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Smart Solutions

Talk with TG representatives at Booth #320 of this year's National Association of Student Financial Aid Administrators (NASFAA) Conference. The TG team can offer details about TG services related to topics important to you, including default aversion, financial literacy, and industry training. [Learn more about TG's sessions](#) for the 2011 conference.

Industry Update

ED provides clarification on identifying gainful employment programs

It can sometimes be confusing to determine if an educational program is considered a gainful employment (GE) program. To assist schools in making such determinations, ED has provided guidance in recent months to clarify the Program Integrity final rules published on October 29, 2010:

- *Dear Colleague Letter* (DCL) [GEN-11-10](#) was published on April 20, 2011. The initial section of the DCL lists GE programs and non-GE programs at institutions of higher education, proprietary institutions of higher education, and postsecondary vocational institutions (in addition to foreign schools).
- [Electronic announcement #3](#), published on May 20, 2011, provides a correction to the provisions of DCL GEN-11-10 regarding teacher certification programs at all schools. Only those teacher certification programs that lead to an educational credential being awarded to program completers are considered to be GE programs. Programs that simply provide required coursework for a student to obtain a state teaching credential, without issuing a program completion credential, are not considered GE programs.

New guidance

In [electronic announcement #11](#), published on June 24, 2011, ED references the previous guidance above and provides additional clarification in response to recent school inquiries. This new e-announcement summarizes the basic principles to be used in identifying GE programs:

- Nearly all educational programs offered by a for-profit institution, and nearly all non-degree programs at a public or private nonprofit institution, are GE programs.
- All educational programs that lead to a degree at a public or private nonprofit institution are not GE programs.

The e-announcement also steps schools through a series of questions and answers that can be used to determine if a particular educational program is a GE program. These questions are repeated below, and a [TG flowchart](#) combining this new guidance with ED's prior guidance has been developed to provide a more complete visual reference.

Question 1: Does the institution wish to have the educational program be, or remain, eligible for Title IV aid?

No. If the answer is no, the program is NOT eligible for Title IV aid and, therefore is not a GE Program.

Yes. If the answer is yes, continue to the next question.

Question 2: Does the coursework lead to a degree, certificate, or other credential awarded by the institution?

No. If the answer is no, the program is NOT eligible for Title IV aid and therefore is not a GE Program. [See Note A below for three exceptions where the program is Title IV eligible but not a GE Program.]

Yes. If the answer is yes, continue to the next question.

Question 3: Is the institution a for-profit (proprietary) institution?

Yes. If the answer is yes, the program is a GE Program. [See Note B below for two exceptions where the program is not a GE Program.]

No. If the answer is no, continue to the next question.

Question 4: Is the credential that is awarded by the public or private nonprofit institution a degree – associate, bachelor's, graduate, or professional (e.g., MD, DDS, DVM, JD)?

Yes. If the answer is yes, the program is not a GE Program.

No. If the answer is no, the program is a GE Program.

Note A: There are three exceptions to the general rule that, to be eligible for Title IV aid, a student must be a regular student (that is, enrolled in a program that leads to a degree, certificate, or other credential awarded by the institution). While these three exceptions allow students to receive all or some types of Title IV aid, they do not create GE programs. The three exceptions, with regulatory citations, are:

1. A program of at least two years that is acceptable for full credit toward a bachelor's degree and qualifies the student for admission into the third year of a bachelor's degree program. Otherwise eligible students may receive funding from any of the Title IV student aid programs. [34 CFR 668.8(b)(1)(ii)]
2. Coursework necessary for the student to receive a state professional teaching credential or certification where the institution itself does not provide a certificate or other credential. Students must be enrolled at least half time and are eligible only for the Federal Work-Study and Title IV loan programs. Note that similar

courses of study that do result in a certificate or other non-degree credential being awarded by the institution are GE Programs. [34 CFR 668.32(a)(1)(iii)]

3. Preparatory courses of study that do not lead to a degree, certificate, or other credential awarded by the institution and that provide course work necessary for enrollment in an eligible program. Students are eligible for no longer than one twelve-month period and only for the Direct Loan Program. [34 CFR 668.32(a)(1)(ii)]

Note B: The two exceptions to the general rule that all programs offered by for-profit institutions are GE Programs are:

1. Programs that lead to a bachelor's degree in liberal arts if the institution has been accredited by a regional accrediting agency since October 1, 2007 and the institution has offered the program since January 1, 2009. Otherwise eligible students may receive funding from any of the Title IV student aid programs. [34 CFR 600.5(a)(5)(i)(B)]
2. Preparatory courses of study that provide course work necessary for enrollment in an eligible program. Students are eligible for no longer than one twelve-month period and only for the Direct Loan Program. [34 CFR 668.32(a)(1)(ii)]

As a reminder, if an educational program is considered to be a GE program, it is subject to the new disclosure and reporting requirements effective July 1, 2011. These apply to each GE program, even one leading to successful outcomes under the new rules, in the interest of promoting informed decision making by students.

