in One Award Year" via videoconference. This session will address the new Federal Pell Grant Program statutory requirements that will affect all schools. The session will feature a post-presentation question and answer period.
- The THECB's **Kathryn Ford** and **Connie Cooper** will address the Texas perspective on legislative changes to the Hazlewood Exemption Program for veterans and qualifying dependents.
- **Jane Caldwell**, director of grants and special programs (THECB) and **Janie Alcalá**, associate director—Outreach at Texas A&M University, will present on the Texas Application for State Financial Aid (TASFA). Both speakers will discuss student eligibility requirements for in-state tuition rates at public institutions. They will also address how schools must process financial aid for resident students under H.B. 1403/S.B. 1528.

In addition, industry experts will lead the following sessions:

- Dr. Barry Simmons Sr., National Chair of the National Association of Student Financial Aid Administrators (NASFAA), will present on “Leadership as a Conglomeration.”
- Melet Leafgreen of Texas Christian University will present with TG’s senior policy advisor, David Garza, on “Navigating Student Loan Disclosures.”
- Ted Middleburg of MBA Systemic Leadership will speak on “Coaching Your Team to Success.”
- Tim Ranzetta of Student Lending Analytics will present on “Loan Analysis and Trends.”
- Leonard Gude of Regent Education will speak on “Four Generations at Work in the FA Office.”

Several breakout sessions featuring expert panels have also been scheduled, including panels on these topics:

- Gearing up to implement Direct Lending
- Community college policy nuts and bolts
- Income-Based Repayment
- Creating a successful campus default aversion program
- An inside look at promising financial literacy practices
- Inspiring Generation Next
- Direct Lending servicing

Refer to the [online agenda](#) for more session date and time details as well as speakers and session descriptions.

### **To register**

Visit [TG Online](#) to register before March 19, 2010. If you prefer to speak with someone directly, contact TG's event planning coordinator Judith Cunningham at (800) 252-9743, ext. 2905, or send an e-mail message to [judith.cunningham@tgslc.org](mailto:judith.cunningham@tgslc.org).

## TG publishes update of *State of Student Aid and Higher Education in Texas*

TG has published the February 2010 edition of the *State of Student Aid and Higher Education in Texas*, which provides key facts on college access and success for Texas families and students. The annual publication offers a picture of Texas' higher education landscape, including state versus national educational attainment levels, college costs, financial aid programs, and student indebtedness.

"The *State of Student Aid* presents a comprehensive view of higher education in Texas, with an in-depth look at student population, financial aid needs, and borrower data," said Sue McMillin, TG President and CEO. "The report is an important resource for state and federal leaders who are working to ensure students have the means to get a postsecondary education."

The updated report supplies new information, such as the rate of college enrollment among high school seniors, enrollment by ethnicity and income levels, college student credit card debt levels, and details about why students do not apply for financial aid.

"Our analysis provides insight into the barriers that Texans experience trying to complete a college education," said McMillin. "We believe the *State of Student Aid* report can help the higher education community understand and help meet those challenges."

### To learn more

TG's *State of Student Aid* is [available for viewing online](#).

## TG redesigns its online customer query tool, *Ask TG™*

*Ask TG™* is TG's online database of financial aid questions and answers for borrowers, families, schools, and students. The tool includes an online query form which customers can use to quickly and conveniently gather information on financial aid topics.

*Ask TG's* look has been updated to provide a cleaner design and more user-friendly experience for customers while maintaining the same features and functions. The design helps simplify the process for asking questions and makes finding information easier.

*Ask TG* is available through interfaces that serve the unique needs of two different groups of TG customers:

- Financial aid and student loan professionals can access *Ask TG* through *TG Online* by selecting the "[Schools](#)" or "[Lenders](#)" links.

- Families, students, and borrowers can access *Ask TG* through *TG Online* by selecting the "[Borrowers](#)" or "[Families and Students](#)" links.

