

NASFAA's "Off the Cuff" Podcast – Episode 320 Transcript

OTC Inside The Beltway: Unpacking ED's DEI Dear Colleague Letter, SAVE Plan Updates, and Batch Corrections Functionality

Maria Carrasco:

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Beth Maglione:

Welcome back to another episode of NASFAA's "Off the Cuff" podcast. I am Beth Maglione, Interim President and CEO.

Karen McCarthy:

I'm Karen McCarthy from NASFAA's Policy Team.

Jill Desjean:

I'm Jill Desjean, also with NASFAA's Policy Team.

Megan Walter:

I'm Megan Walter, also with NASFAA's Policy Team.

Beth Maglione:

Hello. Welcome, friends.

Karen McCarthy:

Hi. Policy Team is all joining. Not everybody, but ...

Beth Maglione:

A large number of Policy. That'll give you a hint as to some of the topics we're going to be covering today. They will have to do with NASFAA's policy and advocacy efforts.

There's been a lot going on, but I have to tell you that in the darkest days of winter, February, March, there's one thing that I look forward to, and it's actually my favorite holiday. Top three favorite holidays. Anybody?

Karen McCarthy:

No.

Beth Maglione:

It's on Tuesday. Does that give you any hints? It's Mardi Gras.

Karen McCarthy:

I was all ... Ides of March. I don't know. I didn't want to look at the calendar. I was counting-

Megan Walter:

[inaudible 00:01:48]. Maybe I'm totally wrong.

Beth Maglione:

Good news is it's a lot of fun in the doldrums of winter. Bad news is you don't get a day off. None of us get a day off. I love it, though. I really do. I love the City of New Orleans, and it's a great excuse to drink on a Tuesday, which sometimes that's necessary. Eat Cajun food, which is my favorite thing.

Have any of you ever been to Mardi Gras?

Megan Walter:

No.

Karen McCarthy:

No. I have only been to New Orleans in the middle of the summer. I still love it, but I do feel like I need to go at a different time of year.

Beth Maglione:

Thanks, NASFAA. Way to plan that one.

Karen McCarthy:

I know. For weather purposes, I need to go at a different time of year.

Beth Maglione:

It is great. It's great this time of year. Sometimes it's rainy. I've been to Mardi Gras a handful of times, and in fact the last time I went, we brought our kids. I know that sounds crazy, and they were really little when we did it, but it was awesome because if you go down not this weekend, the weekend before, Fat Tuesday is kind of bananas, maybe not entirely kid appropriate, but if you go the week before, there's neighborhood parades, and they throw plastic things to the children off of the floats, which-

Karen McCarthy:

The kids love.

Beth Maglione:

... you know kids love plastic things. It was really fun. All right. Thanks for humoring me there, guys, because I'm just looking for some sunshine.

Jill Desjean:

Feeling bad that none of us [inaudible 00:03:26].

Beth Maglione:

That's okay.

Jill Desjean:

Or knew what was happening. It's been a week, Beth. It's been a week.

Beth Maglione:

I know. See, that's the thing. If we don't write in, it'd feel intense. I was like, "I'm going to talk about something fun for a second because maybe some of our other updates are not as fun." Sorry, listeners. That's a spoiler alert for you.

But before we dive in, we do have a bunch of stuff to cover today, so we're going to click through these items, and we have our crack policy team on here to help us determine where we are on all of these things. But I did want to just note for our members that earlier this week, I think it was on Tuesday, we sent out a letter from me to all members talking, recognizing the moment that we're in. If we feel stress here at NASFAA, we know that it's only multiplied for you out on our campuses. There's just so much change happening at such a ... I would call it an unprecedented rate right now in terms of what's going on on the federal policy side of things. Federal government side of things.

What I said in that letter and what I'll say to you all today is that we don't know all the answers at NASFAA. We are always trying to track them down. I would say that a lot of the people on this podcast are our chief investigators always trying to reach out to experts and figure out what's coming down the road so that we can get in front of it for members. But while we may not always have immediate answers to every question that you all have, we are always going to share what we know. We will also acknowledge what we don't know, and we will list out the questions that we're trying to get answered. That's kind of the strategy that we take. What you probably won't see from NASFAA is a lot of speculation. We actually try and avoid that. And so when we're quoted in the media, it's usually about something that we feel we have the information and authority to talk on.