Disclosures are to be provided by July 1, 2011, while the first GE program reports will be submitted to ED by October 1, 2011. Notification requirements for new GE programs apply to programs scheduled to begin on or after July 1, 2011. The program success measures published on June 13, 2011, will not take effect until July 1, 2012.

Learn more

In addition to the TG flowchart entitled, "[Identifying a Gainful Employment \(GE\) Program](#)," a wealth of other resources on [TG's Program Integrity Final Rules Web page](#) and [ED's Gainful Employment Information page](#) are available to assist schools in understanding the new requirements. For questions, please contact TG's Customer Assistance team at (800) 845-6267, or send an email message to cust.assist@tgsic.org.

ED requests comments on expansion of NSLDS

In the June 24, 2011, *Federal Register*, ED published a notice proposing to revise the National Student Loan Data System (NSLDS) in light of changes to the Program Integrity regulations. In accordance with the Privacy Act of 1974, ED and other federal agencies must publish a notice requesting public comment when any systems of records are altered.

In this notice, ED proposes to revise NSLDS to make updates needed as a result of the Program Integrity regulations that apply to institutions that participated in the federal student financial aid programs under Title IV of the Higher Education Act, specifically as it relates to new requirements on programs that prepare students for gainful employment in a recognized occupation. As a result of these regulatory changes, ED expanded the categories of records maintained in this system, the categories of individuals covered by the system, the system's purposes, and the routine uses to reflect needed programmatic disclosures.

Public comments on the proposed routine uses in the altered system of records notice are due on or before July 25, 2011. Address all comments about the proposed routine uses in this altered system of records to:

Director, NSLDS Systems
Operations and Aid Delivery Management Services, FSA
U.S. Department of Education
Union Center Plaza (UCP)
830 First Street, N.E., Room 44E3
Washington, DC 20202-5454

You can also call (202) 377-3547. Or if you prefer to send comments by email, send comments to comments@ed.gov. You must include the term "NSLDS comments" in the subject line of your email.

These changes to NSLDS will become effective at the later date of: (1) The expiration of the 40-day period for OMB review on July 30, 2011; or (2) July 25, 2011, unless the system of records needs to be changed as a result of public comment or OMB review.

For more information

For more information on revisions to NSLDS, you may send correspondence to:

Director, NSLDS Systems
Operations and Aid Delivery Management Services, FSA
U.S. Department of Education
UCP
830 First Street, N.E.,
Washington, DC 20202-5454

For inquiries by phone, call (202) 377-3547. For more information about Program Integrity final rules, visit [TG's Program Integrity Final Rules Web page](#). You can also contact TG's customer assistance team at (800) 845-6267, or send an email message to cust.assist@tgslc.org.

Gainful Employment Webinar #1 — Implementation of the Reporting and Disclosure Requirements — now available

In an [electronic announcement](#) published on June 24, 2011, ED announced the availability of Gainful Employment Webinar #1 — Implementation of the Reporting and Disclosure Requirements of the October 29, 2010, Final Regulations Related to Gainful Employment Programs. The materials for the May webinars (held on May 25 and May 26) include the webinars' presentations, recordings, and transcripts.

Users can access [these materials online](#). Alternately, these materials can be viewed by visiting the [Information for Financial Aid Professionals \(IFAP\) website](#). Simply click the "Tools for Schools" Box, select "Conference Presentations," then select "Audio Presentations (Podcast)" under the "By Conference Type" heading.

Learn more

Check ED's [Gainful Employment Information Page](#) for updates that provide the latest guidance on implementation of the GE rules on disclosures, reporting, new programs, and debt measures for programs.

You can refer to [TG's Program Integrity Final Rules Web page](#) to view and download resources related to the final rules. For particular questions, you can also contact TG's Customer Assistance team at (800) 845-6267, or send an email message to cust.assist@tgslc.org.

ED announces Gainful Employment Webinar #2 — Reporting Gainful Employment Data to NSLDS

On June 13, 2011, ED announced another webinar in the series about regulatory requirements for schools that offer educational programs which prepare students for gainful employment in a recognized occupation. This webinar will offer technical information on the National Student Loan Data System (NSLDS) gainful employment (GE) reporting process, including report format selection, a discussion of the online reporting option using [NSLDS Professional Access](#), the school setup for submission of data to NSLDS, as well as the process for reviewing and correcting gainful employment data. Relevant information is described in the [NSLDS Gainful Employment User Guide](#).

The gainful employment final regulations require schools participating in the student financial assistance programs to report, by October 1, 2011, and once a

year thereafter, certain information to ED about students who are enrolled in GE Programs. In addition to reviewing the *NSLDS Gainful Employment User Guide*, it is important that financial aid administrators and other campus personnel participating in the webinar review the [October 29 regulations](#) and the information provided in [Dear Colleague Letter \(DCL\) GEN-11-10](#).

