

NASFAA's "Off The Cuff" – Episode 77 Transcript

Justin Draeger: Hey everyone. Welcome to another edition of "Off the Cuff." I'm Justin Draeger.

Allie Bidwell: I'm Allie Bidwell, one of our *Today's News* reporters.

Megan Coval: I'm Megan Coval with NASFAA's policy team.

Justin Draeger: And we have guests joining us today. Allie you wanna catch us up here?

Allie Bidwell: Sure. Today, we have Rachel Fishman from New America and Laura Keane from uAspire and they're going to be talking about the recent research that they put out on financial aid award letters.

Justin Draeger: Welcome.

Laura Keane: Hi, it's great to be here.

Rachel Fishman: Happy to be here.

Justin Draeger: Yeah, thank you. On a ... like 10 being you never miss an episode and one being, "I've never heard of this podcast," where are you on this scale?

Rachel Fishman: I'm like at a two sorry.

Laura Keane: Likely at a two or a three.

Justin Draeger: Oh, well I appreciate your honesty. So thank you. Just to catch you up on the podcast, we've been doing this for like what?

Allie Bidwell: Almost two years.

Justin Draeger: Yeah, almost two years. Let me just ask Allie, has this met or exceeded your expectations in terms of listenership?

Allie Bidwell: I think it's exceeded my expectations.

Justin Draeger: You were ... is it fair to say you were a doubter coming into this?

Allie Bidwell: I was skeptical.

Justin Draeger: I came up with the idea. I floated it to comm and you guys all were like, "this is a terrible idea."

Allie Bidwell: Well, none of us knew how to do audio editing.

Justin Draeger: Yes, which you do a lot of because a lot-

Allie Bidwell: Now.

Justin Draeger: As people saw at the last conference when we did a live podcast, it was a lot. And you edited down into something that's very digestible and-

Allie Bidwell: Yeah, cut out all the conversations about pants.

Justin Draeger: Yeah well. On that we do have a lot of conversation about-

Megan Coval: We do talk about dress code.

Justin Draeger: We do.

Megan Coval: A lot.

Justin Draeger: Yeah and I see you are baring your arms today.

Megan Coval: Baring my arms today. As are our guests ... this is a fine thing. Yeah we have lots of conversations about we have the right to bear arms. Remember last summer whenever they went in the Speaker's chamber?

Justin Draeger: Yeah you were up there. You were up there protesting right?

Megan Coval: No. I was not.

Justin Draeger: Okay. When I see sleeveless shirts I think ... I'm looking on with envy because you are dressed weather appropriate. Meanwhile, I'm putting on the same jacket I would wear in December to march up to the hill. Makes no sense.

Rachel Fishman: Well, suits are terrible.

Justin Draeger: Right!

Rachel Fishman: They're just really bad.

Justin Draeger: You mean for women or just in general?

Rachel Fishman: For everyone.

Justin Draeger: I agree 100%

Rachel Fishman: I am anti-suits. But they keep the office spaces really cold for gentlemen in suits in D.C. so the rest of us suffer with our shirtless, sleeveless outfits.

Megan Coval: Thank you. Hence, the blanket I carry around with me.

Justin Draeger: I know. I apologize. It's very cold in our office.

Rachel Fishman: Yeah so there's just ... it's just very difficult in the summer in D.C. Very hot outside, very cold inside. There's no happy medium.

Justin Draeger: Alright. Last week, Megan, you said on a scale from one to 10 you were a five prepared for the conference. And today?

Megan Coval: Today I'm at an eight. A comfortable eight.

Justin Draeger: Wow, you really caught up.

Megan Coval: Yeah. Like this is my last day in the office. Taking some time off tomorrow to get everything in order to leave.

And I feel like I still have a few things to do. But got the plane ride, got like everything else can happen after.

Justin Draeger: You can do there.

Megan Coval: Yes.

Justin Draeger: And you two, you guys are going to join us, Laura and Rachel at the conference.

Laura Keane: Yep. Absolutely.

Justin Draeger: Right, What day is your session?

Laura Keane: On Monday at 9:30 I believe.

Justin Draeger: Okay. And I don't even think that's the first session of that day, like there's a session that is-

Laura Keane: No, I think there is a session right before on re-authorization actually perhaps by the two of you.

Justin Draeger: Yeah. Are you gonna come?

Laura Keane: Likely.

Justin Draeger: Okay, great. You better have your A game on.

Megan Coval: I was just going to say, no pressure.

Laura Keane: Absolutely none.

Justin Draeger: So you guys are gonna come and are you guys gonna stay or are you- You're going to stay. Great.