Just keep it with us, please. We ask that you go ahead and utilize your NASFAA resources, like Today's News. That's where we will always post the latest for you. We will update articles when they need updating, and we're going to get through it together as we always do. And we're going to continue to stand by our members. With that, maybe we can dive into some of our hot topics today.

Karen, recently we saw a dear colleague letter that provides some additional interpretation, I would say, of the SFFA decision for using diversity metrics, or maybe you can correct my terminology there, in admissions decisions. We've got new information, and maybe you can bring us up to speed a little bit.

Karen McCarthy:

I can try. I saw that there's actually even brand-new information that came out right before we hopped on here. I'm going to do my best here. There's been a lot going on in what I think of as the DEI space, and I think one of the issues is that we don't really have a definition of what falls under DEI, but kind of just generally the DEI space. And we last month had an executive order come out from President Trump around DEI, and there has been kind of in line with the goals of the Trump administration to eliminate anything associated with DEI. That's really kind of vague and very broad, and there have been some lawsuits against that EO. And recently, there was a court injunction issued as a result of those lawsuits, and the injunction blocked several pieces of two different EOs that came out related to DEI based on some vague language that was in there, unconstitutionally, vague language, kind of along those lines.

That's kind of one path. The EO. And there's happenings going on that way, but then we also have this separate path, and that's the DCL that you're referring to, Beth. And while they're both ... Those two paths are both around DEI. They're distinct paths. In an article, I saw them described as different levers that the administration is using to advance their DEI goals. Think of them separately. In the DCL, which is a Dear Colleague Letter, like any Dear Colleague Letter that comes out from the Department of Education, it is noted in the DCL that it does not carry the force of law. It is a guidance document just like DCLs that we are more familiar with.

And in the DCL that was written by came out from Craig Trainor who is the acting assistant secretary for civil rights. In this DCL, they are using, kind of tying back to the SFFA Supreme Court decision that came out several years ago, and you all remember in that Supreme Court decision it was specifically about the use of race in college admissions and was kind of narrowly tailored to college admissions. And there's been a lot of talk since then. Do we think this could be interpreted more broadly? Does it apply more broadly? For our audiences, we carefully pointed out that it didn't specifically address financial aid institutional scholarships in this area. And what this DCL is clearly stating is that any use of race to treat people differently on a college campus is against the law, and they are falling back. Kind of their basis for saying that is the Supreme Court decision and also Title VI of the Civil Rights Act, and they refer to the Equal Protection Clause in the constitution.

But mainly, they're basically saying that Supreme Court decision, although explicitly applied only to admissions, we are interpreting that to mean that it can be applied basically to all aspects of campus life. Our kind of lane in campus life is specifically in the area of financial aid and scholarships, but they went on to talk about discipline and housing and graduation ceremonies and all kinds of programs. Really broadly across the institution.

And Craig Trainor, the acting assistant secretary, did recently clarify in a statement that, even though the court injunction blocked parts of the EOs about DEI, this Dear Colleague Letter is separate. It does not apply to the Dear Colleague Letter. It stands on its own because, as they're saying, the Dear Colleague Letter is based on current law.

And what we have seen, one of the key things in that Dear Colleague Letter, is that, although it acknowledges that it doesn't have the force of law, they do plan to enforce compliance in some way. The timeline that they gave in that Dear Colleague Letter ... It was 14 days for institutions to come into compliance and that they will be assessing compliance after that 14-day period. And it did imply that they would be seeking to take back federal funds from institutions that are not in compliance with that Dear Colleague Letter.

Beth Maglione:

Which feels like enforcement, no?

Karen McCarthy:

Yes.

Beth Maglione:

Splitting hairs a little bit on that one?

Karen McCarthy:

Yes. On one hand, they said, "Does not have the force of law. This is a guidance document." And then on the other hand, they said it will be enforcing this guidance document starting in 14 days with what we

consider to be the nuclear option, removing. I think removing ... And they don't even specify just Title IV aid. They specify all federal funds from institutions that are not considered to be in compliance.

Beth Maglione:

Wow. So many questions.

Karen McCarthy:

I know.

Beth Maglione:

Which I know our members have these questions, too, and we don't necessarily have the answers, but how would this be enforced? How would schools know if they were out of compliance? How would they know how to align with compliance since it's defined so vaguely? Right?

