

TERI

On Track

Happy
New Year!

A Newsletter for Student Aid Professionals

TERI Introduces Tiered Pricing for the 2003-04 Program Year

TERI introduces a new product enhancement for the 2003-04 academic year—tiered pricing. This new option will increase loan approval rates and the availability of loans to student and families. Under the tiered pricing program, interest rates are the same as our current low rates while guarantee fees are variable based on the applicant's credit profile. Your school will benefit in the following ways:

- Higher approval rates
- With a qualified cosigner, every student will be pre-approved!
- Every borrower receives the same low interest rate!
- One stop shopping—all private education loan needs can be met by one provider: TERI!

This new product feature was developed in response to feedback provided by TERI's school advisory committee. Committee members requested a program that helped increase loan approval rates. "We need additional solutions for our students and families," said committee chair John Palmucci, VP for Administration and Finance at Loyola College in Maryland. He continued, "The TERI tiered pricing program is designed to be flexible yet offers a simple and seamless implementation for our office."

More details on the TERI tiered pricing program and on additional service enhancements for the upcoming year will be released in the near future.

Two New Ways to Disburse Your TERI Loans

In addition to TERI EFT and standard check, there are two new ways to disburse your TERI loans—ELM NDN and New York's HESC.

Many schools have already placed a call to **(800) TERI-FAO** and opted for one of our new disbursement options. At TERI, we realize your job can be complex and demanding. Our goal is to deliver solutions to make it easier for you to serve students and families.

TERI Sr. VP Speaks before Advisory Commission

TERI's Senior Vice President for College Access Services, **Ann Coles**, described proven strategies for improving college access before the President's Advisory Commission on Educational Excellence for Hispanics at their December 19, 2002, meeting in New York City. She also discussed the activities of the Pathways to College Network, the partnership of 30 national organizations and funders that TERI manages.

Established by **President Bush** in October 2001, the Commission has been working on developing a plan for overcoming the obstacles that Hispanic students face with completing a college education. In September 2002, the Commission issued an interim report identifying

key issues related to college success for Hispanics and outlining five strategic imperatives, including putting college on the radar screen of Hispanic parents and students, and determining promising strategies for improving college access. Commission members now are formulating strategies for achieving this goal, and will issue a final report and implementation plan in March 2003.

In her testimony Coles discussed the emphasis of the Pathways to College Network on promoting research-based findings regarding effective policies and practices for improving college preparation, enrollment and completion for under-represented minorities and

other disadvantaged students. She also reviewed key findings in three areas related to the Commission's goals: building the capacity of schools to better prepare students for college; social marketing campaigns targeting under-served students and families; and research on effective strategies for improving parent involvement in supporting their children's college aspirations.

Commenting on Coles' testimony, **Lawrence W. O'Toole**, TERI's CEO, observed, "Ann's presentation to national Hispanic leaders provides an excellent opportunity for TERI to further our mission of making college accessible to students from all backgrounds."

New TERI Site to Debut Soon

Soon visitors to **TERI.org** will be treated to a new web site with expanded functionality, improved navigation logic and enhanced graphics. The new site will be divided into three sections: Parents and Students, Financial Aid Officers and TERI Info. To help students and families more easily apply electronically, they can go directly to the application page by visiting **TERILOANS.com**, no waiting—just ready when they are, 24 hours a day/7 days a week. You will continue to have access to the TERI online services you have come to depend on. Services like online certification and status check will be available to serve you in the new and improved site.



TERI Commissions **New Private Loan Study**

TERI has commissioned a new research study on private education loans. The study will examine: the characteristics of private loan borrowers; the growth of private loans; how borrowers use private loan programs to replace or supplement federal borrowing; and evaluate how private loan providers have adapted programs to reflect this increase in need. The study will also examine debt burdens and a variety of topics including packaging of financial aid. This study, along with others previously commissioned by TERI,

is an important component of TERI's overall suite of services that we provide to the financial aid community.

As students and families increasingly rely on private loans to meet college expenses, TERI believes that research of this kind is essential in helping to frame policies for the next generation of students. The Institute for Higher Education Policy and NASFAA's Research Committee will conduct the research, with a report scheduled to be released in the spring.

Students and Families Benefit from Low TERI Interest Rates

Interest rates are the lowest they've been in years! Students and families could not be borrowing at a better time—not since 1960 have we seen interest rates like these. Whether your TERI lender offers products based on the Prime Rate or the one month LIBOR index, students and families will see significant savings. Currently the Prime Rate is 4.25% while the one month LIBOR index stands at 1.66%. And, according to the experts, rates are not expected to increase anytime soon—making

loan repayment easier for students and families. For example, a 2% interest rate reduction on a \$10,000 balance results in nearly \$20 in monthly savings—for a \$50,000 balance, savings approach \$90. We've always known that education is a good value and a great endeavor to borrow for (because it appreciates in value), now the savings are even greater! For lender specific rate information contact your TERI marketing representative or call **(800) TERI-FAO**.

Interest Rate
(as of 1/1/03)
TERI Rate
3.75%
[Prime - .50%]

Happy New Year From Your TERI Marketing Representatives

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