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Memorandum

To: Directors of Financial Aid, Public Universities and Health Related
Institutions (HRIs) of Higher Education

From: DeChà Reid
Director III, Student Financial Aid Programs (SFAP) Operations

Date: October 28, 2024

Subject: Allocation Methodology and Data Review for Texas B-On-Time (BOT)
Student Loan Program Funds Redistribution

The Texas Higher Education Coordinating Board (THECB) has established an allocation methodology and approved uses of funds remaining in the Texas B-On-Time (BOT) Student Loan account under rules adopted by the Board on Oct. 24, 2024 (see Board agenda item [VIII-G\(16\)](#)). The new BOT rule will become effective on Nov. 14, 2024, once it appears under Texas Administrative Code, Part 1, Title 19, Chapter 22, Subchapter Q, Section 22.342.

Funds will be redistributed to institutions that participated in the BOT Program during fiscal years 2007-2015 based on their unused tuition set-asides. These funds must be used to increase the graduation rates of at-risk students at those institutions.

Eligible public universities and health-related institutions are encouraged to review the data provided in the enclosed attachment: **Texas BOT 2024-25 (FY 2025) 10-Day Data Review**. Please complete the [10-Day BOT Data Review Form](#) by **Nov. 12, 2024**, to confirm your review of the data or to submit any questions. Failure to respond will be considered confirmation that the data is accurate.

Please note, this announcement does not represent an official allocation of funds. Institutions offering or using funds before the official allocation is announced by the THECB do so at their own risk.

The THECB will be coordinating with the Texas Comptroller's office to send BOT funds to partnering institutions following the 10-day review. To plan for this upcoming transfer, please make sure D23 fund 5103 and appropriation number 38407 are set-up in Texas Comptrollers payment system, USAS. The accounting transaction will book an operating transfer of both cash (t-code 403) and budget (t-code 018/021) to the books of partnering institutions. Please work with your financial reporting analyst at the Comptroller's office if you have any questions on setting up the D23 fund or how it will be reported in fiscal year 2025.

For questions, call (844) 792-2640 or submit an inquiry through the [CONTACT US](#) portal (select "Financial Aid Question" as the Contact Reason).

Enclosure: [BOT Student Loan FY 2025 10-Day Allocation Data Review](#)