Karen McCarthy:

And we have gotten a lot of those questions, and I should have given you the disclaimer upfront that I am not an attorney at all, but clearly this needs a lot more discussion, like what's included here? What do we have to do? Do we have to change anything on our campus at all? I did hear during a webinar offered for the community that Ted Mitchell, the president at ACE, did say, "If your institution was in compliance with the law before this Dear Colleague came out, then you are still in compliance with the law." And that determination of whether your school is in compliance with the law is really made at the very highest levels of your institution in consultation with your legal counsel and different ...

The environment is just so different from one school to another in terms of the programming that they offer, what their mission is, the risk tolerance of the institution, geographically where they might be located. There are some state attorneys general who are involved in the DEI efforts and maybe issuing their own orders to institutions in their state. We can't say, "Well, if everybody was in compliance before, you're still in compliance." You always need to be talking with your institution's legal counsel and let them kind of make that determination. And all of that takes a lot more time than 14 days, of course.

Beth Maglione:

A lot more time, if you've ever worked with lawyers, which to reiterate, none of us are.

Karen McCarthy:

Yes.

Beth Maglione:

But if you've ever worked with lawyers, it can take a minute to get things sorted out.

Even hypothetically, if the 14 days ... It seems to me that there must be motivation underpinning this and perhaps even known ... I don't want to use the word targets, but known institutions or organizations that might be questioned in light of this new DCL sort of off the bat because it seems to me that even the act of identifying institutions in a 14-day period would be not feasible. Right?

Karen McCarthy:

And they did say in the letter ... They mentioned the 14 days, and they also said more guidance would be coming. We haven't seen any more guidance. The 14 days, I believe, is almost up. It's all very vague and up in the air, I would say.

In response to that, we have been working with our sister organizations led by ACE, which is generally the umbrella organization for the higher ed community. And since the Dear Colleague Letter is so broad and affects all aspects of the institution, they've been helping to coordinate the response to this. And just within the last day or so, ACE coordinated a community letter that had about 70 sign-ons from other organizations up to the Department of Ed about this Dear Colleague Letter, pointing out that it has pretty vague ambiguous language. The 14-day deadline is not sufficient and encouraging them to pull the Dear Colleague Letter and work with the community so that the community can better understand what their legal obligations are.

And that right now it's just mass confusion, and nobody has enough time to fully evaluate and have those thoughtful discussions that ... Everybody was stressing. After the Supreme Court decision, everybody was saying, "Everyone needs time to sort through all of this." And in here, we have this Dear Colleague Letter in a 14-day window to sort through all of that.

Beth Maglione:

And this would probably be an opportune moment to point out you talked about ACE being the sort of convening organization. They've been doing amazing work recently to align all these different organizations that, again, because it is so broad, could be impacted. We just have one little piece of that pie, and it's an example of a time when a coalition strategy is the right one for NASFAA as opposed to sort of going it alone or choosing not to speak out. I think this is a perfect example of a situation that broadly impacts higher education across the board, and aligning with our association and other parts and pieces of campus is the right move right now.

Karen McCarthy:

And I would say this happens a lot with various ... Some issues are directly in our lane where we at NASFAA have the most expertise, and our members have the most expertise, and in those situations, we will step up and kind of lead the efforts there. And in a lot of other areas, our members and the financial aid space is more indirectly touched on. And so in that case, there are definitely lots of experts at other organizations that may be leading the charge in those areas. We really try to ... Because here at NASFAA, we're not experts on everything, nor does everything touch financial aid directly. That's really an example of us relying on the expertise of others.

Beth Maglione:

Thank you. More to come there. Obviously, we have far more questions than answers, and we will keep our members updated as we learn additional information.

Karen McCarthy:

And I just wanted to add one other thing on that, Beth. I mentioned the really late breaking news is that just this morning Maria, our producer, flagged that there has been a lawsuit filed against the DCL itself filed by AFT, the American Federation for Teachers. Now, the court system will be involved on the DCL side of things just like they are over on the EO side of things.

Definitely more to come there.

Beth Maglione:

Got it. You had it here first. Late breaking news.

This is not the only area where things are rapidly developing. Megan, I know you're going to talk to us a little bit about SAVE and IDR updates. A little bit about loan repayment changes. What's going on? Where to borrow? Where to stand with SAVE? What's next?

Megan Walter:

Sure. Yes. I-

Beth Maglione:

What's new?

