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Smart Solutions

Graduating students with student loans may have questions about which repayment plan best suits their financial needs. Provide them with a [concise overview of the various repayment plans](#), including the Standard, Extended, Income-Based, Income-Sensitive, and Graduated plans.

Industry Update

ED outlines delinquency prevention activities offered by its four servicers

In its [June 3, 2010, electronic announcement](#), ED presents a comprehensive list of borrower support activities that FedLoan Servicing (PHEAA), Great Lakes

Educational Loan Services, Inc., Nelnet, and Sallie Mae provide to borrowers of Federal Direct loans and FFELP loans purchased by ED under the authority granted the Secretary under the Ensuring Continued Access to Student Loans Act (ECASLA).

Activities provided by all four servicers

All four of ED's servicers provide the following information and services to borrowers:

- Repayment options, including various repayment plans, online payments, and electronic debits
- Repayment counseling, including specialized delinquency counselors, attempted contact with targeted borrowers before they enter repayment, targeted collection activity beyond minimum requests (calls, letters, and e-mail messages), and skip tracing
- Call campaigns, including early intervention efforts, attempted telephone contact beyond requirements when the borrower is between 31 and 180 days delinquent, and when the borrower is between 181 and 240 days delinquent
- Borrower self-service tools, including online transactions and functions (calculators, deferment and forbearance form submission, personal demographic updates, account monitoring, and frequently asked questions)
- Financial literacy materials, including online money management and delinquency aversion resources
- Toll-free telephone number for borrower inquiries, with assistance for non-English speakers, customers with speech or hearing difficulties, and borrowers outside the United States

Activities provided by some of the four servicers

ED also lists activities that are offered by some, but not all, of the four servicers. However, ED's list does not specify which servicers offer the following activities:

- E-mail campaigns to promote the use of the servicer's website, remind borrowers of payments due, and notify borrowers of delinquency
- Electronic billing and/or mail service
- Call campaigns targeted to borrowers with a high balance, or belonging to a particular cohort
- Default prevention efforts for borrowers who are between 270 and 360 days delinquent
- Online functions, including payment reduction and Web chat

More information

Previous electronic announcements related to ED's servicers were dated:

- [August 28, 2009](#), and [September 16, 2009](#), which explained ED's transition to additional servicer support for federally owned loans, and
- [March 26, 2010](#), which presented the delinquency/default prevention assistance that each of the servicers provides to schools.

In its June 3, 2010, electronic-announcement, ED encourages schools to contact the servicers directly with any questions about the borrower support activities offered by the specific servicers with which they work. School contact information for these servicers is available on the [IFAP website's Loan Servicing Centers for Schools page](#).

ED announces no reimbursement for 2008-09 Federal Perkins Loan Service cancellations

In a [June 4, 2010, electronic announcement](#), ED explained that regulations for the Federal Perkins Loan Program outline conditions under which a Perkins loan borrower may have all or part of his or her loan cancelled for service in certain areas. However, the Consolidated Appropriations Act of 2010 (Public Law 111-117) did not allocate funds to ED for the purpose of 2008-09 Federal Perkins Loan Service Cancellations.

ED will calculate the 2008-09 reimbursement amounts for which a school would have been eligible and maintain a record of that amount. ED offers more details about the cancellation categories and the calculation in its [electronic announcement](#).

As part of the calculation process, ED will review edit errors for the cancellation categories in the 2008-09 Fiscal Operations Report (FISAP). If a school's 2008-09 FISAP has edit errors, ED's Campus-based Call Center may call the school for resolution.

Contact Information

For questions regarding the 2008-09 Perkins Loan Service Cancellation Reimbursement, contact ED's Campus-Based Call Center at (877) 801-7168. Customer service representatives are available Monday through Friday from 8 a.m. - 8 p.m. Eastern Time. You may also send an e-mail message to CBFOB@ed.gov.

Various EExpress modules updated for Windows 2010-11

On June 1, 2010, ED announced the [availability of EExpress for Windows 2010-2011](#), Release 3.0. The release may be downloaded from ED's [Federal Student Aid](#)

[Download website](#) along with the *Installation Guide for EDEExpress Windows 2010-2011* and an updated *EDEExpress for Windows 2010-2011, Release 2.0 Desk Reference*.

