A VP's Role in Leading Financial Aid

Tips and insights for all CSSO's

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Today's agenda

- Why?
- Financial Aid Office Culture
- Flexible policies and practices
- Business Process Analysis
- Resources
- Questions for the VP to ask

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Why?

- "Money Left on the Table"
  - Green Lights, Red Tape (TICAS) - $500 m
  - Wheelhouse report April 2018 - $250 m
- Student Centered Funding Formula – FTES, Supplemental and Success
- Guided Pathways – Helping students stay on the path
- Equity
- It is the **right thing** to do

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CCLC Taskforce

- Identify strategies to create a more student centered financial aid office

- Advocate for campus leaders to adopt those strategies
  - Strategies to get more students applying for financial aid
  - Enhancing the student experience
  - Advancing financial aid policies to increase student retention

- Published report – May 2019

- Presentation of findings at CCLC annual conference in May 2019

- FAO design, CEO and Trustee Support

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Culture - #1 for VP Leadership

- Clear Expectations…then Empowerment
  - Shift from compliance mindset to student focused mindset
  - FAO has a lot of flexibility to set policies, practices and processes that are compliant, but student friendly
- Opportunities for change in culture
  - Financial Aid Director
  - Published policies, procedures, and practices
  - FAO Culture + individual staff personal opinions
  - Deans, VP, CEO, and Trustees
  - "When in doubt, give it out" – but stay compliant!

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Policy Flexibility

- Verification

- SAP

- Professional judgement
  - Dependency Status Overrides
  - Income adjustments

- Conflicting information

- Comment Code resolution

- Add processing flexibility = student focused financial aid office

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Deeper Dive - Verification

- Only verify students selected by the feds

- Only verify the items required by the feds

- Do not ask for documentation not required by the feds
  - i.e. Proof of $0 or low income
  - Verification worksheet is enough in many cases

- Implement on-line verification (i.e. Campus Logic)

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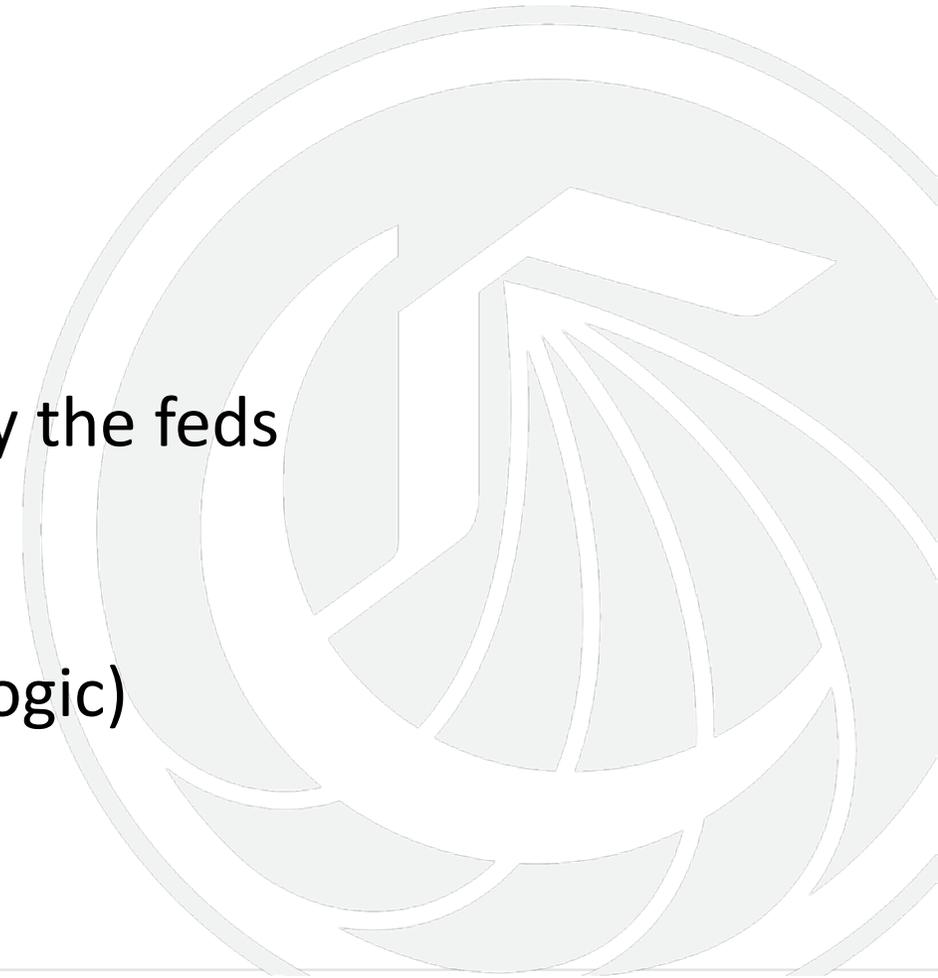
SAP

