

NYSFAAA Executive Council
April 28, 2021
Remote Meeting
1:00 P.M. to 4:00 P.M.

Call to Order & Roll Call

President – Adrienne King
Past - President – Howard Leslie
1st Vice President – Renee Swift
2nd Vice President – Brian Smith
Secretary: Anne Sullivan Polino
Treasurer – Shalena Clary
Past - Treasurer – Susan Godreau
Region 1 – Lea Nuwer
Region 2 – BJ Revall
Region 3 – Patti Donahue
Region 4 – Rochelle Filler
Region 5: Joseph Weglarz
Region 7 – Clair Jacobi
Region 8 – Stacey Hawkins

Guest:
Lisa Simpson
Sonya Stein
Debra Evans
Christopher Barto
Jeanne McCarthy
Renee Nunziato

A quorum exists and the meeting started at 1:03 P.M.

Approval of Minutes –Motion via Email

Motion: A motion was made by Howard Leslie seconded by Clair Jacobi to accept the minutes from the February 2021 remote Executive Council meeting with small edits.

There was no discussion.

This motion passed with all in favor.

Discussion via Email

Motion: A motion was made by Howard Leslie seconded by Brian Smith that registration for the 2021 Novice Virtual Workshop be \$145. This fee includes Novice (\$75), 2021-2022 NYSFAAA membership (\$70) and the 2021 NYSFAAA Conference (bonus!). Registrants must be a 2021-2022 NYSFAAA member to attend Novice.

This motion was adjusted after discussion on accounting logistics, dollar amounts and pros and cons for this approach. A vote was called, and the motion passes with all in favor.

Motion: A motion was made by Howard Leslie, seconded by Rochelle Filler to allow Cohen Reznick to post the recording of the HEERF Audit webinar they are doing for NYSFAAA to their website.

There was no discussion

There was no discussion. The motion passed with 12 in favor, no oppositions, and no abstentions.

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| President's Report – | Adrienne King |
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Novice Update

Renee Nunziato

Registration for Novice is open and as of this date, 93 individuals have registered for virtual meeting. There are five weeks left to go in the registration period. H Renee thanked Howard Leslie for his help with the registration process.

The plans for the event include four large group leaders and four small with possibility of increasing this group to nine. Presentations are being loaded onto a portal.

The subcommittees are still working through schedule and fun activities. Kick off of the event is planned for Monday afternoon. Remainder of week will start at 9 A.M.

Howard Leslie reported that a Novice mini site will be available and only accessible to registrants. This site will include access to all documents.

Government Relations

Christopher Barto

As part of his report, Christopher Barto wanted to recognize that advocacy works and NYS Budget includes the largest increase in TAP in over 20 years. He thanked the Government Relations Committee and CICU, Donna Gurnett from APC for pushing advocacy for this increase in state aid. Pause to celebrate this big impact for our students.

Christopher provided information on a survey NYSFAAA GRC Student Loan Forgiveness –(see report in Exhibit Section of this report)

Outlines many different positions including Justin Draeger. NYSFAAA used information from NASFAAs survey to build NYSFAAAs survey. A summary is below:

- Majority federal interest rates should be 0%. (70%)
- Support for eliminating origination fees
- Negative amortization should stop – Yes 90%+
- Support for improving income-drive.... 88% yes
- Redesign of Loan Collection process 89% yes
- Borrowers should no longer be put into default –
- Lowering debt and increasing Pell

This was an endorsement from membership to support these positions. Please see NASFAA's Investing in our Future information in the Exhibit section of this document.

A discussion on lowering debt and increasing Pell was had with the consideration of a motion for support of NASFAA position to allow NYSFAAA Government Relations move forward.

Howard Leslie indicated that this topic came up on a recent webinar with the question on what is NYSFAAA's position. Howard responded that NYSFAAA does not have a position at this time. Howard did indicate that he believes we should support NASFAA's position.

Washington has a few camps on this topic. – Senator Bernie Sanders would like, if possible, an Executive Order to eliminate student debt up to \$50,000. The other camp is the Biden Administration who would like to forgive up to \$10,000. And a third that would like no student debt forgiveness.

Motion: A motion was made by Howard Leslie, seconded by Lea Nuwer, to support NASFAA's position.

This motion was tabled until after Executive Council can further review this topic.

Another motion was made by Howard Leslie and seconded by Susan Godreau to post the position to website and send to the information to the listserv under which signature of Adrienne King and/or Howard Leslie.

This motion was tabled until approval for first motion.

Points of Discussion included a question on everyone's familiarity with the position -

The position does not support loan forgiveness. The position is that there cannot be just one solution to a larger problem. This topic needs to have a longer conversation on what needs to be done in student lending.

It is not a one and done fix. Many proposals will give a benefit to those who do not need it and divert dollars away from need based programs. Perhaps a mix of quick wins such as increasing Pell and longer terms objectives on the loan size. This will help some that have been to College and those who will be going to college.

Adrienne King proposed that we table this to get through the agenda and come back to it later in the meeting .

Diversity & Inclusion

The following report was submitted by the Diversity, Equity and Inclusion Committee

Diversity Equity and Inclusion (DEI) Committee report as of April 26,

2021. The committee consists of the following individuals:

- Andrea Damar – SUNY Maritime
- Cindy Garvey – St. Thomas Aquinas College
- Kimberley Willis – SUNY Brockport
- Lyndsay Johnson- Stony Brook University

- Maximo Flint-Morgan – LeMoyne College
- Melissa Santiago – Monroe Community College Rochester
- Nora Bell-Owens– SUNY Brockport
- Peg Sterns – Syracuse University
- Todd Moravec – SUNY Plattsburgh

Since December of 2020 we have met monthly, to discuss, develop and define what diversity, equity and Inclusion means to us as individuals, aid administrators, for our institutions and more importantly for our association. The committee was broken into work groups to hone in on specific tasks. We then reviewed and refined each of the DEI aspects. As of this report our committee will be sending out a survey to the membership to gain more insight and access our next steps.

We are looking forward to sharing our findings. On another note our committee was tapped by EASFAA to present at this year's conference. We are happy that they see the value of what we are doing and hope that value is shared by our association as well.

In my last report I noted the following:

- 1 Defining what Diversity, Equity and Inclusion means for NYSFAAA. COMPLETED.
- 2 Moving that definition to a vote to be added to our Constitution and Bylaws
- 3 Working with TICC Committee and NYSFAAA Secretary to ensure that our website does NOT include words that are gender specific or insensitive to anyone.
- 4 Lastly, working with the statewide training committee on implicit bias, what diversity looks like at the workplace.
- 5 Moreover, we would like to ensure the diversity is not just race. There is so much more. COMPLETED.

I would like to take this time to thank our current NYSFAAA President, Adrienne King for her support of our work. Thank you to this entire committee for their hard work and honest and sometimes uncomfortable conversations about this subject matter. We did not limit ourselves with race, we looked at culture, religion, sexual identity, gender, socioeconomics, education, as well as other variables.

Submitted by Tanya Patterson-Stanley, Chair

Adrienne thanks committee for their work

Ocelot

Adrienne King received email from Ocelot offering to provide Chatbot for free for the next two year. Adrienne asked for information on how much it is getting used.

TAP Interagency Working Group

Adrienne King provided an update on the TAP Interagency Working Group. Howard Leslie, Anne Sullivan Polino, Joe Węglarz and Adrienne are all participating members of this group.

See Status Report of HS Equivalency diploma below. There does not seem to be many issues with student's ability to get their transcripts as people are getting more acclimated to remote working. The report provides information on service offered. This status update information does not replace official transcript and can't be used to disburse funds.

There is a Status Report where employers or colleges can look to see if an examinee has a High School Equivalency (HSE) diploma. Here is a link to the Status Report:

<https://eservices.nysed.gov/ged/logon.do>.

There are a few issues:

1. If the examinee tested before 1982, the result may not populate
2. If the examinee used a number other than their SSN when they tested (Driver's License ID or DIN Number are common alternative numbers)
3. If there is a data entry error on either the SSN or DOB in the examinee's record
4. There is no name associated with the result, just diploma status
5. COVID waiver diplomas do not populate in the Status Report

With the issues listed, the High School Equivalency (HSE) Office is still encouraging colleges and employers to accept the Status Report as sufficient verification to begin a program of study, or begin employment. The Status Report pulls directly from the same database from which duplicate copies are requested.

If there is an issue with the Status Report, and the result does not appropriately populate, the potential student or potential employee can reach out the HSE Office via hse@nysed.gov to trouble shoot why the Status Report is not populating the result they expect.

If a 'no record' result is found in the Status Report, but the examinee insists they have a high school equivalency diploma, those issues can be explored and rectified as necessary with an update to SSN or DOB, or other issue.

While the Status Report is not perfect, it will work for the majority of applicants, and any college may choose to accept the results of the Status Report as their institution's policy.

Colleges may also use the Status Report to enroll students, while awaiting the official transcript.

