

NATIONAL COUNCIL OF HIGHER EDUCATION RESOURCES

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**3-YEAR
STRATEGIC PLAN**

2015-2017

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Introduction by the President

The National Council of Higher Education Resources (NCHER) Strategic Plan, 2015-2017, which follows, is the result of the hard work and numerous meetings, conference calls, and drafts by the Strategic Planning Working Group.

At the start of the current process in July 2014, the Strategic Planning Working Group agreed that the 2015-2017 planning process was substantially different from the development of the previous strategic plan. During the 2011-2014 process, the Strategic Planning Committee spent considerable time redefining the organization, conducting vision exercises, identifying the association's new mission, identifying the appropriate membership, and selecting a new name for the organization. It also developed major Bylaw changes required to transition to the new organization. The organization undertook this multi-step and comprehensive strategic planning process because of the need to adapt to the dramatic changes in the student loan industry as a result of the elimination of new originations and guarantees under the Federal Family Education Loan Program (FFELP).

Instead of devising an entirely new organizational and governance structure, the current Strategic Planning Working Group's charge was mainly to refine the mission, vision, goals, and objectives to reflect the current, ongoing, and anticipated changes in the higher education marketplace in order to better position NCHER for success. There was also great interest in ensuring that the goals and objectives were achievable over the next three years, and aligned to the organization's budget, performance, and organizational structure. There was also discussion about putting evaluation metrics in place to ensure the organization was committed to its mission and meeting its goals and objectives according to the management's action plans.

The bulk of the strategic planning took place on September 4-5, 2014 in Washington, DC where the working group met to begin the planning process. During the two-day session, the group discussed and reached consensus on options for the organization's mission, conducted a SWOT (strengths, weaknesses, opportunities, and threats) analysis, and discussed and drafted new goals and specific objectives. The group also discussed how best to incorporate goals and objectives into the budget and performance metrics, current and future membership categories, and potential changes to the governance process and Bylaws. Many of the items discussed at the September meeting underwent significant revisions through subsequent and robust conference call and email discussions of the working group. They were also discussed with the membership during numerous monthly membership calls.

The revised mission statement, goals, objectives, and proposed changes to the Bylaws were presented to the Board of Directors during the November 2, 2014 meeting at the Knowledge Symposium in Clearwater, Florida, and the Board tentatively agreed to the new mission statement by a unanimous vote. Since that time, additional revisions have been made to the mission statement based on feedback received during and after the Board meeting, and prior to inclusion in this Strategic Plan.

I would like to thank all of the members of the Strategic Planning Working Group, the NCHER Board of Directors, the NCHER staff, and the membership for their roles, hard work, and dedication in the development of the Strategic Plan. I firmly believe that the new mission, goals, and objectives contained in this important document – when aligned with our renewed advocacy strategy - will guide and better position the association and its membership for success over the next three years.

(SIGNATURE)

James P. Bergeron
President

(SIGNATURE) 12/12/14

Adopted by the Strategic Planning Working Group

(SIGNATURE) 12/17/14

Adopted by the NCHER Board of Directors

Charge of the Strategic Planning Working Group

The Strategic Planning Working Group is tasked with preparing a strategic plan and accompanying changes to the organization's Bylaws. To meet this charge, the working group will:

- Conduct a review of the organization's current Bylaws, including its mission, vision, and objectives; the organization's membership, including how it has changed over the last three years and is expected to change over the next three years; and the organization's governance processes.
- Using a SWOT (strengths, weaknesses, opportunities, and threats) analysis, identify core and secondary roles and responsibilities for the organization and its membership in the current and future higher education/student loan/college access marketplace. Such analysis should include a communications and advocacy strategy.
- Solicit input from the Board and membership on possible refinements to the organization's Bylaws.
- Identify core changes, including any additions, to the organization's Bylaws that need refinements.
- Propose short-term (one-year) and long-term (three-year) goals for the organization.
- Propose how the contents of the strategic plan and Bylaws can be tied to the organization's budget and performance metrics for the president and professional staff.
- Regularly report to the Board and periodically report to the membership on the working group's actions.
- Provide recommendations, if any, for further work that may be pursued by the organization during the next strategic planning process, due in 2017.

Membership

The Strategic Planning Working Group should include representatives of all sectors of the organization's diverse membership, including guaranty agencies, secondary markets, servicers, lenders, and collection agencies.

Executive Summary

As the nation's largest higher education finance trade association, the National Council of Higher Education Resources (NCHER) has a unique leadership opportunity, the requisite expertise, and the responsibility to help shape policies governing federal and private student loan and finance programs on behalf of students and families. This strategic plan outlines how the organization will approach its work to better position its member organizations for success over the next three years.

NCHER's new mission is to enhance its member organizations' abilities to help families and students develop, pay for, and attain their educational goals so they can pursue meaningful and rewarding work and become contributing members of society. While similar to the current mission in that it continues to cover a broader range of higher education service opportunities (e.g. state grant, federal loan, private loan, etc.), the new focus reflects the long-standing missions and goals of our member organizations to promote college access and completion. It also reflects the fact that we care whether a student has attained his or her educational goals, not just whether he or she simply accessed a degree program. We care whether or not completing this education helped the student pursue meaningful and rewarding work and become a contributing member of society, not just whether he or she is simply paying taxes. Our mission statement supports and joins the national discussion around student outcomes, career development, civic engagement, lifelong learning, and social impact. Similar to the new millennial generation that we serve, we want our mission and our work to make a difference.

The association's current Bylaws, which include its mission statement, vision, and objectives, were largely adopted in 2012 and amended most recently in May 2013 by the membership. As noted previously, these Bylaws were developed through an extensive strategic planning process conducted after the elimination of new guarantees under the Federal Family Education Loan Program (FFELP). At the time, there was a great deal of uncertainty about new opportunities that would exist for private lenders, secondary markets, servicers, guaranty agencies, and collection agencies in the federal student loan program. Three years later, while still very murky, there is a clearer path on what is achievable – and may be achievable – in the emerging higher education marketplace. Our goals and objectives must address this new reality.

