

On Track

A NEWSLETTER FOR STUDENT AID PROFESSIONALS



Bringing A Better Future Within ReachSM

Meet Willis Hulings, TERI's New President

Dear Financial Aid and Lending Partners:

For more than 20 years, TERI has been a leader in promoting post-secondary education for people of all ages and backgrounds. Today, TERI is experiencing significant growth in its private loan guarantee programs and, through its college access programs, TERI is providing critical information, guidance and tools to help individuals achieve their college and post-secondary education goals. It is this



extraordinary historical success, combined with an outlook for an even brighter future that causes me to be excited and enthusiastic about joining TERI as its new President and CEO.

In 2005, TERI along with its strategic partner, First Marblehead, is making sizeable improvements in its processing capabilities and service to raise the quality of the student and family, campus, and lender experience with TERI. I have high expectations for the upcoming peak processing season. Our commitment to support your organization goes beyond the success of our private loan guarantee programs, which are expected to support more than \$2.5 billion in loans this year. Growth in our private guarantee programs translates to "shared rewards," increased resources and opportunities

to expand the scope and reach of our college access programs. This "shared rewards" model will be central to the TERI Board and leadership team's on-going strategic assessment of TERI and of our programs and services.

Through an ongoing review of TERI's programs and services, we will continue to examine how our guarantee programs can serve to expand access and opportunity to post-secondary education and enable students to attend institutions or programs of their choosing. I am eager to listen to your feedback and ideas on both these fronts. For our college access programs, our vision is to expand our direct services at the local level, further our investment and commitment to policy and research, and to share TERI's expertise in effective college access programs with partners across the nation.

I will be attending the NASFAA conference in July and hope to speak with many of you during that event. If your travels bring you to Boston please don't hesitate to stop by and say hello. I can be reached by email at hulings@teri.org.

I appreciate your business and support and look forward to working with you.

Sincerely,

Willis Hulings

About Willis J. Hulings III – Before joining TERI, Willis Hulings was Chief Operating Officer and Advisor for AmeriFee LLC, the nation's leading provider of patient loans for elective dental and medical procedures. Prior to AmeriFee, he held a number of senior positions with First Union (now Wachovia) Corporation. Prior to First Union, he held various positions with Kidder Peabody & Co. and the Manufacturers Hanover Trust Co. He is a graduate of Yale University and the Wharton School of the University of Pennsylvania.



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Customer Service Updates

While many institutions prepare to enroll the class of 2009, we at TERI are working diligently to deliver a "best in class" customer service experience for families, financial aid administrators, and our lender partners. We are proud to share with you the many customer service enhancements underway for the upcoming processing season.

Our commitment to continuous improvement started last fall with the appointment of a new Call Center management team – a Senior Vice President of Customer Service, Director of Client Services (includes Priority Service for schools), Director of Training and Quality Control, and Director of Customer Service. This newly assembled team collectively brings extensive Customer Service experience and talent to TERI. Future issues of On Track will feature an opportunity for you to get to know this new team.

An aggressive investment in technology and training has been launched to help TERI achieve "best in class" designation. Recent improvements include a comprehensive

4-week training program for all new customer service professionals. Once they graduate to the floor, we evaluate over 12% of each representative's calls. For comparison, most organizations who provide "best in class" service evaluate approximately 1% of all calls. In addition, an improved supervisor-to-phone representative ratio of 1:12 - from a historical average of 1:25 - will greatly improve call quality through personal coaching and professional development efforts. The introduction of a "dedicated assist" line will also provide more focused attention on borrower calls which require support from a supervisor. Finally, newly designed Program Information Pages, available on each representative's desktop, will empower representatives to provide clear, consistent, knowledgeable responses to all inquiries.

