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TO: Directors of Financial Aid
Public and Private/Independent Institutions of Higher Education

FROM: DeChà Reid
Director, Financial Aid Services

DATE: May 4, 2017

RE: 2017-18 College Access Loan (CAL) Program

The Texas Higher Education Coordinating Board (THECB) announces that the 2017-18 allocations for the CAL program are available for institutions on the Higher Education Loan Management System (HELMS). The CAL allocation process for the 2018 fiscal year does not require THECB to calculate allocation amounts for each institution; instead, institutions can certify eligible CAL recipients throughout the 2017-18 academic year.

Effective **April 25, 2017**, the CAL program will carry a fixed interest rate of 6.60 percent and will require a minimum Experian VantageScore of 650 for credit approval. An origination fee will no longer be assessed for all approved CAL borrowers. Borrowers who start the CAL application process on or after April 25, 2017 will be subject to this credit requirement and interest rate.

In determining the amount of a CAL award, students can only receive funding to cover reasonable expenses, not to exceed the cost of attendance (COA). (See [TAC, Section 21.55, 21.58](#) and [IRS Certification Requirements](#)). When certifying a CAL loan, institutions are confirming that the amount of the requested loan is greater than \$100 and does not exceed the difference between the total COA and other forms of financial assistance for which the student is eligible. The other forms of student assistance that must be considered when determining the amount of any CAL that a student borrower is eligible to receive include:

- Free sources of student aid, such as gifts, grants and scholarships; **AND**
- The amount of any Federal Perkins loan and Federal Direct Stafford loan (inclusive of subsidized and unsubsidized) that a student borrower is eligible to receive. Only Federal Perkins loans (to the extent that your institution has Perkins funds to award) and Federal Direct Stafford loans are to be considered - not Federal PLUS loans.

If you have questions or need further clarification, please contact Financial Aid Services at (844) 792-2640 or [CONTACT US](#).

cc: Ken Martin, Assistant Commissioner
Charles W. Puls, Deputy Assistant Commissioner
Presidents and Chancellors of Institutions of Higher Education