This strategic plan includes six overall – and achievable – goals and a list of strategies and objectives to accomplish these goals. Four of the goals center around program and advocacy and two of the goals center around membership. All are important and must be accomplished by NCHER over the next three years to maintain and grow the membership.

NCHER's number one goal is to ensure that we are a trusted, active, and credible resource for its members, policymakers (including Congress and the Administration), and other higher education stakeholders. We must ensure that our membership is looked upon as a resource, not only to Congress, the U.S. Department of Education, and states, but by institutions and students and families. Today, around every kitchen table, students and families talk about college affordability. They talk about paying for college. They talk about the impact that student

loan debt has on their ability to own a house, a car, and live the American dream. Our membership – and only our broad membership – offers important and essential personalized, comprehensive financial education services to help students and their families realize postsecondary education access and success. We are the only higher education trade association that has the membership and staff expertise to offer solutions on how best to service and collect on student loans, be it federal or private loans. And we are the only trade association that is developing a robust advocacy agenda that is exploring commonsense ways to inject private sector investment into the federal student loan program. In order to be successful, we must raise NCHER's and its memberships' visibility, effectiveness, and credibility to policymakers, the media, and other stakeholders. We must conduct, sponsor, and publish high-quality research and studies demonstrating that our membership and its services add value.

Our number two goal is to successfully reposition and rebrand the memberships' services. Our first objective is that we must lead with how our policy proposals will assist students, families, and borrowers from college access and success to debt management and default prevention. In order to be successful, we must develop and promote a federal advocacy agenda geared toward educating members of the U.S. House and Senate on the important role that NCHER and its members play in higher education; we must identify new federal policy and political opportunities for our service agencies looking to reinvent themselves in anticipation of the amortization of the FFELP portfolio (through third party service providers of financial literacy and debt management, federal student loan servicing and collections, etc.); and we must maximize our members' ability to provide educational programs and services such as managing 529 plans or offering alternative or private student loan programs.

Other goals include preserving existing member assets and supporting the development of non-federal student aid programs and services that assist students, families, and borrowers; taking a leadership role in promoting collaboration with external organizations on matters of mutual interests, and facilitating increased collaboration among members; providing high-quality support, professional development, and technical assistance to members through conferences as well as the committee and caucus structure; and identifying and promoting best practices in support of members' missions.

Besides the strategies discussed above, this strategic roadmap includes specific objectives on how to accomplish our important goals that include:

- Providing important information to the membership on federal legislative and regulatory actions impacting their missions, mainly through the Daily Briefing and monthly membership calls.
- Continuing to plan and carry out annual conferences, including the Legislative Conference, Spring Conference, and Knowledge Symposium, to provide the membership with important developments in federal legislative and regulatory policy.

- Holding regular conference calls and periodic face-to-face meetings of NCHER committees and caucuses to engage membership on federal efforts.
- Providing a forum for the exchange of ideas, including common issues impacting business operations, amongst the membership.
- Developing materials and best practices, through the committee and caucus process, to ensure consistent application of federal regulatory policy across the membership.
- Facilitating regular conference calls/meetings with other DC-based trade associations, foundations, and others in the higher education community to find common ground and share intelligence on federal legislative and regulatory policy.

This strategic plan also includes a number of important and technical changes to NCHER's Bylaws. For example, the plan envisions the creation of a School Membership category to encourage greater recruitment of postsecondary institutions, a topic that has been of great interest to the membership for more than a decade. Colleges and universities are one of our member organizations' most important clients and their success and failure is directly tied to our outcomes. As noted in Appendix A, the association has three classes of membership. While the associate membership developed in 2011 was supposed to serve as a recruitment tool for schools, it failed to accomplish this important goal. It is the hope that the creation of a specific membership category for all institutions of higher education interested in federal and private student loan and grant programs will entice colleges and universities to join our organization.

The plan also recommends that specific procedures and practices impacting the organization's governance processes be codified in the Bylaws. Over the last three years there have been questions raised about the historical and best practice for the appointment of Board vacancies and the election of the at-large Director to the Executive Committee. It is the hope that the inclusion of these items in the Bylaws will provide consistency and clarity to the NCHER staff, the Executive Committee, the Board, and the membership.

Strategic planning keeps an organization on track over time, and allows the organization to respond to change while remaining faithful to its mission and membership. Many times, the process itself may have as much value to the organization as the final plan since so much can be learned from surveying both the position of the organization and the state of the policy and political environment in which the organization operates. For the National Council of Higher Education Resources, this is particularly true.

The opportunity to step back and scrutinize, evaluate, consider, and question our activities is crucial and not afforded by the daily pace of the association. As an organization that represents the interest of 113 members across the United States and relies heavily on the volunteerism of its members, NCHER rarely has the luxury of time for reflection. Having made that time during this process will prove to be invaluable to the life of the organization going forward.

Mission Statement

The mission of NCHER is to enhance member organizations' abilities to help families and students develop, pay for, and attain their educational goals so they can pursue meaningful and rewarding work and become contributing members of society.

Strategic Goals and Objectives

In order to succeed in its mission, NCHER must accomplish the following six goals over the next three years, 2015-2017. Collectively, these goals will promote the value of the organization's services in order to maintain and grow the membership.

Program and Advocacy Goals

Goal #1

Ensure that NCHER is a trusted, active, and credible resource for its members, policymakers (including Congress and the Administration), and other higher education stakeholders.