- 2.0 GPA, 150% of program (60 unit program = 90 unit max), and 67% Pace
- Some colleges have more strict policies "to encourage students to do better" – not a best practice or student focused
- Appeals
  - How much is too much documentation?
  - Service level processing times?
  - Appeals with justification are OK – don't be too strict!
- Reach out beyond SAP denial letter

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Professional Judgement - Dependency

- Dependency Status Overrides – can be granted for "unusual circumstances (i.e. parents can't be found, parent is in jail, abusive family situation)
  - Not allowed for "my parents refuse to sign the FAFSA" or "my parents don't want to help me pay for college"
- ~20% of CCC students are independent for Promise Grant but not for federal aid
- Best practice: reach out to students with rejected FAFSA's for no parent info or signature
  - Communicate availability of and process to students

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Professional Judgement - Income

- FAFSA asks for prior/prior year income
- If prior or current year income is less FAO may use PJ for income adjustments
- PJ for other unusual circumstances (i.e. medical expenses, cost of attendance)
- Communicate availability of adjustments and other to students
- PJ does take more FAO resources – some FAOs either aren't aware of how to do PJ, or think it is too much work

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Conflicting Information/Comment Codes

- Colleges must have an "…adequate internal system to identify conflicting information…" FSA Handbook

- Example = A&R high school grad info differs from FAFSA

- Blank SSN from A&R is not conflicting information

- Some colleges are reviewing ALL files to ensure there is no conflicting information – this policy goes beyond what is required

- Some colleges are requesting documentation that is hard or impossible for students to obtain in a reasonable time frame

- Comment codes must be cleared – only clear what is required and don't require more documentation than required

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File Processing

- Most colleges process first come = first served
- Consider other options to ensure most needy student files processed first
- Equity Plan order of processing
- 0 EFCs first
- More staff assigned to process high need files
- Ombudsman, triage, listen/believe the student

