

NASFAA Off The Cuff – Episode 58 Transcript

Justin: Welcome everybody to another edition of “Off The Cuff.” I’m Justin Draeger.

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

Stephen: I’m Stephen Payne with NASFAA’s policy team.

Megan: Megan Coval with NASFAA’s policy team.

Justin: We are coming off of a federal holiday, three-day weekend. Did you guys make any big plans? Were you in New York this last weekend?

Megan: I was, yes.

Justin: You were?

Megan: Yeah.

Justin: And how was it?

Megan: It was great. It was really cold as it has been here.

Justin: So, Nick had to work and you had free reign over the city.

Megan: Partial. Part of the time.

Justin: And you didn’t go see any shows?

Megan: I did not. No.

Justin: Is that because you were seeing a show with us this week?

Megan: It is because I was seeing a show with you this week.

Justin: That’s not really why.

Megan: Well, I just, I have some friends that live there. My cousin just moved there and then there was a work event or two that I went with Nick to and there just really wasn’t time within that schedule to go to a show.

Justin: Go to a Broadway show.

Megan: But I love shows.

Justin: So, this week, we had our national chairs in the office and all of our regional presidents. The first night the national chairs were in town, we went to a Kennedy Center show, which Kennedy Center's iconic. Like, you should go. You've all been, right? I assume.

Allie: Yep.

Stephen: I haven't been actually, ever.

Allie: Really?

Stephen: Yeah.

Megan: That shocks me.

Justin: What?

Allie: Are you not signed up for the MyTix Program?

Stephen: No.

Allie: Do you know what it is?

Justin: MyTix is not a supporter of "Off The Cuff," but go ahead.

Allie: Do you know what it is?

Stephen: No.

Allie: It's this program that they have where if you're under 30, you sign up for it...

Justin: This is ageist.

Allie: And...

Justin: I object.

Megan: I object too.

Allie: Well, let me get to the point. So, they'll send you emails where sort of as it gets closer to a performance date, they'll send out an email and be like, if you're in MyTix, you can buy discounted tickets to whatever show is going on. Rather than, instead of paying \$60 to go to a symphony performance, you might pay like, \$15, and it's sort of their way of trying to get younger people interested and involved in the arts.

Justin: What makes you think Stephen is under 30?

Allie: Because he's younger than me and I'm under 30.

Justin: That sounds like a great program. I'm not sure I believe in that program in terms of equity and justice, but that's fine. You get your cheap tickets there. We paid full freight and we went to see, what was that show?

Megan: "Get on Your Feet."

Justin: "Get on Your Feet," the Gloria Estefan story.

Allie: Was it good?

Justin: I mean, I got a little sleepy during some parts, but largely it was good. What'd you think?

Megan: I thought it was fantastic.

Justin: Start to finish?

Megan: Yeah.

Justin: You were riveted all the way through?

Megan: There were a couple parts where I thought it was a little bit slow, but it was so high energy and the choreography was amazing. I mean, it's one of the best shows I've seen, I think.

Justin: Wow. That is high praise.

Megan: It includes a lot of her music and so, there's a lot of familiar songs throughout it and things that I didn't even realize were her songs or songs she had written.

Justin: Yeah.

Megan: Amazing cast. Fun.

Justin: The cast was very good. This just came off Broadway, so...

Megan: Yeah.

Justin: It might still actually be on Broadway, but this is the traveling one. I think this is their first stop.

Megan: It's a good story, too.

Justin: It is a great story. The only part I found confusing, which I don't know if you did, is it's like attending a concert. In the musical, they're doing a concert.

Megan: Yeah. Yes.

Justin: And then it feels weird just to sit there.

Megan: Right. You want to move.

Justin: At a concert, you want to stand up and give them ... but you're actually at a musical, so you just sit.

Megan: Yes. Right. I agree with that. There was some audience participation though.

Justin: Yeah. They pulled people up.

Megan: In the conga.

Justin: How many Gloria Estefan songs can you name, Allie?

Allie: Not many.

Justin: Name two.

Allie: "Get on Your Feet."

Justin: That's one.

Allie: I don't know.

Justin: Stephen, can you help her?

Stephen: Allie took mine.

Justin: This is why we have this kind of tickets for people under 30, I think.

Megan: I think there were several songs there that you guys would know.

Justin: Conga song.

Megan: You were like, oh that's her. I had that moment several times.

Justin: That's true.

Allie: Didn't she do a song with NSync at one point?

Megan: No, Really?

Justin: No.

