

COMMITTEE ON INNOVATION, DATA, AND EDUCATIONAL ANALYTICS

A G E N D A

George H. W. Bush Building (Board Room)
1801 N. Congress Avenue
Austin, Texas

9:00 A.M., Wednesday, January 22, 2025

This meeting is conducted in person or via video conference, pursuant to Texas Government Code, Section 551.127. A quorum of the Board may be present in the Board Room, which is open to the public.

Chair: S. Javaid Anwar

Vice Chair: Stacy A. Hock

Members: Richard L. Clemmer; Fred Farias III, O.D.; Juan J. Nevarez; Welcome W. Wilson, Jr.; Daniel O. Wong

Student Representative: Luke Schwartz (Ex-Officio)

COMMITTEE ON INNOVATION, DATA, AND EDUCATIONAL ANALYTICS

A G E N D A

Public Testimony: *The chair shall designate whether public testimony will be taken at the beginning of the meeting, at the time the related item is taken up by the board of the Texas Higher Education Coordinating Board (Board) after staff has presented the item, or any other time as determined by the chair. For procedures on testifying, please go to higher.ed.texas.gov/public-testimony.*

- I. Welcome and committee chair's meeting overview
- II. Consideration and possible action to approve the minutes from the October 23, 2024, meeting of the Committee on Innovation, Data, and Educational Analytics
- III. Public testimony on agenda items relating to the Committee on Innovation, Data, and Educational Analytics
- IV. Consideration and possible action to approve the consent calendar
- V. Matters relating to the Committee on Innovation, Data, and Educational Analytics
 - A. *Building a Talent Strong Texas Data Insight: Enrollment and Graduation Trends*
 - B. Consideration and possible action to adopt the recommendation relating to the certification of gifts that are fundable through the Texas Research Incentive Program (TRIP) for emerging research universities
 - C. Report on Financial Aid Advisory Committee activities
 - D. Proposed rules:
 - (1) Consideration and possible action to adopt proposed repeal of Board Rules, Chapter 1, Subchapter BB, concerning the Texas Application for State Financial Aid Advisory Committee
 - (2) Consideration and possible action to adopt proposed repeal of Board Rules, Chapter 22, Subchapter A, Section 22.7, concerning the Dissemination of Information and Rules

- (3) Consideration and possible action to adopt the recommendation relating to the four-year review of Board Rules, Chapter 22, Subchapter F, Sections 22.112-22.115, concerning Matching Scholarships to Retain Students in Texas
- (4) Consideration and possible action to adopt proposed amendments to Board Rules, Chapter 22, Subchapter F, Sections 22.113-22.115, concerning the Matching Scholarships to Retain Students in Texas
- (5) Consideration and possible action to adopt proposed amendments to Board Rules, Chapter 22, Subchapter G, Sections 22.128-22.131, 22.133, and 22.135, concerning the Texas College Work-Study Program
- (6) Consideration and possible action to adopt the recommendation relating to the four-year review of Board Rules, Chapter 22, Subchapter I, Sections 22.163-22.174, concerning Texas Armed Services Scholarship Program
- (7) Consideration and possible action to adopt proposed amendments to Board Rules, Chapter 22, Subchapter I, Sections 22.163-22.168, and 22.170, and new section 22.169, concerning the Texas Armed Services Scholarship Program (TASSP)
- (8) Consideration and possible action to adopt proposed amendments to Board Rules, Chapter 22, Subchapter K, Sections 22.201-22.210, concerning the Texas Transfer Grant Program
- (9) Consideration and possible action to adopt proposed amendments to Board Rules, Chapter 22, Subchapter T, Sections 22.550, 22.552, 22.553, and 22.555, concerning the Texas First Scholarship

Committee on Innovation, Data, and Educational Analytics

AGENDA ITEM I

Welcome and committee chair's meeting overview

Mr. S. Javaid Anwar, chair of the Committee on Innovation, Data, and Educational Analytics, will provide the committee an overview of the items on the agenda.

Committee on Innovation, Data, and Educational Analytics

AGENDA ITEM II

Consideration and possible action to approve the minutes from the October 23, 2024, meeting of the Committee on Innovation, Data, and Educational Analytics

RECOMMENDATION: Approval

TEXAS HIGHER EDUCATION COORDINATING BOARD

DRAFT MINUTES

Committee on Innovation, Data, and Educational Analytics

Barbara Jordan Building (room 2.035)

1601 N. Congress Ave., Austin

October 23, 2024, 9:00 a.m.

The Texas Higher Education Coordinating Board Committee on Innovation, Data, and Educational Analytics convened at 9:06 a.m. on October 23, 2024, with the following members, present, S. Javaid Anwar, Chair; Richard Clemmer; Fred Farias III; Juan Nevarez; Welcome Wilson, Jr.; Daniel Wong; and Luke Schwartz, Student Representative, Ex-Officio

Other Board members present: Ashlie Thomas and Emma Wollschlager

Members absent: Stacy Hock

The meeting is available at the following link: highered.texas.gov

AGENDA ITEM	ACTION
I. Welcome and committee chair's meeting overview	Mr. S. Javaid Anwar, chair, called the meeting of the Committee on Innovation, Data, and Educational Analytics to order at 9:06 a.m. and announced the meeting was being held via live broadcast. Mr. Anwar established that a quorum was met.
II. Consideration of approval of the minutes from the July 24, 2024, meeting of the Committee on Innovation, Data, and Educational Analytics	On motion by Mr. Welcome Wilson, Jr., seconded by Mr. Richard Clemmer, the committee approved this item with all members voting in favor.
III. Public testimony on agenda items relating to the Committee on Innovation, Data, and Educational Analytics	Mr. Anwar stated there was no public testimony.
IV. Consideration of approval of the consent calendar	On motion by Dr. Daniel Wong, seconded by Mr. Juan Nevarez, the committee approved the non-rule agenda items V-C, V-E, and V-F, with all members voting in favor. On motion by Mr. Wilson, seconded by Mr. Clemmer, the committee approved the rule agenda items V-G (1), V-G (4-10), V-G (12-15), V-G (17-22), and V-G (24-27), with all members voting in favor.

V. Matters relating to the Committee on Innovation, Data, and Educational Analytics A. <i>Building a Talent Strong Texas</i> Data Insight: Preliminary headcount for fall 2024 B. Consideration and possible action to adopt the recommendations relating to the Higher Education Fund (HEF) study required by Texas Education Code, Chapter 62, Subchapter B, Section 62.022 C. Consideration and possible action to approve the report to the Legislature on high school individual graduation committee (IGC) graduates (Texas Education Code, Section 28.02591) D. Consideration and possible action to approve the report to the Legislature on the Senate Bill 17 Biennial Study (Texas Education Code, Section 51.3525(j)) E. Consideration and possible action to adopt the recommendation relating to the Facilities Audit Report F. Consideration and possible action to delegate authority to the Commissioner of Higher Education to approve and submit the data report required by Texas Education Code, Section 61.0662(d), information on research conducted by institutions	This item was for information only. Dr. Melissa Humphries, Assistant Commissioner for Data Management and Research, presented this item and was available to answer questions. On a motion by Dr. Fred Farias III, seconded by Mr. Nevarez, the committee adopted the recommendations relating to the Higher Education Fund (HEF) study required by Texas Education Code, Chapter 62, Subchapter B, Section 62.022, with all members voting in favor. Ms. Emily Cormier, Assistant Commissioner for Funding, and Mr. Daniel Harper, Vice Chancellor and Chief Financial Officer at Texas State University System, presented this item and were available to answer questions. This item was approved on consent. On a motion by Dr. Wong, seconded by Mr. Clemmer, the committee voted to delegate to the Commissioner authority to finalize and provide the report to the Legislature on the Senate Bill 17 Biennial Study, Texas Education Code, Section 51.3525(j), with all members voting in favor. Dr. David Troutman, Deputy Commissioner for Academic Affairs was available to answer questions. This item was approved on consent. This item was approved on consent.
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G. Proposed Rules

- (1) Consideration and possible action to adopt the repeal of Board Rules, Chapter 5, Subchapter G, Sections 5.120-5.122, concerning the purpose and authority, definitions, and submission of a strategic plan for achieving recognition as a research university
- (2) Consideration and possible action to adopt new Board Rules, Chapter 13, Subchapter G, Section 13.122, concerning Tuition and Fees
- (3) Consideration and possible action to adopt proposed amendments to Board Rules, Chapter 13, Subchapter M, Sections 13.302-13.305, concerning Total Research Expenditures
- (4) Consideration and possible action to adopt new Board Rules, Chapter 15, Subchapter C, Sections 15.50-15.52, concerning Strategic Planning Related to Emerging Research or Research Universities
- (5) Consideration and possible action to adopt the repeal of Board Rules, Chapter 17, Subchapter A, Section 17.3, concerning Definitions
- (6) Consideration and possible action to adopt new Board Rules Chapter 17, Subchapter A, Section 17.3, concerning Definitions
- (7) Consideration and possible action to adopt proposed amendments to Board Rules, Chapter 17, Subchapter B, Sections 17.20 and 17.21, concerning Reporting Requirements

This item was approved on consent.

On motion by Mr. Clemmer, seconded by Mr. Wilson, the committee voted to adopt new Board Rules, Chapter 13, Subchapter G, Section 13.122, concerning Tuition and Fees, with all members voting in favor.

Dr. Charles Contéro-Puls, Assistant Commissioner for Student Financial Aid Programs, presented this item and was available for questions.

On motion by Dr. Wong, seconded by Mr. Nevarez, the committee voted to adopt proposed amendments to Board Rules, Chapter 13, Subchapter M, Sections 13.302-13.305, concerning Total Research Expenditures, with all members voting in favor.

Ms. Emily Cormier, Assistant Commissioner for Funding, presented this item and was available for questions.

This item was approved on consent.

This item was approved on consent.

This item was approved on consent.

This item was approved on consent.

(8) Consideration and possible action to adopt proposed amendments to Board Rules, Chapter 17, Subchapter C, Sections 17.30, 17.31, and 17.32, concerning Project Standards (9) Consideration and possible action to adopt proposed amendments to Board Rules, Chapter 17, Subchapter E, Sections 17.100 and 17.101, concerning Board and Institutional Reports related to facilities, space need, and efficiency (10) Consideration and possible action to adopt proposed amendments to Board Rules, Chapter 17, Subchapter F, Sections 17.110-17.114, concerning Facilities Audits (11) Consideration and possible action to adopt new Board Rules, Chapter 17, Subchapter G, Section 17.200, concerning Texas State Technical College System Acquisitions of Land and Facilities (12) Consideration and possible action to adopt the repeal of Board Rules, Chapter 21, Subchapter A, Section 21.2, concerning General Provisions (13) Consideration and possible action to adopt the repeal of Board Rules, Chapter 21, Subchapter SS, Section 21.2264, concerning Waiver Programs for Certain Nonresident Persons (14) Consideration and possible action to adopt the repeal of Board Rules, Chapter 22, Subchapter BB, Sections 22.751-22.757, concerning the Nursing Shortage Reduction Program Rider 28 Study Work Group (15) Consideration and possible action to adopt the repeal of Board Rules, Chapter 22, Subchapter H, Sections 22.141, and 22.143-22.147, concerning the Provisions for the License Plate Insignia Scholarship Program	This item was approved on consent. This item was approved on consent. This item was approved on consent. On motion by Mr. Wilson, seconded by Mr. Nevarez, the committee voted to adopt new Board Rules, Chapter 17, Subchapter G, Section 17.200, concerning Texas State Technical College System Acquisitions of Land and Facilities, with all members voting in favor. Ms. Emily Cormier, Assistant Commissioner for Funding, presented this item and was available for questions. This item was approved on consent. This item was approved on consent. This item was approved on consent. This item was approved on consent.
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(16) Consideration and possible action to adopt new Board Rules, Chapter 22, Subchapter Q, Section 22.342, concerning Texas B-On Time Loan Program

On motion by Mr. Wilson, seconded by Mr. Nevarez, the committee voted to adopt new Board Rules, Chapter 22, Subchapter Q, Section 22.342, concerning Texas B-On Time Loan Program, with a second motion to amend the rule to include a requirement to report back to the board

On motion by Mr. Wilson, seconded by Mr. Nevarez, the committee voted to adopt the amended motion, with all members voting in favor.

Dr. Charles Contéro-Puls, Assistant Commissioner for Student Financial Aid Programs, presented this item and was available for questions.

(17) Consideration and possible action to adopt the repeal of Board Rules, Chapter 22, Subchapter V, Sections 22.570-22.577, concerning the Texas Science, Technology, Engineering and Mathematics Challenge Scholarship Program

This item was approved on consent.

(18) Consideration and possible action to adopt the repeal of Board Rules, Chapter 23, Subchapter B, Section 23.35, concerning the Teach for Texas Loan Repayment Assistance Program

This item was approved on consent.

(19) Consideration and possible action to adopt proposed amendments to Board Rules, Chapter 23, Subchapter B, Sections 23.31-23.34, and 23.36, and new Section 23.35, concerning the Teach for Texas Loan Repayment Assistance Program

This item was approved on consent.

(20) Consideration and possible action to adopt proposed amendments to Board Rules, Chapter 23, Subchapter C, Sections 23.62, 23.65-23.68, 23.70, and 23.71, concerning the Physician Education Loan Repayment Program

This item was approved on consent.

(21) Consideration and possible action to adopt the repeal of Board Rules, Chapter 23, Subchapter C, Sections 23.63-23.64, 23.69, 23.72, and 23.73, concerning the Physician Education Loan Repayment Program

This item was approved on consent.

(22) Consideration and possible action to adopt the repeal of Board Rules, Chapter 23, Subchapter D, Sections 23.95, 23.98-23.99,

This item was approved on consent.

and 23.101, concerning the Loan Repayment Program for the Mental Health Professionals (23) Consideration and possible action to adopt proposed amendments to Board Rules, Chapter 23, Subchapter D, Sections 23.93, 23.94, 23.96, 23.97, and 23.100, and new Sections 23.101 and 23.102, concerning the Mental Health Professionals Loan Repayment Assistance Program (24) Consideration and possible action to adopt the repeal of Board Rules, Chapter 23, Subchapter H, Sections 23.213-23.214, and 23.216, concerning the Peace Officer Loan Repayment Assistance Program (25) Consideration and possible action to adopt proposed amendments to Board Rules, Chapter 23, Subchapter H, Sections 23.209-23.212, and 23.215, and new section 23.216, concerning the Peace Officer Loan Repayment Assistance Program (26) Consideration and possible action to adopt proposed amendments to Board Rules, Chapter 23, Subchapter J, Sections 23.286-23.289, and 23.293-23.294, and new Section 23.295, concerning the Math and Science Scholars Loan Repayment Program (27) Consideration and possible action to adopt the repeal of Board Rules, Chapter 23, Subchapter J, Sections 23.290-23.292, concerning the Math and Science Scholars Loan Repayment Assistance Program	On motion by Dr. Wong, seconded by Mr. Nevarez, the committee voted to adopt proposed amendments to Board Rules, Chapter 23, Subchapter D, Sections 23.93, 23.94, 23.96, 23.97, and 23.100, and new Sections 23.101 and 23.102, concerning the Mental Health Professionals Loan Repayment Assistance Program, with all members voting in favor. Dr. Charles Contéro-Puls, Assistant Commissioner for Student Financial Aid Programs, presented this item and was available for questions. This item was approved on consent. This item was approved on consent. This item was approved on consent. This item was approved on consent.
VII Adjournment	On motion by Dr. Farias, seconded by Mr. Wilson, this item was approved. Meeting adjourned at approximately 10:25a.m.

Committee on Innovation, Data, and Educational Analytics

AGENDA ITEM III

Public testimony on agenda items relating to the Committee on Innovation, Data, and Educational Analytics

RECOMMENDATION: No action required

Background Information:

The presiding chair shall designate whether public testimony will be taken at the beginning of the meeting, at the time the related item is taken up by the Board after staff has presented the item, or at any other time as determined by the presiding chair.

Committee on Innovation, Data, and Educational Analytics

AGENDA ITEM IV

Consideration and possible action to approve the consent calendar

RECOMMENDATION: Approval

Background Information:

To save institutions time and travel costs to attend the Committee on Innovation, Data, and Educational Analytics meetings in Austin, the committee has a consent calendar for items that are noncontroversial. Any item can be removed from the consent calendar by a committee member.

Consent Calendar

V. Matters relating to the Committee on Innovation, Data, and Educational Analytics

D. Proposed rules:

- (1) Consideration and possible action to adopt proposed repeal of Board Rules, Chapter 1, Subchapter BB, concerning the Texas Application for State Financial Aid Advisory Committee
- (2) Consideration and possible action to adopt proposed repeal of Board Rules, Chapter 22, Subchapter A, Section 22.7, concerning the Dissemination of Information and Rules
- (3) Consideration and possible action to adopt the recommendation relating to the four-year review of Board Rules, Chapter 22, Subchapter F, Sections 22.112-22.115, concerning Matching Scholarships to Retain Students in Texas
- (4) Consideration and possible action to adopt proposed amendments to Board Rules, Chapter 22, Subchapter F, Sections 22.113-22.115, concerning the Matching Scholarships to Retain Students in Texas
- (5) Consideration and possible action to adopt proposed amendments to Board Rules, Chapter 22, Subchapter G, Sections 22.128-22.131, 22.133, and 22.135, concerning the Texas College Work-Study Program
- (6) Consideration and possible action to adopt the recommendation relating to the four-year review of Board Rules, Chapter 22, Subchapter I, Sections 22.163-22.174, concerning Texas Armed Services Scholarship Program
- (8) Consideration and possible action to adopt proposed amendments to Board Rules, Chapter 22, Subchapter K, Sections 22.201-22.210, concerning the Texas Transfer Grant Program

Committee on Innovation, Data, and Educational Analytics

AGENDA ITEM V-A

Building a Talent Strong Texas Data Insight: Enrollment and Graduation Trends

RECOMMENDATION: No action required

Background Information:

Meeting the Building a Talent Strong Texas Postsecondary Credentials of Value goal will require a statewide increase in enrollment and improvement of graduation rates. Institutions report certified enrollment and completion data to the Texas Higher Education Coordinating Board (THECB) by the end of December, allowing THECB to analyze trends across different types of institutions and students.

Dr. Melissa Humphries, Assistant Commissioner for Data Management and Research, will provide a presentation on enrollment and graduation trends including the most recent certified data from institutions of higher education.

Committee on Innovation, Data, and Educational Analytics

AGENDA ITEM V-B

Consideration and possible action to adopt the recommendation relating to the certification of gifts that are fundable through the Texas Research Incentive Program (TRIP) for emerging research universities.

RECOMMENDATION: Approval

Background Information:

The 81st Texas Legislature created the Texas Research Incentive Program (TRIP). TRIP provides matching funds for emerging research universities to assist institutions in leveraging private gifts for the enhancement of research productivity and faculty recruitment.

The emerging research universities that are currently eligible to receive funding are: Texas Tech University, The University of Texas at Arlington, The University of Texas at Dallas, The University of Texas at El Paso, The University of Texas at San Antonio, University of Houston, University of North Texas, and Texas State University.

Texas Education Code, Chapter 62, Subchapter F, requires the Board to certify that the gifts or endowments received by each emerging research university were donated for research enhancing purposes, such as endowed chairs, professorships, research facilities, research equipment, program costs, graduate research stipends or fellowships, or undergraduate research.

A certified eligible gift or endowment may receive state funding as a match. Statute provides a mandated match rate based on the amount of the gift or endowment. The timing of when an institution receives matching funds is dependent upon appropriations from the Texas Legislature. Per statute, matching funds are provided in the order of their certification date.