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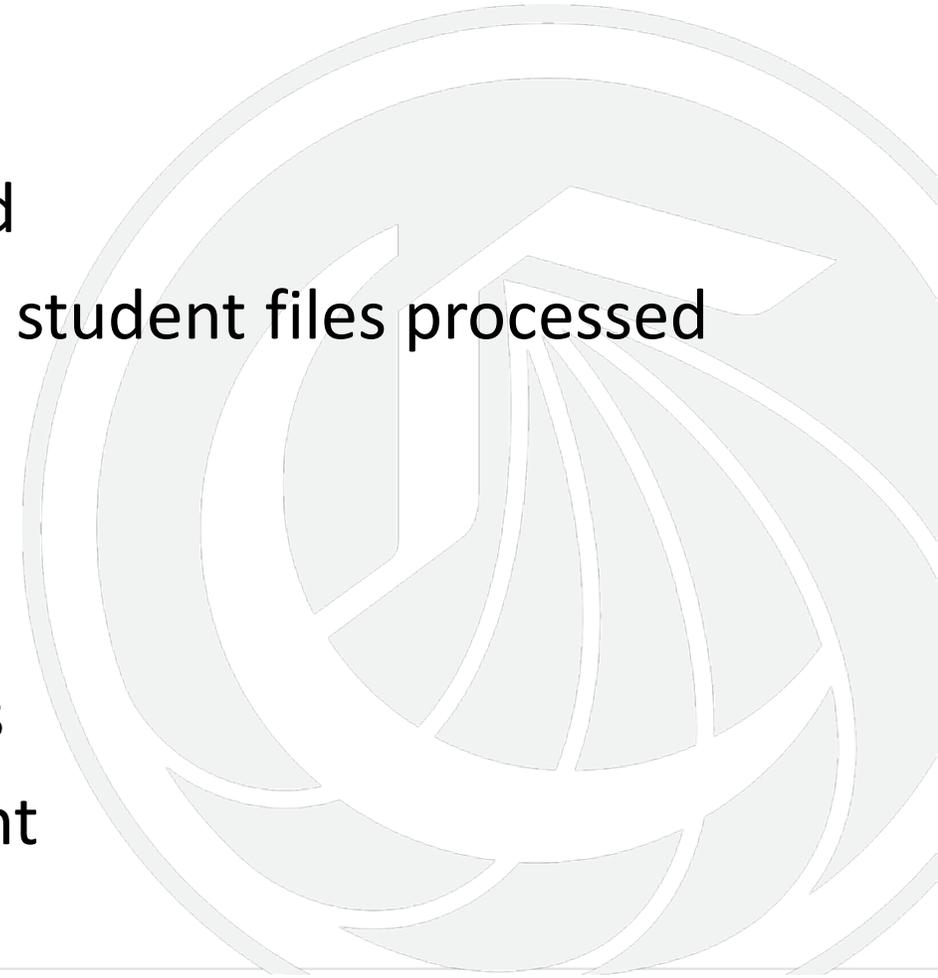
Disbursements/Refunds

- Complete files – feds require enough $ be disbursed before or during the first week of the term for books and supplies
  - Cash vs bookstore credit

- Check policies on disbursements – Are they student focused?
  - Disburse full Pell and other aid ASAP (up to 10 days before term)?
  - Multiple disbursements per term?
  - Hold disbursements until after census?

- Review policies based on institutional risk (R2T4) vs student needs

- Review parental culture

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1. Other

- Package and communicate estimated aid ASAP
  - FAO's are holding award letters until file complete
  - Package/communicate when ISIR is received – no A&R yet
- In-reach and outreach for more aid applicants
- Auto award Promise Grant
- Establish FAO advisory committee – students, faculty rep, A&R, EOPS
  - Do it now and at least once per term
  - Surveys do not replace in-person feedback

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2. Other

- Establish emergency aid programs
- Email doesn't work – text messages are best practice
- Do not require Statement of Ed Purpose or Student Conditions docs
- Counseling to decline Pell – don't do unless student is at or near 400% use
- Don't require ID before file processing
- Retention – early alerts, Enrollment Management Committee

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3. Other

- FAO role in Guided Pathways

- Loan policies – auto award subsidized loan, reduce hurdles

- Don't require too much documentation of special status (homeless, foster youth, guardianship, selective service

- Don't require notarized documents

- Review FAO open office hours

- Counter staff – seasoned vs newbies or student workers

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Business Process Analysis

- Map existing processes
- Review for obstacles and opportunities for improvement
  - Choke points, layering, end runs, shadow systems, exception based, not scalable, paper heave
- Identify areas for improvement and obstacles to making improvements
- Develop an ideal process
- Technology alone cannot solve process issues

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FAO Resources

- FAO has not had increased funding since 2003

- 2% portion of funding is not always allocated to FAO

- Processing files, early disbursements, professional judgement, more approved SAP appeals, in-reach and out-reach = more staff, technology and other resources

- State Administration believes FAO should be funded and supported by general apportionment contributions
  - Student Equity and Achievement Program

- Return on investment – explore data on success of financial aid students, withdrawals when aid not disbursed