Megan: I feel like I would have known that.

Allie: Or some boy band, she did a song with them.

Stephen: How was the plot in this performance? Did it make sense?

Megan: Yeah. It's her life. Her real story.

Stephen: Gotcha.

Megan: It has a really good story, and she was in that terrible bus accident. Her tour bus got hit in Pennsylvania and she had to have spinal surgery and weren't sure if she was going to walk again.

Justin: On a Pennsylvania highway. Big shocker. Erie, I think.

Megan: No, no.

Stephen: [Laughing] Erie.

Megan: Listen. It was right outside of Scranton and I was telling the chairs this. That Nick's mom was an ER nurse and took care of her.

Justin: Yeah. So, it doesn't revolve around the accident. It's really about family relationships and the accident. It's reconciliation. It was good.

All right. Another show going on in DC today, in fact, just wrapped up a hearing. This is one hearing in a series of hearings about the reauthorization of the Higher Education Act. Megan?

Megan: Yeah, so today there was a hearing focused on Higher Education Act called Financial Aid Simplification and Transparency. It is one of a series of hearings that the Senate HELP Committee will be holding, as they're getting prepared to hopefully release their draft of a comprehensive reauthorization bill. And the witnesses today, we did not have a financial aid administrator on the panel. I think, unfortunately, given some of the topics that were discussed.

Justin: There was only one school person on the panel, it was a college president.

Megan: Yes. It was President of Amarillo College in Texas. So, he was one of the panelists. Dr. Russell Lowery-Heart. Dr. Sue Dynarski. She's a professor of public policy focused on education of economics at the University of Michigan and folks might be familiar with her work. She's a pretty, I would say, well known researcher within the higher ed space. Dr. Matthew Chingos, who is director of the Education Policy Program with Urban Institute. He's also pretty well known in our field. Ms. Joanna Darkus, who is a justice fellow for the National Consumer Law Center and Ms. Laura Keen, who is chief policy officer for UAspire, who is one of the National College Access Networks in Philadelphia, Pennsylvania.

Justin: And the last witness you just mentioned from UAspire, they're coming out with a report, if it hasn't come out already, today with New America on award letters.

Megan: On award letters and so, that's what her testimony primarily focused on. Financial aid award letters.

Justin: Help me focus on that part for just a second. What did she say about award letters in terms of, I imagine they found some schools or examples of schools that were not doing a very good job with award letters and then made recommendations?

Megan: Yes. So, and Allie and Stephen, you can jump in here too if...

Justin: Because we've seen this kind of play out over, like this is not a new topic.

Megan: Yeah. Basically they did a study where they looked at, I think it was over 900 award letters. Is that right?

Justin: But multiple, could those all have been from..?

Megan: There are some duplicates on there, so not 900 individual institutions.

Justin: Okay.

Megan: So, 11,000 award letters. You guys can jump in, too. From 936 colleges across 44 different states. They found...

Stephen: One thing that she noted in her testimony was that one-third of the award letters — and as we said, there were 11,000 award letters that they looked at — don't list cost of attendance at all or any sort of total cost to the student. So, just listing sort of the aid programs that the student is eligible for and the amounts, but not listing actually, at the end of the day, how much does it cost? One-third only mentioned direct costs and don't address indirect cost. Obviously, housing, textbooks. Those were two of the issues that she flagged there and then the other third did what they should in this population. That included both direct costs and indirect costs.

Megan: There was also a large percentage too I think where she said you just couldn't identify anywhere on the award letter what you owed the institution. Didn't that come up as well?

Allie: There was one that said two-thirds of the letters lumped together grants and loans and didn't separate those out.

Justin: So, yeah. I think there's a couple. We had, like I said, our national chairs and our regional presidents in and they actually sat down with some reporters and had a very similar conversation about this. An award letter is not a billable statement. So, sometimes these are estimates. It's not supposed to be necessarily billable. That said, we do have a code of conduct at NASFAA of institutional membership that does say that award letters have to maintain some minimal things, which is a breakdown of individual components of their cost of attendance and that includes a breakdown of potential billable charges versus non-billable. They have to clearly identify each award and they have to separate out gift aid from self-help aid, like loans or work-study. Now they have to use standardized terminology and definitions and then they have to somewhere in that package also talk about renewability so that students aren't getting grants that are then taken away from them later on. And so, if somebody adhered to our own code of conduct, they would have been in compliance with things that these folks are talking about too, right?

Megan: Yeah.