Rachel Fishman: I am only staying for one night because I have a toddler at home so I have to get back home to my toddler.

Justin Draeger: Oh, yeah. Alright, let's get in to why we brought you both here and you will be talking about this at our conference, too. uAspire and New America joined up and did some work on award notifications, something we care a lot about here at NASFAA. Do you want to give us just sort of overview, broadly speaking, of what you did and what were some outcomes?

Laura Keane: Sure, so just to start off at uAspire we are a student-serving organization. We advise roughly 10,000 students a year, both in high school and in college, around navigating college affordability.

Justin Draeger: Nationwide.

Laura Keane: Nationwide. Our brick and mortar offices where we meet in person with students are in Massachusetts and California. In terms of virtual work, we work in other states as well. We also do training of other practitioners who're doing the same thing. We share our tools and resources with them. In that sense, we definitely are across many states in the country. So that said, one of the key things we do with students is award letter review. So, yes, the FAFSA is super important, but it continues on. We always teach our students that is the beginning and there's lots more to follow. And we've just found that students and families are wildly confused at this moment and they need lots of support. And they really rely on these really important financial aid offers.

Justin Draeger: So, the students you work with are they predominately first-gen or-they are. So, you are working primarily with students who are unfamiliar with this.

Laura Keane: Amen. We are working to make a better equity in the issues of college affordability. We serve roughly about 80 percent of our students are PELL eligible and in the 60-ish range pending year to year in terms of first generation and also predominately students of color.

Megan Coval: Is it a system where it is kind of one on one session with the students? So, when you say "counseling on award letters" one of your folks would meet with a student one on one? They bring in the award letter, walk through it together, type thing?

Laura Keane: Yeah. You got it, Megan. We sit down. We have a tool called "the analyzer," which is kind of a fun name for kids.

Justin Draeger: The analyzer? Sounds like you're a CBS drama.

Laura Keane: Yeah, we could get a good commercial. A little Magnum P.I.

Justin Draeger: Okay.

Laura Keane: So, you come in with the analyzer, cue the 1980s gun and mustache, and with it we literally sit down hip-to-hip with students and sometimes their family. We literally are trying to create an apples-to-apples comparison. Over the years, we started to see how hard it was, even for ourselves who specialize in this and our front line advisors who had kept bringing questions back to say "hey, these were the two I saw I couldn't figure it out" and then we just dove in from there for year after year after year.

When we started our training program about 5 years ago, we systematized that work. We started to collect the letters, not just because of conversations, but to say "hey, this might be helpful data to get some of this mystery of 'what does college actually cost for these students?' Get a little line of sight into it" and so from that, the letters were collected with the purpose of just serving more students and doing data analytics to understand for your students at your high school this is how they were packaged at these schools last year. Then we share that data back with either our own advisors to have actual information versus a gut-instinct at what schools are affordable, as well as for our partners to then get better data to understand what schools were able to really serve students well financially or which areas are more of a struggle.

Justin Draeger: Is it fair to say that as you've collected this over the years you've noticed at best inconsistencies?

Laura Keane: Exactly.

Justin Draeger: And maybe at worst, things that are absolutely confusing students like if you're conflating loans and grants or putting them all lumping them all together?

Laura Keane: You got it. One of the biggest things we struggled with was are costs are missing a lot. So you can't do any of the math without understanding the cost. And that is actually a hard question because you can hop on a website, but then is it last year's costs? Is it this year's costs? Is it cost of attendance? Is it only the billable expenses? Is it the full cost? And of course, you zero in right away with the student. Is this student going to be residential? Are they going to be a commuter? What is the context? So, it gets to complexity pretty darn fast as you sit down with them.

Because of this we were focusing first on all the quantitative like which schools are packaging our students well. Which of course those with no long policies which are the very few that is obvious, but that is not where a lot of students are going. We wanted to better understand the full picture. But as we dove into it we created a little Excel sheet that we called our policy tracker about practices and we started to just look at the letters qualitatively and that started to really

blow our minds. That is when we had met New America. We said, "hey, we are starting to look at it this way, too." We didn't have findings yet. We just had questions and that is when we partnered for about a year really looking closely together. Both of the quantitative because let's be straight the gaps are real and we need to address that on a fundamental level. That is a lot harder to address, but that must be addressed too. But from a qualitative, we can really think about how we can all partner to communicate clearly with students and families. That could really make a big difference.

Justin Draeger: Right. Yeah, I think narrowing in on that issue of communicating clearly to students and families. I have got two questions here. One is, the students that you're working with they are primarily incoming college students so it's not necessarily returning students. Is that right?

