

Findings from a Survey of Regional and State Association Leadership

NASFAA Research Department, July 2025

Executive Summary

In summer 2025, NASFAA's Research Department surveyed leadership from state and regional financial aid associations to better understand financial practices, revenue generation, governance, and strategic planning. All six regional associations (100%) and 41 of 50 state associations (82%) responded. Based on the survey's structure, findings are grouped into five thematic areas. To respect the structural and operational differences between state and regional associations, findings are reported separately without direct comparison.

Financial Planning

Regional association respondents most commonly reported a median reserve balance of approximately \$645,920. Most regional associations indicated that their reserves would cover 18 months or more of expenses. Half described their reserve balance as "about right," while others viewed theirs as too high or too low. Challenges identified included declining sponsorship revenue, reliance on a small number of income streams, inflationary pressure on event costs, and the need for diversification and long-term planning.

State association respondents reported varying reserve balances, with a median of approximately \$249,330. About half reported that their reserves could cover between 12 and 24 months of expenses, and 69% said their current reserve balance was "about right." Challenges noted by state associations included limited institutional travel budgets, lack of budget planning infrastructure, and difficulty maintaining oversight due to volunteer transitions.

Reserve and Investment Practices

Reserve Policies

Four of six regional associations (67%) reported having a formal reserve policy. Most of those policies outlined target balances defined as one year's operating budget or a combination of operating expenses and contractual obligations. Policies generally addressed how funds could be accessed, who must approve transfers, and how reserves should be reviewed and maintained.

Fourteen of 41 state associations (34%) reported having a formal reserve policy, and 12 submitted a document for review. Among those submissions, most defined reserve levels as a percentage of the operating budget or coverage for known contractual obligations. Policies varied in detail but frequently included procedures for accessing funds, approval requirements, and separation of restricted and unrestricted reserves.

Investment Policies

Two regional associations submitted formal investment policies. Both emphasized low-risk investment strategies, capital preservation, and clearly defined oversight by treasurers or finance committees. Investment vehicles included CDs, money market accounts, and short- or long-term bond funds, with policies reviewed annually or semi-annually.

Among state associations, 31% reported having a formal investment policy, and eight submitted documents for review. The investment policies varied in length and specificity but shared a focus on conservative financial instruments, review by finance committees or executive boards, and periodic reassessment of investment performance. Some included explicit target allocations or referenced use of external advisors. Others focused more broadly on principles of financial stewardship and safety.

Revenue Generation and Programming

All six regional associations identified membership dues and conferences as their primary revenue sources. Other commonly cited sources included summer institutes, sponsors, and exhibitors. Four of six reported adding new revenue-generating activities within the last three years, including branded merchandise, virtual programming, raffles, and enhanced sponsor tiers. Most regional associations reported having a standing financial growth or sponsorship committee.

State associations reported membership dues and annual conferences as core revenue sources. Twelve of 41 (29%) state associations reported adding new revenue-generating activities in the past three years, including raffles, merchandise sales, virtual workshops, and expanded vendor engagement. Forty-six percent of state associations indicated that they have a committee focused on financial growth or sponsorship.

Governance and Operations

Most regional associations conduct financial reviews quarterly and report that they perform either a full audit (2 of 6) or a financial compilation (3 of 6) regularly. All six reported some oversight from a treasurer, budget committee, or financial advisor; most indicated they maintain written financial policies.

Among state associations, audit practices varied. Sixteen reported conducting a full financial audit, 15 reported completing a financial compilation, and eight indicated that they do not currently conduct any formal financial review. Some state associations also described efforts to hire part-time bookkeepers or implement new accounting tools to improve tracking and accuracy.

Final Reflections

Regional association leaders discussed inflation and the need to align financial strategies with long-term goals. Several emphasized the value of developing reserve and investment policies to guide leadership transitions and decision-making.

State association leaders frequently cited the importance of building and maintaining financial infrastructure, ensuring continuity during leadership turnover, and aligning financial practices with organizational mission. Several described adopting new membership models or developing multi-year strategic plans to support sustainability.

A section on survey methodology and response demographics can be found at the end of this report.