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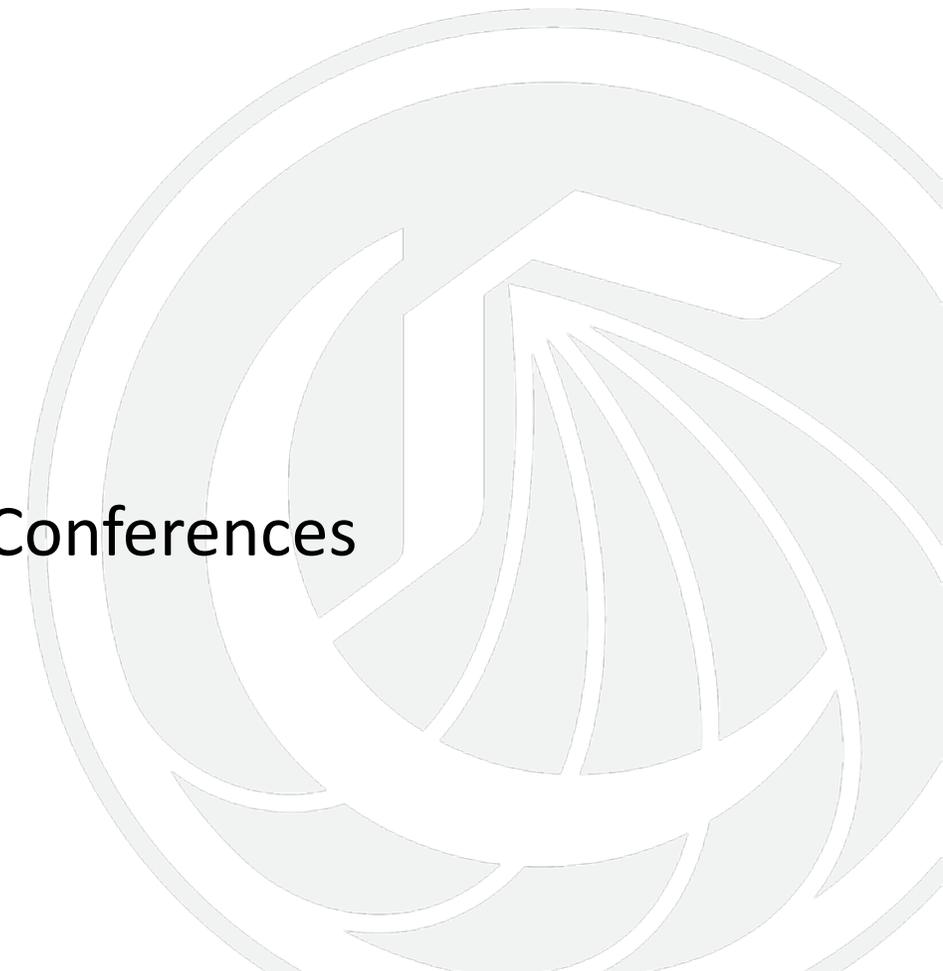Colleges

CCLC Comments

- "The financial aid department is the worst department on campus" – CEOs
- Continuous student feedback suggestion not well received
- Many aid administrators willing to change
- "The magnitude and form of resistance to student-focused service vs strict compliance" is concerning
- Most FADs think they are student focused when they really aren't
- "FADs consider compliance mandatory but student focus as a goal they strive to achieve"

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"The regulations require me to do it" – VP Leadership

- Bullying behavior should be addressed
- Appointment with FAD – ask for a review of all P&Ps, identification where P&P exceeds federal requirement, including why
- Ask to see the pages from the Federal Student Aid (FSA) handbook
- Easy to read, will tell you what is required, encourage conversations
- Identify, with FAD, plan to address culture of office and individuals
- Send Rhonda an email if conflict between what you think is right doesn't agree with what the FAD is telling you

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VP Resources

- FSA Handbook

- Wheelhouse report

- Data by college

- Full list of items discussed at FA All Directors Conferences
  - Table notes compiled

- Today's Power Point

- Email rmohr@cccco.edu

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Questions?