



NASFAA's Top 5 Issues in Financial Aid / Inside the Beltway

Justin Draeger
NASFAA President

Top 5

1. FAFSA
2. FAFSA
3. FAFSA
4. FAFSA
5. FAFSA

1. Financial Aid Staffing, Turnover, Retention, and Succession Planning



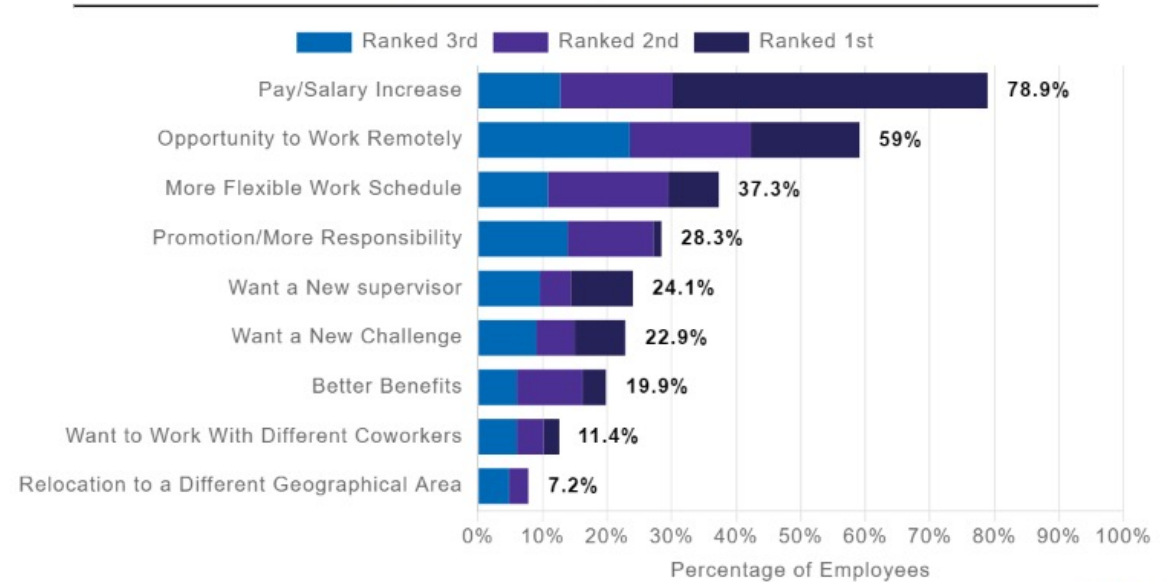
Majority of Financial Aid Professionals Say They're Likely to Look for Other Employment Within a Year

- 56% of financial aid administrators will be looking for another job within the next year. (1 out of 3 = likely or very likely)
- The percentage of employees working additional hours declined between 2022 and 2023 across all higher education departments **except for financial aid**, where the amount of employees working additional hours remained unchanged.

Mismatched Working Conditions | What's Not There?

2023 Employee Retention Survey
Reasons Financial Aid Employees Are Seeking New Opportunities

- 82.8% agreed or strongly agreed that their **work has purpose**,
- 74.7% agreed or strongly agreed that they have a good relationship with their supervisor, and
- 72.9% agreed or strongly agreed that they were satisfied with their work.



College Presidential Turnover

- Goal: 70% of the people happy, 70% of the time
- New Goal: 40% of the people happy, 40% of the time
 - Kevin M. Guskiewicz, 6th President of Michigan State University in six years
- 2006: 8.5 years
- 2023: <6 years

<https://www.washingtonpost.com/education/2024/01/12/college-presidents-pressures-harvard-penn/>

OTC From the Field: Concerningly High Turnover Rates for Financial Aid Employees

This week on a special episode of "Off The Cuff," Justin is joined by Andy Brantley, president and CEO at College & University Professional Association for Human Resources (CUPA-HR), to discuss findings from the latest iteration of their higher education employee retention survey. The results of the survey found concerning trends related to the financial aid profession's retention rates, where a majority of financial aid professionals say they're at least somewhat likely to look for other employment within a year. Justin and Andy go on to discuss factors underlying the retention crisis in the wake of the COVID-19 pandemic, the significant challenges the higher education sector is faced with, and dive into the staying power of remote and hybrid working environments.

Speakers



Justin Draeger
President and CEO, NASFAA



Andy Brantley
President and CEO, CUPA-HR



Hugh Ferguson
Senior Reporter / Podcast Producer



Resources

https://www.nasfaa.org/off_the_cuff_ep272

OPINION
GUEST ESSAY

Please Don't Call My Job a Calling

June 5, 2023



Álvaro Bernis

Upcoming Work

- NASFAA's Research Department has partnered with CUPA-HR to produce an analysis of data on financial aid administrators that has examined FAA turnover, retention, and salaries, by institution size
- This will be available within the next month.

Opportunity in Crisis

“Never let a good crisis go to waste” Churchill

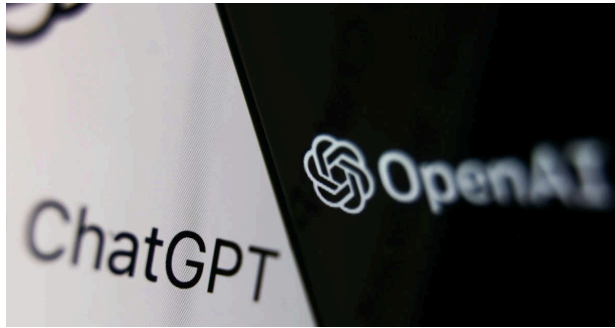
Making the Case:

1. Context (Why)
2. Facts and description (What)
3. Consequences
4. Call to Action


Say more by saying less. (Empathy)

Get to the influencers. (Chief of Staff, VPs, CFOs)





Input

I'm a financial aid director at a postsecondary institution and I'm sending the following email to the president of my institution asking for more money for an entirely new financial aid management system. Please condense this email down to 100 words with a subject headings and bullets. 

Dear President -

Over the last many years, our office has struggled to keep pace with the increasing rate of regulations and changes from both the federal government and the state government. While we have had no findings in our annual audits, we have staff that are continually working overtime to make up for deficiencies in our financial aid management software system. This system is antiquated and we do not receive the level of support that we were promised when we originally purchased and licensed it over 10 years ago. The time has long come for us to consider other options. This will no doubt be a massive undertaking, but the alternative is worse: staff burnout, high turnover, noncompliance with federal and state laws, potential fines and the stress of knowing that we may be out of compliance and failing to live up to the standards we care so deeply about.

Output

Subject: **Urgent Need: Updated Financial Aid Management System**   

Dear President,

- **Rising Regulatory Pressure:** Continuous changes in federal and state regulations challenge our current system.
- **Staff Overwork:** Due to software inefficiencies, staff are frequently working overtime.
- **Outdated System:** Our decade-old software lacks promised support.
- **Potential Consequences:** Without change, we risk staff burnout, high turnover, legal noncompliance, potential fines, and institutional reputation.

It's crucial we invest in a modern system to maintain compliance and staff well-being.

Best regards,
[Your Name]

Input

Can you come up with an opening sentence that will grab our president's attention?

Output

Subject: **Urgent Need: Updated Financial Aid Management System**



"President [Name], our financial aid system's inefficiencies are dangerously close to jeopardizing our institution's reputation and compliance."

Dear President,

- **Rising Regulatory Pressure:** Continuous changes in federal and state regulations challenge our current system.
- **Staff Overwork:** Due to software inefficiencies, staff are frequently working overtime.
- **Outdated System:** Our decade-old software lacks promised support.
- **Potential Consequences:** Without change, we risk staff burnout, high turnover, legal noncompliance, potential fines, and institutional reputation.

It's crucial we invest in a modern system to maintain compliance and staff well-being.

Best regards,
[Your Name]



NASFAA

NATIONAL ASSOCIATION OF STUDENT FINANCIAL AID ADMINISTRATORS

Advancing the Profession Toolkit

The purpose of this toolkit is to provide a resource for financial aid directors to use within their offices to ensure they have a voice in institutional decision-making.

Available at: http://nasfaa.org/atp_toolkit



Transparency on what financial aid staff does



Justification for professional development and training



Staffing and succession planning resources



Advice on cultivating a healthy office culture



Relationship and coalition building



Media training

Thought Force on Career Path Awareness for Financial Aid Administrators

Clarity and Insights: A comprehensive report detailing the current landscape of the financial aid administrator role, including awareness levels, perception challenges, and potential target demographics.

Strategy and Framework: As part of the comprehensive report, an overall strategy with potential options and plans for raising awareness and changing perceptions about financial aid as a career path, including possible marketing initiatives, collaborations, and targeted campaigns. This strategy will include best practices or considerations suitable for institutional-level initiatives and broader national campaigns.

Stakeholder Engagement: Established dialogue or partnerships with key higher education associations, capturing their feedback and insights on the viability and methodology of proposed strategies.

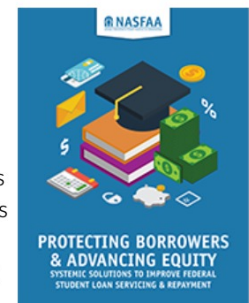
2. Affordability | Student Loan Debt | Borrowers in Crisis

- Entire system is irredeemably broken

- Major reforms are needed, but is fixable.

