

Major Policy Discussion

April 25, 2024

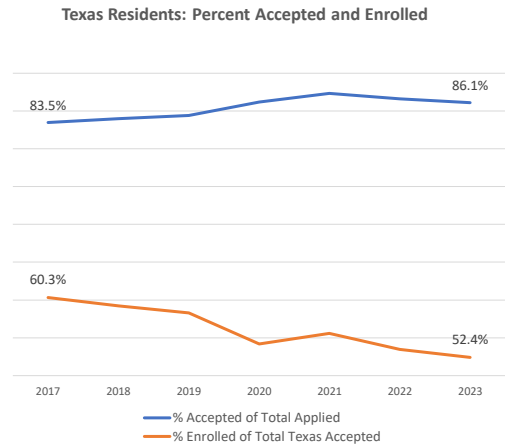
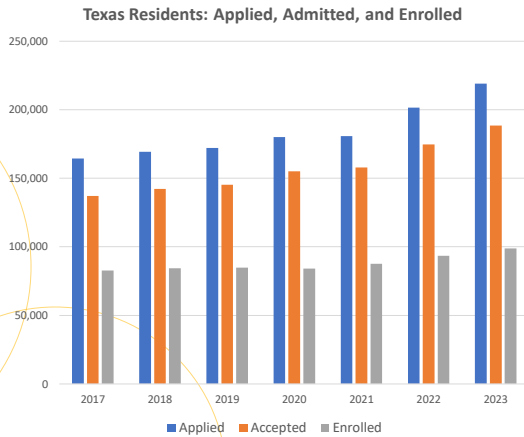
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Background

- Overcome Challenges to Pursue and Obtain a Credential of Value
 - Tension between basic needs expenses and cost of attendance
 - In 2023, 575,000 Texan students received Pell Grants, ranking second highest in the country.
 - 48% of Texas students report that financial challenges affect their academic focus (Source: Student Financial Wellness Survey, Trellis Strategies).
- FAFSA Submission Challenges
 - Introduction of the FAFSA Simplification Act aimed to make the financial aid process more transparent and accessible.

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First-time Undergraduate in Texas Public Universities



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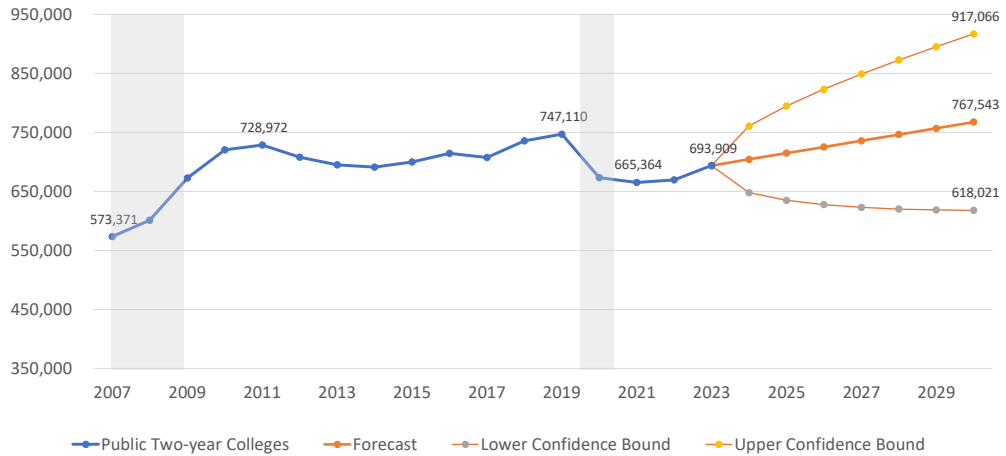
First-time Undergraduate in Texas Public Universities by Race/Ethnicity and Gender

	Applied	Accepted	Enrolled	Yield Rate	
				2017	2023
Female	Increase	Increase	Increase	59%	52%
Male	Increase	Increase	Increase	62%	54%
African American	Slight Increase	Slight Increase	Slight Increase	61%	53%
Asian	Increase	Increase	Slight Increase	70%	61%
Hispanic	Increase	Increase	Increase	57%	50%
White	Slight Increase	Slight Increase	Flat	66%	60%
Other	Increase	Increase	Slight Increase	46%	41%
Total	Increase	Increase	Increase	60%	52%

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Texas Public Two-year College Enrollment Forecast to 2030