Justin: What's interesting about our code is we've not had a kind of complaint submitted to NASFAA over the last couple years about award letters and maybe this is a lack of awareness, but every time that we have, we have gone out and contacted those schools and in every case, the school has changed their award letter to be in compliance. So, I do think there might be just maybe a lack of awareness that would seem really basic to us that some schools just might be lacking. I mean, lumping together your grants and loans is not acceptable.

Megan: Right.

Justin: We have to give folks standardized stuff to compare apples to apples. What were their recommendations? Were they saying a standardized form, or where are we at?

Stephen: So, Sen. Cassidy had an exchange with Ms. Keen from UAspire — and that was sort of her issue with the award letters — and he asked her whether it would be a good idea for Congress to designate a sort of rigid one-size-fits-all form that schools would be required to comply with, or whether we should standardize the elements, the terms, the definitions, maybe some sort of formatting items and getting what should precede something else. Ms. Keen said her preference would be to standardize those things I just mentioned. The terms, definitions and then from there, it would make more sense for institutions to have some autonomy to design their award letters in a way that makes the most sense for their students and their programs.

Justin: That's closer to what we already have. That's codifying what we would want.

Stephen: There's a bill out there sponsored by, and we've talked about this before I think over the years, by Sen. Grassley and was led by Sen. Franken, who is no longer in the Senate, and that bill would essentially create a one-size-fits-all award letter. So, from the person the senators brought in to talk about award letters, her preference was that there would be these, sort of our recommendation as well, that there's these standardized terms, definitions, but then some autonomy to schools to craft it in a meaningful way.

Justin: Yeah. One of the points that, in our regional president's meeting, that was brought up was that at some schools, federal aid is really, and depending on the students, is really a very small amount of an aid package. Like, they might be having an institutional grant program that's much, much larger than any federal aid and so, they want that flexibility to say, we want to list our own institutional aid front and

center because that is the largest amount of financial aid they're going to receive. In something like the shopping sheet, it emphasizes federal aid.

Megan: Yeah.

Justin: Which may work for a lot of students. And then the other thing with a federal form is, as we've seen with the Perkins right now, Perkins is on the shopping sheet, but that program is now defunct, expired at least. So, when would that be updated and it won't be updated until the bureaucratic process goes through, decides to remove it and that sort of thing.

Stephen: I mean, you have Pell.

Justin: Pell for grad students. Just raises more questions. Subsidized loans. It just doesn't fit super well.

Megan: Yeah. I mean, this is a good opportunity where we were discussing earlier, we're not trying to hide behind any of this stuff and I think when this report comes out, the report is not out as of yet. They were just kind of teasing it today with the testimony. We'll cover it and I think it's a good opportunity to again, highlight what is in our code of conduct, in our glossary of standardized terms and remind folks that this is what they should be doing.

Stephen: We saw a similar sort of brief, I guess, come out of TICAS — the Institute for College Access and Success — and Justin sort of alluded to it earlier, but it's hard to tell how widespread some of these issues are because there's this indication in both of these briefs — and we haven't seen the full report yet for this New America study — where you have so many more award letters than schools, so it's hard to get a good indication of, are there five schools doing this that are really overrepresented because they might be a big school? For whatever other reason that might exist? Or is this something that a third of the schools here are, or two-thirds, are really communicating to students? I think that's an important question that has to fit into this conversation.

Justin: And while not all schools do it, one of the other things that the regional presidents were talking to these reporters about on award letters was they even change award letters based on the students that they're giving them to within their own institutions. So, first, your students that are going to live on campus get one sort of award letter, and then students who are not living on campus get a different type because their expenses are going to be very different. They can tell an on-campus student exactly how much school is going to cost. Off-campus is a little bit different because you're doing estimates and those estimates might be different based on the program you're in or if you're going full-time, part-time

or all sorts of things. They differ depending on even their students within the institution. Alright, more to come there. The other thing I heard Sen. Alexander say was some analogy about gravy. McDonald's and gravy, at that.

Stephen: That's right. During Sen. Alexander's time for Q & A, at a very interesting part of the hearing and it wasn't too long, so maybe one of the humorous highlights, but Sen. Alexander said that if McDonald's is going to introduce a new kind of gravy, they wouldn't introduce it into all of their stores, restaurants immediately. They would first test out this gravy and he said they might first test it out in Philadelphia, Dallas, and Nashville.

Justin: Where he's from.