### **All-purpose tool**

*Ask TG*'s information covers a wide range of topics collected from the more than 29 years that TG has provided customer service to schools and students. To date, visitors have viewed more than 140,000 answers to FAQs and asked more than 6,000 original questions of the database — many of which have been added to the FAQs to help those with similar inquiries in the future.

*Ask TG* offers a versatile set of features to help schools and other customers get the most from their queries. *Ask TG* visitors can:

- Submit questions for direct answers on student loan and financial aid issues. Visitors who need a hard copy can print the answers for their files.
- Browse or search archived questions and answers.
- Set up an individualized "My Stuff" profile to organize questions submitted and answers received.
- Subscribe to receive updates by e-mail if the answers are later revised because of policy or regulatory changes.

### **Have a question?**

Feel free to *Ask TG*<sup>TM</sup>. *Ask TG*, TG's online query tool for borrowers, schools, and lenders, offers a database of frequently asked questions about financial aid, student loan processing, and TG's products and services. To submit a question, visit [tgslc.custhelp.com](http://tgslc.custhelp.com).

## **Industry Update**

### **Foreign schools Neg Reg reaches consensus**

The foreign schools team (Team II) of the 2009-10 negotiated rulemaking (Neg Reg) process has concluded its negotiations, successfully reaching final consensus on all of the issues the team deliberated. As a reminder, the team was considering the following issues:

- United States Generally Accepted Accounting Principles (U.S. GAAP) financial statements
- Compliance audits
- Definition of a foreign school

- Nonprofit status for foreign schools
- Public foreign schools and financial responsibility
- Consolidation of select Title IV requirements on a countrywide basis
- Deferments for eligible non-citizens
- Non-degree programs
- New eligibility criteria for foreign medical schools
- Clinical sites of foreign medical schools and foreign veterinary schools in other countries
- Basic science locations of foreign medical schools, foreign nursing schools, and foreign veterinary schools in other countries
- Eligibility requirements for foreign veterinary schools
- Eligibility requirements for foreign nursing schools
- Foreign medical, veterinary, and nursing schools certified separately from larger school

### **What's next?**

ED will publish its proposed regulations in a Notice of Proposed Rulemaking (NPRM) in the *Federal Register* by this summer, and will provide an opportunity for public comment at that time. Final regulations are expected to be published in the *Federal Register* by November 1, 2010, with most or all of the new provisions becoming effective on July 1, 2011.

### **More information**

Please visit ED's "[Negotiated Rulemaking for Higher Education 2009-10](#)" Web page for more information, including a list of the negotiators, issue summaries for each topic, and ED's most-recently posted proposed language. Note that the posted language will not reflect any revisions considered during the final team meeting last week.

### **ED relocates FAFSA gender question**

On February 26, 2010, ED released an electronic announcement regarding the relocation of the question "Are you male or female?" on the 2010-2011 [FAFSA on the Web](#). The update was effective February 27, 2010.

ED moved the gender question from a location in close proximity to fields that are prefilled with data provided earlier in the process (such as first and last name), to a

more visually prominent location below the “Your Date of Birth” question. The move was in response to an increasing number of applicants who were leaving the gender question blank, thus slowing the application process and creating extra work. In cases where the gender question is left blank and the applicant is in the age range that requires registration with the Selective Service, the Central Processing System (CPS) automatically sends the applicant’s data to the Selective Service for matching. If the Selective Service is unable to verify registration, a SAR C flag is set on the resulting Student Aid Report (SAR) and Institutional Student Information Record (ISIR). ED believes the new, more prominent location will decrease the number of FAFSA on the Web applications processed with a SAR C flag.

### **Contact Information**

If you have questions regarding FAFSA on the Web, please contact the Federal Student Aid Information Center at (800)4-FED-AID, or (800) 433-3243, or by e-mail at [FederalStudentAidCustomerService@ed.gov](mailto:FederalStudentAidCustomerService@ed.gov). TDD/TTY service is also available at (800) 730-8913. When prompted to speak a menu option, say “Web site assistance.”

