

Financial Aid Advisory Committee
Meeting Notes
November 16, 2016

Committee Members in Attendance	Committee Members Absent	THECB Staff	Audience
Alan Ahmad Doris Constantine Zelma De Leon Melissa Elliott - Via Tel-Conference Delisa Falks Jeannie Gage - Via Tel-Conference Audree Hernandez - Via Tel-Conference Sandi Jones Rosario Juarez Lyn Kinyon Carolyn Mallory Robert Merino Christopher Murr Cathy Sanchez Diane Todd Sprague Matthew Vandermause - Student Rep Anne Walker Harold Whitis	Carl Gordon Alan Pixley	Gabriela Borcoman Julie Eklund Rinn Harper Renee Jones Ken Martin Lesa Muller Charles Puls DeChà Reid Leah Smalley Michelle Williams John Wyatt	Elizabeth Putnoff Kara Tappendorf

Agenda Item	Critical Discussion Points	Formal Decision/Action Required
B. Consideration of Approval of Minutes of the meeting held on September 8, 2016. Delisa Falks, FAAC Chair	Motion to approve meeting minutes from September 8, 2016.	Minutes approved

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D. Presentation: Student Debt in the THECB Almanac Julie Eklund Assistant Commissioner	Handouts were distributed. <ul style="list-style-type: none"> • Average debt by institution data collected with the goal being to look at average debt for public institutions, and to maintain 60% of student debt to first-year wage ratio. The handouts for the presentation included data such as average student debt broken down by program, completion, etc. • Time and credits to complete a degree are important and have become a primary focus point. • Student loan debt data has been added to the profile pages, on the bottom left, for all statewide 4-year public institutions and community colleges. • Texas Higher Education Coordinating Board's (THECB) Almanac is available online. This year's Almanac is not showing the debt to the first-year wage ratio. • Texas Higher Education Accountability System Update. <ul style="list-style-type: none"> ○ Re-design of the system's interface. ○ Update of accountability measures to align with 60x30TX state strategic plan. ○ Soft launch January 2017. <p>Discussion:</p> <ul style="list-style-type: none"> • A member asked if data has been collected for graduate students, since the data presented appears to be for undergraduate students only. <ul style="list-style-type: none"> ○ Graduate/Professional student debt data is collected and is very high, especially for medical and dental degrees; however, in 	None

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	<p style="text-align: center;">terms of 60x30TX, focus is on undergraduate debt.</p> <ul style="list-style-type: none"> • Committee members asked many questions during this discussion. Julie Eklund indicated that students with Parent PLUS Loans are included in the data collected as well as Private school information; however, private school information is not displayed since the focus is on public institutions. If an alternative loan is included in the Other Long-Term Loans field on the Financial Aid Database (FADs) report, then it is included in this data. Any data reported on FADs (e.g. CAL, BOT, ect.) are included in the data collected. • A member asked if graduation data is being retrieved from the Clearing House. If not, how is it received? <ul style="list-style-type: none"> ○ Data is collected from Coordinating Board Management (CBM) reports (e.g. CBM009, FADs). 	
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C. Election of new Vice Chair Delisa Falks, FAAC Chair	Nominations accepted from the floor. <ul style="list-style-type: none"> • Lyn Kinyon nomination but declined. • Zelma De Leon nominated, accepted. 	Zelma De Leon selected for FAAC Vice Chair

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E. SFAP Department Update Charles Puls, Deputy Assistant Commissioner	Handouts were distributed. List of SFAP accomplishments: <ul style="list-style-type: none"> • New toll-free telephone line launched October 3, 2016. • Texas Financial Aid Information Center (TFAIC) Hotline will transition from TG to THECB. Scheduled transfer date is December 5, 2016. • Loan reconciliation project to reconcile FADs loan data to HELMS loan data update. <ul style="list-style-type: none"> ○ BOT reconciliation for 2010-2015 complete. ○ CAL reconciliation for 2015 complete. ○ CAL reconciliation for 2010-2014 is in progress; deadline is December 15, 2016. • BOT Forgiveness Process <ul style="list-style-type: none"> ○ Process time previously at 4 to 5 months has been reduced to a 10-day turn-a-round time. • FAQ's <ul style="list-style-type: none"> ○ Will be edited to remove outdated material. Target month is January. • Update on the outside consulting firm hired to do an assessment of THECB's loan program. <ul style="list-style-type: none"> ○ Three of the four phases have been completed and expected to end December, 2016. • On December 15, 2016, Chapter 23 of the Texas Administrative Code will be launched. Loan Repayment Program will be removed from Chapter 21. • Financial Literacy Advisory Committee launched on November 1, 2016 and will be meeting on a monthly basis. Next meeting is scheduled for December 6, 2016. <ul style="list-style-type: none"> ○ All meetings are open to the public and will be broadcast. 	None

