

How to implement
SB 887:
Guidance from
Indiana University at
Bloomington



Texas Higher Education
Coordinating Board

Please email questions to
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Why Indiana University (IU)?

IU was the first institution in the nation to send students a debt letter to inform them about:

- the amount of loans they borrowed to attend college
- what they should expect to pay off their loans.

SB 887 was modeled after Indiana's House Bill 1042, which scaled IU's initiative statewide.

IU administrators participating in the webinar

James Kennedy

Associate Vice President

University Student Services & Systems

Jenny Stephens

University Director of Financial Aid

An Introduction to Indiana University



- Founded in 1820
- Eight campuses
- Over 650,000 graduates
- 100,000 current students
- 77,000 students on aid
- 19,000 full- and part-time faculty and staff
- \$3.1 billion (USD) budget
- Using PeopleSoft v 9.2
- Shared Services model for support



FINANCIAL AID OVERVIEW 2016-7

\$1.17 Billion

Financial Aid Disbursed



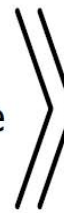
\$635.6M

Total Gift Aid (Federal State, Institutional, and Private)



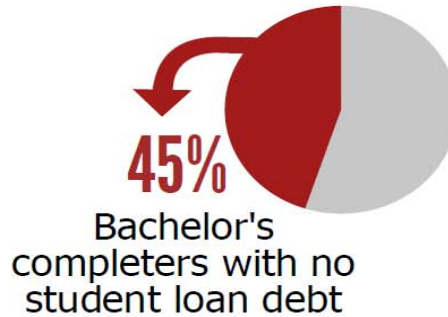
\$189M

Undergraduate Institutional Gift Aid



35,973

Undergraduate students received IU Institutional Gift Aid



\$27,983

Average Student Loan Debt at Graduation



17%

Reduction in student loans since 2011-12

7,380
21st Century Scholar Recipients

\$4.4M
Federal Work Study Funds

23,492
Federal Pell Recipients



Topics of Interest

1. Estimating a single interest rates and a single monthly repayment for students with multiple loans
2. Assigning an interest rate for loans for which the interest rate is unknown
3. Determining which data sources to use to efficiently pull and accurately report debt data
4. Ensuring that the electronic delivery of the student debt letter complies with FERPA
5. Identifying data systems used to generate student debt letters

Roadmap

- Why was the student debt letter implemented?
- Objective of the letter
- What loans are included?
- How the information is compiled?
- Estimates vs. actual data/disclaimers
- Timing of the letter
- Method of delivery
- Challenges
- Lessons learned

Reference Materials

www.thecb.state.tx.us/SB887info

Posted on the event page:

- IU letter template
- IU methodology for compiling data

Indiana Law compared to Texas Law

Comparison of Student Debt Letter Statute Across States	Indiana HB 1042	Texas SB 0887
Letter Parameters		
Applies to students who receive state financial aid	✓	✓
An eligible institution shall provide the information required annually.	✓	✓
An eligible institution does not incur liability for any representations made under this section.	✓	✓
Letter must be sent electronically		✓
Letter to include all available state and federal loan information	✓	✓
The information provided may include a statement that the estimates and ranges provided are general in nature and not meant as a guarantee or promise of the actual projected amount.	✓	✓
Letter Content		
An estimate of the total amount of education loans taken out by the student.	✓	✓
An estimate of the potential total payoff amount of the education loans incurred or a range of the total payoff amount; and	✓	✓
An estimate of monthly repayment amounts that a similarly situated borrower may incur, including principal and interest, for the amount of loans the student has taken out at the time the information is provide.	✓	✓
The percentage of the borrowing limit the student has reached at the time the information is provided.	✓	

Q&A

Questions moderated by
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Email questions to
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