Strategy and Objectives:

- a) Raise NCHER and its memberships' visibility, effectiveness, and credibility to policymakers, regulators, the media, and other stakeholders in the higher education community. This includes developing and implementing a communications strategy and demonstrating that NCHER staff has expertise to assist in the development of federal public policy.
- b) Demonstrate that our member's services on behalf of the nation's students, families, borrowers, and schools add value by conducting, collecting, publishing, and disseminating research, studies, and data in support of the organization's mission and membership's services. This includes conducting research on important counseling, debt management, and default prevention services provided by our membership to students, families, and borrowers and important activities performed by private collection agencies to protect the taxpayer's investment.
- c) Develop and promote a federal advocacy agenda that includes a menu of options around the Higher Education Act that are realistic and support a competitive environment. This includes proposing ways to

improve and strengthen the borrower's experience in the federal student loan program. Specifics could include:

- i. Mitigating the impact on borrowers, families, and guaranty and collection agencies of the rehabilitation fee cuts passed as part of the Bipartisan Budget Act.
 - ii. Ensuring opportunities for Not-for-Profit (NFP) Servicers to compete for additional loan volume and ensure adequate Federal Student Aid funding for servicing of Federal Direct Loans.
 - iii. Pushing the Federal Communications Commission (FCC) to clarify that the Telephone Consumer Protection Act (TCPA) allows servicers and collectors of Federal debt to contact borrowers on their wireless devices using predictive dialing technology without prior express consent. Advocate for TCPA reforms with House and Senate authorizing Committees.
- d) Play an influential role, including advocating in support of or opposition to proposals pending in Congress, in the development and formulation of higher education and federal financial aid policy.
- e) Begin/continue regular communication with the Department of Education to proactively learn about and/or influence the regulatory policies impacting the membership.

Goal #2

Successfully reposition and rebrand the membership's services, and focus more on student-, family-, and borrower-centered activities.

Strategy and Objectives:

- a) Develop and implement a communications strategy that has a consistent and well-targeted message that proactively highlights the members' efforts to assist students, families, borrowers, and schools and rebuts attacks on the servicing and collection agency community.

b) Develop and promote a federal advocacy agenda that:

- i. Educates members of the U.S. House and Senate, including new and returning members, on the important role that NCHER and its members play in helping families and students develop, pay for, and attain their educational goals so they can pursue meaningful and rewarding work and become contributing members of society.
- ii. Identifies new federal policy and political opportunities for higher education service agencies looking to reinvent themselves in anticipation of the amortization of the FFELP portfolio. Examples include: third party servicer providers of financial literacy and debt management, federal student loan servicing, technical assistance providers for program integrity or compliance, etc.
- iii. Maximizes members' ability to provide educational programs and services to students, families, borrowers, and schools. Examples include: expansion into managing 529 plans, offering alternative/private student loan programs through tax-exempt bond issuances, etc.

Goal #3

Preserve existing member assets and support the development of non-federal student aid programs and services that assist students, families, and borrowers.

Strategy and Objectives:

- a) Consistent with other goals, develop and implement a federal advocacy agenda that opposes proposals to accelerate the amortization of FFELP or private education loan portfolios.
- b) Provide ways for Congress to leverage the resources of experienced FFELP organizations to provide important and needed borrower services and protect federal and non-federal assets.

- c) Highlight the benefits of non-federal student aid programs operated by members, as compared to federal programs (through the Private Loan Committee).

Goal #4

Take a leadership role in promoting collaboration with external organizations on matters of mutual interests, and facilitate increased collaboration among members.

Strategy and Objectives:

- a) Facilitate regular conference calls/meetings with the Education Finance Council (EFC), Consumer Bankers Association (CBA), Student Loan Servicing Alliance (SLSA), National Association of Student Financial Aid Administrators (NASFAA), National Association of State Student Grant and Aid Programs (NASSGAP), ACA International, foundations, and other interested parties in the education community to find common ground and share intelligence on federal legislative and regulatory policy.
- b) Provide a forum that facilitates the establishment and/or strengthening of business relationships amongst the membership.

Membership Goals

Goal #5

Provide high-quality support, professional development, and technical assistance to members, as appropriate, through conferences as well as the committee and caucus structure.

Strategy and Objectives:

- a) Provide important information to the membership, mainly through the Daily Briefing and monthly membership calls, on federal legislative and regulatory actions impacting their missions.

- b) Plan and carry out annual conferences, including the Legislative Conference, Spring Conference, and Knowledge Symposium, to provide the membership with important developments in federal legislative and regulatory policy.
- c) Hold regular conference calls and periodic face-to-face meetings of NCHER committees and caucuses to engage membership on federal efforts.

Goal #6

Identify and promote best practices in support of members' missions to assist students, families, and borrowers develop, pay for, and attain their educational goals so they can pursue meaningful and rewarding work and become contributing members of society.

Strategy and Objectives:

- a) Provide a forum for the exchange of ideas, including common issues impacting business operations, amongst the membership. This could be done through multiple sessions at the annual conferences.
- b) Develop materials, through the committee and caucus process, to ensure consistent application of federal regulatory policy across the membership.

Management Action Plan

Year 1 (Calendar Year, 2015)

Program Development and Deliverables:

- Shift from strategic planning to plan implementation
- Develop and implement a new advocacy strategy that is aligned with the strategic plan (includes completing process of developing legislative priorities by the Legislative Working Group)
- Meet with all new and existing members and/or staff of relevant House and Senate committees in the 114th Congress
- Increase advocacy efforts by continuing to provide support of or opposition to proposals pending in Congress
- Identify, develop, and advocate for new and meaningful opportunities for our members to provide personalized, comprehensive financial education and literacy, debt management, and default prevention services for students, families, and borrowers in the upcoming reauthorization of the Higher Education Act
- Develop and implement a communications strategy that is aligned with the strategic plan and builds stronger relationships with national, state, and trade press; proactively promotes the interest of the membership (including developing the organization's social media presence), and rebuts attacks on the industry
- Contract out with experts for a research and/or data collection project on the organization's mission and membership's services
- Reserve a session at the Spring Convention and Knowledge Symposium that promotes the free exchange of ideas, especially around business operations
- Implement new committee/caucus structure
- Other items as identified by NCHER staff, the Board of Directors, and membership to carry out the strategic plan

