

Financial Aid / Debt Reduction System Upgrade

William Hudson, Jr., PhD
Vice President for Student Affairs

Florida A&M University
BOT Academic and Student Affairs

Financial Aid / Debt Reduction System Upgrade

Impact on PBF Metrics: Improves Student Outcomes which improves ALL PBF Metrics

Impact on Strategic Plan:

SP1: Exceptional Student Experience

SP5: First-Class Business Infrastructure

SP6: Outstanding Customer Service

Timeline:

☑ **January 24, 2019:** Provide BOT revised carry forward spending plan

☑ **March 6, 2019:** Presentation to BOT of carry forward projects

☑ **September 19, 2019:** BOT approved carry forward projects

☑ **October 3, 2019:** BOG approved carry forward projects

ORACLE

Oracle Student Financial Planning

FAMU Presentation
December 4, 2019

Safe harbor statement

The following is intended to outline our general product direction. It is intended for information purposes only, and may not be incorporated into any contract. It is not a commitment to deliver any material, code, or functionality, and should not be relied upon in making purchasing decisions.

The development, release, timing, and pricing of any features or functionality described for Oracle's products may change and remains at the sole discretion of Oracle Corporation.

Agenda

- Introductions
- What is Student Financial Planning?
- Why should FAMU care about financial aid?
 - Key benefits to FAMU
- How does this fit in with broader Student Cloud and 9.2 upgrade?

Student Financial Planning

SFP is a cloud-based financial aid system that manages each student's financial plan individually, automatically, and in real-time; providing visibility into their entire program, supporting better informed financial decisions and optimizing outcomes



STUDENT

Real-time visibility into financial aid changes

Inform **academic and borrowing decisions** through quick aid estimates

Promote **responsible borrowing**, reducing debt

Provide financial implications of academic choices instantly



INSTITUTION

Reduce packaging costs and time to deliver timely, accurate student aid

Ensure **compliance** through expert system rule automation

System-generated **corrective suggestions** improve outcomes

Delivered integration with Campus Solutions 9.x and Student Cloud



FUNDING SOURCE

Real-time synchronization with government systems

Match funding sources and qualification criteria in real time

Reduce effort and complexity of **annual audits**



ALL

Improve outcomes for all stakeholders on all rates:

- Borrowing
- Default
- Retention
- Graduation



Financial Aid is key to student success

80%

Of traditional undergraduate students receive financial aid

\$250b

Awarded in student aid every year in the US

\$1.5t

Outstanding student loan debt

50%

Opt out of college due to cost and debt

47%

Unable to complete college due to inadequate financial resources

16%

Low income students finish college

Sources:

https://nces.ed.gov/programs/digest/d16/tables/dt16_331.20.asp

<https://studentaid.ed.gov/sa/about>

Consumer Affairs.com October 2017, pulling from National Student Clearinghouse

http://learn.ruffalonl.com/rs/395-EOG-977/images/2016NationalReport_FreshmanMotivationstoCompleteCollege.pdf

<https://www.voanews.com/a/universities-focus-on-low-income-students-who-dont-graduate/4104493.html>

Why Oracle Student Financial Planning?

- ❑ Provides a "guided path" to automate, simplify and speed the aid application process for students
- ❑ Makes FAMU much more efficient and responsive in providing for the needs of students
- ❑ Frees up time for financial aid workers to have more strategic roles (financial aid advising)
- ❑ Encourages responsible student borrowing
- ❑ Supports non-term online classes, helping enable massive growth opportunity
- ❑ Automation increases compliance and improves auditability
- ❑ Cloud delivery model minimizes IT resources needed to perform regulatory updates and system maintenance
- ❑ Improves enrollment and retention, ultimately enabling FAMU to help increase credentials earned/awarded
- ❑ Support for last mile funding models, such as "Last Mile College Completion Program"