Aside:

For all other high school records, the high school which the student attended must be contacted. The New York State Education Department does not keep a record of high school graduates. If the school is closed, the student must contact the Superintendent's Office for that district.

For all records in NYC: <https://www.schools.nyc.gov/learning/student-journey/student-records-and-transcripts/requesting-student-records-and-transcripts>

In most cases, high schools have a transcript request form on their webpage. Most high school do not charge for transcripts.

Bill Murphy spoke about HEERF and Care Packages. Proprietary Colleges can only get HEERF II and HEERF III for students. Must reapply. Schools from other sectors do not have to apply. For HEERF III, all sectors must apply;

It was also reported that TAP is increasing \$500.00. (See additional information in the HESC Update section of these minutes).

EASFAA Retreat

The June EASFAA Retreat overlaps with NYSFAAA Executive Council meeting. Adrienne King will attend the first day only because of this conflict.

Howard Leslies will also attend when able due to this conflict Adrienne is the only voting representative from NYSFAAA

This meeting will be hybrid with virtual and in person attendance.

The retreat is where state representatives meet to review plans for the year and summary of activities in each state. Officers and state representatives from 15 states attend.

NASFAA-In Memoriam:

Below is a link to the NASFAA In-Memoriam that can be updated by May 14 to include names of aid professionals who passed away since May 2020. This will be presented at the NASFAA Business Meeting in May.

https://www.nasfaa.org/In_Memoriam_Update_Request

Past President –

Howard Leslie

Governance & Ethics

There was no update from the Governance Committee

Ethics Committee– Conference program will include a report as part of novice track

Elections

Howard Leslie provided the following update:

There are no regional requests for nominations.

Slate of candidates for President Elect and Treasurer-Elect will be released on Monday, May 3.

Ballot will close on May 26. The winners will be notified on May 26 and results released on June 1.

First Vice President's Report –

Renee Swift

Membership Committee

Using MemberClicks to create a three year, year over year comparison resulting in an increase in numbers in 2021 when compared to March 2020. (2019 -1091, 2020 - 1017 2021 - 1064 members). This is a positive outcome considering other organizations are reporting a decline in membership.

Renee Swift asked Renee Nunziato for list of 2018 and 2019 Novice members to determine the current status of these 180 total participants. Thirty-one from 2018 and 31 from 2019 are in lapsed status but still on school's website. Renee and Howard Leslie want to bring these lapsed members back into the membership.

There was discussion on reactivation lapsed affiliates and that an annual review should be conducted to facilitate this reactivation. Howard Leslie recommended adding this to the policy manual and suggested that Renee Swift draft the policy for vote by the Executive Council.

Motion: A motion was made by Renee Swift. Seconded by Patti Donahue to start campaign for lapsed active members to rejoin NYSFAAA for 2122 membership year with extended membership to cover remainder of 2021 free of charge. These members will have access to all benefits of membership for both membership years.

The following discussion points were made:

- Shalena Clary indicated that there are people joining now who will pay for this year and next at full charge. There are others who are pausing membership to wait for one year. There were 27 members who paid for the current year in March and April.
- Susan Godreau as Howard Leslie if this will result in a manual process to allow access to 2021 activities. Howard felt the process could be managed. There is concern that schools are still not allowing for payment of fees until the new fiscal year. Schools in this situation will be on an unlevel playing field and suggested perhaps offering a mentor to get them back.
- Patti Donahue suggested that the population of Novice participants be defined. And reviewed annually.
- Jeanne McCarthy -indicated that memberships representatives for the Regions can do the outreach (unofficial Region 6 is Michelle Bolton) to make it more personal and to help drive membership.

A vote was called – the motion passed with 9 yes votes, 0 no votes and 3 abstentions.

Mentorship Committee

Renee Swift indicated that there was nothing to report from the Mentorship Committee but hopes for more activity after Novice.

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| Second Vice President's Report – | Brian Smith |
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Technology, Innovation, & Communication Committee (TICC)

The following report was given by the TICC

Committee Members:

Heather Adner, Ideta Daniel, Jannatul Ferdous-Hypolite, Howard Leslie, Sandy Looker, Lea Nuwer, Sarah (Macri) O'Neal, Sean Sherwood, Sonya Stein, Tanya Patterson-Stanley

Of Special Note:

Sarah O'Neal has stepped down as Co-Chair of TICC. We thank her for her dedicated service. Lea Nuwer has put a lot of thought into direction of committee and would like Howard Leslie to be named Co-Chair.

Adrienne King expressed concerns with spreading Howard too thin by appointing him co-chair of TICC. In turn, Howard expressed thanks for the concern. He recommended others to fill the role without success and believes he can manage this for the time being. His plan to step down from Government Relations. NYSFAA and TICC are his passion. Adrienne approved the appointment.

Summary of Activities:

- Supported SWT with surveying and website postings
- Build-out Whova platform
- Developing a social media communication plan and calendar
- Ballot creation

Upcoming Projects:

- Restructuring of TICC committee
- Continued work on the virtual platform for Novice and Conference
- Increase social media presence
- Assist rebooted Diversity & Inclusion Committee, as requested
- Continuous updates to BOT knowledge
- Continued support of SWT
- Continued updates to website
- Seeking new, active committee members

Assistance Requested from Executive Council:

- Updated names for committees and regional leadership

Future Meetings and Events:

TBD May

Additional discussion points were made related to Whova. Howard Leslie indicated that we will need to give access to Novice and Conference to meeting room chairs and to remove access for some who have not participating in these events. Howard will notify these individuals and copy Adrienne King on the email.

It was decided that we need to assign a technical person to each room to assist with technology issues and recording of events to make them accessible to paid attendees. Recordings must be sent to Howard but at this time we do not have this functionality. Access functionality will cost us \$45 for the month to give access to 10 people. We may need more than 10 with 2 people in each room. The cost for 100 people is \$99.

Motion: A motion was made by Howard Leslie, seconded by Anne Sullivan Polino that NYSFAAA pay a \$99 fee for one month of Drop Send Business version that will allow up to 100 licenses where people can send ZOOM recordings of conference sessions to webmaster to input into conference portal for access by conferees after conclusion of conference.

There was not discussion and the motion passed with 12 in favor, no opposition and no abstentions.

Howard also reported conversion with conference chairs on objective to allow free participation in conference to novice participants using a discount code or registration with invoice that is voided. Voids are not optimal for the Treasurer, but discount codes can be shared with ineligible individuals. A list would help manage this process.

Motion: A motion was made by Howard Leslie, seconded by Shalena Clary, to create discount code for Novice members to attend conference free of charge.

Discussion followed and the following points were made:

Howard asked how this will be presented to these individual to avoid sharing

The Conference Committee will need a list of novice attendees to provide to the registration committee for management of this code.

Renee and Conference Committees to work on messaging.

A vote was called – the motion passed with 12 in favor, no opposition and no abstentions.

Brian thanks Howard Leslie and Lea Nuwer for their work on this committee

Statewide Training (SWT)

The committee reported that training is going well.

There were four sessions in May , 2 credential (SAP and R2T4) and Financial literacy training.

Next month’ s meeting will be to discuss the Fall training plan, including FAFSA, Taxes.

SUNY FAP thanks for bringing the NASFAA training to 233 participants.

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| Treasurer’s Report – | Shalena Clary/Susan Godreau |
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Shalena Clary presented Treasurer’s Report as follows

| NYSFAAA Balances as of 4/28/2021 | | | | | | |
|----------------------------------|---|---|---|---|---|--|
| Bank Accounts | | | | | | |
| 004 Key Bank | → | → | → | → | → | \$162,279.18 |
| → 006 Key Bank Scholarships | → | → | → | → | → | \$33,011.51 |
| → 007 Key Bank CD | → | → | → | → | → | \$52,890.72 |
| → Total | → | → | → | → | → | \$248,181.41 |
| | | | | | | |
| Morgan Stanley | | | | | | |
| → | → | → | → | → | → | Current Value (4/28/2021) → January 1, 2021 → Difference |
| Reserve Fund | → | → | → | → | → | \$412,456.62 → \$392,545.66 → (\$19,910.96) |
| Scholarship | → | → | → | → | → | \$310,521.83 → \$295,509.66 → (\$15,012.17) |

NYSFAAA, Inc.

