

Robert Sheridan

My educational background is an undergraduate degree from Youngstown State University; Masters from Kent State University; PhD work at The Ohio State University (ABD).

Employment History: Assistant Director Financial Aid, Kent State University; Director of Financial Aid, University of Albuquerque; University of Houston, Executive Director of Scholarships and Financial Aid (1979-2005); University of Houston-Downtown, Executive Director for Special Projects and Financial Aid.

Professional highlights: Past President, Texas Association of Student Financial Aid Administrators; Past President, New Mexico Association of Student Financial Aid Administrators; Editorial Board **Journal of Student Financial Aid**; Co-founding Chairperson, Council for the Management of Educational Finance.

Senate Higher Education Committee Presentation

Monday, April 26, 2010

Good Morning Senator Zaffirini and members of the Senate Higher Education Committee. My name is Robert Sheridan and I am the Executive Director for Special Projects and Financial Aid at the University of Houston-Downtown. I am here today representing the Texas Association of Student Financial Aid Administrators. The recommendations that I am presenting today do not reflect those of the University of Houston-Downtown, the University of Houston System, The University of Houston Board of Regents, nor the administration of any component campus of the University of Houston.

First, a brief history of Texas student financial aid in Texas. From 1958 to 1985 there were no increases to tuition in Texas. The feeling was that by keeping tuition low, students and families could afford to attend postsecondary education. Thus no substantial financial aid programs were created with the exception of the Hinson-Hazelwood loan program and various exemption and waivers. It was not until the creation of the Texas Grant Program that the State of Texas had a substantial and meaningful student financial aid program.

Therefore, I would like to make the following recommendation:

- That the Texas Grant Program remain the premier financial aid program for Texas residents. In keeping with that it is important that the program remain true to the language original enabling language of the statute that it be awarded on the basis of need to those students who earned a recommended or distinguished high school diploma. This would also ensure that the State would continue to meet the stated goal of Closing the Gap.
- The Texas Grant program should be modified to be an on-going fixed amount, say the \$6,080 award amount for the 2010-11 year rather than the average full-time undergraduate tuition and fees that must be re-computed annually. It is probably safe to assume that tuition and fees will continue to increase in future years. And, under this recommendation it would maximize the number of possible recipients.
- If the State intends to recognize merit as a primary vehicle for a student aid program, it should utilize the Top 10% Scholarship to recognize merit.

- The Texas Work-Study program should be expanded from its current level of funding of \$4.5 million. In research conducted over the years in regard to Work-Study it has been shown that in addition to providing funds to students with which to go school (mostly for their indirect costs), the research has shown that students working part-time perform academically better than their peers, become more acclimated to college and are more likely to graduate.
- The Texas Equal Opportunity Grant funding should be increased to adequately reflect the enrollment growth of community colleges in Texas. For the 2010-11 year TEOG initial year allocations represent 20% of the Texas Grant initial allocation. Students who receive a TEOG and are meeting program requirements would be eligible for a Texas Grant if they subsequently transfer to a senior institution.
- Be on Time Loans should be at the discretion of the institution based on the demographics of their students. If an institution wishes to opt out of the BOT loan it would no longer send 5% of its Designated Tuition to the CB for the BOT but use those funds for an on-campus need-based grant and/or scholarship program.
- A common calendar should be adapted which would require all regulations that effect an upcoming program year be established. Rules adapted after that date would not be effective until the subsequent academic year.
- Allocation letters to institutions regarding funding should, wherever possible, be sent no later than mid-February. The allocation letters could be estimates of anticipated funding. Institutions have a need to have a picture of what funding that they should have available at the beginning of the aid packaging cycle to best serve the needs of their students and most importantly their prospective students.
- The Texas Guaranteed Student Loan Corporation should be charged and funded to provide default aversion assistance to schools. With the on-set of the Direct Loan program, many of the services and functions that were previously performed by the private sector lenders will now fall to the institutions which may or may not have the resources to fulfill those functions. Failure to resolve default has the potential for negative impact to both the institution, not to mention the borrower, but also to the State. The loss of federal funds to an institution is also a loss of federal funds to the State.
- The huge number of waivers and exemptions should be reviewed in terms of those which serve the purpose of the citizens of Texas.
- No new financial aid programs be created until the existing programs are adequately funded.

I would also make one last recommendation that is not a TASFAA recommendation but rather a personal one. I would recommend that the Texas Guaranteed Student Loan Corporation be given the authority to administer Texas's student aid programs. TG has the capacity, the technology and the expertise. This should not be taken as a knock on the Coordinating Board. It is not, but it would allow the CB to fully focus on the academic side of Texas higher education.

In closing I would like to thank the Committee for the opportunity to speak to today.

Testimony of Robert Sheridan

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