Laura Keane: Great point. In terms of this report in and of itself it is absolutely being sourced from seniors in high school so that is definitely not all the students in the country. But that is where our data set comes from.

Justin Draeger: That is fine. That doesn't undermine any of the findings of the report. I think one of the things we hear often from schools is that for first time or entering students they might present data a certain way which might be more paper based or PDF based. By the time you get to a returning student, they're integrated into the online system they log on. We found with some of our schools, for example, the things that you are talking about like not displaying cost, the grant/loan, that might be easier to do in an electronic environment in which the student is already ingratiated. That doesn't excuse the lack of clarity up front in any way. I think that's just important contextually because when we go back sometimes schools will show us two things. They will say, "well, this is our up-front award notification. Here is what our returning students see." Some of it's pretty sophisticated. They can like log in and see all of their accumulative debt and yadda, yadda, yadda.

Laura Keane: Much more information. Yeah.

Justin Draeger: Yeah, but you've gotta have a student in your system for that. So, that doesn't necessarily get to the particular population that you're working with.

Laura Keane: Yeah, so we actually work with both. Right? So, we worked this past year with 4,000 postsecondary college students and so we see it on all sides and we actually also are specialists in Summer Melt advising. So if you are familiar with the kind of like landmark research of Lindsay Page and Ben Castleman, we were the implementation arm of all of that work.

Justin Draeger: Okay.

Megan Coval: Okay.

Laura Keane: So those were our students, our data, our texting, our outreach. We are really familiar with portals. That is part of why one of our recommendations is about the need for clear next steps on each award letter. You're definitely right. I think regardless of delivery format, it speaks to even more importance for really clear common terms and definitions. Those definitions are going to come in the form and in our view that could be best is in the clear calculation. This is the one and only way to calculate that cost.

Justin Draeger: Okay, so I want to make sure I give you an opportunity to identify all the challenges that you saw. One of the challenges I heard was no cost. That is not direct or indirect or billable/non-billable, however you want to call it. There is just lacking cost which means you can't do a calculation at the end if there is no cost.

Laura Keane: Right, it is like getting a coupon for a new car, but not knowing like — you know it's like "you get cash back \$3500." And you are like. "Sweet. I've got \$3500," but of course you need to buy the car. Right, so it is literally one-third of the letters of the 515 that we have looked at closely you know line by line had no cost whatsoever.

Justin Draeger: And it wasn't in the accompanying materials? Or didn't say go here? It just devoid.

Laura Keane: Yeah, so to be clear, what we are using to look at is what the students bring with them this is what they receive and they bring with them to look and understand. So we encourage them to look at other pieces of paper et cetera. We, for the data purpose, we scrubbed out anything that we thought wasn't a true aid offer et cetera. In our quantitative, we did include portal screenshots if we felt like they were complete. This is per human analysis each one at a time. For our qualitative, we had 910 colleges in the data set and if it was a portal screenshot, if it used a shopping sheet, if we didn't feel confident that it had all the information, we threw it out. We only looked at 515. We rather look at the integrity of what we can see...then we are also not playing gotcha. We are not trying to say "this is horrible." We are just looking at the practices that need to change and really showing with New America how these practices are endemic in the

Rachel Fishman: I think, we know like obviously everybody, all the institutions are providing more information than just what the student is probably bringing to the table, but at the end of the day this analysis was from the student level and not the institution level. It really was just, how are students interacting in this environment with their aid offers? Yes, there might have been a whole glossary provided. There might have been another sheet with cost on it, but what they brought to the table didn't have cost listed and for them that was confusing in that counseling session.

Justin Draeger: So here is why to us it is like here and there. This is important because, and we can talk about this a little bit more NAFSAA has a Code of Conduct that's

required for membership. Now, we don't go out and audit 3,000 institutional award letters, part of that is resource, part of that is this isn't all that old for us. We just developed this code of conduct in the last five years, so it's still developing. But we could quibble like, "oh, but in the accompanying documents it had this information, but it didn't have it on the sheet they brought in." It seems to me, from a student-focused perspective, that's moot. Because if you say to a student bring in what you got so we can help you and they only bring in the one thing. That clearly is what was important to the student and it doesn't have the information the student needed.