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	<p>Discussion:</p> <ul style="list-style-type: none"> • A member asked for the new toll-free telephone number. <ul style="list-style-type: none"> ○ Number provided: 1-844-792-2640 • A member suggested inserting the new toll-free number within the next FAS newsletter. <ul style="list-style-type: none"> ○ A newsletter will be provided in January 2017. • A member asked where to find information on the Financial Aid Literacy Advisory Committee: <ul style="list-style-type: none"> ○ A webpage is available for the Financial Aid Literacy Advisory Committee on the THECB website, similar to the FAAC webpage. 	
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<p>G. Presentation: FAAC Annual Report</p> <p>Chris Murr, FAAC Past Chair</p>	<p>Handouts were distributed.</p> <p>Current recommendations to the Board:</p> <ul style="list-style-type: none"> • Continue the work of the Data Collection Subcommittee. • Continue discussions of allowing institutions to continue awarding set-a-side funds. • FAAC to continue exploring innovative financial aid practices. • Continue to implement customer-service focused changes for schools and students. • Continue to enhance the mechanisms for validating financial aid data reported by schools. <p>Accomplishments and Tasks Completed:</p> <ul style="list-style-type: none"> • Prior-Prior Year (PPY) Model <ul style="list-style-type: none"> ○ Subcommittee created and developed recommendations to THECB in order to allow for a smooth transition of institutions to the federal PPY verification model. • Suggested aligning the return of state funds timeframes with the return of federal funds timeframes. • Revised rules governing the FAAC to ensure a more diverse representation, greater consistency within rules and greater clarity. • Provided suggestions to enhance THECB's Financial Aid Report and TEXAS Grant Report. • Discussed and provided feedback on proposed and actual THECB legislative proposals. • Chris Murr, FAAC Past Chair, will present the annual report to the Board's Committee on Affordability, Accountability, and Planning on December 14, 2016. 	<p>None</p>

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<p>F. External Relations Update</p> <p>John Wyatt, Director, External Relations</p>	<p>Legislative Session Update:</p> <ul style="list-style-type: none"> • Monday, November 14, 2016 was the first day of pre-filing in which legislatures could introduce bills to be considered in the upcoming session. Session actually starts in January 2017. • Senate Bill (SB) 32 introduced to recreate or reintroduce the B-On-Time (BOT) program to be funded through general revenue. • SB33 has been introduced to institute THECB's recommendations on TEXAS Grant. • SB34 to institute out-come based funding. This would adopt the model of a graduation bonus system. 	<p>None</p>

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	<ul style="list-style-type: none"> • SB141 to limit TEXAS Grant to students who are eligible for federal financial aid. Undocumented students would no longer be eligible. • SB49 and HB66 would allow legislators and other appointers to replace a student who has dropped out of the Texas Armed Services Scholarship Program (TASSP) at some point during their collegiate career. • HB12 introduced to require a cap on tuition at 85% of what a university charged in 2016-17. HB282 introduced and would make carrying of handguns on campuses optional for public institutions of higher education. • HB282 introduced and would make carrying of handguns on campuses optional for public institutions of higher education. <p>Discussion:</p> <ul style="list-style-type: none"> • John Wyatt indicated that as of this date, a bill regarding tuition set-a-sides and Hazlewood has not been seen. • A member asked if bills SB33 and SB141 pertain to TEG or just TEXAS Grant. <ul style="list-style-type: none"> ○ Both bills are TEXAS Grant specific and do not pertain to TEG. • A member asked when the last day to file a bill is. <ul style="list-style-type: none"> ○ Legislation can be filed up until the deadline which is approximately mid-March. The hard deadline is the last day of session, which will be the end of May. • A member asked in respect to the language in SB33 regarding TEXAS Grant, is the matching requirement still there? <ul style="list-style-type: none"> ○ Charles Puls clarified it does not impact the matching requirement. • A member asked John Wyatt to clarify SB141 pertaining to the reasoning behind SB141 where undocumented students would not be eligible for TEXAS Grant. <ul style="list-style-type: none"> ○ John cannot speak for the senator that introduced this bill; however, John indicated that the senator feels that these funds would be more appropriately used if directed toward students who are here legally. 	
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Agenda Item	Critical Discussion Points	Formal Decision/Action Required
<p>H. Approve 2017 FAAC Meeting Dates</p> <p>Delisa Falks, FAAC Chair</p>	<p>Proposal of 2017 Meeting Dates:</p> <ul style="list-style-type: none"> • March 2, 2017 • June 1, 2017 • September 7, 2017 • December 7, 2017 <p>Discussion:</p> <ul style="list-style-type: none"> • Charles Puls commented that there was an attempt to move FAAC meetings to earlier dates last year; however, it would have thrown off the first fiscal year meeting along with other concerns. 	<p>2017 Meeting Dates Approved</p>