Megan Walter:

... love that we're going from one topic where we have more questions than answers to another topic where we have more questions than answers. What we know right now ... I think it's fair to say we don't know a lot, but we can make some pretty good assumptions in general about where this is heading. I think one of those things that's kind of safe to assume at this point is that the SAVE plan will cease to exist at some point. We don't know when, but the way these rulings are coming down, it looks like the SAVE plan will be going away.

Back in ... It was what? February 18th, we received the 8th Circuit Court ruling which was basically affirming their previous opinion that the SAVE plan is, for all generality, illegal as well as the loan forgiveness provisions that are part of the SAVE plan, which has now touched on the loan forgiveness provisions, the time-based loan forgiveness provisions, under the ICR, the Income-Contingent Repayment Plan, and the PAYE repayment plan.

Right now, what the 8th Circuit Court did after giving this ruling is they're sending it back down to a lower court. This is an Eastern Missouri court for them to make the final ruling. And the 8th Circuit Court basically instructed the lower court to make sure that the SAVE plan in its entirety is legal as well as the time-based loan forgiveness provisions. Right now, we are kind of in a limbo waiting to see what that lower court will say.

They could go along with 8th Circuit Court and say, "We agree with you and your latest ruling, and we will basically regurgitate what you said in our ruling." They could argue back and say parts of the SAVE plan are legal or some parts aren't. We really don't know at this point. And that does leave it up to further appeals. If the state of Missouri, who was one of the main leaders of this original lawsuit, doesn't like that answer from the lower court, they can appeal, and there is a possibility that this does end up back in the Supreme ... Not back in the Supreme Court but could go up to the Supreme Court. There's a lot of ambiguity, and we just don't know, and we probably won't have a better idea until we get this final ruling from the lower court.

Beth Maglione:

Thank you. Well, for members, what does this mean? Right now, the applications are down, so students cannot be directed to apply for these. And do we have any indication of what comes next in terms of just applying for these programs?

Megan Walter:

Basically, the department interpreted the 8th Circuit Court ruling in a way that said they're left unable to calculate the SAVE plan monthly payment formula as well as loan forgiveness under the SAVE, PAYE, and ICR plans. And that's why they took all these applications down. This SAVE plan, PAYE, ICR, and the income-based repayment plan are all on the same application, on the same online application, the same paper application, so they had to take the entire online application down, even though it really just affected the SAVE plan and being unable to calculate the monthly payments for them. For those borrowers.

We don't know when it's going to come back up at this point. We really haven't heard anything else from the department at this point explaining or giving us more explanation of why this happened or when they expect this to be resolved. At this point, we're just kind of waiting in limbo as well as borrowers are.

I think what we do know that this means is that the department was already experiencing backlogs and delays in processing from when the applications were taken down six or seven months ago at this point, and they had to restart the ICR and PAYE plans. We assume there's already delays in backlog happening. Now, taking them completely offline again, we can only assume it's just adding and building up that backlog.

Borrowers can still use the paper applications, but we know that's also creating processing delays. It's a very manual process for the Department of Education, especially if borrowers aren't giving consent through the application to use the IRS data-retrieval tool. They're having to send in their income documentation manually. Just very manual process if the department is using the paper applications to start processing.

Karen McCarthy:

And Megan, can I just ... I think kind of adding to the list of what we don't know, if somebody fills out a paper application ... I know you mentioned the backlog and that it's just generally a slower process because it's on paper, but I don't think we know that the department is actually processing any paper applications now that the app is down. Right?

Megan Walter:

I think you can send them in. We don't know that they're actually processing them.

Karen McCarthy:

Backlog or not, they could just be sitting there.

Megan Walter:

Right.

Karen McCarthy:

Right, but we don't.

Megan Walter:

Right. Correct. Great point. Yes.

Beth Maglione:

One of the questions I've seen in our communities for members, well, regarding two different programs ... Can you dig a little deeper on what we know about consolidation or PSLF?

Megan Walter:

As far as PSLF, as far as we know, it is unaffected by these court injunctions that are happening. They're still processing PSLF as far as we know. There is probably some processing delays just given everything that's happening within the department and the federal student aid offices. But as far as we are concerned, PSLF is still operating as normal.

Karen McCarthy:

Related to PSLF, though, it's not ... I don't think PSLF is directly impacted, but if a borrower ... Let me think through this. If a borrower is not in a PSLF-eligible repayment plan and wanted to get into an income-driven repayment plan so that their months could count, there would be an impact there.

