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Smart Solutions

TG's weekly e-newsletter, *AIEmail*, is a great source for information on events, news, advice, deadline reminders, and more related to higher education and financial aid. Offer it as one of your outreach resources for families. Students and parents can [subscribe to AIEmail online](#).

Industry Update

ED provides supplemental guidance on four Program Integrity final rules topics

On October 29, 2010, ED published the [Program Integrity final rules](#) encompassing new federal requirements on 14 topics for schools participating in the Title IV programs. TG has developed a collection of information resources and TG Tools,

available on [TG's Program Integrity Final Rules Web page](#), to help schools understand and implement the new federal requirements.

ED has recently issued supplemental guidance on four Program Integrity final rules issues, in the form of *Dear Colleague Letter* (DCL) publications:

- DCL [GEN-11-05](#), dated March 17, 2011, addresses the issues of state authorization, incentive compensation, and misrepresentation.
- DCL [GEN-11-06](#), dated March 18, 2011, covers the definition of a "credit hour" for federal program purposes.

Both DCLs include enclosures designed to provide further insights into the new federal requirements for schools and other affected parties.

DCL GEN-11-05

This publication includes an enclosure providing Q&A guidance on state authorization, incentive compensation, and misrepresentation rules.

State authorization

The state authorization portion covers both general requirements and clarification of rules for programs offered to out-of-state residents via distance education. In response to questions from schools and other parties, ED describes its expectations for a school seeking to obtain or document its approval to provide distance education to students in other states by July 1, 2011, the effective date of the rule.

ED clarifies that, for purposes of the 2011-2012 award year alone, it will consider a school to be making a good-faith effort to prospectively comply with the state authorization rules on distance education if:

- The school has applied for approval of its offerings in the required state(s), either in response to the publication of the regulations, or earlier if a state notified the school that such approval was required;
- The school is able to document its application for approval and the application's receipt by the appropriate state entity; and
- The school agrees to notify ED when a state issues its decision on the pending application for approval.

ED also confirms that if a particular state does not regulate distance education offered by an out-of-state school, the school is considered to be legally operating in that state.

Incentive compensation

The incentive compensation portion of the Q&A enclosure provides overarching guidance on the topic, as well as more detailed insights regarding covered and exempt activities. A comparison of the types of payments considered to be direct or indirect payment of incentive compensation, versus payments that do not fit this description, is also provided.

Clarifications on terminology and explanations provided in the preambles to the proposed and final rules are also included to reduce potential confusion. Many examples are used to illustrate whether and how the rules apply to specific scenarios.

Misrepresentation

Finally, the issue of misrepresentation is addressed in the Q&A enclosure. The information provided in this section focuses on due process procedural provisions for schools, in the event of a finding by ED that a school has engaged in substantial misrepresentation. The rules regarding limitation, suspension, termination, or fine action against a school are addressed in this section, as well as the rules for taking action against a provisionally-certified school in the event of such a finding.

Implementation of the DCL guidance

ED explains in the DCL that this clarifying guidance is provided to assist schools in understanding the recent regulatory changes pertaining to these issues – the guidance does not make any changes to the previously-published regulations. Schools remain responsible for taking the steps necessary to comply with these rules by the published effective date of July 1, 2011.

DCL GEN-11-06

This publication includes an enclosure that reiterates the new credit-hour requirements pertaining to schools and accrediting agencies. It also provides Q&A guidance on a range of topics for schools, accrediting agencies, and states authorized by ED to approve public postsecondary vocational schools (in lieu of accreditation approval) as a prerequisite for Title IV program participation by those schools.

The state approval provisions in this DCL are distinct from the state authorization requirements covered in DCL GEN-11-05. These requirements apply only to approval of public postsecondary vocational schools in New York, Pennsylvania, Oklahoma, and Puerto Rico, where state processes have been approved by ED for this purpose.

The thrust of the new guidance is to clarify the definition of a “credit hour,” describe the flexibility retained by schools in assigning credit hours to programs (for federal

program and academic purposes), and explain how the clock-to-credit-hour conversion rules apply to some undergraduate programs.

The DCL also addresses ED's expectations for implementation of the credit-hour rules by the effective date of July 1, 2011. According to the guidance, "The Secretary understands that institutions and accrediting agencies face challenges in implementing these new requirements. For the 2011-2012 award year, as long as an institution or accrediting agency is in the process of complying with these provisions, we will consider the institution or accrediting agency to be making a good-faith effort to comply, and Department staff will take this effort into consideration when reviewing an institution's or accrediting agency's implementation of the regulations."