Agenda Item	Critical Discussion Points	Formal Decision/Action Required
<p>I. Update on the Data Collection Sub-Committee</p>	<p>Updates:</p> <ul style="list-style-type: none"> • Goal of the committee is to simplify and reduce the number of reports that institutions must submit to THECB with the potential to replace them with one 	<p>None</p>

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Doris Constantine, Sub-Committee Chair	<p>type of report (FADs) that is submitted several times per year.</p> <ul style="list-style-type: none"> • Tuition Equalization Grant (TEG) allocation procedure was tied within a different report. Negotiated rule-making was convened and it has been decided to migrate to a mechanism using the FADs instead of the TEG Need Survey. <ul style="list-style-type: none"> ○ Phase in/Phase out process was discussed. • February 2017, draft version of the 2017 and 2018 FADs report should become available for review. The 2018 FADs Report will require some programming changes. <ul style="list-style-type: none"> ○ New fields will be public school and private school specific. ○ Words and descriptions are being reviewed for clarity. ○ The 2018 FADs will not be rearranged per recommendations from the committee, new fields will be added to the end of the report. <p>Discussion:</p> <ul style="list-style-type: none"> • A member commented regarding the Cost of Attendance (COA) and asked what is want in this field, please clarify what is expected. <ul style="list-style-type: none"> ○ Data Element 21B (9-month COA) vs. Data Element 27 (students actual COA). Data Element 21B (9-month COA) is going to be a filler for FY 2017 and going forward. ○ Guidance was previously given to institutions for issues pertaining the 9-month COA. If an institution can't get the correct data for Data Element 21B (9-month COA), institutions may insert zeros. 	
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<p>J. Update on the MOU Sub-Committee</p> <p>Chris Murr, FAAC Past Chair</p>	<p>Updates:</p> <ul style="list-style-type: none"> • Financial Aid Memorandum of Understanding (MOU) expired earlier this year; all now on 1-year extensions. <ul style="list-style-type: none"> ○ Sub-Committee met for the first time on October 27, 2016. ○ Sub-Committee members are reviewing compliance officers and general counsel at institutions. Comments are due back to Dr. Murr on December 1, 2016 to be compiled and submitted to THECB by the second week of December. ○ THECB will have until January 23, 2017 to incorporate the recommendations as appropriate. ○ By February 1, 2017, the document should be ready to share with FAAC committee members. ○ FAAC committee member comments will be due by March 1, 2017 and will provided to THECB. 	None

Agenda Item	Critical Discussion Points	Formal Decision/Action Required
<p>K. Update on FAAC Nominations</p>	<p>Updates:</p> <ul style="list-style-type: none"> • Currently there are 4 vacancies for the FAAC committee. 	None