Megan Walter:

Right. That's a great point. If you wanted ... Say you just started a non-profit or a PSLF-eligible job, and you're trying to get into one of these repayment plans to start having your payments counted toward your PSLF count, at this point, it would be a very long delay until you're actually into one of those repayment plans.

Karen McCarthy:

You would have to ... Let's see. They would have to stay in standard to have those months count, which that's why we have the income-driven repayment plans.

Megan Walter:

Right.

Karen McCarthy:

Beth, you were also asking about consolidation. I think the online consolidation application is all embedded into the online income-driven repayment application. When they pull that down, that is also down. However, there's nothing in any of these lawsuits directly impacting consolidation. I think that it's just down because the application is down. I would be surprised if ED didn't have some alternative pathway that they may be working on now. I don't know. To make the consolidation application come back as far as making that available, because that's not part of any of these court proceedings at all. I just think that right that ... Because it's all connected when they pulled the whole thing down, that came down with it.

Megan Walter:

And I'd be curious if there's something with income-based repayment plan because that one was very much taken out of the 8th Circuit Court ruling. They made it very clear that IDR is defined differently in statute. It's defined separately in statute. The fact that this IDR is getting pulled in with this as well is just because it's on that same application with the other IDR plans. I'd be curious to see if they do anything to kind of separate that plan as well.

Beth Maglione:

TBD. We'll add it. It's on the long list of things we're watching out for. Right?

Switching gears again, just trying to hit the highlights in this episode, we know that batch corrections, FAFSA batch corrections, will finally, after many months of waiting, wishing, and hoping, go live on Thursday.

I'm wondering, Jill, if you can talk a little bit about what we know about the batch corrections process. It sounds like there's some preliminary information.

Jill Desjean:

We know some things. Most of what we know comes from the beta testers because the department, like they did for the FAFSA, conducted some beta testing before they released this out to the world. We are expecting batch corrections to open. We're recording on Thursday morning. We're expecting batch corrections to open in literally one hour from right now, 12:01 PM on Thursday, and this will apply for both '24-'25 and for '25-'26.

What we know right now is ... Well, first off, I guess, more breaking news. The department just came out with an electronic announcement that covers some of what I'm going to say, so I'll reference that later, but it came out while we were recording, so I haven't had a chance to look at this.

Beth Maglione:

You're not up to speed on it yet, Jill? What the heck?

Jill Desjean:

I'm not fully, but I'll tell you what I was able to absorb while I was listening to Karen and Megan.

Beth Maglione:

Multitasking.

Jill Desjean:

Good news. Beta testing did go well. The department was able to fix some bugs that were identified early on by our NASFAA member schools who were involved in this beta testing. The release that's coming out in an hour is not expected to have any known issues or known bugs, which is great news.

There is, of course, almost always something to counter the good news. I don't want to say bad news. I want to say maybe less than good news or just sort of you might want to be aware of this. Despite the lack of bugs, the user experience has some pretty important differences from batch corrections as they worked when that functionality was last in place back in the '23-'24 aid year. And the way I've been thinking about this is the process flow is logical. When someone explains it to you, you say "That makes sense," but the experience is not necessarily intuitive for the way things are done in a financial aid office. And the reason for this is that the batch process is working at a completely different FAFSA environment. It's not like they went and tried to change batch corrections. It's that the FAFSA is different, and now batch corrections have to accommodate this new FAFSA.

Again, not like bugs, not really. I don't want to define it as problems, but definitely not what people are necessarily expecting. And really what I'm referring to is instances where you may only want to change one thing. You have one data element that you need to change for somebody for whatever reason, but changing that data element necessitates some other change that you might not be aware of. And so if you just change the one data element and submit your correction via batch, you will get a rejected ICER back. The fix is easy. It tells you what you need to fix, you go in, you change that other thing, you send

another correction, and it comes back accepted. But of course when you're making corrections to student records, it's better to be able to do it all at once.

The nice thing about this electronic announcement that just came out is that the department anticipated that this would be frustrating for schools if they just started getting rejected batch corrections back, so they did try to preemptively flag the areas where, in this instance when you change X, you must change Y. And I'll just give one really quick example. Say somebody incorrectly answered the, "I received free and reduced-price lunch," question on the FAFSA, right? They qualified via community eligibility, but you had information. They answered yes, but they qualified via community eligibility, and you had that information somehow, and you needed to change their answer to no. You would say change the answer to no, submit the correction, get back a new ICER.