OVERALL FINDINGS

What types of membership does your association offer?

Regional Associations

	Yes	No	In development	n
Individual	83%	17%	0%	6
Institutional	83%	17%	0%	6
Association offering a "Dual Membership" ¹	67%			4 ²
Business partners, vendors, exhibitors, and/or sponsors	100 %	0%	0%	6
Scholars or Students	0%	100%	0%	6
Other (Please specify.)	20%	60%	20%	5

State Associations

	Yes	No	In development	n
Individual	71%	27%	2%	41
Institutional	63%	32%	5%	41
Association offering a "Dual Membership" ³	34%			14 ⁴
Business partners, vendors, exhibitors, and/or sponsors	97%	3%	0%	39
Scholars or Students	8%	89%	3%	37
Other (Please specify.)	33%	67%	0%	15

Approximately how many members are in your association?⁵

	Regional Associations Median	State Associations Median
Individual	918 (n=4)	212 (n=26).
Institutional	480 (n=4)	172 ⁶ (n=23)

¹ In this instance "Dual Membership" is defined as offering both individual and institutional member structure. This question was not asked on the survey, but was calculated by NASFAA using responses to prior categories in this question.

² This sample size is based on the number of associations who reported offering both types of membership included in the "dual membership" definition listed above.

³ In this instance "Dual Membership" is defined as offering both individual and institutional member structure. This question was not asked on the survey, but was calculated by NASFAA using responses to prior categories in this question.

⁴ In this instance "Dual Membership" is defined as offering both an individual and institutional members. This question was not asked on the survey, but was calculated by NASFAA using response to prior categories in this question.

⁵ Responses that include zero (0) were excluded.

⁶ One extreme outlier was excluded from the median calculation to avoid distortion of central tendency.

Business partners, vendors, exhibitors, and/or sponsors	27 (n=5)	27 (n=34)
Scholars or Students	-	- ⁷
Other (Please specify.)	-	19 (n=3)

Who does your association serve?⁸

	Regional Associations	State Associations
Financial aid administrators	100%	100%
Institution leaders	50%	46%
Financial aid management systems (FAMS)	33%	37%
Financial aid vendors	100%	93%
Scholars or other graduate students	0%	7%
Practitioners from other offices on campus, outside of financial aid	33%	34%
n	6	41

Does (or will) your membership category for business partners, vendors, exhibitors, and/or sponsors allow those entities voting rights?⁹

	Regional Associations	State Associations
Yes	17%	46%
No	83%	49%
Not sure	0%	5%
n	6	37

What is the market share for each of your association's membership types¹⁰?

	Regional Associations Median	State Associations Median
Individual	- ¹¹	85% (n=24).

⁷ The response rate for this type of membership was too low to display.

⁸ This question was a "select all that apply," so percentages will not add up to 100%.

⁹ This question was only displayed to respondents who selected "Category that includes business partners, vendors, exhibitors, and/or sponsors" to the question "What types of membership does your association offer?"

¹⁰ This question asked for percentages, so answers over 100 are excluded from median calculations. Responses that included zero (0) were excluded.

¹¹ Only one region provided data, so the result is not displayed.

Institutional	73% (n=2)	85% ¹² (n=21)
Business partners, vendors, exhibitors, and/or sponsors	21% (n=3)	9% (n=32)
Scholars or Students	-	-
Other (Please specify.)	-	4% (n=4)

Do you have a formal membership recruitment plan?¹³

	Regional Associations	State Associations
Yes	0%	0%
No	67%	73%
In development	33%	23%
Not sure	0%	5%
n	6	40

Is membership growth part of your strategic plan?

	Regional Associations	State Associations
Yes	83%	68%
No	0%	18%
Not currently, but we are considering it	17%	15%
n	6	40

What other strategic priorities is your association currently focused on?¹⁴

	Regional Associations	State Associations
Training/Professional Development	100%	95%
Federal Advocacy	33%	43%
State Advocacy	33%	63%
Leadership Pipeline within the profession (individual aid offices)	33%	48%
Leadership Pipeline within the association volunteer base	83%	68%

¹² One value, entered as a decimal was interpreted as percentage.