Stephen: Right. So, his point there was that, as we're thinking about some of these repayment things, particularly there was a lot of talk today about automatic payroll withholding that we should first maybe consider pilots or other sorts of experimental sites or something like that to test some of these ideas before make it the national model. But the McDonald's and gravy analogy was very interesting.

Justin: I don't think it resonated. What in McDonald's would you put gravy on?

Megan: They have biscuits.

Allie: Yeah, like breakfast. Sandwiches, biscuits.

Justin: I actually thought somebody on your team, on the policy team said that McDonald's already, that this is already a thing. Like, you can do this. Did you know this?

Megan: Maybe a regional.

Stephen: Yeah. One of our colleagues, Megan Walter let us know that biscuits and gravy are one of McDonald's most famous secret menu items in the south.

Justin: What? See. And I have to say actually, I like McDonald's breakfast. You're down with McDonald's.

Megan: Down, yep.

Justin: Yeah.

Megan: And now they have it all day.

Justin: Now they have gravy.

Megan: But I also feel like gravy is one of those things where it means different things to people in different places and I don't know what the difference is. Just like, we say I want a pop or I want a soda and everyone in the south calls any pop or soda Coke.

Justin: Yeah, okay.

Megan: And I'm feeling like I've heard this about gravy, but I don't know.

Justin: So, when you hear gravy, I'm thinking brown or gray thick and...

Megan: I'm thinking like Thanksgiving turkey and mashed potato and gravy.

Justin: Yes.

Stephen: There are others who use gravy and not me, but Christina's family.

Justin: From New Jersey.

Stephen: Yeah. From New Jersey. Italian. Use gravy to refer to many things, including turkey gravy, but also pasta sauce.

Megan: That's what it was.

Justin: What?

Megan: Okay.

Justin: So, red pasta sauce? They call it gravy?

Stephen: Right. Can you pass the gravy? And they're talking about...

Justin: When that happened, you were completely confused.

Stephen: And I'm still confused.

Justin: So, you're at your fiancé's house and they're like, pass the gravy and you're like...

Stephen: Right. Do you want more gravy? It's like, no. But I would like more sauce.

Megan: Okay, I think that was what it was.

Justin: There you go. So, he could have been talking about spaghetti sauce.

Stephen: But I think he was probably talking about, because I don't know if McDonald's has spaghetti sauce.

Justin: Well, Megan said...

Megan: Secret menu, yeah.

Justin: Okay, great. Other big news. We seem imminently on the verge of a government shutdown. The first one since 2013?

Allie: Yep.

Megan: Yeah. Then before that, it was 1995, 1996.

Justin: It seems like it hasn't been five years since the last shutdown.

Megan: No.

Justin: That one was long. That one was a three-week, right?

Megan: It was like, definitely three weeks. It was in the fall.

Allie: It was right around Halloween because people were talking about going as the government shutdown for Halloween.

Stephen: So, an interesting fact. The 2013 shutdown wasn't too long, but the 1995 shutdown was a little bit longer and there was, someone who had been around DC for a while that spoke at a coalition meeting that I was at the other week and noted that for the first time since 1995, there is a large traveling Vermeer, like the painter, exhibit at the National Gallery of Art right now and the last time there was a big traveling exhibit was in 1995. This gentleman said that perhaps they're correlated.

Justin: Correlated? I'd say they're the cause. We have a full-on causation here.

Stephen: Yeah. Interesting fact. Yeah. Nonetheless, I mean, the writing on the wall isn't good right now, though a lot can change over the course of the next few days relating to the passage of a continuing resolution to again kick the can down the road into, now the date is February 16 and so, the House is trying to get the votes. They didn't have them as of last night. Said that they're confident that they will

have the votes. The question is then, the House jams this through party line vote, no Democrats are going to support, they need 60 in the Senate and so, will Democrats support it? There's already reports out about how McConnell is anticipating a shutdown and is trying to work strategically to blame it on Democrats, specifically those 10 Senate Democrats who have talked about and we've talked about ad nauseam over the last year or two that are in those states that Trump won is a key part of their strategy to target those members.

Justin: So, DACA's been a major point of this, but now it sounds like the Childhood Insurance Program is also a big part of this as of this morning when Trump tweeted that CHIP should be thrown out of the continuing res.

Megan: So, CHIP was in. They put it in.

Justin: And they had reached a deal.

Megan: And they were getting it buttoned up.

Justin: We thought this was...

Megan: Fine. I got my numbers all in line.

Justin: Right. And then President Trump said it should be out and everything went into disarray.

Megan: Just this morning.

Justin: Yeah. Four hours ago.

