July 19, 2011 — Edition 613

Inside this issue

Smart Solutions

Before they come to campus, give your students some helpful information about managing credit cards. TG's *Adventures In Education* offers tips on credit card use and interactive tools for understanding credit.

Industry Update

ED provides guidance on FAFSA information to be verified for the 2012-13 award year

The Program Integrity final rules published on October 29, 2010, include several new requirements for the verification process beginning with the 2012-13 award year. The new federal regulation §668.56(a) requires that ED publish an annual *Federal Register* notice announcing the Free Application for Federal Student Aid (FAFSA) information that a school or an applicant selected for verification may be required to verify. On July 13, 2011, ED published the required notice for the 2012-13 award year, which includes the acceptable documentation to verify each FAFSA data item. To help schools, ED also published *Dear Colleague Letter* (DCL) GEN-11-13 that provides additional details and also a summary of how the verification process will be implemented for the 2012-13 award year.

2012-13 verification selection process and ISIR flags

The October 29, 2010, final rules change the verification process by replacing a uniform approach — all five FAFSA items must be verified — and targeting verification to "those items reported on the FAFSA that are most prone to error, based on a set of criteria that identifies which items are most likely to contain erroneous data." The targeted selection of FAFSA information to be verified is intended to result in a more efficient and effective verification process.

However, this "customized FAFSA information selection approach" is not in place for the 2012-13 award year. Instead, ED will implement a variation of the current verification process. Student Aid Reports (SARs) and Institutional Student Information Reports (ISIRs) will continue to include one verification flag to indicate if an applicant has been selected for verification. If selected, the applicant must verify all applicable FAFSA data items listed in the notice.

FAFSA information for all applicants selected for verification

There are four non-income-related FAFSA items that must be verified for all selected applicants who complete a FAFSA on or after January 1, 2012, for the 2012-13 award year. These include:

- Number of household members;
- Number of household members enrolled at least half-time in eligible postsecondary institutions;
- Food stamps—Supplemental Nutrition Assistance Program (SNAP), if receipt is indicated on the 2012-13 FAFSA; and
- Child support paid, if reported on the 2012-13 FAFSA.

The following income-related information also must be verified depending on the selected applicant's tax-filing status:

For tax filers

- Adjusted Gross Income (AGI)

- U.S. income tax paid
- Certain untaxed income, if reported on the 2012-13 FAFSA

For non-tax filers

- Income earned from work

The FAFSA information must be verified for the applicant and, if applicable, his or her parents or spouse.

Acceptable documentation

As required by federal regulations in §668.57, the notice includes documentation that ED will accept to verify each of the FAFSA data items listed above. The DCL advises schools to carefully review the notice to determine what documentation, including information from the IRS Data Retrieval Process, is acceptable to meet the verification requirements.

IRS Data Retrieval Process

ED asks schools to encourage their FAFSA applicants to use the IRS Data Retrieval Process to help simplify the verification process. Applicants selected for verification who use the IRS Data Retrieval Process will have verified the FAFSA IRS information (i.e., AGI, taxes paid, and any of the applicable untaxed income items). No additional documentation is required if the transferred information is unchanged (02 IRS Request FLAG). However, if changes were made to the transferred information, or if the school has reason to believe that the transferred information is inaccurate, the applicant must provide other acceptable documentation.

IRS tax return transcript required

Under certain conditions, an applicant selected for verification will need to submit to the school an IRS Tax Return Transcript of 2011 tax year information for the applicant, his or her spouse, and his or her parents, as applicable. See DCL GEN-11-13 for a complete listing of such conditions. A transcript is not required to be signed by the tax filer, but ED encourages schools to obtain a signature. If a school is unable to obtain an IRS Tax Return Transcript for an applicant selected for verification, ED permits the school to accept a signed copy of a 2011 income tax return. In this case, the school must document the reason for allowing an applicant to submit the tax return in lieu of the transcript.

For more information

In addition to carefully reviewing the *Federal Register* notice and DCL GEN-11-13, schools are encouraged to visit the Information for Financial Aid Professionals website for publications on the verification process, including the 2012-13 *Application and Verification Guide*. For questions, please contact TG's Customer

Assistance team at (800) 845-6267, or send an email message to cust.assist@tgslc.org.

ED introduces the Federal Loan School Support Team

To ensure that schools receive enhanced and ongoing program support for Direct loans and other federally owned loans (including FFELP and Federal Perkins loans that have been purchased by or assigned to ED), ED has created the Federal Loan School Support Team (FLSST). This team will offer assistance to schools and solicit feedback about processing, from origination through repayment. The team's primary duties include the following:

- Provide assistance to schools in resolving complex Direct loan processing issues
- Provide a line of communication through which schools offer feedback and discuss concerns related to the origination and disbursement processing of Direct loans and the servicing of all federally-owned loans
- Solicit school input on system processing improvements, issue resolution, and training needs

The FLSST will augment, not replace, ED's established customer service call centers. Schools should continue to use the established customer service call centers to support their day-to-day operations. ED has assigned a FLSST point of contact to each school based on the school type and geographic region. Over the next few weeks, schools will receive an email from its FLSST point of contact.