Resource Development:

- Ensure the Communications Director is able to proactively and reactively advocate for the memberships' interest before the national, state, and local press
- Conduct review of the committee/caucus process to ensure the committees are geared for the future
- Ensure personnel evaluations are aligned to relevant elements of the strategic plan
- Allocate funding in the annual budget for communications
- Allocate funding in the annual budget for research and studies

Year 2 (Calendar Year, 2016)

Programmatic Development:

- Continue to push legislative priorities with the U.S. House, Senate, Administration, and higher education partners

- Continue to provide support of or opposition to proposals pending in Congress
- Continue to pursue a proactive communications strategy
- Explore opportunities to promote the organization’s advocacy agenda on Capitol Hill, including holding a press conference or testifying before Congress on matters of importance to the membership
- Begin periodic calls with the Department of Education (in conjunction with other trade associations, as appropriate)
- Contract out with experts and/or conduct multiple research and/or data collection projects on the organization’s mission and membership's services
- Pursue innovative approaches, including highlighting our efforts to assist at-risk, low-income, and minority students
- Advocate for new and meaningful opportunities for our members to provide personalized, comprehensive financial education and literacy, debt management, and default prevention services for students, families, and borrowers, in the upcoming reauthorization of the Higher Education Act
- Other items as identified by NCHER staff, the Board of Directors, and membership to carry out the strategic plan

Resource Development:

- Continue to allocate funding in the annual budget for communications
- Continue to allocate funding in the annual budget for research

Year 3 (Calendar Year, 2017)

Programmatic Development:

- Continue to push legislative priorities with the U.S. House, Senate, Administration, and higher education partners
- Continue to pursue a proactive communications strategy
- Continue periodic calls with the Department of Education (in conjunction with other trade associations)
- Contract out with experts and/or conduct multiple research and/or data collection projects on the organization’s mission and membership's services
- Continue developing and stabilizing all new activities and initiatives
- Other items as identified by NCHER staff, the Board of Directors, and membership to carry out the strategic plan
- Prepare for new strategic plan

Resource Development:

- Continue to allocate funding in the annual budget for communications
- Continue to allocate funding in the annual budget for research
- Allocate funding for development of a new strategic plan

Organization Profile and History

The National Council of Higher Education Resources (NCHER) represents higher education service agencies (such as guaranty agencies, secondary markets, lenders, loan servicers, collection agencies, postsecondary schools, and other organizations) involved in the administration of federal, state, and private education loan and grant programs. NCHER represents its members on public policy and regulatory issues to the legislative and executive branches of the federal government. The organization is incorporated as a 501(c)(3) non-profit corporation, and registered in the state of Delaware.

The association started in 1967 as the National Council of Higher Education Loan Programs, Inc. (NCHELP) representing the key players responsible for administration of the Federal Family Education Loan Program (FFELP). As a result of legislation passed by Congress in 2010, students and families ceased to receive new student loans under FFELP beginning July 1, 2010. All NCHER members continue to provide student and borrower services during what is a lengthy wind-down period. In addition, many members have secured new opportunities as federal student loan services and private collection agencies, as federal contractors, to service and collect on Federal Direct Student Loans. Other members are exploring new opportunities such as providing comprehensive financial literacy, debt management, and default prevention services to students, families, and borrowers, and creating and administering affordable non-federal alternative/private student loan programs to promote access to postsecondary education.

NCHER is governed by its Bylaws, which dictate its governance structure. Management of the activities and affairs of the organization is vested in a 16-member Board of Directors. The Board is composed of the Chair, Chair-Elect, Immediate Past-Chair, Treasurer, and twelve directors at large elected from the voting membership. All voting members are state and nonprofit entities. The President serves as a non-voting member of the Board. The Board includes three liaison representatives who advise and counsel the Board on issues impacting the organization's affiliate members. The Executive Committee, composed of the elected officers, is charged with the responsibility for day-to-day management of NCHER.

Membership in NCHER is on an institutional, organizational, or agency basis rather than on an individual or personal basis, and is contingent upon application, Board of Directors approval, and payment of dues. There are currently three classes of membership:

Voting Membership

Voting Membership is open to all non-profit organizations providing postsecondary education opportunity services. This includes:

- Providing information or services to students, parents, and/or postsecondary institutions designed to improve college readiness upon graduation from high school, improve college access and enrollment, assist students and parents in understanding

and accessing financial aid, improve financial literacy, assist students in making and planning for career choices, assist students in evaluating, selecting, and applying to postsecondary institutions, or provide services designed to prevent or avert student loan delinquency and default;

- Providing financing for, purchasing, and/or originating student loans;
- Administering postsecondary scholarships and grants;
- Providing loan guaranty services on behalf of the federal government; or
- Servicing student loans.

Associate Membership (Non-voting)

Associate (non-voting) membership is open to all non-profit organizations, including postsecondary institutions or associations, interested in helping students and families plan, prepare, pay for, and complete postsecondary education. As noted above, the strategic plan envisions the replacement of the Associate Membership with a School Membership category to encourage greater recruitment of postsecondary institutions.

Affiliate membership (Non-voting)

Affiliate (non-voting) membership is open to all for-profit organizations or associations interested in helping students and families plan, prepare, pay for, and complete postsecondary education or who provide services to members that further their mission to help students and families plan, prepare, pay for, and complete postsecondary education or who provide financial literacy, college career planning, expanded college access, delinquency aversion, or default recovery services.

Bylaw Changes

Article I (Name of Corporation) – No changes

Article II (State of Incorporation, Principal Office, Registered Agent) - No changes

Article III (Mission of the Council) – Strike in its entirety. Replace with a revision to the council’s mission to focus more on helping students and families develop, pay for, and attain their educational goals so they can pursue meaningful and rewarding work and become contributing members of society.

