



NASFAA

National Conversation Initiative

Access and Aid for Student Success in Postsecondary Education

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We **NEED** to do better!



We **CAN** do better!

EXPAND ACCESS



- ★ Reducing Barriers
- ★ Info/Advisement
- ★ Address Support Needs

ACHIEVE DIVERSITY



- ★ Proportional Representation
- ★ Sustained Commitment
- ★ Choice

PROMOTE STUDENT SUCCESS



- ★ Participation Rates
- ★ Completion Rates
- ★ Post-College Success

We **WILL** do better!



Today's Presenters:



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



David Gruen
NASFAA 08-09 National Chair



Larry Zaglaniczny
VP of Government Relations



Justin Draeger
VP of Planning & Development



What is the NCI?

- A campaign to enact an agenda for reform
- A national dialogue on student financial aid, access and success
- Report and Recommendations: Preliminary draft sent to Obama Administration and other parties in April 2009



NASFAA knew NCI was needed, because:

- 1. Gaps in college participation rates persist**
- 2. Rising financial barriers face students and families**
- 3. Continued challenges related to underserved & underrepresented populations**
- 4. Encumbrances exist in delivering student aid**
- 5. Absence of coherent framework/strategy for reforming student financial aid**
- 6. We saw an opportunity for constructive action with new leadership in U.S. and increased global interdependence and competitiveness.**



NCI Core Principles:

Via NCI, NASFAA affirms that student financial aid should:

- Promote fairness/equity for students across all sectors of postsecondary education (particular emphasis on low-income, underrepresented and underserved);
- Stress the primacy of need-based aid;
- Support policies that address the needs of disadvantaged students;
- Advocate accountability;
- Encourage simplicity and predictability;



Core Principles (continued):

- Empower FAAs & schools with the flexibility to respond to the specific needs of their students;
- Recommend policies that accommodate the diversity of academic delivery models;
- Encourage the use of technology;
- Eliminate statutory requirements that use financial aid to enforce unrelated social policies; and
- Validate proposed recommendations with research and data analysis.

NCI Process: 4 Distinct Phases

Phase One:

- **Information gathering & dialogue process**
- **Conducting region and state-based Listening Sessions (18 in total, 5,000+ member participants hailing from all 50 states)**
- **Compilation of 40+ relevant studies and reports**
- **Integrated Web 2.0 communication and collaboration**



The Work Group:

- **The NCI Public Policy Research and Development Group (PPRDG) consists of:**
 - **Policy Advisors:** Julie Bell, NCSL; David Breneman, UVA; Patrick Callan, National Center for Public Policy and Higher Education; Anthony Carnevale, Georgetown University; Don Heller, Penn State; Scott Pattison, NASBO; W. Scott Swail, The Educational Policy Institute
 - **In-Field Professionals (IFPs):** Paul Aasen, George Chin, Pam Fowler, Anna Griswold, Tally Hart, Pat Hurley, Elaine Rivera, Joe Russo, and Laurie Wolf
 - **Core NASFAA staff members**



NCI Process: 4 Distinct Phases

Phase Two:

- Reviewed/synthesized info generated through Phase One (IFPs, Policy Advisors, Core staff)
- Analyzed current research (NASFAA staff)
- Formulated preliminary recommendations (IFPs, Core staff)
- Preliminary Report & Recommendations submitted to Obama Administration, during first 100 days

NCI Cost Analysis and ROI:

- **NASFAA is consulting with the Tax Policy Center (Urban Institute/Brookings Institution) to ID projected costs/savings of our recommendations**
- **Opportunity Costs v. Real Costs**



NCI Process: 4 Distinct Phases

Phase Three:

- **Assess feedback from Administration**
- **Conduct follow-up forums and assemblies**
- **Monitor Web 2.0 communications**

Phase Four:

- **Develop advocacy agenda and plan**
- **Solicit broad-based support within regions and states**
- **Implementation & enactment (Jan. 2010 and on)**





**The National Conversation
Initiative:**

Overview of

Preliminary Recommendations



Simplify the application process:

- **Allow neediest students to auto-qualify for maximum aid**
- **Allow families to initiate the application process via the tax system**
- **Make aid eligibility determinations almost solely on AGI and exemptions**
- **Eliminate all unnecessary FAFSA questions**



Reduce student confusion & administrative burden:

- **Eliminate “needs analysis” in favor of “eligibility determination”**
- **Replace it with easy-read eligibility tables**



Expand and simplify grants

- Index the maximum Pell Grant award to 70% of the average costs of in-state tuition, fees, room and board at 4-year publics (adjusted every 3 years , based upon 3–year cumulative changes in COA)
- Given the implicit cost impact, phase in Pell increase over 5-year period.
- Eliminate less effective programs (ACG, SMART and TEACH for undergrads); move savings into Pell

Grants for graduate students:

- Create a grant program (similar to the existing TEACH program) for graduate students in high-need job areas
- Each state may define what constitutes “high need”

Improve predictability and portability:

- **Allow students who qualify for the max grant to receive it - regardless of COA**
- **Provide the same loan limits to students for every year of college.**



Campus-Based Aid:

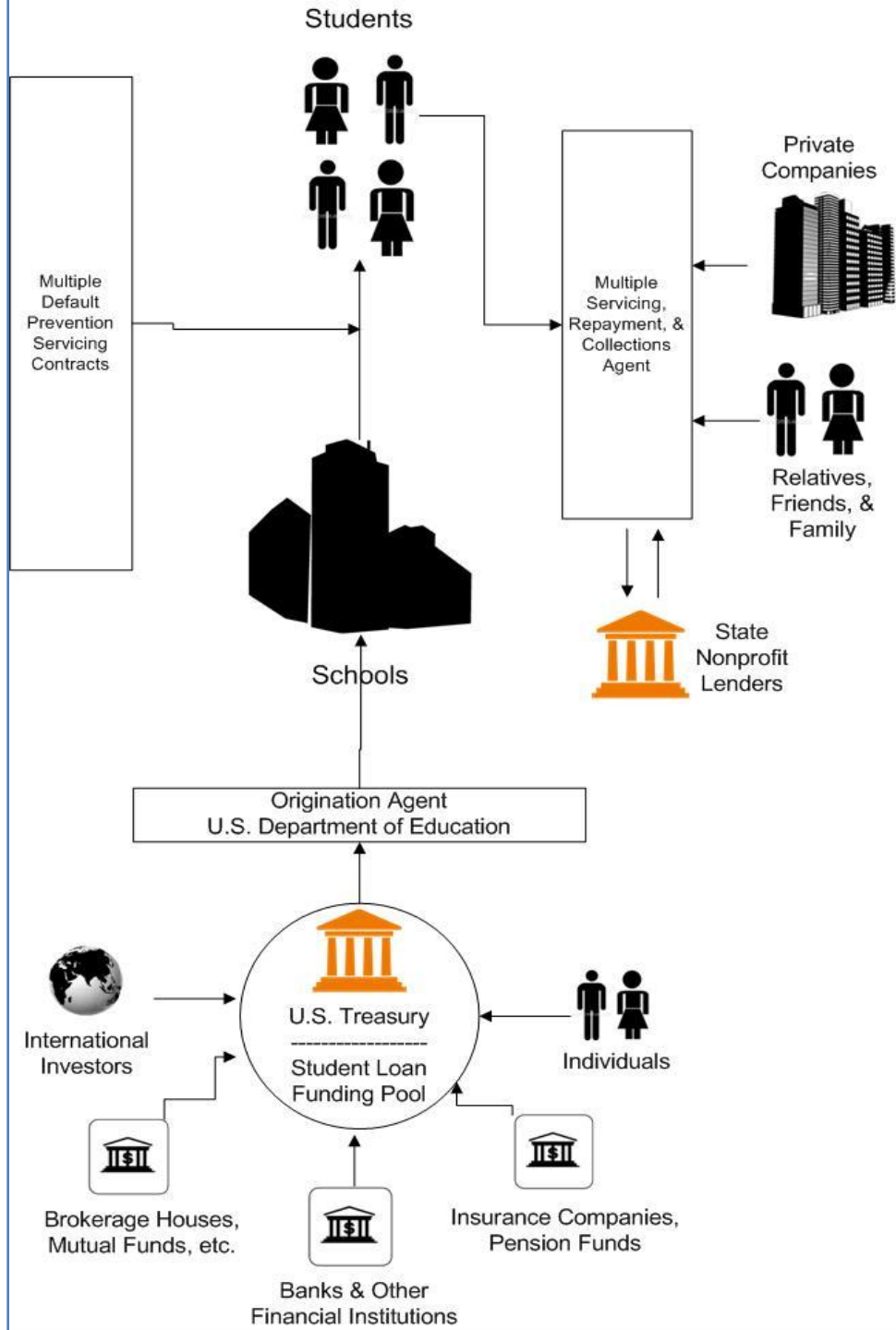
- Consolidate FSEOG and FWS into one flexible fund
- Redistribute funds based on the number of needy students an institution serves
 - Change allocation from Base Guarantee + Fair Share methodology to 100% Fair Share over a 4-year period
- Increase funding for the consolidated program
- Give FAAs discretion to use money from the fund to best serve their students

One Loan Program:

Create a single, new student loan program that combines the best of:

- Direct Loans
- FFELP
- Perkins





Shift subsidy to repayment:

- Subsidize borrowers during repayment instead of in-school
- Strengthen IBR:
 - Students never pay more than 10% of discretionary income
 - Loans are forgiven after 20 years of repayment



Encourage Planning & Saving:

- **Give every child \$500 to start a college savings account**
- **Give tax breaks for contributing to a child's college savings account**
- **Provide aid eligibility estimates for kids as young as 10 years old**



Tax Benefits:

- **Eliminate benefits that don't increase access**
- **Repeal taxes on student aid (scholarships, loan forgiveness, etc.)**
- **Provide "Human Capital Tax Credit" to employers who assist in paying student debt**



Increase awareness:

- **Engage public and private entities to increase public outreach about the benefits of college**
- **Use all available technologies/mediums to inform students about financial aid eligibility**



**For more information, or to
share your opinion:**

NCI Resource Center:

<http://nasfaa.org/redesign/nci/ncicenter.html>

Email:

NationalConversation@nasfaa.org





NATIONAL ASSOCIATION OF STUDENT FINANCIAL AID ADMINISTRATORS