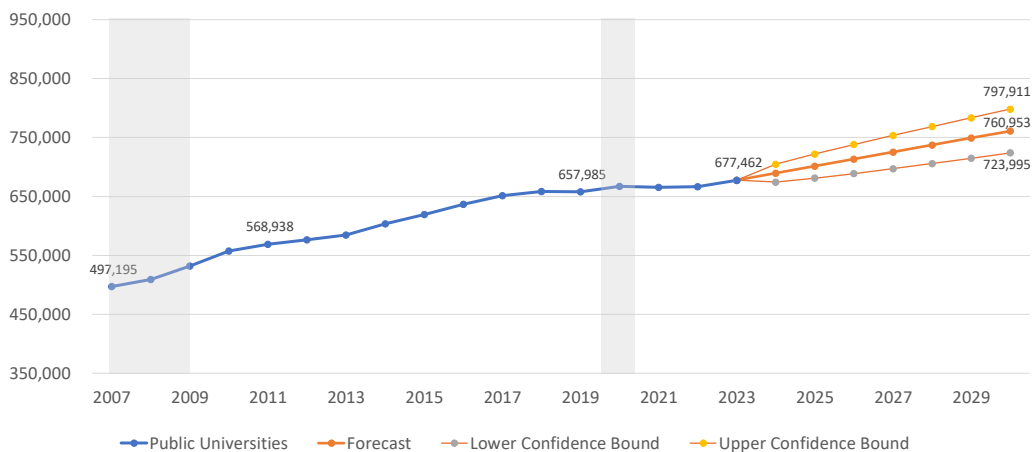


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Data Source: THECB CBM001

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Texas Public Four-year College Enrollment Forecast to 2030



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Data Source: THECB CBM001

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FAFSA Modification

- FAFSA Simplification Act (2020)
 - Make financial aid process more transparent and accessible to ensure that more students can receive the aid they need to pursue higher education
- FAFSA Changes
 - Replacement of Expected Family Contribution with the Student Aid Index
 - SAI offers a more accurate measure of financial need
 - Simplified Application Process
 - Several financial questions have been removed, and the process has been streamlined by enhancing the use of IRS data retrieval tools
 - Expanded Pell Grant Eligibility
 - Changes to the eligibility criteria and calculation formula are expected to increase access to Pell Grants, with a broader range of family incomes now qualifying for this aid.
- Delay in rolling out the FAFSA application

FAFSA Timeline

Typical Year

- October – mid January
 - Submit the FAFSA (processing time in 2-3 days)
- January – April
 - Correction and verification process
 - Receive and review financial award letter
- May
 - Student accepts financial aid offer and makes admission decision

Current Year

- Late December – May (ongoing)
 - Submit FAFSA (processing started in mid March)
- April 15
 - Correction and verification process opened with issues
- May (ongoing)
 - Receive and review financial aid award letter
 - Student accepts financial aid offer and makes admission decision

Status of FAFSA Completion in Texas (April 12, 2024)

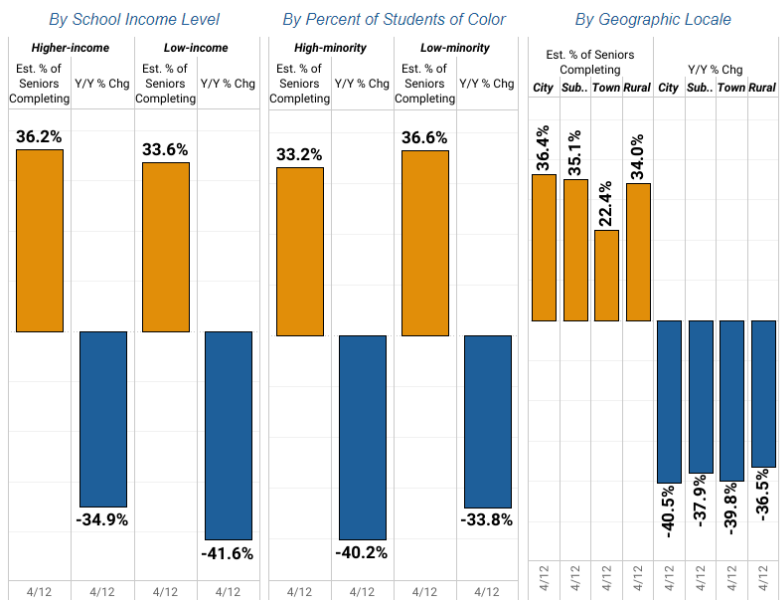
- 33.6% of the high school class of 2024 in Texas has completed a FAFSA
 - Texas ranks 12th in the percent of Seniors completing (ranked 5th in 2023)
- 133,030 completions in Texas (-38% change) compared to the last academic year (-81,504)
 - Texas ranks 42nd in year-to-year percent change
- Approximately 30% of FAFSA forms are potentially affected by known processing or data errors

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Data Source: National College Attainment Network

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FAFSA Completion by School Characteristics and Location (April 12, 2024)



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Data Source: National College Attainment Network

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THECB Efforts related to FAFSA

- THECB hosted a Department of Education Webinar in March
 - Over 300 institutional representatives registered
- THECB adjusted financial aid deadlines
- Texas OnCourse
 - Guidance for Families (financial aid toolkit)
 - <https://texasoncourse.org/educators/popular-links/the-texas-financial-aid-graduation-requirement/for-families/>
 - Webinar series, coffee chats, email campaigns, and hosted convenings
 - ADVi: significant uptick in escalations around financial process/issues

Zooming Out: THECB Efforts

- Assisting all students during college exploration
 - MyTexasFuture
 - ApplyTexas
 - Direct Admissions
- Supporting low-income, high-achieving students
 - FAST (access to dual credit)
 - Texas Leadership Scholars