Laura Keane:

That is exactly right. We had one institution reach out after the paper was released to say, "hey, you missed that we provide the shopping sheet." We've looked at the letter, pulled it up as soon as we got the email and on the letter at the bottom it said "this letter supersedes any other information you receive." Right, and I said, "this is what the student brought and our advisor read that line and this is what we use to counsel the student. Therefore, its great there is a shopping sheet also somewhere supplemental, but that doesn't actually help their decision." That is one thing that we are really curious to talk more with financial aid administrators next week actually at the conference so we can learn even more from that stakeholder perspective in that additional forms really confuse students. If there's not standard terms we literally are sitting with students with different forms from the same institution that don't have the same terms defined in a common way. So, the math is different between forms which is mind boggling and just so confusing. You end up in rabbit holes versus having great advising conversations.

Justin Draeger:

It seems the other challenge you identified was that sometimes schools were lumping together grants and loans. In some way, I could see again if a school may be as focused on if the most often question we get from our population, our students is, "how am I going to pay for all of this?" Then you say, "well, here is all your financial aid," but the piece they might be missing there is that the net cost or the net price then is clouded or its masked. They are not actually then getting this is the self-help portion that I am going to have to come up with and pay back versus it just, they may not even recognize that they took out a loan at the end of the day. Did I summarize that issue right? Is this-

Rachel Fishman:

Yeah, I think so. I mean, a lot of the institutions I think it was around 70 percent. Is that correct? I am looking because now it has been a few weeks since this has come out but lump everything together and I think that's just a very common formatting process that makes sense from the institution but probably doesn't make sense on the student level because students do want to know okay how much money.

They want to make a borrowing decision like a lot of students that I've worked with... I worked previously at the college planning center which is in Boston's Public Library helping people navigate the financial aid process helping them navigate award letters and for them at the end of the day when I pointed out that there are loans in their package they are just like, "well, I just want to

subtract that out like I don't want to take on loans if I don't have to take on loans" and "do I have to take on these loans?"` And so then we'd have to have a conversation about "no, you don't have to take on the loans, but I am not sure how you are going to make this work without taking on the loans, but let's subtract them out and then lets add them back in." Same with work study, work study is a very confusing piece of financial aid because it is not guaranteed dollars. You have to go out. You have to often times find a job. You have to track that money. You have to earn that money. It is just not available on the front end in the way that grants are and also loans are to pay that bill. From a student perspective, lumping it all together just makes it a little bit difficult to understand what exactly you're going to owe to the school, what you're going to be able to use for some of your expenses, what you're going to receive maybe right away from the institution if you are going to get money back from the institution in those rare circumstances versus what does work study actually look like.

Justin Draeger: Good.

Laura Keane: And I would also say the clumping so just listing, for example, we have seen many that do it alphabetically which makes sense if you're a database and organizing. Cool. Put them by alpha. It makes no sense at all for students, right? And then I think everyone would be like "alright, that doesn't make sense." Awesome. Let's go fix it. Vendors, higher ed, everyone can go make a difference on that. The second issue about doing the math is more complicated, so I want to honor grants parenthesis money you don't need to pay back. Loans parenthesis money you pay back over time with interest. Earned money, jobs, employment, having job or employment, with the phrase work study is actually really essential for students because I have had students say, "Oh, I am going to get money because I am going to work hard studying." At first you can be like, "Oh, that is hilarious, you person who doesn't understand," but what you know what.

Justin Draeger: That makes perfect sense.

Laura Keane: It sounds like a grant, right? Like it could sound like I got the work study grant.

Justin Draeger: I will be studying. Right.

Laura Keane: Correct, so when I first heard a student say that I said, "game on. You're totally right" and that is on us as educators to do better at saying what it is we're doing. So that is just an example of literally the terms and the structure on the page. Then the question of math can get more complicated. As we found in the paper only 40 percent of the colleges on the 515 letters we looked at actually did the math and of that 40 percent they did it in 23 different calculations. Like so 23 different ways of doing it. Right, which I think it is just because it is hard. We spend a lot of time with my colleagues at uAspire and New America and this work really looking at it and saying what's the right way what is the single way. I

think it is fair to say we need to come up and set a standard way for all of us to engage in for that clarity to-

Justin Draeger: Yeah, but that is going to be challenging because if I am two examples just take me to task here if you disagree and I am not saying it's impossible and I am definitely not saying it's not important to do it, but the challenge I see is if I am a school where I have very low Pell population, a lot of institutional aid, and a lot of loans, and maybe a lot of parent loans then that is the population I know exists. The natural inclination of that school then to save steps is probably going to be to highlight how I am going to pay for college at this expensive school where almost everybody is using loans or parent loans. So they are going to emphasize that upfront and maybe they end up de-emphasizing the Federal Pell grant or something because they don't have many people to use it or qualify for it. Whereas, at a community college it might be most Pell recipients so they are more focused on that. Meanwhile, they're using the system that has so many characters that when their system spits out something it cuts off loan at L-O and it starts... and again from a student perspective you're like "can't we just fix this to say loan?" but they don't think about it. They have very low loan borrow participation. They're a grant-heavy institution. Trying to come up with all of the ins and outs I think will be challenging, not impossible, and certainly is important. Do you disagree with that?

