

Financial Aid Advisory Committee  
Meeting Notes  
March 4, 2021  
(To be approved at the June 3, 2021, FAAC Meeting)

<b>Committee Members in Attendance Via <u>Virtual</u> Meeting Connection</b>		<b>Committee Members Absent</b>
Ed Kerestly (Chair) Denise Welch (Vice Chair) Robert Merino (Past Chair) Charles Contéro-Puls Taryn Anderson Dr. Ben Bholan Johanna Boley Victoria Chen Rachele Garrett Dede Gonzales Heidi Granger Bridgette Ingram	Tam Nguyen Holly Nolan Shonna Norton Steven Peterson Thomas Ratliff Kelly Steelman Joy Thomas Dr. Formon Thompson Arnold Trejo Jase Kugiya (Student Rep)	
<b>Agenda Item 1. Welcome and Overview of Meeting</b>		<b>Ed Kerestly, Chair</b>
<b>Handout Provided: No</b>		<b>Formal Decision/Action Required</b> N/A
<b>Presentation Summary:</b> <ul style="list-style-type: none"> <li>Due to nature of virtual meetings, roll call of members ensured a quorum of committee members.</li> <li>Paul Galyean has resigned from committee.</li> </ul>		
<b>Agenda Item 2. Consideration of Approval of Minutes from the meeting held on December 10, 2020</b>		<b>Ed Kerestly</b>
<b>Handout Provided: Yes</b>		<b>Formal Decision/Action Required</b> Minutes approved
<b>Presentation Summary:</b> <ul style="list-style-type: none"> <li>No corrections were identified.</li> </ul>		
<b>Agenda Item 3. Update: Prior FAAC Business</b>		<b>Charles Contéro-Puls, Assistant Commissioner</b>
<b>Handout Provided: No</b>		<b>Formal Decision/Action Required</b> n/a
<b>Presentation Summary:</b> <ul style="list-style-type: none"> <li>Texas Work-study Program (TXWSP) – mechanism for implementing the funds request process has not yet been established. Proposed amendments to the timely distribution of funds rule, aligning TXWSP distribution of funds with other programs, will be delayed until the funds request process can be implemented.</li> </ul>		
<b>Agenda Item 4. Joint Update House Bill 3 (Financial Aid Application Graduation Requirement); House Bill 2140 (On-line TASFAA); and TASFA Subcommittee</b>		<b>Claudette Jenks, Director, College Readiness and Success; and Robert Merino, TASFA subcommittee Chair</b>
<b>Handout Provided: No</b>		<b>Formal Decision/Action Required</b> Expansion of TASFA Subcommittee/Submit nominations
<b>Presentation Summary:</b> Claudette Jenks provided the following updates: <u><b>H.B. 3</b></u> <ul style="list-style-type: none"> <li>TEA has established a financial aid graduation requirement webpage, accessible through TEA's Counseling, Advising, &amp; Students (CASS) website.</li> <li>TEA's advisory committee provided the following recommendations to assist agency in adopting rules related to graduations requirements submitted Jan. 1:               <ul style="list-style-type: none"> <li>establish a distribution timeline for TASFA and FAFSA applications as well as a form for students to opt-out of completing a financial aid application. (Opt-out form will be available on CASS webpage)</li> <li>school districts are required to report the number of completed and submitted application, as well as student exceptions received.</li> <li>requirement of compliance with federal laws concerning confidentiality.</li> </ul> </li> <li>TEA has established a contract with Texas OnCourse; staff will be housed at THECB.</li> </ul> <u><b>H.B. 2140</b></u> <ul style="list-style-type: none"> <li>E-TASFA funding still being determined. Also identifying internal and external funding streams.</li> <li>The Texas Application for State Financial Aid Advisory Committee met with California Student Aid Commission who has already developed their own state's student financial aid application similar to FAFSA, and we will be working with THECB to get an MOU in place to assist in developing our own similar application.</li> <li>A request for extension of time to make available e-TASFA online application was sent to the legislator, doing so would avoid significant work that would be completed within a year in efforts to align the implementation of the new simplification bill (expected availability of online application: October 1, 2022 for the 2023-2024 academic year).</li> <li>Other areas of development considered by THECB not included in other convening of the committee:               <ul style="list-style-type: none"> <li>What it means to integrate e-TASFA into the Apply Texas system.</li> </ul> </li> </ul>		

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<ul style="list-style-type: none"> <li>○ Institutions of Higher Education renewal process.</li> <li>○ Consideration of expansion of the FAAC's TASFAC sub-committee to expand feedback opportunities to assist in the E-TASFA scope of work as well as the paper TASFA.</li> </ul>	
<p><b>Discussion:</b></p> <ul style="list-style-type: none"> <li>● Robert Merino - TASFAC sub-committee should include more private school representation, as well as representation from the Rio Grande Valley.</li> <li>● Committee members agreed with the expansion of the TASFA sub-committee role.</li> </ul>	