For more information

For further details, view the July 14, 2011, electronic announcement. If you have questions about the FLSST or do not receive an email from a FLSST point of contact, send an email message to dlops@ed.gov.

New Default Prevention Resource Information Web page available

In an electronic announcement dated July 14, 2011, ED publicized the availability of a new Default Prevention Resource Information Web page that will help schools with their default prevention efforts. ED has consolidated all of its delinquency and default prevention resources on this page to provide schools with a single, convenient location for information. Information is organized by these key subjects:

- Encouraging successful repayment
- Addressing delinquency
- Reducing default risk

- Delinquency reports
- Cohort default rates
- Training at your fingertips

Also included on the Default Prevention Resource Information Web page are helpful links to contact information for the following areas:

- Default Prevention Assistance
- Operations Performance Division (for CDR assistance)
- Default Resolution Group
- Loan Servicing Centers for Schools
- Loan Servicing Centers for Students

In September 2005, ED published *Dear Colleague Letter* (DCL) GEN-05-14, which provided schools with a sample default prevention and management plan. On July 15, 2011, ED added a note to GEN-05-14 advising schools that Federal Student Aid launched a new Default Prevention Resource Information Web page that links schools to this Sample Default Prevention and Management Plan. The note also states that various resource links in the sample plan are outdated and will not work properly. ED further notes that finalized updates to the sample plan will be posted on the Information for Financial Aid Professionals (IFAP) website in the near future.

Learn More

To find out more, visit the Default Prevention Resource Information page. To learn more about TG's varied default prevention offerings, contact your TG account executive at (800) 252-9743, or send an email message to relationship.management@tgslc.org.

ED provides update on SAIG Message Class file update

In electronic announcement #13 posted on July 15, 2011, ED informed schools that on July 22, 2011, it will send a message class "MESSAGTB" via the Student Aid Internet Gateway (SAIG) to all user mailboxes. This new message class table will include four new message classes that will be used in the reporting process for gainful employment. Information about the SAIG message classes for gainful employment (GE) reporting process can be referenced in the *National Student Loan Data System (NSLDS) Gainful Employment User Guide*.

Electronic announcement #13 refers schools to another July 15, 2011, electronic announcement, which provides details on the transmission of the SAIG message class file and the message classes that will be used for reports associated with exit counseling for FFEL and Direct loan borrowers and for TEACH Grant recipients and gainful employment.

Contact information

If you have questions about the information contained in this announcement, contact CPS/SAIG Technical Support at (800) 330-5947, or by TDD/TTY at (800) 511-5806; or send an email message to CPSSAIG@ed.gov.

TG Report

TG expands financial literacy offerings available through the TG Learning Center

TG now offers all ten modules of the TG Financial Literacy Program through an online learning environment, the TG Learning Center. These modules vividly explore a range of money management concepts, from managing credit to understanding employee compensation. Students can now complete all ten modules online, including quizzes and exercises, and administrators can track and manage module use.

The TG Learning Center offers a ready-made tool for a school's training needs. School administrators can combine modules with online classes, or offer them along with in-person presentations. In addition, the TG Learning Center:

- Helps minimize administrative costs,
- Offers an easy setup for institutions and organizations, and
- Supplies extensive reporting capabilities.

To better tailor the learning experience for students, schools can create learning plans that specify which modules their students must complete. They can then view reports that track student progress within assigned learning plans.

The TG Learning Center provides particular benefits to students, including:

- **Convenience** — Students can complete modules in the TG Learning Center at any time.
- **Interactivity** — Students work through lessons, answer questions, take quizzes, and complete any accompanying exercises. The experience involves sound, motion graphics, and point-and-click interaction which, all together, provide a more engaging teaching tool for students.
- **Broad training** — The modules cover a wide variety of basic money management skills, from devising a spending plan to saving and investing.

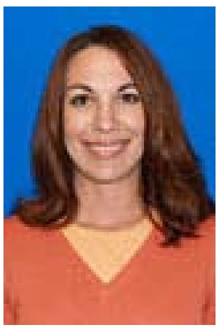
Learn more about the TG Learning Center

The TG Learning Center is available through myTG℠, an online gateway to TG's various services. To begin using the TG Learning Center reports and to customize a learning plan, schools should contact their TG account executive at (800) 252-9743, or send an email message to relationship.management@tgslc.org.

The TG Learning Center is available to students after they have registered with TG for a myTG account. Once inside myTG, students will be able to choose training sessions from the TG Learning Center catalogue.

Task-juggling 101: How to take control of administrative overload

By Wendy Rivera, TG senior corporate trainer



When closing your office door for the day, ever think "I just worked eight hours and didn't get a single thing accomplished from my to-do list?" Each year, the list of administrative and reporting tasks gets a little bit deeper for schools. Staying ahead of the regulatory learning curve and managing new assignments can be a challenge, even for the most organized individual. However, there are things that you can do to stay in command of your priority jobs and to handle the new projects thrown your way.

