

Financial Aid Advisory Committee
Meeting Notes
December 10, 2020
(To be approved at the March 4, 2021, FAAC Meeting)

Committee Members in Attendance Via <u>Virtual</u> Meeting Connection		Committee Members Absent
Ed Kerestly (Chair) Denise Welch (Vice Chair) Robert Merino (Past Chair) Charles Contéro-Puls Taryn Anderson Dr. Ben Bholan Victoria Chen Rachele Garrett Dede Gonzales Heidi Granger Bridgette Ingram	Tam Nguyen Holly Nolan Shonna Norton Steven Peterson Thomas Ratliff Kelly Steelman Joy Thomas Formon Thompson Arnold Trejo Jase Kugiya (Student Rep)	Paul Galyean

Agenda Item 1. Welcome and Overview of Meeting	Ed Kerestly, Chair
Handout Provided: No	Formal Decision/Action Required N/A
Presentation Summary: <ul style="list-style-type: none"> Due to nature of virtual meetings, roll call of members ensured a quorum of committee members. 	

Agenda Item 2. Discussion: Membership Expectations	Ed Kerestly
Handout Provided: Yes	Formal Decision/Action Required N/A
Presentation Summary: <ul style="list-style-type: none"> General reminders for reviewing meeting materials ahead of time to be ready and have a productive meeting. 	

Agenda Item 3. Consideration of Approval of Minutes from the meeting held on September 3, 2020	Ed Kerestly
Handout Provided: Yes	Formal Decision/Action Required Minutes approved
Presentation Summary: <ul style="list-style-type: none"> No corrections were identified 	

Agenda Item 4. Discussion and Consideration: 2021 Meeting Dates	Ed Kerestly
Handout Provided: Yes	Formal Decision/Action Required Dates approved
Meeting dates presented: <ul style="list-style-type: none"> March 4, 2021 June 3, 2021 September 2, 2021 December 9, 2021 No conflicts were presented by the members 	

Agenda Item 5. Update: Prior Business	Charles Contéro-Puls, Assistant Commissioner
Handout Provided: No	Formal Decision/Action Required N/A

Financial Aid Advisory Committee
Meeting Notes
December 10, 2020
(To be approved at the March 4, 2021, FAAC Meeting)

Presentation Summary:

- Since this agenda item was taken out of order in the meeting, Dr. Contero-Puls was able to address some prior business that occurred earlier in the meeting regarding questions that had not been answered for Agenda Item #6.:
 - How will data submitted through electronic TASFA be shared and passed to higher education institutions for integration into their financial aid software? While this is very much in development process, TASFAC discussed modeling the data transfer around the same xml file protocol that is used for FAFSA data.
 - How quickly will the electronic TASFA occur? Statute is written to have the electronic TASFA take effect in October 2021; the agency acknowledges that the work that is done developing the electronic TASFA will need to be done in parallel with institutions to help them prepare for this.
 - Have software companies been included in any discussions? TASFAC included a subcommittee focused on the operational aspects, which discussed how the process has worked with other states and organizations. TASFAC was a high-level discussion to develop the report for the legislature, while the actual development process is the next step.
- Ongoing discussion about state priority deadline:
 - The Commissioner's annual state of higher education address highlighted several initiatives to increase higher education attainment such as GradTX 2.0 for returning adult learners, reskilling/upskilling efforts, and Tri-agency workforce initiative to link education and workforce to spur economic growth in Texas.
 - Financial aid policy will influence all these initiatives.
 - Dr. Contéro-Puls suggested that it may be more effective to inform the discussions occurring around these initiatives, rather than working on the priority deadline as its own piece.
 - Committee agreed it was better to focus on informing other aid-related discussions as to the impact of the priority deadline.
 - Question – Has there been discussion on adjusting the priority deadline this year due to the pandemic?
 - Currently, no feedback has been received from institutions encouraging the agency to request a waiver of the rule to extend the deadline.
 - The FAAC concluded that the cons of changing the deadline outweighed the pros. The recommendation was to stay with the priority deadline but to pursue a "it's not too late to file" campaign. The committee discussed working within their institutions and with TASFAA to put together a campaign. Chad will pass along the campaign idea to the agency's College Readiness and Success division, as there may be opportunities for CRS to build something into their outreach activities (Advise Texas, Apply Texas, GenTX, etc.)
- FAAC Administrative Code change to reduce the student representatives from two to one.
 - The FAAC administrative Code will need to be updated to extend the 4-year abolishment date. Rather than submitting the abolishment date change and the student rep change separately, they will be presented together, along with any other suggestions that come from a March discussion of the current code.
- Timely distribution rules applicable to work-study funding
 - Dr. Contéro-Puls researched the concern that had been raised at the prior FAAC meeting (e.g. the thought that the federal work-study program doesn't have a similar time restriction). The Federal Student Aid Handbook indicates that the federal work-study program does have a timely distribution requirement. In light of this, amendments will be proposed to update the state's timely distribution rules to include the state work-study program. The work-study funding request process will mimic the grant funding request process (e.g. just two fields in an on-line form will be required).