Laura Keane: I will agree. I think there is a lot of complexities that come with this, but I think the mandate, especially after this dated research is just clear and the audience, the consumers are the students and their families. We must do better in my opinion it is not working. It is not good for institutions who are trying to make sure that students complete for their own information and having great stats about how they're doing a great job educating students. It is something that we need to do the hard work, roll up our sleeves, get multiple stakeholders around the table, and start diving in. It is more important to come up with the least worst way to talk about this than to have the 24 different calculations 136 different terms et cetera. It won't happen tomorrow, but I believe we can do it. We are happy to be a partner with anyone who is committed to doing it.

Justin Draeger: Okay so let's build on that a little bit. When you did your rollout in D.C. and next week at the NASFAA conference you will have a school with you. Who is it? Is it CSU?

Laura Keane: Colorado State University.

Justin Draeger: Yeah, they actually went through a process where they were looking at their own award notifications and I don't want to steal any thunder from them. They are not here at the podcast but they will be with you next week at NASFAA.

Laura Keane: Yes, Tom Biedscheid was with us in D.C. so he was a panelist at one of our events. He came with us on hill visits. Joe Donlay will be with us at the presentation and they have amazing stories to tell and are doing incredible work on this and we are learning alongside them and very appreciative.

Justin Draeger: One of the things that when I talked to Tom before your event that is emblematic of the way we have to approach this and even for NASFAA, we all bring our separate perspectives and there is the context so if I am at a school I am thinking about my system and how do I package and if I am a student I am thinking and if I am the counselor of a student. We are all bringing these different perspectives, but the thing that stuck out to me about what Tom said and harkens back to the work we did on our award notification study, I don't know, what was that? Three or four years ago. Was that we all think we know the best way to do it, but until you actually consumer test it and Tom talked about moving back. We thought we were doing a great job. We looked. We talked to students, held some focus groups, and they found a much better way to approach it. We found the same way. We had an award notification draft that we had done. We submitted it to outside, independent, consumer testing along with the shopping sheet and a hybrid-

Megan Coval: And a hybrid and I think, I am not sure if we included. We did do a mock-up of the Senator Franken's bill and I am not sure if that was in with those as well.

Justin Draeger: We ended up finding out was that like the students and parents all brought back feedback that made us like, "oh, okay so it's none of these are perfectly meeting their needs. So we are going to have to rethink." But they were all fixable. We could make adjustments to all to make it better fit students or families. I feel like if you and I, Megan, walk away from NASFAA tomorrow, the one thing that we've got everybody on the same page which I appreciate about what you guys did is, is the consumer testing piece.

Megan Coval: Yes.

Justin Draeger: Like, it has to be run through the people who are ultimately going to use it.

Rachel Fishman: Yeah so I think next steps would this work on New America's end is we receive some funding from Lumina Foundation. I am hoping that we will be able to do...what I am envisioning. I don't know if people here are familiar with Maker Faires, but this is where people can gather together and rapidly prototype and make things. What I am really interested in doing is hosting a convening where we have many people around various tables, students, financial aid administrators, but also people we don't really think about in terms of determining award letters, like actually designers, app developers. We simply convene everybody together and spending a day like rapidly prototyping. We know what the problem is. We have laid out what the problem is and what everybody is struggling with these letters. And then trying to prototype all these different types of letters and get a meeting of the minds because financial aid administrators have one view point, students have one view point, I have a different viewpoint then uAspire has. We are all coming from different places. Designers might be like, "you guys all suck at designing," which would not be wrong because I am not a graphic designer. I don't know how to nudge behavior in that way. Then the next step of that, fingers crossed, would be to look at all of those letters and then consumer test them and get more feedback on them. I

think with the shopping sheet, when the shopping sheet first came out people are probably aware of this on the podcast who have followed me at New America is that I was very pro shopping sheet. I still am very pro like some sort of standardization but I think at this point heading back to the drawing board, now that the shopping sheet has been out for a while and thinking about how can we really design this with both students and institutions in mind so that it accomplishes the goals that we want it to accomplish. Again, even though they got a lot of feedback on the shopping sheet, it wasn't really consumer tested it seems at the end of the day. Not that we have really heard of, I think your consumer testing was the first one and it revealed all of these letters sort of have shortcomings. That speaks to the fact that we really need to see what is going on and really might need to develop something. There could be something there. What does that something ultimately look like? Is it one form? Is it many forms? Depending on type of student. These are a lot of questions I think as we move into the next steps with this work discussing award letters. This was just the opening chapter of a whole body of work that I am sure will develop from this.