The 90-minute sessions will be offered on Tuesday, June 28, 2011, at 11 a.m. Eastern Time, and again on Wednesday, June 29, 2011, at 1:30 p.m. Eastern Time. Advance registration is required for this training and will be available on a first-come, first-served basis. [Register for the webinar online](#).

Learn more

For more information on gainful employment program rules, visit [ED's Gainful Employment Information page](#) or [TG's Program Integrity Final Rules Web page](#) where all of the new regulatory requirements are explained. For questions, please contact TG's Customer Assistance team at (800) 845-6267, or send an email message to cust.assist@tgslc.org.

TG Report

TG contributes \$10 million to state's TEXAS Grant Program

On June 9, TG's Board of Directors approved a one-time contribution of \$10 million to the TEXAS Grant Program to help close the financial needs gap that may exist for students for the 2011-12 academic year. The TEXAS Grant program is the state's largest financial aid program available to students attending public universities and community colleges.

"TG is very pleased to make this donation to the TEXAS Grant Program," said Ivan Andarza, chair of TG's Board of Directors. "This contribution exemplifies TG's commitment to helping students realize their college aspirations."

The state budget, recently approved by Gov. Rick Perry, invests \$560 million in the program, which the Texas Higher Education Coordinating Board (THECB) estimates will serve about 77,300 students. The THECB projects that TG's donation will help extend awards to an additional 2,500 students over the next two years.

"TG's donation to the TEXAS Grant program is more than a strategic investment in higher education, it's an investment in the future of the Lone Star State," said Gov. Rick Perry. "I commend the TG Board of Directors for supporting the students of Texas and finding creative ways to leverage resources for Texas taxpayers."

Browse TG's redesigned publication page

TG creates and maintains publications on a wide variety of higher education issues, including outreach, default aversion, and financial literacy. Offered in various formats, these publications introduce readers to given topics, summarize study findings, or profile particular universities and their programs in case studies. TG recently redesigned its main publication page to make navigation simpler and to offer PDFs of particular documents in formats easy to print or download. Here is a partial list of the page's contents.

- **Brochures and booklets** — Browse TG publications promoting higher education awareness, financial aid, default prevention, and financial literacy. (Spanish versions available.)
- **Financial literacy case studies** — Read case studies on successful practices at schools in multiple school sectors.
- **Public benefit case studies** — Review case studies of some progressive efforts to increase underrepresented student access and success in higher education.
- **Research reports** — Consider TG's various reports on higher education provided to the Texas Legislature.

To learn more

View and download [TG publications online](#).

TG publishes summer 2011 *Enrollment Management Journal*

TG's *Enrollment Management Journal* (EMJ) is a quarterly, peer-reviewed academic journal that publishes a diverse array of studies on college access, retention, and graduation, often regarding first-generation and minority students.

The summer 2011 issue of EMJ continues this pattern, while also featuring a unique, in-depth focus on a single topic — validation theory, a term coined by researcher Laura I. Rendón. Validation, in this context, refers to supportive actions initiated by faculty, staff, parents, and others that foster academic and interpersonal development in students. This issue, edited by Rendón and Susana M. Muñoz, takes a look at how validation theory has developed over the years, both within the research community and among enrollment management and student support professionals.

Inside this edition

The "Research and Scholarship" section of the EMJ provides blind, refereed, empirical or conceptual manuscripts written by academic researchers. This edition's

introductory article outlines both how validation theory was developed and how it has been employed by researchers and practitioners. Other articles review the body of research literature on validation theory, examine student perceptions of validation in college classrooms, and explore experiences of validation within a group of Mexican migrant students. The last article in this section analyzes the influence of faculty validation on urban community college students' intent to persist in school.

As a unique feature, this special edition includes an article exploring the life history of Rendón, the originator of validation theory. The article details how Rendón's life experiences shaped her creation of the theory.

This issue's "From the Field" section highlights examples of how validation theory has informed institutional student success programs at the University of Texas at El Paso and Highline Community College in Des Moines, Washington.

About the journal

As a co-publisher of the EMJ, along with the University of Nebraska-Lincoln, TG seeks to advance knowledge about successful student enrollment, retention, and graduation strategies, and to make new and relevant data available to practitioners, researchers, and policymakers. The EMJ is an initiative of the [Council for the Management of Educational Finance](#).

TG closed on July 4th holiday

TG will be closed next Monday in observance of the July 4th holiday. TG will resume normal hours of business operation on Tuesday, July 5.

News Briefs

At the University of Colorado's Boulder campus, [freshman orientation is turning into "freshman-and-parent orientation."](#) Campus administrators are using orientation as an opportunity to give parents a flavor of campus life, recommend ways to help students succeed academically, and answer logistical questions about moving.



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