Department of Education

STUDENT AID ADMINISTRATION

Fiscal Year 2025 Budget Request

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STUDENT AID ADMINISTRATION

Appropriations Language

For Federal administrative expenses to carry out part D of title I, and subparts 1, 3, 9, and 10 of part A, and parts B, C, D, and E of title IV of the HEA, and subpart 1 of part A of title VII of the Public Health Service Act, $2,659,126,000, to remain available through September 30, 2026.[1]

NOTES

A full-year 2024 appropriation for this account was not enacted at the time the Budget was prepared; therefore, the Budget assumes this account is operating under the Continuing Appropriations Act, 2024 and Other Extensions Act (Division A of Public Law 118–15, as amended). The amounts included for 2024 reflect the annualized level provided by the continuing resolution.

Each language provision that is followed by a footnote reference is explained in the Analysis of Language Provisions and Changes document which follows the appropriation language.

STUDENT AID ADMINISTRATION

Analysis of Language Provisions and Changes

Language Provision	Explanation
[1] **to remain available through September 30, 2026.**	This language provides for appropriated funds to remain available for 2 years.

STUDENT AID ADMINISTRATION

Amounts Available for Obligation
(dollars in thousands)

Appropriation and Adjustments	2023	2024	2025
Discretionary Budget Authority:			
Appropriation	$2,033,943	$2,033,943	$2,659,126
Transferred from Other Accounts	61,018[1]	0	0
Subtotal, adjusted discretionary appropriation	2,094,961	2,033,943	2,659,126
Total, appropriation	2,094,961	2,033,943	2,659,126
Unobligated balance, start of year	32,833	16,127	0
Recovery of prior-year obligations	51,962	37,464	0
Appropriation Permanently Reduced ARPA	-2	0	0
Unobligated balance expiring	-27	0	0
Unobligated balance, end of year	-16,127	0	0
Total, direct obligations	2,163,600	2,087,534	2,659,126

[1] Includes incoming budget authority transfer of $61,018 thousand.

STUDENT AID ADMINISTRATION

Obligations by Object Classification
(dollars in thousands)

	Object Class	2023 Actual	2024 Annualized CR	2025 Request	Change from 2024 to 2025
11.10	Full-time permanent	$209,187	$234,764	$253,056	+$18,292
11.31	Full-time temporary	2,162	266	552	+286
11.32	Part-time	285	0	0	0
11.33	Consultants	66	0	0	0
11.51	Overtime	419	296	644	+348
11.52	Awards	4,786	4,459	5,031	+572
11.80	Other Compensation	113	0	0	0
	Subtotal, Personnel Comp.	217,018	239,785	259,283	+19,498
12.00	Benefits	77,184	86,677	93,651	+6,974
13.10	Benefits for former personnel	0	78	78	0
	Subtotal, Per. Comp & Ben.	294,202	326,540	353,012	+26,472
21.00	Travel	535	706	550	-156
22.00	Transportation of things	6	8	0	-8
23.10	Rental payments to GSA	18,902	14,000	10,864	-3,136
23.31	Communications	0	0	0	0
23.32	Postage/fees	21	23	28	+5
	Subtotal, 23	18,923	14,023	10,892	-3,131
24.00	Printing and reproduction	1	2	7	+5
25.10	Advisory and assistance services	313	862	995	+133
25.21	Other services	834,397	737,573	986,926	+270,789
25.22	Training/tuition/contracts	688	1,437	1,989	+522
25.30	Goods/services from gov’t	35,663	39,257	26,800	-12,457
25.40	Operations/maint of facilities	0	0	0	0
25.71	Operations/maint of equipment	0	0	0	0
25.72	IT services/contracts	978,507	967,038	1,277,544	+342,661
	Subtotal, 25	1,849,568	1,692,576	2,294,064	+601,678
26.00	Supplies	20	33	54	+21
31.10	IT equipment/software	154	55	357	+302
31.30	Other equipment	0	0	0	0
	Subtotal, 31	154	55	0	0
32.00	Building alterations	171	0	0	0
43.10	Prompt payment interest	20	0	0	0
	Total, Obligations	2,163,600	2,087,534	2,659,126	571,592

STUDENT AID ADMINISTRATION

Obligations by Object Classification, Supplemental, ARP Act (P.L. 117-02)
(dollars in thousands)

	Object Class	2023 Actual	2024 Annualized CR	2025 Request	Change from 2024 to 2025
11.10	Full-time permanent	0	0	0	0
11.31	Full-time temporary	0	0	0	0
11.32	Part-time	0	0	0	0
11.33	Consultants	0	0	0	0
11.51	Overtime	0	0	0	0
11.52	Awards	0	0	0	0
11.80	Other compensation	0	0	0	0
	Subtotal, Personnel Comp.	0	0	0	0
12.00	Benefits	0	0	0	0
13.10	Benefits for former personnel	0	0	0	0
	Subtotal, Per. Comp & Ben.	0	0	0	0
21.00	Travel	0	0	0	0
22.00	Transportation of things	0	0	0	0
23.10	Rental payments to GSA	0	0	0	0
23.31	Communications	0	0	0	0
23.32	Postage/fees	0	0	0	0
	Subtotal, 23	0	0	0	0
24.00	Printing and reproduction	0	0	0	0
25.10	Advisory and assistance services	0	0	0	0
25.21	Other services	$21,496	0	0	0
25.22	Training/tuition/contracts	0	0	0	0
25.30	Goods/services from gov't	0	0	0	0
25.40	Operations/maint of facilities	0	0	0	0
25.71	Operations/maint of equipment	1,223	0	0	0
25.72	IT services/contracts	290	0	0	0
	Subtotal, 25	0	0	0	0
26.00	Supplies	0	0	0	0
31.10	IT equipment/software	0	0	0	0
31.30	Other equipment	0	0	0	0
	Subtotal, 31	0	0	0	0
32.00	Building alterations	0	0	0	0
43.10	Prompt payment interest	0	0	0	0
	Total, Obligations	23,009	0	0	0

STUDENT AID ADMINISTRATION

Summary of Changes
(dollars in thousands)

2024	$2,033,943
2025	2,659,126
Net change	625,183

Increases:	2024 base	Change from base
Built-in:		
Increase in salaries and benefits, a 2.0 percent pay raise, and projected benefits increases.	$321,707	+$10,426
Program:		
Increase in salaries and benefits for 76 additional FTE	321,707	+15,126
Increase in Overtime	296	+348
Increase in Awards	4,459	+572
Increase in Postage	23	+5
Increase in Printing and Reproduction	2	+5
Increase in Advisory & Assistance Services	862	+133
Increase in Other Services	737,573	+270,789
Increase in Training	1,437	+552
Increase in Supplies	33	+21
Increase in IT Equipment/Software	55	+302
Increase in IT Services/Contracts	967,038	+342,661
Subtotal, increases		+640,940

Decreases:	2024 base	Change from base
Program:		
Decrease in Transportation of Things	$8	-$8
Decrease in Travel	706	-156
Decrease in Rent	14,000	-3,136
Decrease in Goods and Services	39,257	-12,457
Subtotal, decreases		-15,757
Net Change		+625,183

STUDENT AID ADMINISTRATION

Authorizing Legislation
(dollars in thousands)

Activity	2024 Authorized	2024 Annualized CR	2025 Authorized	2025 Request
Student aid administration *(Higher Education Act of 1965, I-D)*	0	$2,033,943	To be determined[1]	$2,659,126
Total appropriation		2,033,943		2,659,126
Portion of request not authorized				2,659,126

[1] The GEPA extension expired September 30, 2015; reauthorization for FY 2025 is expected through appropriations action.

STUDENT AID ADMINISTRATION

Appropriations History
(dollars in thousands)

Year	Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
2016[1]	$1,581,854	$1,446,924	$1,361,700	$1,396,924
2017[2]	1,631,990	1,551,854	1,546,854	1,576,854
2018[3]	1,697,711	1,697,711	1,576,854	1,678,943
2019[4]	1,772,000	1,678,943	1,678,943	1,678,943
2020[5]	1,812,000	1,678,943	1,778,943	1,768,943
2020 CARES Supplemental[6]	0	0	0	40,000
2021[7]	1,883,309	1,768,943	1,868,943	1,853,943
2021 CRRSAA Supplemental[8]	0	0	0	30,000
2021 Mandatory ARP Supp[9]	0	0	0	91,130
2022[10]	2,053,943	2,053,943	2,033,943	2,033,943
2023[11]	2,654,034	2,579,034	2,594,034	2,033,943
2024[12]	2,654,034	1,769,207	2,183,943	2,033,943
2025	2,659,126			

[1] The levels for House and Senate allowances reflect action on the regular annual 2016 appropriations bill, which proceeded in the 114th Congress only through the House Committee and Senate Committee.
[2] The levels for the House and Senate allowances reflect Committee action on the regular annual 2017 appropriations bill; the Appropriation reflects the Consolidated Appropriations Act, 2017.
[3] The level for the House allowance reflects floor action on the Omnibus appropriation bill; the Senate allowance reflects Committee action on the regular annual 2018 appropriations bill; the Appropriation reflects the Consolidated Appropriations Act, 2018 (P.L. 115-141).
[4] The levels for the House and Senate Allowance reflect Committee action on the regular annual 2019 appropriations bill; the Appropriation reflects enactment of the Department of Defense and Labor, Health and Human Services, and Education Appropriations Act, 2019 (P.L. 115-245).
[5] The Senate Allowance reflects the Chairman’s mark; the Appropriation reflects the Further Consolidated Appropriations Act, 2020 (P.L. 116-94).
[6] The Appropriation reflects the supplemental funds from the Coronavirus Aid, Relief, and Economic Security Act (P.L. 116-136).
[7] The level for the House allowance reflects subcommittee action. The level for the Senate Allowance reflects the Chairman’s mark; the Appropriation reflects Division H of the FY 2021 Consolidated Appropriations Act, 2021 (P.L. 116-260).
[8] The Appropriation reflects supplemental funds from Division M of the FY 2021 Consolidated Appropriations Act, 2021 (P.L. 116-260).
[9] The Appropriation reflects the American Rescue Plan Act of FY 2021 (P.L. 117-2).
[10] The House allowance reflects floor action on the FY 2022 Consolidated Appropriations Act; the Senate allowance reflects the Chairman’s mark; and the Appropriation reflects the annualized continuing resolution level.
[11] The house allowance reflects the regular annual FY 2023 appropriation, which was introduced on the floor, the Senate allowance reflects the Chairman’s mark; and the Appropriation reflects the Consolidated Appropriations Act (P.L. 117-328).
[12] The House allowance reflects Subcommittee action, and the Senate allowance reflects Committee action on the regular annual 2024 appropriations bill; the Appropriation reflects the annualized continuing resolution level.

STUDENT AID ADMINISTRATION

Significant Items in FY 2024 Appropriations Reports

Spending Plan

Senate: The Committee directs the Department to provide a detailed spend plan of the planned uses of funds in this account within 45 days of enactment, and to provide quarterly briefings on its implementation not later than 10 days prior to the start of the quarter. This should continue to include, but not be limited to, detailed breakouts by baseline operations and development efforts, and servicing, student aid core systems, IT activities, and other Federal Student Aid activities. These spend plans should also include details on major activities, including implementation of the Unified Servicing and Data Solution [USDS], FUTURE Act, and FAFSA Simplification Act, and other activities as appropriate. Further, the spend plan should include a crosswalk to activities funded under administrative costs and servicing activities, and any reallocation of funds between those two activities should be treated as a reprogramming of funds, and the Committees should be notified in advance of any such changes.

Response: The Department will provide the requested report.

Advance Change Request Notification

Senate: The Department is directed to provide notification to the Committees no later than 7 days after issuing a student loan servicing contract Change Request [CR], including a summary of any new requirements, adjustments to existing requirements, or removal of requirements in the CR.

Response: The Department will work with the Committees to provide the requested information per this directive.

Return to Repayment Briefings

Senate: The Committee directs the Secretary to provide monthly briefings to the Committees on Appropriations and to the Committees on Education and the Workforce of the House of Representatives and on Health, Education, Labor, and Pensions of the Senate on progress related to implementation of Title IV of Division B of the Fiscal Responsibility Act of 2023 (Public-Law 118-5) for Federal student loans during fiscal year 2024. The briefings should include information on borrower status, including the percentage of borrowers in repayment-by-repayment plan and the percentage of borrowers who are delinquent or not making payments, metrics on communications with borrowers, such as open rates for emails, and any changes to communications with borrowers based on data or behavioral economics assumptions.

Response: The Department will provide the requested briefings to the Committees as directed.

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Quarterly USDS Implementation Briefings

Senate: The Committee recommendation also continues the requirement for the Department to provide quarterly briefings on Federal student loan servicing contracts, including the transition to USDS.

Response: The Department will provide the requested briefings to the Committees as directed.

Foreign Influence

Senate: The Department shall report to the Committee on the presence and influence of Confucius Institutes and any steps it has taken to address undue influence with institutions of higher education.

Response: The Department will provide the requested report to the Committee consistent with the information that is reported to the Department and the Department's obligations pursuant to Section 117 of the HEA.

Student Aid Administration

(Higher Education Act of 1965, I-D)

(dollars in thousands)

FY 2025 Authorization: To be determined[1]

Budget Authority:

	2024 Annualized CR	2025 Request	Change
Personnel Comp. & Ben. Costs	$326,540	$353,012	+$26,472
Non-Personnel Costs, excluding Loan Servicing Costs	732,403	981,731	+249,328
Subtotal, Salaries and Expenses	1,058,943	1,334,743	+275,800
Loan Servicing Costs	975,000[2]	1,324,383	+349,383
Total	2,033,943	2,659,126	+625,183
FTE	1,615	1,691	+76

PROGRAM DESCRIPTION

The Student Aid Administration (SAA) account provides funds to administer the federal student financial assistance programs authorized under Title IV of the Higher Education Act (HEA) of 1965, as amended.