Profit and Loss

July 1, 2020 - April 28, 2021

| | TOTAL |
|---|--------------------|
| Income | |
| 102 Dues | 68,285.00 |
| 103 Passthrough Income | 0.00 |
| 107 Novice Workshop Inc | 2,550.00 |
| 110 Interest Income | 79.47 |
| 304 NYSFAAA Scholarship Inc | 15,008.00 |
| 450 Uncategorized Income | 15.00 |
| Total Income | \$85,937.47 |
| GROSS PROFIT | \$85,937.47 |
| Expenses | |
| 501 Executive Council Administration | |
| 501A Revenue Sharing | 5,210.00 |
| 501B Professional Services | 14,023.00 |
| 501C General Executive Council | 1,220.77 |
| 501F Bank Service Charge | 770.64 |
| 501G Credit Card Fees | 1,516.23 |
| Total 501 Executive Council Administration | 22,740.64 |
| 504 Awards Committee | 1,937.42 |
| 507 Communications Committee | 1,128.83 |
| 507A Website | 7,886.00 |
| Total 507 Communications Committee | 9,014.83 |
| 510 Professional Development | |
| 510A Statewide Training | 3,400.00 |
| Total 510 Professional Development | 3,400.00 |
| 512 Novice Training Exp | 1,021.75 |
| 700 NYSFAAA Scholarship | 6,792.00 |
| Total Expenses | \$44,906.64 |
| NET OPERATING INCOME | \$41,030.83 |
| NET INCOME | \$41,030.83 |

NYSFAAA, Inc.

Budget vs. Actuals: 2020-2021 Final Budget - FY21 P&L

July 2020 - June 2021

| | TOTAL | | | |
|---|--------------------|---------------------|----------------------|----------------|
| | ACTUAL | BUDGET | OVER BUDGET | % OF BUDGET |
| Income | | | | |
| 102 Dues | 68,285.00 | 75,000.00 | -6,715.00 | 91.05 % |
| 103 Passthrough Income | 0.00 | | 0.00 | |
| 107 Novice Workshop Inc | 2,550.00 | 54,000.00 | -51,450.00 | 4.72 % |
| 110 Interest Income | 79.47 | 300.00 | -220.53 | 26.49 % |
| 304 NYSFAAA Scholarship Inc | 15,008.00 | 4,000.00 | 11,008.00 | 375.20 % |
| 450 Uncategorized Income | 15.00 | 450.00 | -435.00 | 3.33 % |
| Total Income | \$85,937.47 | \$133,750.00 | \$ -47,812.53 | 64.25 % |
| GROSS PROFIT | \$85,937.47 | \$133,750.00 | \$ -47,812.53 | 64.25 % |
| Expenses | | | | |
| 501 Executive Council Administration | | | | |
| 501A Revenue Sharing | 5,210.00 | 10,700.00 | -5,490.00 | 48.69 % |
| 501B Professional Services | 14,023.00 | 8,800.00 | 5,223.00 | 159.35 % |
| 501C General Executive Council | 1,220.77 | 650.00 | 570.77 | 187.81 % |
| 501D Executive Council Meetings | | 15,000.00 | -15,000.00 | |
| 501F Bank Service Charge | 770.64 | 850.00 | -79.36 | 90.66 % |
| 501G Credit Card Fees | 1,516.23 | 5,000.00 | -3,483.77 | 30.32 % |
| Total 501 Executive Council Administration | 22,740.64 | 41,000.00 | -18,259.36 | 55.46 % |
| 504 Awards Committee | 1,937.42 | 1,750.00 | 187.42 | 110.71 % |
| 507 Communications Committee | 1,128.83 | | 1,128.83 | |
| 507A Website | 7,886.00 | 12,000.00 | -4,114.00 | 65.72 % |
| Total 507 Communications Committee | 9,014.83 | 12,000.00 | -2,985.17 | 75.12 % |
| 509 Mentoring Committee | | 1,000.00 | -1,000.00 | |
| 510 Professional Development | | | | |
| 510A Statewide Training | 3,400.00 | 4,400.00 | -1,000.00 | 77.27 % |
| Total 510 Professional Development | 3,400.00 | 4,400.00 | -1,000.00 | 77.27 % |
| 512 Novice Training Exp | 1,021.75 | 66,000.00 | -64,978.25 | 1.55 % |
| 700 NYSFAAA Scholarship | 6,792.00 | 7,600.00 | -808.00 | 89.37 % |
| Total Expenses | \$44,906.64 | \$133,750.00 | \$ -88,843.36 | 33.58 % |
| NET OPERATING INCOME | \$41,030.83 | \$0.00 | \$41,030.83 | 0.00% |
| NET INCOME | \$41,030.83 | \$0.00 | \$41,030.83 | 0.00% |

The following budget items were discussed.

- Shalena indicated that she will send a list of donations to George Chin.
- 39 novice registrants have paid.
- There were additional expenses General and Executive Council for NASFAA leadership conference in January.
- Region 2 Treasurer is new to position and has questions on what he is allowed to do with funds. Including how do other regions handle opening money market or interest bearing savings accounts? NYSFAAA investments in mutual funds – can the regions get involved in these funds and investment options? The region also has questions on how to increase funding available.

- Debi Evans believes that regional expenses funded by the organizations are not expected to be large.
- Anne Sullivan Polino questioned the offset of fees on investment accounts and if the income is enough to offset the fees.
- There are questions on oversight and turnover of treasurers.
- BJ Revill asked if we could set up 8 individual investment accounts into NYSFAAA main account.
- Susan Godreau believes that this would go against the purpose of these accounts as they are for short term use and not something Morgan Stanley would want to manage.

Adrienne King would like Shalena Clary and Susan Godreau to put something in writing for the Policy & Procedure Manual on the topic and bring this to the June meeting with recommendation.

Motion: A motion was made by Anne Sullivan Polino, seconded by Brian Smith to accept the Treasurer's Report.

HESC Update –

Lisa Simpson

HESC Update

May 2021

2021-22 New York State Budget Updates

1. **Increases the Maximum TAP Award**
 - Maximum TAP award increased by \$500
 - Minimum Award remains at \$500
 - Reduced number of schedules from eleven to six
 - Dependent award maximum increased to \$5,665.
 - Independent and Married No Children Schedule increased to \$3,525.
2. **Full support for over \$1 billion for HESC financial aid programs**
 - All HESC programs funded for the 2021-22 academic year.
3. **TAP Tuition Credit**
 - SUNY tuition credit extended through 2023
 - Tuition credit formula updated to use the maximum TAP of \$5,665
 - Formula previously used \$5,000 as the maximum
4. **Continues 2016-17 Tuition Rates for the Excelsior Scholarship**
 - Extends the use of the 2016-17 undergraduate tuition rate for Excelsior recipients through the 2023-24 academic year.
 - Thereafter, undergraduate tuition rate can be reset annually to the rate established for the subsequent academic year.
 - The 2021-22 Excelsior and ETA application will open on May 17th and close on August 31, 2021.

5. **Ensures students impacted by the coronavirus pandemic maintain their financial aid eligibility**

- The Enacted State Budget holds harmless students who were unable to complete academic requirements needed to maintain financial aid eligibility because their enrollment was disrupted due to the pandemic, were unable to maintain satisfactory academic progress due to illness, course closure, or other special circumstances.

Certification using the COVID flag

- Students can be certified using COVID flag for any term in which the Governor's Executive Order declaring a State disaster emergency for the entire state, remains in effect.
 - Spring 2020, Fall 2020, Spring 2021
 -
- NYS financial aid award recipients who are:
 - Eligible for financial aid at the 100% liability date
 - Impacted by COVID-19
 - School makes determination
 - Information currently on HESC website.
 - More written details by program type will be sent shortly
- Schools who indicated the COVID flag in error should send a request to have the flag removed to priorityservices@hesc.ny.gov

Aid to Part Time Study (APTS) for academic year 2020-21

- Awards can be made for all 2020-21 terms (Summer, Fall, Spring). We have temporarily removed the 45-day deadline for submitting the recipient lists and certifications.
- APTS processing has been added to the processing schedule on Tuesdays and Thursday.
- APTS payments will begin to run on the same dates as 2020 RAs.
- **May 15th, 2021** will be the deadline Recipient Lists/Replacement lists must be submitted online for all terms.
- **August 15th, 2021** is the deadline for submitting APTS certifications for all terms.
- Please contact APTS.Administration@hesc.ny.gov if you have any questions.

Student ID Processing

- Continue processing H9751 files
- Colleges with multiple school codes must make sure the student ID is sent for the correct code or send the ID for both school codes so in the event they adjust the school code the student ID is already on file.
- Students with no ID will not be sent on any files to schools for processing
 - Includes Student Status Listing (SSL), Rosters, Ras, and Manifests

TAP Award Increase

Recipients from each category will be awarded from a single schedule, regardless of the year they were first eligible for a State award.

- Programming needed at HESC
- Awards will be recalculated

- New award notices to students
- Student Status Listing (SSL) will reflect new awards

Citizenship Updates

- Citizenship documentation is being updated daily at HESC and is current at this time.
- Documentation needed for first time NYS Financial Aid recipients only
 - HESC requests proof of citizenship documentation
 - Uploaded using students HESC account
 - Once documentation is received
 - Citizenship updated at HESC
 - Award will be reinstated
 - Student on SSL sent to school
- Students who are previous recipients of NYS Financial Aid and who have a citizenship “c” code do not need to provide documentation
 - Schools would have collected documentation in prior years
 - Students will be set to citizenship approved**
 - NYS award will be reinstated
 - Sent on SSL to school

** Currently run once a week until programming is in place

2019-20 Processing

- All certifications should be processed at this time
- Certify all Excelsior and ETA students on manifest now
- Check error reports for TAP, Excelsior, and ETA
- All pending and students in error status must be successfully processed by May 15th.
 - Update and recertify errors
 - Errors must be corrected and processed before closing out of the year or students will not get paid.