Agenda Item 6. Joint Updates: HB3 FAFSA/TASFA Graduation Requirement, on-line TASFA, and FAAC TASFA Sub-committee	Alexis Bauserman, Texas Education Agency; Claudette Jenks, Director, College Readiness and Success; and Robert Merino, TASFA subcommittee Chair
Handout Provided: Yes	Formal Decision/Action Required N/A
Presentation Summary: <ul style="list-style-type: none"> • Alexis Bauserman of TEA reviewed actions taken and next steps regarding the financial aid application graduation requirement. • Claudette Jenks provided overview of the work completed by the TASFA Advisory Committee, since the update provided at the last FAAC meeting. <ul style="list-style-type: none"> ○ The report to the legislature included seven recommendations: <ol style="list-style-type: none"> 1. Require institutions to accept TASFA (online and paper formats) to verify student eligibility for state financial aid. 2. Application collect all data necessary to calculate expected family contribution. 3. Seek funding from Legislature for ongoing maintenance of the online TASFA. 4. Include a privacy statement indicating that the state would not share application information with anyone besides the institution(s) identified by the student; include a checkbox to acknowledge receipt of privacy statement. 5. Offer Spanish language translation and suggested other languages for translation. 6. Include pop up information explaining questions and sections of application similar to current FAFSA 	

Financial Aid Advisory Committee
Meeting Notes
December 10, 2020
(To be approved at the March 4, 2021, FAAC Meeting)

<ul style="list-style-type: none"> 7. Keep signature simple to protect against fraud; include two signature boxes – student and parent <ul style="list-style-type: none"> o Funding is an issue for implementation – both the agency's implementation and the institutional efforts to integrate the application data into their financial aid systems. o Software development could be inhouse vs third party vendor; costs and timing are considerations. o Next steps: determining funding; reviewing timelines; review technical specifications; establishing ongoing processes; aligning online and paper TASFA; and then data collection and tracking student completion. • Robert Merino indicated that the current TASFA was provided October • Discussion items: <ul style="list-style-type: none"> o Discussed the importance of ensuring K-12, higher ed, and community partners all have the same resources and toolkits to ensure everyone is working toward the same goal; targeting February/March for initial materials and a larger web resource in the summer. o Discussed the current lag in FAFSA completion, likely due to COVID-19, and efforts occurring to address this, such as the Future Focus TX Campaign (https://www.edtx.org/txcan/future-focused-tx), and near-peer advising via AdviseTX. o Discussed the criticality of getting the development efforts for the electronic TASFA started quickly.