Article IV (Vision of the Council) – Strike in its entirety.

Article V (Objectives of the Council) – Strike in its entirety. Note that Section 5, Restriction of Activities, is moved to Article XIII. Goals and objectives moved to Appendix.

Article VI (Membership) – In Section 1, Classes of Membership, rename and reframe ‘Associate Membership (Non-voting)’ to ‘School Membership (Non-voting)’ to encourage greater recruitment of postsecondary institutions. Strike Section 4, Voting Member Transition, and Voting Member List in Appendix 1.

Article VII (Board of Directors) – In Section 2, Composition of Board of Directors, strike all references to standing Directors due to the transition period being over. In Section 5, Executive Committee, strike all references to the standing Director due to the transition period being over. In Section 5, Executive Committee, add language that the Executive Committee will recommend the appointment of the Director at Large to the Board for approval. Strike Section 11, Board Transition. Add a new section for vacancies on the Board. Under the new process, upon such vacancy on the Board, the Executive Committee will recommend the appointment of a candidate to the Board for approval.

Article VIII (Officers) – In Section 2, Chair, add language that the Chair shall serve as Chair of the Executive Committee.

Article IX (Membership Meetings) – No changes

Article X (Committees) – Strike Section 4, Committee Transition.

Article XI (Caucuses) – In Section 1, Legacy Caucuses, make revisions to reflect name changes from the Dual Agency Caucus and the Secondary Market Caucus. Strike transition language in Section 3, Board Recognition of a Caucus.

Article XII (Rules of Order) – No changes

Article XIII (Fiscal Year) – Strike header and retitle this section as ‘Financial Matters.’ Insert new Section 2, Restriction on Activities (currently included in Article V) that prohibits the Council from engaging in any activity that may jeopardize its exemption from federal taxation as a 501(c)(3) organization.

Article XIV (Amendment of Certificate of Incorporation and Bylaws) – No changes

Article XV (Suspension and/or Removal from Office) – No changes

Renumber Articles VI, VII, VIII, IX, X, XI, XII, XIII, XIV, and XV as Articles IV, V, VI, VII, VIII, IX, X, XI, XII, and XIII.

Make necessary technical and confirming changes across all articles.

Appendix A

Current Membership

Voting Member List (2015-2016)

Organization – 1 vote per organization
Access Group
ALL Student Loan
American Education Services/PHEAA
American Student Assistance
Bank of North Dakota/Student Loans of North Dakota
Brazos Group of Companies
College Assist
College Foundation, Inc.
EdSouth
Educational Credit Management Corporation
Finance Authority Of Maine
Florida Department Of Education - OSFA
Georgia Student Finance Commission
Illinois Student Assistance Commission
Indiana Secondary Market for Education Loans
Iowa College Student Aid Commission
Kentucky Higher Education Student Loan Corporation
Louisiana Office of Student Financial Assistance
Massachusetts Educational Finance Authority
Michigan Student Financial Services Bureau
Missouri Department of Higher Education
Missouri Higher Education Loan Authority
Montana Guaranteed Student Loan Program
National Student Loan Program
New Hampshire Higher Education Assistance Foundation
New Jersey Higher Education Assistance Authority
New Mexico Student Loans
New York State Higher Education Services Corporation
North Carolina State Education Assistance Authority

Northwest Education Loan Association	
Oklahoma Guaranteed Student Loan Program	
Panhandle-Plains Higher Education Authority	
Rhode Island Higher Education Assistance Authority	
Rhode Island Student Loan Authority	
Student Loan Guarantee Foundation of Arkansas	
Tennessee Student Assistance Corporation	
Texas Guaranteed	
United Student Aid Funds	
Utah Higher Education Assistance Authority	
Vermont Student Assistance Corporation	
Total	40

Associate/Non-Voting Member List (2015-2016)

Organization	
Association of American Medical Colleges	
Association of Credit Counseling Professionals	
Credit Union Student Choice	
University of Illinois at Chicago	
Total	4

Affiliate/Non-Voting Member List (2014-2015)

Organization
Access Receivables
Account Control Technology, Inc.
ACS Education Services
Apollo Group
Automated Collection Services, Inc.
Ballard Spahr
Bank of America Merrill Lynch
CBE Group
Coast Professional, Inc.
Collection Technology, Inc.
College Avenue Student Loans
Conserve
Convoke Systems
Core Recoveries

Delta Management Associates, Inc.
DeVry
Discover Financial Services
Edfinancial Services
ELM Resources
Enterprise Recovery Systems, Inc.
EOS CCA
Evidens
Fashion Institute of Design and Merchandising
FH Cann & Associates
Financial Asset Management Systems, Inc.
First Marblehead Corporation
FMS (Ceannate Corp.)
Gatestone & Co.
GC Services
Higher One, Inc.
iQor
JP Morgan Chase
Lending Resources
Link Capital
Maximus
McGLinchey Stafford, PLLC
MeasureOne
Money Management International
Morgan Stanley
National Enterprise Systems
National Student Loan Clearinghouse
NCO Financial Systems
Naviant/Sallie Mae
Nelnet
OnCourse Learning
Performant
PG Presents, LLC
Phoenix Financial Services
Powers Pyles Sutter & Verville
Premiere Credit of North America
Progressive Financial Services
Radius Educational Services
Regional Adjustment Bureau
ReliaMax Surety Company
Robert Schuerger Co

SoFi Lending Corp	
Student Loan Capital Strategies LLC	
Student Loan Finance Corp	
Thrivent	
Tsibouris & Associates, LLC	
Uniquity Financial, LLC	
Van Ru Credit Corporation	
Veri-tax	
Wells Fargo Education Financial Services	
Weltman, Weinberg, and Reis	
West Asset Management	
Western Governors Association	
Windham Professionals	
Xap Corporation	
	Total 69

Appendix B

Planning Process

The Strategic Plan drives all aspects of an organization; it articulates basic concepts of vision, mission, goals, objectives, and future activities. While there are different key elements of a strategic plan, the basic tenets of strategic planning determines where an organization is going over the next several years, how it's going to get there, and how it'll know if it got there or not.