Justin Draeger: Yeah, well the way you lay it out makes it sound very exciting. Yet convening those vendors, and I don't mean to place this all on vendors at all, but convening those vendors will be important like changing your financial management software. That changes people's hair color. That is a process that will go on and if you are at a system it is a process that is multiple years. It can be very painful to change. Just like any of us, you have a database of members or counselors and donors and changing that sort of stuff is painful. It is how do we get all of the people you have mentioned to the table?

Rachel Fishman: I mean we are going through Windows 10 upgrade and that has been pretty painful so I can only imagine when it is more serious stuff.

Laura Keane: Absolutely and I think it's really important our perspective is we are delivery agnostic. It's important from a legislative standpoint if that path becomes a reality and or for institutions who may chose sometimes there is a different reason why an institution has to change software which is nothing to do with financial aid office, right? Being able to have something that is neutral or agnostic to the way its delivered is essential. And we, again with students, looking at letters and then portals in the summer and then continuing with them once they are in college, it's very important that the consistency is there that is why the standardization is really so key.

Justin Draeger: This is sort of my final issue. I want to talk a little bit about the federal policy piece because I do think we found enough inconsistencies that there needs to be something. We have got the NASFAA Code of Conduct, but we are not the Department of Education and to the extent that we find schools not in compliance every time we've reached out. They've brought themselves into compliance, but that is not 3,000 schools either. When we talk about federal policy, here is the part that makes me a little nervous. When we did the shopping sheet consumer info what we found is that most students and parents

liked the look of the shopping sheet. It was clean. It was consistent. The problem is we did the quantitative piece where we would actually ask them questions to try to, or how well they are understanding it or can they derive information from it and it didn't score so well there. How much are you going to owe your school? That sort of thing. Which is fine. That is the challenge we were talking about earlier, trying to get all of these things. When we saw Senator Franken's bill I think we tried and we didn't try to do this in a way that would make it look terrible, but we tried to put everything that in that award notification that would have been required in the bill. It felt very constraining, one. Two, when you look at the shopping sheet it is very federally focused whereas institutions have to meet all these donor requirements with listing the name of the scholarship and yadda, yadda, yadda and maybe some of that can be done in an appendices or accompanying docs. Three is every time we put something in the court with the feds, I just have this concern that it doesn't get updated in a timely way so we are offering Pell Grants to grad students. We are still listing Perkins on, at least in the draft for this next year, still offering Perkins loans. Which then leads students to be like, "well, where is my Perkins loan?" Or grad students, "where is my Pell Grant?"

Megan Coval: Yeah, the other thing about that too is some of our community colleges like to break out direct and indirect cost because that makes more sense for their students and that probably is-

Justin Draeger: Because they might be working professionals.

Megan Coval: Yeah, or they are not living on campus and that is the better thing for those students. It may cause them to borrow less, but you know the shopping sheet doesn't allow them to do that. These are the things that we're talking about when we're pushing back on full standardization.

Justin Draeger: So lawmakers get the full sense of the problem. My fear is where they go next. Where should they go next? What level of standardization in a perfect world in your minds would we be at?

Laura Keane: Our report outlines specific practices. uAspire and New America have slight nuances on this. Did you want to go first?

Rachel Fishman: Yeah, there is definitely a role that the federal government should play. I used to be very pro, one standard form to rule them all. But I've definitely heard feedback, seen the shopping sheet in action. I don't think it works 100% for students. I don't think it works 100 percent for institutions. I don't think we're going to find any form that is going to get 100 percent there. You're just never going to find perfect, even in our own analysis we've found some really great award letters, but there was never one that we would've you know, we would've shown it in our report if we were like, "and this one award letter does everything." There is definitely, we have all seen a report where like "this award letter does like work study really great" but then might do something else that's not great. That we wouldn't consider great. For that reason, we should do all