Agenda Item 7. Presentation: Impact of Elections	Megan Coval, Vice President of Policy and Federal Relations, NASFAA
Handout Provided: Yes	Formal Decision/Action Required N/A
Presentation Summary: <ul style="list-style-type: none"> • Ms. Coval provided NASFAA's federal update on: <ul style="list-style-type: none"> o Dynamics in Congress o COVID pandemic o Higher Education Reauthorization o Federal Budget and Funding o Department of Education Update 	

Agenda Item 8. Update: External Relations	John Wyatt, Senior Director, External Relations
Handout Provided: No	Formal Decision/Action Required N/A
Presentation Summary: <ul style="list-style-type: none"> • Partisan balance in the state chambers is almost the same as prior to the election. • Rep. Dade Phelan is the presumptive speaker of the house. • Uncertain as to how the session will function and maintain health protocols for this session. • Pace of bills being pre-filed is higher than it has been in the past, though it is expected that the pace of Legislature will be slower; likely that fewer bills will make it through the process. • The Coordinating Board is very engaged; Commissioner's focus is to work with policymakers and institutions on their priorities and provide objective, insightful data and analysis to inform decision making. • Funding – state agencies were directed to prepare Legislative Appropriation Request (LAR) that assumes a 5% reduction in base funding, which would be \$57 million reduction for THECB. <ul style="list-style-type: none"> o LAR process includes opportunity to make exceptional funding request; two of the agency's requests relate to financial aid. o Requesting restoration of 5% reduction to prevent decline in financial aid funding. o Requesting additional \$110 million to keep up with growing demand on financial aid. • Some pre-filed bills related to financial aid include: <ul style="list-style-type: none"> o Senator Zaffirini: SB33 and SB34 would establish "Texas Promise" programs to create additional assistance for higher education 2-yr and 4-yr; SB35 would re-establish the TX B-On-Time loan program. o Senator Menendez: SB 101 would establish emergency aid for post-secondary students; SB103 would establish a first-generation matching scholarship program. • Discussion items: <ul style="list-style-type: none"> o Question – What's the probability of the exceptional item request to restore the 5% reduction? The Commissioner is a strong advocate for investing in higher education to promote economic recovery, but the funding available for the coming session is unknown currently. o Question – Has there been any discussion of aligning the state's "debt letter" requirement with the new student debt annual notice at the federal level? The agency has not heard anything specific to this issue. So far, the big topics being mentioned are the budget gap, the coronavirus response, and redistricting. If elected officials are interested in "debt letter" revisions, then the agency will be there to assist them in that process. 	

Agenda Item 9. Presentation: FAAC Annual Report	Robert Merino, Past Chair
--	----------------------------------

Financial Aid Advisory Committee
Meeting Notes
December 10, 2020
(To be approved at the March 4, 2021, FAAC Meeting)

Handout Provided: Yes	Formal Decision/Action Required N/A
Presentation Summary: <ul style="list-style-type: none"> Mr. Merino reviewed the recommendations and accomplishments provided in the report. 	

Agenda Item 10. Discussion: TASFAA Insights and Recommendations	Taryn Anderson, TASFAA President
Handout Provided: No	Formal Decision/Action Required N/A
Presentation Summary: <ul style="list-style-type: none"> All training and conference opportunities have been moved online until at least October. Early Awareness Committee has an updated financial aid presentation for financial aid administrators to provide information to high school counselors/advisers regarding FAFSA completion. Recommendation: Potential to ease administrative burden through a revision of the state's student "debt letter" requirement <ul style="list-style-type: none"> Changes to the statute would be required, since the state and federal requirements aren't fully aligned. 	