The Office of Postsecondary Education (OPE), the Office of the Under Secretary (OUS), and the Office of Federal Student Aid (FSA) oversee and administer the federal student financial assistance programs. The Higher Education Amendments of 1998 established FSA as the Federal Government's first performance-based organization to improve service for students, parents, schools, and other program participants; to reduce student aid administration costs; to increase the accountability of the officials responsible for administering program operations; and to integrate the student aid processing and delivery systems.

OPE, under the direction of the Under Secretary, formulates policy for the Student Financial Assistance programs and administers other Federal post-secondary education programs. In addition, other Department of Education (Department) offices, including the Office of the Chief Information Officer (OCIO), Office of the General Counsel (OGC), Office of Planning, Evaluation

[1] The GEPA extension expired September 30, 2015.

[2] The amounts shown here and discussed throughout the Congressional Justification reflect the Administration's estimated allocation between Loan Servicing Costs and Salaries & Expenses. The Congressional allocation between these activities is $975 million Loan Servicing Costs and $1,059 million Salaries and Expenses. Any reallocation of funds by the Department will require a reprogramming and notification of the Appropriations Committees.

and Policy Development (OPEPD), and Office of Finance and Operations (OFO) contribute to the policy formulation, administration and oversight of the student aid programs.

Funding levels for the past 5 fiscal years were:

Fiscal Year	(dollars in thousands)
2020	$1,768,943
2020 CARES Act	40,000
2021	1,853,943
2021 CRRSA Act	30,000
2021 Mandatory ARP Act	91,130
2022	2,033,943
2023	2,033,943
2024 Annualized CR	2,033,943

FY 2025 BUDGET REQUEST

For fiscal year 2025, the Administration is requesting $2,659.1 million to administer all Title IV Federal Student Aid programs, which is $625.2 million more than the 2024 annualized CR based on the fiscal year 2023 appropriation. This includes $1,334.6 million for student aid administration salaries and expenses and $1,324.4 million for loan servicing activities. The funds in this request are critical to maintain core operations and implement reforms that will improve FSA's ability to serve students and borrowers while strengthening protections and ensuring its vendors can provide high-quality service.

The fiscal year 2025 request includes the following major categories:

1. **Loan servicing activities** total $1,324.4 million, a net increase of $280.6 million more than the 2024 annualized CR based on the fiscal year 2023 appropriation. The request reflects continuing efforts to facilitate a successful return to repayment, the full transition from legacy servicing contracts to the recently awarded Unified Servicing and Data Solution (USDS) contract, and necessary funding for a full 12 months of steady-state operations. More information is provided on page 15.

2. **Student Aid and Borrower Eligibility Reform (SABER) initiative** totals $76.5 million, a decrease of $30.6 million less than the 2024 annualized CR based on the fiscal year 2023 appropriation. This funding is critical for the continued implementation of the requirements in the FAFSA Simplification Act and *Fostering Undergraduate Talent by Unlocking Resources for Education* (*FUTURE Act*) and ongoing operations. Additional information is provided on page 18.

3. **Federal Student Aid Information Technology (IT) activities** total $173.9 million, an increase of $10.0 million more than the 2024 annualized CR based on the fiscal year 2023 appropriation. Increased funding is necessary to support activities to protect against security breaches to ensure protection of borrowers' personal

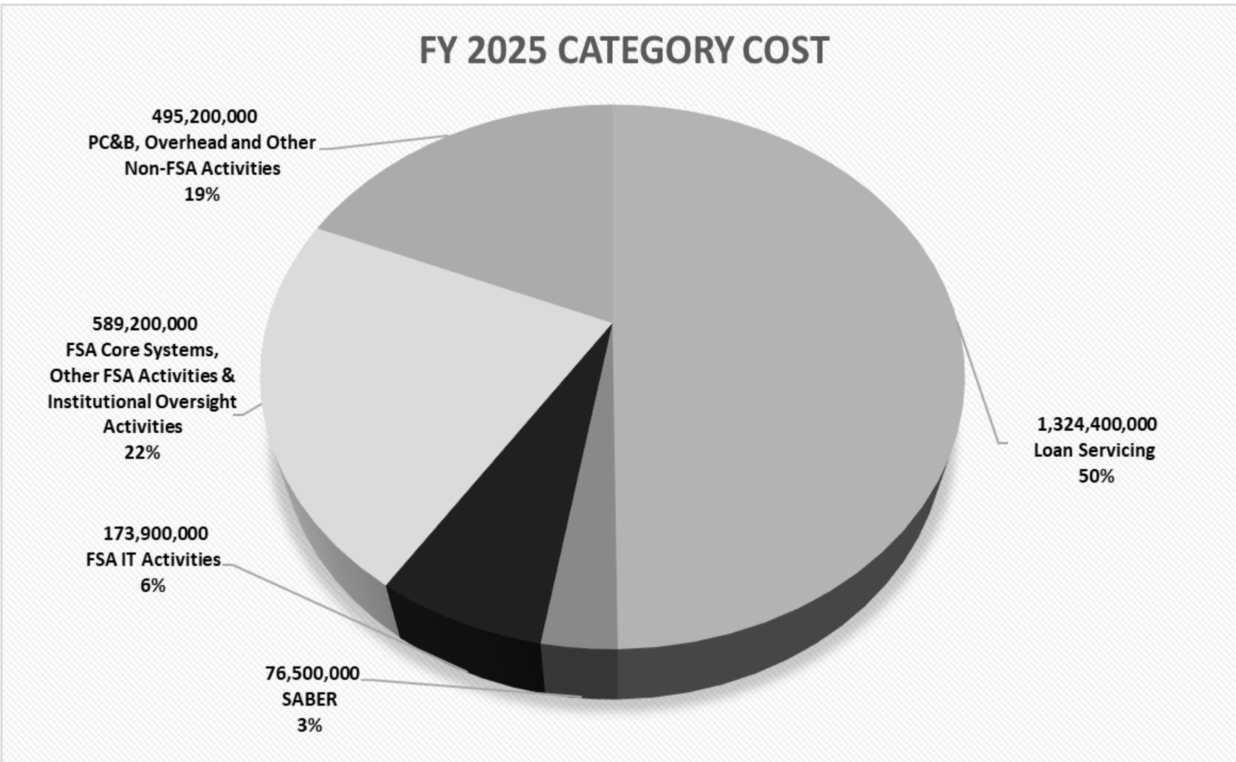
information as well as providing the necessary IT infrastructure for FSA's data storage. More detail is provided on page 21.

4. **FSA Core Systems, Other FSA activities, and Institutional Oversight activities** total $589.2 million, a net increase of $325.0 million more than the 2024 annualized CR based on the fiscal year 2023 appropriation. The fiscal year 2025 funding request is needed to provide operations, maintenance, and development support for core systems (i.e., Common Origination and Disbursement (COD) system, Next Gen Digital and Customer Care (DCC), Next Gen Business Process Operations (BPO), Next Gen National Student Loan Data System (NSLDS), Next Gen Partner Participation and Oversight (PPO) initiative, as well as other FSA core systems that assist with supporting students and borrowers throughout the financial aid lifecycle). The request also supports the recompete effort for the Title IV Origination and Disbursement contract and necessary costs for the *Sweet* settlement. Additional information is provided on page 25.

5. **Personnel Compensation and Benefits (PC&B), Overhead and Other Non-FSA Activities** total $495.2 million, an increase of $38.3 million above the 2024 annualized CR based on the fiscal year 2023 appropriation. The increased costs are due to the proposed 2.0 percent Governmentwide pay raise and increased cost of benefits. This budget request supports 1,525 Full-Time Equivalent (FTE) in FSA, and 166 FTE for Non-FSA offices that support student aid activities. Additional information is provided in the Personnel Compensation and Benefits (PC&B), Overhead and Other Non-FSA Activities section on page 41.

FY 2025 Categorical Costs

The below chart includes costs by category and percent of the total fiscal year 2025 Budget Request.



Fifty-three percent of the fiscal year 2025 Budget Request includes support for loan servicing and the SABER initiative. Personnel compensation and benefits account for 19 percent of the request, with FSA core systems, other FSA activities, institutional oversight activities, and FSA IT activities representing 28 percent.

The following sections provide descriptions of each categories' initiatives and select activities.

Loan Servicing Activities: $1,324.4 million

The fiscal year 2025 request includes $1,324.4 million for loan servicing activities, $280.6 million more than the fiscal year 2024 annualized CR based on the fiscal year 2023 appropriation. This includes $1,279.1 million for operations and maintenance of loan servicing including specialty servicing, an increase of $289.8 million more than the fiscal year 2024 annualized CR based on the fiscal year 2023 appropriation; and $45.3 million for development, modernization, and enhancement activities related to servicing, $9.2 million less than the fiscal year 2024 annualized CR based on the fiscal year 2023 appropriation. The fiscal year 2025 request supports 12 months of operations post transition from the legacy servicing environment to the USDS from November 2024 through October 2025.

Facilitating Return to Repayment

On March 20, 2020, in response to the COVID-19 emergency, FSA began providing temporary relief on Department-managed federal student loans by allowing students to opt into a temporary suspension of loan payments and instituting a 0 percent interest rate. One week later, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was signed into law, extending the relief through September 30, 2020, to all borrowers with federally-held loans without requiring borrowers to opt in, while adding several borrower benefits and protections. The relief was extended several times since then. In June 2023, Congress passed a law ending and preventing further extensions of the payment pause. The last pause extended through August 2023, with payments resuming in October 2023 after an unprecedented 42-month repayment pause.

The Department implemented several provisions that will be in place throughout fiscal year 2024 to ensure borrowers successfully resume student loan repayment and remain in good standing on their student loans. Over the course of fiscal year 2025, FSA anticipates the student loan portfolio will begin to return to a pre-COVID-19 pandemic distribution of account statuses as the transitional borrower provisions—On-Ramp and Fresh Start—come to an end. As such, FSA will be closely monitoring servicer performance to ensure that the most at-risk borrowers are well-served. In addition, an At-Risk Borrower Performance Incentive is included in the new USDS contracts that rewards servicers by allocating new accounts based on proven ability to keep vulnerable borrowers current on their payments.

Servicing Operations

FSA awarded the USDS contract in April 2023, and loan servicers will begin work under this contract in Spring 2024. Under USDS, loan servicers will adopt the most up-to-date cybersecurity posture, ensuring that borrower data is secure, systems are less vulnerable to cyberattacks, and business processes are aligned with new USDS requirements. Servicers will also implement changes that will improve the borrower experience, including making consistent formatting of elements across their websites with co-branding and ".gov" domains, which increases brand recognition for FSA and reduces the threat of third-party debt relief scams.

FSA will also begin transitioning what have historically been referred to as the specialty loan servicing programs (i.e., Public Service Loan Forgiveness (PSLF), Temporary Expanded PSLF (TEPSLF), Total and Permanent Disability (TPD) discharges, and Teacher Education Assistance for College and Higher Education (TEACH) Grants) into FSA's enterprise of systems and services. Customer service and manual processing for these programs will be performed by the Business Process Operations (BPO) vendors, who are trained by FSA. This change provides a more consistent experience for borrowers and allows for increased oversight of these programs.

The fiscal year 2025 request includes $1,108.0 million for USDS operations and maintenance; $44.3 million for operations and maintenance for the Debt Management Collection System; $121.6 million for operations and maintenance for Perkins Loan and Health Education Assistance Loan servicing, Teacher Education Assistance for College and Higher Education grant tracking and servicing costs, Total and Permanent Disability application processing and servicing, and Public Service Loan Forgiveness application processing; $5.0 million for Treasury lockbox services; and $0.2 million for an interagency agreement with the Social Security Administration to provide data that assists with outreach to borrowers with the TPD discharge process.

Unified Servicing and Data Solution Development, Modernization, and Enhancement: $45.3 million

The President's fiscal year 2025 budget request includes $45.3 million in development, modernization, and enhancement funding to support the complete transition from the legacy loan servicing contracts to USDS along with $1.0 million for system enhancements to support the complete transition from the legacy loan servicing contracts to USDS and necessary modifications to servicer systems to support operations and policy implementation. These funds will support progress toward fully implementing cybersecurity upgrades within the Department and laying the foundation for transforming StudentAid.gov into a portal for all federally managed borrowers to more easily manage their repayment journeys.

Cybersecurity: $15.5M

While the USDS servicers will have developed their systems to be compliant with federally mandated cybersecurity provisions by the end of fiscal year 2024, FSA must invest in the infrastructure needed to perform continuous data monitoring and other systematic oversight of servicers' systems, which includes enhanced cybersecurity situational awareness, full compliance with Executive Order 14028, implementation of Trusted Interconnection (TIC) 3.0, and transition to fully compliant Zero Trust Architectures and automated information system interconnections.

Transition of Specialty Loan Servicing: $7.8M

In fiscal year 2024, FSA will transition the customer experience for TEACH Grants, PSLF, and TEPSLF to StudentAid.gov. In fiscal year 2025, FSA will transition TPD away from the legacy servicers to StudentAid.gov and the BPO vendors. Centralizing the specialty programs on StudentAid.gov provides aid recipients with many benefits, including fewer account transfers; a consistent, high-quality user experience; increased opportunities for self-service; and more streamlined customer service. Additionally, this change aids FSA in providing borrowers with simpler, more effective interactions during repayment; improving FSA's access to and use of data to improve borrowers' experiences and outcomes; and increasing borrower access to clear, accurate, and timely information. As a result, borrowers can anticipate a more uniform and streamlined customer experience encompassing these programs, all while being directed by procedures developed and managed by FSA.