### **Survey on ED servicers to begin March 1**

On February 23, 2010, ED posted an electronic announcement regarding the second quarter (January to March 2010) surveys of its servicers beginning March 1, 2010. ED’s four new servicers — FedLoan Servicing (PHEAA), Great Lakes Educational Loan Services, Inc., Nelnet, and Sallie Mae — support loans for which ED is the holder, namely William D. Ford Federal Direct Loan Program (FDLP) loans and Federal Family Education Loan Program (FFELP) loans purchased by ED under the Ensuring Continued Access to Student Loans Act (ECASLA). Per contractual agreement with each servicer, ED will annually measure servicer performance in the areas of customer satisfaction and default prevention, using the results to determine each servicer’s allocation of future loan volume.

### **Satisfaction of Borrower and School Customers**

To measure customer satisfaction, on ED’s behalf, an independent vendor will conduct quarterly telephone surveys of borrowers, schools, and federal personnel beginning March 1, 2010. Surveyors from Discovery Research Group will contact a random sample of borrowers, and surveyors from OLC Global will contact a random sample of schools. Both surveys have been designed to take no more than 10 minutes to complete and will be conducted in a manner that ensures the anonymity of all respondents.

### *Notes for School Survey Participants:*

1. Although a school may be working with more than one of the four new servicers, the school customer will be asked to respond about experiences with only one servicer identified by the vendor.
2. School responses should be limited to experiences related to federally owned loans — FDLP and FFELP loans held by ED — even if the customer has other loan servicing experiences with the servicer.
3. If a school customer who does not work with federally owned loans is contacted by the independent vendor, the school customer should provide to the vendor the name of a colleague who does work with federally owned loans.

### **More information**

The announcement is available on the [Information for Financial Aid Professionals Web site](#).

## **HRSA extends deadline for Nursing Loan Repayment Program**

As baby boomers age and the need for healthcare grows, colleges and universities across the country are struggling to expand enrollment levels to meet the rising demand for nurses amidst a national nursing shortage. The U.S. Department of Health and Human Services' Health Resources and Services Administration (HRSA) has extended the application deadline of its Nursing Education Loan Repayment Program (NELRP) until 5:30 p.m. Eastern Time on March 11.

To alleviate the critical shortage of registered nurses (RNs) in certain types of nonprofit healthcare facilities and to decrease the economic barrier that may be associated with the rising costs of obtaining a nursing degree, NELRP participants — in addition to the salary and benefits they have negotiated with their employing facility — receive 60 percent of their total qualifying nursing education loan balance in exchange for two years of service. For an optional, third year of service (subject to the availability of funds), participants may receive 25 percent of their original total qualifying loan balance.

### **Eligibility requirements**

To be eligible to apply, an RN must meet all of the following requirements by the application deadline:

- Be a U.S. citizen (born or naturalized) or National; and Lawful Permanent Resident

- Receive a baccalaureate or associate degree in nursing (or an equivalent degree), a diploma in nursing or a graduate degree in nursing from an accredited school located in a U.S. state;
- Have a current, full, permanent, unencumbered, unrestricted license as an RN; and
- Be employed full-time (32 hours or more per week) at an eligible nonprofit facility.

Also an eligible RN must agree to serve two, consecutive years at the eligible nonprofit facility listed in the application. No service credit will be given for employment at an eligible facility before the effective date of the NELRP contract. If an applicant fails to commence full-time service on the effective date of the contract at the identified eligible facility, he or she may be placed in default.

An RN is ineligible to participate in NELRP if he or she defaulted on any federal payment obligations (e.g., Health Education Assistance Loans, Nursing Student Loans, FHA loans, federal income tax liabilities, etc.) or non-federal payment obligations (e.g., court-ordered child support payments), even if he or she is currently considered to be in good standing by that creditor. In addition an RN who has an existing service obligation that will not be satisfied by the application deadline — with the exception of individuals in a Reserve component of the Armed Forces or National Guard — is ineligible for participation in NELRP. See the [Application and Program Guidance](#) for other disqualifying factors and more detailed information.