There are 39 submissions of gifts or endowments recommended for certification, for a total gift amount of \$23,391,883.58 and a match amount of \$18,588,399.19.

Mr. Andy MacLaurin, Assistant Commissioner for Funding, will present this item and be available to answer questions.

Texas Research Incentive Program Summary

The table below displays the gifts recommended for certification, as well as previously certified TRIP gifts available to receive state funding. State matches are subject to the availability of funds appropriated for this purpose by the Texas Legislature.

Institution	Recommended for Certification - Cycle 25-1	Previously Certified Gifts ¹	Total Gifts Available for State Funding ²
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Certified Gifts

The University of Texas at Arlington	\$2,150,000.00	\$17,884,917.59	\$20,034,917.59
The University of Texas at Dallas	\$6,700,000.00	\$115,989,611.79	\$122,689,611.79
The University of Texas at El Paso	\$0.00	\$12,402,379.50	\$12,402,379.50
The University of Texas at San Antonio ³	\$700,000.00	\$58,344,515.18	\$59,044,515.18
University of Houston ³	\$10,519,829.58	\$166,182,315.79	\$176,702,145.37
University of North Texas	\$0.00	\$54,119,571.32	\$54,119,571.32
Texas Tech University	\$2,225,000.00	\$51,172,538.36	\$53,397,538.36
Texas State University	\$1,097,054.00	\$17,665,824.72	\$18,762,878.72
Total Certified Gifts	\$23,391,883.58	\$493,761,674.25	\$517,153,557.83

State Match

The University of Texas at Arlington	\$1,500,000.00	\$13,878,540.42	\$15,378,540.42
The University of Texas at Dallas	\$6,225,000.00	\$83,797,953.28	\$90,022,953.28
The University of Texas at El Paso	\$0.00	\$8,305,078.50	\$8,305,078.50
The University of Texas at San Antonio ³	\$350,000.00	\$48,594,595.10	\$48,944,595.10
University of Houston ³	\$8,602,372.19	\$136,967,477.38	\$145,569,849.57
University of North Texas	\$0.00	\$46,971,447.01	\$46,971,447.01
Texas Tech University	\$1,362,500.00	\$32,407,590.20	\$33,770,090.20
Texas State University	\$548,527.00	\$11,437,912.37	\$11,986,439.37
Total State Match	\$18,588,399.19	\$382,360,594.26	\$400,948,993.45

¹ The amounts reported under Previously Certified Gifts exclude funded gifts.

² The amounts reported under Total Gifts Available for State Funding does not include gift or match amounts for applications received after Cycle 25-1. As of January 1, 2025, the total amount of gifts received and included in Cycle 25-2 is \$16 million with a potential state match of \$11.3 million. Assuming all submitted gifts are certified, the total state match eligible for funding would be \$412.2 million.

³ In fall 2024, the University of Texas at San Antonio and the University of Houston reported reductions to previously certified gifts. The reductions are reflected in the tables above.

Committee on Innovation, Data, and Educational Analytics

AGENDA ITEM V-C

Report on Financial Aid Advisory Committee activities

RECOMMENDATION: No action required

Background Information:

Texas Administrative Code, Section 1.155, requires the Financial Aid Advisory Committee to report to the board of the Texas Higher Education Coordinating Board (Board) on the committee's activities on no less than an annual basis. This allows the Board to properly evaluate the committee's work, usefulness, and the costs related to the committee's existence. The current report covers the period from September 2023 through August 2024.

The Financial Aid Advisory Committee is authorized under Texas Education Code, Section 61.0776, and Texas Government Code, Section 2110.0012. The committee provides the Board with advice and recommendations regarding the development, implementation, and evaluation of state financial aid programs for college students. The committee also assists staff in the development of training materials for use by the Center for Financial Aid Information and others in informing students, parents, secondary education counselors, college personnel, members of appropriate community-based organizations, and others about financial aid opportunities for Texas students, including eligibility requirements and procedures for applying for financial aid.

Ms. Cecelia Jones, chair, and Ms. Melet Leafgreen, past chair of the committee, will present a summary of the committee's recent activities and will be available to answer questions.

2023-2024 FINANCIAL AID ADVISORY COMMITTEE

ANNUAL REPORT

COMMITTEE ABOLISHMENT DATE: 10/31/2025

Committee Purpose: The Financial Aid Advisory Committee was created to provide the board of the Texas Higher Education Coordinating Board (Board) advice and recommendations regarding the development, implementation, and evaluation of state financial aid programs for college students. It also assists staff in the development of training materials for use by the Center for Financial Aid Information and others in informing students, parents, secondary education counselors, college personnel, members of appropriate community-based organizations, and others about financial aid opportunities for Texas students, including eligibility requirements and procedures for applying for financial aid (Texas Education Code [Sec. 61.0776](#)). In addition, the committee shall provide insight on state financial aid program policies and procedures (e.g. eligibility, allocations, disbursement processes, etc.); review the collection, use, and reporting of data; and identify areas of research for consideration (Texas Administrative Rules governing this committee can be found by visiting [FAAC Administrative Rules](#) and [Advisory Committee Administrative Rules](#)).

Report Period: September 2023 – August 2024

Chair: Melet Leafgreen, The University of Texas Southwestern Medical Center

Vice-Chair: Cecelia Jones, Jarvis Christian University

Past Chair: Rachelé Garrett, Stephen F. Austin State University

Committee Member Name	Position and Institution	Term Dates
Leah Smalley	THECB Representative	Sept. 2023-Present
Melet Leafgreen	Chair - The University of Texas Southwestern Medical Center	Nov. 2021-June 2025
Rachelé Garrett	Past Chair - Stephen F. Austin State University	Nov. 2019-June 2024
Cecelia Jones	Vice-Chair - Jarvis Christian University	Nov. 2021-June 2026
Amy Wilson	Member - Sam Houston State University	Sept. 2023-June 2025
Beth Tolan	Member - University of North Texas	Sept. 2023-June 2026
Denise Welch	TASFAA Representative	Sept. 2023-Sept 2024
Erica Ramos	Member - Pharr-San Juan-Alamo ISD	Sept. 2023-June 2026
Gabriela “Gabby” Leon	Member - Alvin Community College	Sept. 2022-June 2025
Gilbert Zavala	Member - Austin Chamber of Commerce	Nov. 2021-June 2024
Heather Fountain	Member - Texas A&M University	Sept. 2023-June 2026
Jackie Adler	Member - Texas State Technical College	Nov. 2021-June 2024
Jackie Kelley	Member - Kilgore College	Sept. 2023-June 2026
Lisa Schoenbrun	Member - El Paso ISD	Sept. 2022-June 2025
Lynda McKendree	Member - University of St. Thomas	Sept. 2022-June 2025
Mary Escobar	Member - Angelo State University	Sept. 2023-June 2026
Michelle Hill	Member - Alamo Colleges District	Sept. 2023-June 2026
Rachel Joseph	Student Member - The University of Texas at Austin	Sept. 2022-May 2024
Rebeca Moreno Adorno	Member - Texas Christian University	Sept. 2023-June 2026
Scott Lapinski	Member - The University of Texas Permian Basin	Sept. 2022-June 2025
Tevian Sides	Member - Western Texas College	Nov. 2021-June 2024
Tonya Richardson-Dean	Member - Trinity Valley Community College	Sept. 2023-June 2026

Committee Meeting Dates, held virtually: • September 14, 2023 • December 7, 2023 • March 7, 2024 • June 6, 2024
<u>Annual Costs Expended</u> Meetings were held virtually, which required a time commitment for preparation, but no annual expenses were incurred. Travel: \$0 Other: N/A
Time Commitments: 412 hours
Current Recommendations to the Board: 1. Continue to work with the Financial Aid Advisory Committee (FAAC) in providing feedback and recommendations on new initiatives when there would be an implied or real impact on state financial aid program policies and procedures. This is critical to the strengthening of student participation by removing barriers and providing access to higher education. 2. Continue to work with FAAC in seeking feedback on how the state financial aid program rules and policies could better align with federal policies. 3. Continue the work of the Financial Aid Operations Subcommittee to review procedures and operational activities that are done in Student Financial Aid Programs that impact institutions, along with the collection and use of data through institutional reporting. 4. Continue work with TASFA Subcommittee to review and streamline the electronic and paper state application (TASFA). 5. Continue to create and utilize FAAC subcommittees with subject experts to identify areas of research for consideration of topics of interest.
Summary of Tasks Completed: During the 2023-24 year, the FAAC members discussed topics which provided the Coordinating Board with recommendations regarding the development, implementation, and evaluation of state financial aid programs and hosted presentations related to best practices within higher education. Highlights included: Discussion Topics: • Partnering with stakeholders and Legislature to communicate needs. • Guidance on set-aside and single term Cost of Attendance (COA) given the new Student Aid Index (SAI). • Common challenges with the new FAFSA that can be addressed to the Department of Education. • FAFSA deadline language. • Financial Aid Priority Application Date. Presentations: • Proposed Rules for January Board Meeting - Charles Contéro-Puls, Assistant Commissioner, THECB • 2024-25 Online TASFA Demonstration - Leah Smalley, THECB • Hanging on Through the Turbulence: How to Navigate Around Work Burnout with Self Care - Teresa Washburn, Financial Aid Customer Service Coordinator, HCC and Sophia McGee, Mgr. Financial Aid Services, San Jacinto College • Manageable Debt Calculation - Erika Norris, THECB

- Professional Communication is for the Birds - D. Ingram, Associate Director of Financial Aid, The University of Texas Southwestern Medical Center
- Return to Repayment and Loan Forgiveness - Bryan Ashton, Chief and Growth Officer, Trellis
- Better FAFSA Rollout and Implications - Shareea Woods, Director, Texas College Access Network (TxCAN), Jennifer Torres, Deputy Director, TxCAN, and MorraLee Keller, Senior Director, Strategic Programming, National College Attainment Network (NCAN)
- Loan Repayment Programs - Maria Serna, THECB
- The Psychology of Borrowing - Melet Leafgreen, Past Chair and Lindsay Partridge, Sr. Debt Management Advisor, The University of Texas Southwestern Medical Center
- Bringing Trauma-Informed Practices to the Financial Aid Office - Christina Tangelakis, Interim Director, Wake Forest University

Further, FAAC's subcommittees remain active in engaging the Coordinating Board with the creation and implementation of agency initiatives and policies to push the agency forward.

Committee Meeting Minutes

September 14, 2023, FAAC Meeting Minutes

Committee Members in Attendance (In-Person)	Committee Members in Attendance (Virtual)	Committee Members Absent
Melet Leafgreen, Chair Rachelè Garrett, Past Chair DeChà Reid, THECB Rep Amy Wilson Scott Lapinski Rachel Joseph Jackie Kelly Heather Fountain Michelle Hill Tonya Richardson Dean Beth Tolan	Jackie Adler Cecelia Jones Lisa Ann Schoenbrun Gilbert Zavala Tevian Sides Gaby Leon Erica Ramos Leah Smalley, THECB Rep Rebeca Moreno Adorno Mary Escobar	Sal Ramirez Lynda McKendree Dede Gonzales
Agenda Item 1. Welcome, Introductions and Overview of Meeting		Melet Leafgreen, Chair
Handout Provided: No		Formal Decision/Action Required No
Agenda Item 2. Consideration of Approval of Minutes from the meeting held on June 1, 2023		Melet Leafgreen, Chair
Handout Provided: Yes		Formal Decision/Action Required Yes – <i>minutes approved</i>
Summary:		
• No corrections were identified. **See handout for agenda item 2 for more information.		
Agenda Item 3. Update: Prior FAAC Business		DeChà Reid, Director III, THECB
Handout Provided: No		Formal Decision/Action Required No

Standing Item Update Summary: No prior business	
Agenda Item 4. Update: External Relations	John Wyatt, External Relations, THECB
Handout Provided: No	Formal Decision/Action Required No
Standing Item Update Summary: - The Governor will call for a special session in October based on items that he would like resolved - Currently in the ADA Interim during the session, the Ltd. Governor and Speaker of the house took a look at specific charges to committees to look at for the next session. Committees will hold hearings over the issues for the next session - After each session there is a link about the session and all the bills passed Summary of Higher Education Legislation (texas.gov)	
Agenda Item 5. Update: THECB Financial Aid Strategic Priority	Charles Contero-Puls, Assistant Commissioner, THECB
Handout Provided: No	Formal Decision/Action Required No
Standing Item Update Summary: No updates on strategic priority at this time	
Agenda Item 6. Update: TASFA Subcommittee House Bill 3 (FAFSA/TASFA Graduation Requirement) and House Bill 2140 (Online TASFA)	Claudette Jenks, Director, Strategic Advising and Leah Smalley, Director, THECB
Handout Provided: No	Formal Decision/Action Required No
Standing Item Update Summary: Launched the 2023-24 Online TASFA	

• Have about 576 people created the account; 200 students have submitted the TASFA • Schools need to go into MOVEit to retrieve the files to see if the students qualify for state aid • Launch a survey on the TASFA webpage; still finalizing the survey and will send it out when it is ready • Building an Admin portal for internal staff • The goal is to build an external portal for staff to log into the portal to look up information on the students • 2024-25 TASFA changes have been finalized by the agency; plan to contact the TASFA Subcommittee to make sure that there are no concerns with the changes • Will send the changes to FAAC to provide any feedback before the paper TASFA is created • The Online development is going to align with FAFSA • Will release the paper TASFA once ED post the FAFSA; both English and Spanish • Have identified 20 questions to eliminate but will ask a few questions that will still be helpful to the schools ◦ Do not plan to remove the housing status ◦ Selective Service has not gone away for the state aid so that will stay ◦ Minimal movement of the questions in the paper • Plan to release the draft TASFA to schools in advance and launch the final version to the public when ED launches the FAFSA	
Agenda Item 7. Update: Data Collection Subcommittee	Dede Gonzales, Subcommittee Chair
Handout Provided: Yes	Formal Decision/Action Required No
Standing Item Update Summary: **See handout for agenda item 7 for more information	
Agenda Item 8. Update: Legislative Subcommittee	Melet Leafgreen, Subcommittee Chair
Handout Provided: No	Formal Decision/Action Required No
Standing Item Update Summary: • No updates at this time	
Agenda Item 9. Update: Texas Association for State Financial Aid Administrators (TASFAA)	Denise Welch, TASFAA President-Elect
Handout Provided: No	Formal Decision/Action Required No
Standing Item Update Summary: • TASFAA/SWASFAA Conference is a joint conference from 10/4-10/6 in DFW • Action packed agenda, NASFAA Speakers; not sure about ED based on potential shut-down glooming (a recorded broadcast)	

Free conference workshop- NAOBW; Certification Exam for FAA for NASFAA Credential	
Agenda Item 10. Update: High School District	Lisa Schoenbrun, El Paso ISD; Erica Ramos, Pharr-San Juan-Alamo ISD
Handout Provided: No	Formal Decision/Action Required No
Standing Item Update Summary: - The high school students were focused on the Oct. 1 deadline from ED but since the changes it has impacted scholarships or SCC profiles that students cannot pay for - There is a lot of confusion on the deadline dates for FAFSA - Sending out a lot of communication from the high schools and the colleges to support each other with the transition of deadline date	
Agenda Item 11. Update: Office of Student Financial Aid Programs	DeChà Reid, Director III, THECB
Handout Provided: No	Formal Decision/Action Required No
Standing Item Topics of Discussion: Grant Application and Payment Portal (GAPP)	

- New Staff Hires - Released and Upcoming Announcement - Upcoming and Past Deadline Dates
Grant Application and Payment Portal (GAPP) - GAPP is a modernized platform that will integrate 14 out of 20 of the financial aid programs which consist of grants, work- study, loan GAPP is a modernized central platform that will integrate a variety of the financial aid programs which consist of grants, work-study, loan repayment, exemption, and scholarships. - The system will allow institutions to approve user access, upload documents (e.g. program participation), request payments, monitor program spending, send communication directly to THECB staff, and submit authority to transfer request. - The goal is to go live with the three Grant programs, State Work-study Programs, Educational Aide, and Bilingual Education. - We are working on an announcement to release to schools. We have a few minor items that we are finalizing with the Grant and Aide Processing Platform (GAPP), but the goal is to get an announcement out soon. The first step once we make an announcement is to create your account as a Primary Point of Contact if you are the Financial Aid Director. If you have done so already, we

can encourage everyone to review the latest webcast that we released for Aug. 24, which provides a high-level overview of GAPP and the Aug. 31, 2023, webcast that discusses the User Roles for GAPP.

- Question asked by Charles on what is the drop-dead date for not requesting funds for an institution?
 - Could there be a survey on the deadline date?
 - Implementation Date of GAPP to send out by Monday, 9/21

Financial Aid Personnel Activity

- THECB has been busy with hiring and promoting internal staff. Charles mentioned our recent reorganization; we are continuing to look at how best to structure our area to fit the needs of our customers and the agency.

Released Announcements

- August 21, 2023 - [Memo: State Financial Aid Process Updates, Reminders & Resources](#)
- August 24, 2023- [Memo: Future Occupations & Reskilling Workforce Advancement to Reach Demand \(FORWADR\) Loan Interest Rate Change](#)
- August 24, 2023- [Memo: College Access Loan \(CAL\) Interest Rate Change](#)
- August 29, 2023- [Memo: UPDATE: State Financial Aid FY 2025 Priority Deadline](#)
- August 31, 2023- [Memo: Financial Aid for Swift Transfer \(FAST\) Program FY 2024 Participation Agreement](#)

From <<https://www.highered.texas.gov/our-work/supporting-our-institutions/student-financial-aid-programs/stay-connected/>>

Upcoming Memos

- September 21, 2023 - [Memo: 2023-24 State Campus-Based Annual Report](#)
- October 4, 2023- [Memo: Grant and Aid Processing Platform \(GAPP\)](#)
- 2023-24 User Access Annual Review
- 2023 FAD Cycle 3-Opens

Upcoming deadlines

- FAST Program Participation Agreement: 9/29
- 2023 FAD Cycle 3 opens on 9/20 and the Initial File Submission for FY23 Cycle deadline: 10/6 to 10/16
- FAST Educationally Disadvantaged Confirmation Roster: 10/15

Past Deadlines

- None.