Single sign-on via the FSA ID: $10.4M

During the initial implementation of USDS in fiscal year 2024, borrowers will maintain credentials to access their servicer's website and use their FSA ID to access StudentAid.gov. In late fiscal year 2024 and into the first quarter for fiscal year 2025, servicers and FSA plan to transition to the USDS Single Sign-On (SSO) solution, which will enhance the borrower experience by providing one username (FSA ID), password, and multifactor authentication (MFA) to access both StudentAid.gov and servicer websites. Instead of maintaining two sets of credentials, the USDS SSO solution will allow an authenticated user to simultaneously use StudentAid.gov and their servicer web site, providing borrowers with easier access to the tools that are currently accessed through different authentication systems. SSO also provides the benefit of transitioning all borrowers to MFA, which is a security protocol that was implemented for the FSA ID in 2022 but has yet to be implemented in servicers' authentication systems. Leveraging SSO allows FSA to implement MFA in a more efficient and cost-effective manner than if FSA required each servicer to implement their own MFA solution.

The implementation of SSO is an important first step in the ultimate shift of all repayment activity to StudentAid.gov, as it ensures that, instead of borrowers having a different login for their loan servicer's website and StudentAid.gov, they are using their FSA ID across all websites, increasing borrower traffic to the tools and information on StudentAid.gov. Activities will include a phased roll-out of SSO functionality with the USDS servicers, additional BPO contact center support for borrowers needing assistance in accessing their FSA ID, enhancements to self-service functionality (such as account recovery) associated with the FSA ID, increased capacity of the FSA ID system, and proactive communications to aid borrowers in transitioning from servicers' authentication methods to the FSA ID.

Building Borrower-Facing Repayment Tools on StudentAid.gov: $10.6M

Additionally, in fiscal year 2025, FSA will lay the foundation for a consolidated online portal that will allow all borrowers with federally held student loans to manage their debt through StudentAid.gov, enabling borrowers to make payments, enroll in repayment plans and other program benefits, monitor the status of forms and program eligibility, and all other services currently available on servicer websites. This will begin the development and build out of a unified data model so FSA can ingest more detailed data from all USDS servicers and the initial development of a suite of Application Programming Interfaces (APIs) and cloud solutions to connect USDS loan servicing systems with StudentAid.gov and other cloud applications.

It has been a long-term goal for FSA to have all federally managed borrowers navigate their repayment journeys on StudentAid.gov, as the current environment requires borrowers to manage repayment through their servicer's website, which can result in inconsistent communication of information to borrowers and can lead to borrower confusion and the proliferation of third-party debt relief scams that take advantage of the current, fragmented system. While FSA has taken steps to provide borrowers with consistent information and reduce the incidence of borrowers falling for scams, steps taken to date are only small, incremental improvements.

Developing a repayment portal is a major initiative that requires significant investment in FSA infrastructure, borrower tools, and communications with borrowers. It is also an initiative that carries significant risk should tools not be functional when they are introduced. To address the breadth and sensitivity of the project, FSA plans to take a phased approach to building out the borrower portal, starting with the planned implementation of SSO late in fiscal year 2024, development of a unified data model, and vital enhancements to FSA's Application Programming Interface (API) management.

In fiscal year 2024, FSA will begin work to define requirements and develop the design of portions of repayment functionality on StudentAid.gov. FSA will also design a preliminary data model that will enable FSA to use and present borrowers with accurate data from disparate servicer systems.

In fiscal year 2025, FSA will begin to build the necessary infrastructure to support the repayment portal. This includes beginning to use and iterate on the unified data model. Additionally, FSA will begin developing requirements and design of borrower-facing tools. FSA anticipates building tools to support repayment over the course of several fiscal years, given the extensive infrastructure necessary to support these functions and the sensitivity of these tools to borrowers' ability to manage their repayment journeys.

Due to the complexity of this effort, it is likely that building out the StudentAid.gov borrower portal will continue through fiscal year 2026 and beyond.

Student Aid and Borrower Eligibility Reform (SABER): $76.5 million

The *FUTURE A*ct amends section 6103 of the Internal Revenue Code (IRC) and allows for certain taxpayer information to be shared with the Department through FSA for the purposes of administering the *Free Application for Federal Student Aid* (FAFSA®) form, Income-driven Repayment (IDR) plans, and the TPD discharge process.

The *Consolidated Appropriations Act*, 2021, amended requirements stated in IRC section 6103 to allow individuals to share Federal Tax Information (FTI) among family members. Additionally, the law included the *FAFSA Simplification Act,* which requires FSA to modify the student aid eligibility determination, disbursement, and verification process by changing how aid eligibility (e.g., Federal Pell Grants) is calculated and determined.

The *FUTURE Act* and the *FAFSA Simplification Act* fundamentally changed the way students apply for aid, as well as how institutions of higher education and the federal government administer that aid. For example, the *FUTURE Act* and the *FAFSA Simplification Act* introduce complex changes to intricately linked business processes, systems and partnerships including the Common Origination and Disbursement (COD) system and the National Student Loan Data System (NSLDS®). Additionally, the successful implementation of *the FAFSA Simplification Act* depends on a modernized FAFSA backend system. Both legislative mandates have also impacted the financial aid community (i.e., schools, software vendors, state agencies, designated scholarship organizations) and required substantial changes to their processes and systems.

The SABER initiative continues to implement the *FUTURE Act* and the *FAFSA Simplification Act* through modernizing the FAFSA system through the Award Eligibility Determination (AED) solution; managing impacts to the Application Eligibility Determinations System (AEDS); and improving communications and outreach to students, parents, borrowers, and partners. These activities began in fiscal year 2020 and will continue through fiscal year 2025 until FSA enables the provisions of the *FAFSA Simplification Act* for the 2025–2026 award year.

FSA continues to implement both legislative mandates in three coordinated areas:

- **Implementation of the IRS Interface:** Starting in fiscal year 2020 and continuing through fiscal year 2025, the first area aims to establish FSA's ability to request and receive certain FTI from the Internal Revenue Service (IRS) through the *FUTURE Act* Direct Data Exchange (FA-DDX), an interface that enables FSA to request, receive, and process FTI from the IRS.
    - From fiscal year 2020 through fiscal year 2023, the technical foundation and infrastructure was established.
    - In fiscal year 2024, the FA-DDX interface became fully operational. FSA supported enhancements to the IDR and FAFSA processes to leverage FTI to determine eligibility for student aid and IDR plans. These enhancements included the implementation of bulk IDR application processing and the availability of operational tools to analyze processed IDR and FAFSA information.
    - Funding in fiscal year 2025 enables the FA-DDX interface for the 2025–2026 FAFSA form while maintaining the interface for the 2024–25 FAFSA form and IDR application. Additionally, FSA will also support enhancements to the interface including any changes to the technical interface and bulk file layouts.

- **Significant Changes to FSA Systems:** Starting in fiscal year 2021 and continuing through fiscal year 2025, the second area includes updates to FSA systems and processes to enable the provisions of the *FUTURE Act* and F*AFSA Simplification Act* for the 2023–2024, 2024–2025, and 2025–2026 award years.
    - From fiscal year 2021 through fiscal year 2023, FSA completed the required contract modifications and awards to develop and implement the applications and infrastructure required to fully implement the *FUTURE Act* and *FAFSA Simplification Act* for the 2024–2025 award year.
    - In fiscal year 2024, FSA continued to build the AED solution for both the 2024–2025 and 2025–2026 award years, which will be the first instance where the AED solution handles two concurrent FAFSA cycles. Additionally, in fiscal year 2024, FSA continuously safeguarded and monitored systems that receive, store, and manage FTI from the IRS while supporting enhancements to these systems including changes to how eligibility for IDR plans is determined and calculated based on the regulatory changes to IDR plans.

  - Funding in fiscal year 2025 will enable FSA to initiate the final stages of decommissioning the existing Central Process System (CPS) solution as the AED solution handles two concurrent FAFSA cycles. Additionally, funding in fiscal year 2025 enables FSA to implement the remaining provisions of the *FAFSA Simplification Act* including coordination with other federal agencies that handle means-tested benefit programs and changes to the FAFSA experience based on continuous consumer testing. Fiscal year 2025 funding will also allow FSA to continue supporting the operations, maintenance, and safeguarding of applications and systems that will receive, store, and manage FTI from the IRS.

- **Training and Resources for FSA's Partners:** Starting in fiscal year 2022 and continuing through fiscal year 2025, the third area includes FSA's work with its partners—schools, state agencies, and designated scholarship organizations—as they update their systems and processes to fully implement the *FUTURE Act* and *FAFSA Simplification Act* for the 2025–2026 award year. Additionally, phase three enables FSA to ensure that its customers—students, parents, borrowers, and their families—are properly informed of the changes to the IDR and FAFSA processes.

  - During fiscal years 2022 and 2023, FSA engaged partners impacted by the implementation of the provisions of the *FUTURE Act* and *FAFSA Simplification Act*, developed outreach materials, and provided more expansive and robust training and communication compared to previous FAFSA cycles.
  - In fiscal year 2024, FSA will sustain the training, communications, and support activities with its partners. These activities include continuous updates to partner communications (e.g., Financial Aid Toolkit, Partner Connect), webinars, and preview presentations. Additionally, on February 5, 2024, the Department announced the FAFSA College Support Strategy, which will help schools and students complete the better FAFSA form. The Department is in the process of deploying federal financial aid experts to a group of lowered-resourced colleges to ensure these colleges have the tools and information needed to process financial aid packages, understand the steps they need to take to prepare, deliver direct on-campus support, and provide ongoing consultations and trainings as needed. Through this effort, the Department expects to serve Historically Black Colleges and Universities, tribal colleges, and universities, and colleges that are lower-resourced. The Department is also standing up a new concierge service within FSA, which will provide a broad set of colleges direct contact with financial aid experts to provide personalized support based on an institution's needs.
  - Funding in fiscal year 2025 will allow FSA to support the remaining training, communications, and support activities with its partners for the 2025–26 award year, which would include in-person presentations to state association and regional conferences.

Until the implementation of the *FUTURE Act* and *FAFSA Simplification Act* are completed, FSA will need to continue its interagency agreements with IRS for the IRS Data Retrieval Tool (DRT), which provides applicants access to specific data elements from their individual tax return in a secure way to transfer data to complete tax-related sections of the online 2023–24 FAFSA form. This tool allows federal student aid applicants and student loan borrowers a convenient and simplified way to apply for aid and options for repayment, while reducing the submission of inaccurate financial information.

During fiscal years 2022 and 2023, most of the development activities for the *FUTURE Act* were implemented and fully operational, including the *FUTURE Act* solutions (e.g., FTI Infrastructure, FTI Module, and FTI Data Mart). Additionally, the AED solution was operational for the 2024–2025 award year and served as the new FAFSA backend system. FSA will decommission the IRS DRT solution for the IDR form in fiscal year 2024 and plans to decommission the IRS DRT solution for the FAFSA form in fiscal year 2025 once the 2025–2026 FAFSA form is fully implemented.

For fiscal year 2025, the Administration requests $76.5 million for the SABER initiative, $30.6 million less than the fiscal year 2024 annualized CR based on the fiscal year 2023 appropriation. The request includes $14.9 million for the development, operations, and maintenance of the AED solution, which serves as the new FAFSA backend system beginning in the 2024–2025 award year; $45.9 million for the development, operations, and maintenance of the systems that will manage and store FTI as a result of the *FUTURE Act*; and $11.7 million for system and process changes based on the *FAFSA Simplification Act*. Additionally, $4.0 million will enable the continuous operations and development of the FA-DDX with the IRS.

Federal Student Aid IT activities: $173.9 million

FSA takes seriously the ongoing security threats to operations and the risk of compromising students' and borrowers' personal information within FSA and across institutions of higher education. With increased cybersecurity risks across government and organizations, security threats may come in many forms including patching vulnerabilities, ransomware, and phishing attacks. FSA is dedicated to working with schools to safeguard students' data and has provided multiple presentations to education professionals on FSA's role in assisting schools with addressing cybersecurity findings. Additionally, FSA continues to collaborate with the Department's Office of the Chief Information Officer to ensure compliance with the Federal Information Technology Acquisition Reform Act, the Executive Order Improving the Nation's Cybersecurity (EO 14028), the Federal Zero Trust Strategy, and Office of Management and Budget (OMB) and Department of Homeland Security IT requirements. This requires FSA to improve protection, response, and remediation capabilities to safeguard sensitive data.

The below descriptions provide details of FSA's IT activities and investments within the Enterprise Technology Directorate.

FSA Cybersecurity Program: $56.9 million

The FSA Cybersecurity Program protects information assets including data, IT infrastructure, and applications for the third largest Federal repository of sensitive personally identifiable information (PII), as well as a $1.6 trillion student loan portfolio. The FSA Cybersecurity Program strives to improve IT security by increasing situational awareness, improving monitoring of assets and continued incident response, conducting formal security authorizations, securing operations of FSA systems, managing security vulnerabilities at an acceptable risk level, and documenting FSA security guidelines. FSA must comply with the

Federal Information Security Modernization Act (FISMA) of 2014 through testing, verification, and validation of the security controls of approximately 75 reportable FSA systems.

In fiscal year 2023, to comply with EO 14028, FSA initiated the process of consolidating multiple asset databases into a single Enterprise Configuration Management Database (CMDB), to facilitate end to end asset visibility. By the end of fiscal year 2023, the CMDB had visibility of approximately 50% of the FSA assets that reside in Next Generation Data Center (NGDC). FSA has started the process of gaining visibility to one of its loan servicers, Maximus Education LLC, and will have the remaining assets in NGDC and all Maximus Education LLC assets included in the CMDB by the end of fiscal year 2024. FSA will begin onboarding more servicers into the platform, which will provide FSA greater visibility into its enterprise assets.

FSA will continue to work as diligently as possible to implement cyber enhancements in support of the implementation of the SABER initiative, EO 14028, Federal Zero Trust Strategy (OMB memorandum M-22-09) requirements and OMB memorandum on improving the Federal Government's Investigative and Remediation Capabilities Related to Cybersecurity Incident (OMB memorandum M-21-31). All are extremely important efforts to protect the third largest federal repository of sensitive PII, as well as a $1.6 trillion student loan portfolio.