<b>Agenda Item 5. Update: External Relations</b>	<b>John Wyatt, Senior Director, External Relations</b>
<b>Handout Provided: Yes</b>	<b>Formal Decision/Action Required</b> N/A
<p><b>Presentation Summary:</b></p> <p><u>Budget:</u> Commissioner Keller has testified before the Senate Finance and House Appropriations Committee on the importance of investing adequately in higher education.</p> <ul style="list-style-type: none"> <li>● Both the Senate and House General Appropriations Act have introduced bills in both chambers that include a 5% reduction of the major financial aid programs.</li> <li>● THECB's budget proposal for the next biennium include the following two exceptional items: <ul style="list-style-type: none"> <li>○ Restoration of the 5% base cut, which is approximately \$57 million dollars across the 3 major financial aid programs – requesting to return budget back to the level set for the current biennium.</li> <li>○ Requested additional \$110 million funding to maintain funding for the service level for the major financial aid programs for next biennium.</li> </ul> </li> </ul> <p><u>Policy:</u></p> <ul style="list-style-type: none"> <li>● As it relates to policy aspect of Higher Education, Charles has shared with the committee bills filed by legislators, (e.g., Promise Grant Programs, and new exemption bills). Deadline for filing bills is March 12, 2021; however, it is unclear as to what bills will advance during this session.</li> <li>● John does not foresee major groundbreaking Higher Ed. legislation being advanced this session. Health and safety protocols have limited legislators' ability to maintain workflow while having to address COVID19, budget deficient, a re-districting year, and the recent power outages.</li> <li>● The legislature is also aware of the misalignment issues with the FAFSA Simplification Act (FSA) and the new required e-TASFA implementation.</li> </ul> <p><u>Q&amp;A:</u></p> <ul style="list-style-type: none"> <li>● <b>Committee asked if there are ways to assist the legislation to rectify issues surrounding the timing and misalignment challenges facing the FSA and electronic TASFA?</b> Institutions and various leadership should increase awareness of these issues and reach out to legislators about these challenges as it always good for legislators to hear from more than one entity within the higher education industry.</li> <li>● <b>Committee asked if consideration was given to the loss of income for families when determining the additional \$110 million budget request?</b> Numbers were based on last summer's growth factors for the financial aid programs; however unusual growth due to the pandemic was not factored in; however, budget information provided to the legislature are normally estimates.</li> <li>● <b>Committee asked how would additional COVID19 relief funds received (CRSSA Act) flow down to universities?</b> Federal funds going directly to institutions have already gone out through the CARES Act – GEER funds. \$175 million went to Coordinating Board to support financial aid programs through CARES ACT GEER funding. The additional GEER funding (CRSSA Act) received by the Governor's office who will determine how those additional funding will be allocated to support primary, secondary, and higher education. Committee was directed to review meeting handouts that contain information regarding the initial GEER funds received and impact of the EEG's (Emergency Educational Grants) as well as demographic information regarding recipients. Feedback received from institutions was tracked by CB on best practices and helpful insights.</li> </ul>	
<b>Agenda Item 6. Update: Legislative Recommendation Subcommittee</b>	<b>Arnold Trejo</b>
<b>Handout Provided: No</b>	<b>Formal Decision/Action Required</b> N/A
<p><b>Presentation Summary:</b></p> <ul style="list-style-type: none"> <li>● Discussion: <ul style="list-style-type: none"> <li>○ FAFSA Simplification Act (FSA) implementation - identify opportunities to align state programs with federal requirements) as it relate to selective service and prior drug convictions certification</li> <li>○ compliance issues surrounding the net price calculator (NPC) being down--- workaround is being considered by using the Federal NPC.</li> <li>○ cost implication involved with building the e-TASFA and possible future modifications to be compatible with the FSA</li> <li>○ E-TASFA solution for returning college students</li> <li>○ more cross-representation for sub-committee including private entities needed</li> <li>○ possible legislation may be required if unable to meet implementation deadline; requesting time extension for building the e-TASFA to align with FSA requirements</li> </ul> </li> </ul>	