SFP delivers a best-in-class financial aid experience



AUTOMATION

- Trigger-based packaging reduces time to aid by **93%**
- Frees up FA staff for higher value student interaction



COMPLIANT

- Systemic automation drives 80%+ manual work reduction
- Automation level results in improved compliance and **ZERO** audit findings to date



FLEXIBLE

- Supports flexible academic models enabling **enrollment growth** initiatives

STUDENT FIRST

- Highly curated, student focused system **improves student experience**
- Anytime, anywhere engagement



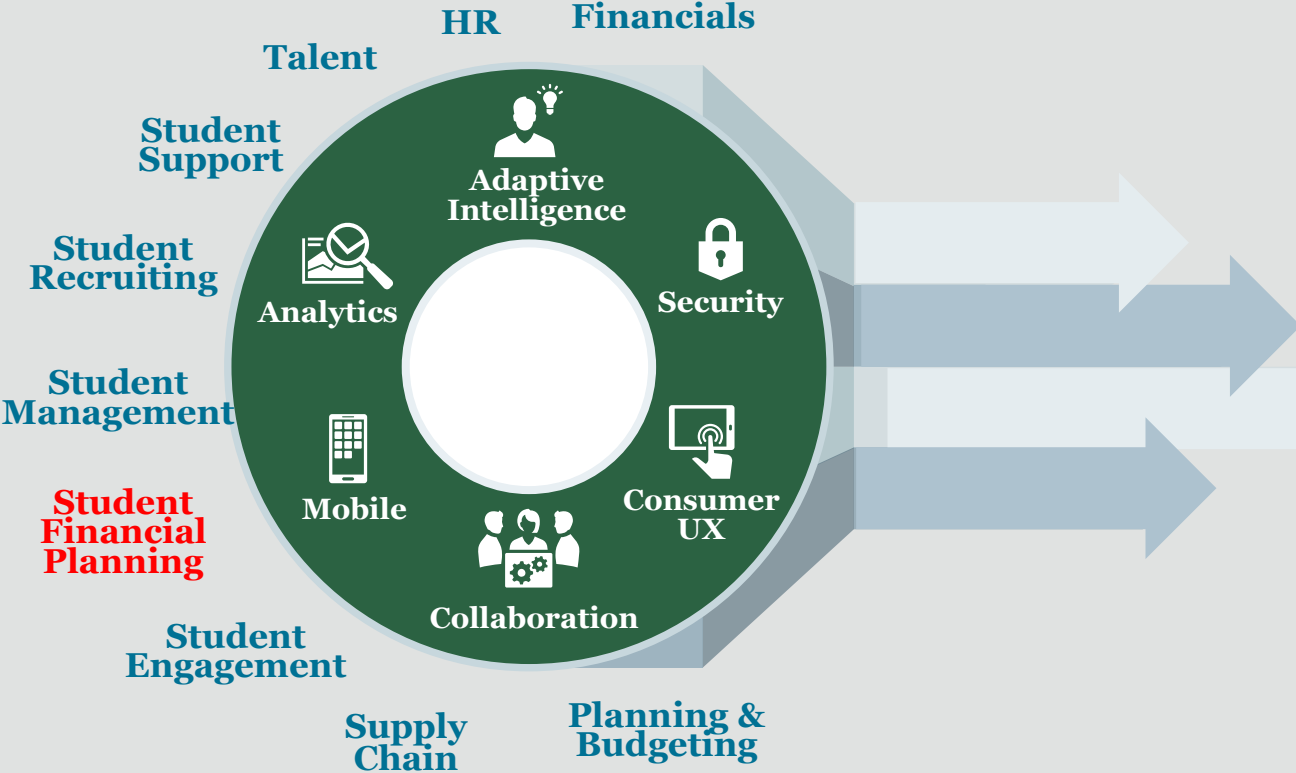
RESPONSIBLE

- Delivers a **50%** increase in responsible student borrowing leading to **lower defaults and bad debt allowance**