The FSA Institutions of Higher Education (IHE) Cybersecurity Division provides technical assistance to institutions of higher education in the form of incident response support; assistance remediating Gramm-Leach-Bliley Act (GLBA) audit findings; resources on cyber threat information; and outreach to notify schools of available technical resources, clarification on general guidelines, and information on practical implementation and best practices. In fiscal year 2025, new guidelines under the GLBA, as well as new requirements concerning the handling of FTI and Controlled Unclassified Information (CUI), will require an increase in oversight and outreach activities. Because institutions will receive FTI through the FAFSA starting in award year 2024-2025, and because FTI is a type of CUI, FSA is required by Executive Order Controlled Unclassified Information (EO 13556), 32 Code of Federal Regulations (CFR) Part 2002, and an Education Department directive to control how the schools use, store and safeguard this information. This request includes $5.2 million to address a four-fold increase in the work of the IHE Cybersecurity Division due to work required to provide effective oversight of thousands of IHEs and support the implementation of these new requirements, which include the anticipated increases in the number of GLBA findings, cybersecurity incidents, and cyber threats, as well as the need for expanded communications and outreach.

The fiscal year 2025 request includes an increase of $3.7 million more than the fiscal year 2024 annualized CR based on the fiscal year 2023 appropriation. The increase will fund the completion of the Technical Directorate Service Platform (TDSP) which will provide multi-threaded process for supporting both IT as well as business-related functions such as project management and change control.

Identity and Access Management (IAM): $11.0 million

IAM includes multiple systems and capabilities and integrates with all new and legacy FSA applications to manage and track two-factor authentication, security training, rules of behavior acknowledgement, self-service password resets, and security access policy enforcement for privileged users. IAM provides secure, efficient access to FSA systems for approximately 90 million users.

IAM provides the FSA enterprise with enhanced sign-on capability and access control for web applications to privileged users (i.e., school administrators, system administrators, and database administrators). It also provides integrated horizontal sign-on to multiple applications, thereby enforcing standardized security requirements such as identity, password complexity and multi-factor authentication.

The fiscal year 2025 request of $11.0 million supports the operations and maintenance of the IAM and Person Authentication Service (PAS). It also includes approximately $1.0 million for the development and enhancement activities related to usability, security, and MFA to support the implementation and execution of EO 14028.

Next Generation Data Center (NGDC): $52.7 million

NGDC serves as one of the host facilities for FSA applications[1] that process student financial aid applications (grants, loans, and work-study) and supports payments from and repayment to lenders. The NGDC is organized around four types of components: network infrastructure, midrange servers (Microsoft Windows platforms, UNIX/Linux platforms), IBM mainframes, and components in the cloud. It leverages security measures to ensure the protection of CUI, increase availability and reliability of services that support FSA operations, improve elasticity and scalability of resources to the cloud environment, and preserve legacy mainframe capabilities and infrastructure.

Additionally, the data center dedicated circuits provide the telecommunications backbone to all FSA systems and call centers. These network services and Trusted Internet Connection capabilities support system management functions and inquiries into data processing with external stakeholders. Data center dedicated circuits include data and voice lines and toll-free numbers.

The fiscal year 2025 request supports continued operations and maintenance of the NGDC, organic growth within the data center and NGDC cloud environments, an increase in dedicated circuit costs, and scheduled projects (cloud expansion, system migration, EO 14028 enhancements, Internet Protocol Version 6 transition, and Transport Layer Security

[1] NGDC hosts 73 information systems (e.g., Financial Management System, Enterprise Business Collaboration, Ez-Audit, FAFSA Processing System, Rational Support, Student Aid Internet Gateway).

1.3 upgrade). This investment is necessary for planning the closure of the physical data center and migration of applications to the cloud environment.

The fiscal year 2025 request includes $52.7 million for NGDC and dedicated circuits, an increase of $6.9 million more than the fiscal year 2024 annualized CR based on the fiscal year 2023 appropriation, to support the ongoing expansion and enhancement of the NGDC Cloud environments, additional vendor support costs for the Cloud environments, and the expected increase of usage in the data center and NGDC Cloud to support the new FSA USDS program.

FSA IT Management: $16.4 million

FSA IT Management provides essential support to assist the FSA enterprise including the FSA Chief Information Officer in developing IT strategy, IT Portfolio Management (PfM), IT Project Management, Capital Planning and Investment Control, Enterprise Architecture, software engineering and testing services that are critical to the operational support and execution of all key FSA business applications.

In fiscal year 2025, the Enterprise Architecture and Engineering (EAE) request is $11.3 million. EAE provides a full range of architectural and engineering services that provide FSA with the necessary services and support needed to continuously plan, maintain, and evolve the FSA enterprise architecture. The services enable the organization to have access to information about FSA's IT systems and data to inform investment planning and decisions, as well as support analysis and identification of performance gaps, highlighting areas where opportunities for improvement, streamlining, standardization, and re-use exist. EAE also provides technical design oversight services to analyze, design, plan and implement enterprise solutions to successfully execute business and technical strategies in alignment with FSA's target architecture and cloud strategy and implement industry best practices.

IT Portfolio Management includes support for subject matter expertise in Capital Planning/ITPfM and investment management to analyze, design, plan and implement enterprise solutions to successfully execute business strategies. This support assists FSA in structuring IT projects and policies to achieve desired business results and be informed on industry trends. IT engineering expertise is provided to ensure technical solutions meet FSA requirements and represent industry best practices. Additionally, project management support provides project governance, project prioritization and reporting, risk and schedule management, and project management training. The fiscal year 2025 request includes $0.5 million for these activities.

The FSA IT Management investment includes $1.8 million in fiscal year 2025 for the Development Security Operations (DevSecOps) initiative, which integrates security throughout the software development lifecycle, allowing for secure architectural designs, efficient system integration, and delivery of secure applications.

Lastly, the fiscal year 2025 request includes approximately $2.8 million for Enterprise Configuration Management (ECM) support; Enterprise Testing Services, which provides independent testing for applications; and Rational Support, which provides visibility to FSA system changes and manages the risks associated with these changes.

Enterprise Software Licensing (ESL): $31.7 million

ESL is the agency's licensing expense that supports numerous technologies and platforms for business systems. This function consolidates and establishes enterprise-wide agreements for similar types of software to reduce licensing duplication and gain economies of scale from volume pricing discounts. The request supports licensing for many systems and operations including, the FAFSA, FSA's Security Operations, Next Gen DCC, Next Gen Partner Connect, Next Gen BPO providers, the SABER initiative, Debt Management, NGDC's migration to an integrated cloud structure, and other enterprise activities.

The fiscal year 2025 request of $31.7 million is $3.8 million less than the fiscal year 2024 annualized CR based on the fiscal year 2023 appropriation.

Enterprise Business Management System (EBMS): $4.0 million

The Enterprise Business Management System (EBMS) investment consists of three IT mission support capabilities: Enterprise Business Collaboration (EBC), Application Development Portfolio Production Support (ADPPS), and the EBMS Platform. Together, these platforms provide a core set of tools supporting internal business processes and external facing applications outside the scope of FSA's major business systems. EBC consists of two separate environments, internal and external facing, to provide collaboration tools including portals, workflows, task lists, etc., that can be implemented and managed by end users. ADPPS provides operations and maintenance support for internal and external facing web-based applications. The third solution, the EBMS Platform, enables automation of workflows supporting several manual paper-based processes, most of which are not currently supported by technological solutions.

The fiscal year 2025 request of $4.0 million is $0.1 million more than the fiscal year 2024 annualized CR based on the fiscal year 2023 appropriation.

Student Aid Internet Gateway (SAIG): $1.2 million

SAIG and the Electronic File Transfer (EFT) system provides telecommunications and data transmission solutions for FSA's partner institutions (i.e., post-secondary schools, lenders, and guaranty and State agencies), FSA's Title IV systems, and external government agencies. SAIG supports the sending and receiving of Privacy Act data for processing and reporting on financial aid. The EFT system is used by FSA systems to transmit and receive data for processing by government agencies, including the Social Security Administration, the Department of Veterans Affairs, Department of the Treasury, and the Department of Homeland Security.

The fiscal year 2025 request of $1.2 million is $0.1 million more than the fiscal year 2024 annualized CR based on the fiscal year 2023 appropriation.

FSA Core Systems, Other FSA Activities, and Institutional Oversight: $589.2 million

There are various core systems and FSA activities that assist in federal student aid delivery throughout the student aid lifecycle. Engaging with students, parents, and borrowers; communicating with school partners; and originating and disbursing federal aid: these interactions all require support from FSA core systems and activities. Additionally, institutional oversight through the Office of Enforcement oversees schools that pose the greatest risk to students and taxpayers and provides remediation to harmed borrowers. This section provides details about core systems and the Next Generation Federal Student Aid (Next Gen FSA) initiative, which is modernizing systems and business models for engaging with FSA, and the work of the Office of Enforcement.

The Next Gen FSA initiative started in fiscal year 2017 and has emphasized the importance of creating an improved, high-quality customer experience for FSA's millions of students and families by streamlining student aid systems and processes through consolidation of websites and alignment of supporting operations. Next Gen FSA is transforming various aspects of how FSA operates when interacting with customers and partners at postsecondary institutions.

The below sections provide descriptions of some of FSA’s core systems and other activities in the areas of student and borrower engagement, institution engagement, and data.

Student and Borrower Engagement

It is imperative to draw a clear distinction between the Digital and Customer Care platform (DCC) and the Business Process Operation (BPO), despite the seeming overlaps in their objectives.

DCC, which includes a suite of services and delivery platforms, is composed of enterprise-wide technology, systems, tools, and delivery enablement. DCC’s core function is to provide the necessary tools and applications that are instrumental in supporting operations and ensuring seamless service delivery for borrowers. These resources empower FSA in the digital realm, where FSA manages content and services on StudentAid.gov and FSApartners.ed.gov through a Digital Platform, enhance customer support through a Customer Care Platform, and engage with students and borrowers effectively using a Marketing and Communication Platform.

Conversely, BPO providers serve as the foundation for the public-facing, personnel component of FSA’s Enterprise-wide Contact Center solution. BPO funding provides staffing for the 1-800-4-FED-AID contact center (also known as the Federal Student Aid Information Center (FSAIC)), equipping it with the human resources needed to facilitate customer interactions and back-office processing tasks. BPO providers are the individuals who deliver context, support, and a human touch to the services FSA offers Title IV recipients. The BPOs are the backbone to the customer care and contact center operations.

This approach ensures that technology, tools, and systems necessary for service delivery (e.g., DCC) are appropriately resourced, while also addressing the critical need for personnel to provide context and support to the American public (e.g., BPO). Together, DCC and BPO form the integrated framework that enables FSA to fulfill its mission of providing accessible and comprehensive student aid services.

Next Gen Digital and Customer Care (DCC): $95.0 million

In 2019, FSA launched the digital front door for students, parents, and borrowers, otherwise known as Next Gen Digital and Customer Care, or DCC. DCC allows these customers to interact with FSA through their preferred communication channel including web, phone, chat, virtual assistant (Aidan), email, text, or social media. It includes FSA's single 1-800 number for reaching the FSAIC, the digital platform consisting of StudentAid.gov, the customer care platform for the BPO contact centers, the marketing and communications platform for email and text messaging, and Aidan. DCC provides modern tools to ensure students, parents and borrowers see FSA as a trusted and reliable resource in managing federal student aid and will continue to provide operational support and make necessary enhancements to existing capabilities as part of its continuous improvement plan. Those continuous improvements will allow for more automated processes, which will reduce the need for manual activities, including faxing and mailing documents, resulting in a more efficient delivery of services to customers.

Customers first interact with FSA when they create an FSA ID and complete their FAFSA on StudentAid.gov. They continue to use StudentAid.gov to complete other important steps in the aid process, such as completing student loan entrance and exit counseling and signing a master promissory note. However, once repayment starts, borrowers interact primarily with one of FSA's loan servicers and receive fewer communications directly from FSA. This can create a disjointed, inconsistent, and confusing borrower experience, where borrowers are less likely to access and benefit from the tools and services provided on FSA's website, such as the application for IDR plans and Loan Simulator. Through the implementation of DCC, FSA has taken steps to provide borrowers with consistent, timely information that reduces borrower confusion; however, steps taken to date are only small, incremental improvements. The target state for DCC is to allow all federally managed borrowers to navigate their repayment journeys on StudentAid.gov, eliminating the immediate need to navigate to loan servicers' websites and eventually replace them. FSA will begin to take steps towards this target state in fiscal year 2025, by transitioning to a Single Sign-On solution and beginning to build the necessary infrastructure to support the repayment portal on StudentAid.gov.

The fiscal year 2025 request of $95.0 million is $54.2 million more than the fiscal year 2024 annualized CR based on the fiscal year 2023 appropriation. The increase will support funding operations for a full 12 months as well as development work that has been postponed in prior fiscal years due to budgetary constraints. The development work aims to bring new capabilities to DCC (e.g., support for borrowers in collections, additional functionality to StudentAid.gov, etc.) and to enhance existing capabilities (e.g., support for borrowers in repayment) to realize DCC's full potential of becoming a unified platform to assist aid applicants and recipients with all financial aid needs from origination and disbursement to repayment. The fiscal year 2025 request will continue to support the StudentAid.gov operations and maintenance and development activities for more than 117 million users who visit StudentAid.gov to access critical information and tools as they prepare and plan for college, apply for and receive federal student aid, and repay student loans. It will specifically support the following activities:

- The implementation of the Digital Platform reporting framework and roadmap, which includes project management, tracking and management of created reports, and roadmap assessments.

- Hosting and maintenance of the secured cloud environment for FSA platforms and manage software and hardware licenses.