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| Conference 2021 Report |
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| Jeanne McCarthy/Debra Evans |
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Jeanne McCarthy and Debi Evans presented the following update on Conference 2021:

The Agenda is done will be reviewed at June meeting.

Debi and Jeanne are working on getting the June Executive Council and conference deposit back from hotel. Debi will go to hotel directly to request an answer one way or the other. They believe the hotel might hold us to the June meeting because it is a smaller size event and October may still be an issue with size.

A point to be made is that we acted in good faith to not ask for a refund last year because things were still unclear as to how the pandemic would impact this training. .

If the hotel requires us to hold to the contract, we will ask for another \$1,000 aside from \$20,000 played. Howard Leslie offered to assist with meeting.

Conference 2022 Report

Stacey Hawkins/Sonya Stein

Stacey Hawkins and Sonya Stein provided the following update on Conference 2022:

An email with the updated contract was sent to Adrienne King. Adjustments were made for the room numbers to 50 on Monday, 100 each, on Tuesday and Wednesday with option to increase

The contract also includes reduced food and beverage minimums. Also if we need to cancel because 2022 is not a go, the hotel would like us to consider rolling the contract into 2023.

Old Business

Region 3 was asking about institutional membership fee option.

No further updates given membership is going well.

Lisa Simpson asked about a NYSFAAA/HESC FAFSA Completion Event –The event was held a few weeks ago and was an example of great volunteerism. Want to do another event for May 6. Advertised on state portal and through the guidance counselors. They would like to continue to drive completion and open to ideas.

New Business

None

Future Meetings

Next Meetings-All Meetings are Virtual

June 14th and 15th - Budget Meeting /1.5 days.

Adjournment

Motion: A motion was made by Howard Leslie, seconded by Susan Godreau to adjourn the meeting at 3:53 P.M.

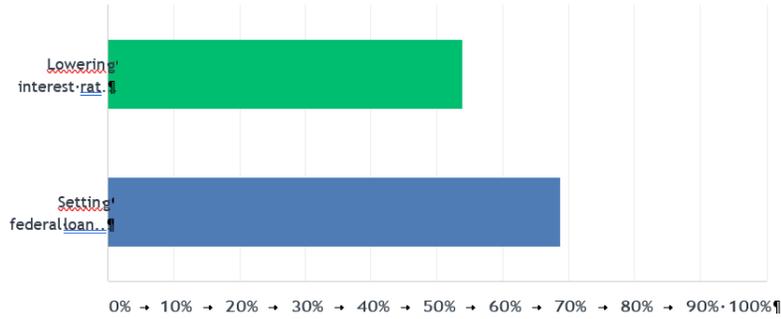
There was no discussion, all were in favor, no opposition and no abstentions.

Exhibits:

NYSFAAA-GRC--Student-Loan-Forgiveness-Poll-(March-2021)

Q1-Interest-Rates-Select-all-choices-you-would-support

Answered:74 → Skipped:4

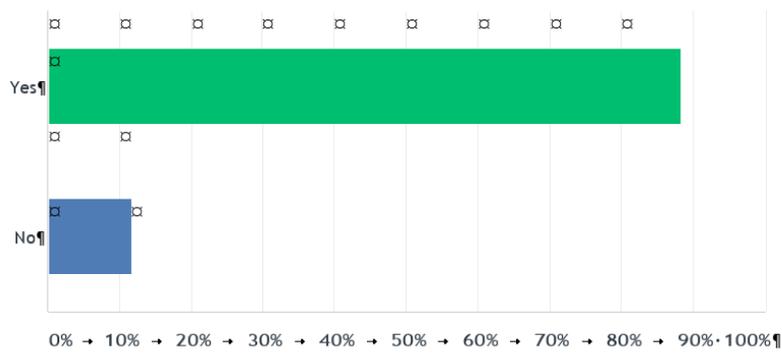


| ANSWER CHOICES | RESPONSES |
|--|-------------|
| Lowering interest rates on all federal loans | 54.05% → 40 |
| Setting federal loan interest rates to 0% | 68.92% → 51 |
| Total Respondents: 74 | |

NYSFAAA-GRC--Student-Loan-Forgiveness-Poll-(March-2021)

Q2-Do-you-support-eliminating-origination-fees?

Answered:77 → Skipped:1

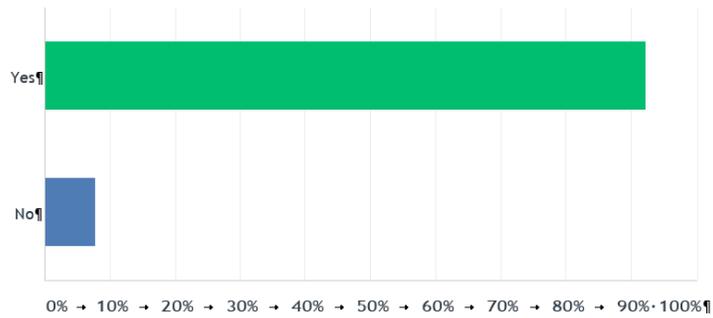


| ANSWER CHOICES | RESPONSES |
|----------------|-------------|
| Yes | 88.31% → 68 |
| No | 11.69% → 9 |
| TOTAL | 77 |

NYSFAAA-GRC -- Student Loan Forgiveness Poll (March 2021)

Q3: Do you agree that all negative amortization should stop immediately? Students should not have larger debts in the middle of repayment than when they began.

Answered: 77 → Skipped: 1

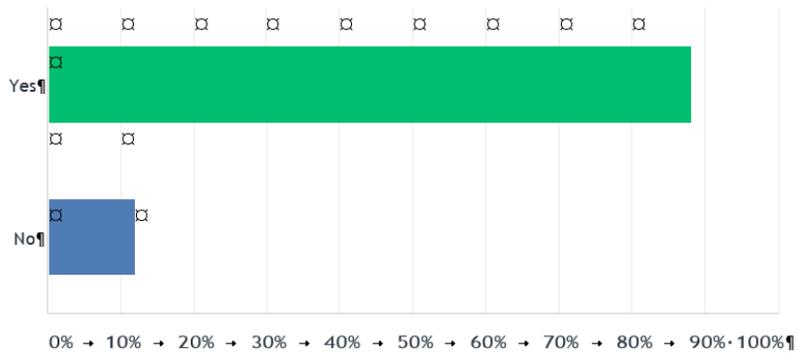


| ANSWER CHOICES | RESPONSES | | |
|----------------|-----------|---|----|
| Yes | 92.21% | → | 71 |
| No | 7.79% | → | 6 |
| TOTAL | | | 77 |

NYSFAAA-GRC -- Student Loan Forgiveness Poll (March 2021)

Q4: Do you support improving the income-driven repayment system to automatically put people into protective repayment based on income and tax returns, and by simplifying the number of plans?

Answered: 76 → Skipped: 2

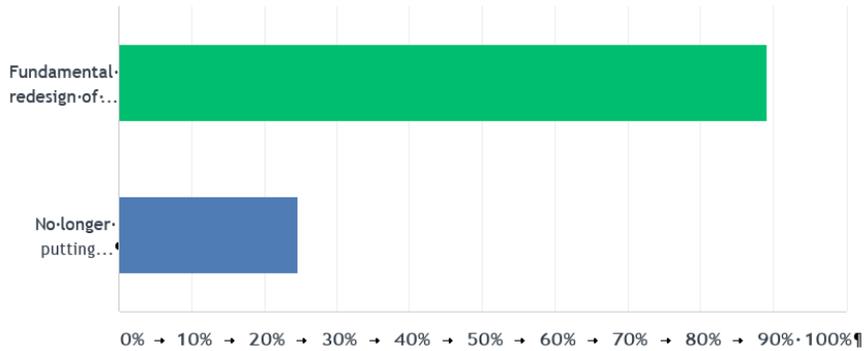


| ANSWER CHOICES | RESPONSES | | |
|----------------|-----------|---|----|
| Yes | 88.16% | → | 67 |
| No | 11.84% | → | 9 |
| TOTAL | | | 76 |

NYSFAAA-GRC--Student-Loan-Forgiveness-Poll-(March-2021)

Q5-Loan-Collections:-Select-all-choices-you-would-support:

Answered:73 → Skipped:5

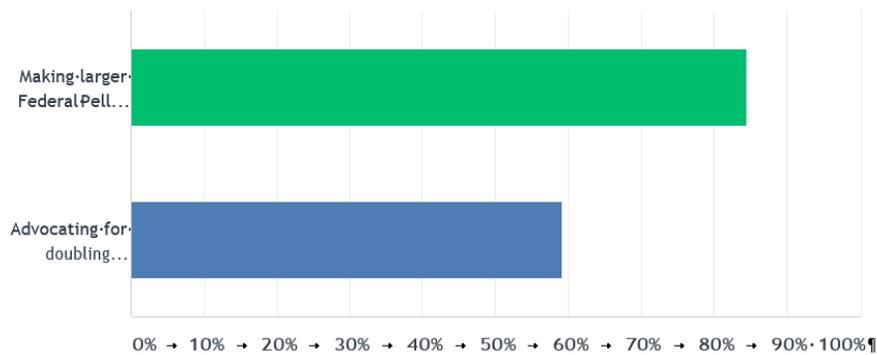


| ANSWER CHOICES | RESPONSES |
|---|-------------|
| Fundamental redesign of the loan collections process (look at models of how other loan programs and other countries collect on debt in more proactive and less punitive ways) | 89.04% → 65 |
| No longer putting borrowers in default | 24.66% → 18 |
| Total Respondents: 73 | |

NYSFAAA-GRC--Student-Loan-Forgiveness-Poll-(March-2021)

Q6-Support-for-Pell-Grants:-Select-all-the-options-you-would-support:

Answered:71 → Skipped:7



| ANSWER CHOICES | RESPONSES |
|--|-------------|
| Making larger Federal Pell-Grant annual increases | 84.51% → 60 |
| Advocating for doubling Federal Pell-Grants--as the most effective way to help low-income students, disadvantaged students, and populations of color who are disproportionately impacted by regressive loan policies | 59.15% → 42 |
| Total Respondents: 71 | |

Q7 Please provide your additional recommendations:¶

Answered: 33 → Skipped: 45¶

| # | RESPONSES | DATE |
|----|---|-------------------|
| 1 | I think sub-loans should remain 0% interest but not all loans | 3/22/2021 2:25 PM |
| 2 | Cancel loan debt | 3/20/2021 4:40 PM |
| 3 | Reducing 50K on loans borrowed by students who already graduated | 3/20/2021 3:49 PM |
| 4 | I do not agree with across the board loan forgiveness | 3/19/2021 2:09 PM |
| 5 | We need to redesign disclosures, reporting, etc. to accurately reflect "FAMILY STUDENT LOAN DEBT" not just "student debt." A big part of why this issue still lacks support from the public is that if you google average student loan debt you get "\$37k," which many people don't see as a major financial burden. WE FA'S KNOW BETTER THAN ANYONE how much debt families are actually taking on with the addition of PLUS/private loans (how many schools in today's dollars only charge \$37k for 4yrs???) AND WE KNOW OUR STUDENTS ARE EXPECTED TO PAY OFF THOSE LOANS TOO, regardless of the language/responsibilities on their MPN's. NYSFAAA and our sister organizations need to be rallying NASFAA and Ed to stop underreporting loan debt by only providing figures on student-held debt, and start providing complete figures for family student loan debt. Only then will the full scope of this issue be understood. IT IS NOT EQUAL ACCESS when a low-income student/family has to take on so much debt to get through college that they will never financially qualify to get a car loan, a mortgage, open a small business, and potential partners won't date them because of high debt. If parents' debt-to-income is too high from borrowing then they can't help their kids finance these basic necessities either. Schools are never going to make major changes voluntarily because they keep benefitting from a corrupt system. We need to look deep in our hearts and ask ourselves whether our true intention is to support our students, or to support our institutions/employers. For too long we've been trying to have it both ways; and the skyrocketing debt of the last decade combined with the COVID-19 response has clearly proven that the majority our institutions simply can't or won't lower costs without major restructuring | 3/19/2021 1:52 PM |
| 6 | Do not cancel or eliminate loans. Remove the interest and increase pell. No default on loans! | 3/19/2021 9:35 AM |
| 7 | I am in support of student loan forgiveness but with that students can not borrow the next year and have the new loans forgiven. It should be offered to students who have graduated | 3/18/2021 6:22 PM |
| 8 | Systemic overhaul versus bandaid tactics | 3/18/2021 4:10 PM |
| 9 | I want to see the 100% of all loan debt wiped out for past borrowers. In addition, I would like to a credit for those who already paid their loans. Here is my thinking. Just like any debt cancellation, a portion has to be claimed as income. For example, I still have \$180K in loan debt. Three degree to better myself and all three are worthless now. I can't even find a job in my original field making 40K a year now. Ironically, I am a Financial Aid Administrator now. I would say if the federal government would say you have to claim 20% as income, I would gladly take \$180K X 20% = \$36,000. Claim that on my taxes. Once paid off with the IRS, then the my loan debt be completely wiped out and start fresh. This has been burdening me for years and I will definitely die with the debt for degrees that were once lucrative, but now there is nothing | 3/18/2021 3:52 PM |
| 10 | I would like to see subsidized loans become available once again to graduate/professional students. I would like to see the maximum total amount of loan to be limited for undergraduate and graduate students. And greater monitoring of tuition charges. Schools also have responsibilities. But most of all I do not agree with waiving of loan repayment, both principal and interest | 3/18/2021 3:44 PM |
| 11 | if the government wishes to remove the student loans it should be the same amount for everyone. People who did pay their student loans during that period should be given a rebate and not penalized for being responsible | 3/18/2021 3:39 PM |
| 12 | Loan forgiveness should not be blanket amount but a well-thought out process. The bigger | 3/18/2021 3:21 PM |

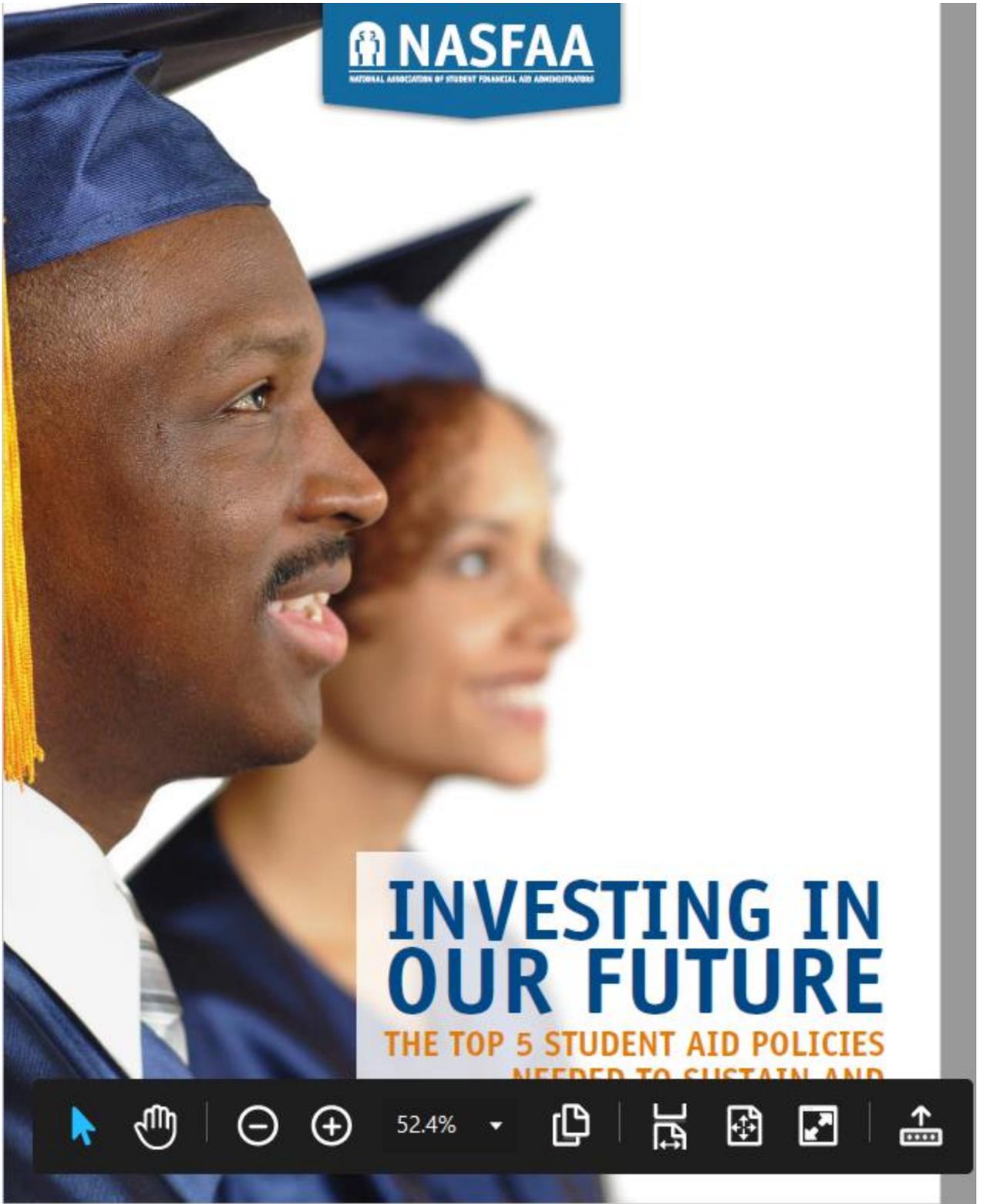
NYSFAAA-GRC -- Student Loan Forgiveness Poll (March 2021)