Protecting Borrowers & Advancing Equity

In a [report](#) released in May 2022, NASFAA seeks to fill the gaps in the conversation by providing thoughtful, systemic, and targeted policy solutions to address underlying flaws in the student loan repayment and servicing systems that lead borrowers into financial hardship. In all, the report – which was funded by Arnold Ventures – outlines recommendations to improve student loan servicing practices, rethink the terms and conditions of student loan repayment, increase institutional and program accountability, and reform student loan default.



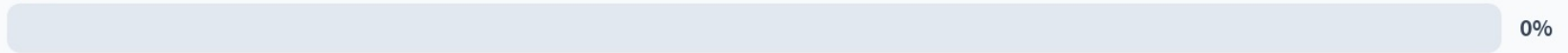
Is college affordable?



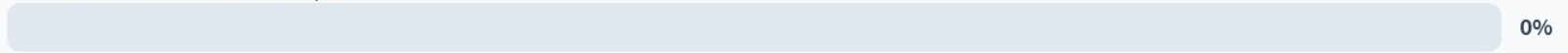
Yes!



No!



I know too much; this is a trap!



Do students and families believe that college is affordable?

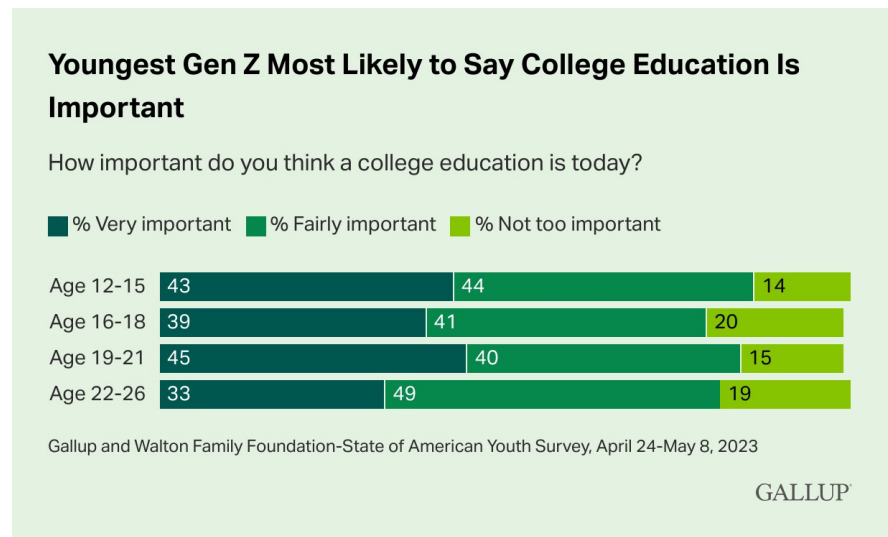
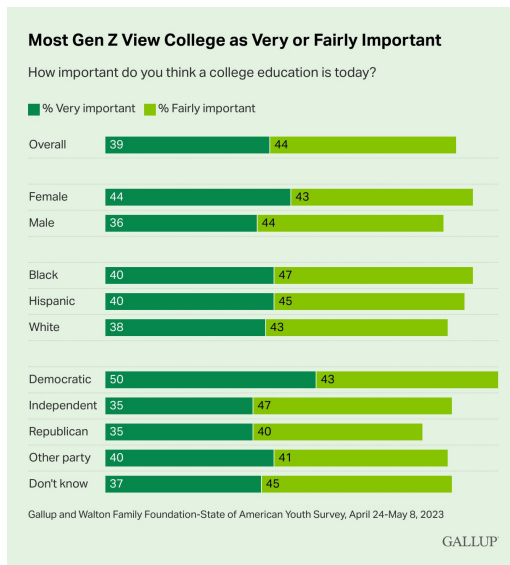
Yes, most students and families believe college is affordable.



No, most students and families do NOT believe college is affordable.



Majority of Gen Z View College As Important, and Female, Democratic, Black Gen Z Even More So

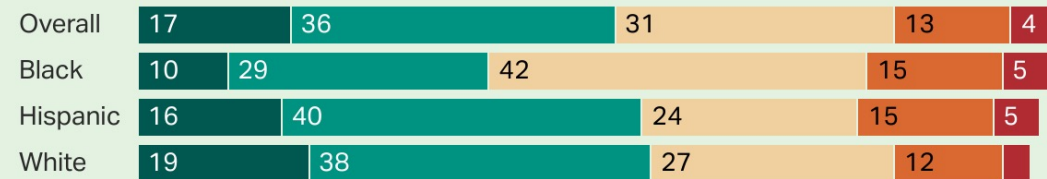


Only Half of College-Bound Gen Z Youth Believe They Can Afford College

Black College-Bound Gen Z Most Concerned About College Costs

I will be able to afford college if I want to attend.

■ % Strongly agree ■ % Agree ■ % Neither agree nor disagree ■ % Disagree ■ % Strongly disagree



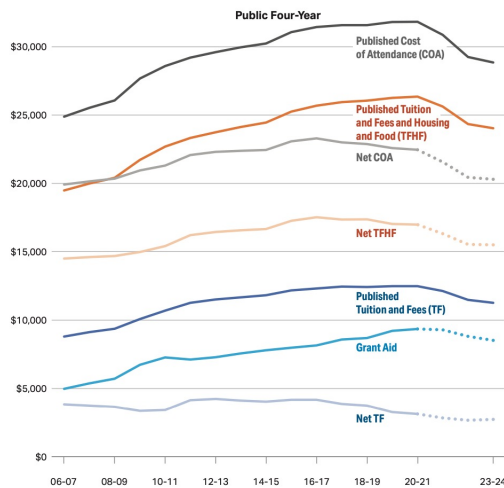
Among Gen Z youth enrolled in K-12 schools who intend to pursue a college degree

Gallup and Walton Family Foundation-State of American Youth Survey, April 24-May 8, 2023

GALLUP

Average Net Price: Public Four-Year | Two-Year

FIGURE CP-9 Average Published and Net Prices in 2023 Dollars, First-Time Full-Time In-State Undergraduate Students at Public Four-Year Institutions, 2006-07 to 2023-24

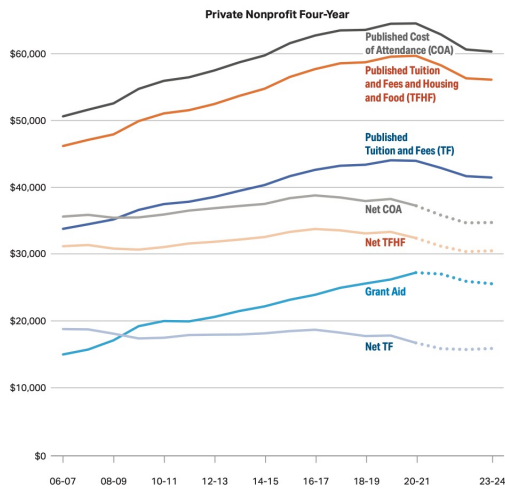


Average Grant Aid, Net Tuition and Fees, and Net Budget, 2019-20

	Public Two-Year			Public Four-Year		
	Average Grant Aid	Net Tuition and Fees	Net Total Budget	Average Grant Aid	Net Tuition and Fees	Net Total Budget
All	\$3,680	\$700	\$14,430	\$7,670	\$3,920	\$20,510
Dependent Students	\$3,590	\$740	\$13,600	\$7,670	\$4,070	\$20,530
Independent Students	\$3,860	\$610	\$16,280	\$7,630	\$3,070	\$20,390
Parents' Income of Dependent Students						
Less than \$40,000	\$6,700	-\$2,320	\$11,220	\$13,360	-\$2,220	\$14,610
\$40,000 to \$79,999	\$3,320	\$940	\$13,750	\$9,200	\$2,180	\$18,860
\$80,000 to \$119,999	\$1,450	\$2,990	\$14,940	\$4,380	\$7,250	\$22,980
\$120,000 or Higher	\$1,170	\$3,060	\$15,800	\$3,370	\$9,220	\$25,620

Average Net Price: Private Nonprofit Four-Year

FIGURE CP-10 Average Published and Net Prices in 2023 Dollars, First-Time Full-Time Undergraduate Students at Private Nonprofit Four-Year Institutions, 2006-07 to 2023-24



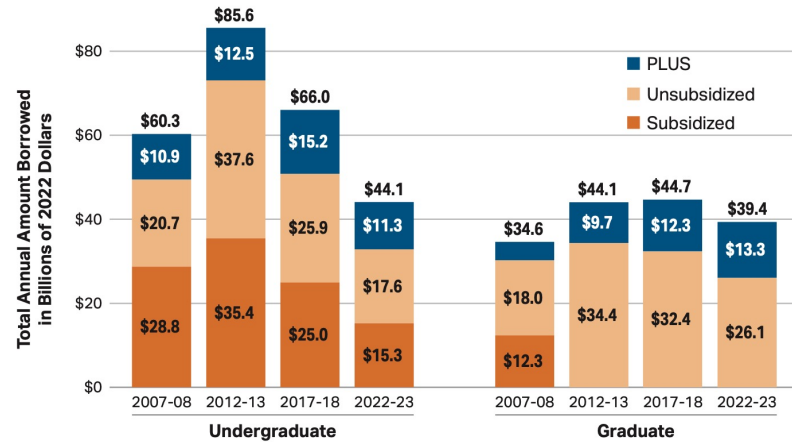
Average Grant Aid, Net Tuition and Fees, and Net Budget, 2019-20