More information

If you have questions about these or other Program Integrity final rules issues, contact TG customer assistance at (800) 845-6267, or send an e-mail message to cust.assist@tgsic.org.

TG Report

Last funding day for TG's Electronic Funds Transfer (EFT) service extended

Earlier this year, TG announced that it would retire AdvanTG Web™, its loan management system, and Electronic Funds Transfer (EFT), its electronic disbursement tool for federal and private loans, by *June 30, 2011*.

Since that announcement, TG has extended the last funding date for its EFT service to *June 24, 2011*. However, schools, lenders, and servicers will be able to access and download reports on the EFT website through *June 30, 2011*.

Customers should keep this date in mind as they plan their transition to another disbursing agent.

Note that TG will continue to provide life-of-the-loan support for TG-guaranteed loans in its FFELP student loan portfolio.

Over the coming months, TG will update customers via *Shoptalk* and other communication tools about the transition process for AdvanTG Web and EFT. These updates will offer more specific information regarding a school's access to loan data.

For help

If you have questions about the retirement of EFT, AdvanTG Web, and TG's Real Time Access, or need help in your efforts to convert to another private loan origination and/or disbursing agent, please contact your TG account executive at (800) 252-9743, or send an e-mail message to relationship.management@tgsllc.org.

TG offers financial literacy program on savings and investing

Savings, rule of 72, compounding interest, retirement plans—these are all concepts that are essential to anyone who wants to establish a firm financial future. They are also ideas that can be difficult to communicate, particularly to students with little to no prior experience managing their money. In between keeping up with coursework, choosing among a dizzying array of social activities, and enjoying the dynamic college lifestyle, it can be difficult for students to focus on the information they need to help them avert financial disaster as they complete their studies and enter their full-time careers.

To break these barriers, TG invites students to explore these concepts in the context of a circus through "Saving and Investing: Risks and Returns," a financial literacy module offered through the TG Financial Literacy Program.

Using two sample cases to demonstrate differences, "Saving and Investing" helps students explore such essential concepts as budgeting, interest rates, compounding interest, alternative savings vehicles, and investment options through a circus storyline. Students explore each subject using accessible terms and ideas, without the intimidating language and complex approaches that might not engage them. Throughout the presentation, students are given real world examples and descriptions that they can relate to, making it easier to understand how the concepts directly relate to their everyday lives.

About the TG Financial Literacy Program

TG has released an expanded and enhanced financial literacy program, comprised of ten 15-minute presentations with accompanying activities, workbooks, and speaker's scripts. These modules cover a range of topics, such as solving debt problems and understanding employee benefits. Illustrations, content, and format for each module are tailored to appeal to students from high school through college. The entire TG Financial Literacy Program places a special emphasis on teaching by interaction, the better to gain and keep attention on such important topics as budgeting and saving. Modules and activities can be mixed and matched to suit need. Session participants will receive workbooks that contain glossaries, FAQs, suggested resources for further study, and information on key concepts.

To learn more

Browse a list of [TG Financial Literacy Program](#) modules to learn more about TG's program or to request a "Train-the-Trainer" session for your staff who can then train students on a given topic.

TG offers advising and planning checklist for college-bound seniors

There are a lot of steps involved for students who have decided to go to college—decisions that include choosing which school that is right for them and figuring out how to get in the door. While they're making these decisions, however, they could miss a few equally important steps along the way.

To help college-bound students along in their path, TG has developed a worksheet to guide them in asking and getting answers to important questions that will ease their transition to college. The "College Advising 101 Worksheet" is available in both printed form and in PDF to help students along the way.

The more they prepare for finding their way from high school to college, the better off they'll be!

By printing and using this worksheet, students will be more:

- **Academic-Ready** – Have they developed their Academic Plan? Do they have any credits they can already apply toward their college program?
- **Financial-Aid-Ready** – How can they get the money help they need?
- **College-Life-Ready** – How well do they know their college selections? What can they expect when they begin classes?

Planning well when still in high school will pay off for students in this important phase of their education. Encourage them to take the steps now to make sure that their transition to college is as smooth as possible!

Using the worksheets

[Download the College Advising 101 worksheet](#) in English or Spanish from *Adventures In Education*, or order copies to distribute to college-bound students through the [TG Online Requests form](#).

Research opportunities, security best practices among topics to be presented at TG Annual Training Conference

The student financial aid industry continues to evolve, and student financial aid professionals must adapt to ongoing changes and enhancements to regulatory

requirements. In addition, changes in student populations, changes in technology, and changes in industry trends all play a role in affecting the people and the processes in the industry.