| ID | Issue | Date |
|----|---|-------------------|
| 13 | I think the IDR Plan should mirror the FAFSA. Although the FAFSA process needs help, it is the first introduction for students and parents alike regarding financial aid. If IDR plan/process can mirror it, borrowers are likely to understand it, complete it and renew it. | 3/18/2021 3:19 PM |
| 14 | what are you doing for borrowers were eliminated from the Student Loan Forgiveness program due to being in the "wrong" payment plan? | 3/18/2021 3:17 PM |
| 15 | Increasing the EFC for pell grant qualification. The middle class is being missed. They cant afford college and arent eligible for pell/state grant funds yet cant afford the high parent/private loan amounts. With higher living expenses in the United state the EFC qualification for pell grant should be increased. | 3/18/2021 2:44 PM |
| 16 | While only a small percentage of borrowers are affected there are some fundamental issues with students still in repayment on FFEL loans. CARES Act provisions left out the borrowers with privately held loans (a segment of borrowers likely to be low income given that they these loans were borrowed no less than 10 years ago). Many of these borrowers are locked out of forgiveness opportunities and have seen their loan debt grow with no relief in sight. The restriction on re-consolidating spousal FFEL consolidation loans is also problematic. Borrowers should have been advised by the guarantor of the risks of this decision but we have enough students in this situation that could benefit from repayment options denied them due to the small window in which this option was permitted. Decoupling the loans is a pain, but given the small portfolio remaining, the equity issue would be a game-changer for many lower-income borrowers that have struggled to pay down their loans and cannot qualify for deferments (only disaster forbearances) during the pandemic. | 3/18/2021 2:42 PM |
| 17 | Interest rates: -- Should be variable rates converted to fixed upon entry into repayment. -- Focus state/federal resource allocation to individuals who have yet to gain access to post-secondary education rather than on those who have already gained/utilized access. -- Provide equitable resources to all sectors rather than a single sector. -- Establish loan limits for PLUS borrowers | 3/18/2021 2:32 PM |
| 18 | https://www.nytimes.com/2021/02/01/opinion/student-debt-cancellation-biden.html Cancel it. | 3/18/2021 2:30 PM |
| 19 | Working with other countries and states to see how they handle community college and or technical school costs appears to be a better use of resources than refunding unused grant money to students who don't reinvest that money into their education. Pell grants should only cover COA not exceed COA. I have students purchase Xboxes, new cell phones just because it's the latest model. Starting using taxpayer dollars wiser. | 3/18/2021 2:30 PM |
| 20 | Not one of these questions addresses the real problem of near unlimited loan eligibility leading to increasing tuition rates. | 3/18/2021 2:19 PM |
| 21 | You should have a neither choice on these questions. Pell grants don't need to be larger at our community college. Commuting students with Pell and state aid receive refunds of about \$4500 each year after all expenses are paid. It also makes sense to forgive loans where the student has made significant payments on the loans as opposed to just forgiving debt. If loans are forgiven it will encourage some students to borrow maximum going forward. The current interest rate is more than reasonable. Maybe lower the cap but I would not lower the rates. I would never recommend not putting students in default. What incentive is there to repay a loan if there is not any repercussions of not paying. | 3/18/2021 2:15 PM |
| 22 | Better financial literacy for student borrowers so that they understand that they have applied for a loan. please restructure the debt management division of federal student aid. | 3/18/2021 2:10 PM |
| 23 | I think no longer putting borrowers in default would be very bad, not only for tax payers but it is teaching borrowers that they can be financially irresponsible and not have to pay back debt they owe. If borrowers no longer default, what happens when they just stop making payments, stop communication with their servicer and choose to not pay back the loan? There must be consequences for not repaying student loans. If there are no consequences, the government will be enabling bad behavior as it relates to student loan repayment. | 3/18/2021 2:02 PM |
| 24 | There should be a public works program where for every hour you volunteer you get \$100. You can cap it at 100 hours or \$10,000 but that money forgives that amount in student loan. | 3/18/2021 2:00 PM |
| 25 | Loan debt should not be forgiven by the president. | 3/18/2021 1:59 PM |
| 26 | Instead of forgiveness, match all payments students actually make (perhaps up to a max amount per month or some variation.) Make the student take responsibility for the debt as well. | 3/18/2021 1:59 PM |

Column Break

NYSFAAA GRC -- Student Loan Forgiveness Poll (March 2021)

| ⌵ | this way instead of just forgiving. ⌵ | ⌵ |
|----|--|---------------------|
| 27 | I think regulations limiting rising costs of attendances (while I'm sure would be controversial) is also a position I would support, along with increasing pell grant and improving loan programs. ⌵ | 3/18/2021 1:56 PM ⌵ |
| 28 | I do NOT support blanket forgiveness. Many borrowers can afford to repay. Some borrowers use loans to finance a more expensive education than they could afford out of pocket. That's a choice. No reason to forgive that loan. I support automatic enrollment in income driven repayment plans. ⌵ | 3/18/2021 1:45 PM ⌵ |
| 29 | Limit borrowing based on major and potential income. ⌵ | 3/18/2021 1:42 PM ⌵ |
| 30 | the federal government should not be in the student loan business. ⌵ | 3/18/2021 1:42 PM ⌵ |
| 31 | We need to find ways to assist the middle class who often do not qualify for Pell and TAP. ⌵ | 3/18/2021 1:42 PM ⌵ |
| 32 | Why does a "student loan forgiveness poll" not ask our opinions about student loan forgiveness? This is just doing exactly what NASFAA is doing, which is avoiding that topic and changing the subject. It's a shame that financial aid professionals seem to think that affordability only applies to getting students in the door and squared away with the Bursar's Office... ⌵ | 3/18/2021 1:41 PM ⌵ |
| 33 | My/our only concern should be where will the dollars come from! As well, what about folks for years struggling to pay back and have done it. some alleviation of indebtedness is needed but not a complete wipe out. ⌵ | 3/18/2021 1:39 PM ⌵ |



INVESTING IN OUR FUTURE

THE TOP 5 STUDENT AID POLICIES NEEDED TO SUSTAIN AND

A black navigation bar at the bottom of the page contains several white icons: a blue mouse cursor, a hand icon, a minus sign, a plus sign, a percentage '52.4%' with a dropdown arrow, a document icon, a refresh icon, a zoom icon, a crop icon, and an upload icon.

INVESTING IN OUR FUTURE

THE TOP 5 STUDENT AID POLICIES NEEDED TO SUSTAIN AND STRENGTHEN HIGHER EDUCATION

As our country is on the brink of a new presidential administration and new Congress, amid a global pandemic, the importance of investing in and strengthening our nation's postsecondary education system has never been more important. Concerns over college access, affordability, and transparency are colliding with the growing demand in the workforce for college educated individuals, all while racial disparities in college access and attainment are becoming more stark than ever. The COVID-19 pandemic has exacerbated these issues and created additional concerns, but also presents an opportunity, along with the reauthorization of the Higher Education Act, to examine and re-evaluate our country's higher education policies.

Action — in some cases immediate — is needed to refocus, reinvest, and recalibrate our country's policies around postsecondary education. Robust, streamlined student aid policy must play a central role in this effort, and we advise the incoming Biden administration and 117th Congress to strongly consider and prioritize the following policy recommendations as a way to strengthen access to, and success in, higher education for our nation's students.



1: Deliver Additional COVID-19 Relief to Students and Institutions

The COVID-19 pandemic has presented an unprecedented and prolonged crisis for higher education. Millions of students and families are facing record unemployment,¹ hampering their ability to pay for college and repay their loans, and institutions have been hit with billions of dollars in lost revenue and unexpected costs related to reopening, testing, and providing personal protective equipment. This, coupled with the impact decreased state funding² has had on public institutions, has created a dire situation for our nation's postsecondary education system and the students it serves.

While the funding, flexibilities, waivers, and extensions provided by the Coronavirus Aid, Relief, and Economic Security (CARES) Act and the executive branch at the onset of the pandemic provided a tremendous lifeline to students and institutions, additional COVID-19 emergency relief for students and institutions is desperately needed, and should be the first priority of the incoming Biden administration and 117th Congress.