	Private Nonprofit Four-Year			For-Profit		
	Average Grant Aid	Net Tuition and Fees	Net Total Budget	Average Grant Aid	Net Tuition and Fees	Net Total Budget
All	\$21,850	\$16,260	\$33,130	\$6,390	\$12,000	\$27,010
Dependent Students	\$23,540	\$17,020	\$34,160	\$8,850	\$15,790	\$29,540
Independent Students	\$10,210	\$11,010	\$26,010	\$5,630	\$10,810	\$26,220
Parents' Income of Dependent Students						
Less than \$40,000	\$29,930	\$6,140	\$22,950	\$12,780	\$13,620	\$27,020
\$40,000 to \$79,999	\$28,310	\$10,040	\$26,310	\$9,200	\$13,950	\$27,780
\$80,000 to \$119,999	\$24,610	\$15,440	\$32,580	\$5,850	\$17,230	\$31,490
\$120,000 or Higher	\$17,240	\$27,110	\$44,850	\$3,740	\$21,360	\$35,170

Student Debt in Context

- Roughly ½ of college students borrow
- 1 in 7 Americans have student loan debt
- Total federal loan borrowing, in terms of total dollars, has been declining for the last ten years, mainly because of enrollment declines

FIGURE SA-9A Total Annual Amount Borrowed from Federal Subsidized, Unsubsidized, and PLUS Loans in Billions of 2022 Dollars, 2007-08 to 2022-23, Selected Years



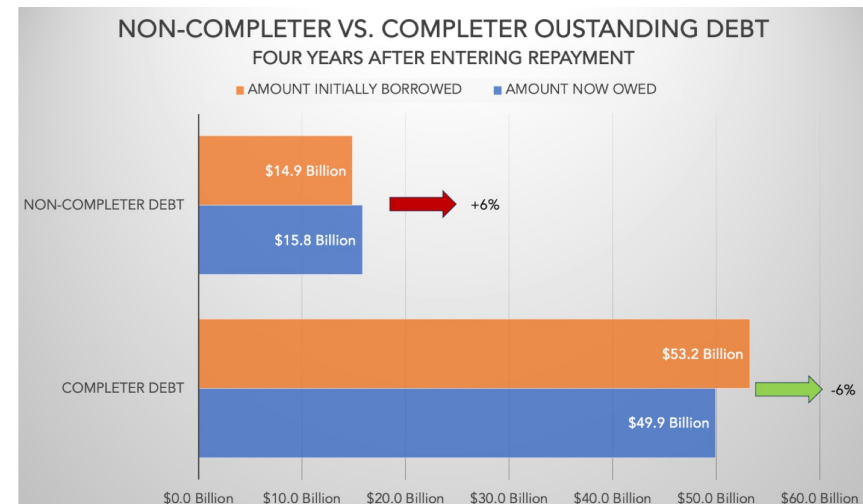


Borrowers in Crisis: Parents

- Annual borrowing rates have tripled over the last 25 years
- Parent PLUS loans used to have borrowing caps.
- Parent PLUS loans used to have stricter underwriting standards, but today, they do not consider parents' ability to repay the loan.
- Parent PLUS loans do **not** have the same safety nets as student loans.
- Pre-pandemic, delinquency and default rates on Parent PLUS were rising.

Borrowers in Crisis: Non-completers

- Low-balance borrowers who do not complete
 - The median loan defaulter has a loan balance < \$10,000
 - 50% of loan defaults did not complete their education
 - 10% of bachelor's degree recipients default
-
- **Questions about student, program, and institutional eligibility standards.**



Problem Area: High Balance Graduate Students



GRADUATE STUDENTS DO NOT
GENERALLY FALL DELINQUENT OR
DEFAULT



VOLUME: 15% OF ALL STUDENTS
BUT MAKE UP 50% OF ALL
DISBURSED LOANS



SOMETIMES, RECEIVE AN
UNINTENDED AMOUNT OF
DISPROPORTIONATE LOAN
BENEFITS, WHICH CAN
BOOMERANG INTO UNINTENDED
POLICY REPERCUSSIONS



PERCEPTION OF UNLIMITED
BORROWING AND TUITION
INCREASES AT THE GRADUATE
LEVEL

Graduate/Professional Loans (NASFAA Work)

Among many other loan changes:

- Restore graduate and professional student eligibility for **subsidized loans** so graduate students with financial need can access loans that do not accrue interest during their enrollment.
- Allow all undergraduate and **graduate borrowers to access the single income-driven repayment plan**. Parent borrowers could access economic hardship deferments but would be ineligible for income-driven repayment.
- Maintain a single loan program for graduate/professional students with loan limits that **allow students to borrow up to the in-state cost of attendance at public institutions**. Allow **additional borrowing based on earnings data** for the student's program of study or a debt-to-income ratio.
- **Reform the Public Service Loan Forgiveness Program**
- Additional thoughts needed





Inequity Alert: Disparate Racial Outcomes

- Large disparities in every outcome related to loan debt: it is worse for Hispanic, Latino and Black student and parent borrower populations.

Who the Biden Administration Believes is in Crisis:

- Borrowers whose balances are greater than what they originally borrowed;
- Borrowers whose loans first entered repayment decades ago;
- Borrowers who attended programs that did not provide “sufficient financial value;”
- Borrowers who are eligible for relief under programs like income-driven repayment but have not applied;
- Borrowers who have experienced financial hardship and need support “but for whom the current student loan system does not adequately address.”

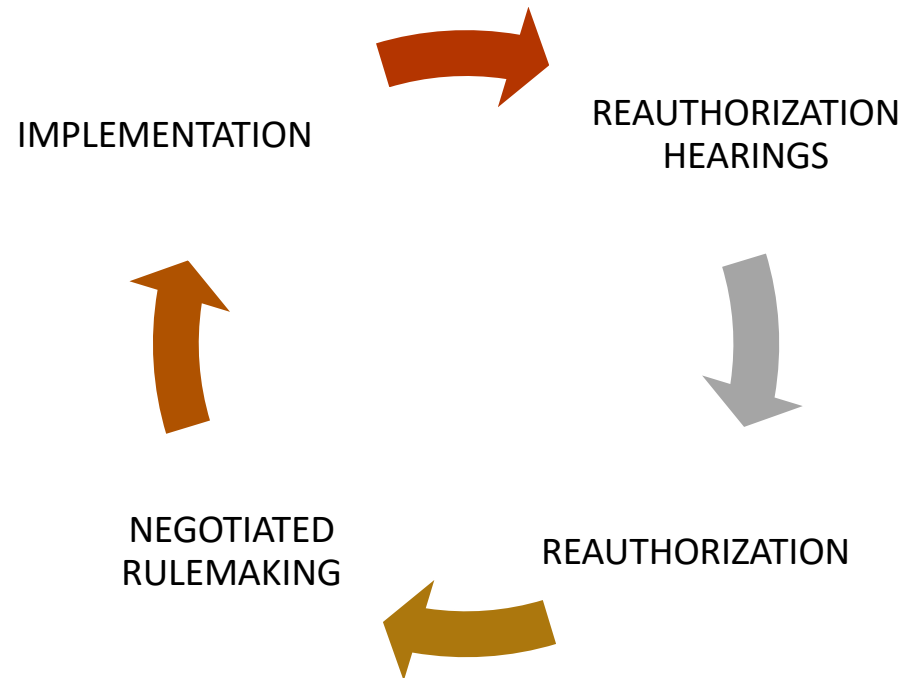
\$138 BILLION | 3.9 MILLION

Total Loan Forgiveness | Number of Borrowers
Helped through targeted programs and “fixes” to
existing programs.

3. Speed & Volume of Legislation & Regulation

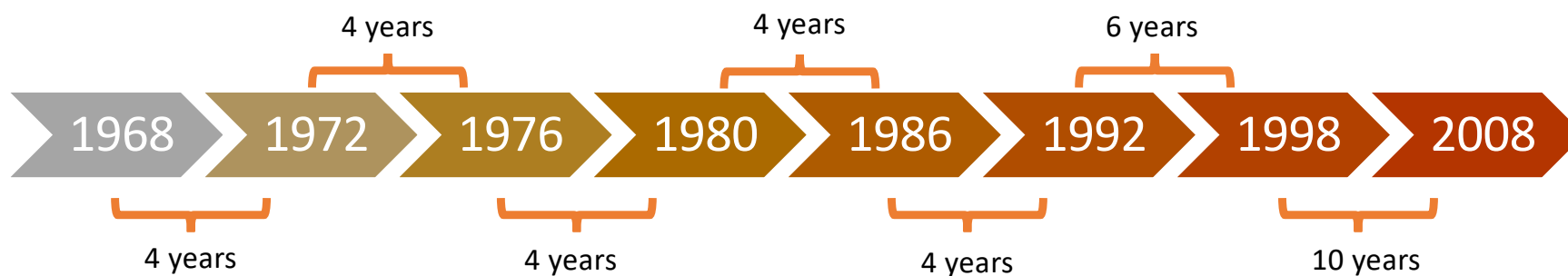
Regulations: The Way Things Used To Be Versus Now