The plan includes a deliberate set of steps that:

- Assesses the organization and membership needs and resources;
- Defines a target membership/audience and a set of goals and objectives;
- Plans and designs coordinated strategies with evidence of success;
- Logically connects these strategies to needs, assets, and desired outcomes; and
- Measures and evaluates the process and outcomes.

There are a variety of ways to approach strategic planning. The way that a strategic plan is developed depends on the culture of an organization, complexity of the organization's environment, size, expertise of planners, etc. Similarly, the specific process, planning period, and specific stakeholder participation can all vary. Most agree that annual review of action plans is critical, but the shelf life of a Strategic Plan can vary from one to three years.

After considering the above, the Strategic Plan for the National Council of Higher Education Resources (NCHER) will encompass 6 items, developed through the proposed Strategic Planning Process:

- Executive Summary

This will be completed last, and merely summarizes each of the other sections of the plan. It will allow key constituents to quickly understand and support the plan.

- Mission Statement

This is a statement about the reason for the organization's existence; what are we trying to achieve. This guides our Membership and employees to make the right decisions. Ideally, the mission statement will serve as our elevator pitch, a brief description of our focus and the key to our success. It helps our Membership and staff clearly and concisely articulate our business to others.

- Goals/Objectives

This involves setting and achieving goals and objectives, which is the hallmark of successful organizations. Goals are broad statements of intent, linked to the organization’s vision and mission, and encompass three-year goals and one-year goals. Objectives are specific items on what we want to accomplish over a set period of time.

- Organizational Profile and History

This is a brief description of the organization (when was it formed and why, what led it to being formed, what key changes have occurred since it was formed, etc.). It will also outline the structure of the organization, both at an operational (staffing) level and at a governance (board) level.

- Target Membership

This will identify the make-up – past, current, and future – of our Membership so that we can focus our organization’s efforts.

- Environmental Scan/SWOT Analysis

This analysis of our strengths, weaknesses, opportunities, and threats is to help determine the best opportunities to pursue to achieve our goals and the strengths that we must develop to succeed in the future.

In order to develop the Strategic Plan, the Working Group will largely follow an 8-step process.

1) **Agree on Terminology.** The first task for the Working Group will involve clearly defining and reaching agreement on the terminology used in the Strategic Plan. Some examples include:

- a) Mission – a statement about the reason for the organization’s existence.
- b) Goals – broad statements of intent, linked to the organization’s vision and mission.
- c) Objectives – specific items on what we want to accomplish over a set period of time.

The current vision included in NCHER’s Bylaws is more appropriately categorized as the organization’s long-term goals. This exercise should better define the organization.

2) **Define the Organization.** The second task for the Working Group will involve defining the organization. During the 2011 planning process, the association began “with a fresh sheet of paper” in exploring and outlining the future purpose and mission of

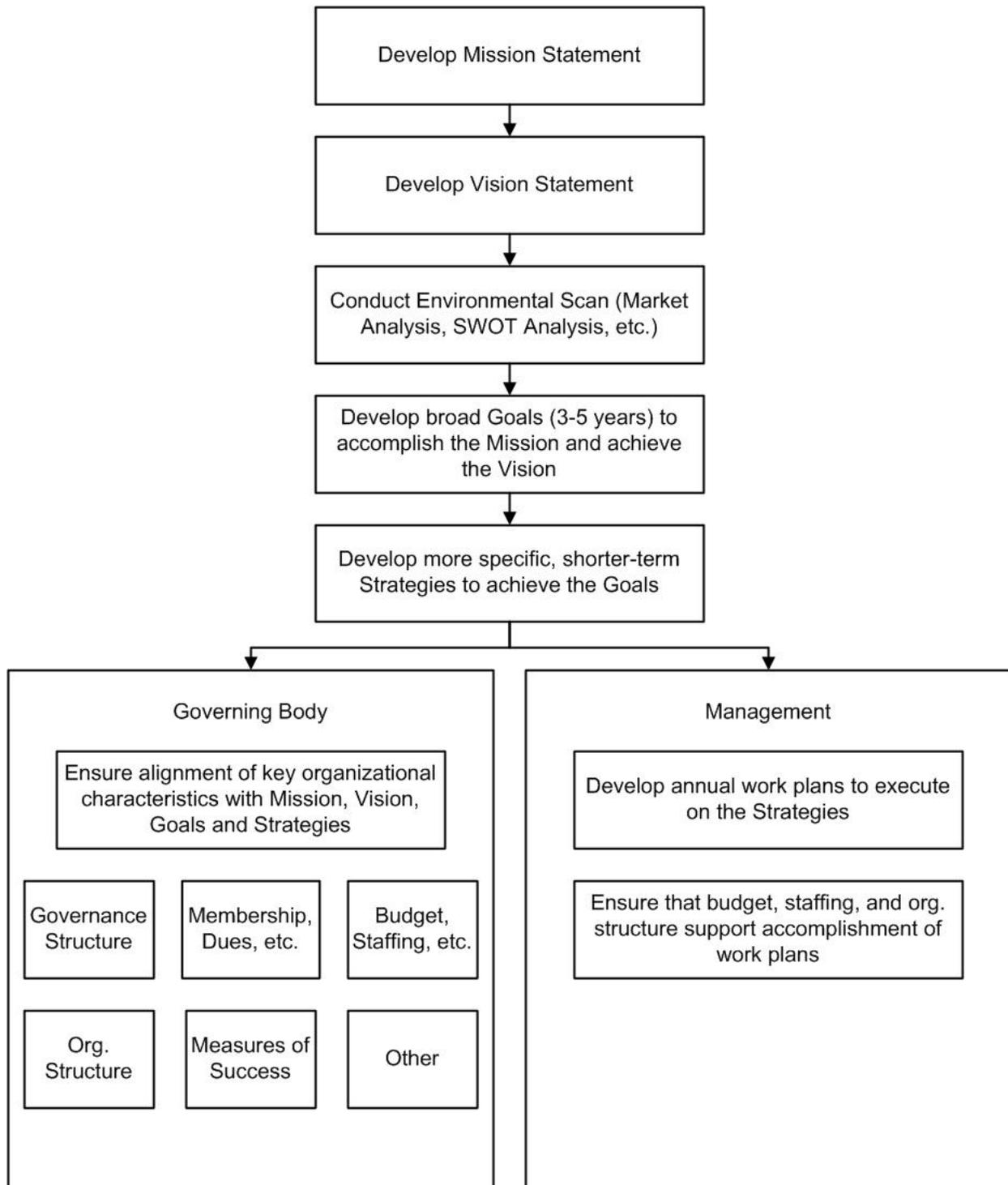
NCHER/NCHELP. It conducted a visionary exercise, identified the association's mission, identified the appropriate Membership, and proposed a new name for the organization. Over the last three years, there have been additional Congressional and Administration actions impacting the organization's Membership, prompting some to ask how NCHER will remain a relevant organization after taking into consideration the major changes in the postsecondary education marketplace. To answer this question, it is proposed that the Working Group:

- a) Refine our Mission - NCHER has a pretty broad mission statement in its Bylaws – that is “to enhance member organizations’ abilities to help students and families plan, prepare, pay for, and complete postsecondary education.” The Working Group should determine the organization’s purpose, whether this mission is too broad or specific enough, and adequately determines what we want to do, for whom do we want to assist, and the impact of our efforts. This conversation will be open for all members of the Board of Directors to participate in and offer input.
 - b) Develop a Vision – While NCHER’s Bylaws already include a vision, it is not a traditional vision, instead listing 16 various goals across three broad categories. The Working Group should develop a short and concise vision statement, providing a long range picture of how the world will be if we are successful in our work.
- 3) **Conduct an Environmental Scan/SWOT Analysis.** The third task for the Working Group is to conduct a Strengths, Weaknesses, Opportunities, and Threats (SWOT) exercise. SWOT analysis will be done at both internal and external levels, and provide additional context for strategic decision making. On the internal side, we will gather information about the organization's strengths and weaknesses, services, programs, activities, staffing, and finances. On the external side, we will gather information on the policy and political factors impacting the organization from Congress, the Administration, and other higher education and consumer competitors and detractors, which can be used in determining competitive analysis and advantage.
- 4) **Develop Goals and Objectives.** The fourth task for the Working Group is to develop three-year, then one-year, goals. NCHER’s current Bylaws include specific goals (vision) and objectives that the organization wants to accomplish. However, a number of elements have never materialized while others may no longer be relevant in today’s student loan marketplace. For example, the top two goals for the organization are currently to serve as a clearinghouse for best practices that support members’ missions and identifying and supporting members in their efforts to secure state, federal, and other contracts and grants. The Working Group should establish goals or clear statements of accomplishments to be achieved if the mission is to become real. The Working Group should also establish target objectives that are even clearer statements of the specific activities required to achieve the goals, starting from our current status.

Objectives basically address where we are (current status) and where we want to be (vision and goals) by spelling out what we want to do (objectives). The Working Group should also identify the certain level of funding and effective advocacy and communications efforts necessary to carry out each objective.

- 5) **Conduct Evaluation.** The fifth task for the Working Group is to develop a system for evaluation that will help the organization see if it is on track and achieving the items outlined in the Strategic Plan. Currently, NCHER has very little evaluation processes in place. The Working Group could develop a set of key performance indicators (i.e. increases in the number of Members) and/or a matrix listing action items tied to the goals and objectives that are part of monthly Board calls. This will make it easier to track outcomes and collect data. Such efforts could be tied to the organization's budget and performance metrics for the President and Professional Staff.
- 6) **Identify Membership** – The current Bylaws include three categories of Membership, including voting, non-voting associate, and non-voting affiliate Membership. The Working Group should explore whether these categories continue to promote common interests in achieving the association's vision and mission and whose participation will be required to meet the organization's desired political, legislative, and policy objectives.
- 7) **Examine the Governance Structure.** The seventh task for the Working Group is to review the organization's governance structure and determine whether such processes help and/or hinder the association's success. Such review could include examination of the Board of Directors, including possible succession procedures for vacated seats, the Executive Committee, and Liaison Representatives. Of note, the organization's Caucuses and Committee structure are currently being reviewed by the NCHER staff to ensure that they remain relevant to the association's Membership.
- 8) **Solicit Feedback.** The eighth task for the Working Group is to disseminate the draft vision, mission, goals, objectives, structure, and all other relevant activities to the full Membership, using the organization's Committee structure to give opportunity for feedback. The Working Group may incorporate the feedback from the Membership into subsequent revisions of the documents, including the development of changes to the organization's Bylaws.

Process and Terminology for 2014 NCHER Strategic Planning Process



Appendix C

Alternative Mission Statements

Option 1 – Tentative Adoption by the Board of Directors, 11/02/14

The mission of NCHER is to enhance member organizations' abilities to help students and families develop, pay for, and attain their educational goals and become contributing members of society while serving as a trusted resource for members and other higher education stakeholders.

Option 2

The mission of NCHER is to serve as a trusted resource for members and other higher education stakeholders, in order to enhance member organizations' abilities to help families and students develop and attain their educational goals and become contributing members of society.