Agenda Item 12. Discussion Topic: Selection of Vice-Chair and Subcommittee Chairs

Melet Leafgreen, Chair

Handout Provided: No

Formal Decision/Action
Required
No

Discussion Summary:

- This topic will discuss and vote on the next FAAC Vice-Chair and Subcommittee Chairs
 - TASFAA Subcommittee-Heather Fountain
 - Rachele Garrett-Motion and Scott Lapinski- Second AYES win
 - Legislative Subcommittee-Scott Lapinski
 - Lisa Ann-Motion and Rachele Garrett Second AYES Win
 - Vice-Chair FAAC-Cecilia Jones
 - Amy Wilson- Motion and Jackie Kelley Second AYES Win

Agenda Item 13. Discussion Topic: Overview of the FAST Program

Charles Contero-Puls,
Assistant Commissioner,
THECB

Handout Provided: Yes

Formal Decision/Action
Required
No

Discussion Summary:

- This topic will discuss the Financial Aid for Swift Transfer (FAST) program which provides funding to participating public institutions of higher education, as defined under [Texas Education Code \(TEC\) 61.003\(8\)](#) so they can offer dual credit courses to educationally disadvantaged students at no cost to these students.
 - FAST Program was created by the 88th Legislature as part of the overall funding for community colleges; it is one piece of the funding for the various performance measures
 - Focused on dual credits for students as a funding resource for those students that are identified as “educationally disadvantaged” at no cost related to taking dual courses. The term is identified in statute based on a student that is eligible to participate in the FREE/Reduced Lunch Program prior to the four years that the student is taking dual credit courses.
 - Use language from the FAST Website
 - The FAST program is optional and not required since there is a financial component for the public IHE’s.
 - Ideally after each semester, an IHE will receive funding. GAPP will be the portal where funds will be requested.
 - [FAST Program](#)

Agenda Item 14. Discussion Topic: Proposed Rules for Transfer Grant Program

Charles Contero-Puls,
Assistant Commissioner,
THECB

Handout Provided: No

Formal Decision/Action
Required
No

Discussion Summary:

- This topic will discuss the proposed rules for the Transfer Grant program that will be posted to the Texas Register.
 - The agency was provided authority to create the Transfer Grant through a Rider and not a statute
 - Use funds available to create a Transfer Grant
 - Using some of the aspects that were learned through the GEERO-funded Transfer Grant about the structure and the impact
 - Will be posting the ruled during the 10/13 Texas Register to see the proposed rules that will go to the January 2024 Board meeting
 - Will allow institutions to utilize the funding in spring 2024
 - Was not given emergency rule-making authority
 - The program is specifically for use at the 4-year public institutions and HRI's to provide an opportunity for students that completed an AAS degree to help pay for a BA degree
 - Standard eligibility requirement that are similar to other grant programs (mirror like TEXAS Grant)
 - Requires SAP based on the institution's policy
 - Unique requirement is full-time enrollment; completed an AA degree, and at least a 2.5 GPA and the AA degree includes the core curriculum.
 - Cannot have TEXAS Grant and Transfer Grant at the same time.
 - Does provide policy priority model: continuing students first, then the priority EFC (SAI) and lastly look at the highest levels of academic achievement
 - There will be a maximum grant amount; roughly in the TEXAS Grant target grant amount
 - Allocation structure use the model of TEXAS Grant program; schools will get an allocation and award eligible students accordingly.
 - Program will be under Chapter 22 which means that the 2024-2025 PPA will apply to the Transfer Grant
 - Funds will be accessible within GAPP

Agenda Item 15. Feedback for Future Meetings	Melet Leafgreen, Chair
Handout Provided: No	Formal Decision/Action Required No
Discussion Summary: • Discussion about the 2024 FAAC Meetings ◦ 2024 FAAC Virtual meeting ◦ Dec. 7, 2023 ◦ Mar. 7, 2024 ◦ June 6, 2024 ◦ Sept. 12, 2024 ◦ Dec. 5, 2024	
Agenda Item 16. Adjournment	Melet Leafgreen, Chair

Handout Provided: No	Formal Decision/Action Required No
Summary: • Rachele Motion to Adjourn and Scott Second • Adjourned at 12:09 pm • Agenda Topics and Ideas make sure to send them to Melet, Cecilia and Leah	
Reminder. Announcement: Expense Reports	Melet Leafgreen, Chair

December 7, 2023, FAAC Meeting Minutes

Committee Members in Attendance (Virtual)	Committee Members in Attendance (Absent)
Melet Leafgreen, Chair Rachelè Garrett, Past Chair Cecilia Jones, Vice Chair Leah Smalley, THECB Rep DeChá Reid, THECB Rep Jackie Adler Mary Escobar Amy Wilson Scott Lapinski Gabby Leon Tevian Sides Jackie Kelly Heather Fountain Michelle Hill Tonya Richardson-Dean Beth Tolan Denise Welch Gilbert Zavala Lynda McKendree Erica Ramos	Rachel Joseph, Student Rep Lisa Schoenbrun Rebecca Moreno Adorno
Agenda Item 1. Welcome, Introductions and Overview of Meeting	Melet Leafgreen, Chair
Handout Provided: No	Formal Decision/Action Required No
Agenda Item 2. Consideration of Approval of Minutes from the meeting held on September 14, 2023	Melet Leafgreen, Chair
Handout Provided: Yes	Formal Decision/Action Required Yes- minutes approved
Summary: • No corrections were identified. ***See handout for agenda item #2 for information	
Agenda Item 3. Update: Prior FAAC Business-Discuss March Meeting date	Leah Smalley, Senior Policy Director, THECB

Handout Provided: No	Formal Decision/Action Required Yes- dates voted on
Summary: - Upcoming FAAC Dates voted on: - March 7, 2024 - June 6, 2024 - September 12, 2024 - December 5, 2024 All upcoming meetings will be virtual via Zoom	
Agenda Item 4. Update: External Relations	John Wyatt, Senior Director, THECB
Handout Provided: No	Formal Decision/Action Required No
Summary: - This is the light time of the legislative calendar year - Completed the fourth special session; special session focused on school the school voucher, unclear if there will be another special session - After the start of 2024, Legislature will start to prep for the next session; Speaker of the House and Lt. Governor will announce their intermit charges. These are specific issues that committees are charged to look into. Committees will hold intermit committee meetings on the charges and ask for data and speakers to comment on the topic. Will produce a report on their findings; this typically occurs Mar-April - THECB will work on the Legislative Appropriation Request- LAR (Budget Request). This is due in the summer of 2024 - THECB will continue to focus on student financial aid to ensure it is robust - Question: Is the agency making recommendations to the Legislatures? The agency has taken a different approach to partner with stakeholders and Legislatures to communicate needs. Find out their priorities and working with the Legislatures on their priorities. We provide objective and expertise to the Legislature to help shape their decisions	
Agenda Item 5. Presentation: Proposed Rules for January 2024 Board Meeting	Charles Contero-Puls, Assistant Commissioner, THECB
Handout Provided: Yes	Formal Decision/Actions Required No
Summary: *** See handout for more information	
Agenda Item 6. Update: Data Collection Subcommittee	DeChà Reid, Director III, THECB
Handout Provided: Yes	Formal Decision/Action Required No
Summary: *** See handouts on committee meeting minutes - The Data Collection met on 11/16/2023, it was announced that the November meeting would be Dede Gonzales last meeting as Data Collection Chair since she has transitioned off FAAC as the TASFAA Board Representative. Dede will stay on as a member of the committee. - The agenda format changed to better align the new structure of SFAP division. The new structure now provides updates for the following areas: Projects, Operations, and Policy. - There was an update on the paper and online TASFA development as well as the launch of the GAPP for Block programs. The committee provided feedback on both items. - For Operations, we discussed the status of the FY 2023 FAD files and some of the workarounds due to the system limitations with the reconciling state programs. We went over the new FAD dates for 2023-2024. Cycle One is no longer required so the first submission of the FAD file will be in May or June 2024. THECB plans to add a new data element: Transfer Grant. Update Texas Leadership Scholar will be added as well. The manual should be available by early January. 2024-25 FAD Manual; The manual will undergo a complete redesign based on changes with FAFSA Simplification and new data security requirements. We are reviewing all data elements to determine if they are necessary to report on the FAD manual. Will solicit feedback from the committee. The goal is to release the manual by	

- June 2024.
- Set new committee meeting dates for calendar year 2024

Agenda Item 7. Discussion Topic: Selection of Subcommittee Chair for Data Collection	Melet Leafgreen. Chair
Handout Provided: No	Formal Decision/Action Required Yes
Summary: - Nominations: Beth Tolan - Motion: Rachele Garrett - Second: Lynda McKendree - All in favor of the nominations Beth Tolan will be the new Data Collection Subcommittee Chair	
Agenda Item 8. Update: Legislative Subcommittee	Scott Lapinski, Legislative Subcommittee Chair
Handout: No	Formal Decision/Action Required No
Summary: - Delisa is the chair of the committee - Will have a meeting next week and will bring items for the upcoming Legislative session	
Agenda Item 9. Update: Texas Association for State Financial Aid Administrators (TASFAA) Subcommittee	Denise Welch, TASFAA President
Summary: - Schedule to have a TASFA Board meeting 12/11 and 12/12 - Will discuss the budget for TASFA - Conference Chair is already getting things in order for next year - Committees will begin meeting soon	
Agenda Item 10. Update: TASFA Subcommittee	Heather Fountain, TASFA Subcommittee Chair, Leah Smalley, Senior Policy Director, THECB
Handout Provided: No	Formal Decision/Action Required No

Summary: - THECB released the 2024-25 for a review of the draft application - THECB released draft version to institutions in November - See Announcement - Minimal comments were received - The final versions will be available once the FAFSA is released on or before 12/31/23. Will be posted on the TASFAA, SFAP, and CFAT webpages - Launch of the online TASFA is end of 2/2024 - The TASFA file layout and Memo: 2024-25 Paper Application and Online File Layout	
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Agenda Item 11. Presentation: 2024-25 Online TASFA Demonstration	Leah Smalley, Senior Policy Director, THECB
Handout Provided: No	Formal Decision/Action Required No
Summary: ***See webcast for demonstration	
Agenda Item 12. Update: High School Districts	Lisa Schoenbrun, El Paso ISD; Erica Ramos, Pharr-San Juan-Alamo ISD
Handout Provided: No	Formal Decision/Action Required No
Summary: • Erica Ramos gave update about what is happening at ISD's ○ The ISD's have been pretty busy with trying to figure out how to condense 8 months of work into 5 months ○ Anticipating a lot of start and stop for parents that do not have SSN's and email addresses ○ Trying to be proactive with the population that will be impacted the most with the new changes with the FAFSA Simplification ○ There will be a lot of families that will not get past the FSAID, which is a new requirement ○ The concern for her population of student she serves are not US citizens and who will be discouraged from the new process of completing the FAFSA ○ Asking families to be patient and wants to support the families as much as possible ○ Working with students to complete the new FSAID ○ Committee member- Lynda McKendree suggested that it may help to tell students that they should wait a week or two when the FAFSA opens since ISIR's will not be released to schools until the end of January ○ Chair-Melet Leafgreen asked what FA Administrators can do to help ISD's with the challenges they are facing ➢ Erica believes there may be an opportunity for ISD's to work with IHE's on a case by case basis with student that may have extenuating circumstances ➢ IHE's have a clear process for verification and making documents available (on the website would be better) ➢ Providing more clear instructions and resources that ISD's can give to students and not wait for Financial Aid Offices ➢ Share more information and collaborating ➢ Push back May 1st deadline to commit to an institution (Decision Day), so families do not feel rushed with making a choice where to go ○ Committee member-Denise Welch (Panola College) emphasized that certain deadlines only prioritize funding and not completing the FAFSA. ○ Encourage that the FAFSA nights are done with both students and parents	
Agenda Item 13. Office of Student Financial Aid Programs	DeChà Reid, Director III, THECB
Handout Provided: No	Formal Decision/Action Required No
Summary: Topics of Discussion- • 2024-25 Program Guidelines ○ 2024-25 Program Guidelines are under review for all state financial programs, including waivers ○ The goal is to release the guidelines in early May 2024 • Update on Personnel Activity- been pretty busy with hiring and promoting internal staff. To date, we hired or promoted the following individuals: ○ Cindy Mars was promoted to Director I over the Loan Repayment team within SFAP-Operations, effective Oct. 16. Cindy has more than 25 years of experience in a variety of roles within financial aid administration, default prevention, student financial education, emergency grant administration, and training and development. She began her career as a financial aid counselor at UT Austin before moving into a consultant position at Trellis Company (formerly Texas Guaranteed), and for the last four years has led the Compliance and Data Reporting. ○ SFAP has three distinct areas: ➢ OPERATIONS conducts the business of SFAP, the output being the reason the SFAP division exists. Operations does this through implementing, enacting, managing, and maintaining financial aid programs. DeCha Reid oversees this area as Senior Director III.	

- **POLICY** provides the overarching framework within which SFAP conducts its business. Policy does this by designing policies for practice and creating and evolving rules. Leah Smalley oversees this area as the Senior Policy Director
- **INNOVATION** provides divisional support for SFAP to be able to operate efficiently and effectively. Innovation does this through analyzing, formulating, building and constructing support systems, products and tools to support SFAP's business. Jeremiah Jarrell oversees this area as Deputy Assistant Commissioner.
- **Recently Released Memos:**
 - [11/27/23 State Work-Study Title III Eligibility Letter Memo](#)
 - [11/27/23 License Plate Insignia \(LP\) FY 2023 End of Year Report Memo](#)
 - [11/13/23 Grant and Aid Processing Platform \(GAPP\) Payment Process Announcement \[PDF\]](#)

For more announcements visit: [SFAP-Stay Connected](#)

- **Upcoming Memos**
 - [Spring 2024 Institutional Calendar](#)
 - 2023-24 FAD Manual
 - 2024-25 Award Amounts
- **Upcoming Deadlines**
 - Deadline to submit the Title III Eligibility Form-12/11/2023
- **Past Deadlines**
 - User Access Annual Review-due 11/10/2023; still missing 11 schools
 - Certify FAD Cycles 3-11/13/2023, 32 schools have not certified as of today
- If schools have any items that are past due, they have been placed on HOLD in the GAPP system to request any state funds

Committee comments:

- None

Agenda Item 14. Presentation: Hanging on Through the Turbulence: How to Navigate Around Work Burnout with Self Care

Teresa Washburn, Financial Aid Customer Service Coordinator, Houstin Community College, and Sophia McGee, Mgr. Financial Aid Services, San Jacinto College

Handout Provided: Yes

Formal Decision/Action Required No

Summary:

- **Turbulence:**
 - Lack of control
 - Unclear job expectation
 - Dysfunctional workplace dynamics
 - Unmanageable workloads
 - Confusing work responsibilities
 - Deadline pressure
 - And much more
- Do you think you're practicing Good Self-Care?
 - [Loveisrespect.org/quiz](#)
- **Resources & Good Reads**
 - Your institutional Employee Assistance Plan (EAP)
 - The Art of Saying No, by Damon Zahariades
 - The 7 Habits of Highly Effective People, by Steven Covey
 - Yoga at Your Desk (10 minutes)- [link](#)
 - 3 Minute Mindfulness Meditation- [link](#)

Agenda Item 15. Presentation: 2023 FAAC Annual Report

Melet Leafgreen, Chair

Handout Provided: No

Formal Decision/Action Required No

Summary: See handouts for annual report	
Agenda Item 16. Feedback for Future Meetings	Melet Leafgreen, Chair
Handout Provided: No	Formal Decision/Action Required No
Summary: - Guidance on set-aside and single term COA given the new SAI - Manageable Debt Calculation - Common challenges with the new FAFSA that can be addressed to the Dept. of Education	
Agenda Item 17. Adjournment	Melet Leafgreen, Chair
Handout Provided: No	Formal Decision/Action Required Yes
Summary: - Motion: Amy Wilson - Second: Rachele Garrett - Agenda Topics and Ideas makes sure to send to Melet, Cecilia and Leah	
Reminder: Announcement- Expense Reports	Melet Leafgreen, Chair

March 7, 2024, FAAC Meeting Minutes

Committee Members in Attendance (Virtual)	Committee Members in Attendance (Absent)
Melet Leafgreen, Chair Rachelè Garrett, Past Chair Cecilia Jones, Vice Chair Leah Smalley, THECB Rep Jackie Adler Mary Escobar Gabby Leon Jackie Kelly Heather Fountain Michelle Hill Tonya Richardson-Dean Beth Tolan Denise Welch Gilbert Zavala Lynda McKendree Erica Ramos	Rachel Joseph, Student Rep Lisa Schoenbrun Scott Lapinski Tevian Sides Amy Wilson
Agenda Item 1. Welcome, Introductions and Overview of Meeting	Melet Leafgreen, Chair
Handout Provided: No	Formal Decision/Action Required No

Agenda Item 2. Consideration of Approval of Minutes from the meeting held on March 07, 2024	Melet Leafgreen, Chair
Handout Provided: Yes	Formal Decision/Action Required Yes
Summary: No corrections were identified. ***See handout for agenda item #2 for information	
Agenda Item 3. Update: Prior FAAC Business	Leah Smalley, Senior Policy Director, THECB
Handout Provided: No	Formal Decision/Action Required No
Summary: - Circled back on proration of SAI: - Any exception based on the Department of Education changes from EFC to SAI; no longer a proration. - THECB rules do not allow to issue out a separate guidance unless it is a statutory change; no proration & THECB will follow the guidance from the Department of Education - There are discussions to look at it but will look at changes depending on Department of Education's changes - A notification from THECB will go out to the financial aid community about no proration - Issue: Student attending one term (summer) or graduating where the SAI is high can make them ineligible for state aid - Additional concern is there will be an error on reporting (FAD), how will that be resolved? - Notice will address this issue in the "justification" - THECB guidance for no proration and reporting of the issue; filter to the Department of Education (lost funding for students) - Will continue to look at SAI as it evolves with Department of Education - Questions: - None	
Agenda Item 4. Update: External Relations	John Wyatt, Senior Director, THECB
Handout Provided: No	Formal Decision/Action Required No
Summary: - Recent activity is the primary elections - House and Senate were subject to re-election - Saw that some lost their seat or need to have a run-off in May - Speaker of the House and Speaker of Education will face a run-off - Chambers will release their interim charges - Charges to the committee of each chamber to collect data, investigate on certain items - The agency will be working with the committee with data and analysis to help investigate the charges - A full report at the end of the sessions which will start in the summer/fall - Agency focus is to provide the Legislature with analysis to help form decisions; work with the institutions to help shape what impacts can happen based on the analysis	
Agenda Item 5. Presentation: Manageable Debt Calculation (MDC) Loan Program	Erika Norris, Manager II, THECB
Handout Provided: Yes	Formal Decision/Actions Required No
Summary: *** See handout	

Committee comments: ○ Share the MDC formula in the guidelines and online for students and administrators ○ Send out an email to students letting them know that their certified loan amount was reduced; the LAD is not as helpful to students to know that their loan amount was reduced.	
Agenda Item 6. Update: Texas Association for State Financial Aid Administrators (TASFAA)	Denise Welch, TASFAA President
Handout Provided: No	Formal Decision/Action Required No
Summary: • TASFAA is a voluntary organization; soliciting volunteers to be a part of the organization • 121 institutional members and 33 associate member (lenders, THECB, organizations) • Main focus is training: ○ Regional Training (6 across the state of Texas)- Can get a NASFAA credential during this training ○ NAOBW-April 10-11 in Grapevine at Great Wolf Lodge for administrators that are 2 years or less ○ TASFAA-in Houston Oct. 9-11 with updates from Dept. of Ed, THECB, and NASFAA ○ High School Counselor Training ▪ Financial Aid Updates ▪ FAFSA Nights	
Agenda Item 7. Update: Legislative Subcommittee	Scott Lapinski, Legislative Subcommittee Chair
Handout Provided: No	Formal Decision/Action Required No
Summary: • Delisa Falks who is heading the Legislative TASFAA Committee • The committee sent a letter to Commissioner Keller at the THECB • Have Three Goals: ○ SAP Policy ○ Selective Service ○ Felony and Drug Offenses ▪ Realize these are statutory changes but hoping to bring these to the attention of the legislators	
Agenda Item 8. Presentation: Professional Communication is for the Birds	D. Ingram, Associate Director of Financial, UT Southwestern Medical Center
Handout: Yes	Formal Decision/Action Required No
Summary: • *** See handout	
Agenda Item 9. Update: TASFA Subcommittee (TASFAA) Subcommittee	Heather Fountain, TASFA Subcommittee Chair
Handout Provided: No	Formal Decision/Action Required No
Summary: • TASFA released 2/29/2024, communication sent out • Changes made to better align with 2024-2025 FAFSA • Test files were sent out to some institutions, various bugs reported and are being worked on (THECB cleaning it up) • Working on a way for users to communicate & report issues; don't have to use the online chat (would only be for TASFA issues); coming soon. Update- Leah transitioning away from TASFA role and will now be under DeCha's group, Laura DeGrush	

