

Continued Impact of Workforce Reductions and Potential Closure of the Department of Education on Financial Aid Offices

Findings from a July 2025 National Survey of Financial Aid Professionals

EXECUTIVE SUMMARY

In July 2025, NASFAA conducted a second national survey of financial aid administrators to assess how the March 2025 reduction in force (RIF) at the U.S. Department of Education (ED) and Office of Federal Student Aid (FSA) — along with broader efforts to dismantle ED — are continuing to affect institutional operations, staffing, and students' access to federal financial aid. The survey collected responses from financial aid practitioners at over 500 institutions across all sectors of U.S. higher education, building on the findings of NASFAA's [first post-RIF survey conducted in May](#).

Institutions report that conditions have not improved. A higher percentage now cite delays, federal systems breakdowns, and a lack of clear federal communication. Most critically, these challenges are no longer limited to administrative burdens — they are increasingly visible to students. Institutions report a rise in student confusion, inquiry volumes, and frustration with aid delivery processes that rely heavily on functioning federal systems and clear guidance.

Financial aid administrators are clear: while their offices remain committed to supporting students, continued disruption to ED and the FSA infrastructure is reducing their ability to do so. Unless federal service channels stabilize, the aid system risks becoming less accessible, less predictable, and less trusted by the very students it is intended to serve.

Please note: While both the May and July 2025 surveys were distributed to NASFAA member institutions, the individual respondents are not necessarily the same across both surveys. Results should be interpreted as reflective of general trends within the community rather than a one-to-one longitudinal comparison. Where possible, data below is presented for both the May and July 2025 surveys.

KEY FINDINGS

- **Institutional concern remains focused on student impact:** In both the May and July surveys, 48% of institutions ranked “impacts on students’ access to federal student aid” as their top concern, far ahead of compliance or administrative issues. Student-facing risks remain the dominant institutional worry.
- **Federal support channels for students are breaking down:** 53% of institutions reported issues with federal call centers; 47% cited problems with the National Student Loan Data System (NSLDS); and 36% flagged disruptions with student loan servicing. These failures affect students’ ability to get accurate information or resolve aid issues in real time.
- **Student confusion and concern are growing:** 51% of institutions said students are reporting receiving confusing or delayed information from ED or FSA. One-third of institutions reported that students have directly expressed concern or frustration, especially related to FAFSA processing and aid eligibility.

- **Student inquiries to aid offices have increased, but the cause is unclear:** 60% of institutions reported increased student questions specifically related to federal financial aid access, timing, or service issues. Over one-quarter of institutions have received more than 25 such inquiries since May. This is in addition to typical inquiries or concerns related to ED/FSA services. While inquiry volume often increases during the summer, the timing may also reflect growing student awareness of federal changes, including recent legislation and reports of ED-related disruptions. Institutions did not always indicate whether inquiries were directly tied to the RIF, but several noted student confusion about FAFSA processing and federal aid systems.
- **Aid office support structures remain weakened:** 43% of institutions confirmed that their FSA regional office has closed, and 39% said there are now gaps in support that those offices used to fill. Many institutions said they no longer know who to contact at FSA for routine issues.
- **Staffing and workload pressures continue to rise.** Nearly one-quarter of institutions reported deferring tasks or redistributing responsibilities due to the RIF. With fewer federal staff available to resolve issues, institutional staff have had to take on added troubleshooting, repeated follow-up, and administrative workarounds, taking time away from direct service to students.
- **Processing delays are persistent and widespread:** 72% of institutions reported noticeable delays or changes in FSA responsiveness since the RIF. Among institutions that submitted an E-App (the application institutions must submit to ED to participate in federal student aid programs), 63% said it had not been processed by the time of the July survey, months after submission.

CHANGES OVER TIME

Compared to NASFAA's May 2025 survey, responses from the July follow-up suggest that institutional challenges have not subsided, and student-facing impacts may be becoming more pronounced.