Pre-2012 Regulatory Cycle



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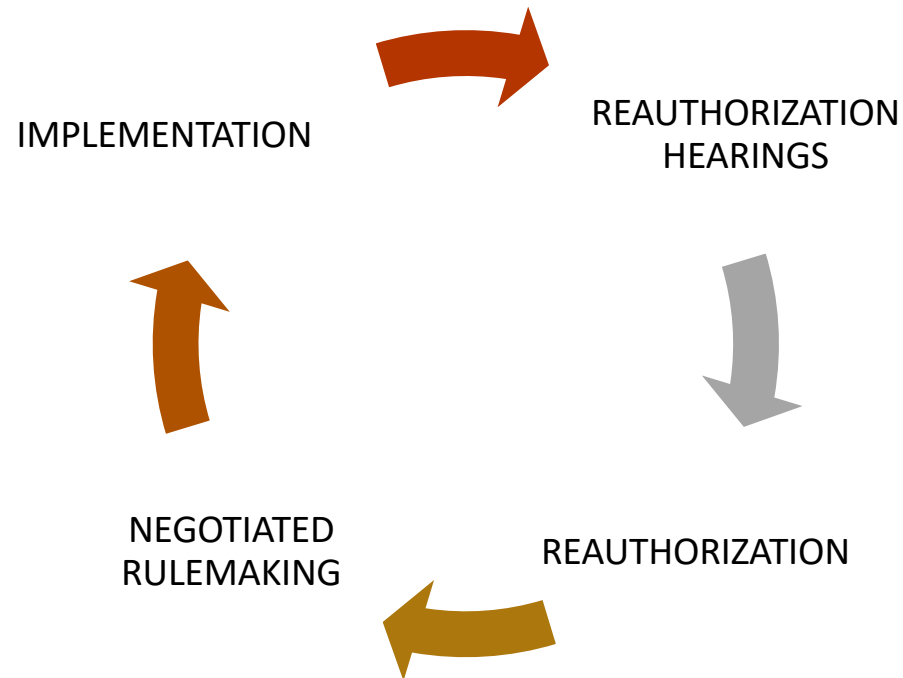
Previous HEA Reauthorizations



Since its creation in 1965, the Higher Education Act is generally scheduled for reauthorization by Congress every five years to encourage growth and change.

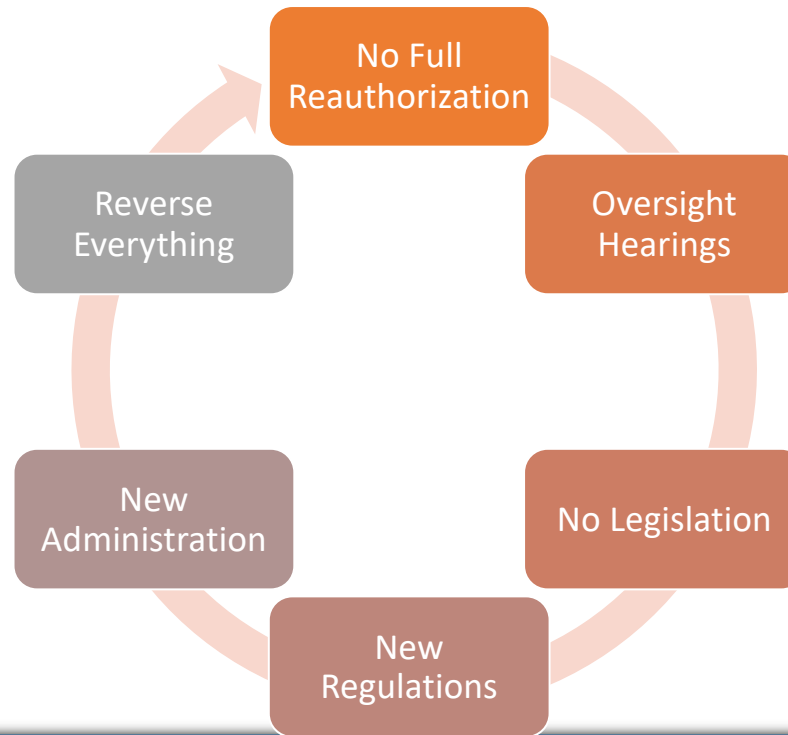
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Pre-2012 Regulatory Cycle



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Today's Regulatory Cycle



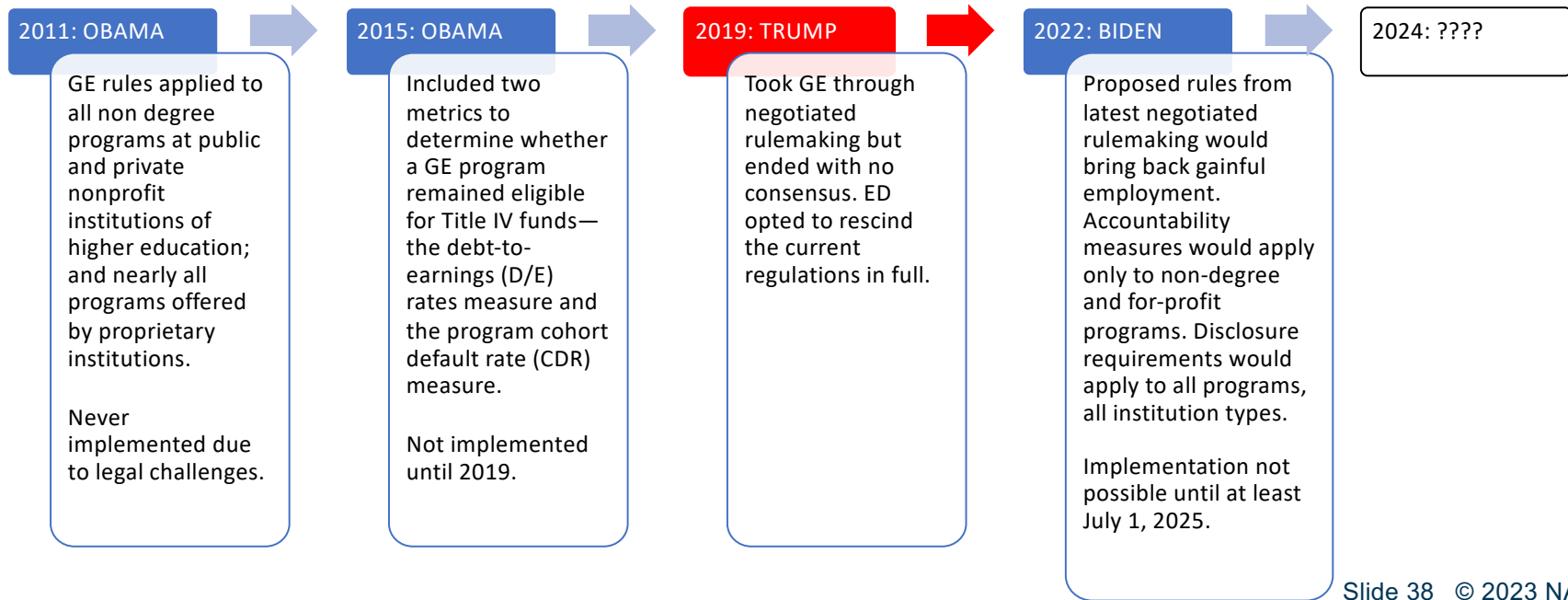
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Today's Regulatory Cycle



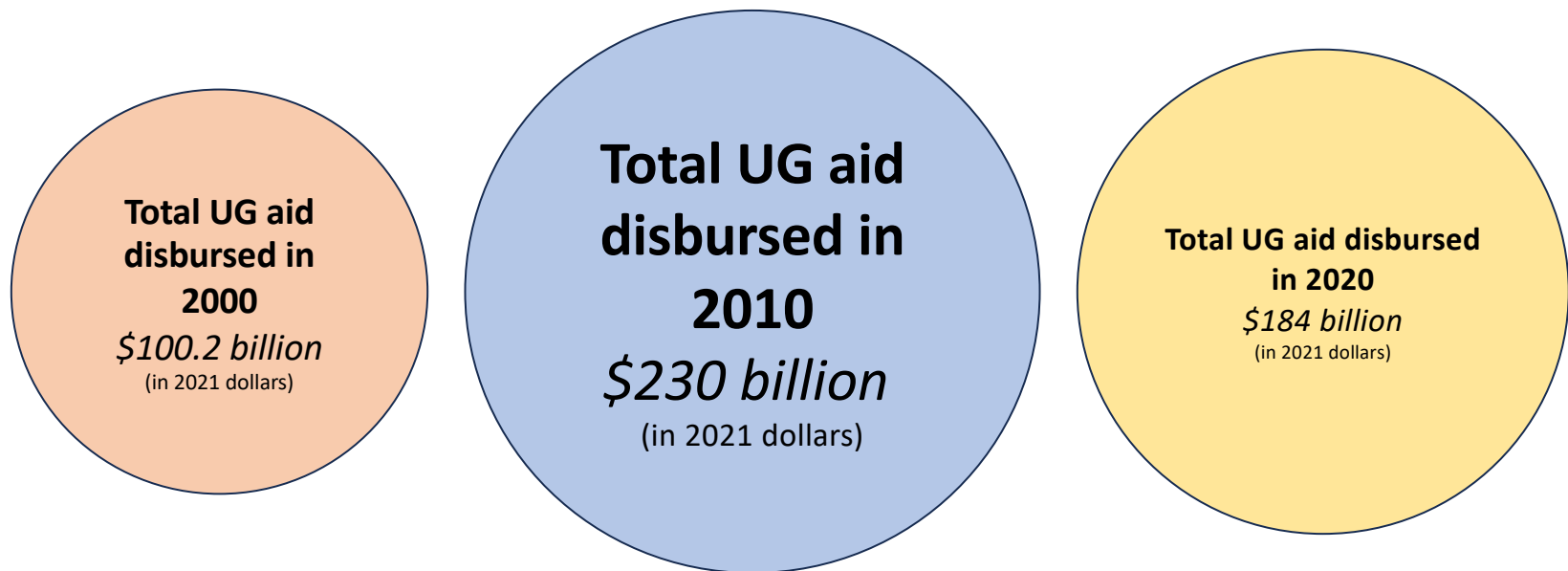
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A History of (Re)Regulating Gainful Employment