Agenda Item 10. Update: High School District	Lisa Schoenbrun, El Paso ISD; Erica Ramos, Pharr-San Juan-Alamo ISD
Handout Provided: No	Formal Decision/Action Required No

Summary: - It is a very challenging time for high schools counselors - Painful, heartbreaking. Seems discriminatory - Issues with parents with no SSN; at least in the 40-60% range with families that cannot move forward with FAFSA - Not able to create logins, not able to get through to Department of Education - Delayed with applying for other financial assistance from other places - Received guidance to submit an incomplete FAFSA and it will get it fixed later; however what will that do to families - Every school has their own procedures and with no clear instructions, it is very frustrating and painful - Always giving out disclaimers on the process; building the plane as we fly it - Recommendations: - Checklist - Different phone number for the parents with no ssn - The level of customer service has been horrible to extremely helpful (need to revisit the level of service) - Some have been hung up on - Committee - Asked if some students are exempting from completing the FAFSA - Not encouraging to exempt from completing the FAFSA	
Agenda Item 11. New Discussion: Bridge the GAPS (Goals, Achievements, Progress and Solutions)	Committee Members
Handout Provided: No	Formal Decision/Action Required No
Summary: - Jackie shared that school is transitioning from Ellucian to Workday system. First school in Texas to move to the Student Module Workday. - Lynda shared that her school started to do financial aid estimates based on SAI; send them an email with the estimates to help students with making decisions on paying for school. - Erica shared her ISD has been pushing the community for local scholarships; was able to solicit alumni to give scholarships to senior students about to graduate. The scholarship program has received \$150K	
Agenda Item 12. Update: Data Collection Subcommittee	Beth Tolan, Data Collection Subcommittee Chair
Handout Provided: Yes	Formal Decision/Action Required No
Summary: - See handout - Subcommittee has decided to change the name to "Financial Aid Operations Subcommittee, to align with the evolution of the subcommittee now	
Agenda Item 13. Office of Student Financial Aid Programs	DeChà Reid, Director III, THECB and Leah Smalley, Senior Policy Director, THECB
Handout Provided: No	Formal Decision/Action Required No

Summary:**Topics of Discussion-**

- **2024-25 Program Guidelines**
 - 2024-25 Program Guidelines are under review for all state financial programs, including waivers
 - The goal is to release the guidelines at the end of April 2024
- **Recently Released Memos:**
 - [03/05/2024 NOTICE: Texas Transfer Grant \(Transfer Grant\) Program Memo \[PDF\]](#)
 - Planning to send out an intent to Participate announcement that will be included with the other programs
 - Currently developing a fact sheet for 2023-24 to help administrators with the program
 - [02/29/2024 UPDATE: Texas First Scholarship Program Memo \[PDF\]](#)
 - Uploaded rosters on 3/1 in the Grant_Output Folder
 - [02/29/2024 NOW AVAILABLE: 2024-25 \(FY 2025\) Online Texas Application for State Financial Aid \(TASFA\) Memo \[PDF\]](#)
 - [02/27/24 IMPORTANT UPDATE: 2024-25 \(FY 2025\) State Financial Aid Priority Deadline Date Memo \[PDF\]](#)
 - [02/22/24 NOTICE: State Financial Aid Updates, Reminders, and Upcoming Deadlines Memo \[PDF\]](#)

For more announcements visit: [SFAP-Stay Connected](#)

- **Upcoming Memos**
 - Intent to Participate Invitation for EAE, FAST, and Transfer Grant
- **Upcoming Deadlines**
 - FINANCIAL AID FOR SWIFT TRANSFER (FAST) PROGRAM
 - Institutions have until March 15, 2024, to opt-in to the FAST Program for Spring 2024.
 - 2024-25 (FY2025) GOOD NEIGHBOR PROGRAM (GNP)
 - Institutions have until March 15, 2024, to submit GNP recommendation form through the CBPass portal. Please refer to the [02/15/2024 Good Neighbor \(GNP\) FY 2025 Memo \[PDF\]](#) for more information
 - 2022-23 (FY2023) TUITION EQUALIZATION GRANT (TEG) ENGAGEMENT REPORT
 - All private/independent institutions are required to submit a final TEG Engagement Report electronically by uploading a copy using the TEG Engagement (FY2023) Online Submission form by April 15, 2024
- **Past Deadlines**
 - None
- **Policy Changes**
 - Changes to TPEG; removal of guidelines
 - Changes to TASSP; updated some language
 - July Proposed Rules
 - 30-day comment period 4/26-5/25
 - April Proposed Rules:
 - STUDENT SERVICES-Chapter 21
 - General Provisions [19 TAC §21.4](#)- This amendment provides greater clarity regarding deadlines for tuition and mandatory fee collection and measures to extend the time available for a student to make tuition and mandatory fee payments at public institutions of higher education, while still being included in the institution's student count for formula funding. Institutions of higher education establish their own procedures for collecting discretionary (optional) fees, which do not impact the institution's student count for formula funding.

➤ STUDENT FINANCIAL AID PROGRAMS-Chapter 22 ▪ Texas Public Educational Grant And Emergency Tuition, Fees, And Textbook Loan Programs 19 TAC §22.64-This amendment will remove the requirement for the Coordinating Board to collect and maintain copies of guidelines submitted by public institutions for the administration of the TPEG program on their campuses. ▪ Texas Armed Services Scholarship Program 19 TAC §§22.165 - 22.168, 22.170 - 22.173- this amendment will redefine Coordinating Board terminology used throughout the subchapter, update promissory note obligations based on legislative changes, and provide greater clarity of operational procedures. ▪ Texas Leadership Research Scholars Program 19 TAC §§22.300 - 22.313- This new subchapter provides information necessary for the implementation and administration of the Program. ➤ EDUCATION LOAN REPAYMENT PROGRAMS-Chapter 23 ▪ Math And Science Scholars Loan Repayment Program 19 TAC §§23.286 - 23.293- This amendment will redefine Coordinating Board terminology used throughout the subchapter, expand program eligibility to math and science teachers working in any Texas public school, remove award amount limitations based on service location, and clarify which loans can be considered when determining repayment eligibility.	
Agenda Item 14. Topic Recommendations for Future Meetings	Melet Leafgreen, Chair
Handout Provided: No	Formal Decision/Action Required No
Summary: • Submit recommendations on topic discussions and presentations; if attend conferences and think it would be good for the committee, reach out to Melet or Leah	

Agenda Item 15. Adjournment	Melet Leafgreen, Chair
Handout Provided: No	Formal Decision/Action Required Yes
Summary: • Motion: Erica Ramos • Second: Tonya Richardson-Dean • Agenda Topics and Ideas makes sure to send to Melet, Cecilia and Leah	
Reminder: Announcement- Expense Reports	Melet Leafgreen, Chair

June 6, 2024, FAAC Meeting Minutes

Committee Members in Attendance (Virtual)	Committee Members in Attendance (Absent)
Rachelè Garrett, Past Chair Cecilia Jones, Vice Chair Leah Smalley, THECB Rep Jackie Adler Mary Escobar Jackie Kelly Heather Fountain Michelle Hill Tonya Richardson-Dean Beth Tolan Denise Welch Gilbert Zavala Erica Ramos Amy Wilson Rebecca Moreno-Adorno	Melet Leafgreen, Chair Gaby Leon Lisa Schoenbrun Lynda McKendree

Agenda Item 1. Welcome, Introductions and Overview of Meeting	Cecilia Jones, Vice Chair
Handout Provided: No	Formal Decision/Action Required No
Agenda Item 2. Consideration of Approval of Minutes from the meeting held on March 07, 2024	Cecilia Jones, Vice Chair
Handout Provided: Yes	Formal Decision/Action Required Yes
Summary: No corrections were identified. ***See handout for agenda item #2 for information	
Agenda Item 3. Update: Prior FAAC Business	Leah Smalley, Senior Policy Director, THECB
Handout Provided: No	Formal Decision/Action Required No
Summary: No prior business to discuss however this can be used as the time to bring up anything; Going forward we will circle at the end and highlight over anything that needs to be addressed.	
Agenda Item 4. Update: External Relations	John Wyatt, Senior Director, THECB
Handout Provided: No	Formal Decision/Action Required No
Summary: - Resolved Primary election for legislature (contested primary elections); very little change on the Senate side, House side has some members not returning: - John Kuempel not re-elected along with 3 others who will not be returning to the Higher Education Committee so new chairman for this committee next session, very different make up for this committee - Dade Phelan was renominated but is expected to be challenged for the speakership - Still have November General elections which will make final determination - Both Senate & House released interim charges - Senate had its first hearing on higher education interim charges last month on the band of DDI initiatives and antisemitism on campuses - House has not had their hearing on interim charges due to chairman and some members not returning; they also break for the summer - Both have a charge to monitor HB8 in relation to financial aid, no real focus on financial aid in these charges though - THECB is working on the legislative appropriations request for the next biennium; financial aid is a top priority for the agency - LAR is due in August; agenda wise we will work with Legislation and its members to ensure they understand the interest of higher education - Next big deadline is in November for prefiling for legislation to be considered for January's session; this will give insight on what people are putting in the hopper for consideration and see the low bill numbers that leadership is behind (top priority)	
Agenda Item 5. Discussion: FAFSA Deadline Language	Charles Contèro-Puls, Assistant Commissioner THECB
Handout Provided: No	Formal Decision/Actions Required No
Summary: - That time of year when THECB needs to submit information to the Dept. of Education about the agency's deadline on the FAFSA: - For priority consideration, submit your application by January 15, 2025; - Additional forms may be required - Private and two-year institutions may have different deadlines - No changes recommended	

Agenda Item 6. Presentation: Return to Repayment and Loan Forgiveness	Bryan Ashton, Chief Strategy and Growth Officer, Trellis
Handout Provided: Yes	Formal Decision/Action Required No
Summary: ***See Handout	
Agenda Item 7. Update: Texas Association for State Financial Aid Administrators (TASFAA)	Denise Welch, TASFAA President
Handout Provided: No	Formal Decision/Action Required No
Summary: - TASFAA Conference coming up October 9-11, 2024 at the Hilton Houston Post Oak; registration opens this week and looking to have a robust agenda - In preparation for new Aid Officer Basic that same week (registration opens in mid-July) - Gearing up for elections for the TASFAA Board that will happen in July; nominations are out on the website now	
Agenda Item 8. Update: Legislative Subcommittee	Scott Lapinski, Legislative Subcommittee Chair
Handout: No	Formal Decision/Action Required No
Summary: - On May 22, 2024, a letter from the American Council on Education (ACE) sent to congress regarding the FAFSA delays; the long term effect and impact on low income students and institutions; comprehensive changes to the need analysis formula in FAFSA and simplification act, Congress ensures that the FAFSA process is under uninterrupted for the 2025-2026 award year - Move up TASFA deadline to October 1st for future years; allow alternate SAI to ensure maximum eligibility for students (base on enrollment period instead of 9 month period); add housing question back (refer to letter for more)	
Agenda Item 9. Update: TASFA Subcommittee (TASFAA) Subcommittee	Heather Fountain, TASFA Subcommittee Chair
Handout Provided: No	Formal Decision/Action Required No
Summary: 2024-2025 Online TASFA open students have been filling it out and it is providing data is being provided to schools consistently - Small bugs to work through and THECB has been very responsive to those issues - Code fix was fixed earlier this morning for batch processing issues that were identified (should be the last code fix to be moved to production) - THECB working to do a final process to regenerate files to schools that had bad data; loaded to MOVEIT and replace the files that were out there previously - TASFA Subcommittee is currently looking for new members (posted to the TASFA Listserv) - Reviews the application process for students - Data collection and processing for schools (paper and online TASFA) - Ensures that a sound and useful product is being delivered to students and schools	
Agenda Item 10. Update: High School District	Lisa Schoenbrun, El Paso ISD; Erica Ramos, Pharr-San Juan-Alamo ISD
Handout Provided: No	Formal Decision/Action Required No
Summary: - Painful process in dealing with the FASFA however was able to get some assistance from the Dept. of Education; used the chat feature heavily - Helped significantly when Dept of Education skipped over the verification of identities for the moment to be able to submit the FAFSA; a lot of students have parents that have identification documents that will not be accepted - With these discoveries is better prepared for next year - District is at 96% FAFSA completion with assistance from the local community - Institutions have also been understanding with the hardships that this year's FAFSA has caused - Workaround were not helpful; easier to delete and start the process over	
Agenda Item 11. Discussion: Recognition of FAAC Members stepping down	Cecilia Jones, Vice Chair
Handout Provided: No	Formal Decision/Action Required No

Summary: • Rachèle Garrett • Tevian Sides • Jackie Adler • Gilbert Zavala • Rachel Joseph (Student Representative)	
Agenda Item 12. Discussion: Recommendation on Proposed Nominees for 2024 FAAC	Cecilia Jones, Vice Chair and Leah Smalley, Senior Policy Director, THECB
Handout Provided: No	Formal Decision/Action Required No
Summary: • Shannon Crossland • Debbie Richman • Latisha Addison • Sandra Moore • Denise Eliserio • Cassandra Heslep • Farzaneh Fouladi (Student Representative)	
Agenda Item 13. Presentation: Better FAFSA Rollout and Implications	Shareea Woods, Director, Texas College Access Network (TxCAN), Jennifer Torres, Deputy Director, Texas College Access Network (TxCAN), and MorraLee Keller, Senior Director, Strategic Programming, National College Attainment Network (NCAN)
Handout Provided: Yes	Formal Decision/Action Required No
• ***See Handout • TxCAN Summer FAFSA Supports: ○ To ensure we keep pushing forward, TxCAN has teamed up with uAspire to launch our virtual FAFSA support page. Students and families can explore our help line, virtual events, resources, and more. ○ TxCAN is in the process of printing flyers to promote these digital supports we're providing. If you would like flyers, please use this link to request them. We will send printed materials to as many recipients as possible until our supply is exhausted. • TxCAN Resources: TxCAN FAFSA Completion Dashboards TxCAN Newsletter Archive TxCAN Newsletter Sign Up TxCAN Blog TxCAN Financial Aid Resource Hub for Practitioners • NCAN Resources: #DotheFAFSA PressKit • ECMC FAFSA Funds Application: FAFSA Student Support Strategy, The application is open to campus, districts,	

Agenda Item 14. Update: Financial Aid Operations Subcommittee (formerly Data Collection)	Beth Tolan, Subcommittee Chair
Handout Provided: Yes	Formal Decision/Action Required No
Summary: • ***See Handout	
Agenda Item 15. Update: Office of Student Financial Aid Programs	DeChá Reid, Director III, THECB and Leah Smalley, Senior Policy Director, THECB
Handout Provided: No	Formal Decision/Action Required No
Summary: Operations Updates: • In the process of releasing a series of guidelines for 2024-2025 today • Additional memos recently released: ◦ 05/13/2024 Texas Transfer Grant 2023-24 (FY 2024) and 2024-25 (FY 2025) Final Allocations Memo [PDF] ◦ 06/04/2024 State Net Price Calculator (NPC) - Annual Update Memo [PDF] ◦ 06/04/2024 Texas Transfer Grant Program 202-24 (FY 2024) Fact Sheet Memo [PDF] ◦ 06/05/2024 Toward EXcellence, Access, and Success (TEXAS) Grant FY 2025 Final Allocations Memo [PDF] ◦ 06/05/2024 Educational Aide Exemption (EAE) 2024-25 (FY2025) Application Memo [PDF] ◦ 06/06/2024 Bilingual Education Program FY 2025 Guidelines Memo [PDF] ◦ 06/06/2024 Bilingual Education Program FY 2025 Final Allocations Memo [PDF] • Upcoming Memos: ◦ Participate invitation for a newer program introducing in our 2024-2025-year, Nursing Student Scholarship Program (Policy Update will give more information); allocations for 2024-2025 will be based on 2023 FADS • Upcoming Deadlines: ◦ FADS Cycle 2 submission is 06/12/2024 ◦ Authority to Transfer Request is 07/01/2024 (refer to Agenda Item 14) ◦ 7/8/2024 is the deadline to submit the summer 2024 FAST eligible recipient roster (FAST Program) ◦ Net Price Calculator instructions released, submit by 7/10/2024 • No past deadlines to mention Policy Team Updates: • Policy new area of Student Financial Aid Programs (SFAP) however rules and policy have always been worked on in the background and created to: ◦ Rule analysis ◦ Identifying legislative changes ◦ Working with the Division as a whole and institutions to see where rules are unclear and statutorily misaligned, do thigs to improve life at the institutions and ensure that funds are being utilized; being done regulatory wise • Created cross collaboration in our division: ◦ 4 months back created Rules Planning Group with our division to discuss pain points in the rules, what's wrong with the rules which entails getting feedback from institutions ◦ Late last year looked at chapters that affect financial aid, state financial aid and strategically going through those chapters by chapter to make improvements before session hits; the cleaner the rules are the easier it will be once the session happens if they make changes to the law. ◦ Challenges to the rules is inconsistency within the rules from all the changes over the years • Key Chapters: Chapter 13, Chapter 21, Chapter 22, Chapter 23 ◦ Chapter 23-Loan Repayment Programs (underutilized) are essential and needed to fill spaces ▪ New Nurse Loan Repayment Program (CH23K) ◦ Chapter 22-Financial Aid (Work study, grants, state ▪ New Nursing Student Scholarship Program (CH22R); optional to participate; rules are being submitted for adoption in July ▪ Can find public comments on Texas Register website > Previous Issues	

▪ Operations and Policy Team working together to send out notices about the rules being posted; long term want to create a communication hub on the THECB website for easier access ▪ Looking to update and clean up this chapter in January 2025 ○ Chapter 21-Tuition and exemption programs ▪ Cleanup of this chapter will happen later in 2025 • Policy Team also works with External Relations in preparation for the legislative session ○ Identify things to advocate for on behalf of institutions through data and bill analysis • Publications that were sent out for July Board Meeting: ○ Nursing Student Scholarship Program (CH22R) New ○ Nurse Loan Repayment Program (CH23K) New ○ FAST Program (CH13Q) Amend ○ Nurse Faculty Loan Repayment Program (CH23G) Amend ○ Nursing Faculty Loan Repayment Program (CH23G) Repeal	
Agenda Item 16. Discussion Topic: Bridge the GAPS (Goals, Achievements, Progress and Solutions)	Committee Members
Handout Provided: No	Formal Decision/Action Required No
• Jackie Adler: New software launch, Work Day has happened for her campus; • Denise Welch: Already pulled the information from today's TxCAN presentation and is excited to share this with her Administration; a lot of incredible information to take away from it; opened a new energy building on their campus and its gorgeous and so cool with all the new technology • Beth Tolan: attested that her daughter has used the resources TxCAN	
Agenda Item 17. Future Meetings: Topic Recommendations for future meetings	Cecilia Jones, Vice Chair
Handout Provided: No	Formal Decision/Action Required No
• Next meeting is September 12, 2024 (virtual) • Reminder to submit any ideas for future meetings to Melet and/or Leah • Gilbert Zavala question: cadence for the updates FAFSA and TASFA data in counselor suites, how often updates? ○ TASFA update submissions are daily ○ FAFSA may be a little different because it's a pass through of information from Department of Education ○ ICER data received and THECB does a simplification of that (THECB only gets certain information from the ICER; we don't get the full ICER data-hat gets forwarded to ApplyTexas; The batch process happens daily ○ One of the challenges in Counselor Suite is that some of the information submitted through the FAFSA doesn't come through for a variety of reasons, not coming through smoothly	
Agenda Item 18. Adjournment	Cecilia Jones, Vice Chair
Handout Provided: No	Formal Decision/Action Required Yes
Summary: • Motion: Cecilia Jones • Second: Gilbert Zavala	
Reminder: Announcement- Expense Reports	Cecilia Jones, Vice Chair

Committee on Innovation, Data, and Educational Analytics

AGENDA ITEM V-D (1)

Consideration and possible action to adopt the proposed repeal of Board Rules, Chapter 1, Subchapter BB, concerning the Texas Application for State Financial Aid Advisory Committee

RECOMMENDATION: Adopt

Background Information:

The Texas Higher Education Coordinating Board (Coordinating Board) proposes the repeal of Texas Administrative Code, Title 19, Part 1, Chapter 1, Subchapter BB, Sections 9100-1.9106, Texas Application for State Financial Aid Advisory Committee. Specifically, this repeal will eliminate the subchapter and the committee itself, which was set to be abolished no later than January 1, 2023, and which has fulfilled its stated mission of providing a report to the Board.