- The percentage of institutions reporting disruptions to communication, responsiveness, or processing timelines rose from 59% in May to 72% in July.
- Institutions citing disruptions to FAFSA/ISIR systems remained constant at 31% in May to 32% in July.
- The share of institutions reporting student confusion or concern rose from 32% in May to 51% in July.
- Reports of increased student inquiries related to ED/FSA services rose from 45% in May to 60% in July.

These trends suggest that downstream effects on students may be worsening, while institutional operations remain strained. By July, more institutions reported direct evidence of disruptions affecting students' ability to navigate the aid process; however, not all respondents specified whether these impacts were directly attributable to the RIF or other concurrent federal changes.

SURVEY RESPONSES

Since May 1, 2025, has your institution experienced noticeable changes in FSA responsiveness, communication, or processing timelines compared to before the March 2025 RIF?¹

	May 2025	July 2025
Yes	59%	72%
No	27%	23%
Unsure/I don't know	14%	5%
n	904	547

Since May 1, 2025, has your institution encountered new or increased service delays in any of the following areas compared to before the March 2025 RIF?²

(Select all that apply.)

	May 2025	July 2025
FAFSA/ISIR processing that has taken place since May 1, 2025 ³	31%	32%
Common Origination and Disbursement (COD) processing	22%	23%
Electronic Application to Participate in the Federal Student Aid Programs (e-App) processing	32%	49%
Other (Please specify below.)	14%	20%
No delays encountered	25%	22%
Unsure/I don't know	12%	5%
n	894	543

Open-Ended Response Analysis: Additional Service Delays

The total number of valid comments analyzed was 106. Comments fell into the following thematic categories:

- **FSA Partner Connect access issues (34 responses):** Institutions most frequently cited login problems, system errors, and access disruptions related to the FSA Partner Connect portal. These issues often interfered with critical functions like ECAR updates, role assignments, and submission tracking.
- **Customer service delays (24 responses):** Many respondents described long wait times, reduced support hours, and slow or incomplete responses from help channels such as AskAFed, the School Relations Center, and partner support lines.
- **NSLDS or ISIR data issues (9 responses):** Institutions noted delays or errors in ISIR delivery or content, including incorrect NSLDS data, reprocessing delays, and problems affecting SAI calculations.

¹ In our May 2025 survey this question was asked as “Since the reduction in force (RIF) in mid-March 2025, has your institution experienced noticeable changes in FSA responsiveness, communication, or processing timelines?”

² In our May 2025 survey this question was asked as “Since the reduction in force (RIF) in mid-March 2025, has your institution encountered new or increased service delays in any of the following areas?”

³ In our May 2025 survey this answer choice was “FAFSA/ISIR processing that has taken place since April 28, 2025.”

- **E-App or PPA processing delays (8 responses):** Several comments highlighted ongoing delays in recertification processing, ECAR changes, and other PPA-related submissions — some pending since early 2024.
- **FAFSA processing or system issues (4 responses):** A few institutions flagged issues with FAFSA-related systems, including problems with the verification process, submission tracking, and disruptions on studentaid.gov.
- **Staff access problems (2 responses):** Respondents cited difficulty assigning or restoring system access for staff, especially for Destination Point Administrator (DPA) and Primary DPA (PDPA) accounts, as well as configuring required access permissions in the Student Aid Internet Gateway (SAIG) system that allows institutions to send and receive federal student aid data.
- **Other federal program support issues (2 responses):** Isolated challenges were reported in administering specific Title IV programs, such as FSEOG, FWS, or prison education programming.
- **Other/Uncategorized (24 responses):** A range of institution-specific or less commonly mentioned issues that did not fit cleanly into major themes. These included isolated processing challenges or unique technical problems.

Has your institution submitted a new or updated E-App⁴:

	Yes		No		Unsure / I don't know		n	
	May 2025	July 2025	May 2025	July 2025	May 2025	July 2025	May 2025	July 2025
Prior to March 2025?	57%	57%	31%	41%	12%	2%	864	494
During or since March 2025?	22%	47%	65%	50%	12%	2%	790	426

Has your E-App been processed since May 1, 2025?

Yes	35%
No	63%
Unsure/I don't know	2%
n	382

How long did it take to be processed?