Slide 38 © 2023 NASFAA

Financial Aid Spending & Neg Reg Stakeholders



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Negotiated Rulemaking Stakeholders

- Accrediting Agencies
- Consumer Advocacy Organizations
- Dependent Students
- Federal Family Educational Loan Lenders and/or Guaranty Agencies
- Financial Aid Administrators at Postsecondary Institutions
- Four-year Public Institutions
- Independent Students
- Individuals with Disabilities or Groups Representing Them
- Legal Assistance Organizations that Represent Students and/or Borrowers
- Minority-serving Institutions
- Private Nonprofit Institutions
- Proprietary Institutions
- State Attorneys General
- State Higher Education Executive Officers, State Authorizing Agencies, and/or State Regulators
- Student Loan Borrowers
- Two-year Public Institutions
- U.S. Military Service Members, Veterans, or Groups Representing Them

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Historical Consensus' in Rulemaking

2010 Rulemaking

- Definition of High School Diploma
- Ability to Benefit
- Misrepresentation of Information to Students and Prospective Students
- Incentive Compensation
- State Authorization As a Component of Institutional Eligibility
- Gainful Employment in a Recognized Occupation
- Definition of a Credit Hour
- Agreements Between Institutions of Higher Education
- Verification of Information Included on Student Aid Applications
- Satisfactory Academic Progress
- Retaking Coursework
- Return of Title IV: Term-Based Programs with Modules or Compressed Courses
- Return of Title IV: Taking Attendance
- Disbursement of Title IV Funds

2022 Rulemaking

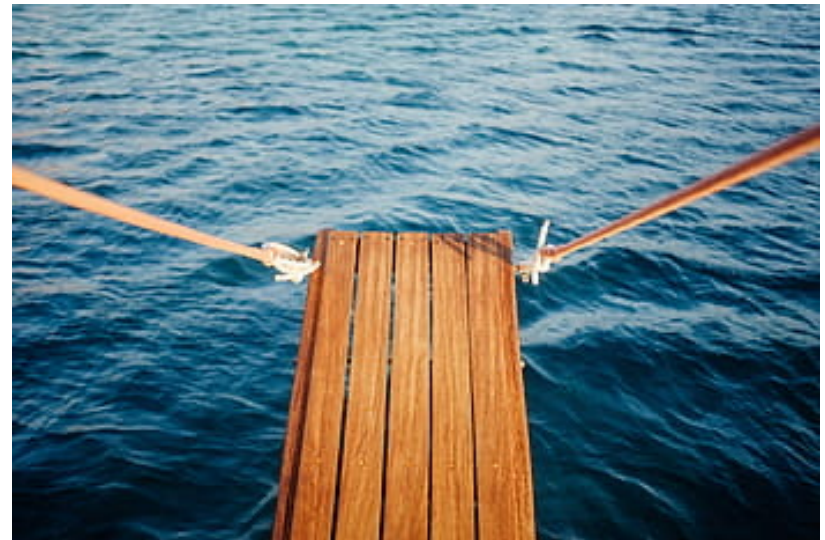
- Borrower Defense to Repayment
- Pre-dispute Arbitration and Class Action Waivers
- Total and Permanent Disability
- Closed School Loan Discharge
- False Certification Loan Discharge
- Student Loan Interest Capitalization
- Public Service Loan Forgiveness
- Prison Education Programs
- 90/10 Rule
- Change in Ownership
- Income Driven Repayment (IDR)
- Ability to Benefit
- Gainful Employment
- Financial Responsibility
- Administrative Capability
- Certification Procedures

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Regulations at Risk

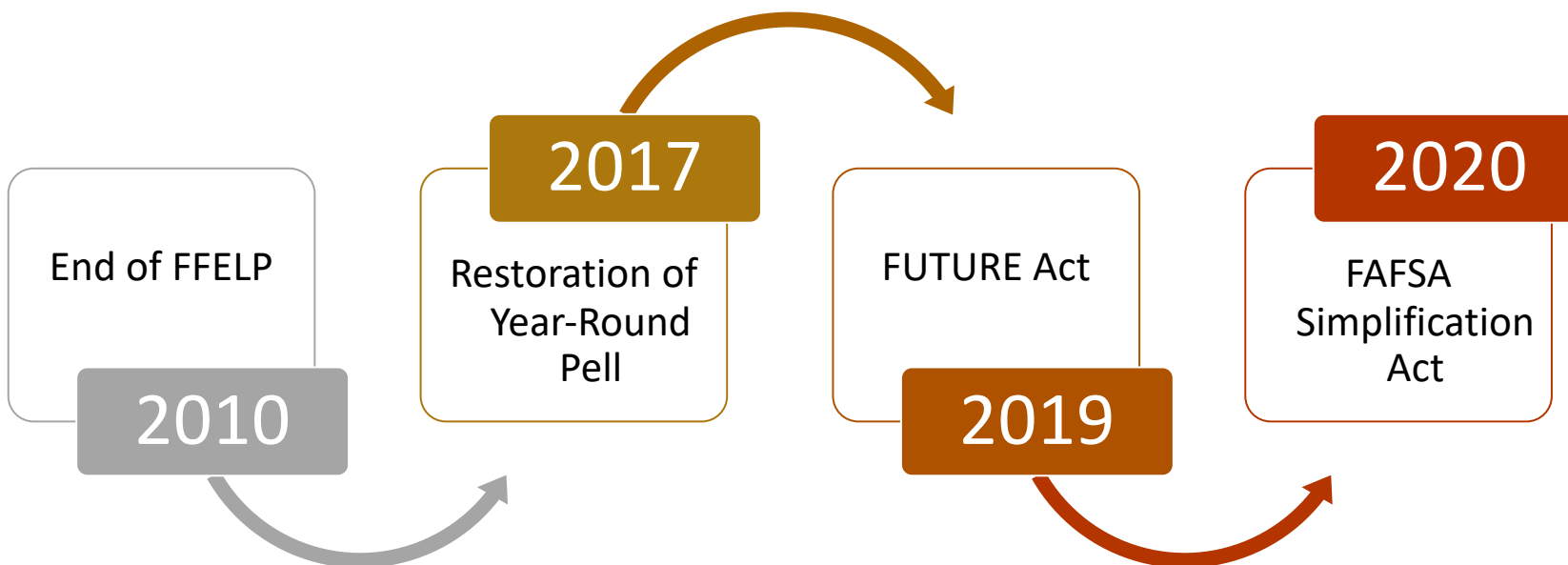
Current regulatory actions that are most at risk of being turned over if the presidency goes to the GOP in 2024

- Gainful Employment
- Low Value Programs
- New Income Driven Repayment Plan
- Debt Forgiveness?



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In Lieu of HEA Reauthorization; Budget Bills Get Things Done



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...But That Can Come With Consequences

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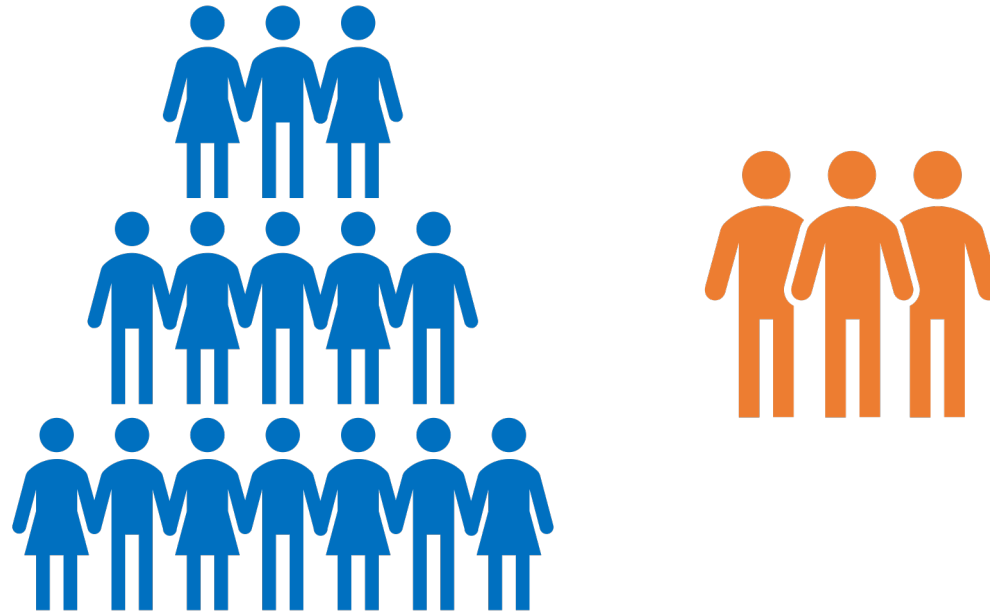
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- *The FAFSA Simplification Act*
- **Cost of Attendance** changes was a surprise to NASFAA
- Had no input/insight
- Bills getting attached to appropriation bills help them move but comes with risk of stakeholders not having input.