Option 3

The mission of NCHER is to serve as a trusted resource for members and other higher education stakeholders, in order to enhance member organizations' abilities to help families and students plan, prepare, pay for, and attain their educational goals and become contributing members of society.

Option 4

The mission of NCHER is to enhance member organizations' abilities to help families and students plan, prepare, pay for, and attain their educational goals and become contributing members of society. It will do so by serving as a trusted resource for its members, policymakers, and other higher education stakeholders.

Option 5

The mission of NCHER is to enhance member organizations' abilities to help families and students develop, pay for, and attain their educational goals by serving as a trusted resource for its members, policymakers, and other higher education stakeholders.

Option 6

The mission of NCHER is to enhance member organizations' abilities to help families and students develop, pay for, and attain their educational goals so they can pursue meaningful and rewarding work and become contributing members of society. To succeed in this mission, NCHER must serve as a trusted resource for its members, policymakers, and other higher education stakeholders.

Option 7

The mission of NCHER is to serve as a trusted resource for its members and other higher education stakeholders in order to enhance member organizations' abilities to help students and families develop, pay for, and attain their educational goals so they can pursue meaningful and rewarding careers and become contributing members of society.

Appendix D

Notes from the September 4-5, 2014 Meeting

Goals for the 2-day session

- Mission, vision, goals, etc aligned with budget, structure, bylaws, etc
- Need goals that can be attained
- Establish plan that retains and expands membership
- Begin a process that engages membership in the goals (process for inclusion/buy-in) so that every sector feels like they are represented
- Specific tasks assigned to responsible parties
- Make sure to evaluate tie-ins to national/regional/completion goals

Mission/vision exercise

The mission of NCHER is to:

Do what?

- Increase public awareness
- Enhance members' abilities
- Serve as a trusted resource
- Educate/influence/advocate federal policymakers and Members of Congress
- Serve as a trusted source and enhance members

For whom?

- Students/ Pre-K through 20
- Schools/high schools and postsecondary education
- Taxpayers
- Borrowers/consumers
- Families

- Media
- Member organizations
- Federal govt
- State govt
- Congress

So they can achieve what?

- College completion
- Meaningful employment
- Successful or contributing adults
- Lifetime financial success
- Education achievement
- Understanding financial matters
- Productive taxpaying citizens
- Attain educational goals and become a success in life
- Contributing members of society
- Help students develop and attain their educational goals

SWOT analysis

Strengths of the organization

- Current leadership/staff - main
- Program Knowledge/expertise (members/staff) - main
- Member caucuses/Committee structure - main
- Voice for members with federal contracts – main
- Diversity of membership
- State level political support
- Presence at state level in a number of states
- Quality/quantity of member resources produced
- Demand for services provided by members
- Part of the national discussion
- Cumulative resources of member organizations (delivery infrastructure)
- Culture of collaboration, sharing, etc
- Collaboration and sharing with other organizations
- Financial situation
- Political connections
- Viewed with respect in some segments of school community
- 501(c)(3) tax exemption

- Some organizations have access to tax exempt financing

How do we take advantage of the strengths?

- Make Hill aware we have staff/members with knowledge (visibility)
- Craft strategy for members to advance visibility/knowledge of expertise
- Develop communication
- Increase visibility with schools

Weaknesses of the organization

- Lack of effective communications agenda - main
- Perception that all we do is loans (legacy) - main
- Overly dependent on the federal government - main
- Too far removed from schools being served - main
- Not enough boots on the ground
- Fewer number of voting members
- No members from every state
- Core revenue streams are declining
- Periodic inability to reach consensus
- Competing interests within sectors
- Currently no legislative footings/champions
- Overregulation
- Growing number of members/leaders nearing retirement
- Limitations on ability to create collaboration with other trade groups/there are none for some segments
- Deterioration in resources available to member organizations
- No social media presence

How do we address the weaknesses?

- Develop/implement communications agenda
- Hire communications specialist
- Communicate existence of other info/resources provided by members
- Help members learn to diversify/develop non-federal and indirect federal funding

Opportunities for the organization

- Widespread agreement that federal regulation/complications require more resources and demand for our services - main

- Members diversifying into other/new activities/opportunities - main
- Can influence media view - main
- New Congress in January - main
- All indicators of need are going up (cost of college, debt, etc)
- Schools need assistance (cohort default rate, verification, call centers, etc)
- School responsibilities becoming more complex
- State governments are looking for services we can provide (financial aid training)
- Other trade associations can't represent our members as well
- New President soon
- Unattractive features of some federal programs (PLUS, etc)
- Frustration/need for more resources caused by federal regulation/complication
- Lack of other industry voices/advocates for our role
- NCHER goal is also goal/priority for others
- Reputation of members serves as a buffer against negative reaction
- Still unaddressed opportunities to enhance services to members (communications, studies, etc)
- Improving attractiveness of NCHER relative to other associations
- Can increase CEO involvement in association
- Can influence CFPB position/approach

How do we exploit opportunities?

- Grow affiliations/partnerships with schools and other organizations (in areas we don't have coverage)
- Develop effective legislative strategy for more resources/services
- Develop partnerships between members to provide comprehensive services in their area
- Increase CEO involvement (leadership conference)

Threats to the organization

- Decreasing revenue streams for members - main
- Fewer NCHER organizations will exist in 3-5 years - main
- Overregulation - main
- No legislative footings/champions - main
- Negative media coverage re: financial aid - main
- Not seen as being committed to the vision we ascribe to
- Member revenue streams will be reduced over the next 3-5 years
- Less involvement of CEOs in association
- Change in federal approach to default collections

- Diversity could prevent consensus/fracture group

How do we mitigate threats?

- Include mitigation strategy in legislative/communication plans (impact of FFELP consolidation, fee reductions, etc on services to students)
- Back legislative agenda and communication agenda with research/hard data
- Reengage politically, develop strategy for members