



June 19, 2018

Honorable Steve Womack
Co-Chair
Joint Select Committee on Budget and
Appropriations Process Reform
B234 Longworth House Office Building
Washington, DC 20515

Honorable Nita M. Lowey
Co-Chair
Joint Select Committee on Budget and
Appropriations Process Reform
1016 Longworth House Office Building
Washington, DC 20515

Dear Co-Chair Womack and Co-Chair Lowey,

On behalf of the National Association of Student Financial Aid Administrators (NASFAA), I write to share the perspective of the nation's financial aid administrators as your committee considers reforming the federal budget and appropriations process. NASFAA represents more than 20,000 financial aid professionals at nearly 3,000 colleges, universities, and career schools across the country. All told, NASFAA members serve nine out of every ten undergraduate students.

Financial aid administrators are on the front-lines, working with students and parents directly when it comes to awarding and disbursing federal student aid dollars, and they have witnessed the confusion it can create when final appropriations are delayed, unstable, or altered at the same time families are trying to decide how to pay for college. An efficient, stable, and predictable federal budget and appropriations process is imperative. It ensures colleges and universities are best able to serve students and families, particularly those with limited means that the federal financial aid programs were designed to support.

Over the years, delays in the federal budget and appropriations process have created needless disruptions to the administration of federal student aid, but this issue has become even more acute with a recent change in the federal student aid application process that now magnifies the effect of congressional gridlock.

In October 2015, President Obama announced a new initiative to simplify the Free Application for Federal Student Aid (FAFSA) process. Starting in 2016, the FAFSA became available on October 1, instead of January 1—a full three months earlier than in previous years. With the earlier availability of the FAFSA, institutions can now more closely align their admissions and financial aid processes, giving students and families earlier, and theoretically, more accurate information. However, this recent positive change to enhance the ability of students and families to plan for college has been hamstrung by logjams in the appropriations process.

In fiscal year (FY) 2018 the Department of Education waited to release Pell Grant Payment and Disbursement Schedules until January 31, 2018, one day before their statutory deadline, because

Congress had yet to finalize funding for FY 2018. The Department provided institutions with guidance on how to administer the Pell Grant Program without Congress finalizing funding for that year yet, instructing schools to use the previous year's award amounts to provide students with estimated financial aid awards. Following passage of the Consolidated Appropriations Act of 2018 in March, the Department released updated Pell schedules, requiring institutions to revisit student aid awards at a point in time in which many students and families have already solidified their college selection.

Working as designed, Congress would wrap up funding for the start of the federal fiscal year, October 1. The Department of Education could then release Pell schedules in the fall, providing final numbers to institutions to get information to students and families sooner in the process, avoiding the use of estimates, and therefore uncertainty.

While financial aid administrators, like those involved in education at all levels, will work to adapt to whatever changes are made to the budget and appropriations process, we encourage Congress to develop timelines that ensure as close to regular order as possible, so students and families can make informed decisions about college-going with the most accurate information.

We look forward to continuing our work with Congress on increasing access and success in higher education.

Sincerely,

A handwritten signature in black ink, appearing to read "Justin Draeger", written in a cursive style.

Justin Draeger, President & CEO

cc: Members of the Joint Select Committee on Budget and Appropriations Process Reform