As our investment in providing the best tools, resources, and training takes shape, new service level standards were implemented to help us emerge as a "best in class" service provider. Our TERI customer service professionals will deliver:



- An increase in first call resolution rate
- Follow up within 24 hours when first call resolution is not possible
- Deliver on promises – we do what we say 100% of the time
- Calls answered by a representative within 20 seconds

We look forward to sharing continued customer service enhancements with you in upcoming issues of On Track. As always, we welcome your feedback. Your Market Development Representative is eager and proud to discuss our comprehensive customer service improvements and all other TERI Guaranteed Program details with you. Visit www.teri.org for your Market Development Representative's contact information.

Multiple Disbursements to Offer Campuses Greater Flexibility

Effective May 2005, TERI will make available the option to disburse undergraduate, graduate, and health profession loan funds in up to four uneven disbursements. All TERI-approved institutions may participate.

Enhancement details include:

- Up to four disbursements in uneven amounts will be supported if requesting three or more disbursements. If only requesting two, the two disbursements will be even amounts
- TERI Online Certifications will be updated to reflect up to four disbursement dates and amounts
- TERI Fax Certifications will be updated to accept multiple disbursements
- ELM Certification Requests will be updated to include fields for up to four disbursements
- Multiple disbursement enhancement will be offered via TERI EFT, ELM NDN, NYSHESC EFT, and TERI paper checks
- TERI's Voice Response Unit (VRU) will be updated to include all disbursement dates and amounts

More information regarding this enhancement is available from your Market Development Representative (see www.teri.org for contact information). TERI's Priority Service Hotline also has additional information at 800.TERI.FAO.

A Study of the Research: What do we know about the impact of financial aid program design, operations, and marketing on college enrollment?

It has been well-established that the price of college and the availability of financial aid influences students' college-going decisions, especially with lower-income and minority youth. The amount of financial aid is a huge factor. But what role, if any, is played by the way financial aid programs are designed, run, and marketed to students?

Several research studies have demonstrated that middle and high school students and their parents frequently overestimate the price of college while underestimating the availability of financial aid. To counteract these



misperceptions, policy makers, advocates, and researchers have recommended creating marketing campaigns to publicize the affordability of college and redesigning financial aid programs to make the actual price of college more easily understood.

In part, these recommendations are based on knowledge gleaned from commercial marketing research. Complex and difficult-to-understand products and services are less likely to be understood by consumers and more importantly, less likely to be successful in the marketplace. In the case of financial aid, the students most in need may not use it because the types of aid and the processes for securing it are hard for them to grasp.

To better understand the possible role of marketing and simplification efforts in increasing the effectiveness of student aid programs, TERI, with support from Lumina Foundation for Education, recently commissioned research reviews to identify what is known about the impact of financial aid program design, operations, and marketing on the perceptions of lower-income and minority youth and their parents. The reviews concluded that little, if any, research exists on these important issues.

It is clear that more research is needed to understand how students and families perceive financial aid, and how changes in financial aid program design, operations, or marketing can influence critical college-going decisions.

The summary report of the project and the accompanying literature reviews, which are available on the TERI website (www.teri.org), include:

- An exploration of what we know about the formation and impact of perceptions of college prices, student aid, and the affordability of college-going and a prospectus for future research, *David S. Mundel and Ann S. Coles, The Education Resources Institute;*

- *Impact of Student Aid Program Design, Operations, and Marketing on the Formation of Family College-going Plans and Resulting College-going Behaviors of Potential Students, Dr. Laura W. Perna, Graduate School of Education, University of Maryland;*
- *The Impact of Advice on Price: Evidence from Research, Dr. Patricia M. McDonough, Graduate School of Education and Information Studies, University of California Los Angeles;*
- *Addressing Financial Aid in College Preparation Programs, Dr. William G. Tierney and Kristan Venegas of the Center for Higher Education Policy Analysis at the University of Southern California;*
- *The Impact of Information and Student Aid on Persistence: A Review of Research and Discussion of Experiments, Dr. Edward St. John, Professor of Educational Leadership and Policies Studies and Director, Indiana Education Policy Center, Indiana University;*
- *Financial Aid and Postsecondary Opportunity for Nontraditional Age, Pre-College Students: the Roles of Information and the Education Delivery System, Dr. Edward St. John and Tina Tuttle;*
- *The Impact of Federal Financial Aid Policies on the Funding, Design, Operation, and Marketing of State and Institutional Financial Aid Policies and Practices: A Review of the Literature, Dr. David Longanecker and Dr. Cheryl Blanco, Executive Director and Director of Policy Analysis and Research, respectively, at the Western Interstate Commission for Higher Education; and*
- *An Exploratory Review of the Literature and Possible Data Sources, Dr. Bridget Terry Long, Harvard Graduate School of Education.*