¹³ The survey instrument had a follow-up question asking respondents to share their plan, but since no respondents indicated they had a formal membership recruitment plan, the follow-up question was not displayed.

¹⁴ This question was a "select all that apply," so percentages will not add up to 100%.

Community Development	50%	25%
None of the above	0%	0%
Other (Please specify)	17%	10%
n	6	40

What is your current total reserve balance (in dollars)?

	Minimum	Maximum	Mean	n
Regional Associations	\$201,516	\$1,081,050	\$645,920	6
State Associations	\$9,000	\$928,106	\$249,330	34

What is your target or minimum reserve level?

Which type of reserve level do you use?

Regional Associations

	Target Amount	Minimum Amount	We do not have one.	n
Fixed Dollar Amount	0%	25%	75%	4
Based on % of annual operating budget	0%	40%	60%	5
Other method	0%	0%	100%	2

State Associations

	Target Amount	Minimum Amount	We do not have one.	n
Fixed Dollar Amount	21%	25%	54%	28
Based on % of annual operating budget	17%	21%	62%	29
Other method	7%	0%	93%	15

What is that amount?

Fixed Dollar Amount

	Minimum	Maximum	Mean	n
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Regional Associations ¹⁵	-	-	-	1
State Associations Target Amount	\$20,000	\$1,000,000	\$336,667	6
State Associations Minimum Amount	\$10,000	\$500,00	\$154,428	7

Based on % of annual operating budget¹⁶

	Minimum	Maximum	Mean	n
Regional Associations ¹⁷ Target Amount	-	-	-	1
Regional Associations ¹⁸ Minimum Amount	-	-	-	1
State Associations Target Amount	\$75,000	\$600,000	\$243,000	4
State Associations Minimum Amount ¹⁹	-	-	-	-

How many months of operating expenses could your current reserves cover?

	Regional Associations	State Associations
Less than 6 months	0%	6%
6-11 months	33%	8%
12-18 months	17%	17%
More than 18 months	50%	69%
n	6	36

Do you believe your current reserve balance is:

	Regional Associations	State Associations
Too low	50%	17%
About right	0%	64%
Too high	50%	14%

¹⁵ There were not enough responses provided to display this information.

¹⁶ Some responses were entered as percentages and some as dollar amounts. Readers should use caution when interpreting these results.

¹⁷ There were not enough responses provided to display this information.

¹⁸ There were not enough responses provided to display this information.

¹⁹

Not sure	0%	6%
n	6	36

What challenges are you currently facing regarding financial planning or sustainability?

Regional Association Responses (n=4): Respondents described various financial challenges, with a common theme being reliance on reserve funds to cover operational shortfalls. One regional association reported needing to dip into reserves due to low current-year operating funds. Another noted chronic overspending on their annual conference, requiring regular reserve transfers. One respondent pointed out that their organization lacks a formal reserve policy or financial improvement plan, highlighting governance and planning gaps. While most responses reflected concern about sustainability, one association shared that it is proactively planning to invest reserves in ways that strengthen member value.

State Association Responses (n=25): Respondents described various financial planning and sustainability challenges, including operational, structural, and external factors. Key themes include:

- Budget Management and Reserve Use (n=6): Respondents described difficulty balancing yearly budgets, falling behind on audits, or operating at a deficit. Several are using reserves to meet expenses, or noted the need to manage excess balances more strategically.*
- Revenue Dependency and Diversification (n=5): Some associations reported a heavy reliance on single revenue sources — such as external funding or annual conferences — and noted the need to reassess dues, vendor fees, or overall revenue models to become more self-sustaining.*
- Conference-Related Uncertainty (n=6): Rising costs for food, venues, and other event logistics were cited, along with fluctuating vendor sponsorships. Respondents also noted variability in institutional support for travel, making conference attendance unpredictable and revenue planning difficult.*
- Membership and Dues Models (n=4): Several associations referenced changes to membership structures (e.g., institutional dues models) that affected income. One reported increased membership and attendance after restructuring dues. Others expect reduced revenue but hope to expand reach.*
- Governance and Financial Oversight (n=4): Some respondents mentioned challenges related to internal financial management, including the absence of formal budgets, the need for bookkeeping support, delayed audits, or the operational impact of inactive volunteer treasurers.*
- Technology and Investment Planning (n=3): Respondents discussed efforts to adopt association management systems (AMS) or reallocate funds into interest-bearing accounts (e.g., CDs or market-linked plans) to strengthen long-term financial positioning.*
- No Major Financial Challenges Reported (n=3): A few respondents indicated their association is currently in good financial health, citing stable reserves or effective cost management.*