the things that we recommended in our report in terms of HEA reauthorization saying we should standardize certain terms, we should not group aid together in the way that lumps it all together, all of the recommendations are important, but then take it one step further. Over a period of three to five years, have a standardized template developed with both institutions at the table and with students and to make sure that it is consumer tested. This doesn't necessarily mean one template. There are distinctions between types of students because I know with the shopping sheet the way costs are listed looked very much, I think traditional students, which again we know a lot of students aren't traditional, so how can we present the information in ways that work for both traditional and non-traditional students? Should there be differences in letters if you are primarily an associate degree granting institution versus primarily bachelor's degree granting institution? There is definite differences between graduate students and undergraduate students. Is there a way that we could put flexibility in legislation so that you could remove elements that no longer exist and just have that be part of the legislation? Like every year this will be reviewed and we can remove elements such as Perkins, or if we eventually get to one loan, like we don't want to have all these archaic financial...I mean, that is just more confusing. People are going to be calling up like, "well, why didn't I get the Pell grant?" "well, you just weren't eligible." Can you remove it so if a student doesn't get it or can you say that you're not eligible or something like that? Really taking that time that needs to be taken in order to get to that level of standardization. So then I will turn it over to Laura to hear what Laura is thinking.

Laura Keane:

Yeah, absolutely. The whole reason uAspire, we are practitioners. I jokingly call us an Action Tank. We are always gonna have a dominant amount of our staff doing the work and that's where we get our learnings. That is where we see obstacle after obstacle and then thinking, how do we translate that to a policy lever? Is there a possibility of how to do that and then find partners to make it happen? So for us, the whole goal is systems change with this. Whether it is the one form versus a few versions of a form versus if it is set terms and definitions that are less than a dozen that have to be consistent across the board. We are open to finding that solution with the folks that wanna make it happen for students and families. It's really on the hill it has been a very bipartisan issue. It is about protecting consumers and we've been thrilled with that reception and we agree. It is really about setting the standard terminology. If you are buying a car, miles per gallon is miles per gallon. Right? And when car's companies haven't actually honored that and were deceitful on what miles per gallons was there were repercussions. Right? In essence, picture us 5 years from now and ten years from now, that's where it should be. Students are doing, what college is my good fit academically? They go to the GPA, right? They kind of have a sense pretty quickly. I have a shot. There is no way or probably pretty easy for me to get in. Having more standardized terms and information should help there be a diversion of GPA from an economic standpoint. Like, "hey, this is what net cost would be for someone like me." Also having the idea of what the bill is going to be is very important too.

Justin Draeger: Okay, let me try and summarize. You let me know where I have veered off course. Okay? So, we all agree that at a minimum we ought to have cost. That can be broken out then by direct or billable and non-billable or indirect. Are we okay with that?

Laura Keane: Check.

Rachel Fishman: Yes and we would want both listed. Yes.

Justin Draeger: Okay. That's fine. Would we all agree then that the next or maybe not the next, but we don't have to get into the exact order. But, we would want a section then is grants and scholarships, aid that doesn't have to be paid back. And that could be then expanded to just the Pell grant, if that is all they are getting. But if you're at a school and they are getting six different scholarships you could be expanded to include those, but it's the section is grants and scholarships.

Laura Keane: Absolutely.

Justin Draeger: Then we have a section that is self-help aid. It is a nuanced difference, whether in work study and loans are grouped together or not. I am hearing you that work study is different, but either way. You have a section that is clearly loans this is aid that has to be paid back, usually with interest. Some schools or states have zero percent loan programs, but they're loans. It is out of pocket eventually. Then you have self-help aid like work study that is earned aid. That is a job. Then you are going to have your net price which is basically costs minus grants. Right? Or scholarships. Then you ultimately have remaining need which is after you take all the financial aid including loans or earned aid. This is what would still be left for you to cover in some way. Does that summarize big picture what we want or not?

Laura Keane: It is pretty close, Justin. I would say, and this is kind of the fun I feel like we could be visual with a whiteboard but let me know on that. I am at NAFSAA until Wednesday. We love talking about this. I will be here with my colleague. Let's whiteboard it in Texas. If we start with cost that you laid out great. Then its grants and scholarships, money you don't pay back. Yes. Then you can have the net price, net cost. Yes. Loans, in our opinion absolutely must be separate than any type of employment or work study because that money doesn't come until they find the job and they earn it. It's a trickle which can be great for covering indirect expenses, but its horrible if you find that out on August 15th and you have to pay your bill quickly and then you don't go to school. In our opinion it absolutely should not be included. It's an offer. Not something that is available. Really big difference. Then, yes to loans and then we don't like the term "remaining need" or "unmet need." We don't think student friendly term is out of pocket. Families believe that their need is their need and so we really should just put what is left.

Justin Draeger: You don't quibble with having the number, but you would call it something more student friendly.

