

A National Conversation Initiative

Access and Aid for Student Success in Postsecondary Education Listening Sessions and Policy Questions

10/14/08



The National Association of Student Financial Aid Administrators is launching a nationwide conversation on college access and aid, to awaken a national commitment and engage institutions of higher education, public and private agencies and organizations, elected and appointed officials, students, families, and other individuals in a concerted program for reducing the financial burden and increasing the numbers of students enrolling and graduating with a college degree, especially low and moderate-income students, and students who have been historically underrepresented and underserved.

Rationale for the Project

Despite a national commitment at the federal, state, and local levels to improve college access and assistance for all students, there is an alarming decline in college participation and in the number of baccalaureate degrees awarded to high school students from low- and moderate-income families, and historically underrepresented/underserved student groups. This trend, which has been worsening over the past decade and a half, has been documented most recently and most persuasively by the Advisory Committee on Student Financial Assistance (the federal advisory committee chartered by Congress).

While the problem requires sustained efforts to improve academic preparation and renewed access initiatives, the rising financial barriers facing student and families across the nation are increasingly seen as the most troubling factors impacting access and persistence for low- and moderate-income students. Some have argued that the national system of college financing and student aid is no longer viable as currently designed and that applying more icing is wasteful when a new cake needs to be baked.

The *National Conversation Initiative* is about leading a nationwide program to eliminate the major obstacles to college access and success, namely the financial barriers for low- and moderate-income students. During the planning process for NCI, the president and staff of NASFAA have examined the plethora of studies and reports and concluded that while many proposed solutions have and are being offered, in the absence of a coherent framework of recommendations and a concerted, sustained program for building consensus, support, and enactment the necessary reforms will languish.

In January, 2009, a new administration will take office in Washington. It will be the prime moment to capitalize on a national dialogue and a program for enactment on college affordability and student access. During the fall of 2008 and early 2009, this conversation must be of sufficient scope and engagement that it will arouse the collective conscience and lay the groundwork for constructive action. It is the intent of NASFAA to present to the new administration and legislators a compelling program for student aid and access and a preliminary array of recommendations within the first one hundred days of the new administration taking office. Beyond the 100-days milestone, the National Conversation Initiative will continue with a focus of advocacy and enactment.

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Making college education accessible and affordable is among the highest needs of the country. This subject that continues to grow in significance as the global economy rewards exponentially those countries which invest more in the education of their populations. It is the time for a national conversation and campaign on access and aid for students in higher education in America.

The Dialogue

To create a set of recommendations that represent the best interests of students and families—particularly those students and families most in need of assistance to attend college—NASFAA will be holding a series of town hall meetings across the country, most of which will be held in connection with regional and state conferences. Conducted as Listening Sessions, these meetings will draw on the expertise and experience of financial aid administrators to develop greater consensus for solutions and actions.

These Listening Sessions, along with input gleaned from higher education community stakeholders and from collaborative online communities addressing these issues, will culminate in a national conference on this topic, and the publication of principal and final recommendations and suggested policies and courses of action.

The enactment of solutions will be the ultimate goal of the conversation and the campaign. As the conversation will have built support for the initiative, the campaign will promote action. The agenda for the campaign will be drawn from the principal recommendations resulting from the national conversation. The strategy for the campaign will be to deliver the resources and advocacy services essential to its success. The project's web site will be the primary venue for the dissemination of information and the support of national and local implementation.

We welcome you to join us at the NCI Listening Sessions, to be held at the six regional conferences and in certain bellwether states. Planned sessions are taking place at the following dates and times:

- MASFAA, Cincinnati, OH, Mon., Oct. 13 – 10:45 am to Noon
- PASFAA, State College, PA, Tues., Oct. 14 – 2:40 pm to 3:40 pm
- RNASFAA, Sioux Falls, SD, Mon., Oct. 20 – 1:50 pm to 2:50 pm
- NYSFAAA, Buffalo, NY, Thurs., Oct. 23 - 3:30 pm to 5 pm (following General Session)
- AASFAA, Mesa, AZ, Weds., Oct. 29, 4:00 pm to 5:00 pm
- Dept. of Education FSA Conference, Dallas TX, Weds., Oct. 29, 5:00 pm to 6:00 pm
- CAPFAA, Waterbury, CT, Thurs., Oct. 30, 10:45 am to Noon
- NJASFAA, Atlantic City, NJ, Weds., Nov. 5, 9:00 am to 10:15 am
- MASFAP, Lake Ozark, MO, Mon., Nov. 10, 1:45 pm to 3:00 pm (Lookout Room)
- MASFAA, Hyannis, MA, Fri., Nov 22, 9:00 a.m. to 10:00 a.m.
- Dept. of Education FSA Conference, Las Vegas, NV, Dec. 2 to 5 (exact date and time TBD)
- CCCSFAA, Anaheim, CA, Sat., Dec. 6, 3:15 pm

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- CASFAA, Anaheim, CA, Sun., Dec, 7, 3:30 pm
- CASFAA, Anaheim, CA, Sun., Dec, 8, 10:15 am
- SWASFAA, Little Rock, AR, Thurs., Dec. 11, 3:30 pm
- MSFAA, Dearborn, MI, 2009, date and time TBD
- SASFAA, Myrtle Beach, SC 2009, date and time TBD

To help guide the discussion and streamline the formation of policy recommendations that represent the insight and input of the financial aid community, we have created the following set of questions for your consideration. We ask that you look these over, think about them, and respond to them as you see fit. You may either share them with us directly via email (send responses to: nationalconversation@nasfaa.org) or you may use them to prepare to offer your insights at one of the Listening Sessions, if you are able to attend.

Questions for NCI Listening Sessions

Access

- Should financial aid be used as a tool to level the playing field for economically disadvantaged, underserved and underrepresented student groups?
- What are the most successful conduits for channeling these student groups into a postsecondary institution?

Simplification

- Should we eliminate the FAFSA and determine need-based aid eligibility using existing data, such as IRS data?
- How could we simplify the application process and still address the needs of states/institutions?
- Would students benefit from a simplified needs analysis approach that would allow them to know in advance the amount of need-based aid for which they qualify?

Grants

- What do you regard as the “right” mix of grants vs. loans, work-study and personal/family contribution?
- Should *only* the neediest students receive grant aid?
- Should grants be front-loaded, and if so, how would that process work?
- Should Pell Grants be a true entitlement program with set maximums that rise over time with inflation? Why or why not?

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- Academic Competitiveness Grants and SMART Grants bring an element of merit into the Pell equation. Is this appropriate? What are the benefits and drawbacks?

Loans

- What role should loans play in helping students pay for college?
- Should all undergraduate students be expected to borrow? None? What about graduate students?
- If you could describe the “perfect” student loan system, what would you say?
- What do you think of the current system in which students with demonstrated need can qualify for an interest subsidy on their Stafford loans while in school or in deferment?
- What are your thoughts on loan forgiveness?
- What loan repayment option makes the most sense for students?

Personal and Family Contribution

- Should expectations of personal/family responsibility increase as a student progresses through school?
- How can we encourage families and individuals to save to support their education?
- How could existing current college savings mechanisms (e.g. 529s) be structured to encourage more saving?

Campus Based Programs / State and Local Funding

- What is the appropriate balance between federal, state, and institutional financial aid?
- How can the federal government and states better coordinate their efforts to provide student aid? Or should they?
- What are your thoughts about LEAP? How can that program grow or improve?

Tax Policy

- How can our tax policy be shaped to increase access to college?

General

- How could the Department of Education provide better service to students?
- What is the responsibility of the private sector in helping students attend college?

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- What role does financing play in the reason students drop out or stop out of college?
- Should our financial aid system enable every qualified student to attend any college, no matter the cost?
- What should be the government's role in assisting:
 - graduate students?
 - part-time students?
 - non-traditional students?
 - independent students?
 - students with families?