- Maintenance of UX researchers to develop research insights and actionable recommendations based on understanding of user motivations and behaviors to inform user-centric FSA product design. Understanding the why behind user behavior helps build insights that continue to be relevant for decision-making.

- Dedicated capacity to Agile teams to support improvements across Digital Platform and the CRM platform.

- Support for Aidan’s transition to a modern conversational AI platform, Google Dialogflow, which will improve FSA’s ability to deflect call volume by responding to trending questions and accurately identifying customer questions through large language models.

- Support for the Command Center operations and maintenance, including the forecasting and distribution of volumes of work (calls, chats, and processing tasks) among BPOs based on performance metrics, a comprehensive training program and knowledgebase that reflects changes in the FSA and contact center environments, an iterative feedback method to foster improvements in both training and tools, and a quality oversight program.

- Support for the digital marketing platform, email and SMS campaigns, organic social media content creation and scheduling.

- Administration of Medallia surveys and report metrics that are reported as part of FSA performance metric goals in the Annual Report to Congress and provide customer satisfaction reporting, validation, and data analysis.

- Support for regulatory and statutory updates to FSA programs and contact center agent tools such as the DCC CRM to enable successful completion of the work.

- Support the SABER initiative and the launch of the 2024-25 FAFSA application as required by statue. At the same time, support for the transition of the FAFSA ‘back end’ from the legacy CPS system to the new FPS system will also be provided.

Business Process Operations: $105.2 million[1]

BPO represents an investment aimed at centralizing and streamlining Federal Student Aid customer interactions. It ensures a user-friendly and efficient service, promoting high customer satisfaction for Title IV program participants.

Upon initiating contact with FSAIC, customers are directed to the appropriate contact center to assist them, whether that is a BPO contact center or their servicer. The main contact number for most questions (e.g., 1-800-4FedAid)—which connects customers with FSAIC—along with the single digital platform on StudentAid.gov, is meant to improve and simplify the borrower experience. FSAIC functions as the primary point of contact for borrowers, particularly those who may not know which number to call or whether they need to speak with a BPO agent or a servicer. Once a borrower has contacted FSA, either through FSAIC or another contact number, many are directed to a BPO vendor, depending on their inquiry. The system is engineered to simplify navigation and provide immediate access to the most relevant assistance.

BPO vendors are responsible for handling millions of customer interactions that flow through FSAIC, handling not only direct communications but also critical back-office processing to ensure the integrity and efficiency of our services. BPOs serve customers via calls, chats, webform emails and postal correspondence (both control and non-control) in both English and Spanish. BPO vendors serve as a primary source for information and support on federal student aid programs, processes, and applications. The support and services they provide includes:

- General Information on Federal Student Aid: Providing comprehensive details about available federal student aid programs, including grants, loans, and work-study opportunities.

- Assistance with FAFSA® Form: Supporting students and parents with completing the Free Application for Federal Student Aid (FAFSA®), including answering questions about the form and guidance on the submission process.

- Public Service Loan Forgiveness (PSLF) Information: Providing details about the PSLF program, including eligibility requirements, the application process, and guidance on how to submit employment certification as well as technical support for the PSLF Help Tool on StudentAid.gov.

- Customer Service and Intake for Borrower Defense (BD) to Repayment: Providing assistance to borrowers who wish to apply for Borrower Defense to Repayment discharge. BPO vendors handle processing of BD applications, offering guidance on how to complete and submit necessary documentation, explaining the review process, and providing updates on the status of applications.

- FSA ID: Assisting individuals in creating and managing their username and password account on StudentAid.gov, or "FSA ID." This is FSA's authentication credential for students,

[1] BPO costs are not inclusive of specialty loan servicing, which are included in the *Loan Servicing Activities* section.

parents, and borrowers and is essential for accessing and completing applications for assistance, applying for repayment plans, consolidating, and more on StudentAid.gov.

- Guidance on Loan Repayment: Providing information on various loan repayment plans, how to manage loan payments, and advice on changing repayment plans, consolidating loans, or applying for loan forgiveness programs.

- Support for Loan Borrowers: Assisting borrowers with questions about their federal student loans, including account status, loan balances as reported by loan servicers, and loan servicer contact information.

- Troubleshooting and Problem Resolution: Supporting submission of Feedback (“Complaint”) cases, under the FSA Ombudsman, on StudentAid.gov and does back-office triage on those cases to resolve where possible or else escalated to the appropriate entity such an FSA or a loan servicer.

- Loan Consolidation: Offering information and assistance on consolidating eligible student loans. BPO vendors guide borrowers through the application process and help understand the implications of consolidation.

- PLUS Credit Counseling and Credit Decision Appeals: Providing advice and support for borrowers who need help understanding their credit, as it relates to PLUS eligibility or who wish to appeal a credit decision related to their eligibility for a PLUS loans.

- TEACH Grant Agreement to Serve or Repayment and Counseling related to TEACH Grants: Offering guidance on the TEACH Grant program, which provides grants to students who intend to teach in a high-need field in a low-income area. BPO vendors help with the agreement to serve and provide counseling related to these grants to ensure recipients understand their obligations.

- Customer Listening: Providing critical feedback to FSA about customer interactions. BPO vendors report top issues, highlight trends, and escalate anomalies to FSA stakeholders for various product and systems to improve troubleshooting, focus resources on difficult areas, and drive continuous improvement.

- Office of Inspector General: Researching customer claims of fraud for OIG Fraud cases.

In each of these areas, BPO vendors play a critical role in providing clear information, guidance, and support to help customers make informed decisions about their education financing and fulfill their financial obligations.

Additionally, with the transition of what have historically been referred to as the specialty loan servicing programs (e.g., PSLF, TEPSLF, TPD, and TEACH Grants) into FSA’s enterprise of systems starting in FY2024, Customer service and manual processing for these programs will be performed by BPO vendors. Activities will include:

- Support for Borrowers/Recipients: Assists borrowers/recipients with questions about their aid, including account status, qualifying payments, application status, and service obligations.

- Review and Manual Application Processing: Processing of PSLF & TEPSLF Certification and Application form, TPD Discharge Applications, and TEACH Grant Certification of Qualifying Teach form.

- PSLF Employer Eligibility: Assisting with the intake, review, and processing of PSLF employer eligibility requests.

This transition of specialty loan servicing programs will directly address some of the common pain points for customers under the current loan servicing system. For example, customers are often confused about when to contact FSA (via the contact numbers that are managed by BPOs) about questions related to PSLF, and when to contact the PSLF servicer, MOHELA, directly. When specialty servicing transitions to FSA, a customer will be able to call the FSAIC for any questions related to the PSLF Program. If the customer's questions require information from a servicer, the BPO agent will contact the servicer on the back end to attain the relevant information and share it with the customer. This will simplify and improve the customer experience. In addition, FSA will also introduce a new contact number for borrowers with questions about loan discharge or cancellation. This number will also connect the customer with a BPO agent and will expedite the process for borrowers with questions on these topics.

In fiscal year 2025, BPO vendors will provide a single point of contact for defaulted student loan borrowers seeking support to get out of default. This includes, but is not limited to, loan rehabilitation, consolidation, and repayment in full. This represents further movement toward the centralization of contact center services and the creation of a streamlined borrower website, further enhancing accessibility and customer understanding of FSA's programs.

The fiscal year 2025 request for BPO is $105.2 million, an increase of $35.3 million more than the fiscal year 2024 annualized CR based on the fiscal year 2023 appropriation. This requested increase is due to funding a full 12 months of ongoing operations and including pivotal call center support and ongoing training for BPO agents to ensure they provide accurate, consistent, and legally compliant information. Additionally, it supports the contact center infrastructure necessary for upcoming transitions to a more customer-centric service model.

Experimental Sites Initiative (ESI): $0.4 million

The Experimental Sites Initiative is authorized under section 487A(b) of the Higher Education Act of 1965, as amended, and allows the Department to test the effectiveness of new policy approaches by waiving specific statutory or regulatory requirements at the postsecondary institutions, or consortia of institutions, approved to participate in the experiments. By contrasting the results achieved with the flexibilities to the results achieved under current regulations, the Department can obtain data to support changes to regulations and statute. To implement an experiment, FSA makes changes to its procedures and systems, collects survey data and student-level data on participants in the experiment, and, in collaboration with the Institute of Education Sciences, performs analysis of the outcomes of students and institutions that participated in the experiment.

The fiscal year 2025 request of $0.4 million is $0.2 million more than the fiscal year 2024 annualized CR based on the fiscal year 2023 appropriation. This will allow the team to implement the needed data collection updates for the revised Second Chance Pell experiment. In addition, the requested funds will support the improvement of FSA's data collection tools for experiments under the ESI, ongoing system maintenance and operations for new and current experiments, and evaluation of ongoing experiments and experiments where institutional participation has concluded. These improvements are consistent with FSA's adoption, in partnership with the Institute of Education Sciences and the Office of the Undersecretary, of joint principles for designing, implementing, and evaluating experiments under the Experimental Sites Initiative.

Transformation Support Contract: $2.1 million

The Transformation Support contract provides resources to address technical gaps in the existing workforce for strategically important initiatives such as the Next Gen initiative, SABER, and other modernization of information systems across FSA's mission-critical programs. The Transformation Support contract will provide additional support for the architecture and procurement planning for DCC; procurement planning for the PPO initiative and BPO; and planning for technological modernization and associated projects as project management office support, market research, technical planning and support, data and modeling capabilities, cost estimation and forecasting, and governance requirements. Without this critical support, the implementation of program releases related to DCC, PPO, BPO, USDS, TIVOD, and other modernization efforts of mission-critical systems and services (e.g., spanning the entire FSA portfolio) within FSA would be delayed. The fiscal year 2025 request of $2.1 million is $0.2 million more than the fiscal year 2024 annualized CR based on the fiscal year 2023 appropriation. The fiscal year 2025 request will provide resources for recompete efforts to modernize legacy systems.

Institution Engagement and Program Compliance

Next Gen Partner Participation and Oversight (PPO): $30.6 million

FSA is transforming the experience for schools and financial aid offices through the implementation of the Next Gen PPO initiative, or FSA Partner Connect. The current landscape requires schools to interact with multiple systems to determine student eligibility for aid, process awards, and report and reconcile funding information. Many of the processes are heavily manual or are dependent on outdated, vulnerable systems.

In early 2021, FSA launched FSA Partner Connect—a new, digital portal that serves as the foundational platform for FSA partners—at fsapartners.ed.gov. FSA Partner Connect Release 1.0 featured the Knowledge Center, which replaced the Information for Financial Aid Professionals website. The redesigned site offers a new look and feel, streamlined information, and improved search capabilities. The Knowledge Center also includes the *Federal Student Aid Handbook* presented in a more searchable and user-friendly format that will help schools quickly access information on how to effectively administer Federal student aid, which in turn will substantially improve students' and borrowers' experiences. Additionally, alongside the completion of Release 1.0, in 2023, FSA successfully integrated the FSA Training Conference site (fsaconferences.ed.gov) used to share information and host content for the annual FSA Training Conference. Furthermore, in 2023, FSA integrated the FSA Learning Management System into the more secure Partner Connect system authorization boundary.

Release 2.0 was implemented in December 2023 and focused on an extensive redesign of the *Application for Approval to Participate in the Federal Student Financial Aid Programs* (E-App), which schools use to apply to participate in Title IV programs, and the re-engineering of the Postsecondary Education Participants System (PEPS), one of FSA's oldest and most technically vulnerable systems. The Next Gen PPO initiative also includes additional implementation plans that would integrate other partner-facing sites into FSA Partner Connect. Specifically, Release 3.0 will integrate and retire the legacy Participation Management site (fsawebenroll.ed.gov) which allows schools and partners to enroll and manage data access with FSA systems.

Overall, these initial efforts will result in the retirement of six total individual FSA partner-facing sites with future plans to integrate over an additional eight sites into FSA Partner Connect. When complete, Partner Connect will serve as the primary entry point for the various Title IV business functions for school and partners and introduce proactive analytical capabilities to target oversight resources on high-risk schools. This, in conjunction with a plan to centralize and consolidate partner customer service, will create an opportunity for FSA to further streamline aid delivery and oversight processes. The additional benefits of this investment include improving the partner experience through streamlined processes and automation, improving management and oversight capabilities, and enhancing FSA's ability to respond to legislative changes. The fiscal year 2025 request of $30.6 million is $21.6 million more than the fiscal year 2023 appropriation. This increase will support funding operations and maintenance for a full 12 months and funding development work related to system changes as a result of regulatory changes.

eZ-Audit: $2.6 million

eZ-Audit is a web-based application for submission of financial statements and compliance audits by institutions that participate in the Title IV program, which allows FSA to enhance program integrity and improve oversight. The fiscal year 2025 request is $2.6 million, which will provide ongoing operations and maintenance and significant platform and security upgrades.

Gainful Employment and Financial Value Transparency (GE) (FVT): $8.0 million

The GE / FVT regulations that become effective July 1, 2024, will enhance transparency by providing information about the financial costs and benefits of attending postsecondary programs and prohibit schools from offering Title IV aid for GE programs for which the expected earnings could not support repayment of the associated debt. Under the new regulations, both GE and Non-GE programs will be subject to two metrics: a debt-to-earnings metric that compares a program graduate's estimated debt payments with their earnings and an earnings premium that compares a graduate's earnings against the typical earnings of a high school graduate in the same state or nationally. The FVT regulations apply to all programs, and the GE regulations apply to nearly all programs at proprietary institutions and programs at public and not-for-profit institutions that lead to a credential but do not lead to a degree, or career education programs. The full scope includes gathering enrollment, grant and scholarship aid, cost of attendance and total debt, including private student loan debt, data that will be used with earnings data to calculate the above metrics. Should a GE program fail either or both metrics in a single year, students will be warned at the time of enrollment that their program has failed the metric and is in danger of losing eligibility. Should a GE program fail at least one of these metrics twice in a 3-year period, the institution's eligibility to disburse Title IV aid for that program will be officially revoked or terminated. Non-GE programs that are not undergraduate degree programs and fail the debt-to-earnings metric will be subject to a student acknowledgement requirement. Appeals are limited to the standard eligibility and certification processes and procedures which are in effect after a program has lost eligibility.