Dunkin' Brands, Inc. Supports TERI College Access Centers

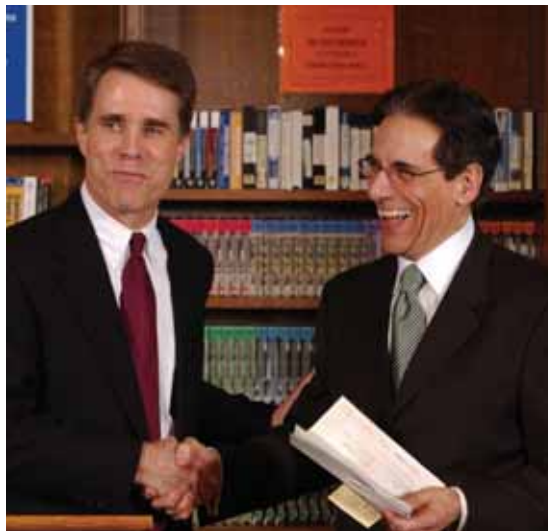
TERI College Access is the recent recipient of a \$50,000 grant from Dunkin' Brands, Inc. in support of our college access centers.

Located at nine centers throughout greater Boston, TERI College Access advisors provide free guidance and resources on planning and paying for college. Advisors also conduct a wide range of outreach activities at community organizations, career centers, businesses and schools to demystify financing an education and assist in the college application process. In January 2005, TERI opened a new center in South Boston.

"We are especially pleased to be supporting TERI's college access mission, which takes the message of the importance of higher education to students where they live and study," said Robert Huntington, Vice President,

Dunkin Brands, Inc. Dunkin' Brands, Inc. owns Dunkin' Donuts, Baskin-Robbins and Togo's and is headquartered in Canton, MA.

In accepting the donation, TERI Vice President for College Access Programs, Arturo Iriarte said, "Increasing access to higher education in this way is essential to students being able to perform well in the mainstream economy. We are very grateful to Dunkin' Brands for its participation."



Robert Huntington, Vice President, Dunkin' Brands, Inc. and Arturo U. Iriarte, Vice President and Executive Director, TERI College Access.

Current Indices...LIBOR Index: 2.57% Prime Rate: 5.75% (as of 4/1/05)

ELM Enhancements

Enhanced ELM functionality is now available at TERI with the introduction of ELM school certification. Schools can now certify TERI guaranteed loans using the ELM interface and receive funds via the NDN.

The processing support we offer to schools and lenders using ELM will be further enhanced to provide full loan status functionality, which will be available this May. Automated change transactions will also be added later in the year. Updates on these enhancements will be provided in the next issue of On Track.

If you would like further details on TERI's ELM updates or are interested in adding ELM functionality for your TERI processing, please contact your TERI Market Development Representative (see www.teri.org for contact information).

New Post Office Box

TERI has a new post office box number. While our office location has not changed, we have changed our Post Office Box address. The old mail box will be active through 2005, but we request that all correspondence now come to the address listed below.

This new address is to be used for general communications, paper applications and reconsideration requests. It replaces Post Office Box 312.

NEW Mailing Address

Post Office Box 848108,
Boston, MA 02284-8108

Priority Service Update

TERI is pleased to announce the promotion of Natasha Munoz to Senior Priority Service Associate. Since her start with the Priority Service Team in July 2003, Natasha has demonstrated a command for product and process knowledge. Natasha's commitment to providing exceptional school support has earned her an outstanding reputation with our valued school partners.