- **Rescind June 17 Interim Final Rule Restricting Student Eligibility for CARES Act Grants.** The CARES Act authorized \$6 billion in emergency student grants for students impacted by the COVID-19 pandemic. Congress placed this funding outside of Title IV of the Higher Education Act and did not establish limits on student eligibility. The Department of Education (ED), however, imposed its own student eligibility limits, requiring them to meet the Title IV student eligibility requirements, which include being a U.S. citizen or eligible noncitizen. To ensure remaining and future relief funds reach the students they were intended for, it is essential to rescind ED's incorrect interpretation of congressional intent that has excluded hundreds of thousands of students from receiving CARES Act grants.
- **Provide Additional Emergency Relief Funding for Students and Institutions.** The CARES Act provided nearly \$14 billion for higher education institutions and students, and the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act passed in the fiscal year 2021 omnibus provided higher education with an additional \$23 billion in relief. While these funds have provided much-needed support, tremendous need remains.³ Nearly \$100 billion in additional relief funding is needed to help institutions safely reopen and support students through the pandemic. This spring it was estimated that institutions would incur approximately \$74 billion in reopening costs,⁴ on top of an additional \$46.6 billion in financial impact (including roughly \$35 billion in lost revenue and \$12 billion in additional need-based financial aid) resulting from the pandemic.⁵ To provide students with the financial support needed to remain enrolled and avoid financial cutbacks that will harm local communities, colleges and universities need, at a minimum, another \$100 billion in future COVID-19 relief packages.
- **Extend Existing Borrower Relief.** Congress and the incoming administration should extend the borrower relief provisions included in the CARES Act, including the automatic payment suspension and 0% interest rate, until Sept. 30, 2021, or the end of the national emergency, whichever occurs first. Action should also be taken to extend relief to the more than 8 million federal student loan borrowers with Federal Family Education Loans (FFEL) or Perkins Loans that are not owned by the Department of Education (ED), which are not included in the CARES Act.⁶
- **Maintain Existing Title IV Waivers, Extensions, Flexibilities.** Current flexibilities are authorized through the end of the payment period that begins after the date on which the federally-declared national emergency related to COVID-19 is rescinded.⁷ Depending on the timing of the end of the federally-declared emergency, institutions may need additional time to smoothly transition out of the use of the flexibilities. For example, ED currently provides broad approval to institutions to use distance learning modalities without going through the standard ED approval process. When this flexibility ends after the federally-declared emergency is over, institutions that wish to continue distance learning to avoid an abrupt shift to in-person learning will need sufficient time to proceed through any required standard ED approval process.

- **Reissue Professional Judgment and Program Review Flexibilities from Dear Colleague Letter (DCL) GEN-09-05.** DCL GEN-09-05 gave financial aid administrators authority to adopt an across-the-board Professional Judgment (PJ) policy to zero out the figures for income earned from work and unemployment benefits received to re-calculate the Expected Family Contribution when applicants documented that a family member was receiving unemployment benefits. It also adjusted ED's program review risk model to account for anticipated increases in use of PJ. As our nation grapples with the financial impact of the COVID-19 pandemic, it is critical that ED provide financial aid administrators with maximum flexibility to help struggling families pay for college, and that institutions are not unfairly penalized for doing so. Although some of these flexibilities were codified by the Consolidated Appropriations Act of 2021, these provisions will not be implemented until the 2023-24 award year. These flexibilities are critical to the financial aid community's ability to support students through the current crisis, and the Biden administration should act to renew the 2009 guidance as quickly as possible.

2: Strengthen the Federal Pell Grant Program

The Federal Pell Grant Program remains the foundational federal student aid program. Without it, every year millions of low-income students would miss out on the benefits of a college education. In 2017-18, there were approximately 7.1 million Pell Grant recipients. These recipients received an average grant amount of \$3,900, and just over 80% had family incomes of less than \$40,000.⁸ The Pell Grant program enjoys broad support, and it works well. We encourage the Biden administration and Congress to invest in this already well-oiled machine.

- **Double the Maximum Pell Grant.** Despite the increased attention to the importance of college affordability, today's Pell Grant maximum award remains at a level similar to fiscal year (FY) 1978 when adjusting for inflation.⁹ The 2020-21 maximum Pell Grant covers only 29%¹⁰ of the average cost of tuition, fees, room & board at a public four-year institution, while it covered 79% in 1975.¹¹

The time has come for Congress to make a substantial investment in the program by doubling the maximum Pell Grant. The current maximum is increasingly insufficient to move the needle on college access, leaving low-income students to borrow high amounts or, worse yet, not attend postsecondary education at all. Doubling the maximum Pell Grant will provide myriad benefits not only to our nation's lowest-income students, but also to the federal government and broader society. Students who persist in higher education are more likely to be employed, tax-paying, productive members of society.¹²

Perhaps most importantly, investing in the Pell Grant program is a matter of racial and social justice, as the program plays a critical role in ensuring college access for many traditionally underserved student populations. In 2015-16, 58% of Black undergraduates and 47% of Hispanic undergraduates received a federal Pell Grant, compared to 32% of white undergraduates.¹³ The program also benefits our nation's lowest-income students the most. Just over 80% of 2017-18 recipients had a family income of less than \$40,000.¹⁴ A policy like doubling the Pell maximum is not just an investment, it is an act of justice.

- **Ensure Smooth Implementation of Pell Eligibility Restoration for Incarcerated Students and Extend Pell Eligibility to DACA Participants.** The Consolidated Appropriations Act, 2021 restored Pell Grant eligibility for incarcerated students, a step that will expand postsecondary access to millions of students whose Pell eligibility was restricted by the 1994 Violent Crime Control and Law Enforcement Act. The next step is for Congress and the Biden administration to ensure a smooth implementation that addresses the unique challenges experienced by incarcerated students navigating the financial aid application process, and ensure this student population is provided with high-quality education programs.

Pell Grant eligibility should also be extended to Deferred Action for Childhood Arrivals (DACA) participants. While 54% of the U.S. population between ages 15 and 32 has some college experience, just 36% of the DACA-eligible population in the same age range are either enrolled in college, have completed some college, or have earned a bachelor's degree.¹⁵ We are pleased that the incoming Biden administration has already committed to restoring DACA, and extending Pell eligibility to DACA recipients is a critical step in providing this population with access to affordable higher education opportunities.

- **Shift the Federal Pell Grant Program to Full Mandatory Funding.** The annual federal budget and appropriations process adds unnecessary uncertainty to a program that plays a vital role in the lives of thousands of students every year. Pell Grants should be protected from the annual appropriations process by moving the funding stream from the discretionary year-to-year allocation to mandatory funding.

3: Simplify the Federal Financial Aid Application Process

NASFAA has long been interested in ways to make the Free Application for Federal Student Aid (FAFSA) and the overall application process simpler and more efficient for students and families. NASFAA has offered recommendations to simplify the form and has been generally pleased by the improvements over the past several years, including "smarter" skip-logic on the form, the implementation of the Internal Revenue Service (IRS) Data Retrieval Tool (DRT), and the passage of the 2019 Fostering Undergraduate Talent by Unlocking Resources for Education (FUTURE) Act,¹⁶ which allows for direct data sharing between ED and IRS. The use of more information obtained directly from the IRS, as authorized by the FUTURE Act, will allow for a simpler application and reduced burden for applicants, while still retaining a high standard of accuracy. Expanded data sharing will also simplify the process of verification, as well as income-driven repayment application and recertification. Most recently, the fiscal year (FY) 2021 omnibus signed into law in December 2020 included FAFSA simplification legislation that will simplify the federal student aid application process by eliminating unnecessary FAFSA questions, modify the eligibility formula to expand Pell Grant eligibility, and allow students to better predict their Pell Grant eligibility.¹⁷

- **Ensure Smooth Implementation of the FUTURE Act and FY 2021 Omnibus FAFSA Simplification Provisions.** Once implemented, the FUTURE Act data-sharing provisions and the FAFSA simplification provisions included in the FY 2021 omnibus will work in tandem to provide students with a simpler, more streamlined aid application process. To ensure these changes result in the positive change they were designed to deliver, the incoming administration should work to execute a smooth implementation that offers ample opportunities for stakeholder feedback and encourages meaningful collaboration among federal agencies and the financial aid community. A successful implementation should also allow sufficient time for institutions to make necessary adjustments to their own processes, prioritize clear communication, and conduct proactive outreach to students and families. Adequate resources at the federal level are needed to ensure a smooth and timely implementation.

4: Curb Student Indebtedness and Simplify Repayment

While media depictions of the nation's "student debt crisis" center on graduates of elite institutions with six-figure debt loads, borrowers with small amounts of debt without a college degree reflect the real student debt crisis today.¹⁸ Pursuing higher education while amassing some student debt is an important and responsible investment because the consequences of not pursuing a degree or credential can be devastating, but there must be sound policies in place to deter excessive borrowing and ensure repayment is simple and understandable.