Does your association have a formal reserve policy?

	Regional Associations	State Associations
Yes	67%	34%
No	17%	49%
In development	17%	17%

n	6	35
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What is the primary purpose of your association's fiscal reserves, and how is this documented in your financial policy?

	Regional Associations	State Associations
To ensure operational sustainability during financial downturns	83%	68%
To fund strategic initiatives or special projects	0%	9%
To cover unforeseen expenses or emergencies	17%	24%
Other (Please specify below.)	0%	0%
n	6	34

Analysis of submitted reserve policies:

Regional Associations (n=4): Most associations that submitted a reserve policy maintain a formal structure outlining the purpose, funding levels, and access protocols for reserve funds. Common purposes include covering contractual obligations, addressing budget shortfalls, and ensuring operational continuity. Reserve targets vary, with some associations specifying a minimum of 30% of the annual operating budget, while others aim to maintain two full years of expenses, typically based on a multi-year average. Two associations distinguished between restricted and unrestricted reserves, with restricted reserves typically invested in long-term instruments and requiring Executive Council approval for use. Investment guidelines across submissions emphasize separation from operating accounts, avoidance of uninsured balances, and quarterly review procedures involving the treasurer and finance committee. Approval processes generally involve the President and finance leadership, and some require Executive Board or Council action for specific transactions. One association included a liquidity policy aligned with its reserve targets, and another outlined how excess reserves may be used to reduce membership dues or event registration fees.

State Associations (n = 11): Among the 11 reserve policy submissions from state associations, most establish a reserve fund to protect against income shortfalls, unexpected expenses, or to fulfill contractual obligations. Common reserve targets include maintaining funds equal to a set percentage of the annual operating budget — most often 30% to 50% — or enough to cover one full year of operations or all outstanding contractual commitments. Several policies require the reserve fund to be maintained in a separate, interest-bearing account, with quarterly or annual review by the treasurer or board. Most associations limit use of the reserve to emergency situations or significant financial disruptions, often requiring Executive Board or Council approval, with some calling for a majority or unanimous vote. A few policies address what happens when reserve targets are exceeded or not met, and some link reserve practices to broader investment strategies or financial planning processes. While the core purpose of financial protection is consistent, the level of detail and formality varies across associations.

Does your association have a formal investment policy?

	Regional Associations	State Associations
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Yes	33%	31%
No	50%	51%
In development	17%	17%
n	6	35

Analysis of submitted investment policies:

Regional Associations (n=2): Both regional associations that submitted investment policies emphasized capital preservation, low-risk investments, and sufficient liquidity to meet operational and contingency needs. Each policy outlines the purpose of investment funds and assigns oversight responsibilities to financial officers and finance committees. Investment vehicles typically include FDIC-insured accounts, certificates of deposit, and conservative mutual or bond funds. Both associations require regular review of investment performance — at least annually or semi-annually — with updates or changes subject to executive board or council approval. One association included detailed allocation targets for operating, short-term, and long-term investment accounts, as well as procedures for working with outside investment advisors. The other adopted a more streamlined policy focused on general principles and internal monitoring, without formal allocation percentages or external advisory relationships.