Less than 30 days	15%
30 to 90 days	34%
3 to 6 months	20%
6 to 12 months	24%
More than 12 months	7%
n	131

⁴ While this question was asked the same across both surveys, the individual respondents are not necessarily the same across both surveys, which may account for the differences from the May to July 2025 surveys.

What delays or issues, if any, has your institution experienced related to your E-App submission?
(Select all that apply.)

	May 2025	July 2025
Longer than usual processing timeline	49%	64%
No response to inquiries about processing status	25%	34%
Uncertainty about who to contact about the status of my E-App submission	42%	43%
Unclear or conflicting information about the status of my E-App submission	24%	26%
Other (Please specify below.)	11%	12%
No delays experienced	26%	13%
Unsure/I don't know	7%	2%
n	561	378

Open-Ended Response Analysis: E-App Submission Delays⁵

The total number of valid comments analyzed was 46. Comments fell into the following thematic categories:

- **System access or technical submission issues (10 responses):** Institutions described difficulties with FSA Partner Connect, including submission errors, portal access problems, and changes to administrator roles within the system that affected their ability to complete the E-App.
- **Reviewer or reassignment-specific frustrations (9 responses):** Some institutions noted that their E-App process stalled or became more difficult after being reassigned to a different federal reviewer, with inconsistent expectations or stricter scrutiny.
- **Unexpected or new documentation requests (6 responses):** Several comments noted that previously unrequired documents were now being requested during the submission process without a clear explanation or advance notice.
- **No acknowledgement of receipt or confirmation (5 responses):** A few institutions expressed concern that they had received no confirmation after submitting their E-App and had to follow up independently to verify receipt.
- **Role or contact information update problems (4 responses):** Respondents reported challenges updating school officials or Primary Destination Point Administrator (PDPA) information within their applications or in FSA systems.
- **Perceived improvement post-reorganization (3 responses):** A few institutions stated that processing timelines had improved or that the reorganization had brought quicker results than prior submissions.
- **TEACH Grant-specific issues (2 responses):** A few institutions cited difficulties specifically applying for or modifying TEACH Grant program eligibility.

⁵Twenty open-ended responses originally submitted under “Other” were recoded into existing answer categories (e.g., longer processing timelines, lack of response) based on content. The remaining “Other” responses reflect issues not covered by the structured options. Percentages are based on 379 respondents who answered this question.

- **Other institution-specific complexities (7 responses):** These included niche comments that did not align with broader trends, such as changes in ownership, conflicting instructions on rare use cases, or interaction with state regulations.

Since May 1, 2025, has your institution experienced any gaps in support that you would typically receive from⁶:

	Yes		No		Unsure / I don't know		n	
	May 2025	July 2025	May 2025	July 2025	May 2025	July 2025	May 2025	July 2025
FSA's regional offices (even if your assigned office remains open)	33%	37%	39%	43%	28%	19%	809	469
ED or FSA, other than support you would typically receive from FSA's regional offices	33%	39%	38%	41%	29%	20%	790	445

What specific challenges, if any, has your institution encountered that FSA's regional offices or another contact outside of the regional offices would typically address?

The total number of valid comments analyzed was 174. Note: Some comments referenced multiple issues and were therefore counted in more than one thematic category. As a result, the sum of individual category counts exceeds the total number of open-ended responses. Comments fell into the following thematic categories:

- **Access and processing challenges with E-App and partner systems (N=125):** Respondents described recurring issues accessing, submitting, or updating their E-App through FSA Partner Connect. Many cited ongoing system outages, inability to add users or correct contact info, and disruptions due to login or authentication failures. These technical delays hindered institutions' ability to make time-sensitive updates.
- **Loss of timely, knowledgeable support channels (N=33):** Institutions noted the loss of experienced federal contacts, such as those in regional offices, who previously helped resolve regulatory questions and case-specific concerns. Current centralized support mechanisms were often described as slow, vague, or lacking subject-matter knowledge.
- **Delays in new program and certificate approval (N=11):** Several institutions reported waiting months for approval of new academic programs or certificates needed for Title IV eligibility. These delays interfered with planned program launches and left eligible students without access to federal aid.
- **Incomplete or absent follow-up on escalated issues (N=1):** At least one respondent indicated that once a question or issue was escalated within FSA, they never received any resolution or further response, leaving them unable to proceed.
- **Lack of status updates on key submissions (N=1):** Institutions expressed concern that they were unable to determine the progress of pending submissions, such as PPA recertifications or E-App updates. This absence of feedback created uncertainty for compliance planning.
- **Loss of regional office support for complex needs (N=1):** A few institutions highlighted the closure of regional offices as a loss of critical support for interpreting policy changes, ensuring compliance, and accessing case-specific assistance. These offices had previously played a pivotal role in answering nuanced questions.

