

College of Arts and Letters
Council of Chairs Meeting
Thursday, February 25, 2026

- I. Approval of Summary Notes for the 2/13/2026 Meeting
- II. 1:00 Time Certain: Tiina Mittler, Executive Director of CSUSB Performing Arts Center
- III. Budget & CSU Buy (Michelle)
- IV. PaCE Funds (Michelle)
- V. Sabbatical (Diana)
- VI. Outstanding Student Nominations (Diana)
- VII. CSU Learn Noncompliant List (Parastou)
- VIII. Orientations (Parastou)
- IX. Strategic Plan Proposal (Parastou & RC)
- X. OBBBA CSU Watchlist & CSU Financial Aid Federal Earnings Accountability (RC)
 - a. See attached.
 - b. Major Points of CSU Financial Aid Federal Earnings Accountability Document:

1. Federal Financial Aid Is Now Tied to Program Earnings Outcomes

Under the *One Big Beautiful Bill Act (OBBBA)*, student financial aid eligibility is directly linked to graduates' earnings outcomes. This applies to **all academic programs** (undergraduate, graduate, certificate, degree, and non-degree), with very limited exclusions. As a result, financial aid consequences are now tied to individual academic programs, not just institutions.

2. Introduction of the Earnings Premium (EP) Test

The new accountability system, called the **Student Tuition and Transparency System (STATS)**, replaces prior frameworks. The key measure is the **Earnings Premium (EP)** test, which compares the median earnings of Title IV aid recipients four years after graduation to a state-level earnings benchmark:

- For **undergraduate programs**: compared to median earnings of 25–34-year-olds with only a high school diploma.
- For **graduate programs**: compared to median earnings of 25–34-year-olds with a bachelor's degree (using the lowest applicable state benchmark).

Student loan debt is no longer part of the calculation—only earnings matter.

3. Programs at Risk of Losing Federal Loan Eligibility

If a program fails the EP test in **two out of three consecutive years**, it automatically:

- Loses Federal Direct Loan eligibility for two years.
- May require students to acknowledge the program's failure status. Sanctions are automatic and not discretionary.

4. Scope and Institutional Impact

The EP test applies broadly across disciplines and degree levels. Programs with fewer than 30 Title IV completers may be aggregated, but accountability is fundamentally **program-level**, with potential institution-wide Title IV implications. However, CSU leadership notes that the risk of more than 50% of aid recipients being in failing programs is unlikely.

5. Timeline for Implementation

- July 1, 2026: Framework goes into effect.
- July 1, 2027: First earnings results published.
- July 1, 2028: Earliest possible penalties.

6. Option to Avoid Forced Penalties

After a single EP failure, institutions may voluntarily discontinue a program and stop new enrollments while preserving financial aid eligibility for current students (up to three years).

7. Strategic Planning Implications for CSU

CSU is encouraged to:

- Strengthen career placement and graduate earnings outcomes.
- Identify programs most vulnerable to EP benchmarks.
- Integrate earnings risk into academic program review.
- Align enrollment strategy and compliance planning accordingly.

Overall, the document emphasizes that federal financial aid eligibility at CSU will increasingly depend on measurable graduate earnings, creating new accountability pressures at the academic program level.

XI. 90-Unit Undergraduate Degree (RC)

XII. HUSP and Dull Enrollment (Jessica)

XIII. Additional Items