State Associations (n=8): All eight state associations with submitted investment policies emphasized prudent financial stewardship through conservative investment practices. Most policies define the purpose of the investment strategy as twofold: to preserve capital and to generate reasonable returns. Common investment instruments include FDIC-insured checking and savings accounts, money market accounts, certificates of deposit (CDs), U.S. Treasury securities, and investment-grade corporate bonds. Several policies establish oversight by a finance or budget committee and require review and approval from the executive board before funds can be invested or reallocated. A few policies detail target allocations between conservative and moderately aggressive investments, with some recommending a 50/50 split or defining asset class limits by percentage. Some associations use external investment advisors and perform formal semiannual or annual performance reviews. Policies also include provisions for maintaining staggered maturities to ensure liquidity and for holding investments separately from operating accounts. While some are highly structured with defined allocation ranges and formal reporting processes, others offer broader principles with minimal procedural detail.

Where are your reserves currently held?²⁰

	Regional Associations	State Associations
Checking or standard savings account	67%	57%
Money market account	33%	43%
CDs or short-term investments	33%	46%
Long-term investment accounts (e.g., mutual funds, equities)	83%	49%
Our association does not currently have any reserves.	0%	3%

²⁰ This question as a select all that apply, so percentages will not add up to 100%.

Other (please specify):	0%	3%
n	6	35

Do you reinvest interest/investment income into operations or treat it as reserve growth?

	Regional Associations	State Associations
Reinvest in operations	17%	6%
Reserve growth only	33%	29%
Mix of reinvest and reserve, as a policy, and not dependent on annual budget needs.	0%	3%
Depends on annual budget needs	33%	46%
Not applicable	17%	17%
n	6	35

Which of the following are sources of revenue for your association?²¹

	Regional Associations	State Associations
Annual conference	100%	86%
Membership dues	100%	100%
Summer Institute/boot camps	83%	23%
Exhibitors and sponsorships	100%	91%
Webinars or online training	33%	17%
Merchandise or branded items	17%	17%
Other events (Please describe below.)	0%	11%
Other sources (Please describe below.)	0%	6%
n	6	35

Other, open-ended comments: Six responses from state associations selected "Other" for either events or sources, and four provided open-ended comments. Three comments referenced trainings held during fall and winter, and one referenced a scholarship raffle.

Has your association added new revenue-generating activities in the last 3 years?

	Regional Associations	State Associations
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²¹ This question was a "select all that apply," so percentages will not add up to 100%.

Yes	33%	23%
No	67%	77%
n	6	35

Please use the space below to name and describe the new revenue-generating products, services, or activities your association has added within the last 3 years.²²

Regional Associations (n=2): Two respondents shared examples of technology-focused initiatives. One provides AV rental and a technology app available to states for a fee. Another offered virtual programming, including FAAC® prep workshops and a week-long technology-focused series held in June 2025.

State Associations (n=7): Respondents described a variety of new revenue-generating activities introduced within the past three years. These include merchandise sales, events, sponsorships, and workshops. Key themes include:

- Branded Merchandise Sales (n=3): Three associations reported launching sales of branded merchandise, such as apparel or other items. One noted these items were initially offered at cost but are expected to include a markup in the future.*
- Expanded or New Workshops/Institutes (n=3): New training programs, including summer institutes, regional workshops, and FAAC® prep workshops, were introduced as revenue generators. These events typically included paid registration.*
- Vendor and Sponsorship Enhancements (n=3): Associations added or expanded sponsorship opportunities, including vendor-sponsored sessions, webinars, and new sponsorship tiers. One also introduced virtual exhibitor engagement options.*
- Raffles or Fundraising Activities (n=1): One association mentioned implementing a raffle, with proceeds designated for scholarships.*

Does your association have a standing committee focused on financial growth or sponsorship?

	Regional Associations	State Associations
Yes	67%	46%
No	33%	40%
In development	0%	14%
n	6	35

Do you contract with a bookkeeper or outside accountant for your finances?

	Regional Associations	State Associations
Yes – Part-time/Project-based	17%	23%
Yes – Full-time	0%	6%

²² This question was only displayed to respondents who selected “Yes” to the question Has your association added new revenue-generating activities in the last 3 years?

No – Managed internally	83%	66%
Considering it	0%	6%
n	6	35

Does your board regularly review financial statements?