For fiscal year 2025, FSA plans to complete the implementation of the second phase of development by integrating program eligibility status decisions into the StudentAid.gov interface for student acknowledgement and integrating all school functionality into Partner Connect.

Conference Management: $2.4 million

In support of FSA's mission to administer the Title IV student aid programs, FSA hosts an annual training program for schools participating in Title IV programs. Given the growth and size of the federal student aid programs and recent changes in student aid policies, programs, and procedures, this training conference is critical to support schools participating in these programs to properly manage taxpayer resources. This training is part of FSA's school oversight responsibility and increases the integrity of the federal student aid programs while ensuring appropriate stewardship of taxpayer resources.

Conference Management provides support for the annual FSA Conference and FSA's participation in the national financial aid related conferences (e.g., National Association of Student Financial Aid Administrators). Depending upon the training delivery method, FSA trains between 6,500 and 16,000 financial aid professionals and disseminates information about Title IV programs through these forums. The conferences were held virtually from fiscal years 2021-2024 due to the COVID-19 pandemic and limited funds. The fiscal year 2025 request supports an in-person and hybrid conference.

Data Management

Title IV Origination and Disbursement System and Customer Service Transition and Underlying Systems: $250.6M

The Title IV Origination and Disbursement contract will expire on January 31, 2025. The procurement of a new transition contract for operations and maintenance and incremental improvements to FSA's mission critical systems, COD, NSLDS, EDMAPS, EDWA, the Federal Tax Information Datamart systems (FTI DM) and Partner Customer Service will replace the current TIVOD contract and will be awarded in fiscal year 2025 and will guarantee timely and efficient origination, disbursement, and servicing of Title IV aid.

The timeframe for procuring this new contract provides a transition period to prepare for modernization, ensuring the systems and applications will be ready to adopt when FSA implements enterprise-wide technology, data, and customer service strategies.

The new transition contract will work towards modernization by de-scoping the systems and grouping like services within the appropriate technological platforms allowing FSA to be more adaptive and scalable. It will be structured to promote transparency and allow for increased visibility, planning, and collaboration through centralized tools and standardization across teams and projects.

Lastly, it will transform partner-facing customer service and engagement by centralizing operations to deliver an exceptional experience, enabling self-service, analytics, and compliance.

Common Origination and Disbursement (COD):

Through the TIVOD contract, the COD system will originate and track the disbursement of more than $135 billion in new Title IV Aid to millions of student recipients in fiscal year 2025. The COD system interfaces with several FSA systems to verify student eligibility; supports origination, disbursement, and reporting for Pell Grants, TEACH Grants and Federal Direct Student Loans; supports income-based repayment, borrower defense, and PSLF applications; provides borrower counseling; fulfills reporting and financial reconciliation requirements; and provides oversight tools and reports to support FSA in monitoring administration of Title IV Aid programs.

National Student Loan Data System (NSLDS)

NSLDS fulfills a Congressional mandate from the Higher Education Act of 1992 and is the hub for student, borrower, and partner data reporting. It maintains student-level data for the full student aid lifecycle and provides the core data for most FSA systems. The main function of NSLDS is to provide administrative data on the provision of Title IV aid and provide an electronic data exchange between program participants and the system.

Through the Next Gen FSA initiative, NSLDS was transformed into a modern, more secure, and flexible platform that is a major factor in the ability to deliver an enhanced customer experience. The re-platformed NSLDS, which launched in fiscal year 2022, continues to meet the requirements of the Higher Education Act of 1992 but uses modern technology that better integrates infrastructure and data systems. NSLDS also supports the collection and dissemination of data related to TEACH Grants, TPD, PSLF, and TEPSLF, and will support the transition of these activities as part of the implementation of USDS in 2024.

During January 2024, a data governance sub-group was launched to oversee the quality and integrity of data being reported by loan servicers to NSLDS. The governance group will focus on the organizational activities that are aimed to ensure the completeness and accuracy of data reported to FSA. Group membership consists of senior leaders responsible for guidance and changes of servicing requirements, oversight of loan servicers to include oversight of their data, which is reported through NSLDS, and the overall management of data collection, monitoring, data changes, and error management. The data governance group will conduct an annual assessment of the quality of data reported to FSA leadership, make recommendations of management controls, and foster an environment of continuous improvement around the data representing FSA's loan portfolio.

EDMAPS

EDMAPS provides a unified data platform and common data environment for FSA to improve accuracy and consistency of aid lifecycle data through real-time data access, while leveraging advanced cybersecurity measures to reduce the risk associated with managing PII. Currently, some of FSA's data infrastructure is fragmented, with information spread in standalone systems that are tethered together in a patchwork fashion. EDMAPS brings together the data from some of FSA's largest data platforms, including the NSLDS; FAFSA Processing System; EDWA; DCC; loan servicers; and processing systems. FSA has also created new capabilities within EDMAPS to manage and reconcile data including a data lake and a personal master data management system. Data from the student aid lifecycle is received, loaded, curated, and archived in a data repository establishing a master copy of key data entities after reconciling and resolving interface discrepancies among various databases.

This flexibility in the data architecture provides FSA the tools necessary to respond to data requests more efficiently and accurately in support of Federal data initiatives. It also allows FSA to collect more data than it has in the past, providing additional insights into FSA programs and making data available to support measures of equity for demographic subgroups, improved oversight of FSA vendors, and a global view of FSA operations.

In fiscal year 2025, continuing in its support of USDS, EDMAPS staff will complete the implementation and begin operations of a central document repository which will host and manage all of FSA's applicant, borrower, and partner documents. During fiscal year 2025, FSA will also develop and enhance its archiving and retention practices utilizing the capabilities of the EDMAPS Data Lake.

EDWA

EDWA includes multiple toolsets and analytic platforms and the full Title IV lifecycle data spanning over 18 years. EDWA leverages analytics and reporting efforts to meet the increased data requests of internal and external customers. It provides the enterprise with accurate, timely, and repeatable information while also allowing for data-driven decision making and large-scale data modeling efforts. As a component of EDMAPS, EDWA is integrated with the Next Gen master data management system and data lake (both of which are existing components in EDMAPS). This provides more timely and robust data for analytics, reporting purposes, and operations. EDWA is also a part of the data infrastructure within EDMAPS that supports Federal initiatives consistent with those described in the EDMAPS section.

EDWA has been leveraged in daily operations through outreach to borrowers at risk of default and to mitigate the risk of fraud in the Title IV programs. Lastly, EDWA has also been leveraged to improve institutional compliance and detect bad actors.

Financial Management System (FMS): $7.7 million

FMS consolidates and manages all financial transactions from other FSA systems; facilitates reconciliation and internal program management and reporting; and tracks and manages payment processing for Federal Direct Loan originations and Pell Grant awards. FMS enables the continuation of all FSA grant, loan, and loan guaranty activity and supports the mission of delivering aid under Title IV programs. The fiscal year 2025 request of $7.7 million, $0.4 million more than the fiscal year 2024 annualized CR based on the fiscal year 2023 appropriation, supports the operations and maintenance of FMS.

Institutional Oversight and Title IV Program Enforcement

In 2021, FSA announced an independent Office of Enforcement, comprised of four independent groups, aimed at bolstering its capabilities to oversee schools that pose the greatest risk to students and taxpayers and to remediate harmed borrowers. The Investigations Group proactively uncovers school misconduct or high-risk conduct that, if unchecked, causes significant harm to students and substantial cost to taxpayers. The Borrower Defense Group adjudicates claims for relief on behalf of borrowers who were defrauded by their schools; this program has provided billions in remediation to harmed borrowers in recent years. The Administrative Actions and Appeals Service Group (AAASG) implements the Secretary’s authority to fine, limit, suspend, terminate, and impose emergency actions against schools. And the Resolutions and Referral Management Group (RRMG) helps borrowers resolve complaints about their schools and provides important information gathering and referral functions.

Separate from the Office of Enforcement, FSA’s Office of Partner Participation and Oversight (PPO) engages in compliance oversight of all schools that participate in the Department of Education's Federal Student Aid programs. The Program Eligibility and Oversight office intakes and processes applications for Title IV eligibility from all participants. It also conducts some oversight activity focused on, among other things, assessing financial responsibility. The Investigations Group within the Office of Enforcement differs from the Program Eligibility and Oversight office because it conducts in-depth investigations into a smaller number of schools and is primarily focused on unlawful conduct aimed at increasing enrollment and misrepresentations made to the Department to maintain eligibility. Both the Investigations Group and Program Eligibility and Oversight refer actions to Enforcement’s Administrative Actions and Appeal Service Group (AAASG) to implement the appropriate action.

On February 13, 2024, the Department announced that it would be suspending certain oversight work performed by PPO to allow colleges to devote additional resources to processing student records faster and more efficiently during the Better FAFSA rollout. The suspension does not cover oversight related to allegations of severe misconduct, such as fraud or a severe breach of fiduciary duty.

In fiscal year 2023, the Office of Enforcement has pursued significant administrative actions aimed at helping to ensure compliance and identifying violations that put students at risk of being harmed by low quality programs. For example, in April 2023, FSA denied Florida Career College's (FCC) application to continue to participate in the Title IV programs based on evidence generated by Enforcement's Investigations Group that FCC manipulated the "ability to benefit" test. The "ability to benefit" test evaluates whether students are academically equipped to benefit from a school's programs and manipulating that test can result in students attending a program for which they are not prepared and were less likely to graduate. Due to this settlement, FCC will no longer receive over $80 million per year in Title IV funds to draw students into borrowing for a program that left many of them worse off.

The Office of Enforcement has also deployed other tools to penalize noncompliance and deter misconduct. For example, when it has identified violative conduct that warrants action but is not so egregious as to rise to the level of suspending eligibility for Title IV funding, the office has utilized an authority granted by Congress in the Higher Education Act to sanction institutions through fines. In the past year, the Department fined a large institution for making substantial misrepresentations to prospective students about the cost of graduate programs, and fined institutions that extended Title IV benefits to students enrolled in an unaccredited program. Based on FSA's oversight work, AAASG imposed fines on more than 50 institutions in the last year.

The Department has also imposed conditions in Program Participation Agreements when needed to prevent future violations. For example, when the Investigations Group uncovered serious concerns about an institution's use of the ability to benefit test described above, FSA included a condition in their participation agreement prohibiting that test's use at that school. This condition addresses and stops misconduct that is costly to both students and taxpayers.

The Office of Enforcement's Borrower Defense Group aids borrowers harmed by unlawful practices and legally entitled to loan forgiveness. Borrower defense discharges can also result in enforcement actions where the Department seeks to hold institutions accountable for the discharges when appropriate. The Department is currently litigating the first-ever borrower defense recoupment action in an administrative hearing. In that litigation, the Department is seeking to recoup $23.6 million for federal loans that the Department discharged based on findings from the Borrower Defense Group that DeVry made substantial misrepresentations about employment prospects to prospective students.

In fiscal year 2023, Borrower Defense worked hard and efficiently to implement the settlement in the *Sweet v. Cardona* litigation. That settlement includes an unprecedented number of applications that must be adjudicated by specific deadlines starting in fiscal year 2023 through January 2026. Borrower Defense met all adjudication deadlines in fiscal year 2023, but as discussed below, needs additional personnel resources to meet future deadlines.

In addition to implementing the *Sweet* settlement, in fiscal year 2023 Borrower Defense implemented a series of low-cost technology and quality control enhancements. Borrower Defense designed a database to memorialize and track the school-based fact-finding process required by all borrower defense regulations. The office also improved the manual school notification process into an automated one that functions through the COD system, a change that saved the Department over $600,000.

Since the establishment of the Office of Enforcement in October 2021, FSA has:

- initiated or imposed more than 90 administrative actions against schools relating to significant violations of Title IV program requirements. These actions include over 30 loss of eligibility actions; over 50 fine actions totaling over $45 million; and nearly 30 suspension or debarment actions against individuals;

- announced group discharges based on borrower defense findings or individual discharges under the applicable regulation totaling over $11 billion in relief for over 900,000 students who attended the following schools: College America campuses in Colorado, University of Phoenix, Ashford University, DeVry University, Corinthian Colleges, Inc., ITT Technical Institute, Marinello Schools of Beauty, and Westwood College;

- obtained settlements with five law schools that improperly disbursed federal funds and obtained reimbursement, fines, and an agreement to stop ineligible disbursements in the future;

- established a secret shopper program to identify potentially deceptive or predatory practices used to recruit and enroll students;

- established a formal Tip Line so that individuals with relevant information about potential misconduct at schools can submit that to Enforcement;

- issued seven bulletins to promote compliance with federal law and enhance enforcement efforts and put schools, students and other stakeholders on notice, which address (1) debarments and suspensions imposed against individuals; (2) the inability of non-disclosure agreements to preclude talking to law enforcement; and (3) the need for accurate and robust compliance management systems; (4) misrepresentations to service members and their families;

- strengthened its relationships with state and federal partners by collaborating in taking action against schools that violate the law, including the Federal Trade Commission, Consumer Financial Protection Bureau, Department of Veterans Affairs, and state attorneys generals;

- reviewed and resolved 5,635 student or borrower complaint cases against their institutions of higher education, including 740 cases regarding the Grant Disbursement (Pay Out) Process at the school, 721 cases regarding the Loan Disbursement (Pay Out Process) at the school and 669 cases regarding Financial Allegations (Tuition and Fee Charges). Each case represents a student or borrower who had an issue, problem, or concern that FSA helped to resolve.

Enforcement is also finalizing and implementing the use of a new risk model aimed at identifying schools and service providers potentially engaged in misconduct that could impose significant cost on students and taxpayers. The risk model will incorporate raw data such as enrollment changes and student withdrawal rates as well as holistic information like investigations by other regulators and insider tips and leads and will be updated as appropriate. This model will enable Enforcement to prioritize its resources on the highest risk schools.