LOVE
IS
BLIND

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Future-Proofing the Financial Aid Office



Negotiated Rulemaking: 2021-22

Final rules Issued in 2022 (Effective Date July 1, 2023):

- Borrower Defense to Repayment
- Pre-dispute Arbitration and Class Action Waivers
- Total and Permanent Disability
- Closed School Loan Discharge
- False Certification Loan Discharge
- Student Loan Interest Capitalization
- Public Service Loan Forgiveness
- Prison Education Programs
- 90/10 Rule
- Change in Ownership

Final Rules Issued in 2023

- Gainful Employment
- IDR [SAVE Plan]
- Effective July 1, 2024 or earlier if ED chooses to early implement

Notice of Proposed Rulemaking released in 2023:

- Ability to Benefit
- Financial Responsibility
- Administrative Capability
- Certification Procedures
- *If ED publishes final rules by Nov 1, 2023, they will be effective July 1, 2024*

Negotiated Rulemaking 2023-2024

The Department of Education (ED) announced 23-24 topics to be negotiated:

- Federal TRIO Programs
- Accreditation and Related Issues
- State Authorization
- Return of Title IV Funds
- Cash Management
- Third-Party Servicers and Related Issues
- Improving use of Deferments and Forbearances
- Distance Education
- Student Loan Debt Relief (Scheduled to begin 10/10/2023)

As a reminder, according to ED's master calendar final regulations that are published on or before Nov. 1, 2024 will go into effect July 1, 2025.

Chaos Factor: Potential Government Shutdown

- In the past, FSA systems remained up and running
- Servicing of student loan repayment would likely continue but could be disrupted if the shutdown continues for a prolonged period of time
- Agencies (i.e., ED and others) will need to determine who is considered essential personnel

Top lawmakers mull funding patch ahead of Friday shutdown deadline

BY JENNIFER SCHOLTES, CAITLIN EMMA | 02/27/2024 09:01 PM EST



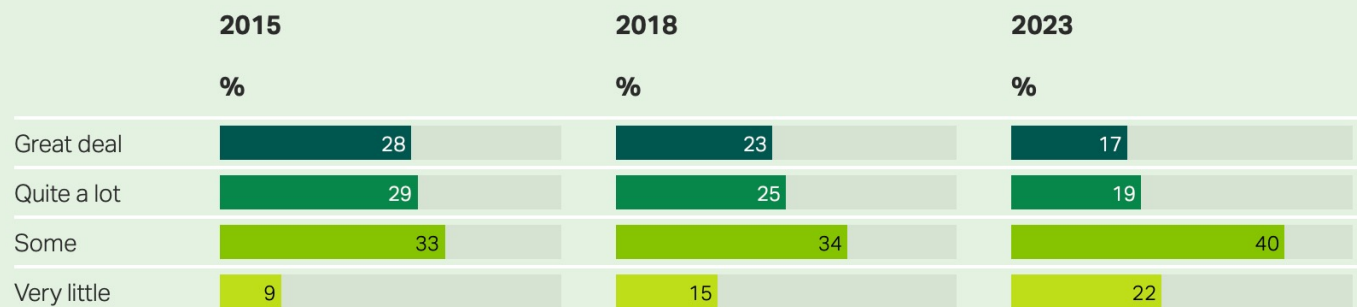
House Speaker Mike Johnson (R-La.) is surrounded by aides, security guards, and reporters as he walks into his office at the U.S. Capitol Feb. 15, 2024. | Francis Chung/POLITICO

4. Public Confidence in Higher Education

Over the past 20 years, the economic value of a college degree...	Republicans	Independents	Democrats
Increased	34%	25%	45%
Remained the same	18%	14%	23%
Decreased	40%	50%	25%
Don't know	7%	10%	7%

Americans' Confidence in Higher Education Continues to Fall

Now I am going to read you a list of institutions in American society. Please tell me how much confidence you, yourself, have in each one -- a great deal, quite a lot, some or very little. **Higher education**



Those with no opinion are not shown.

[Get the data](#) • [Download image](#)

GALLUP

<https://news.gallup.com/poll/508352/americans-confidence-higher-education-down-sharply.aspx>

2024 Presidential Election



Shifting Confidence in Higher Education Among Demographic Groups, 2015-2023

% of U.S. adults with "a great deal" or "quite a lot" of confidence in higher education

	2015 %	2018 %	2023 %	2015- 2023 change pct. pts.
Party identification				
Republicans	56	39	19	-37
Independents	48	44	32	-16
Democrats	68	62	59	-9
Education				
No college degree	54	45	29	-25
College degree only	57	50	47	-10
Postgraduate degree	67	60	50	-17
Gender				
Men	52	45	33	-19
Women	61	51	39	-22
Age				
18 to 34	60	51	42	-18
35 to 54	55	49	39	-16
55 and older	55	46	31	-24

GALLUP

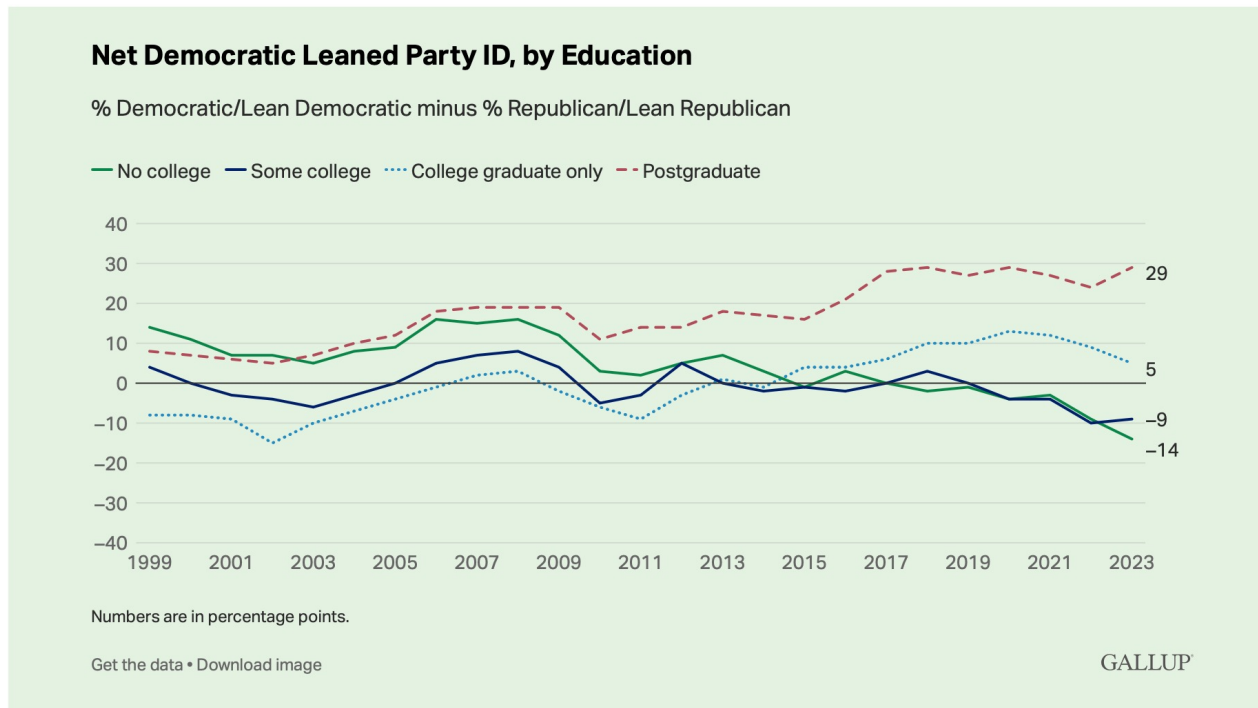
Liberal and conservative views are equally respected on campus	Agree	Disagree
Democrat	57%	27%
Republican	31%	54%
Independent	32%	41%

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Voting Trends and Education

	Democratic/Lean Democratic	Republican/Lean Republican	Net Democratic
	%	%	pct. pts.
U.S. adults	43	45	-2
GENDER			
Men	37	52	-15
Women	49	40	9
RACE/ETHNICITY			
Non-Hispanic White adults	38	54	-16
Non-Hispanic Black adults	66	19	47
Hispanic adults	47	35	12
EDUCATION			
No college	36	50	-14
Some college	40	49	-9
College graduate only	48	43	5
Post graduate	60	31	29

Voting Trends and Education





**COLLEGE COST
TRANSPARENCY INITIATIVE™**

NASFAA — along with 10 higher education associations representing college presidents, financial aid offices, enrollment managers, and admissions counselors — launched a task force with the goal of creating a set of principles and standards about what information should be included in institutional aid offers so the resulting documents are clear, meet high standards of transparency, and contain consumer friendly information, while still allowing for institutional customization.