	Regional Associations	State Associations
Monthly	33%	31%
Quarterly	67%	43%
Only at annual meetings	0%	20%
Not regularly	0%	6%
n	6	35

Do you conduct an annual financial audit or review?

	Regional Associations	State Associations
Full audit	33%	40%
Financial review/compilation	50%	37%
No formal review	0%	20%
Other (Please describe below.)	17%	3%
n	6	35

What advice would you offer to peer associations working on financial strategy and long-term planning?

Regional Associations (n=2): Respondents emphasized the value of learning from peers and implementing structured financial policies. One is actively engaging in a task force to explore best practices. The other recommendation is establishing a formal reserve policy covering at least one year of expenses and a tiered investment strategy to balance liquidity and growth. They also advised linking financial decisions to annual goals, requiring justification for using investment income, and conducting regular financial reviews to promote transparency and alignment with strategic priorities.

State Associations (n=12): Respondents offered a range of advice based on their experience with financial strategy, planning, and governance. The responses focused on foundational practices, strategic alignment, and practical implementation. Key themes include:

- *Establish or Strengthen Financial Governance Structures (n=4): Respondents emphasized the importance of foundational financial practices such as developing a finance committee,*

establishing a formal budget, completing audits, opening reserve accounts, and creating or updating financial and investment policies.

- *Develop a Long-Term Financial Plan (n=4):* Several responses stressed the value of moving beyond year-to-year budgeting and creating multi-year financial plans. Some shared examples of initiating institutional membership models, reviewing pricing structures, or aligning financial planning with future goals.
- *Align Financial Strategy with Mission and Strategic Priorities (n=3):* A few respondents advised beginning with the association's mission and building a financial plan that supports its core functions and values. Others suggested ensuring that budgets reflect strategic objectives and spending priorities.
- *Start Small and Build Over Time (n=3):* Some advised that associations begin with small, manageable steps toward financial planning, acknowledging that the process can take time and require sustained effort across leadership transitions.
- *Leverage Reserves Thoughtfully (n=2):* Respondents highlighted how having healthy reserves allowed their associations to offer low-cost events or remain flexible during the pandemic. Strategic reserve use was framed as a way to support member needs and weather economic uncertainty.
- *Ensure Continuity and Access to Financial Records (n=1):* One response noted the importance of maintaining access to historical financial and membership data to support long-term planning.
- *Engage Stakeholders in the Process (n=1):* One respondent emphasized that financial strategy should be developed with broad stakeholder input and that expectations (e.g., revenue goals) should be reflected in the annual budget to promote accountability and alignment.

Would you be willing to share copies of any financial or investment policies with other associations, if requested?

	Regional Associations	State Associations
Yes – Please contact me	60%	22%
No	20%	28%
Maybe, depending on the request	20%	50%
n	5	32

APPENDIX A - METHODOLOGY

NASFAA's Research Department surveyed state and regional financial aid associations to gather information on financial practices, governance structures, challenges, and promising strategies. The survey instrument was developed with the Midwest Association of Student Financial Aid Administrators (MASFAA) and distributed via a volunteer listserv used by state and regional association leadership.

The survey launched in June 2025 and remained open through July 11, 2025. Completed responses were received from all six regional associations (100%).

When the survey was closed, 26 partial responses were received. When cleaning the data, only completed responses were retained in the case of duplicates. The most complete response was retained if duplicate responses were received and neither was complete. Six partial state association responses were retained, for 41 out of 50 state associations submitting a partial or complete response (82%).

This report presents findings from regional and state associations separately due to meaningful organizational structure, scope, and resource differences.

Portions of the executive summary, policy review, and open-ended comment analysis were developed with assistance from OpenAI's ChatGPT. No personally identifiable or proprietary information was shared or uploaded during this process.

APPENDIX B - RESPONDENT DEMOGRAPHICS

Response rate by State Association, Grouped by Regional Association Location²³

Eastern Association - EASFAA	83%
Midwest Association - MASFAA	78%
Rocky Mountain Association - RMASFAA	63%
Southern Association - SASFAA	89%
Southwest Association - SWASFAA	100%
Western Association - WASFAA	75%

²³ All six regional association submitted a survey response.