The problem is, with that, there's a field in that same FAFSA question that says, "None of these apply." If you uncheck free or reduced-price lunch, and none of the other means tested benefits are checked off, you have to check off the "None of these apply" box. You have to do those two things at the same time, not at the same time, but in the same transaction, send that correction, and then it would come back with a valid SAI and a non-rejected ICER.

Again, the solution isn't hard. It isn't going to take a lot of difficult work, but work is work. It's going to take you time. And it might be frustrating to say, "I don't understand why this all doesn't happen in one transaction." Because if you are doing the same thing in the FPP manually, there are built-in edits there that will stop you. If you go and uncheck free and reduced-price lunch, you're going to get prompted to check "None of these apply" before you submit the correction. It's different from your experience in FPP, and it's different from what you might've experienced back in '23-'24.

And that just has to do with the fact that basically FPP corrections are realtime. Batch corrections are asynchronous. The same logic is being applied, but instead of being applied in real time, it's being applied after you send something to the processing system, and it comes back to you.

The good news with this EA is that it does give you opportunities to figure out which times you need to make more than one change in the system before you send out your correction to keep this from being a two-step corrections process.

Karen McCarthy:

Jill, I just have to interrupt you because you're like, "It gives you opportunities," and you're presenting this like, "It's like a little puzzle."

Beth Maglione:

I love a positive spin. I really do.

Jill Desjean:

Listen, you know what?

Beth Maglione:

Who was looking for a challenge today? Well, you're going to get one.

Karen McCarthy:

You have an opportunity [inaudible 00:33:15]-

Jill Desjean:

It's so funny you said that because ... And I'll mention SASFA had a great webinar yesterday, and NASFAA is having a webinar this afternoon. This is Thursday. When we post the podcast, it may have already happened, but both are going to be recorded. And I went into this. And when I heard about this, I was like, "This is not good." And I'm still not saying, "This is great. This is an opportunity." I really don't want to sound as sunny as I did. I was so surprised that people really were not upset at the SASFA conference. People's questions were just like, "How do I do this?" It was just such a testament to just financial aid administrators.

So much has been thrown at them, and they're just like, "How do I fix it?" They're not-

Beth Maglione:

They're just battle-scarred, man. [inaudible 00:34:02]-

Jill Desjean:

Right. It wasn't just grumble, grumble, "I don't understand why this is so annoying." They were just like, "What do I do? Tell me what to do." All the questions were technical questions. They were just like, "How do I just get this done?" I was like, "Man, you guys are," ...

Beth Maglione:

Well, when the zombie apocalypse finally does come, just sign me up for hiding in a cave with a bunch of financial aid administrators-

Jill Desjean:

Absolutely. They're just going to [inaudible 00:34:25]-

Beth Maglione:

... because they're going to get done.

Jill Desjean:

They're not going to ask, "Why is the zombie apocalypse happening, and who could have prevented this?" They're just going to be like, "Let's just fix this problem. We don't want to become zombies."

Karen McCarthy:

I think it's great that our battle-scarred members are like, "Just tell me what to do so that I can get my corrections in."

And I know that ... Though, there is a question. The big question that I have is that the batch corrections process is only used by institutions, so why do we have a batch corrections process that is not intuitive for institutions to use? I don't know ... And I know that we've had some conversations with FSA about their plans, and I know that people will do what they have to to get their corrections in for now, but longer term, the partnership and how we can work to make this process more intuitive and user-friendly for our schools ... I don't know if you had anything you wanted to add there, because I know we mentioned some of those things to FSA.

Jill Desjean:

No, for sure. And I think honestly where things would be great right now would be if what is happening in schools' financial aid management systems sort of mimicked what happens in FPP where there's a real-time edit for you, so you don't have to use these ... They're workarounds, in truth, right? In the EA, this is how to avoid having to make your corrections two steps. That shouldn't be something that you need to figure out. That's a workaround. Corrections should be able to be processed in one step.