⁶ In May 2025 this question was asked as "Since March 2025, has your institution experienced any gaps in support that you would typically receive from".

- **System access and authorization issues (N=1):** Some institutions flagged technical challenges with restoring or granting access to federal systems like NSLDS or COD for new or existing staff. These access issues led to workflow disruptions and delayed submissions.
- **Confusing or inconsistent federal communications (N=1):** A respondent described recent federal announcements and guidance as misleading or poorly structured, creating additional confusion around new regulations and updates.

Have you sent correspondence to FSA's email inbox caseteams@ed.gov since May 1, 2025?

Yes	34%
No	62%
Unsure/don't know	4%
n	498

Have you received a response from caseteams@ed.gov?

Yes	51%
No	46%
Unsure/don't know	3%
n	171

How long did it take to receive a response from caseteams@ed.gov? Do not consider an auto-reply or message saying your email was received as a response.

Less than 48 hours	20%
2-7 days	22%
1 to 2 weeks	18%
2 to 4 weeks	10%
More than 30 days	30%
n	148

Since May 1, 2025, has your institution observed any disruptions that directly affect students' access to or continuation of federal financial aid or services ED or FSA provides?⁷

May 2025

⁷ In May 2025 this question was asked as "Since March 2025, has your institution observed any disruptions that directly affect students' access to or continuation of federal financial aid or services ED or FSA provides?"

	Unique Institutions			
	Yes	No	Unsure / Don't Know	n
FSA Call Centers (e.g., Federal Student Aid Information Center (FSAIC), Loan Discharge and Forgiveness Customer Support)	58%	24%	19%	753
Borrower defense to repayment applications	17%	31%	52%	729
FSA ombudsman office	10%	31%	59%	723
PSLF applications or recertification	32%	22%	47%	722
School's ability to draw down funds	11%	72%	17%	726
NSLDS issues	46%	41%	13%	736
Delays in or lack of communications to students (emails, website updates, etc.) from ED/FSA, resulting in student confusion or misinformation	47%	26%	26%	747
Student loan servicing issues	42%	24%	34%	735

July 2025

	Yes	No	Unsure / I don't know	n
FSA Call Centers (e.g., Federal Student Aid Information Center (FSAIC), Loan Discharge and Forgiveness Customer Support)	53%	31%	16%	445
Borrower defense to repayment applications	7%	52%	41%	415
FSA ombudsman office	7%	55%	38%	419
PSLF applications or recertification	21%	40%	39%	422
School's ability to draw down funds	8%	80%	12%	424
NSLDS issues	47%	43%	11%	443
Delays in or lack of communications to students (emails, website updates, etc.) from ED/FSA, resulting in student confusion or misinformation	51%	33%	17%	438
Student loan servicing issues	36%	41%	24%	434

Since May 1, 2025, approximately how many inquiries or concerns related to students' access to or continuation of federal financial aid or services ED or FSA provides has your office received from students?⁸

	May 2025	July 2025
Fewer than 10	37%	39%
10-25	27%	24%
26-50	10%	13%
More than 50	10%	13%
Unsure/I don't know	16%	12%

⁸ In May 2025 this question was asked as "Over the past 30 days, approximately how many inquiries or concerns related to students' access to or continuation of federal financial aid or services ED or FSA provides has your office received from students?"

n	763	471
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Compared to typical inquiries or concerns related to ED/FSA services, is the number of inquiries you’ve received since May 1, 2025⁹:

	May 2025	July 2025
Less than usual	4%	5%
About the same as usual	33%	31%
Somewhat more than usual	30%	32%
Significantly more than usual	30%	25%
Unsure/I don’t know	3%	8%
n	641	469

Have your students expressed confusion, concern, or frustration related to access to federal financial aid, changes in aid processing or communication of federal financial aid, or student-facing ED services (e.g., BDR, PSLF, ED ombudsman, IDR applications) as it relates to the RIF and/or the potential closure of ED?