Funding needed to support Enforcement is modest relative to the size of the program, and to other federal regulators who oversee significant markets and programs. The fiscal year 2025 request will enable FSA to satisfy the Department's legal obligations from the settlement in *Sweet v. Cardona* and applicable regulations and to support the timely adjudication of individual and group borrower defense claims. It will also enable FSA to continue its important work as described above. The fiscal year 2025 request primarily focuses on funding the Office of Borrower Defense so that it can satisfy the obligations the Department agreed to in the *Sweet* settlement and to build technology to organize and prioritize work.

1. Required Instruction for Execution of Sweet Settlement for Borrower Defense Adjudication Staff & Sweet Settlement Support: $56.6 million

    For fiscal year 2025, the Office of Borrower Defense projects that it will need $56.0 million to be able to hire sufficient staff to satisfy the Department's legal obligations in the *Sweet v. Cardona* settlement and $0.6 million for related training and onboarding, for a total of $56.6 million. This settlement resolved a class-action lawsuit first brought in 2019 against former Secretary Betsy DeVos with allegations based on undue delays in the processing of borrower defense claims and based on the quality of the notices sent to borrowers whose claims were denied. The settlement applies to borrower defense claims that were previously denied through the challenged notices and to claims that were not adjudicated as of time that the settlement received final court approval in November 2022.

    The *Sweet* settlement includes specific deadlines for the Department to resolve certain applications. For applications that are not adjudicated by those deadlines, the settlement provides that the applicant will automatically receive full settlement relief, which includes loan discharges and refunds of previous payments to the Department. The Department has satisfied the first two adjudication deadlines, however there are still over 250,000 applications that must be adjudicated by January 28, 2026. This volume of applications far exceeds the number of applications that were expected to be covered by the settlement when the Department made the agreement in June 2022—which was due, in part, to the time period for new applications to be covered by the settlement lasting months longer than anticipated. In addition, the Department's anticipated staffing levels, at that time, did not account for subsequent years' appropriations remaining at existing levels, providing no increase despite increasing costs.

At current staffing levels, the Department does not have sufficient capacity to adjudicate a significant number of these 250,000 claims by their applicable deadline to adjudicate them all by January 28, 2026, the Department would need to onboard approximately three hundred attorneys at a cost of $56.0 million and have them work exclusively on these applications for a full year. If the Department does not hire additional staff, we estimate that a significant share of the unadjudicated applications, representing several billion dollars of loan amounts, could end up being automatically discharged.

In fiscal year 2024, the Department requested $21.0 million to adjudicate certain applications covered by the *Sweet* settlement whose claims need a decision by January 2026. That amount reflected the annual need that would have to be sustained to meet the deadlines in the *Sweet* settlement over a three-year period. These investments have been delayed as FSA has been operating under flat funding since fiscal year 2022. Therefore, the increase for fiscal year 2025 reflects the shorter timeframe for adjudicating claims.

Borrower Defense also requests $0.6 million for the required instruction for executing the Sweet Settlement for new employees. Training needs include in-person sessions for new hires, intensive regional trainings for attorneys, and periodic supervisory trainings and leadership meetings to support the workstreams necessary to enable Borrower Defense attorneys to meet the Department's obligations under the settlement.

2. Borrower Defense Technology Infrastructure (BD): $2.3 million

These funds support the development and operation of systems needed to adjudicate borrower defense applications, including ensuring that the borrower defense applications and adjudication technology comply with applicable regulations and settlement obligations. In fiscal year 2025, the Borrower Defense Group will need to continue to update and maintain its adjudication platform and, if the 2023 regulation is enjoined permanently, create a set of new coded applications, and update its adjudication platform to conform with that new application. The Borrower Defense Group will also need to pay operation and maintenance costs for COD, which hosts the automated notification process, and the Group will need to create new COD notice forms for each new type of notification that needs to be sent.

3. Enforcement Operations and Enhancements: $1.9 million

The Enforcement Operations and Enhancements initiatives supports the development of technology and information systems needed by Enforcement. Currently, Enforcement information management is comprised of Excel spreadsheets, SharePoint folders, and siloed information in disparate systems used by Enforcement business units. The Office of Enforcement does not have a centralized database or the ability to look up a school to determine which, if any, of the Enforcement business units may have ongoing or previous work relating to a school. The fiscal year 2025 request will support development of a system to track Enforcement matters; to compile and maintain data and documents relating to internal and external investigations and actions relating to schools; and to track information, data, and metrics that will be utilized in a robust risk model. The request includes resources for a case management and workflow system for Investigations, improved professional tools for monitoring complaints, and systems for fact-finding and evidence management for borrower defense. The Enforcement Operations initiative supports the organization's ability to use a risk-based approach to prioritizing work by focusing on schools that create the highest risk to borrowers and taxpayers. Additionally, the system will contain performance data and dashboards to support strategic planning by Enforcement managers and supervisors as well as reporting capabilities that currently must be compiled manually. Lastly, the Office of Enforcement cannot operate without funding for Department of Justice's e-Discovery system and Westlaw, which Enforcement uses to review, analyze, and organize large document productions relating to investigations and borrower defense claims, and research applicable law and prior conduct of schools for investigations and borrower defense.

Personnel Compensation and Benefits (PC&B), Overhead and Other Non-FSA Activities: $495.2 million

PC&B: $352.6 million

The Administration's request for SAA in fiscal year 2025 includes $352.6 million in PC&B, an increase of $26.3 million and 76 FTE above the 2024 annualized CR based on the fiscal year 2023 appropriation, to support a total of 1,691 Full-Time Equivalent (FTE). This total consists of 1,525 FTE for FSA, including an increase of 59 FTE for Unified Servicing and Data Solution (USDS), budget and acquisition staff, oversight, and borrower defense adjudication, and 10 FTE for the newly created FSA Digital Services Team. The increase also supports a 2.0 percent pay raise, projected benefit increases, awards, and overtime.

Of the 1,691 requested FTE, 166 FTE work outside of FSA and perform student-aid related activities in the Department of Education in the Office of Finance and Operations, the Office of Chief Information Officer, Office of the General Counsel, Office of Postsecondary Education, Office of the Under Secretary, and the Office of Planning, Evaluation and Policy Development. This represents an increase of 7 FTE more than the 2024 annualized CR based on the fiscal year 2023 appropriation; these additional FTE will largely be used to improve policy analysis of federal student aid programs, perform accreditation work, and help respond to an increasing volume of Freedom of Information Act requests.

Office of the Chief Economist

In fiscal year 2022 the Department announced the creation of the first ever Chief Economist role within the Office of the Under Secretary. The Chief Economist works with experts in the Office of the Chief Data Officer, the Institute of Education Sciences, Budget Service, and Federal Student Aid to:

- Provide the best-possible analysis and advice to guide real-time policymaking;
- Provide advanced data analytic support other ED offices, including FSA's Enforcement Office, the Office for Civil Rights, etc.;
- Conduct rigorous research to build evidence for policy aimed at improving ED programs and further key elements of the Department's learning agenda;
- Build a culture of experimentation, including partnerships with leading social science researchers to pilot-test new ways to serve students and borrowers; and
- Serve as a liaison to the research community so that leading researchers' insights and evidence inform our agenda and we can work together to build the evidence and research base on how best to strengthen education.

Since it was established, the Office of the Chief Economist has primarily been staffed with short-term, unpaid positions including fellowships, IPAs, and internships. Hiring external experts and academic researchers on short-term IPA positions helps flexibly recruit staff with advanced skillsets and deep technical expertise in areas aligned with current policy needs. But a foundation of career staff is a necessary addition to provide consistent support for other offices, provide institutional memory for ED programs and data resources, and to help temporary IPA staff to be productive by overcoming the steep learning curves and complexities involved in analyzing ED's vast administrative data that are used in the Office's work. The Administration's 2025 request for this office is $1.5 million, an increase of roughly $1.0 million over a fiscal year 2024 annualized CR based on the fiscal year 2023 appropriation. This level of funding would support a full-time staff of 7 FTE, along with additional non-pay funding to support additional staff resources via temporary Intergovernmental Personnel Act (IPA) assignments.

Digital Services Team

The fiscal year 2025 request also includes an increase of 10 FTE for the newly created FSA Digital Services Team. The team will be managed by an FSA leader with deep knowledge of FSA systems, as well as the needs of students, parents, borrowers, and partners. This investment in digital service experts will help FSA deliver simple, seamless, and secure services with the user experience as the driver. This integrated team will have some mix of the following competencies: engineering (software, business process, test), product management, design (service, interaction, user experience), data analysis, and independent verification and validation analysis. These specialists will work on initiatives directly impacting tens of millions of students and borrowers, as well as thousands of school partners. As FSA moves the front-end borrower experience from loan servicers to StudentAid.gov and centralizes the partner experience through Partner Connect, FSA believes a new approach is necessary. FSA has made great progress modernizing its systems and must now to modernize its workforce to match the technology. During fiscal year 2024, FSA will identify a working group to fully develop the plan for the team, including recruitment strategies and timelines.

Overhead and Other Non-FSA Activities: $142.6 million

The SAA account also provides funding to non-FSA offices to support FSA's mission and the management of the student aid programs. It includes funds for departmental support activities, such as central computer services and financial management system operations, rent, and other overhead. It also includes activities carried out in other offices, such as the annual financial audit of FSA, negotiated rulemaking, and budgetary cost estimation.

The total request in fiscal year 2025 for these activities is $142.6 million, $12 million above the 2024 annualized CR based on the fiscal year 2023 appropriation, primarily for increases in the enterprise cybersecurity program.

Rent: $10.8 million

Rent payments to the General Services Administration for FSA-occupied space will total $10.8 million for fiscal year 2025, $3.2 million less than the 2024 annualized CR based on the fiscal year 2023 appropriation. The Department has been engaged in a multi-year effort to reduce space, including consolidating FSA space in the Union Center Plaza building into the Lyndon Baines Johnson Headquarters Building (LBJ).

Centralized Information Technology: $63.0 million

Combined funding for central computer services and telecommunications will total $63.0 million in fiscal year 2025, an increase of $9 million above the 2024 annualized CR based on the fiscal year 2023 appropriation. This increase is primarily for enterprise cybersecurity programs. For more information on this effort, please refer to the **Program Administration** narrative.

Centralized Support: $56.8 million

Other non-pay central support services, including background investigations, business support systems, guard services, security, and departmental training and development courses, will total $56.8 million in fiscal year 2025, an increase of $7.4 million above the 2024 annualized CR based on the fiscal year 2023 appropriation. The increase is mostly for contracts and grants systems modernization as well as background investigations. For more information on these modernization efforts, please refer to the **Program Administration** narrative.

Student Loan Modeling Investment: $2.3 million

One key activity managed by the Office of Planning, Evaluation and Policy Development[1] is Student Loan Modeling. As mentioned previously, the Administration is requesting 4 additional FTE including the development of two new branch chiefs within CEAD to help bolster this function. In addition, the fiscal year 2025 Request includes $2.2 million in non-pay funding, a $0.2 million decrease from the 2024 annualized CR based on the fiscal 2023 appropriation. The Student Loan Modeling investment provides support for developing cost estimates and budgetary impacts of student loan policies affecting the $1.6 trillion current portfolio. Given the magnitude of the portfolio, improving the accuracy of the cost estimates of the student loan programs is vitally important. The Department's financial reporting, informed policy making, and effective monitoring of Government borrowing by Treasury all rely on accurate cost estimates. This investment is critical for the projection of future cost estimates and will support 1) continued development of a borrower-based microsimulation student loan cost model, 2) validation support for credit models and 3) ongoing support of the current student loan model. Student Loan Modeling is comprised of the following:

Microsimulation Model Development

To estimate student loan costs more accurately, provide more detailed analysis of program effects, and better inform student loan policy, this investment aims to develop and implement a borrower-based microsimulation model. This model will consist of multiple components, most significantly the Servicer Emulator, which will process borrower and loan events to calculate cash flows, and the Event Generator, which will simulate borrower and loan events. Full development of this model is expected to be highly complex and rely on a combination of Department, interagency and vendor support. The Department expects the microsimulation model to be fully operational in fiscal year 2026 for the fiscal year 2028 Budget.

- Servicer Emulator: The Department currently has an interagency agreement with the Department of Treasury to develop a borrower-based (i.e., microsimulation) cash flow model, otherwise known as the Servicer Emulator. The Servicer Emulator portion of the model replicates the events and actions that occur during the life of a loan. The fiscal year 2025 request of $640,000 will be used to fund the agreement to continue development of the model.

- Event Generator: In fiscal year 2020, the Department awarded a contract for the Microsimulation Event Generator. The design phase of this project was completed in fiscal year 2022. The implementation phase commenced in 2022 and is funded through fiscal year 2024. The contractor has reviewed the existing student loan model and assumptions, evaluated potential data sources, and has developed several of the Event Generator's modules.

[1] Within OPEPD, the Office of Budget Service, Cost Estimation and Analysis Division is responsible for developing full-cost estimates for the Federal Pell Grant, Federal Family Education Loan (FFEL), and Ford Direct Student Loan (FDSL) programs.

The fiscal year 2024 request of $462,423 and fiscal year 2025 request of $350,000 funds training and technical support for the event generator microsimulation model development.

Model Validation

The Department engages with an independent vendor to provide validation of its student loan models. Vendor support has been used to review modeling methodology changes to the collection assumption; PSLF modeling; and updates to the IDR model. The specific credit models validated are determined on a priority basis using an assessment of model risk. Planned work for fiscal year 2025 continues review of the IDR model and the microsimulation servicer emulator, and additional assumptions based on updates made in fiscal year 2024. The fiscal year 2025 request is $626,413.