- **Eliminate Student Loan Origination Fees.** Deemed the "student loan tax,"¹⁹ loan origination fees are a relic of the 1980s, when additional revenue was necessary to offset loan subsidies in the now-defunct FFEL Program. Origination fees withhold, on average, \$294 of an undergraduate student's and \$1,174 of a graduate student's loan proceeds after factoring in associated interest, while still requiring repayment with accrued interest of the full loan amount. The federal budget should not be balanced on the backs of students and families.²⁰
- **Explore Targeted Debt Forgiveness.** The more than \$1.5 trillion in outstanding student loan debt impacts Americans' ability to plan for their financial futures, such as saving for retirement or investing in a home. Congress should explore debt forgiveness that is targeted to borrowers with the greatest need to ensure that a college degree leads to financial self-reliance and not a life of penury.
- **Consolidate and Simplify the Federal Loan Repayment Plans.** According to the Congressional Research Service, there are over 50 loan forgiveness and loan repayment programs currently authorized, with at least 30 operational as of Oct. 1, 2017.²¹ This tangled web of repayment options confuses borrowers. Consolidating the various income-driven repayment plans into a single plan will help borrowers understand the benefits and protections inherent in our federal student loan repayment system.
- **Strengthen Public Service Loan Forgiveness.** Preserving Public Service Loan Forgiveness (PSLF) program, and exploring new ways to strengthen it, will continue to encourage students to pursue and commit to vital public service careers without fear that their student loan payments will follow them for decades. At a minimum, Congress should require ED to encourage the submission of annual employment certification forms and to conduct increased outreach to borrowers about the program. Congress should also require ED to make additional PSLF data publicly available in order to answer questions regarding the program's cost, effectiveness, and integrity.
- **Exempt All Loan Forgiveness From the Calculation of Gross Income for Income Tax Purposes.** Currently, forgiveness and discharge under the vast majority of federal student aid programs and provisions must be included as income for income tax purposes. Taxing forgiven loans creates a disincentive for borrowers to take advantage of forgiveness programs because it creates an immediate financial hardship that can be more financially burdensome than simply remaining in repayment.
- **Continue Development of "NextGen Processing and Servicing" Plan.** In July 2016, Undersecretary of Education Ted Mitchell sent a memorandum to the ED's Office of Federal Student Aid (FSA) outlining policy direction on federal student loan servicing. Since that time FSA has made considerable progress and today is moving forward with its NextGen efforts to streamline the interface through which federal student aid recipients interact with the Title IV programs and student loan repayment. NASFAA encourages the incoming administration to continue FSA's work to improve NextGen and develop intuitive tools that will help students and borrowers in navigating the federal student aid programs.
- **Provide Financial Aid Offices With More Tools to Curb Student Indebtedness.** Schools are held responsible for their cohort default rates (CDR), yet they have very limited authority to impose restrictions on borrowing and are prohibited from requiring additional loan counseling. Enhancing school authority to limit excessive loan borrowing or to require additional counseling would allow schools to better serve their students' financial best interests.
- **Restore Interest Subsidy for Graduate Students.** Graduate and professional (GP) students with financial need were eligible to receive an interest subsidy on loans up to \$8,500 per year until Congress, faced with a Federal Pell Grant shortfall, eliminated the GP subsidy in the Budget Control Act of 2011.²² That loss currently costs GP students \$365 per year. Restoring the subsidy will reverse the harm caused when GP students are forced to bear the brunt of student aid cuts.

5: Enhance Student Aid Delivery

Tasked with implementing the federal student aid programs, FSA provides more than \$120 billion in financial aid to approximately 10 million students each year. With \$1.267 trillion in total assets in FY 2019, FSA would rank fifth on the Federal Reserve System's list of largest U.S. holding companies by total assets.²³ Most importantly, FSA, in partnership with institutions, plays a central role in expanding access to affordable postsecondary opportunities through the administration of the federal student aid programs. Given the agency's role as a linchpin of our nation's higher education system, and the tendency for secretaries of education to come from backgrounds focused on K-12 education, it is critical that FSA has strong leadership, efficient governance, and adequate staffing. The incoming Biden administration and Congress should ensure this occurs.

- Improve the Operational Efficiency of the Department of Education's Office of Federal Student Aid.** FSA was structured as a performance-based organization (PBO) in 1998 with expanded administrative autonomy in exchange for increased oversight and accountability. In the time since the designation of FSA as a PBO, little oversight of the agency has occurred, and financial aid administrators feel that FSA acts more as a watchdog than as a partner in the administration of the student aid programs.²⁴ We urge Congress to prioritize accountability and oversight of FSA and increase the involvement of stakeholders in the FSA strategic planning process by requiring FSA to provide the final report for a program review within 60 days after receipt of an institution's response, introducing additional performance metrics, and establishing an FSA Oversight Board.²⁵
- Provide the Office of Federal Student Aid With Adequate Staffing and Resources.** A cornerstone of FSA's ability to fulfill its responsibility as gatekeeper of the federal student aid programs is its workforce. As our nation's higher education and student aid landscape continues to modernize, the agency must be equipped with a talented, skilled workforce that can evolve to meet the changing needs of students. NASFAA encourages the incoming administration to prioritize the staffing of FSA and develop a plan to attract and retain talented public servants.

Conclusion

As those who work with students on a daily basis, financial aid administrators nationwide continue to believe there are many opportunities to improve the federal student aid system to ensure success for all stakeholders in all stages of the process. NASFAA looks forward to collaborating with the incoming Biden administration and the 117th Congress to ensure that our country's financial aid policies provide access and opportunity to all qualified students.

For more information about NASFAA's policies, advocacy, and research, visit [NASFAA's website](#). Please email policy@nasfaa.org with any comments or questions.

About NASFAA

The National Association of Student Financial Aid Administrators (NASFAA) is a non-profit membership organization that represents more than 28,000 financial aid professionals at nearly 3,000 colleges, universities, and career schools across the country. Collectively, NASFAA member institutions serve nine out of every 10 undergraduates in the United States. For over 50 years NASFAA has worked to amplify the voice of the nation's student financial aid administrators in the nation's capital. NASFAA is the largest postsecondary education association with institutional membership in Washington, D.C., and the only national association with a primary focus on student aid legislation, regulatory analysis, and training for financial aid administrators in all sectors of postsecondary education. No other national association serves the needs of the financial aid community better or more effectively. For more information, visit www.nasfaa.org.



Footnotes

- ¹ Kochhar, R. (2020, August 26). Unemployment rose higher in three months of COVID-19 than it did in two years of the Great Recession. Pew Research Center. <https://www.pewresearch.org/fact-tank/2020/06/11/unemployment-rose-higher-in-three-months-of-covid-19-than-it-did-in-two-years-of-the-great-recession/>.
- ² Ma, Jennifer, Sandy Baum, Matea Pender, and CJ Libassi (2019). Trends In College Pricing 2019, New York: College Board. <https://www.fitchratings.com/research/us-public-finance/federal-stimulus-won-t-offset-higher-ed-budget-pressure-07-01-2021>
- ³ <https://www.acenet.edu/Documents/Letter-HEIP-Committee-Requesting-Costs-070220.pdf>
- ⁴ https://www.nasfaa.org/uploads/documents/HigherEd_Fourth_COVID_Request.pdf
- ⁵ https://www.nasfaa.org/uploads/documents/NASFAA_TICAS_ACE_November_Letter_DeWos.pdf
- ⁶ Federal Register Notice, 12/11/20, <https://www.govinfo.gov/content/pkg/FR-2020-12-11/pdf/2020-27042.pdf>.
- ⁷ https://www.nasfaa.org/uploads/documents/2020_NASFAA_National_Profile.pdf
- ⁸ "Trends in Student Aid, 2019" The College Board <https://research.collegeboard.org/pdf/trends-college-pricing-student-aid-2020.pdf>
- ⁹ <https://www.cisgp.org/blog/2018-funding-bill-should-boost-pell-grants>
- ¹⁰ <https://research.collegeboard.org/pdf/education-pays-2019-full-report.pdf>
- ¹¹ <https://nces.ed.gov/pubs2019/2019487.pdf>
- ¹² <https://research.collegeboard.org/pdf/trends-college-pricing-student-aid-2020.pdf>
- ¹³ <https://www.migrationpolicy.org/research/education-and-work-profiles-data-population>
- ¹⁴ NASFAA, https://www.nasfaa.org/future_act
- ¹⁵ https://www.nasfaa.org/consolidated_approps_21
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- ¹⁷ "End the Student Loan Tax," The Hill, by Rep. Susan Davis and Justin Draeger, <https://thehill.com/blogs/congress-blog/healthcare/221137-end-the-student-loan-tax>
- ¹⁸ "Issue Brief: Origination Fees," NASFAA, https://www.nasfaa.org/issue_brief_origination_fees
- ¹⁹ "Federal Student Loan Forgiveness and Repayment Programs," Congressional Research Service, <https://fas.org/sgp/crs/misc/R43571.pdf>
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- ²¹ <https://www2.ed.gov/about/reports/annual/2019report/rsa-report.pdf>
- ²² "NASFAA Testifies Before Congress on Financial Aid Administrators' Experiences with FSA," NASFAA, <https://www.nasfaa.org/rsa-testimony/>
- ²³ "Improving Oversight and Transparency at the U.S. Department of Education's Office of Federal Student Aid," NASFAA, https://www.nasfaa.org/uploads/documents/NASFAA_FSA_Report.pdf