### **Employment facility requirements**

Only nonprofit facilities of the following types are eligible:

- Hospitals
- Federally Qualified Health Centers and Look-Alikes, Indian Health Service Health Centers, Native Hawaiian Health Centers, Rural Health Clinics
- Nursing Homes
- State or Local Public Health or Human Services Department
- Hospice Programs
- Home Health Agencies
- Skilled Nursing Facilities
- Ambulatory Surgical Centers

First preference for funding is given to qualified RNs whose total qualifying educational loans are 40 percent or greater than their base annual salary and who are working in the types of health care facilities that have the most severe nursing shortage. There is no list of eligible facilities. For more detailed descriptions of each of the types of eligible facilities, see the [Application and Program Guidance](#).

### Loans eligible for repayment

A NELRP participant will receive funds to repay a portion of the outstanding principal of, and interest on, qualifying educational loans obtained by the participant at the time of the participant's undergraduate and/or graduate qualifying nursing education. Examples of qualifying educational loans include: Nursing Student Loans, Stafford Loans, and Supplemental Loans for Students.

Loans obtained for non-nursing education, made prior to, or after, the applicant's qualifying nursing education, and Parent PLUS loans are not eligible for repayment under NELRP. Also ineligible for NELRP repayment is any portion of a consolidated/refinanced educational loan that is not clearly identified as an underlying qualifying educational loan. In addition, certain Federal Perkins loans are not eligible. For more details of ineligible loans, see the [Application and Program Guidance](#).

### More information

Complete information, supplemental documentation, and online application are available at HRSA's [Nursing Education Loan Repayment Program's Web page](#).

## 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 February 2010 *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
02091701	<b>Kaplan College–Renton</b> 500 SW 39th St., Ste. 155 Renton, WA 98057-4915	N/A	12/31/2009

## Policy Resources

### Focusing on prior-holder consumer credit reporting after FFELP loan rehabilitation

The Higher Education Opportunity Act (HEOA) stipulates reporting requirements for defaulted FFELP loans that have been rehabilitated. Specifically, the guarantor or any other holder that reported a defaulted FFELP loan to a consumer reporting agency must request that the agency to which the default was reported remove the default status from the borrower's credit history. This requirement applies to loans included in rehabilitation sales that take place on or after August 14, 2008.

Final regulations effective July 1, 2010, provide a timeframe and clarification for the consumer credit reporting requirement. The prior holder of a defaulted FFELP loan must, within 30 days of receiving a rehabilitation notice from a guarantor, request that the consumer reporting agency to which the default claim payment or other equivalent record was reported, remove such information. TG will soon provide information on the process it will use to notify prior holders about loan rehabilitations.

#### To learn more

For more information on loan rehabilitation, see 34 CFR 682.405(b)(3) in the [integrated regulations](#) on *TG Online*.

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## News Briefs

Immigrants or the children of immigrants make up about one quarter of all community college students in the U.S. A number of community colleges are revamping programs, such as English as a Second Language or ESL coursework, in order to better provide their immigrant students with skills for life in the U.S. Westchester Community College collaborates with a local nonprofit to offer ESL classes to day laborers working in and around Westchester towns. The three-hour classes, provided at discounted tuition, accommodate the schedules of its students, many of whom attend in between jobs. The class atmosphere is open with students coming and going as they are hired. In 2008 Westchester Community College inaugurated the Community College Consortium for Immigrant Education with the help of a dozen other colleges. The consortium identifies and promotes practices that serve immigrant students. [Learn more about Westchester Community College's approach](#) to serving its immigrant student population.



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*, please contact Communications at (800) 252-9743, ext. 4732, or send an e-mail message to [communications@tgslc.org](mailto:communications@tgslc.org).

**Contributors to this edition:** Michelle Anderson, Felicia Anthony, Rob Davenport, Sarah Faszholz, and Art Martinez. Edited by TG Communications and Policy and Regulatory Affairs. Designed by TG Communications.

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