Agenda Item 11. Discussion: School District Insights and Recommendations	Ben Bholan and Shonna Norton
Handout Provided: No	Formal Decision/Action Required None
Presentation Summary: <ul style="list-style-type: none"> Counselors are trying to get creative to get student to complete the FAFSA in the online learning environment. Trying to connect with students to get them graduated; some have dropped off the rolls during the pandemic. Waiting for TEA guidance on FAFSA graduation requirement to help prepare.s 	

Agenda Item 12. Update: Data Collection Subcommittee	DeChà Reid, Director, Financial Aid Services, THECB
Handout Provided: No	Formal Decision/Action Required N/A
Presentation Summary: <ul style="list-style-type: none"> November 2 meeting covered four topics: <ul style="list-style-type: none"> Updates and enhancements to grant payment system, including updates to appropriation function to allow institutions to make changes to student count for FAD Cycle 3reconciliation process; FAD instruction manual updates released in November, including reporting cycle dates; added language about CARES and GEER and reporting these data elements; updated annual award amounts; Modernization project within Financial Aid Services to provide one-stop portal for institutions and CB staff to administer state financial aid programs, including potential considerations such as a single sign on for state aid systems; ability to update employee access to the various financial aid systems; centralized storage system; uploading files; loan certifications; financial aid questions; discussion board; Updates on activities occurring in Financial Aid Services, including changes to financial aid webpages. Dr. Contero-Puls expressed his appreciation for this subcommittee; it is an excellent example of how a subcommittee contributes to the advisory committee and the agency 	

Agenda Item 13. Election of Vice Chair	Ed Kerestly
Handout Provided: No	Formal Decision/Action Required Denise Welch selected as Vice-Chair
Presentation Summary: <ul style="list-style-type: none"> Denise Welch was nominated as vice-chair, seconded by Thomas Ratliff; all members voted in favor. 	

Agenda Item 14. Discussion and Consideration: Data Collection Subcommittee Chair	Ed Kerestly
Handout Provided: No	Formal Decision/Action Required Dede Gonzales selected as Subcommittee Chair
Presentation Summary: <ul style="list-style-type: none"> Dede Gonzales was nominated as Chair; all members voted in favor 	

Agenda Item 15. Discussion and Consideration: Legislative Recommendation Subcommittee Chair	Ed Kerestly
--	--------------------

Financial Aid Advisory Committee
Meeting Notes
December 10, 2020
(To be approved at the March 4, 2021, FAAC Meeting)

Handout Provided: No	Formal Decision/Action Required Arnold Trejo selected as Subcommittee Chair
Presentation Summary: <ul style="list-style-type: none"> Arnold Trejo was nominated as Chair; all members voted in favor 	

Agenda Item 16. Discussion: FAFSA State Deadline Language	Charles Contéro-Puls
Handout Provided: Yes	Formal Decision/Action Required FAFSA language will be submitted to NASSGAP
Presentation Summary: <ul style="list-style-type: none"> Proposed language simply updates the year referenced in the instructions. No additional changes were recommended. 	

Agenda Item 17. Discussion: Proposed Texas Administrative Code Subchapter on Exemptions and Waivers	Charles Contéro-Puls
Handout Provided: Yes	Formal Decision/Action Required Proposed rule amendments will be developed
Presentation Summary: <ul style="list-style-type: none"> Seeking committee feedback on whether the agency should consider combining the current 95 rules across 13 subchapters related to exemptions and waivers into a single subchapter in Chapter 22 of the Administrative Code. The committee felt it would be beneficial to streamline the exemptions and waivers. 	

Agenda Item 18. Update: Office of SFAP	Charles Contéro-Puls
Handout Provided: Yes	Formal Decision/Action Required N/A
Presentation Summary: <ul style="list-style-type: none"> Reviewed recent and upcoming rule activity, announcements, deadlines, and accomplishments since last FAAC meeting. 	

Agenda Item 19. Discussion: Topics for Future Meetings	Ed Kerestly
Handout Provided: No	Formal Decision/Action Required N/A
Presentation Summary: <ul style="list-style-type: none"> Topic suggestion: FAFSA simplification - need-analysis as a tool to assess financial need and its impact on state aid. 	

Agenda Item 20. Adjournment	Ed Kerestly
Handout Provided: No	Formal Decision/Action Required Meeting Adjourned
Presentation Summary: <ul style="list-style-type: none"> Next meeting March 4, 2021 Denise Welch moved to adjourn; Arnold Trejo seconded the motion. 	