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Charles Puls, Deputy Assistant Commissioner	<ul style="list-style-type: none"> ○ Vacancy for a student representative from a 2-year institution. A nomination for Alfonso Pena (ACC Student Body President) has been received from Austin Community College. ○ Two vacancies for ISD representatives. <ul style="list-style-type: none"> ▪ Kara Tappendorf from Hendrickson High School in Pflugerville has been nominated. Dr. Puls is still working with professional associations to identify a second nominee. ○ Becky Wilson had been nominated and approved to join the FAAC committee, however; due to retirement, she resigned her position. Dr. Puls utilized the same approach used to select new members for FY17 to identify a new FAAC committee member. William Bloom from Angelo State University has been nominated for this vacancy. <ul style="list-style-type: none"> ● If approved at the Coordinating Board's next meeting in January 2017, all new members will be able to join the March 2017 meeting. 	
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<p>L. Discussion of the timeline necessary for communicating any change to the state financial aid priority deadline.</p> <p>Delisa Falks, FAAC Chair</p>	<p>Suggestions on a timeline:</p> <ul style="list-style-type: none"> ● FY 2020 change for state priority deadline <p>Discussion:</p> <ul style="list-style-type: none"> ● A member asked to start the discussion with the current priority deadline date and what programs are subject to this date. <ul style="list-style-type: none"> ○ March 15th is the current state financial aid priority deadline. State programs are subject to this timeline: TEXAS Grant, Top 10%, TEOG ● While numerous comments were made regarding whether to change the priority date (e.g. are admissions deadlines changing, what are other states doing, what is the impact on students, ect.), Dr. Puls indicates that the agenda item and primary concern that the committee should be discussing now is the timeline needed for implementation. For example: <ul style="list-style-type: none"> ○ If it is decided at the March meeting to add the process of changing the priority deadline, the end of August would be the soonest this could actually be a rule. Is this enough time for institutions to make the adjustment? ● Based on the discussion, it was acknowledged that members are in agreement that there will not be enough time to incorporate a change for FY 2019 if notified to do so by the end of August. ● A board member indicates that the board should move forward at the March 2017 meeting to make a decision or submit recommendations for FY 2020. Dr. Puls suggested that FAAC committee needs a sub-committee to figure out what research and data is needed in order to make a decision. ● FAAC Chair motions for a volunteer to lead a sub-committee. 	<p>FAAC Sub-committee Chair: Dr. Chris Murr</p> <p>Members of FAAC Sub-committee: Diane Todd-Sprague; Anne Walker, Zelma De Leon, Delisa Falks, Jeannie Gage (via teleconference), Kara Tappendorf</p>

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	<ul style="list-style-type: none"> • Sub-Committee was formed and more to come at the March 2017 meeting. 	
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<p>M. Discussion to develop a recommendation to the agency on providing student level state loan history.</p> <p>Delisa Falks, FAAC Chair</p>	<p>What would the committee want to see and what will loan history (NSLDS) look like?</p> <p>Discussion:</p> <ul style="list-style-type: none"> • A member asked about the intent and the goal for this agenda item. <ul style="list-style-type: none"> ○ This idea was brought about from financial aid administrators for a number of reasons (e.g. prior institution's state loan history for students is not available to the current awarding institution). ○ Institutions need to provide a comprehensive perspective to their students as to what a student's loan debt is (BOT and CAL). ○ Currently, the HELMS environment gives a student the ability to see all state borrowing history. • A member asked if THECB keeps all student's loan information by social security number. <ul style="list-style-type: none"> ○ Information is kept at THECB by social security numbers. • Dr. Puls posed the question, what do the institutions need from THECB to make this (providing state student-level loan history) a useful mechanism. • Ken Martin indicated need for more transparency for students and what they have borrowed. The concept is easy but the logistics are much more difficult than it seems. There is a need state-wide for all institutions public and private for enhanced information for students regarding their debt, and this idea is supported by THECB. • Participant from the audience asked if information on unsubsidized loans include accumulated interest. <ul style="list-style-type: none"> ○ Most information that is communicated to students involves the total loan debt burden and what a student would pay back over the life-time of a loan. ○ Dr. Puls posed the question: Would it be useful for institutions to get both the principal and accumulated interest? Members agree that it would be useful and a request-based process appears to be a good idea. The report would be by type with total principal balance and accumulated interest. 	<p>THECB staff will investigate the potential for a state loan history reporting process.</p>

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<p>N. Adjournment</p> <p>Delisa Falks, FAAC Chair</p>	<ul style="list-style-type: none"> • Next FAAC meeting set for March 2, 2017. • Adjournment at 12:18 p.m. 	<p>None</p>