Dedicated to serving all aid administrators participating in TERI guaranteed loan programs, our Priority Service Team stands ready to assist with borrower-related loan resolution, loan certifications, and product and process questions.

Here is an updated listing of representatives, assigned to specific regions of the country. **Please update your contact list – these extensions recently changed!**

The Priority Service Line is 800.837.4326

Priority Service Management Team

Mark Ecklund, Director, ext. 20966, ecklund@teri.org
 Christopher Shirtcliff, Manager, ext. 20910, shirtcliff@teri.org
 Quiana Burns, Supervisor, ext. 20905, quianab@teri.org

Northeast Priority Service Representatives

CT, DC, DE, MA, MD, ME, NH, NJ, NY, PA, PR, RI, VT

Natasha Munoz, ext. 20952, munoz@teri.org
 Rachael Woods, ext. 20909, woods@teri.org
 Daniel Caceres, ext. 30410, caceres@teri.org

South Priority Service Representatives

AL, AR, FL, KY, LA, MS, NC, SC, TN, VA, GA

Diana Altieri, ext. 56915, altieri@teri.org
 David Siegal, ext. 20912, siegal@teri.org

Midwest Priority Service Representatives

IA, IL, IN, MI, MN, MO, OH, WI, WV

Bryan Olds, ext. 30423, olds@teri.org
 Wendy Officer, ext. 30411, officer@teri.org

West Priority Service Representatives

CA, WA, ID, HI, AK, NM, OR, AZ, CO, KS, MT, ND, NE, NV, OK, SD, TX, UT, WY

Eric Browne, ext. 20949, browne@teri.org
 David Leccese, ext. 56937, leccese@teri.org

Meet Lisa Miller, TERI's New Market Development Representative

TERI is pleased to announce the appointment of Lisa Miller to the position of Market Development Representative in Pennsylvania, New Jersey, Maryland, Delaware, and Washington, DC. As Market Development Representative, Lisa will



work directly with school and lender contacts in the region to promote the utilization of TERI guaranteed loan programs and TERI school support services.

Jonathan Glover, Director of Market Development, said Miller is a welcome addition to the team. "Lisa will offer an unparalleled commitment to providing our valued school clients with exceptional customer service and support.

Prior to joining TERI, Lisa served in many capacities with PHEAA/AES; including Customer Service Manager and most recently, Portfolio Manager.

Please join us in welcoming Lisa to the TERI family!

Lisa Miller
 Market Development Representative
 717.367.8854
lmiller@teri.org



College Ready New England P-16 Alliance Launched

An important foundation of TERI College Access is fostering collaborations to remove barriers that keep underserved students from achieving their higher education goals. TERI recently launched its newest collaboration, College Ready New England P-16 Alliance, in partnership with the New England Board of Higher Education, the Vermont Student Assistance Corporation and the College Board. The Alliance brings the New England states together to solve problems, share resources and best practices, and create a unified voice for the region in addressing policy issues related to college access, achievement and attainment for underserved students.



“At TERI, we believe that the one of the most effective ways we can help underserved students access and succeed in college is to bring together organizations, knowledge and advocacy efforts. College Ready New England engages education, business and government leaders from all six New England states to make sure all

students graduate from high school well prepared for college,” noted Ann Coles, TERI Senior Vice President.

College Ready New England is an outgrowth of a regional think tank organized in November by TERI, the College Board, the New England Board of Higher Education, Nellie Mae Education Foundation, and the Vermont Student

Assistance Corporation.

The Alliance will focus on stimulating research-based efforts to close the achievement gaps between upper income and lower income students, and African American and Hispanic students compared to Whites and Asians.

Working collaboratively, Alliance members aim to

build a region-wide system to improve postsecondary readiness, access and attainment of New Englanders.

Planning for the Alliance is supported by a grant from the Nellie Mae Education Foundation and financial contributions from the participating states, TERI and other regional partners.

Your Market Development Team

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