Promote student self-service

Are you enabling students to help themselves? A lot of young adults were born and bred to the Web, and many prefer to do all their business there. Take advantage of their savvy and offer as many student services online as you can. How about providing online access or otherwise allowing students to:

- Check their admission application status;
- View their financial aid application status;
- Learn how to avoid costly application mistakes or omissions;
- Accept financial aid awards;
- Request unofficial transcripts;
- Enroll in classes;
- View current term grades; and
- Make payments to bursar accounts?

Many schools make some or all of these services available via the Web. If you don't, consider why not. If you do, keep pushing the envelope on what student business you can safely and securely transact online. If possible, provide computers in the lobbies for students to use. Promoting student self-service will allow you and your staff more time to address other tasks.

Roll up your sleeves and prioritize

When expectations are high, timelines short, and resources limited, you want to make sure you handle multiple assignments in an efficient manner that meets deadlines. At the beginning of each day, write down your tasks and rank them in the order that they need to be done. Set a plan and take care of the more challenging and time-consuming tasks first. When prioritizing, ask yourself if someone on your staff can carry out the task. If so, then delegate.

Of course, there are things that are going to come up throughout the day that will be added to your list or even change your priorities. If something comes up that you can say "no" to, then don't be afraid to say it in a nice way with a reason following. For example, let the person know just how much you have on your plate and that taking on one more thing right now could cause you to miss a deadline. Another technique that can help is to develop a "one touch" rule. If you have something that comes your way, which you can handle right then and there, then do it.

Tap into your team's know-how

Make team communication integral to your daily routine. Each day, chat with your staff on the frontlines — get to know them and ask what they've encountered in terms of wins and obstacles. Set up a master calendar that lists deadlines and time frames for projects. Cross-train everyone, so that you have full coverage of all areas no matter what challenge comes up. A skilled and knowledgeable team is the best resource during peak season. Hold a staff meeting and brainstorm ideas on how to tackle office tasks more efficiently. Who better to provide ideas than those who manage the workload every day?

Invest time in team-building

You are one of the most powerful factors in employee motivation and morale. Your words, your body language, and your expressions signal to your staff your opinion of their value. Show your gratitude for a job well-done, and you've taken the first step toward establishing a lasting and effective rapport. Consider potlucks and other fun events as possible morale-builders. Relaxing in each other's company in the midst of what can sometimes seem like a chaotic environment helps strengthen team collaboration. Remember, motivated employees deliver results.

Have ideas of your own?

If you've got ideas for helping students be more self-sufficient, for prioritizing assignments, or for communicating and motivating staff, and don't mind sharing, send an email to wendy.rivera@tgslc.org.

About Rivera

Rivera has more than seven years experience as a trainer on a variety of subjects related to student financial aid. She leads TG workshops and seminars on professional development at industry conferences around the country.

More about TG training

For more details on TG's training events, including webinars and workshops, please visit "Training Opportunities and Events For Schools" on *TG Online*.

TG financial literacy training explains employee benefits to students and job-seekers

Benefits comprise a big share of employee compensation. They're also a big reason why some job-seekers choose one job over another. After all, as much as salary, benefits help young consumers, including college graduates, establish a quality of life that will set the stage for future financial growth and prosperity.

The TG Financial Literary Program offers a highly interactive training module that provides an overview of how benefits can add value to an employee's total compensation. The module explores a range of benefit options including different types of retirement plans, leave, and health and disability insurance. It also helps demystify various concepts such as flexible spending accounts, cafeteria plans, and the cost sharing benefits of group insurance. By the end of the session, students should be better prepared to consider benefits and salary as a package and make more informed choices when choosing between jobs offers.

About the TG Financial Literacy Program

The TG Financial Literacy Program consists 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 managing credit. 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.

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.

News Briefs

If you're curious how the recession affected enrollment for each school sector, including public, private, 4-year, and 2-year institutions, the *Chronicle of Higher Education* offers an interactive chart, showing changes from fall 2007 through fall 2010. The chart also breaks down increases by region of the country. By far, the sharpest enrollment increase came at 2-year public institutions located in the northeast and occurred shortly after the official end of the recession, which was June 2009. Fall 2009 enrollment for these colleges went up by some 10 percent. However, enrollment leveled off after fall 2010 for all school sectors. The end result according to figures compiled from the National Student Clearinghouse Research Center? The recession caused only a mild increase in national enrollment levels.

P.O. Box 83100
Round Rock, TX 78683-3100
(800) 252-9743
(512) 219-5700
(512) 219-4560 TDD

Shoptalk is published by TG. Unless specifically noted, the policies and procedures outlined in *Shoptalk* are TG's and may not reflect the practices of other guarantors or ED.

To ask questions about *Shoptalk*, please contact Communications at (800) 252-9743, ext. 4732, or send an email message to communications@tgslc.org.

Contributors to this edition: Michelle Anderson, Rob Davenport, Laura Kowalski, Art Martinez, and Wendy Rivera. Edited by TG Communications and Policy and Regulatory Affairs. Designed by TG Communications.