Dr. Charles W. Contéro-Puls, Assistant Commissioner for Student Financial Aid Programs, will be available for questions.

Date Published in the *Texas Register*: October 11, 2024

The 30-day comment period with the *Texas Register* ended on: November 10, 2024

Summary of comments received:

No comments were received regarding this rule.

CHAPTER 1 AGENCY ADMINISTRATION

SUBCHAPTER BB Texas Application for State Financial Aid Advisory Committee

~~[§ 1.9100. Authority and Specific Purpose of the Texas Application for State Financial Aid.~~

~~(a) Authority. Statutory authority for this subchapter is provided in the Texas Government Code, Chapter 2110, §2110.0012 and §2110.0015 and Texas Education Code (TEC) §61.07762.~~

~~(b) Purpose. The Texas Application for State Financial Aid (TASFA) Advisory Committee is created to assist the board in adopting the procedures to allow a person to complete and submit the TASFA or similar application for state student financial assistance by electronic submission through the internet website which the board provides the common admission application form required by TEC §51.762.]~~

~~[§1.9101. Definitions.~~

The following words and terms, when used in this subchapter, shall have the following meanings:

~~(1) Board—The Texas Higher Education Coordinating Board.~~

~~(2) Apply Texas System—The state's primary method for applying for admission to Texas public institutions of higher education. The Apply Texas System includes, but is not limited to, common admission applications; a portal for completing and submitting application forms to participating institutions of higher education; help desks to provide users assistance; and a portal through which Texas high school counselors gain access to status data regarding their students' progress in applying for admission and financial aid.~~

~~(3) Interested persons—Persons who attend committee meetings as representatives of stakeholder entities and any other persons who have made their interest in the work of the committee known to its presiding officer. Such interested persons may participate in committee discussions, as invited by the presiding officer to do so, but do not have the authority to cast votes.]~~

~~[§1.9102. Committee Membership and Officers.~~

~~(a) Membership shall consist of financial aid personnel, public school counselors, and other stakeholders who represent the needs of interested students with responsibility of advising students regarding financial aid.~~

~~(b) Membership on the committee shall include:~~

~~(1) at least two financial aid personnel representatives from the following sectors of higher education: four-year public universities; two-year colleges, and participating private or independent institutions of higher education, all as defined by TEC §61.003;~~

~~(2) at least two representatives from public school districts;~~

~~(3) at least one student representative from a public school district who will serve as a non-voting member;~~

~~(4) at least one institution of higher education technical representative with knowledge of the transfer of financial aid data;~~

~~(5) representatives of nonprofit organizations who represent the needs of interested students with responsibility of advising students regarding financial aid. Colleges, Independent Colleges and Universities of Texas, and legislative and governmental relations staff shall be regularly advised of committee meetings.~~

~~(d) The number of committee members shall not exceed 24.~~

~~(e) Members of the committee shall select a chair, who will be responsible for conducting meetings and conveying committee recommendations to the board. A co chair shall also be elected by the committee to serve in the chair's stead as needed. The chair and co chair shall each serve a two-year term.~~

~~(f) Members shall each serve a three-year term and may serve multiple terms.]~~

~~[§1.9103. Duration:~~

~~The committee shall be abolished no later than January 1, 2023, in accordance with Texas Government Code, Chapter 2110.008 and TEC §61.07762. It may be reestablished by the Board.]~~

~~[§1.9104. Meetings:~~

~~The committee shall meet at least three times a year. Additional meetings may be called as deemed appropriate by the chair of the committee. Meetings shall be open to the public and broadcast via the web, unless prevented by technical difficulties. Minutes shall be available to the public after they have been prepared by the Board staff and reviewed by members of the committee.]~~

~~[§1.9105. Tasks Assigned to the Committee:~~

~~Tasks assigned the committee may include:~~

~~(1) making recommendations to the Board on the procedures, development, and any associated cost of the online TASFA;~~

~~(2) identifying technical and functional revisions of the ApplyTX System regarding the development of the online TASFA;~~

~~(3) soliciting input from stakeholders across the state; and~~

~~(4) other activities necessary for the development of the online TASFA.]~~

~~[§1.9106. Report to the Board.~~

~~The committee shall report any recommendations to the Board by December 1, 2020. The Board shall report the advisory committee's recommendations to the standing committee of each house of the legislature with jurisdiction over higher education by January 1, 2020.]~~

Committee on Innovation, Data, and Educational Analytics

AGENDA ITEM V-D (2)

Consideration and possible action to adopt proposed repeal of Board Rules, Chapter 22, Subchapter A, Section 22.7, concerning the Dissemination of Information and Rules

RECOMMENDATION: Approval

Background Information:

This repeal eliminates an unnecessary provision in the General Provisions relating to many of the Texas Higher Education Coordinating Board's (Coordinating Board's) financial aid programs.

Rule 22.7 is repealed. The rule asserts the Coordinating Board's responsibility for publishing and disseminating general information and program rules for the programs included in Texas Administrative Code, Chapter 22. Outreach to relevant stakeholders is crucial for the success of financial aid programs, but the Coordinating Board has determined that it can continue to accomplish this task without the rule, which is otherwise unnecessary for the administration of the programs in this chapter. Moreover, the rule could be construed as requiring the Coordinating Board to disseminate information regarding programs in the chapter that are not currently active, which could cause confusion for institutional partners and the public. Its elimination will not affect Coordinating Board operations.

Dr. Charles W. Contéro-Puls, Assistant Commissioner for Student Financial Aid Programs, will present this item and be available to answer questions.

Date Published in the *Texas Register*: October 11, 2024

The 30-day comment period with the *Texas Register* ended on: November 10, 2024.

No comments were received regarding this rule.

CHAPTER 22 STUDENT FINANCIAL AID PROGRAMS

SUBCHAPTER A GENERAL PROVISIONS

~~[22.7. Dissemination of Information and Rules.]~~

~~The Board is responsible for publishing and disseminating general information and program rules for the programs described in this Chapter.~~

Committee on Innovation, Data, and Educational Analytics

AGENDA ITEM V-D (3)

Consideration and possible action to adopt the recommendation relating to the four-year review of Board Rules, Chapter 22, Subchapter F, Sections 22.112-22.115, concerning Matching Scholarships to Retain Students in Texas

RECOMMENDATION: Adopt Rule 22.112 in its current form adopt Rules 22.113, 22.114, and 22.115 with amendments as proposed for consideration at this meeting

Background Information:

The Texas Higher Education Coordinating Board (Coordinating Board) opened the four-year rule review on Texas Administrative Code, Title 19, Part 1, Chapter 22, Subchapter F of the Texas Administrative Code, Matching Scholarships to Retain Students in Texas. Staff recommends that the Board determine that the reasons these rules were adopted continue to exist. Staff recommends that Rule 22.112 be readopted in its current form and that Rules 22.113, 22.114, and 22.115 be amended as proposed.

Dr. Charles W. Contéro-Puls, Assistant Commissioner for Student Financial Aid Programs, will be available for questions.

Date Published in the *Texas Register*: October 11, 2024

The 30-day comment period with the *Texas Register* ended on: November 10, 2024

Summary of comments received:

No comments were received regarding this rule review.

CHAPTER 1 STUDENT FINANCIAL AID PROGRAMS

SUBCHAPTER F Matching Scholarships to Retain Students in Texas

§ 22.112 Authority and Purpose.

(a) Authority for this subchapter is provided in Texas Education Code, §61.087, Matching Scholarships to Retain Students in Texas.

(b) The purpose of this program is to enable eligible institutions to use funds appropriated to it to encourage Texas students to attend college in Texas rather than go to college out of state.

§22.113. Eligible Institutions.

Eligible institutions include institutions of higher education and private or independent institutions of higher education as defined in §22.1 of this chapter (relating to Definitions).

§22.114. Eligible Students.

To be eligible to receive a scholarship under this subchapter, a student must:

- (1) be a resident of Texas, as defined in §22.1 of this chapter (relating to Definitions);
- (2) provide proof to the Texas institution that he or she has been offered a non-athletic scholarship or grant, including an offer of payment of tuition, fees, room and board, or a stipend, by an out-of-state institution; and
- (3) have been accepted for admission to the out-of-state institution offering the assistance.

§22.115. Funds for Awards.

(a) Upon receipt of proof that a student is eligible, an eligible institution may use any funds appropriated to the institution or other funds that the institution may use for scholarships or grants, to offer the student a scholarship that matches, in whole or in part, the offer from the out-of-state institution.

(b) In identifying which funds may be used for making matching scholarships through this subchapter, the institution must exclude funds for any program for which the student recipient would be disqualified by federal or state statute, donor specifications, or any funds that are otherwise restricted by law.

Committee on Innovation, Data, and Educational Analytics

AGENDA ITEM V-D (4)

Consideration and possible action to adopt proposed amendments to Board Rules, Chapter 22, Subchapter F, Sections 22.113-22.115, concerning the Matching Scholarships to Retain Students in Texas

RECOMMENDATION: Approval

Background Information:

This adopted amendment makes nonsubstantive changes to rule language to conform with other program rules in the chapter.

Rules 22.113, 22.114, and 22.115 are amended to make nonsubstantive changes to rule language. Citations to General Provisions in Chapter 22 are added to improve rule clarity and navigability, and use of the term "award" is replaced by "scholarship" to conform with rule language changes being made throughout the chapter. There are no practical changes to the administration of this subchapter.

Dr. Charles W. Contéro-Puls, Assistant Commissioner for Student Financial Aid Programs, will present this item and be available to answer questions.

Date Published in the *Texas Register*: October 11, 2024

The 30-day comment period with the *Texas Register* ended on: November 10, 2024.

The following comments were received regarding the adoption of the amended rules.

Comment: Austin Community College commented to note that use of the term "scholarship" in this and other subchapters can cause confusion with business operations, as they can be treated differently from grants. The commenter notes that a clearer distinction between grants and scholarships would be helpful.

Response: The Coordinating Board appreciates the comment. The lack of industry-wide accepted definitions for "grant" and "scholarship" can lead to overlap in how these terms are understood, and the Coordinating Board acknowledges the confusion stemming from that. The use of "scholarship" in this subchapter, however, aligns with the language used in Texas Education Code, §61.087. Coordinating Board rules cannot supersede statute. Accordingly, the Coordinating Board takes no action on this comment.

CHAPTER 22 STUDENT FINANCIAL AID PROGRAMS

SUBCHAPTER F MATCHING SCHOLARSHIPS TO RETAIN STUDENTS IN TEXAS

22.113. Eligible Institutions.

Eligible institutions include institutions of higher education and private or independent institutions of higher education as defined in §22.1 of this chapter (relating to Definitions) ~~[the Texas Education Code, Chapter 61.003]~~.

22.114. Eligible Students.

To be eligible to receive a scholarship under this subchapter ~~[an award through this program]~~, a student must:

- (1) be a resident of Texas, as defined in §22.1 of this chapter (relating to Definitions);
- (2) provide proof to the Texas institution that he or she has been offered a non-athletic scholarship or grant, including an offer of payment of tuition, fees, room and board, or a stipend, by an out-of-state institution; and
- (3) have been accepted for admission to the out-of-state institution offering the assistance.

22.115. Funds for Awards.

- (a) Upon receipt of proof that a student is eligible, an eligible institution may use any funds appropriated to the institution or other funds that the institution may use for ~~[the awarding of]~~ scholarships or grants, to offer the student a scholarship ~~[an award]~~ that matches, in whole or in part, the offer from the out-of-state institution.
- (b) In identifying which funds may be used for making matching scholarships through this subchapter, the institution must exclude funds for any program for which the student recipient would be disqualified by federal or state statute, donor specifications, or any funds that are otherwise restricted by law.

Committee on Innovation, Data, and Educational Analytics

AGENDA ITEM V-D (5)

Consideration and possible action to adopt proposed amendments to Board Rules, Chapter 22, Subchapter G, Sections 22.128-22.131, 22.133, and 22.135, concerning the Texas College Work-Study Program

RECOMMENDATION: Approval

Background Information:

These proposed amendments align rule language and terminology, clarify potential ambiguities, and more clearly specify rule applicability to improve the clarity and navigability of the program rules.

Included throughout the subchapter are a number of nonsubstantive updates to rule language. References to the Texas Higher Education Coordinating Board as an agency, for example, previously written as "Board" or "Board staff," are revised to "Coordinating Board" to ensure the distinction is clear between the agency and its governing board.

Rule 22.128 is amended to eliminate unnecessary or redundant definitions. "Encumbered funds" is not used in this subchapter and is, therefore, unnecessary; additionally, "encumber" is already defined in the chapter's General Provisions. The terms "forecast" and "institution of higher education" have both been consolidated into the chapter's General Provisions.

Rule 22.129 is amended to more closely align institutional eligibility with defined terms, specify the circumstances under which particular eligibility requirements apply, and simplify particular administrative requirements. The section is retitled to conform with rule naming conventions used throughout the chapter. Amendments to Subsection (a) are nonsubstantive and meant only to align with defined terms in Section 22.1. Subsections (c) and (d) are amended, first, to clarify that the requirements apply to institutions' participation in the Texas College Work-Study program as employers. Paragraph (d)(3) relates to other participating entities, not the institution, and therefore is relocated to Section 22.131(b). Subsection (e) was determined to be outdated and unnecessary to the administration of the program and is, therefore, eliminated.

Rule 22.130 is amended by aligning eligibility criteria more closely with defined terms and adding citations to rules located in the chapter's General Provisions. The section is retitled to conform with rule naming conventions used throughout the chapter. Subsection (b) is

clarified by adding "or" at the end of Paragraph (1) to clarify that either condition would disqualify a student from eligibility for the program.

Rule 22.131 is amended to clarify aspects of non-institutional employer eligibility. Subsection (b) is the reconstituted Section 22.129(d)(3). Subsection (c) is reorganized to clarify the logic associated with Paragraphs (4) and (5) – non-institutional employers must meet one of the two conditions. Subsection (c) is eliminated due to being duplicative with Section 22.129(c)(4).

Rule 22.133 is amended by removing unnecessary provisions relating to allocations for Fiscal Year 2023 and prior. All other changes are nonsubstantive; allocations for this program are unchanged.

Rule 23.135 is amended with nonsubstantive changes to rule language.

Dr. Charles W. Contéro-Puls, Assistant Commissioner for Student Financial Aid Programs, will present this item and be available to answer questions.

Date Published in the *Texas Register*: October 11, 2024

The 30-day comment period with the *Texas Register* ended on: November 10, 2024.

No comments were received regarding this rule.

Subsequent to the posting of the rules in the *Texas Register*, the following changes were incorporated into the adopted rule: References to theological seminaries and religious degree programs in Rules 22.129 and 22.130 have been removed in alignment with legal determinations stemming from recent federal court decisions.

CHAPTER 22 STUDENT FINANCIAL AID PROGRAMS
SUBCHAPTER G TEXAS COLLEGE WORK-STUDY PROGRAM

22.128. Definitions.

In addition to the words and terms defined in ~~[Texas Administrative Code,]~~ §22.1 of this chapter ~~[title]~~ (relating to Definitions), the following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

~~[(1) Encumbered funds--Program funds that have been offered to a specific student, which offer the student has accepted, and which may or may not have been disbursed to the student.]~~

~~[(2) Forecast--The FORECAST function in Microsoft Excel, or a comparable forecasting function.]~~

~~[(3) Institution of Higher Education or Institution--Any public technical institute, public junior college, public senior college or university, medical or dental unit, public state college, or other agency of higher education as defined in Texas Education Code, §61.003(8) or any private or independent institution of higher education as defined in Texas Education Code, §61.003(15).]~~

(1) ~~[(4)]~~ Program--The Texas College Work-Study Program.

(2) ~~[(5)]~~ Mentor--An eligible student employed to:

(A) help students at participating eligible institutions or to help high school students in participating school districts;

(B) counsel high school students at high school-based recruiting centers designed to improve access to higher education; or

(C) support student interventions at participating eligible institutions that are focused on increasing completion of degrees or certificates, such as interventions occurring through advising or supplemental instruction.

(3) ~~[(6)]~~ Mentorship Program--A work-study student mentorship program under which students enrolled at participating institutions and who met the eligibility requirements for employment in the Texas College Work-Study Program may be employed by participating entities as mentors, tutors, or advisors.

(4) ~~[(7)]~~ Participating Entity--An eligible institution, a school district, or a nonprofit organization that has filed a memorandum of understanding with the Coordinating Board under this subchapter to participate in the Mentorship Program.

22.129. Eligible Institutions.

(a) Eligibility.

(1) Any ~~[public, private, or independent]~~ institution of higher education or private or independent institution of higher education, as the terms are defined by §22.1 of this chapter (relating to Definitions) [Texas Education Code, §61.003, except a theological or religious seminary], is eligible to participate in the Program and/or the Mentorship Program.

(2) No institution may, on the grounds of race, color, national origin, gender, religion, age, or disability exclude an individual from participation in, or deny the benefits of the program described in this subchapter.

(3) Each participating institution must follow the Civil Rights Act of 1964, Title VI (Public Law 88-353) in avoiding discrimination in admissions or employment.

(4) Private or independent institutions of higher education offering only professional or graduate degrees are not eligible to participate in the Mentorship Program.

(b) Approval.

(1) Agreement. Each approved institution must enter into an agreement with the Coordinating Board, the terms of which shall be prescribed by the Commissioner.

(2) Approval Deadline. An institution must be approved by April 1 in order for qualified students enrolled in that institution to be eligible to be employed in a work-study position ~~[receive grants]~~ in the following fiscal year.

(c) To participate in the Program as an employer, an institution must:

(1) provide part-time employment to an eligible student in nonpartisan and nonsectarian activities;

(2) provide, insofar as is practicable, employment to an eligible student that is related to the student's academic interests;

(3) use Program positions only to supplement and not to supplant positions normally filled by persons not eligible to participate in the work-study program; and

(4) provide not less than 25 percent of an employed student's wages and 100 percent of other employee benefits for the employed student from sources other than federal college work-study program funds. Institutions eligible to receive Title III funds from the U. S. Department of Education are exempted from the Program requirement to provide 25 percent of an employed student's wages, if they provide the Board with a copy of a current Title III eligibility letter from the U. S. Department of Education.