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<ul style="list-style-type: none"> <li>○ requested information as to what previous legislation issues addressed by past sub-committee</li> </ul> <p><b>Points of interest for sub-committee:</b></p> <ul style="list-style-type: none"> <li>○ impact of FSA on Student-aid-index (SAI) and state grant programs</li> <li>○ advertising and marketing communications that inform students and families of the e-TASFA application process</li> <li>○ Promise programs bills – new monies for programs vs institutions using TEOG and TEXAS Grant monies</li> <li>○ identify barrier issues that can be addressed through amendments to TAC and/or guidelines</li> <li>○ develop rules that reference following federal regulations rather than developing new rules as it relates to e-TASFA</li> <li>○ continued use of the term expected family contribution (EFC) in rules vs changing term to SAI will not affect the statute; the new need analysis (SAI) is valid and will still support state grant programs, however still working to determine what exactly is changing about the SAI in determining highest need students.</li> <li>○ additional areas of alignment include SAP -- policies not aligning does pose an hinderance when counseling students and for graduating students (alignment of terminology timeframe and time of review is needed).</li> </ul> <p><b>Q&amp;A</b> <b>Has there been any research of the retention and graduation rates of low-income student losing the TEXAS Grant aid going into the third year?</b> Currently not aware of a review done at the agency level of statewide aid and whether SAP policies have a negative impact on lower income students.</p> <p><b>(Note of clarification: SAP first renewal year is aligned however, second renewal year and beyond is when SAP misalignment occurs).</b></p>	
<b>Agenda Item 7. Update: Data Collection Subcommittee</b>	<b>DeDe Gonzales and DeChà Reid, Director, Financial Aid Services, THECB</b>
<b>Handout Provided: Yes</b>	<b>Formal Decision/Action Required N/A</b>
<p><b>Presentation Summary:</b></p> <ul style="list-style-type: none"> <li>• February 25<sup>th</sup> meeting discussion and updates: <ul style="list-style-type: none"> <li>○ 2021 FAD cycle is now open with a new format of state reconciliation reports</li> <li>○ changes needed for 2022 FADs instruction manual</li> <li>○ cycle dates for the 2022 FADs</li> <li>○ 2021-22 program guidelines planned for the end of April</li> <li>○ Update to Student Financial Aid program: <ul style="list-style-type: none"> <li>▪ Currently involved in the legislative session</li> <li>▪ Refinement of <i>60x30TX</i> goals</li> <li>▪ Modernization project - redesigning the agency website</li> <li>▪ 2021-2022 award amounts have been released</li> <li>▪ Loan delinquency reporting – notice sent to institutions informing that the CB reinstated the cumulative loan delinquency report, and institutions should not place academic holds on students relating to THECB student loan delinquency</li> <li>▪ FAFSA simplification, net price calculation</li> <li>▪ Availability of Pell grant for incarcerated students</li> <li>▪ Memos released by THECB are mentioned in handouts</li> <li>▪ Future meeting dates determined</li> </ul> </li> </ul> </li> <li>• Net price calculator (NPC) application in November was disabled as it was no longer functioning. Interim solution is to require public institutions to create template by using the Department of Education net price calculator. The Federal NPC webpage can be assessed through College for All Texans website.</li> <li>• FAS will provide training for the process for delivering the files to THECB. Training will be offered during the March 9<sup>th</sup> webcast at 1:30 pm.</li> <li>• College Student budget will be supplied to schools.</li> </ul>	
<b>Agenda Item 8. Discussion: TASFAA Insights and Recommendations</b>	<b>Taryn Anderson, TASFAA President</b>
<b>Handout Provided: Yes</b>	<b>Formal Decision/Action Required N/A</b>
<p><b>Presentation Summary:</b></p> <ul style="list-style-type: none"> <li>• Recommend Student Debt letter (SDL) and annual loan acknowledge notice to be aligned through modification of the SDL, and to create a process for students to view state and private loan debt through a state database or state system modeled after the current federal system. <i>(Dr. Murr with Texas State University has submitted a draft regarding the SDL. Taryn will look into providing FAAC a copy).</i></li> </ul>	

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<ul style="list-style-type: none"> <li>• Training for TASFAA members and new financial aid administrators are being coordinated with THECB.</li> <li>• TASFAA is now accepting nominations for new members</li> </ul>	
<b>Agenda Item 9. Discussion: School District Insights and Recommendations</b>	<b>Ben Bholan and Shonna Norton</b>
<b>Handout Provided: No</b>	<b>Formal Decision/Action Required</b> N/A