Pell and Packaging modules

The Pell and Packaging modules have been updated in the release to accommodate the revised 2010-2011 Federal Pell Grant Payment and Disbursement Schedules (Pell Schedules) published in *Dear Colleague Letter* (DCL) [P-10-03](#) on April 8, 2010.

On a side note, the revised Pell Schedules are also now reflected in ED's recently updated ISIR Analysis Tool. [ED's June 1, 2010, announcement](#) covers other enhancements and features of the 2010-2011 ISIR Analysis Tool, which is available either through the FAA Main Menu of the [FAA Access to CPS Online website](#) or from the View menu in EDEExpress for Windows 2010-2011. Background information about using ISIRs to identify eligible students based on revised Pell Schedules is archived in *Shoptalk* edition [554](#).

Direct loan module

The release updates the Direct loan module to enable import and storage of Direct PLUS loan data (for student and parent PLUS loans) that is sent in the new PLUS Application Acknowledgment file. In addition, the Direct loan module increases the maximum number of allowable PLUS loan disbursements from 4 to 20.

On May 24, 2010, ED published DCL [ANN-10-20](#), which announces the availability of [EDEExpress 2010-2011 online training](#) for Direct loan processing. The first in a series of trainings, this module also provides an overview of EDEExpress and information about what is new to the software for 2010-11. Upcoming EDEExpress 2010-11 online training topics include:

- Processing for the federal grant programs — scheduled for late July 2010;
- EDconnect data transmission, global functions, software set-up, packaging, and application processing using [FAA Access to CPS Online](#) — scheduled for mid-August 2010; and
- A full version of the training that is compliant with Section 508 of the Americans with Disabilities Act, scheduled for mid-September 2010.

More information

For questions regarding downloading, installing, or using EDEExpress, or technical questions about the ISIR Analysis Tool, contact CPS/SAIG Technical Support at (800) 330-5947, or TDD/TTY at (800) 511-5806. You can also send an e-mail message to CPSSAIG@ed.gov.

For questions about the COD System for Grants, contact the COD School Relations Center at (800) 474-7268; for Direct loans, call (800) 848-0978. You can also send an e-mail message to CODSupport@acs-inc.com.

For questions about EDEXpress 2010-2011 online training, send an e-mail message to David Bartlett at david.bartlett@ed.gov or Mark Gerhard at mark.gerhard@ed.gov.

TG Report

Case study offers strategies for increasing Latino college access and student success

Research shows that comparatively few Latinos enroll in college and persist through graduation; even fewer continue on to graduate programs or to faculty and administrator positions. The absence of Latinos in these positions creates a self-perpetuating cycle — with fewer Latinos to serve as role models, young aspiring Latino scholars lack examples for achieving success in postsecondary education and scholarship.

For more than two decades, the American Association of Hispanics in Higher Education (AAHHE) has been working to break this cycle. AAHHE is a membership organization that promotes Latino student success in higher education. Its work has three major goals: to conduct research on barriers to Latino student success; to raise awareness about issues of retention and achievement for Latinos in higher education; and to recognize and advance the accomplishments of Latinos in higher education.

These goals mirror TG's own focus on increasing college access and student success, especially in underrepresented populations such as Latinos. Through its philanthropic initiative, the Public Benefit Competitive Grant Program, TG has worked with AAHHE over the years, funding programs designed to promote higher education achievement among Latinos. TG recently published a case study on these efforts.

Titled "American Association of Hispanics in Higher Education (AAHHE): Creating Pathways for Hispanics in Higher Education," the case study spotlights various scholarly papers, academic forums and fellowships for Latinos, and opportunities for face-to-face dialogue, all funded or initiated with support from TG. Besides reinforcing the value of a higher education, the case study offers strategies that colleges can follow in cultivating and supporting Latino students on the academic track.

About TG's Public Benefit Grant Program

Since 2005, TG has awarded more than \$21 million in grant funding through the TG Public Benefit Competitive Grant Program. Information on the program guidelines, deadlines, and a listing of prior awards made are all available [online](#). To apply for funds, organizations are required to submit proposals that address the issue of access to, or retention in, postsecondary education for low- to moderate-income students.

Direct loans and Teacher Loan Forgiveness top list of most popular Ask TG™ questions

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 information covers a wide range of topics collected from the 30 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.

Timely topics dominate the questions submitted by customers. A recent look at some of the most popular questions shows that schools are interested particularly in details of the Federal Direct Loan Program. "[What are the loan limits on FDLP loans?](#)" is a top question under the school section.