A total of 239 valid open-ended comments were analyzed. Because some respondents described more than one issue in their response, the thematic counts presented below reflect instances of each theme and may exceed the total number of comments.

- **Increased student inquiries or confusion directed at the financial aid office (N=69):** Many institutions reported being inundated with student questions or concerns, often related to processing delays, application status, or lack of information from federal sources.
- **Confusion or delays related to FAFSA submission or corrections (N=46):** Respondents frequently cited students struggling with the FAFSA, including problems submitting or correcting applications, or unclear guidance on required actions.
- **Confusion or delays in student loan forgiveness or repayment (N=43):** Institutions reported student confusion about the status or eligibility for programs like Public Service Loan Forgiveness (PSLF), borrower defense to repayment, or IDR forgiveness.
- **Long wait times or poor support from ED helplines (N=28):** Several respondents noted that students were experiencing long hold times, unhelpful support, or inconsistent information when calling federal aid hotlines.
- **Misinformation or inconsistent guidance from ED/FSA (N=26):** Institutions cited student confusion stemming from conflicting or unclear information issued by ED or FSA, including messaging on federal websites or from support representatives.
- **Access issues with federal systems (e.g., studentaid.gov, login problems) (N=20):** Several comments described technical problems students faced when accessing federal systems, such as login issues or system errors.
- **Delays or problems with verification (N=5):** A smaller group of comments referenced problems with verification processes, such as delays in confirming student identity or documentation requirements.

⁹ In May 2025 this question was asked as “Compared to typical inquiries or concerns related to ED/FSA services, is the number of inquiries you’ve received in the past 30 days”.

- **Concerns about ISIRs or missing student records (N=5):** Some institutions reported students not appearing in ISIR records or delays in generated or delivered records.

From your perspective, what level of concern, if any, exists about the following topics?

The reduction in force (RIF) at ED and FSA.

May 2025

	Very Concerned	Somewhat Concerned	Not Concerned	Not aware of RIF	Unsure / Don't Know	n
At your institution	36%	51%	9%	1%	3%	728
In your financial aid office	56%	36%	8%	0%	0%	725
For you personally	59%	31%	10%	0%	1%	754

July 2025

	Very concerned	Somewhat concerned	Not concerned	Not aware of the RIF	Unsure / I don't know	n
At your institution	37%	48%	10%	1%	4%	446
In your financial aid office	63%	28%	8%	1%	1%	446
For you personally	63%	24%	12%	0%	1%	446

From your perspective, what level of concern, if any, exists about the following topics?

The potential closure of ED.

May 2025

	Very Concerned	Somewhat Concerned	Not Concerned	Not aware of RIF	Unsure / Don't Know	n
At your institution	63%	28%	5%	0%	3%	726
In your financial aid office	71%	23%	5%	0%	0%	723
For you personally	70%	21%	9%	0%	0%	722

July 2025

	Very concerned	Somewhat concerned	Not concerned	Not aware of the RIF	Unsure / I don't know	n
At your institution	57%	33%	7%	0%	3%	446
In your financial aid office	73%	20%	6%	0%	1%	445

For you personally	68%	21%	9%	0%	1%	446
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Please rank your institution's or financial aid office's concerns about the RIF.

Items ranked #1 were of the greatest concern, and items ranked #11 were of the least concern.