<b>Presentation Summary:</b> <ul style="list-style-type: none"> <li>• Districts are focusing on implementing plans for students to recover credits</li> <li>• Through CANVAS, financial aid process is being made simpler for students to pursue higher education.</li> <li>• Identified specific cohorts that are most impacted by remote learning (e.g., Lower income families, ninth grade students (remote learning), and older students opting to work rather than attend courses)</li> <li>• WSIFD currently seeing more in home-schooled students failing; district is now requiring failing students to returned to school rather than remote learning.</li> <li>• Counselors/Administrators are struggling with students completing FAFSA this year and are concerned about the possible impact of new modifications on next year's FAFSA graduation requirements.</li> </ul>	
<b>Agenda Item 10. Update FAAC Nomination Process</b>	<b>Charles Contéro-Puls</b>
<b>Handout Provided: Yes</b>	<b>Formal Decision/Action Required</b> N/A
<b>Presentation Summary:</b> <ul style="list-style-type: none"> <li>• FAAC nomination process is starting soon (Notices will be sent in April)</li> <li>• Members with term ending are: <ul style="list-style-type: none"> <li>○ Taryn Anderson</li> <li>○ Paul Galyean</li> <li>○ Heidi Granger</li> <li>○ Robert Merino – TASFA sub-committee Chair will be vacant</li> <li>○ Tam Nguyen</li> <li>○ Kelly Steelman</li> </ul> </li> <li>• Timeline for the nomination process can be found in meeting handouts.</li> </ul>	
<b>Agenda Item 11. Discussion: TAC, Chapter 1, Subchapter J, Related to the Financial Aid Advisory Committee</b>	<b>Charles Contéro-Puls</b>
<b>Handout Provided: Yes</b>	<b>Formal Decision/Action Required</b> N/A
<b>Presentation Summary:</b> <ul style="list-style-type: none"> <li>• Proposed amendments: <ul style="list-style-type: none"> <li>○ extend abolishment date of FAAC advisory committee</li> <li>○ amend language concerning student representative (<i>change from two to one student representative</i>) <ul style="list-style-type: none"> <li>▪ FAAC suggested amendment language requiring Texas residency</li> </ul> </li> <li>○ amend language to include representation from the non-profit sector</li> <li>○ change the nomination cycle to allow new members to start in September rather than December <ul style="list-style-type: none"> <li>▪ FAAC recommends amendments to start terms in September</li> </ul> </li> </ul> </li> </ul> <p>Concerning 1.151 and reaching the non-profit sector – will coordinate with TASFAA to access their current mailing list to develop communications specifically for the non-profit sector as well as clearer communication on the nomination form to include non-profit sector representation.</p>	
<b>Agenda Item 12. Discussion Impact of FAFSA Simplification Act on Institutional Aid Offices</b>	<b>Charles Contéro-Puls</b>
<b>Handout Provided: No</b>	<b>Formal Decision/Action Required</b> N/A
<b>Discussion Summary:</b> <ul style="list-style-type: none"> <li>• Changes and/or concerns institutions are expecting? <ul style="list-style-type: none"> <li>○ Timing of change relating to Pell Grant recipients (<i>How the SAI will be calculated differently?</i>)</li> <li>○ State program eligibility for renewal year (<i>need may diminish below eligibility for a TEXAS Grant recipient</i>) <ul style="list-style-type: none"> <li>▪ No EFC cutoff for upperclassmen year</li> </ul> </li> <li>○ Compatibility of systems and explaining to students how things will work</li> <li>○ Added burden on students related to selective service certification <ul style="list-style-type: none"> <li>▪ Possible development of guidelines in the TAC to support institutions with this issue</li> </ul> </li> <li>○ Custodial parent vs contributing non-custodial parent and student losing Pell grant eligibility</li> <li>○ Can THECB provide institutions information as to whether students are registered with selective service</li> </ul> </li> </ul>	
<b>Agenda Item 13. Update: Office of Student Financial Aid Programs</b>	<b>Charles Contéro-Puls</b>

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<b>Presentation Summary:</b> <ul style="list-style-type: none"> <li>DeChà Reid has been promoted to Sr. Director of Financial Aid Services. In her new role, the THECB representative position on the FAAC will transition from Chad to DeChà beginning with the September 2021 meeting.</li> <li>Reviewed recent and upcoming rule activity, announcements, deadlines, and accomplishments since last FAAC meeting.</li> </ul>	
<b>Agenda Item 14. Discussion: Topics for Future Meetings</b>	<b>Ed Kerestly</b>
<b>Handout Provided: No</b>	<b>Formal Decision/Action Required</b> N/A
<b>Presentation Summary:</b> <ul style="list-style-type: none"> <li>Committee seeking opportunities to bring in presenters providing insight and information that will assist THECB on state financial aid and/or broader financial aid topics.</li> </ul>	
<b>Agenda Item 15. Adjournment</b>	<b>Ed Kerestly</b>
<b>Handout Provided: No</b>	<b>Formal Decision/Action Required</b> Meeting Adjourned
<b>Presentation Summary:</b> <ul style="list-style-type: none"> <li>Next meeting June 3, 2021</li> <li>Format TBD</li> </ul>	