To support the ongoing knowledge needs of student financial aid and higher education professionals, in addition to Default Aversion, Financial Literacy, Higher Education and College Access tracks on Wednesday and Thursday, TG has included sessions on such topics as research and security among its offerings at the TG Annual Training Conference. Consider these workshop opportunities as you plan your attendance.

- **Higher Education Research Workshop** – Take advantage in this opportunity to participate in an exchange between researchers, philanthropic foundations, policymakers, and those who need research results. Hear about ongoing research projects, best practices for obtaining funding, how research affects policy, and share ongoing campus needs for various types of research studies with researchers. Panelists for this workshop include: Alisa Cunningham, Vice President of Research and Programs, Institute for Higher Education Policy (IHEP); Elizabeth Gutierrez, Director, State Policy, Lumina Foundation for Education; Lee Holcombe, Director of the Higher Education Policy Institute, Texas Higher Education Coordinating Board (THECB); and Abby Miller, Research & Project Manager, Pell Institute for the Study of Opportunity in Higher Education. Research graduate students from local universities are also being invited to participate.

This workshop will be presented on Friday, April 29, from 8:30 to 11:45 a.m.

- **Security Considerations for Higher Education** – Personal information is everywhere – does your office have “security maturity?” Representatives from TG and Deloitte & Touche will share important security information, concepts, and considerations for higher ed. Attendees will also learn more about recent developments in regard to ED’s approach to information security. The workshop will address important steps for emerging compliance challenges from FISMA to FERPA and beyond. Presenters for this workshop include Brian Fuller, CPHIE, Senior Manager, Deloitte & Touche, LLP, and Angel Cruz, Security Officer, TG.

This workshop will be presented on Friday, April 29, from 8:30 to 11:45 a.m.

- **Campus Collaboration Workshop** – The majority of the new Program Integrity regulations are effective July 1, 2011, and many have campus implications beyond the financial aid office. Join us in this workshop to discuss best practices for effective communication, share ideas for effective ways to get campus engagement, and develop an action plan for implementation of the Program Integrity regulations on your campus. Facilitators for this workshop include Carol Lindsey, TG vice president of policy and compliance, and Tom

Rebstock, TG assistant team manager of Human Resources and Organizational Development.

This workshop will be presented on Friday, April 29, from 8:30 to 11:45 a.m.

The conference — "Solid Foundation for Student Success" — will be held at the AT&T Executive Education and Conference Center on the University of Texas at Austin campus.

Register today!

The 2011 TG Annual Training Conference offers flexible registration choices, including options to attend half-day workshops, one or two full days at special discounted rates, or the full four-day agenda.

Visit *TG Online* to [register](#) today. 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.

TG trainers to present sessions on transitioning to 3-year CDRs and policy knowledge at SCASFAA Conference

Join TG experts for several training sessions at the upcoming South Carolina Association of Student Financial Aid Administrators (SCASFAA) Conference to be held April 10-12 in Columbia, SC. TG trainers will provide a comprehensive overview of the 3-year cohort default rate, including important elements with which schools should become familiar. In a separate session, trainers will invite workshop participants to have fun while demonstrating their knowledge of federal student aid policy, regulations, and the law.

- **Transitioning to a 3-year Cohort Default Rate** – In this session, participants will learn how a school's cohort default rate (CDR) is calculated and how the Higher Education Opportunity Act (HEOA) has impacted CDRs, including how the shift from a 2-year to a 3-year calculation has influenced CDRs. Participants will also learn about the benefits for schools with low default rates and the consequences of higher default rates. The session will also highlight default prevention initiatives to assist schools in managing their CDRs.
- **Show What You Know – The Policy Game** – Show what you know (and anonymously discover what you don't) about recent changes in federal student aid policy, regulations, and law. During this interactive session, participants click their answers to challenging questions on a variety of current federal student aid topics in a game format. Enjoy the fun, interactive nature of the presentation and leave with valuable, practical information. It's entertainment and learning all in one package!

Find out more

To learn more about TG's industry training, contact your TG account executive at (800) 252-9743, or send an e-mail message to relationship.management@tgslc.org.

News Briefs

Necessity breeds innovation. This certainly can be applied in the classroom, particularly when it comes to finding creative ways to help students develop an interest in learning financial literacy. For one elementary school in Texas, an inventive teacher and several highly enterprising students have taken their classroom, their class activities, and their interactions to create a virtual "economy," going so far as to charge monthly rent for the use of school desks, and to pay "late fees" for turning in late assignments. On the positive side, students "get paid" for good grades, in an effort to reinforce how positive performance in the workplace pays off once they enter the "grown-up world." Read more about how this elementary school teacher and her enterprising students have turned their classroom into a "financial literacy laboratory" in the [Victoria Advocate](#).



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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.

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