Thank you for your input on these questions. Financial aid administrators are really “where the rubber hits the road” in terms of student aid policy in this country. Your input is invaluable.



National Conversation Initiative Discussion

Dr. Philip R. Day, Jr., NASFAA President

MASFAA Annual Conference

November 21, 2008

Nault, Raymond

Wheaton College

Against FAFSA simplification to two data elements, advocates for updating Income Protection Allowance to current economic indicators and adjusting if for region of the country.

O'Leary, Eileen

Stonehill College

Believes that federal aid programs should be simplified because they are confusing to student and parents, and burdensome for colleges to administer. Despite past objections, now believes that one grant, one loan and one job is the direction federal aid programs should go.

Penn, Christopher

Financial Aid Podcast

Believes that the successful GraduatePLUS program should be extended to undergraduate students.

Begley-Curto, Allene

Springfield College

Believes that plans to implement an IRS data match are problematic for families who have had changes in marital status.

Case, Joe Paul

Amherst College

Believes the current need analysis systems needs to be completely rebuilt.

Osmond, Kathryn

Wellesley College

Is concerned about undocumented students and believes the national discussion should include this topic.

Begley-Curto, Allene

Springfield College

Is concerned that the FAFSA 4caster estimates campus-based aid that might not be available at all schools.

O'Leary, Eileen

Stonehill College

Is concerned that there are far too many current and new requirements tied to Title IV aid that have nothing to do with student eligibility.

Pekala, Bernie

Boston College

Does not want to see SEOG eliminated in a one grant system. Would like education tax credits included in any one grant program, as they do not provide access up front to students.

Holt, Gail

Mount Holyoke College

Believes students should be able to chose loan platform (DL or FFELP) at every school. Complimented Paul Combe's session at the Conference regarding the future of student loans. Believes there should be incentives for students to be educated borrowers.

Silvernail, Michael

Harvard Kennedy School of Government

Believes that too much simplification of the FAFSA and need analysis is bad. Data match with the IRS will only be useful if multiple elements are matched, not just AGI and taxes paid. Believes that Federal Work Study students should not have to complete I-9 process since they are already matched with SSA as eligible to work. Is in favor of loan forgiveness programs.

Penn, Christopher

Financial Aid Podcast

If students continue to apply for aid at an increased rate, Pell shortfall goes up considerably. Under or unemployed is approaching 20M.

Response: Dr. Day, NASFAA working to get Pell shortfall fixed in stimulus package.

Nault, Raymond

Wheaton College

Is concerned about the many .gov websites that have information about aid programs. Believes one source would be more efficient. Wants a consolidation of aid delivery programs

Case, Joe Paul

Amherst College

Outreach efforts of the department and all of us need to be redoubled to make sure the next generation is aware and has access.

Kedski, Cathy

Bridgewater State College

Simple access, would like to see expansion of NSLDS to include private/state loans.

McKim, Marianna

University of Massachusetts Amherst

Concerned about middle class, gave example of family making \$60K that gets no federal grant aid. Complimented Massachusetts No Interest Loan Program.

Tufau, Michelle

Wellesley College

NASFAA should hold high schools accountable for teaching students at preparing youth so they are ready for college level work. More work on retention.

Dr. Day response: working on a project with Council of Admissions Officers working on training and outreach to middle and high school counselors.

Zinser, Nick

Northeastern University

Break down walls of public vs. private funding, all government sources. Would like all Title VII loans included in NSLDS. Commented on single sign on for institutions, needs to be achieved soon, burden of administration is high on institution.

Sullivan, Susan

North Shore Community College

Many regulations are designed for four year students, not community colleges, where ½ of the students in the country are educated. Example, ACG transcript collection.

Ramirez, Aurelio

MA College of Art and Design

School policies, FAFSA should collect question about are you just filing this to get a PLUS loan based on a school policy.

Grondin, Diane

Episcopal Divinity School

Grad student accepted w/o undergrad degree must be awarded at undergrad loan level. Wants that eliminated if student meets all requirements for grad program, to be awarded at grad program. Likes GradPLUS.