And so, ideally, in your financial management system, when you uncheck free and reduced-price lunch, you are automatically prompted. The "None of these apply" box gets highlighted and says, "You have to check this box before you submit your correction." That is not what's happening now. And I don't exactly know why. I can't speak for the financial aid management systems. And it doesn't seem like the department was working with them early on to be able to warn them that these sorts of things came up, so I'm hoping that they can at least respond, and I think all of our members should be speaking to their financial aid management systems' providers to ask for this functionality to say, "Hey, can you make this for corrections work like FPP so we don't anticipate what correction might reject? You stop it from potentially rejecting before I ever submit it in batch."

Karen McCarthy:

Right. We do think that there are opportunities, not next week but in the future, for FSA to continue to work on this process. We know that they have goals. They seem to understand when we pointed out like, "Hey, why doesn't this make more sense here?" Hopefully, we'll continue talking to them, collecting feedback for future improvements that ... Again, I don't want to build up expectations. Would not be next week but kind of added to the list of future enhancements.

Jill Desjean:

They definitely are aware that this isn't ideal despite the fact that everyone has just rolled up their sleeves and said, "What do I do?" They're not saying, "Thank goodness we don't have to do anything else." We definitely communicated to them that this isn't super. We're happy batch corrections is up. We're happy it's bug free. We're not happy that the process isn't intuitive. It should work the way financial aid administrators work, and right now it doesn't.

Beth Maglione:

You typically build software toward users.

All right, Jill. Thank you so much for the update on batch corrections. And I do encourage those of you listening to go back and listen to the recording of the pop-up webinar. I think there's going to be a lot of useful information there if you weren't able to catch it live.

Before we wrap up, I just have two other things I want to mention and maybe ask you one quick question, Karen. We have been waiting for some time now for an executive order that there's been a lot of chatter about and news about which relates to the reduction or wind-down of the Department of Education. What we have heard ... And I guess I'll attribute this to something of the DC rumor mill, but what we have heard is that that executive order may actually come out sometime after McMahan has been confirmed as education secretary. I know that we've got a vote in the Senate today this afternoon. By the time this comes out, it may have already happened. More to come there. Obviously, we're going to stay on top of it.

The other thing that I just wanted to throw out there is, in our communities and just in the world, and I can certainly tell you here in Washington, DC, where I live with my family, there has been a whole lot of talk about federal workforce reductions. This has been really impactful across the board to many, many agencies.

And I'm wondering, Karen. I know that we don't have a lot of detail about the federal workers that do work in the financial aid space, but I'm wondering if you could just let us know what we know and maybe what we don't know.

Karen McCarthy:

I would say, in this space, there's a lot more that we don't know than what we do know because we don't have any clarity in terms of the staffing of FSA other than overall numbers that is publicly available information, so it's really hard to assess what are significant impacts there and what the impact might ultimately be without having any of that detail. We all have personal relationships with people over in FSA, and I know that people have expressed concerns about people who they've worked with quite a lot.

The other challenge here is that, because it's personnel related, there's not a lot of information that's publicly released. It's not this person and this person and this person all laid off, and you know what those people do, so that ramps up your level of concern. It's all very nebulous, I would say. We are kind of closely tracking. I did hear in the news there might be some more layoffs to come in the near future, so we'll be tracking that and paying attention.

When I think about why and how does this impact us, I think about the work that financial aid administrators do and what they need their federal colleagues for to help them do their jobs, and then in turn, how the aid administrator is assisting their students. At the most severe end of an impact, on the student side would be if they're not able to get the information that they need or their funds. Their funds do not flow through on the predictable schedule so that it comes to them at a time so that they're able to pay their educational expenses. And of course, anything that is things that are student facing go down because of staffing issues. If, say, the FAFSA application were to go down, that would be an immediate significant impact that would be noticed by students. Then the other thing that would obviously be noticed by students is the flow of funds to them.

From the aid office, there's a lot that we rely on our federal colleagues for both in terms of operations and training support and all of that so that we can stay on top of things and better able to serve students. If any of that were to not be available at the same level that we are used to, then we would start to see those impacts, but we just don't have any of that level of specificity. Other than vague concern and personal relationships that people have, I feel like a lot of it is really unknown and concerning but very vague.

Beth Maglione:

Thank you. We're going to add it to one more thing on the ever-growing list of items that this policy dream team is keeping an eye out on, and we promise you that, when we know more, we will let you know more.

I'll just wrap it up and say thank you for joining us for another episode of "Off the Cuff". So glad to have you here. And happy Mardi Gras to those who celebrate.