(d) To participate in the Mentorship Program as an employer, an institution must:

(1) ~~an institution must~~ file with the Coordinating Board a memorandum of understanding detailing the roles and responsibilities of each participating entity; and

(2) ~~an institution must~~ provide not less than 10 percent of an employed mentor's wages and 100 percent of other employee benefits for the employed student from sources other than federal college work-study program funds. Institutions eligible to receive Title III funds from the U. S. Department of Education are exempted from the Mentorship Program requirement to provide 10 percent of an employed student's wages, if they provide the Board with a copy of a current Title III eligibility letter from the U. S. Department of Education.

~~[(3) a participating entity, other than an institution of higher education, benefiting from the services of the mentor must provide funding in an amount at least equal to the amount of the institution's contribution. The participating entity's contribution may be satisfied through in-kind contributions, if acceptable by the institution. Participating entities benefiting from the service of mentors enrolled at institutions eligible to receive Title III funds from the U. S. Department of Education are exempted from the Mentorship Program requirement to provide matching funds, if the institution has provided the Board with a copy of a current Title III eligibility letter from the U. S. Department of Education]~~

~~[(e) Additional criteria for participation and program requirements for the Mentorship Program shall be determined and set forth in Commissioner's policies. The Commissioner's policies shall be reviewed periodically to determine the effectiveness and success of the Program.]~~

(e) [(f)] Publicizing Work-Study Employment Opportunities. Institutions participating in the Program must establish and maintain an online list of work-study employment opportunities available on campus, sorted by department as appropriate, and ensure that the list is easily accessible to the public and prominently displayed on the institution's website.

22.130. Eligible Students ~~[Student Employees]~~.

(a) To be eligible for employment in the Program a person shall:

(1) be a ~~[Texas]~~ resident of Texas, as defined by §22.1 of this chapter (relating to Definitions) ~~[Board rules]~~;

(2) be enrolled ~~[for]~~ at least ~~[the number of hours required of a]~~ half-time ~~[student]~~, as determined by the student's institution, and be seeking a degree or certificate ~~[certification]~~ in an eligible institution;

(3) show ~~[establish]~~ financial need, as defined by §22.1 of this chapter ~~[in accordance with Board procedures]~~;

(4) meet applicable standards outlined in §22.3 of this chapter (relating to Student Compliance with Selective Service Registration [have a statement on file with the institution of higher education indicating the student is registered with the Selective Service System as required by federal law or is exempt from Selective Service registration under federal law]; and

(5) if participating in the Mentorship Program, receive appropriate training and supervision as determined by the ~~[Commissioner or]~~ Coordinating Board ~~[staff]~~.

(b) A person is not eligible to participate in the Program if the person~~[:]~~

~~[(4)]~~ concurrently receives an athletic scholarship. ~~[:]~~

~~[(2) is enrolled in a seminary or other program leading to ordination or licensure to preach for a religious sect or to be a member of a religious order.]~~

22.131. Eligible Off-Campus Employers.

(a) For the Mentorship Program, an eligible institution must file, in conjunction with the participating school district(s) or nonprofit organization(s), a memorandum of understanding with the Coordinating Board.

(b) For the Mentorship Program, a participating entity, other than an institution of higher education, benefiting from the services of the mentor must provide funding in an amount at least equal to the amount of the institution's contribution, as described by §22.129(d)(2) of this subchapter (relating to Eligible Institutions). The participating entity's contribution may be satisfied through in-kind contributions, if acceptable by the institution.

(c) [(b)] An eligible institution may enter into agreements with off-campus employers to participate in the Program. To be eligible to participate, an off-campus employer must:

(1) provide part-time employment to an eligible student in nonpartisan and nonsectarian activities;

(2) provide, insofar as is practicable, employment to an eligible student that is related to the student's academic interests;

(3) use Program positions only to supplement and not to supplant positions normally filled by persons not eligible to participate in the work-study program; and

(4) either:

(A) [(4)] unless the institution enrolling the eligible student is eligible for a waiver of matching funds under 22.129(c)(4) of this subchapter [subsection (b) of this section], provide not less than 25 percent of an employed student's wages and 100 percent of other employee benefits for the employed student

from sources other than federal college work-study program funds, if the employer is a nonprofit entity; or

(B) ~~[(5)]~~ provide not less than 50 percent of an employed student's wages and 100 percent of other employee benefits for the employed student, if the employer is a profit-making entity.

~~[(c) Institutions eligible to receive Title III funds from the U. S. Department of Education are exempted from the Program requirement to provide 25 percent of an employed student's wages, if they provide the Board with a copy of a current Title III eligibility letter from the U. S. Department of Education.]~~

22.133. Allocation of Funds.

(a) ~~[Allocations for Fiscal Year 2024 and later.]~~ Allocations for the Program are to be determined on an annual basis as follows:

(1) All eligible institutions will be invited to participate in the Texas College Work-Study Program and/or the Work-Study Mentorship Program, prior to the start of the biennium; those choosing not to participate will be excluded from calculations for the relevant year.

(2) The annual allocation share for each institution choosing to participate will be its three-year average share of the total statewide number of students who met the following criteria:

(A) were ~~[classified as Texas]~~ residents of Texas, as defined in §22.1 of this chapter (relating to Definitions);

(B) were enrolled in a degree or certificate program at least half-time, with full-time students weighted as 1, three-quarter time students weighted as 0.75, and half-time students weighted as 0.50, as reported in the Financial Aid Database submission; and

(C) have a 9-month Expected Family Contribution, calculated using federal methodology, less than or equal to the Federal Pell Grant eligibility cap for the year reported in the Financial Aid Database submission.

(3) Institutions indicating participation in both the Texas College Work-Study and the Work-Study Mentorship Program will have their number of students who meet the criteria listed above increased by 60 percent [60% prior to the calculation of the allocation shares.

(4) Institutions indicating participation in only one of the Texas College Work-Study and the

Work-Study Mentorship Programs may only use allocated funding for the program in which they indicated intention to participate. Institutions indicating participation in both the Texas College Work-Study and the Work-Study Mentorship Program must disburse a minimum of 25 percent [25% of their allocation to students participating in the Mentorship Program.

(5) Sources of data. The source of data used for the allocations are the three most recently certified Financial Aid Database reports submitted to the Coordinating Board by the institutions.

(6) Allocations for both years of the state appropriations' biennium will be completed at the same time. For the allocation process of the second year of the state appropriations' biennium, the sources of data outlined in paragraph (5) of this subsection will be utilized to forecast an additional year of data. This additional year of data, in combination with the two most recent years outlined in paragraph (5) of this subsection, will be utilized to calculate the three-year average share outlined in paragraph (2) of this subsection. Institutions will receive notification of their allocations for both years of the biennium at the same time.

~~[(b) Allocations for Fiscal Year 2023 and prior. Allocations for the Program are to be determined on an annual basis as follows:]~~

~~[(1) All eligible institutions will be invited to participate; those choosing not to participate will be left out of the calculations for the relevant year.]~~

~~[(2) The allocation base for each institution choosing to participate will be the number of students it reported in the most recent financial aid database report who met the following criteria:]~~

~~[(A) were classified as Texas residents;]~~

~~[(B) were enrolled at least half-time, with full-time students weighted as 1 and part-time students weighted as .5;]~~

~~[(C) completed either the FAFSA or TASFA; and]~~

~~[(D) have a 9-month Expected Family Contribution less than the simple average in-district 9-month cost of attendance for community college students enrolled for 30 semester credit hours while living off campus, as reported in the most recent year's College Student Budget Report.]~~

~~[(3) Each institution's share of the available funds will equal its share of the state-wide total of students who meet the criteria in paragraph (2) of this subsection.]~~

(b) ~~[(e)]~~ Verification of Data. Allocation calculations will be shared with all participating institutions for comment and verification prior to final posting and the institutions will be given

10 working days, beginning the day of the notice's distribution and excluding State holidays, to confirm that the allocation report accurately reflects the data they submitted or to advise the Coordinating Board ~~[staff]~~ of any inaccuracies.

(c) ~~(d)~~ Reductions in Funding.

(1) If annual funding for the program is reduced after the start of a fiscal year, the Coordinating Board may take steps to help distribute the impact of reduced funding across all participating institutions by an across-the-board percentage decrease in all institutions' allocations.

(2) If annual funding is reduced prior to the start of a fiscal year, the Coordinating Board may recalculate the allocations according to the allocation methodology outlined in this rule for the affected fiscal year based on available dollars.

22.135. Disbursement of Funds.

(a) As requested by institutions throughout the academic year, the Coordinating Board shall forward to each participating institution a portion of its allocation of funds for timely disbursement to students.

(b) Institutions will have until the close of business on August 1, or the first working day thereafter if it falls on a weekend or holiday, to encumber program funds from their allocation for timely disbursement to students. After that date, institutions lose claim to any funds in the current fiscal year not yet drawn down from the Board for timely disbursement to students.

(c) Funds released in this manner in the first year of the biennium become available to the institution for use in the second year of the biennium. Funds released in this manner in the second year of the biennium become available to the Coordinating Board for utilization in financial aid processing.

(d) Should these unspent funds result in additional funding available for the next year's program, revised allocations, calculated according to the allocation methodology outlined in this subchapter, will be issued to participating institutions during the fall semester.

Committee on Innovation, Data, And Educational Analytics

AGENDA ITEM V-D (6)

Consideration and possible action to adopt the recommendation relating to the four-year review of Board Rules, Chapter 22, Subchapter I, Sections 22.163-22.174, concerning the Texas Armed Services Scholarship Program

RECOMMENDATION: Readopt Rules 22.171, 22.172, 22.173 and 22.174 without amendments and readopt Rules 22.163, 22.164, and 22.165, 22.166, 22.167, 22.168, and 22.170 with amendments as proposed for consideration at this meeting.

Background Information:

The Texas Higher Education Coordinating Board (Coordinating Board) opened the four-year rule review on Texas Administrative Code, Title 19, Part 1, Chapter 22, Subchapter I, §§22.163 - 22.174, concerning the Texas Armed Services Scholarship Program. Staff recommends that the Board determine that the reasons these rules were adopted continue to exist. Staff recommends that Rules 22.171, 22.172, 22.173, and 22.174 be readopted without amendments and Rules 22.163, 22.164, and 22.165, 22.166, 22.167, 22.168, and 22.170 with amendments as proposed.

Dr. Charles W. Contéro-Puls, Assistant Commissioner for Student Financial Aid Programs, will be available for questions.

Date Published in the *Texas Register*: October 11, 2024

The 30-day comment period with the *Texas Register* ended on: November 10, 2024

Summary of comments received:

No comments were received regarding this rule review.

CHAPTER 1 STUDENT FINANCIAL AID PROGRAMS

SUBCHAPTER I Texas Armed Services Scholarship Program

§22.163. Authority and Purpose.

(a) Authority. Authority for this subchapter is provided in the Texas Education Code, chapter 61, subchapter FF [Subchapter FF], Texas Armed Services Scholarship Program. These rules establish procedures to administer the subchapter as prescribed in the Texas Education Code, §§61.9771 - 61.9776.

(b) Purpose. The purpose of the Texas Armed Services Scholarship Program is to encourage students to complete a baccalaureate degree and become members of the Texas Army National Guard, the Texas Air National Guard, the Texas State Guard, the United States Coast Guard, or the United States Merchant Marine, or to become commissioned officers in any branch of the armed services of the United States.

§22.164. Definitions.

In addition to the words and terms defined in [Texas Administrative Code,] §22.1 of this chapter (relating to Definitions), the following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

[(1) Award--The amount of a scholarship in an academic year, which may be comprised of multiple disbursements.]

[(2) Institution of Higher Education--As defined in Texas Education Code, §61.003(8), and which includes, for purposes of this subchapter, private or independent institutions of higher education as defined in Texas Education Code, §61.003(15).]

(1) [(3)] Contract to Serve [serve]--A legally-binding agreement between the recipient and the armed services of the United States, prescribing the terms of the military commitment that [to which] the recipient is obligated to serve.

(2) [(4)] Loan--A Texas Armed Services Scholarship that has become a loan as outlined in §22.170 of this subchapter (relating to Conversion of the Scholarship to a Loan).

(3) [(5)] Recipient--A person who has received a Texas Armed Services Scholarship.

(4) [(6)] Scholarship--A conditional scholarship through the Texas Armed Services Scholarship Program.

§22.165. Scholarship [Award] Amount [and Limitations].

(a) The amount of a scholarship in an academic year shall not exceed \$15,000.

(b) A scholarship offered [awarded] to a student under this subchapter shall be reduced for an academic year by the amount by which the full amount of the scholarship plus the total amount to be paid to the student for being under contract with one of the branches of the armed services of the United States exceeds the student's [total] cost of attendance for that academic year at the institution of higher education or private or independent institution of higher education in which the student is enrolled.

[(c) A student may receive a scholarship for four years, if the student is enrolled in a degree program of four years or less, or for five years, if enrolled in a degree program of more than four years.]

[(d) A student may not receive a scholarship after having earned a baccalaureate degree or a cumulative total of 150 credit hours, including transferred hours, as verified by the student's institution of higher education.]

§22.166. [Requirements for] Appointment by Elected Officials.

(a) Each year the governor and the lieutenant governor may each appoint two students and two alternates, and each state senator and each state representative may appoint one student and one alternate to receive an initial scholarship.

(b) Appointments must be reported to the Coordinating Board by the deadline established by the Commissioner.

(c) Appointment Requirements. A selected student must meet two of the following four academic criteria at the time of application:

(1) Is on track to graduate high school or graduated with the Distinguished Achievement Program (DAP), the distinguished level of achievement under the Foundation High School program, or the International Baccalaureate Program (IB);

(2) Has a current high school GPA of 3.0 or higher or graduated with a high school GPA of 3.0 or higher;

(3) Achieved a college readiness score on the SAT or ACT;

(4) Is currently ranked in the top one-third of the prospective high school graduating class or graduated in the top one-third of the high school graduating class.

(d) If a student appointed to receive a scholarship fails to initially meet eligibility or fails to meet the requirements to initially receive the scholarship, the Coordinating Board must notify the alternate on file of his or her nomination.

(e) If a recipient's scholarship converts to a loan prior to graduation, beginning with the academic year following the determination, the appointing official may appoint another eligible student to receive any available funds designated for the recipient who no longer meets the requirements for the scholarship.

§22.167. Eligible Students [Award Eligibility].

To receive a scholarship, an appointed [a selected] student must:

(1) Be enrolled in an institution of higher education or a private or independent institution of higher education, as the terms are defined in §22.1 of this chapter (relating to Definitions), as certified by that institution;

(2) Enroll in and be a member in good standing of a Reserve Officers' Training Corps (ROTC) program or another undergraduate officer commissioning program while enrolled in the institution of higher education or private or independent institution of higher education, as certified by that institution;

(3) Enter into a written agreement with the Coordinating Board, set forth in §22.168 of this subchapter (relating to Promissory Note); and

[(4) Be appointed to receive a scholarship by the governor, lieutenant governor, a state senator, or a state representative; and]

(4) [(5)] Maintain the satisfactory academic progress requirements as indicated by the financial aid office at the recipient's institution of higher education or private or independent institution of higher education.

§22.168. Promissory Note.

(a) The Coordinating Board shall require a recipient to sign a promissory note acknowledging the conditional nature of the scholarship and promising to repay the amount of the scholarship plus applicable interest, late charges, and any collection costs, including attorneys' fees, if the recipient fails to meet certain conditions of the scholarship, set forth in §22.170 of this subchapter (Conversion of the Scholarship to a Loan).

(b) Recipients agree to:

(1) Complete one year of ROTC training for each year that the student receives a scholarship, or the equivalent of one year of ROTC training if the institution of higher education or private or independent institution of higher education awards ROTC credit for prior service in any branch of the U.S. Armed Services or the Texas Army National Guard, Texas Air National Guard, Texas State Guard, United States Coast Guard, or United States Merchant Marine, or another undergraduate officer commissioning program;

(2) Graduate no later than six years after the date the student first enrolls in an institution of higher education or private or independent institution of higher education [after having received a high school diploma or a General Educational Diploma or its equivalent];

(3) After graduation, enter into and provide the Coordinating Board with verification of:

(A) A four-year commitment to be a member of the Texas Army National Guard, Texas Air National Guard, Texas State Guard, United States Coast Guard, or United States Merchant Marine; or

(B) A contract to serve as a commissioned officer in any branch of the armed services of the United States;

(4) Meet the physical examination requirements and all other prescreening requirements of the Texas Army National Guard, Texas Air National Guard, Texas State Guard, United States Coast Guard, or United States Merchant Marine, or the branch of the armed services with which the student enters into a contract.

§22.169. Discontinuation of Eligibility.

(a) A student may receive a scholarship for four years, if the student is enrolled in a degree program of four years or less, or for five years, if enrolled in a degree program of more than four years.

(b) A student may not receive a scholarship after having earned a baccalaureate degree or a cumulative total of 150 credit hours, including transferred hours, as verified by the student's institution of higher education or private or independent institution of higher education.

§22.170. Conversion of the Scholarship to a Loan.

(a) A scholarship will become a loan if the recipient:

(1) Fails to maintain satisfactory academic progress as described in §22.167 of this subchapter (relating to Eligible Students [Award Eligibility]);

(2) Withdraws from the scholarship program, as indicated through withdrawal or removal from the institution of higher education or private or independent institution of higher education or that institution's ROTC program or other undergraduate officer commissioning program, without subsequent enrollment in another institution of higher education or private or

independent institution of higher education and that subsequent institution's ROTC program or other undergraduate officer commissioning program; or

(3) Fails to fulfill one of the following:

(A) a four-year commitment to be a member of the Texas Army National Guard, Texas Air National Guard, Texas State Guard, United States Coast Guard, or United States Merchant Marine; or

(B) the minimum active service requirement included in a contract to serve as a commissioned officer in any branch of the armed services of the United States; honorable discharge is considered demonstration of fulfilling the minimum active service requirement.

(b) A scholarship converts to a loan if documentation of the contract or commitment outlined in subsection (a)(3) of this section is not submitted to the Coordinating Board within twelve months of graduation with a baccalaureate degree. Subsequent filing of this documentation will revert the loan back to a scholarship.

(c) If a recipient's scholarship converts to a loan, the recipient cannot regain eligibility for the Scholarship in any subsequent academic year.[:]

[(1) cannot regain award eligibility in a subsequent academic year; and]

[(2) loses eligibility to receive any future awards.]

(d) If a recipient requires a temporary leave of absence from the institution of higher education, private or independent institution of higher education, and/or the ROTC program or another undergraduate officer commissioning program for personal reasons or to provide service for the Texas Army National Guard, Texas Air National Guard, Texas State Guard, United States Coast Guard, or United States Merchant Marine for fewer than twelve months, the Coordinating Board may agree to not convert the scholarship to a loan during that time.

(e) If a recipient is required to provide more than twelve months of service in the Texas Army National Guard, Texas Air National Guard, Texas State Guard, United States Coast Guard, or United States Merchant Marine as a result of a national emergency, the Coordinating Board shall grant that recipient additional time to meet the graduation and service requirements specified in the scholarship agreement.

§22.171. Repayment of Loans.

(a) A scholarship is considered a loan on the date the recipient fails to meet the conditions of the scholarship as described in §22.170 of this subchapter (relating to Conversion of the Scholarship to a Loan); the loan amount must be repaid, plus interest accrued.

(b) Loan interest. The interest rate charged on the loans shall be the same rate charged for a College Access Loan at the time the funds were disbursed. Interest shall begin to accrue on the date the scholarship is converted to a loan.

(c) Period of loan repayment. The total amount of principal, interest, late charges, and any costs of collection that accrue over the life of the loans are to be repaid in installments over a period of not more than 15 years after the date the scholarship becomes a loan.

(d) Grace period. A recipient shall begin making payments six months after the date the scholarship becomes a loan.