School and borrower customers are also interested in how teachers qualify for the Federal Teacher Loan Forgiveness Program. "[Can teachers in low-income schools get their student loans forgiven?](#)" ranks high among submitted questions for schools and borrowers.

The sluggish economy may be reflected in the frequency with which "[I can't pay my loan. What should I do?](#)" is being asked by borrowers.

The [myTGSM portal](#) has drawn significant interest through Ask TG also. The portal is a self-service website designed to help borrowers monitor payments on TG-guaranteed loans, as well as provide a way for borrowers with defaulted loans to make payments.

Ask TG features

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

- Submit questions for direct answers on student loan and financial aid issues. Visitors who need a 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.

Do you have a question?

Feel free to *Ask TG™*. To submit a question to TG, visit tgslc.custhelp.com.

Policy Resources

Take advantage of these online entrance and exit counseling tools

This summer, schools must contend with dual tasks — helping recent graduates begin repayment of their loans in a challenging economy, while at the same time assisting students and parents who will be receiving their first Direct loan. Increased attention to entrance and exit counseling may stretch a school's already limited resources. Online counseling may provide help.

Federal resources — entrance counseling

As a reminder, a first-time borrower is required to complete Direct loan entrance counseling before receiving the first disbursement of a Direct loan, unless the borrower previously received the same type of loan through the Federal Family Education Loan Program (FFELP).

The [May 28, 2010, electronic announcement](#) reiterated that borrowers may complete ED's Online Direct Loan Counseling at two websites — www.studentloans.gov and www.dl.ed.gov. ED encourages schools that use entrance counseling on www.dl.ed.gov to begin to transition to the entrance counseling on www.studentloans.gov, because www.studentloans.gov will eventually be the only source for ED's online entrance counseling.

The material on both websites meets federal regulations. However, the format and presentation of the material on each website differs. A few operational differences exist as well.

If the borrower completes entrance counseling at www.studentloans.gov, the school:

- Will receive a response file from the COD System;
- Can use the COD website to search and view entrance counseling results; and
- Cannot receive preformatted reports (future enhancements are being considered).

If the borrower completes entrance counseling at www.dl.ed.gov, the school:

- Will not receive a response file from COD;
- Can use the Direct Loan Servicing for Schools website to search and view entrance counseling results; and
- Can receive regular or “on-demand” preformatted reports through the Direct Loan Servicing for Schools website.

ED provides initial and subsequent TEACH Grant counseling at www.teach-ats.ed.gov, which explains the TEACH Grant Program and the TEACH Grant service obligation in a 45-minute session.

Federal resources — exit counseling

Remember, if a borrower has both FFELP and Direct loans, he or she may attend a combined FFELP and Direct loan exit counseling session or attend two separate sessions — one for FFELP loans and one for Direct loans. In either case, the school must ensure that all FFELP and Direct loan exit counseling requirements are covered.

ED offers a 30- to 40-minute online exit counseling session at www.dl.ed.gov and a 30-minute session at www.nsls.ed.gov/nsls_SA. Note that www.studentloans.gov includes a link to this NSLDS Student Access site. Again, ED encourages schools that use exit counseling on www.dl.ed.gov to begin to transition to the exit counseling on www.nsls.ed.gov/nsls_SA, because the NSLDS site will eventually be the only source for ED’s online exit counseling.

If the borrower completes exit counseling at www.dl.ed.gov,

- He or she must sign in with his personal information and PIN; and
- The session may include TEACH Grant exit counseling.

If the borrower completes exit counseling at www.nsls.ed.gov/nsls_SA, the NSLDS exit counseling:

- Allows him or her to take a “tour” of exit counseling material, but a tour is not recorded and does not fulfill the exit counseling requirement;

- Covers both FFELP and Direct loans and displays quiz questions that are tailored to the borrower's specific loan history, e.g., FFELP loans only, Direct loans only, or a combination of FFELP and Direct loans (note: ED plans to expand the NSLDS session to include exit counseling for TEACH Grant recipients);
- Provides the borrower with an estimated repayment schedule for each repayment plan, based on current loan information in NSLDS and presents the borrower with specific information for each of his or her loan holders; and
- Collects the borrower's personal and contact information, fulfilling the requirement that the information collected at the time of exit counseling be sent to the guarantor or the Direct Loan Servicing Center (DLSC) within 60 days ([2009-10 Federal Student Aid Handbook](#), page 2-79).