349

**PARTNER
INSTITUTIONS**

3,091,286

**STUDENTS
SERVED**

42

**STATES
REPRESENTED**



NASFAA

NATIONAL ASSOCIATION OF STUDENT FINANCIAL AID ADMINISTRATORS

5. Student Aid Funding

Race-Conscious Admissions SCOTUS Cases

Two cases challenging the admissions practices at Harvard University and the University of North Carolina. The cases assert that SCOTUS should overturn precedent and rule that institutions of higher education cannot use race as a factor in admissions.

Harvard Case

- Plaintiff argues Harvard is violating federal law by penalizing Asian American applicants, engaging in racial balancing, overemphasizing race, and rejecting workable race-neutral alternatives.

UNC Case

- Plaintiff argues that UNC should not be able to reject a race-neutral alternative because it would change the composition of the student body, without proving that the alternative would cause a dramatic sacrifice in academic quality or the educational benefits of overall student-body diversity.

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SCOTUS Decision

- On Thursday, June 29th, SCOTUS ruled in a 6-3 decision that race may not be considered in college or university admissions decisions
- May have impact on how institutional financial aid is awarded at some institutions
- Ruling still allows institutions to “consider an applicant’s discussion of how race affected their life”, as long as they do so on an individual basis

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SCOTUS and Race-Conscious Admissions

- In June 2023, SCOTUS ruled that race can not be considered in college and university admissions, striking down more than 40 years of precedent
- The two cases at the center of the decision were brought by the group Students for Fair Admissions (SFFA) against Harvard University and the University of North Carolina (UNC).
 - In the case against Harvard, SFFA argued that universities should not be allowed to use race as a factor in college admission, and that Harvard unlawfully discriminated against Asian American applicants.
 - In the case against UNC, SFFA argued that the university's admissions process violates the equal protection clause of the 14th Amendment by using race as a factor in admissions.
- NASFAA will work with member institutions to ensure they understand the legal ramifications and how they will impact financial aid policies and practices now and in the future.

The Biden Administration

2020 High Level Priorities

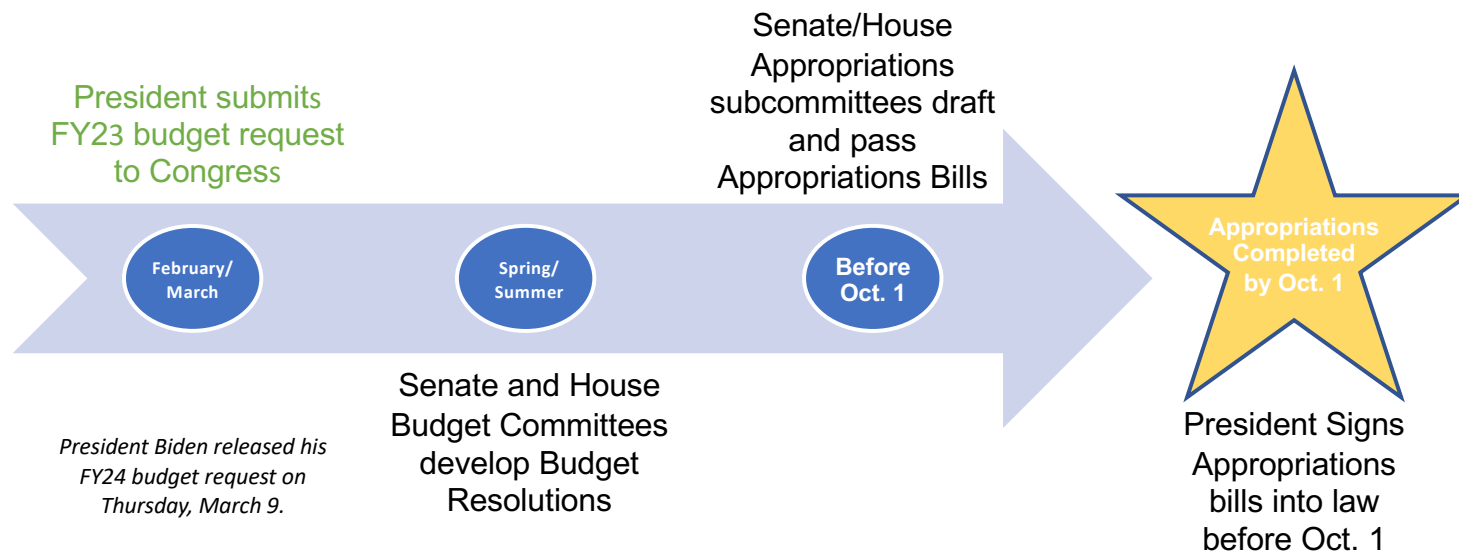
- Double Pell
- Free College
- Debt Relief
- Repayment Simplification
- Accountability



The Biden Administration Progress So Far

Administrative Priorities	Achieved	In Progress/Partial	Paused/Not Started
Free College			Plan was included in an initial draft of Build Back Better but was removed from the introduced draft. No movement since.
Doubling Pell		<p>Pell increased by an additional \$400 for 2022-23 award year. \$6,895 maximum.</p> <p>Pell increased by \$500 for the 23-24 award year. \$7,395 maximum.</p> <p>Budget proposal: Doubling of the maximum Pell Grant by 2029</p>	Budget proposal: Repealing the taxability of Pell Grant aid
Debt Cancellation & Forgiveness		Forgiven/canceled \$11.5 billion in student loans through borrower defense; total & permanent disability; PSLF	<p>Created targeted loan cancellation program in which some borrowers will be eligible for either \$10,000 or \$20,000 (if they received a Pell Grant) in forgiveness; blocked by the Supreme Court in June 2023</p> <p>After being blocked by the Supreme Court, ED will pursue the targeted loan cancellation program through the negotiated rulemaking process (scheduled to begin October 2023)</p>
Reform PSLF & Repayment Simplification		<p>Instituted limited PSLF waiver to add more eligible payments to current enrollees payment timeline</p> <p>Created a new IDR plan through the negotiated rulemaking process</p>	
DACA Reform	Final DACA regulations released by the Administration in August 2022 aiming to strengthen the DACA program.		

Looking Ahead: FY2024 Funding



FY 2024 Budget Request

	Biden Administration	House of Representatives	Senate
Pell Grant	<p>\$8,215 Maximum Award \$500 discretionary increase through appropriations process, additional \$320 increase in mandatory funding through changes to HEA.</p>	<p>\$7,395 Maximum Award Flat-funds the maximum Pell Grant, no increase over FY 2023.</p>	<p>\$7,645 Maximum Award \$250 increase, rescinds \$200 million from program's reserves.</p>
FWS	<p>\$1.23 billion No increase over FY 2023.</p>	<p>Eliminates the FWS program.</p>	<p>\$1.22 billion \$10 million decrease from FY 2023 enacted level.</p>
FSEOG	<p>\$910 million No increase over FY 2023.</p>	<p>Eliminates the FSEOG program.</p>	<p>\$900 million \$10 million decrease from FY 2023 enacted level.</p>
Student Aid Administration	<p>\$2.7 billion \$620 million increase over FY 2023.</p>	<p>\$1.77 billion 13% decrease from FY 2023 enacted level.</p>	<p>\$2.2 billion \$150 million increase from FY 2023 enacted level.</p>

Categories of the Federal Budget

Mandatory Spending

Primarily payments for benefit programs whose eligibility rules and benefit formulas are set by law

Discretionary Spending

Spending that lawmakers control through annual appropriation acts

Net Interest

The government's interest payments on debt held by the public, offset by interest income the government receives

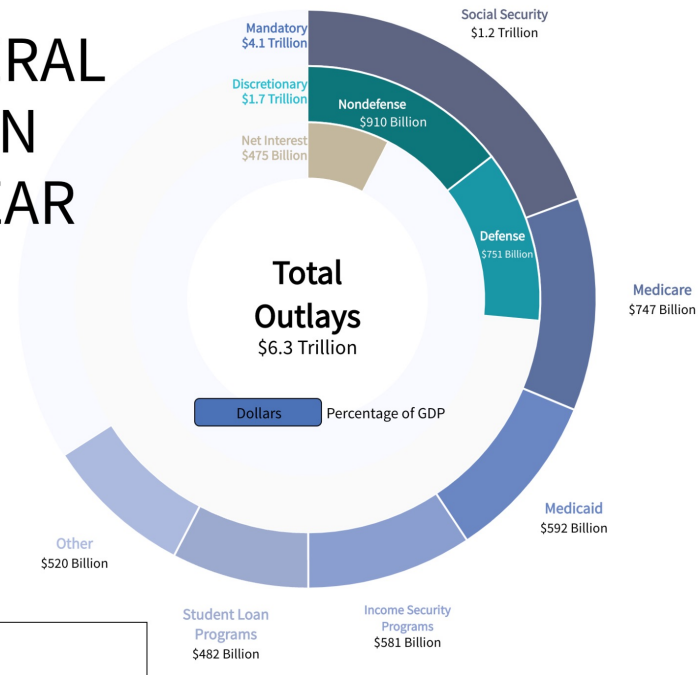
Revenues

Taxes and other funds collected from the public that arise from the government's exercise of its sovereign powers