(n=423)

	1	2	3	4	5	6	7	8	9	10	11
Impacts on students' access to federal student aid	49%	11%	10%	5%	4%	7%	5%	4%	4%	0%	0%
Processing delays or service interruptions	13%	26%	17%	11%	10%	8%	5%	5%	4%	0%	0%
Loss of systems support (e.g., COD, G5)	5%	11%	20%	17%	16%	10%	7%	9%	5%	0%	0%
Data integrity issues (e.g. NSLDS, ISIRs)	8%	15%	14%	15%	12%	9%	10%	7%	8%	1%	0%
Inaccurate communications	4%	3%	6%	10%	11%	16%	16%	15%	16%	1%	0%
Communications delays (e.g, Electronic Announcements, updates to websites)	2%	7%	6%	11%	13%	14%	18%	17%	10%	1%	0%
Unclear points of contact	4%	4%	6%	9%	10%	10%	12%	18%	26%	1%	0%
Other (Please specify below.)	3%	0%	0%	1%	0%	0%	0%	0%	0%	90%	4%
Unsure/I don't know	1%	1%	0%	0%	0%	0%	0%	0%	0%	3%	95%
Loss of institutional support (e.g., regional offices, training) ¹⁰	6%	10%	11%	11%	11%	13%	12%	13%	12%	0%	0%
Impacts on students' ability to engage with ED/FSA ¹¹	4%	11%	9%	11%	11%	13%	14%	12%	13%	1%	0%
n	420	420	420	420	420	420	420	420	420	420	420

Open-Ended Response Analysis: Additional Concerns Related to the March 2025 RIF

A total of 36 valid open-ended comments were analyzed. Because some respondents described more than one issue in their response, the thematic counts presented below reflect instances of each theme and may exceed the total number of comments.

- **Delays and disruptions in core processing systems (N=10):** Respondents expressed concern about delayed updates to systems such as the E-App, FAFSA processing, and PPA recertifications. Some institutions noted unresolved issues from prior cycles, compounding current challenges.
- **Loss of experienced or specialized federal staff (N=6):** Several comments referenced the departure of knowledgeable professionals, particularly those with expertise in under-resourced schools, program reviews, or specialized support roles.

¹⁰ This answer choice was not among the highest ranked.

¹¹ This answer choice was not among the highest ranked.

- **Erosion of trust in federal oversight and institutions (N=6):** Respondents voiced concerns about a loss of confidence in the Department of Education and broader federal systems, including skepticism about future improvements or reform.
- **Student-level impacts (N=5):** A smaller set of responses focused on how RIF-related disruptions could directly affect students, such as confusion over aid eligibility, FAFSA errors, or systemic barriers to receiving aid.
- **General administrative burden and uncertainty (N=4):** Institutions noted increased strain on aid offices due to unclear timelines, shifting responsibilities, or gaps in training and communication.
- **Job security and political climate concerns (N=2):** A few respondents highlighted anxiety around job stability and scrutiny over institutional priorities like DEI.
- **Minimal or no concern expressed (N=4):** A minority of comments indicated no concerns or minimized the perceived impact of the RIF.

Please rank your institution's or financial aid office's significant concerns about a potential closure of ED.

Items ranked #1 were of the greatest concern, and items ranked #12 were of the least concern.

(n=420)

	1	2	3	4	5	6	7	8	9	10	11	12
Disruption of student aid delivery	46%	17%	9%	5%	6%	5%	5%	4%	2%	2%	0%	0%
Policy uncertainty or lack of guidance	12%	20%	18%	13%	12%	8%	6%	3%	5%	3%	0%	0%
Potentially having to deal with multiple federal agencies instead of just ED	9%	10%	12%	14%	15%	11%	9%	9%	6%	5%	0%	0%
Data integrity issues	5%	8%	13%	12%	11%	13%	10%	9%	11%	7%	0%	0%
Data privacy issues	2%	4%	6%	11%	7%	9%	15%	14%	16%	15%	0%	0%
Elimination or transfer of compliance oversight	3%	7%	8%	10%	10%	12%	14%	17%	11%	9%	0%	0%
Loss of institutional memory	2%	3%	2%	4%	8%	8%	10%	13%	18%	31%	1%	0%
Other (Please specify below.)	2%	0%	0%	1%	0%	0%	0%	0%	0%	0%	94%	3%
Unsure/I don't know	1%	1%	0%	0%	0%	0%	0%	0%	0%	0%	2%	96%
Student confusion or misinformation ¹²	8%	15%	14%	10%	9%	10%	9%	9%	9%	5%	0%	0%
Loss of access to institutional support ¹³	5%	7%	9%	13%	12%	12%	12%	12%	11%	8%	0%	0%
Disruption of students' ability to engage with a new agency that replaces ED ¹⁴	4%	9%	8%	7%	10%	12%	11%	11%	12%	16%	1%	0%
n	417	417	417	417	417	417	417	417	417	417	417	417