Use of ED's online counseling is not mandatory. A school may choose to have its borrowers complete loan counseling by other means, such as through in-person sessions, audio-visual presentations, or other online counseling products. As a reminder, if a school uses one of these other options for loan counseling, the school is responsible for ensuring that the counseling meets all federal requirements. Schools should continue to refer to the [Federal Student Aid Handbook](#) for an explanation of these requirements. Final regulations amending the exit counseling requirements were published in the *Federal Register* on [October 28, 2009](#).

As mentioned earlier, for in-person exit counseling sessions for Direct loans, the school must send the borrower's personal and contact information to the DLSC within 60 days. As per private guidance from ED, schools that want to mail the exit counseling information to the DLSC should send it to:

Direct Loan Servicing Center
School Support Services
501 Bleecker Street
Utica, NY 13501

If schools do their own exit counseling (or use a third-party's exit counseling, such as *Mapping Your Future*[®]), they can upload a Microsoft Excel[®] spreadsheet containing student-specific data. This ensures that information collected during the counseling session is housed on NSLDS, as described in [NSLDS Newsletter #26](#) (March 2010, beginning on page 5). Uploading data to NSLDS allows schools to maintain all exit counseling data in one central location and offers comprehensive information to schools, lenders, and servicers when using NSLDS reporting functionality.

ED plans to make exit counseling reports available to guarantors and to enhance the exit counseling reporting options for lenders and servicers.

Once the four new servicers — FedLoan Servicing (PHEAA), Great Lakes Educational Loan Services, Inc., Nelnet, and Sallie Mae — are fully operational with Direct loans, schools that perform exit counseling and report results to their servicers may find reporting more complicated. Since there will no longer be just a single Direct loan servicer, the school would have to identify each individual borrower’s servicer (or servicers) through NSLDS and then send the information to the appropriate entity (or entities).

***Mapping Your Future*[®] resources**

Currently, *Mapping Your Future* (MYF) offers 18 sessions, which can be customized to fit the school’s needs, all on one website. In addition to financial literacy counseling, MYF offers:

Entrance counseling sessions

- Stafford entrance
- Stafford Spanish entrance
- Perkins entrance
- Stafford and Perkins combined entrance
- Grad PLUS entrance
- Stafford and Grad PLUS combined entrance
- Nursing entrance
- Health Professions entrance

Exit counseling sessions

- Stafford exit
- Stafford Spanish exit
- Perkins exit
- Stafford and Perkins combined exit
- Grad PLUS exit
- Stafford and Grad PLUS combined exit
- TEACH Grant exit
- Nursing exit
- Health Professions exit

MYF states in a [recent fact sheet](#) that its Stafford and Grad PLUS counseling sessions meet requirements for both FFELP and Direct loans. MYF continues that, as with most counseling, schools need to take some additional steps to fully meet regulations. More information about school requirements is [available online](#).

Borrower information gathered during exit counseling sessions

MYF makes the Stafford and Grad PLUS exit counseling records available to the student’s guarantor. Schools can use the Guarantor Exception report to ensure guarantors are retrieving exit counseling records within 60 days of the student completing the counseling session.

At this time, the DLSC does not retrieve exit counseling records. Schools using MYF can create a report that will allow them to print Direct loan records for a guarantor,

or to export records for Direct loan borrowers. Schools may mail the borrowers' information to ED's DLSC or upload the information to NSLDS, as noted earlier.

More information

For questions about entrance and exit counseling, contact TG's customer assistance at (800) 845-6267, or send an e-mail message to cust.assist@tgslc.org.

News Briefs

Why students do or don't remain in college has been an ongoing subject of research. A recent study conducted at the University of Maryland at College Park offers a potential way to better predict student retention. In a paper presented at a meeting of the Association for Institutional Research, two graduate researchers drew a correlation between enrollment and attitude toward the school. Generally, the more positive a student felt about the school, the more likely the student would be to remain enrolled through graduation. To gather findings, the researchers inserted a statement into a freshmen survey that is administered two months into the first semester. Students were asked to complete the statement, "At present, your general attitude toward the University of Maryland is ...," by choosing from five responses ranging from strongly negative to strongly positive. Results indicated that students often knew within two months whether the university was a good fit for their academic needs. Learn more about the [University of Maryland study](#).



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