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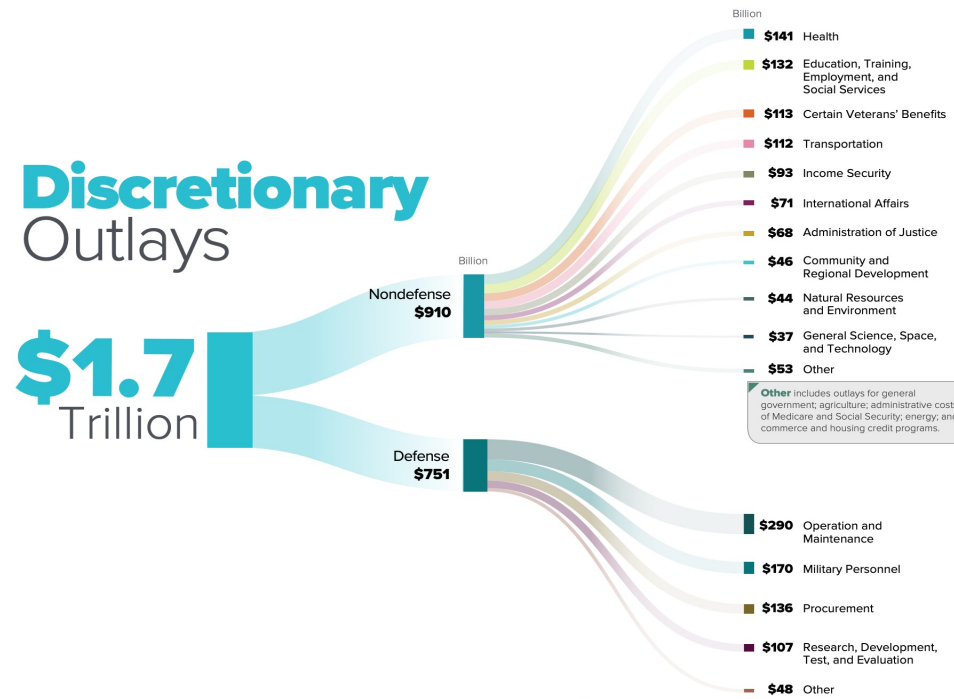
How the United States Spends Its Money

THE FEDERAL BUDGET IN FISCAL YEAR 2022



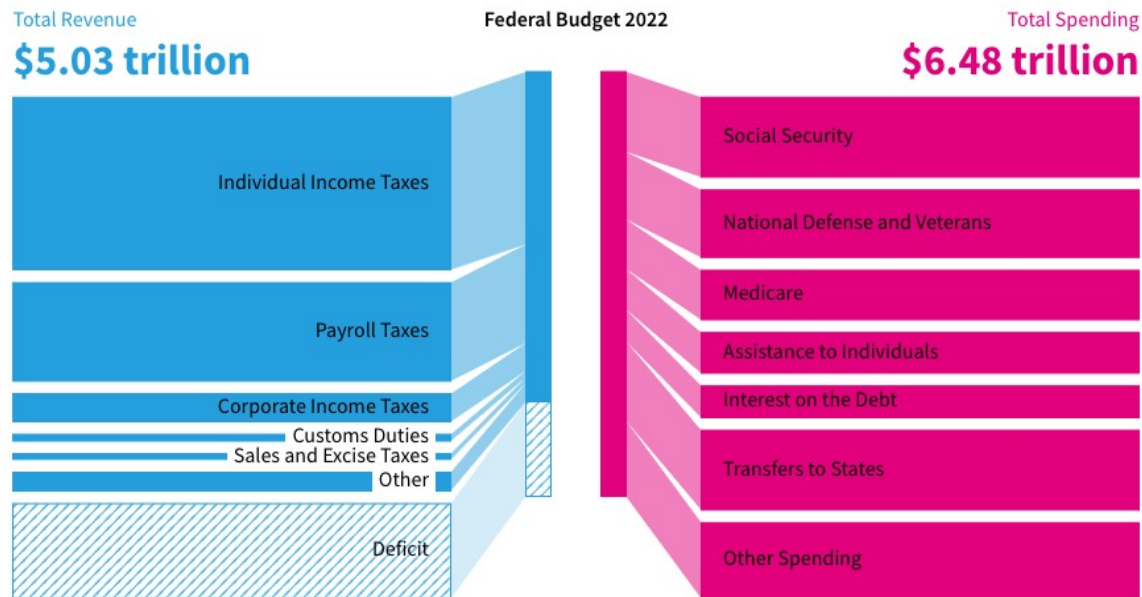
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Discretionary Spending & Education Budget



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Federal Spending and Revenue



Sources: USAFacts aggregation of data from Office of Management and Budget (OMB), the Census Bureau, and the Bureau of Economic Analysis (BEA). [see more](#) ✓

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NASFAA's Call to Action

As a result of the House Appropriations FY 2024 budget proposal, NASFAA launched an advocacy campaign to protect student aid funding that includes:

- Instructions on how to contact your representative
- A sample letter that can be customized with your information and used when you reach out to your representative
- Additional talking points that can be used for background as you engage in conversations with lawmakers
- A statement from NASFAA President & CEO Justin Draeger on how these proposed cuts would impact students



Available at:

https://www.nasfaa.org/student_aid_funding

Call to Action: FY 2024 Appropriations Sample Letter

Below is sample text that you may wish to use when you reach out to encourage your representatives to support funding for crucial student aid programs in the fiscal year (FY) 2024 appropriations bills.

Subject: Protect Funding for Federal Student Aid Programs

Dear Representative [Name],

My name is [name] and I am the [title] at [institution/organization]. I am writing to you as a constituent to request that you support funding for crucial student aid programs as Congress considers fiscal year (FY) 2024 appropriations bills. The House Labor, Health and Human Services, Education, and Related Agencies (Labor-HH) Appropriations Subcommittee recently released a funding proposal for FY 2024 that calls for alarming cuts to critical education programs. The bill calls for a total of \$57.1 billion for the Department of Education (ED), a 28% reduction from the FY 2023 enacted level.

Most notably, the proposal eliminates the Federal Work-Study (FWS) and Federal Supplemental Educational Opportunity Grant (FSEOG) programs, which provide \$1.2 billion and \$910 million, respectively, in funding to our country's neediest students each year. In the [district] district of [state] in 2022-2023, [total amount of FWS dollars] in FWS funds were distributed to [total number of FWS students] students, and [total amount of FSEOG dollars] in FSEOG funds were distributed to [total number of FSEOG students] students. Eliminating the FWS and FSEOG programs will have a significant impact on your constituents, particularly low-income students who rely on these programs to cover the costs of postsecondary education.

The Pell Grant is the cornerstone of the federal student aid programs, providing access to higher education for 6.62 million students each year, many of whom are low-income, first-generation, and students of color and 77% of whom have a family income of less than \$40,000. The bill flat-funds the maximum Pell Grant award at \$7,395 for 2024-25. This is the first time in over a decade that the Pell Grant has not seen an increase, further decreasing the program's purchasing power. In the [district] district of [state] in 2022-2023, [number of Pell students] students received a total of [insert total amount of Pell funding] in Pell Grants. When accounting for inflation, flat funding for Pell in the FY 2024 House appropriations bill erodes the Pell Grants' ability to serve low-income students.

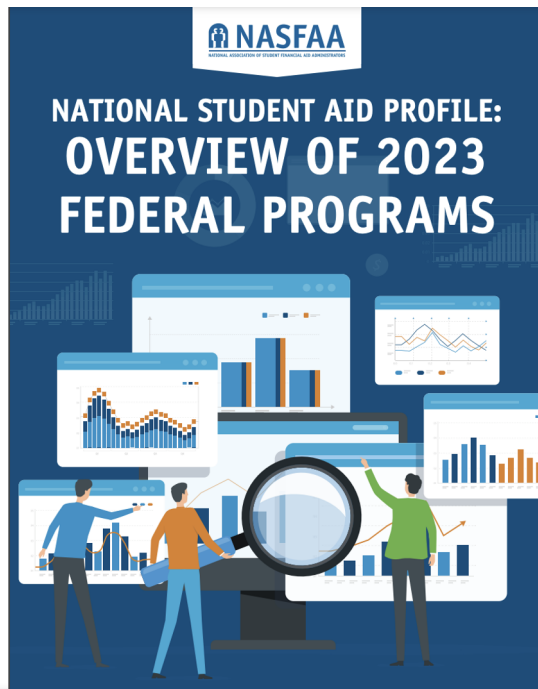
Together, these three programs make certain that constituents throughout your district have the support they need to access and succeed in higher education. I urge you to reject the proposed cuts and support funding for the FWS, FSEOG, and Pell Grant programs in FY 2024 to ensure our students have the resources they need to pursue their postsecondary aspirations.

I am happy to discuss this issue further and answer any questions you might have. Thank you again for your support of higher education and [state] students and institutions.

Sincerely,

[Your name and contact information]

National Student Aid Profile



The National Profile provides detailed information about each of the programs authorized under Title IV of the HEA, including:

- Descriptions of the federal student aid programs;
- Updated data on the number of recipients, total volume of awards, and average aid amount for each program;
- Recent trends in federal appropriations for the Title IV programs;
- Income levels of students and families who receive aid; and
- A description of the federal student aid application process