Stephen: What's important to note is DACA is a huge piece of this, but the CHIP piece was thrown into the continuing resolution to entice folks to support it. But the CHIP extension is a six-year extension and it's not a temporary extension. So, the President tweeted this morning that it shouldn't be sort of on this short term basis, but in fact, the extension within the CR itself is a six-year extension, so it's a little complex.

Justin: Yeah. It's like a six-year reauthorization. That's as long as you're going to get for any program.

Stephen: Right. So, now Republicans are, and Trump as well, are trying to say all right, so there are significant defense consequences if we have a shutdown and now we have this Children's Health Insurance Program extension in the CR, so Democrats who don't support this don't support the military

and don't support children. It's interesting that now you have these very out of the House Republican caucus. You had messaging last night that gets along the lines of kids might die type messaging, which is very dramatic.

Justin: It sounds like death panels.

Stephen: Democrats were doing that too with the health care bill. Like, people will die and so, it just gets very heavy very fast and the finger pointing and the blame is already started.

Justin: Have any fingers pointed at NASFAA?

Stephen: Not on this topic.

Justin: Okay, great. So, let's assume for a second, shutdown. Okay? On Saturday, basically the government "shuts down" midnight Friday night, right?

Allie: Yes.

Justin: So, Saturday morning, do FAFSA's get processed?

Megan: Yes.

Justin: Do loans get serviced?

Megan: Yes.

Justin: Do Pell Grants get disbursed?

Megan: Yes.

Justin: And do direct loans get disbursed?

Megan: Yes.

Justin: So, for us, and this would be reminiscent of five years ago, by and large, student aid continues. What you might lose out on then are, and I don't mean this in any derogatory way, but in a governmental way, non-essential staff that aren't tied to mandatorily funded programs. So, that might be, for schools, some of your service reps. It might be your federal trainer. So, if you've got a conference scheduled over a federal shutdown, you're out of luck in terms of getting a federal trainer.

Megan: I mean, last time, remember it was in the fall.

Justin: Yes. We filled the gap as much as we could.

Megan: NASFAA's policy staff went out and tried to fill in very last minute for a lot of the trainers.

Justin: Right. The last time we had this, what'd we say? It was three weeks? Is that right?

Megan: Three or so weeks, yeah. It wasn't a month.

Justin: So, the question is, if we have a shutdown, how long will it last and once you shut down? I sort of feel like you lose a lot of momentum because then people dig in. Although we did have a shutdown in the last five years though where it was just over a weekend, right? You remember that? It was just real quick. It was like a shutdown and then it was back up.

Megan: I don't think it was even a weekend. I think they immediately reversed it, or if it even did shut down.

Justin: It was like a blip or something.

Allie: Yeah.

Justin: Maybe it was technically shut down because the President hadn't signed it or something.

Megan: Yeah.

Justin: But it was, yeah. All right.

Stephen: Just to throw a wrench in the works here too, you have President Trump who's on record saying that a good shutdown every once in a while...

Allie: Will motivate people.

Stephen: Right. Isn't the worst thing either.

Justin: I think it's a terrible thing. Just on principle because all the federal workers who are furloughed. The last shutdown we had for three weeks wasn't their fault, but they came back and got paid for those three weeks. They got paid for those three weeks, which is just because it wasn't their fault. But they got paid and then we got no work, so the taxpayer lost. They got back pay for work that never happened and I'm not advocating they shouldn't have gotten paid...

Allie: Right.

Justin: But I'm saying this is no good.

Stephen: Legally they're not allowed to work. They're not allowed to log in.

Megan: Right. They have to leave computers and people were checking for activity.

Justin: Right. Serious business.

Megan: Yeah. I don't know. These are crazy times. These are not simple times. Stephen likes to say times were simpler back then.

Allie: Five years ago.

Megan: You just have to wonder when Speaker Ryan was thinking he was getting this all buttoned up and getting his votes and then, does he see the tweet just like everyone else does? Slamming CHIP?

Justin: I just want to be his staffer who has to bring that to him and say, Mister Speaker, we have a tweet from the President.

Megan: Yeah and I'm not sure the President fully realizes the ramifications of those tweets.

Justin: You're not sure. Yeah.

Megan: I'm not sure. Yeah.

Justin: Okay.

Megan: Let's be fair. Some people probably think he's sure. I don't know.

Justin: I don't know either. All right. Thanks for joining us for another edition of "Off The Cuff." Join us again next week. Send us your questions and comments. Remember to subscribe.