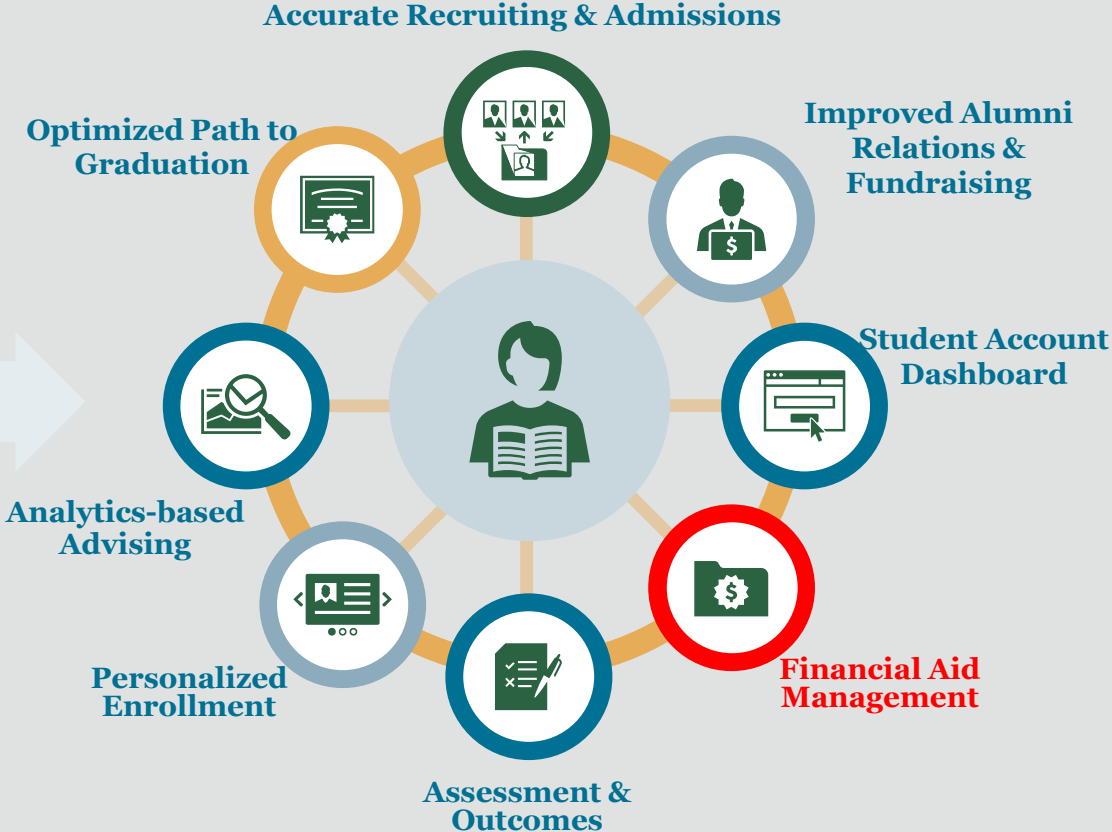


Complete Higher Ed Cloud Solution

Oracle Higher Ed Foundation



Oracle Student Cloud



Flexible architecture | common platform | intuitive interface | powerful communication and AI



3 Year Total Cost of Ownership

Includes estimated \$845,000 in annual benefits

	3 Year TCO			
	Year 1	Year 2	Year 3	Total
Estimated One-Time Costs	\$ (499,000.00)	\$ -	\$ -	\$ (499,000.00)
Annual Subscription	\$ (340,013.00)	\$ (340,013.00)	\$ (340,013.00)	\$ (1,020,039.00)
Annual Benefits	\$ 422,285.00	\$ 844,570.00	\$ 844,570.00	\$ 2,111,425.00
Annual Net Benefit	\$ (416,728.00)	\$ 504,557.00	\$ 504,557.00	\$ 592,386.00

Thank you