Open-Ended Response Analysis: Additional Concerns Related to a Potential Closure of ED

¹² This answer choice was not among the highest ranked.

¹³ This answer choice was not among the highest ranked.

¹⁴ This answer choice was not among the highest ranked.

A total of 23 valid open-ended comments were analyzed. Because some respondents described more than one issue in their response, the thematic counts presented below reflect instances of each theme and may exceed the total number of comments.

- **Difficulty ranking due to concern across all areas (N=7):** Several respondents noted they found it difficult or impossible to prioritize concerns because they were equally important or interrelated.
- **Distrust or criticism of ED or the federal system (N=4):** Comments referenced lack of trust in the Department of Education, dissatisfaction with federal oversight, or a preference for state control.
- **Concern about transfer of responsibilities to unfamiliar or unproven agencies (N=3):** Respondents expressed concern that ED's closure could result in program oversight being transferred to entities without sufficient experience in financial aid administration.
- **Loss of funding or financial stability (N=2):** Some respondents cited loss of federal funding or institutional financial impact as a key concern.
- **Loss of enrollment due to student fear or confusion (N=1):** One respondent highlighted concern that uncertainty or fear stemming from ED's closure could reduce enrollment.
- **Increased administrative burden (N=1):** One respondent worried about increased institutional responsibilities if federal support structures disappear.
- **Inconsistent or unclear regulations and guidance (N=1):** A comment noted concern about the potential for regulatory inconsistency without ED oversight.

METHODOLOGY

In July 2025, NASFAA distributed a brief online survey to 3,020 financial aid professionals from NASFAA member institutions to understand how recent changes at the U.S. Department of Education (ED) and the Office of Federal Student Aid (FSA) affect financial aid operations.

The survey was open from July 21 to August 4 and took approximately 10 minutes to complete. Questions included a mix of multiple-choice, checkbox, open-ended, and drag-and-drop ranking formats. Display logic ensured that participants only answered questions relevant to their institutional context. Once the survey closed, all blank responses were removed.

The survey closed with 549 responses answering at least one question, resulting in an 18% response rate.

NASFAA invited one institutional contact from each member institution to participate:

- Primary Contacts (PCONs), typically the financial aid director, or
- Survey Contacts (SCONs), who the institution designates
- System Office Heads and DCONs (who represent individual campuses within a system) were invited when an institution was within a system or had multiple campuses.

Open AI was used in the initial development of this report.

Demographics

Region ¹⁵	NASFAA Member Institutions	Survey Sample	Survey Respondents
EASFAA	23%	23%	26%
MASFAA	22%	21%	19%
SASFAA	19%	20%	17%
WASFAA	17%	17%	17%
SWASFAA	11%	11%	12%
RMASFAA	7%	7%	9%
<i>n</i>	2,784	3,012	549

Sector	NASFAA Member Institutions	Survey Sample	Survey Respondents
Nonprofit	38%	35%	36%
Community College	31%	31%	31%
Public 4-Year	19%	20%	23%
For-Profit	8%	11%	6%

¹⁵ More informatoin on Regions and their definition may be found on NASFAA’s website: https://www.nasfaa.org/Local_Association_Services.

Graduate/Professional	4%	4%	4%
<i>n</i>	2,784	3,020	549

IPEDS Full-Time Equivalent (FTE) Range	NASFAA Member Institutions	Survey Sample	Survey Respondents
Under 1000	29%	27%	23%
1000-4999	47%	42%	47%
5000-9999	12%	12%	12%
10000-19999	7%	9%	5%
20000 and above	5%	10%	12%
<i>n</i>	2,784	4,993	1,045