Laura Keane: Correct.

Justin Draeger: So, what is it?

Laura Keane: Estimated bill. Like you're going to need to put forward-

Justin Draeger: So here is the challenge that I see there. I don't really actually see that there is that much daylight between what you just said and what I am saying although certainly I could be convinced that work study and loan should be separated. That's fine. I think what the remaining bill part, so then you're actually doing two running costs. Right? So you're doing the billable expenses-

Laura Keane: You've got it. Gets in the weeds quick.

Justin Draeger: Right and then the estimated cost of living expenses the student or family will have more control over. It may or may not apply to them depending with their rooming with their sister or brother or they're living with their parents or...

Laura Keane: Context matters tremendously. Absolutely.

Justin Draeger: A school wouldn't know any of that context. So you are actually doing two running totals, right?

Laura Keane: Yeah, this is something we've been piloting with the student groups that we did as part of the paper research. We came out saying we need to look at this more. I am not trying to dodge a bullet, but we're trying to honor what we heard from our students. In essence, one thing students said were that "we don't know if we trust the indirect expenses. We'd need to see them, but they're estimated. I might be able to do better." Right? We had students say, "I didn't have indirect expenses. I failed out. I couldn't be a science major anymore. The books were this expensive. I went and got them used. Then I needed an online code which cost another hundred and fifty bucks. Couldn't do it. Couldn't submit my homework. Had to stop being on the path to what I wanted to major in." Right? So, indirect expenses are important and how and what ways to present them is more work to be done from this consumer testing. Because it is about the full cost of attendance math versus the direct billable expenses math. What we found in our advising, net costs and the indirect matter tremendously. Yes and the estimated bill is lost. For the students we serve, again, predominantly Pell-eligible et cetera, even having a clue what that bill is going to look like is missed entirely and that is really a big part of the why there's such a summer melt of first-generation students and under-represented folks showing up for school.

Rachel Fishman: And for me, talking to uAspire about this, I didn't even think of this as an issue because I was just so reticent as soon as I heard like, "oh, why would you apply

loans to an estimated bill? This is making me very nervous." As a policy person, I would never apply loans. This is very confusing. From a student perspective of getting billable direct costs over whenever they get their bill, over the summer or after they've deposited, once Laura explained to me. "That is the true gap that they need to cover to set foot on campus." They can cover that through the way that financial aid is applied which is usually grants and loans and then anything left over you will get back. But most undergraduates aren't going to get any money back because of how low the loan limits are and how we know especially for the students we are looking at, predominantly low-income students the aid is just not going to go far enough. So understanding what that gap will be, setting aside the indirect expenses which students can do all sorts of things to cover and that is very difficult to do, but that money those thousands of dollars that, if you're living on campus usually is room and board and then of course everybody is facing tuition and fees, they need to be clear on what that is going to look like. Even though, I know it might not be a totally exact number. We've heard from some financial aid administrators like, 'whoa, whoa, whoa. Financial aid letters are not supposed to be a bill.'" This is the way we are approaching things from a student perspective where they're seeing it like that and they want that information because they want to know what there up front costs are going to be when they get that bill in August and how they cover that.

Justin Draeger: Not to confuse the gap terminology, but the intended use and the actual practical use. There is a gap there. We have to be cognoscente it. This gets complicated very quickly. I don't know that we will solve it all today. I will say that I do appreciate the work that you guys have done in highlighting this issue and its one as a community we take very seriously and why we wanted to have you on today and then wanted you to present at our conference. We are looking forward to having you there. I know this is going to be talked about by the NASFA board of directors. Our ethics commission also very aware of all of these issues in this diving in and we are going to talk about it as well in our general session on Wednesday.

Laura Keane: I really appreciate the chance to talk about it with you all and I think this is the beginning of more conversations and collaboration to come to help improve communication.

Justin Draeger: I hope so. Thank you. Alright, thanks everybody for joining us for another edition of "Off The Cuff." Our next one is going to be, when is that? Monday or Tuesday?

Megan Coval: Monday. 4:20.

Justin Draeger: Monday live 4:20 at the conference.

Megan Coval: During UnWine'd hour, grab your wine, come to the Podcast.

Justin Draeger: But we will have NAFSAA swag we are going to give out. We are going to have games, prizes, and a big announcement.

Rachel Fishman: Oh, yeah. I know. I am kind of sad I am not going to be there.

Justin Draeger: A big announcement on award letters — it actually is not going to be on award letters. Thanks everyone. We will see you again next time.

Laura Keane: Take care everybody.

Justin Draeger: Best episode yet.