(e) Minimum repayment amount. The minimum monthly payment amount required by any repayment plan is \$100, or an amount required to repay the loan within 15 years, whichever is greater.

(f) Late charges. A charge of 5 percent of the scheduled monthly payment amount or five dollars (\$5), whichever is less, shall be assessed if the past due amount is not received within 20 days of the scheduled due date. These charges shall be collected for late payment of all sums due and payable and shall be taken out of the next payment received by the Coordinating Board.

(g) Collection charges. In the case of delinquent accounts, the Commissioner may authorize the assessment of charges to cover costs necessary to collect the loan.

(h) Deferments. An education deferment is available to any recipient whose loan is not in a default status and who provides the Coordinating Board documentation of enrollment as at least a half-time student.

(i) Forbearance. The Coordinating Board may grant periods of forbearance in the form of postponed or reduced payments for unusual financial hardship if the Coordinating Board receives a written or verbal request stating the circumstances that merit such consideration.

(j) Prepayment. Any loans made through the program may be prepaid without penalty.

(k) Application of payments. In accordance with the terms of the promissory note, the Coordinating Board shall determine the priority order in which payments shall be applied to interest, late charges, principal, collections costs and any other charges.

§22.172. Enforcement of Collection.

(a) When a scholarship recipient fails to make as many as five monthly payments due in accordance with the established repayment schedule for a scholarship which has become a loan, the entire unpaid balance shall become due and payable immediately.

(b) When as many as six payments have been missed, the loan(s) will be considered to be in default, and the Office of the Attorney General, at the request of the Commissioner, may file suit for the unpaid balance plus court costs and attorneys' fees.

(c) The Coordinating Board shall notify the Comptroller of Public Accounts when a recipient's loan has become 90 days or more past due, resulting in the non-issuance of certain state warrants.

§22.173. Exemption and Cancellation.

(a) The recipient shall be exempt from the requirement to repay the scholarship if the person is unable to meet the obligations of the agreement solely as a result of physical inability and provides a physician's certification and/or other appropriate documentation to the satisfaction of the Coordinating Board.

(b) The Coordinating Board shall cancel a recipient's loan upon the death of the recipient unless the debt was reduced to judgment before the death occurred.

(c) The Coordinating Board may cancel a recipient's service and/or repayment obligation if funding for the Texas Armed Services Scholarship Program is discontinued while the recipient continues to meet eligibility requirements.

§22.174. Provisions for Death and Disability.

(a) All loans through the Texas Armed Services Scholarship Program are discharged in the event of the borrower's death or permanent and total disability.

(b) Verification of death, and determination of permanent and total disability of a borrower through the Texas Armed Services Scholarship Program, shall be made in accordance with student loan industry standards.

(c) The final determination of permanent and total disability of a borrower shall be made by the Commissioner, or his/her designee.

Committee on Innovation, Data, and Educational Analytics

AGENDA ITEM V-D (7)

Consideration and possible action to adopt proposed amendments to Board Rules, Chapter 22, Subchapter I, Sections 22.163-22.168, and 22.170, and new section 22.169, concerning the Texas Armed Services Scholarship Program (TASSP)

RECOMMENDATION: Approval

Background Information:

These amendments and new section align terminology and rule language throughout the chapter and restructure existing provisions to improve rule clarity and readability.

Included throughout the subchapter are a number of nonsubstantive updates to rule language. References to the Texas Higher Education Coordinating Board (Coordinating Board) as an agency, for example, previously written as "Board" or "Board staff," are revised to "Coordinating Board" to ensure the distinction is clear between the agency and its governing board. Similarly, the word "award" is changed to the more precise "scholarship" as a noun and "offer" as a verb, to avoid potential confusion.

Rule 22.163, Authority and Purpose, is amended to add the appropriate chapter to the authority citation to conform with standards throughout the rule chapter.

Rule 22.164, Definitions, is amended by removing unnecessary or duplicative definitions. The term "award" is being treated as mentioned above, and "institution of higher education" has been consolidated into Rule 22.1. Because the definition of "institution of higher education" in Rule 22.1 includes public institutions only, references to institution throughout this rule have been clarified to include "private or independent institution of higher education," which is also defined in Rule 22.1.

Rule 22.165, Scholarship Amount, is amended by separating the concepts of scholarship amount and program limitations. Current subsections (c) and (d), which relate to the discontinuation of a student's eligibility for a scholarship, are being moved to the new Rule 22.169. The section is retitled accordingly.

Rule 22.166, Appointment by Elected Officials, is amended by retitling the section to conform more closely with rule naming conventions used throughout the chapter and adding a header on Subsection (c) to designate its purpose.

Rule 22.167, Eligible Students, is amended align more closely with the provisions of Rule 22.166. Paragraph (4) is eliminated, as appointment by an elected official is a pre-condition for consideration for the scholarship. The section is retitled to conform to rule naming conventions used throughout the chapter.

Rule 22.168, Promissory Note, is amended to eliminate an unnecessary and potentially confusing phrase in Paragraph (b)(2). Scholarship recipients are not required to enroll in an institution of higher education immediately after completing high school or their equivalency, so the phrase "after...equivalent" is potentially misleading. This does not represent a change in Coordinating Board policy.

Rule 22.169, Discontinuation of Eligibility, is created to specify provisions relating to discontinuation of a student's eligibility for a scholarship under the program. Subsections (a) and (b), respectively, are the reconstituted Sections 22.165(c) and (d), with no changes.

Rule 22.170, Conversion of the Scholarship to a Loan, is amended to correct a rule citation and to eliminate Paragraphs (c)(1) and (c)(2), which are not necessary and could be confusing.

Dr. Charles W. Contéro-Puls, Assistant Commissioner for Student Financial Aid Programs, will present this item and be available to answer questions.

Date Published in the *Texas Register*: October 11, 2024

The 30-day comment period with the *Texas Register* ended on: November 10, 2024.

Two comments were received regarding this rule:

Comment: Texas A&M University commented regarding Rule 22.168, Promissory Note, to offer a suggestion for Paragraph (b)(3)(B). Texas A&M University would like to see additional flexibility of 6-12 months in the time required for a student to seek commission outside of graduation. The institution believes this flexibility will allow students to continue to qualify for the scholarship and to seek commission outside of the university, while also fulfilling their overall military service commitment.

Response: The Coordinating Board appreciates the comment and offers the following clarification. Rule §22.170, *Conversion of the Scholarship to a Loan*, paragraph (b) allows recipients to provide the required documentation of military commitment within twelve months of graduation before a scholarship is converted to a loan. This provision encompasses the requested time flexibility as noted by the commentor. Accordingly, the Coordinating Board takes no action on this comment.

Comment: Texas A&M University commented regarding Rule 22.169, Discontinuation of Eligibility, to offer a suggestion for Paragraph (a). Texas A&M University would like to see additional language added that will provide more latitude in determining a four year versus five-year degree program for purposes of this scholarship program.

Response: The Coordinating Board appreciates the comment and acknowledges that not all required ROTC courses count toward an official degree plan. As such, the Coordinating Board revises Rule §22.169(a) to allow a student to receive a scholarship for five years, if the student is enrolled in a degree program of four years or less, or for six years, if enrolled in a degree program of more than four years.

CHAPTER 22 STUDENT FINANCIAL AID PROGRAMS

SUBCHAPTER I TEXAS ARMED SERVICES SCHOLARSHIP PROGRAM

22.163. Authority and Purpose.

(a) Authority. Authority for this subchapter is provided in the Texas Education Code, chapter 61, subchapter FF ~~[Subchapter FF]~~, Texas Armed Services Scholarship Program. These rules establish procedures to administer the subchapter as prescribed in the Texas Education Code, §§61.9771 - 61.9776.

(b) Purpose. The purpose of the Texas Armed Services Scholarship Program is to encourage students to complete a baccalaureate degree and become members of the Texas Army National Guard, the Texas Air National Guard, the Texas State Guard, the United States Coast Guard, or the United States Merchant Marine, or to become commissioned officers in any branch of the armed services of the United States.

22.164. Definitions.

In addition to the words and terms defined in ~~[Texas Administrative Code,]~~ §22.1 of this chapter (relating to Definitions), the following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

~~[(1) Award--The amount of a scholarship in an academic year, which may be comprised of multiple disbursements.]~~

~~[(2) Institution of Higher Education--As defined in Texas Education Code, §61.003(8), and which includes, for purposes of this subchapter, private or independent institutions of higher education as defined in Texas Education Code, §61.003(15).]~~

(1) [(3)] Contract to Serve ~~[serve]~~--A legally-binding agreement between the recipient and the armed services of the United States, prescribing the terms of the military commitment that ~~[to which]~~ the recipient is obligated to serve.

(2) [(4)] Loan--A Texas Armed Services Scholarship that has become a loan as outlined in §22.170 of this subchapter (relating to Conversion of the Scholarship to a Loan).

(3) [(5)] Recipient--A person who has received a Texas Armed Services Scholarship.

(4) [(6)] Scholarship--A conditional scholarship through the Texas Armed Services Scholarship Program.

22.165. Scholarship ~~[Award]~~ Amount ~~[and Limitations]~~.

(a) The amount of a scholarship in an academic year shall not exceed \$15,000.

(b) A scholarship offered ~~[awarded]~~ to a student under this subchapter shall be reduced for an academic year by the amount by which the full amount of the scholarship plus the total amount to be paid to the student for being under contract with one of the branches of the armed services of the United States exceeds the student's ~~[total]~~ cost of attendance for that academic year at the institution of higher education or private or independent institution of higher education in which the student is enrolled.

~~[(c) A student may receive a scholarship for four years, if the student is enrolled in a degree program of four years or less, or for five years, if enrolled in a degree program of more than four years.]~~

~~[(d) A student may not receive a scholarship after having earned a baccalaureate degree or a cumulative total of 150 credit hours, including transferred hours, as verified by the student's institution of higher education.]~~

22.166. ~~[Requirements for]~~ Appointment by Elected Officials.

(a) Each year the governor and the lieutenant governor may each appoint two students and two alternates, and each state senator and each state representative may appoint one student and one alternate to receive an initial scholarship.

(b) Appointments must be reported to the Coordinating Board by the deadline established by the Commissioner.

(c) Appointment Requirements. A selected student must meet two of the following four academic criteria at the time of application:

(1) Is on track to graduate high school or graduated with the Distinguished Achievement Program (DAP), the distinguished level of achievement under the Foundation High School program, or the International Baccalaureate Program (IB);

(2) Has a current high school GPA of 3.0 or higher or graduated with a high school GPA of 3.0 or higher;

(3) Achieved a college readiness score on the SAT or ACT;

(4) Is currently ranked in the top one-third of the prospective high school graduating class or graduated in the top one-third of the high school graduating class.

(d) If a student appointed to receive a scholarship fails to initially meet eligibility or fails to meet the requirements to initially receive the scholarship, the Coordinating Board must notify the alternate on file of his or her nomination.

(e) If a recipient's scholarship converts to a loan prior to graduation, beginning with the academic year following the determination, the appointing official may appoint another eligible

student to receive any available funds designated for the recipient who no longer meets the requirements for the scholarship.

22.167. Eligible Students [~~Award Eligibility~~].

To receive a scholarship, an appointed [~~a selected~~] student must:

- (1) Be enrolled in an institution of higher education or a private or independent institution of higher education, as the terms are defined in §22.1 of this chapter (relating to Definitions), as certified by that institution;
- (2) Enroll in and be a member in good standing of a Reserve Officers' Training Corps (ROTC) program or another undergraduate officer commissioning program while enrolled in the institution of higher education or private or independent institution of higher education, as certified by that institution;
- (3) Enter into a written agreement with the Coordinating Board, set forth in §22.168 of this subchapter (relating to Promissory Note); and
- ~~[(4) Be appointed to receive a scholarship by the governor, lieutenant governor, a state senator, or a state representative; and]~~
- (4) [(5)] Maintain the satisfactory academic progress requirements as indicated by the financial aid office at the recipient's institution of higher education or private or independent institution of higher education.

22.168. Promissory Note.

(a) The Coordinating Board shall require a recipient to sign a promissory note acknowledging the conditional nature of the scholarship and promising to repay the amount of the scholarship plus applicable interest, late charges, and any collection costs, including attorneys' fees, if the recipient fails to meet certain conditions of the scholarship, set forth in §22.170 of this subchapter (Conversion of the Scholarship to a Loan).

(b) Recipients agree to:

- (1) Complete one year of ROTC training for each year that the student receives a scholarship, or the equivalent of one year of ROTC training if the institution of higher education or private or independent institution of higher education awards ROTC credit for prior service in any branch of the U.S. Armed Services or the Texas Army National Guard, Texas Air National Guard, Texas State Guard, United States Coast Guard, or United States Merchant Marine, or another undergraduate officer commissioning program;
- (2) Graduate no later than six years after the date the student first enrolls in an institution of higher education or private or independent institution of higher

education [after having received a high school diploma or a General Educational Diploma or its equivalent];

(3) After graduation, enter into and provide the Coordinating Board with verification of:

(A) A four-year commitment to be a member of the Texas Army National Guard, Texas Air National Guard, Texas State Guard, United States Coast Guard, or United States Merchant Marine; or

(B) A contract to serve as a commissioned officer in any branch of the armed services of the United States;

(4) Meet the physical examination requirements and all other prescreening requirements of the Texas Army National Guard, Texas Air National Guard, Texas State Guard, United States Coast Guard, or United States Merchant Marine, or the branch of the armed services with which the student enters into a contract.

22.169. Discontinuation of Eligibility.

(a) A student may receive a scholarship for five years, if the student is enrolled in a degree program of four years or less, or for six years, if enrolled in a degree program of more than four years.

(b) Notwithstanding subsection (a), a student may not receive a scholarship after having earned a baccalaureate degree or a cumulative total of 150 credit hours, including transferred hours, as verified by the student's institution of higher education or private or independent institution of higher education.

22.170. Conversion of the Scholarship to a Loan.

(a) A scholarship will become a loan if the recipient:

(1) Fails to maintain satisfactory academic progress as described in §22.167 of this subchapter (relating to Eligible Students ~~[Award Eligibility]~~);

(2) Withdraws from the scholarship program, as indicated through withdrawal or removal from the institution of higher education or private or independent institution of higher education or that institution's ROTC program or other undergraduate officer commissioning program, without subsequent enrollment in another institution of higher education or private or independent institution of higher education and that subsequent institution's ROTC program or other undergraduate officer commissioning program; or

(3) Fails to fulfill one of the following:

(A) a four-year commitment to be a member of the Texas Army National Guard, Texas Air National Guard, Texas State Guard, United States Coast Guard, or United States Merchant Marine; or

(B) the minimum active service requirement included in a contract to serve as a commissioned officer in any branch of the armed services of the United States; honorable discharge is considered demonstration of fulfilling the minimum active service requirement.

(b) A scholarship converts to a loan if documentation of the contract or commitment outlined in subsection (a)(3) of this section is not submitted to the Coordinating Board within twelve months of graduation with a baccalaureate degree. Subsequent filing of this documentation will revert the loan back to a scholarship.

(c) If a recipient's scholarship converts to a loan, the recipient cannot regain eligibility for the Scholarship in any subsequent academic year.~~[:]~~

~~[(1) cannot regain award eligibility in a subsequent academic year; and]~~

~~[(2) loses eligibility to receive any future awards.]~~

(d) If a recipient requires a temporary leave of absence from the institution of higher education, private or independent institution of higher education, and/or the ROTC program or another undergraduate officer commissioning program for personal reasons or to provide service for the Texas Army National Guard, Texas Air National Guard, Texas State Guard, United States Coast Guard, or United States Merchant Marine for fewer than twelve months, the Coordinating Board may agree to not convert the scholarship to a loan during that time.

(e) If a recipient is required to provide more than twelve months of service in the Texas Army National Guard, Texas Air National Guard, Texas State Guard, United States Coast Guard, or United States Merchant Marine as a result of a national emergency, the Coordinating Board shall grant that recipient additional time to meet the graduation and service requirements specified in the scholarship agreement.

Committee on Innovation, Data, and Educational Analytics

AGENDA ITEM V-D (8)

Consideration and possible action to adopt proposed amendments to Board Rules, Chapter 22, Subchapter K, Sections 22.201-22.210, concerning the Texas Transfer Grant Program

RECOMMENDATION: Approval

Background Information:

These amendments align rule language and terminology with rules throughout the chapter to improve rule clarity.

Rule 22.201, Definitions, is amended to eliminate the unused term "encumbered funds" from the section. This term has a technical meaning but is not used in the rule.

Rule 22.202, Eligible Institutions, is amended to align the rule language with defined terms in Section 22.1 of this chapter and to eliminate Paragraph (2)(B), which referred to approval procedures for the 2023-2024 academic year and is no longer needed.

Rule 22.203, Eligible Students, is amended to align eligibility criteria with defined terms and to clarify Subsection (a)(3). The rules define the requirement to "have applied for any available financial aid assistance" in this and other programs as a requirement that the student to have completed the Free Application for Federal Student Aid (FAFSA) or, as needed, the Texas Application for State Financial Aid (TASFA). The amendments to the rule improve the clarity of the rule and align with current practice. The amendments to this section are conforming and should not be interpreted as changing the eligibility requirements for the program.

Rule 22.204, Satisfactory Academic Progress, is amended to specify that each institution shall calculate a student's grade point average for the purposes of meeting satisfactory academic progress in accordance with Rule 22.10 in the chapter's General Provisions. This does not represent a change in policy.

Rule 22.205, Discontinuation of Eligibility or Non-Eligibility, is amended to correct a grammatical error and add a citation for a defined term.

Rule 22.206, Hardship Provisions, is amended to align the hardship provisions in this subchapter with equivalent sections elsewhere in the chapter. Because the Texas Transfer Grant is intended to be a two-year program for students who have already completed an

associate degree, it would be nearly impossible for an eligible student to reach the 150-semester credit hour limit established in Subsection (a)(4). This provision is eliminated to provide clarity around this requirement.

Rule 22.207, Priorities in Grants to Students, is amended by replacing "expected family contribution" with the new term "Student Aid Index" (no change in meaning) and updating a citation.

Rule 22.208, Grant Amounts, is amended by revising Subsection (c) to align with similar provisions in other programs in this chapter.

Rule 22.209, Allocation of Funds, is amended by aligning existing rule text with defined terms. Allocations for this program are unaffected by these changes.

Rule 22.210, Disbursement of Funds, is amended by adding a citation to relevant rule within the chapter's General Provisions.

Dr. Charles W. Contéro-Puls, Assistant Commissioner for Student Financial Aid Programs, will present this item and be available to answer questions.

Date Published in the *Texas Register*: October 11, 2024

The 30-day comment period with the *Texas Register* ended on: November 10, 2024.

No comments were received regarding this rule.

CHAPTER 22 STUDENT FINANCIAL AID PROGRAMS
SUBCHAPTER K TEXAS TRANSFER GRANT PROGRAM

22.201. Definitions.

In addition to the words and terms defined in §22.1 of this chapter (relating to Definitions), the following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise. In the event of conflict, the definitions in this subchapter shall control.

~~[(1) Encumbered Funds--Funds ready for disbursement to the institution, based on the institution having submitted to the Coordinating Board the required documentation to request funds.]~~

(1) ~~[(2)]~~ Grant--A Texas Transfer Grant provided through the Texas Transfer Grant Program.

(2) ~~[(3)]~~ Program--The Texas Transfer Grant Program.

22.202. Eligible Institutions.

(a) Eligibility.

(1) A ~~[(1) Institutions eligible to make grants through the program are]~~ medical or dental unit or [units, as the term is defined in Texas Education Code, §61.003(5), and] general academic teaching institution [institutions], other than a public state college [colleges], as the terms are [term is] defined in §22.1 of this chapter (relating to Definitions), is eligible to make a grant through this Program [Texas Education Code, §61.003(16)].

(2) No participating institution may, on the grounds of race, color, national origin, gender, religion, age, or disability exclude an individual from participation in, or deny the benefits of the program described in this subchapter.

(3) Each participating institution shall comply with [must follow] the Civil Rights Act of 1964, Title VI (Public Law 88-353) in avoiding discrimination in admissions or employment.

(b) Approval.

(1) Agreement. Each eligible institution shall [must] enter into an agreement with the Coordinating Board, the terms of which shall be prescribed by the Commissioner, prior to being approved to participate in the program.

(2) Approval Deadline.

~~[(A)] An institution must indicate an intent to participate in the program by June 1 and enter into an agreement with the Coordinating Board by August 31 for qualified students enrolled in that institution to be eligible to receive grants in the following biennium.~~

~~[(B) Notwithstanding subsection (A), for the 2023-2024 academic year, an institution may indicate intent to participate in the program by the administrative deadline established by the Commissioner.]~~

(c) Responsibilities. A participating institution is required to abide by the General Provisions outlined in subchapter A of this chapter.

22.203. Eligible Students.

(a) To qualify for a grant through the Program, a student must:

(1) be a resident of Texas, as defined in §22.1 of this chapter (relating to Definitions) ~~[have Texas resident status, as determined by chapter 21, subchapter B of this title (relating to Determination of Resident Status)];~~

(2) show financial need, as defined by §22.1 of this chapter ~~[in the semester(s) in which a grant is offered];~~

(3) have applied for ~~[any available]~~ financial aid through the completion of the Federal Application for Federal Student Aid or, if the student is not eligible for federal financial aid, the Texas Application for State Financial Aid ~~[assistance];~~

(4) be enrolled in a baccalaureate degree program at an eligible institution;

(5) be enrolled full-time ~~[in the semester(s) in which a grant is offered]~~ unless granted a hardship waiver of this requirement under §22.206 of this subchapter (relating to Hardship Provisions);

(6) make satisfactory academic progress toward the baccalaureate degree at the eligible institution, as defined in §22.204 of this subchapter (relating to Satisfactory Academic Progress) unless the student is granted a hardship extension in accordance with §22.206 of this subchapter ~~[(relating to Hardship Provisions)];~~

(7) have been awarded an associate degree by a public junior college, ~~[as defined in Texas Education Code, §61.003(2);]~~ public technical institute, ~~[as defined in Texas Education Code, §61.003(7);]~~ or public state college as the terms are defined in §22.1 of this chapter ~~[Texas Education Code, §61.003(16)]~~, and credit hours earned toward completion of the associate degree must:

(A) include completion of the core curriculum or an abbreviated core curriculum related to a specific approved field of study curriculum transferable to one or more general academic teaching institutions;

(B) have been completed with at least a 2.5 grade point average; and

(C) have been completed prior to enrolling in a baccalaureate degree program at the institution offering a grant through this Program; ~~[-]~~

(8) unless granted a hardship postponement in accordance with §22.206 of this subchapter ~~[(relating to Hardship Provisions)]~~, have enrolled in the baccalaureate degree program at the eligible institution on a full-time basis not later than the end of the 12th month after the calendar month in which the student ceased being enrolled in a public junior college, ~~[as defined in Texas Education Code, §61.003(2);]~~ public technical institute, ~~[as defined in Texas Education Code, §61.003(7);]~~ or public state college as the terms are defined in §22.1 of this chapter ~~[Texas Education Code, §61.003(16)]~~; and

(9) meet applicable standards outlined in §22.3 of this chapter (relating to Student Compliance with Selective Service Registration).

(b) If a student's eligibility was based on the expectation that the student would meet the requirements in subsection (a)(7) of this section, and the student failed to do so, then the student is no longer eligible for a grant through this Program.

(1) If the institution offers the grant based on the expectation that the student would meet the requirements in subsection (a)(7) of this section and does not become aware that the student failed to meet these requirements until after the first disbursement of the grant has been made to the student, then the institution reserves the right to require the student to repay the amount that was previously received.

(2) In no case may a student receive a subsequent disbursement of a grant through the Program after the institution has become aware that the student failed to meet the requirements in subsection (a)(7) of this section.

22.204. Satisfactory Academic Progress.

(a) To qualify for a grant, each recipient of the grant shall meet the satisfactory academic progress requirements as utilized by the financial aid office of the eligible institution to determine eligibility for federal financial aid programs.

(b) For the purposes of this section, the calculation of a student's GPA is to be completed in accordance with §22.10 of this chapter (relating to Grade Point Average Calculations for Satisfactory Academic Progress).

§22.205. Discontinuation of Eligibility or Non-Eligibility.

- (a) A student may not receive a grant after having already been ~~[being]~~ granted a baccalaureate degree by any institution.
- (b) A student may not receive a grant while simultaneously receiving a Toward EXcellence, Access, and Success (TEXAS) Grant.
- (c) Unless granted a hardship postponement in accordance with §22.206 of this subchapter (relating to Hardship Provisions), a student's eligibility for a grant ends:
- (1) two years from the start of the semester in which the student enrolls in the baccalaureate degree program at the eligible institution on a full-time basis, if the student is enrolled in a degree program of four years or less, as defined in §22.1 of this chapter (relating to Definitions); or
 - (2) three years from the start of the semester in which the student enrolls in the baccalaureate degree program at the eligible institution on a full-time basis if the student is enrolled in a degree program of more than four years.
- (d) A student's eligibility for a grant ends once he or she has attempted 135 semester credit hours or the equivalent unless the student is granted a hardship extension in accordance with §22.206 of this subchapter [~~(relating to Hardship Provisions)~~].
- (e) Other than as described in §22.206 of this subchapter [~~(relating to Hardship Provisions)~~], if a student fails to meet any of the requirements for receiving a continuation grant as outlined in §22.203 of this subchapter (relating to Eligible Students) after completion of any semester, the student may not receive a grant until he or she completes a semester while not receiving a grant and meets all the requirements as outlined in §22.203 of this subchapter [~~(relating to Eligible Students)~~] as of the end of that semester.

22.206. Hardship Provisions.

- (a) In the event of a hardship, the Program Officer at an eligible institution may allow an otherwise eligible student to receive a grant under the following conditions:
- (1) while enrolled in fewer semester credit hours than required in §22.203(5) of this subchapter (relating to Eligible Students);
 - (2) if the student fails to meet the satisfactory academic progress requirements of §22.203(6) of this subchapter (relating to Eligible Students);
 - (3) if the student requires an extension of the limits found in §22.205(c) of this subchapter (relating to Discontinuation of Eligibility or Non-Eligibility) to complete his or her degree; or

(4) if the student has attempted more hours than allowed under §22.205(d) of this subchapter (relating to Discontinuation of Eligibility or Non-Eligibility). ~~[However, the total number of hours paid for, at least in part, with grant funds may not exceed 150 semester credit hours or the equivalent.]~~

(b) Hardships are not limited to, but include:

- (1) documentation ~~[a showing]~~ of a severe illness or other debilitating condition that may affect the student's academic performance;
- (2) documentation ~~[an indication]~~ that the student is responsible for the care of a sick, injured, or needy person and that the student's provision of care may affect his or her academic performance; ~~[or]~~

(3) documentation of the birth of a child or placement of a child with the student for adoption or foster care, that may affect the student's academic performance; or

(4) [(3)] the requirement of fewer than twelve hours to complete one's degree plan.

(c) The Program Officer may allow a student to receive a grant after the time limits described in §22.203(8) of this subchapter ~~[Section 22.203(8)]~~ (relating to Eligible Students) if the student and/or the student's family has suffered a hardship that would ~~[now]~~ make the student rank as one of the institution's neediest.

(d) Documentation justifying the eligibility granted through the hardship provisions outlined in this rule must be kept in the student's file. Each institution must identify to the Coordinating Board those students granted eligibility through hardship provisions so that the Coordinating Board may appropriately monitor each student's period of eligibility.

(e) Each participating institution shall adopt a hardship policy under this section and have the policy available in writing in the financial aid office for public review upon request.

22.207. Priorities in Grants to Students.

(a) If state appropriations for the program are insufficient to allow grants to all eligible students, each institution shall give priority to eligible students who have previously received a grant through the program.

(b) In determining first-time recipients of grants through the program, an institution shall give priority to those students who have a Student Aid Index ~~[an expected family contribution]~~ that does not exceed 60 percent of the average statewide amount of tuition and fees for general academic teaching institutions, other than public state colleges, as the terms are ~~[term is]~~ defined in §22.1 of this chapter (relating to Definitions) ~~[Texas Education Code, §61.003(16)]~~, for the relevant academic year. The Coordinating Board shall determine and announce this value for a given state fiscal year by January 31 of the prior fiscal year.

(c) In determining first-time recipients of grants through the program, an institution shall give highest priority to eligible students meeting criteria specified under subsection (b) of this section ~~[\$22.207(b) (relating to Priorities in Grants to Students)]~~ who have also demonstrated the highest levels of academic achievement prior to transfer as determined by the participating institution.

22.208. Grant Amounts.

(a) Funding. The Coordinating Board may not award through this program an amount that exceeds the amount of state appropriations and other funds that are available for this use.

(b) Grant Amounts.

(1) The Commissioner shall determine and announce the maximum grant amounts in a given state fiscal year by January 31 of the prior fiscal year. The calculation of the maximum amount will be consistent with the maximum grant forward for TEXAS Grant for the semester as set out in subchapter L of this chapter (relating to Toward EXcellence, Access, and Success (TEXAS) Grant Program).

(2) An institution may not reduce the ~~[The]~~ amount of a Grant offered ~~[through an eligible public institution may not be reduced]~~ by any gift aid for which the person receiving the grant is eligible, unless the total amount of a person's grant plus any aid other than loans received equals or exceeds the student's financial need.

(c) The Coordinating Board shall make grant calculations and disbursements in accordance with the General Provisions outlined in subchapter A of this chapter. ~~[The Commissioner shall make grant calculations in accordance with §22.11 of this chapter (relating to Provisions specific to the TEXAS Grant, TEOG, TEG, and Texas Work Study Programs)].~~

22.209. Allocation of Funds.

(a) The Commissioner shall determine allocations on an annual basis as follows:

(1) The allocation base for each eligible institution will be the number of students it reported in the most recent certified Financial Aid Database submission who met the following criteria:

(A) were enrolled as undergraduate students and had not yet received a baccalaureate ~~[Bachelor's]~~ degree;

(B) were classified as residents of Texas, as defined in §22.1 of this chapter (relating to Definitions) ~~[having resident status, as determined by chapter 21, subchapter B of this title (relating to Determination of Resident Status)]~~;

(C) were enrolled full-time in either the fall or spring semester; and

(D) have a Student Aid Index ~~[nine-month Expected Family Contribution,]~~ less than or equal to the amount established in §22.207(b) of this subchapter (relating to Priorities in Grants to Students) for the year reported in the Financial Aid Database submission.

(2) Each institution's percentage of the available funds will equal its percentage of the state-wide number of students who meet the criteria in paragraph (1) of this subsection.

(3) The Commissioner will complete allocations for both years of the biennium at the same time. The Coordinating Board will use the three most recent certified Financial Aid Database submissions to forecast the data utilized in the calculation of the allocation for the second year of the biennium. The Coordinating Board will provide each institution with notification of their allocations for both years of the biennium at the same time.

(b) Verification of Data. The Coordinating Board will share allocation calculations with each participating institution for comment and verification prior to final posting. Each institution will have ten business days, beginning the day of the notice's distribution, and excluding State holidays, to confirm that the allocation report accurately reflects the data the institution submitted or to advise the Coordinating Board of any inaccuracies.

(c) Reductions in Funding.

(1) If annual funding for the program is reduced after the start of a fiscal year, the Commissioner may use any method necessary to distribute the impact of reduced funding across all participating institutions by an across-the-board percentage decrease in each institution's allocation.

(2) If annual funding is reduced prior to the start of a fiscal year, the Commissioner may recalculate the allocations according to the allocation methodology outlined in this rule for the affected fiscal year based on available dollars.

22.210. Disbursement of Funds.

Upon request by an institution throughout the academic year, the Coordinating Board shall forward to each participating institution a portion of its allocation of funds for timely disbursement to students in accordance with §22.2 of this chapter (relating to Timely Distribution of Funds). Each institution shall have until the close of business on August 1, or the first working day thereafter if it falls on a weekend or holiday, to encumber program funds from their allocation. After that date, an institution may lose any funds in the current fiscal year not yet drawn down from the Coordinating Board for timely disbursement to students. Funds released in this manner in the first year of the biennium become available to the institution for use in the second year of the biennium. Funds released in this manner in the second year of the biennium are deemed returned to the Coordinating Board.

Committee on Innovation, Data, and Educational Analytics

AGENDA ITEM V-D (9)

Consideration and possible action to adopt proposed amendments to Board Rules, Chapter 22, Subchapter T, Sections 22.550, 22.552, 22.553, and 22.555, concerning the Texas First Scholarship Program

RECOMMENDATION: Approval

Background Information:

The amendments align rule language and usage with other programs throughout the chapter.

The subchapter is retitled to conform to naming conventions used throughout the chapter.

Rule 22.550, Authority and Purpose, is amended to remove an unnecessary citation in the purpose statement. This usage misaligns with other program rules in the chapter.

Rule 22.552, Eligible Institutions, is amended to clarify that the provisions of Section 22.2 in the chapter's General Provisions, relating to Timely Distribution of Funds, do not apply to the program. Texas First operates by having the Texas Higher Education Coordinating Board reimburse participating institutions for eligible students' state credits, which the institutions are required to accept. Timely disbursement of funds is not applicable to this method. Citations in this section also are amended to be to the definitions in rule, rather than statute.

Rule 22.553, Eligible Students, is amended by making nonsubstantive changes to improve rule readability. Greater detail is provided regarding the requirement in Paragraph (4), for example, and citations are added in a manner that conforms to other programs in the chapter.

Rule 22.555, Scholarship Amount, is amended by making nonsubstantive changes to rule language and by clarifying Subsection (c)(2) to make it easier to understand. These rule changes do not affect the operation of the program.

Dr. Charles W. Contéro-Puls, Assistant Commissioner for Student Financial Aid Programs, will present this item and be available to answer questions.

Date Published in the *Texas Register*: October 11, 2024

The 30-day comment period with the *Texas Register* ended on: November 10, 2024.

The following comments were received regarding the adoption of the amended rules:

Comment: Austin Community College commented to note that there is no mention in the amended rules of FAFSA or TASFA completion in the program eligibility rules.

Response: The Coordinating Board appreciates the comment and offers the following clarification. The amended rule §22.553(4) states that, to be eligible for the Texas First Scholarship, a person must “meet the graduation requirement related to financial aid application, as described by Texas Education Code, §28.0256.” This provision encompasses the FAFSA/TASFA completion, as noted by the commentor, but is stated more broadly because a student can meet the graduation requirement cited in the rule by opting out of FAFSA/TASFA completion. Accordingly, the Coordinating Board takes no action on this comment.

CHAPTER 22 STUDENT FINANCIAL AID PROGRAMS

SUBCHAPTER T TEXAS FIRST SCHOLARSHIP

22.550. Authority and Purpose.

(a) Authority. Unless otherwise noted in a section, the authority for this subchapter is provided in the

Texas Education Code, ~~chapter 56 subchapter K-1~~ [~~Chapter 56 Subchapter K-1~~], Texas First Scholarship Program. This subchapter establishes procedures to administer Texas Education Code, §§56.221 - 56.227.

(b) Purpose. The purpose of this program is to incentivize the enrollment of high performing students at Texas institutions of higher education [~~as defined in Texas Education Code, §61.003~~].

22.552. Eligible Institutions.

(a) Participation.

(1) For any student graduating through the Texas First Early High School Completion Program on or after September 1, 2023, institutions of higher education, as defined in §22.1 of this chapter (relating to Definitions) [~~Texas Education Code, §61.003~~], are required to apply the state credit available to a student through the Program to the eligible student's cost of attendance, as outlined in §22.555 of this subchapter (relating to Scholarship Amount).

(2) For any student graduating through the Texas First Early High School Completion Program before September 1, 2023, institutions of higher education, as defined in §22.1 of this chapter [~~Texas Education Code, §61.003~~], that are designated as either a public research university or public emerging research university under the coordinating board's accountability system are required to apply the state credit available to a student through the Program to the eligible student's costs of attendance, as outlined in §22.555 of this subchapter.

(b) Responsibilities. Participating [~~public~~] institutions are required to abide by the General Provisions outlined in subchapter A of this chapter (relating to General Provisions), except that the provisions in §22.2 of this chapter (relating to Timely Distribution of Funds) do not apply to this Program.

(c) Approval. Each eligible [~~public~~] institution must enter into an agreement with the Coordinating Board, the terms of which shall be prescribed by the Commissioner [~~or his/her designee~~], prior to receiving reimbursement through the program.

22.553. Eligible Students.

To qualify for a scholarship, a person must:

- (1) be enrolled at an eligible institution, as outlined in §22.552 of this subchapter (relating to Eligible Institutions);
- (2) be a Resident of Texas, as defined in §22.1 of this chapter (relating to Definitions);
- (3) have graduated early from high school under the Texas First Early High School Completion Program, as described by chapter 21, subchapter D of this title (relating to Texas First Early High School Completion Program) [Chapter 21, Subchapter D];
- (4) meet the graduation requirement related to financial aid applications, as described by Texas Education Code, §28.0256 [comply with Education Code Section 28.0256]; and
- (5) meet applicable standards outlined in ~~[Subchapter A of this Chapter (relating to General Provisions), including]~~ §22.3 of this chapter (relating to Student Compliance with Selective Service Registration).

22.555. Scholarship Amount.

(a) The scholarship is issued by the Coordinating Board as a state credit for use by an eligible student at any eligible institution.

(1) For a student who graduated from high school two or more semesters or the equivalent earlier than the student's high school cohort, the state credit offered to the student will equal the maximum annual (two semester) TEXAS Grant amount ~~[award]~~ determined by the Coordinating Board. The calculation is based on TEXAS Grant value for the first academic year that begins following the student's graduation from high school.

(2) For a student who graduated from high school less than two semesters or the equivalent earlier than the student's high school cohort, the state credit offered to the student will equal half of the amount described by paragraph (1) of this subsection.

(b) The amount of state credit offered to a student under the program may not be considered in the calculation of any state or institutional need-based financial aid ~~[awards]~~ or the calculation of the student's overall financial need, unless the combination of the credit and other federal, state, and institutional financial aid, excluding work-study and loan programs, for which the student would otherwise be eligible exceeds the estimated ~~[total]~~ cost of attendance at the eligible institution at which the student is enrolled.

(c) On enrollment of an eligible student at an eligible institution, the institution shall apply the state credit to the student's charges for tuition, mandatory fees, and other costs of attendance.

(1) The amount applied for the semester is equal to the lesser of:

(A) The amount of the state credit available to the student; or

(B) The student's cost ~~[actual tuition, mandatory fees, and other costs]~~ of attendance ~~[at the institution]~~.

(2) Remaining state credit may be applied to subsequent semesters within the eligibility period described by §22.554 of this subchapter (relating to Discontinuation of Eligibility or Non-Eligibility) ~~[prior to the end of the first academic year that begins following the student's graduation from high school]~~.