Technical Support

The Student Loan Modeling investment request for fiscal year 2025 also includes $661,000 for continued support of the current student loan cash flow model, server maintenance and upgrades necessary to house the models, accompanying data and IT administrative support.

Other Non-FSA Activities: $9.7 million

Other non-FSA activities, including negotiated rulemaking, College Scorecard support, centralized financial reporting support, and data collection, will total $9.7 million in fiscal year 2025, $1.2 million less than the 2024 annualized CR based on the fiscal year 2023 appropriation.

PROGRAM PERFORMANCE INFORMATION

This section presents selected program performance information, including, for example, program goals, objectives, measures, and performance targets and data; and an assessment of the progress made toward achieving program results. Achievement of program results is based on the cumulative effect of the Federal resources provided for the program as well as the resources and efforts invested by those served by the program. At the beginning of fiscal year 2023, FSA released the sStrategic Plan will serve as the basis for fiscal year 2024-2025 performance measure and targets.

Strategic Goal 1: Improve Customer Service and Outcomes for Students and Borrowers

FSA intends to outperform the standard for excellent customer service by transforming our organization, enhancing borrower outcomes, and collectively keeping the promise to improve opportunities for students and families to make informed decisions on financial aid for college and student loan repayment. These improvements will provide superior customer experience, resulting in positive repayment outcomes and reduced defaults.

Strategic Objective 1.1: Simplify the student loan repayment process to reduce future delinquency and default rates and improve accessibility of loan forgiveness programs.

Performance Indicator 1.1.A: Number of borrowers that received loan forgiveness.

Indicator Definition: This performance indicator measures the number of total borrowers who receive loan forgiveness through the Public Service Loan Forgiveness (PSLF), Borrower Defense, Total and Permanent Disability (TPD), and Income-drive Repayment (IDR) Programs.

Fiscal Year	Target	Actual
2023	Baseline	1.32 million
2024	2% above baseline (1.35 million)	
2025	3% above baseline (1.36 million)	

Analysis of Progress:

FSA implemented customer and stakeholder outreach that provided repayment options and loan forgiveness information to better inform students and borrowers, resulting in positive repayment outcomes and reduced defaults. Outreach included:

- The FSA team introduced Always-on email campaigns, such as Targeted Early Delinquency Intervention (TEDI), Third-Party Debt Relief (TPDR) scam intervention, and borrower risk at the time of disbursement, aimed to reduce future delinquency and default.
- Direct to Discharge (D2D) and PSLF Account Adjustments were created, leading to full forgiveness for many borrowers and additional months of credit toward forgiveness for many others.
- Supported regular discussions with policymakers at the Department, OMB, and Congress with analysis and modeling on options for the repayment process.
- Multiple email and short message service (SMS) outreach campaigns we executed, focusing on PSLF, return to repayment, Fresh Start, auto-debit, Supreme Court decision, and IDR plans, including the Saving on a Valuable Education (SAVE) plan.

Performance Indicator 1.1.C: Percentage of borrowers submitting applications through the PSLF Help Tool.

Indicator Definition: This performance indicator measures the percentage of borrowers that start and complete the PSLF Help Tool by generating a PSLF form.

Fiscal Year	Target	Actual
2023	Maintain or Increase	60.5%
2024	Maintain or increase	
2025	Maintain or increase	

Analysis of Progress:

FSA continues to implement various enhancements that will provide an improved customer experience for students and borrowers, resulting in positive repayment outcomes and reduced defaults. The PSLF Help Tool, available on StudentAid.gov, helps borrowers determine whether they are eligible for PSLF, apply for forgiveness, and certify employment. Previously, borrowers would need to use the PSLF Help Tool to determine their eligibility; print and sign the PSLF Form & Temporary Expanded PSLF (TEPSLF) Certification & Application Form; have one or more employers sign the paper form; and submit the completed form by mail, fax, or by uploading their form to the PSLF servicer portal if their loans were already assigned to MOHELA. For the first time, borrowers can fully complete the PSLF application process digitally with the help of the new digital signature and submission components of the PSLF Help Tool.

The redesigned tool allows borrowers to:

- sign and submit the PSLF Form digitally on StudentAid.gov;
- identify employers that need to sign their PSLF Form and send requests for e-signature via DocuSign;
- track the status of their PSLF Form in their account's Status Center; and
- digitally sign and submit PSLF forms for processing and provides automatic updates to a borrower's progress with the PSLF program.

FSA updated the PSLF Help Tool to increase transparency for borrowers and streamline the employer review process for the PSLF Servicer when an employer's eligibility changed over time. With the introduction of the new 'Split' employer eligibility status in the PSLF Help Tool, the Digital Platform will now display 'Undetermined' eligibility statuses for users whose period of employment overlaps with an undetermined period. This new view will show borrowers the periods of their employment that are inapplicable towards their PSLF qualification.

On November 1, 2022, the Department published final new regulations governing PSLF in the Direct Loan program. These regulatory changes included updates to the application process, definitions for full-time employment, qualifying employers, and qualifying monthly payments.

On July 1, 2023, these new regulations for PSLF became effective and FSA's implementation efforts included updating processes, procedures, systems, and information for borrowers on these changes.

In efforts to expand access to loan forgiveness to more borrowers, the limited PSLF waiver opportunity was introduced in fiscal year 2022 on October 6, 2021, and ended on October 31, 2022. The Department announced a change to the PSLF program rules for a limited time waiver utilizing the Health and Economic Recovery Omnibus Emergency Solution Act (HEROES Act). The "limited PSLF waiver" refers to the time-limited policy changes to PSLF Program rules that allow borrowers to receive credit for past periods of repayment that would otherwise not qualify for PSLF. Beginning November 1, 2022, the "normal" program requirements resumed for PSLF and TEPSLF. In fiscal year 2023, FSA implemented wind down efforts for the limited PSLF waiver with procedures, processes, updates to borrower communications, and reporting. While the limited PSLF waiver ended on October 31, 2022, borrowers are still receiving updates to their PSLF payment counts and forgiveness as PSLF forms are processed. Showing approximately a 30 percent increase from fiscal year 2021 to fiscal year 2023, the Department has met its objective to increase borrowers' access to loan forgiveness. As of December 31, 2023, the total number of borrowers who received forgiveness from the PSLF Waiver was 720,000. The value of this forgiveness totaled $49.7 billion. When including the TEPSLF and PSLF categories of discharges, the value of forgiveness exceeded $57.4 billion and included 801,000 borrowers, as of December 31, 2023.

The limited PSLF waiver period caused a significant increase in the traditional Help Tool initiation volume. In addition, with the introduction of PSLF e-signature and digital submission during fiscal year 2023, FSA expects to see a continued increase in users who access the PSLF Help Tool and complete a PSLF form. The introduction of the e-signature and submission process has been the key driver in the increase for fiscal year 2023.

Strategic Objective 1.2: Enhance the quality of contact center and loan servicing operations, leveraging data to assess progress toward customer service and product delivery standards.

Performance Indicator 1.2.A: Percentage of contractor interactions reviewed that received a passing score.

Indicator Definition: The performance indicator measures the percentage of contractor interactions that are reviewed and receive a passing score as defined in their Service Level Agreements (SLAs).[1]

Fiscal Year	Target	Actual
2023	Baseline	98.1%
2024	≥95%	
2025	≥95%	

Analysis of Progress:

In late fiscal year 2021, several loan servicers informed FSA that they would not continue their student loan servicing past their current contracts. This meant that a significant portion of the Direct Loan portfolio would transfer to new servicers. The FSA's Vender Oversight Group (VOG) was responsible for providing oversight for this process and focused on loan transfer reviews in fiscal years 2022 and 2023.

In fiscal year 2023, VOG finalized remediation plans for millions of student loans that were transferred (automated and manual) and closed out the transfers in September 2023. The oversight reviews were finalized in fiscal year 2023, and more than 500 transfer related issues were identified, remediated, and closed. VOG notified servicers of the final status through final reports.

[1] The SLAs are contractual required performance criteria agreed upon by FSA vendors. These performance measures are intended to motivate vendors to provide high levels of service for FSA's customers. They also facilitate FSA in holding vendors accountable when performance falls short of expectations.

In preparation of borrowers returning to repayment status, VOG conducted more than 900 secret shopper calls. Secret shopper calls involve VOG staff calling servicing call centers to ask representatives questions related to program changes, such as IDR plans and the new SAVE program, direct discharge on IDR and PSLF, along with other topics germane to return to repayment. Meeting SLA standards, VOG shared the 98.1% performance results of the secret shopper calls with the FSA internal stake holders as well as the servicers. Additionally, targeted monitoring reviews of SLAs were implemented in fiscal year 2022 and effectuated in fiscal year 2023.

Strategic Goal 2: Advance Equity and Access to Student Financial Assistance

Each year, FSA helps millions of Americans achieve their education dreams. Access to student aid is central to FSA's mission: Funding America's Future, One Student at a Time. Advancing equity and access to financial assistance options will help eligible students and families gain the benefits of education and training beyond high school.

Strategic Objective 2.2: Simplify the FAFSA process.

Performance Indicator 2.2.A: Customer satisfaction survey score associated with completing the FAFSA form.

Indicator Definition: This performance Indicator measures the applicant's satisfaction with completing the FAFSA form.

Fiscal Year	Target	Actual
2023	78	80
2024	Maintain or Increase	
2025	Maintain or Increase	

Analysis of Progress:

Getting students, parents, and counselors around the country focused on increasing completions of the FAFSA form for the 2023–2024 academic year remains a top priority for FSA. Whether a student is attending a traditional four-year college or university, enrolling in a community college, or opting for a trade or vocational certification, the FAFSA form should be the first step forward for every high school senior in the United States. FSA encouraged high-school seniors and their families to complete the 2023–2024 FAFSA form by working with individual states, counselors, mentors, and college access professionals on initiatives.

FSA posted social media posts related to the FAFSA form and published other digital content including helpful articles on StudentAid.gov. FSA engaged local media outlets to raise awareness about the importance of completing the FAFSA form.

Through customer listening sessions, questions from customers via Aidan (chatbot), and survey responses, which are collected after completing the FAFSA form, FSA heard loudly that customers were struggling to find their Student Aid Report (SAR). As a result, FSA moved the "View SAR" button to be the first option on the My FAFSA page. Additional changes made as a result of customer listening sessions include changing the order of the "Renew My FAFSA Form" and "Start a New FAFSA Form" buttons, making it more intuitive to renew the form, ensuring that unauthenticated users have a better user experience by providing a more direct route to the FAFSA form once they have logged in, and providing additional guidance to students who are experiencing housing insecurity on how to apply for federal aid.

Strategic Objective 2.3: Provide accurate, seamless, easy, and customized interactions throughout the student aid lifecycle.

Performance Indicator 2.3.A: StudentAid.gov Digital Satisfaction.

Indicator Definition: This performance Indicator measures customers' overall satisfaction with StudentAid.gov.

Fiscal Year	Target	Actual
2023	Maintain or Increase (66)	72[1]
2024	Maintain or Increase	
2025	Maintain or Increase	

Analysis of Progress:

FSA has continued to monitor and improve the customer channels across the student aid lifecycle. The customer channels include StudentAid.gov, business process operations (BPO) vendors, and Marketing Communications Platform (MCP). FSA continued to consolidate and improve services on StudentAid.gov, make data-informed improvements to BPO operations, and deliver key customer outreach campaigns and communications at scale. By leveraging insights based on available data (as well as customer listening and usability research), FSA has been able to make informed decisions on features and communications.

FSA expects to meet or exceed indicators 2.3.A and 2.3.D (below) in the following year based on improvements that have been made to key customer flows in fiscal year 2023, such as the IDR application and loan consolidation application. The Email Campaign Helpfulness consisted of high priority and time sensitive communications. FSA informed borrowers on updates and reminders regarding returning to repayment, IDR plans, debt relief, and key information that may be relevant to our students, parents, and borrowers.

StudentAid.gov and the products it supports leverage customer feedback through surveys, usability testing, and other mechanisms to inform improvements. In fiscal year 2023, many

[1] For 2.3.A, FSA will still ask customers for their satisfaction on a 5-point scale in the system; however, for reporting purposes, FSA will then convert the score to 0-100 using the following formula: Formula: x = ((Y/100)*4) + 1 x = 1-5 scale# Formula: Y = ((x - 1)/4)*100 Y = 0-100 scale#. The FY 2022 converted version will be 66. Based on the converted score, FSA met the target for FY 2023.

enhancements were made to StudentAid.gov, which improved the user experience. The following are some highlights:

- Updated the PSLF Help Tool to provide borrowers with e-signature and submission functionality.
- Released new IDR application that integrates with IRS' Federal Tax information capability and supports borrower enrollment in the new SAVE IDR plan.
- Provided borrowers with the ability to view the status of their IDR application, loan consolidation application, and PSLF form in their Dashboard and My Activity.
- Improved website navigation.
- Delivered more than 120 smaller improvements.

As a result of these improvements, StudentAid.gov saw a significant improvement in its digital satisfaction score from last year increasing from 66 to 72, and it maintained its high post transaction satisfaction score.

Performance Indicator 2.3.D: Email Campaign Helpfulness.

Indicator Definition: This performance indicator measures the helpfulness of FSA's email campaigns as rated by customers who receive campaign emails.

Fiscal Year	Target	Actual
2023	Baseline	79
2024	Maintain or Increase	
2025	Maintain or Increase	

Analysis of Progress:

One of the main priorities for the Marketing and Communications Team was debt relief and return to repayment information. FSA informed its borrowers with updates and reminders regarding debt relief, as well as the pages and information that may be relevant to the students, parents, and borrowers. FSA had several opportunities to use actionable customer feedback to make improvements to email by incorporating and clarifying relevant information for the borrowers regarding repayment information. Based on borrower feedback, the main improvements would be to increase personalization and segmentation of communications.

FSA sent out several communications promoting the renewal of FAFSA applications for the fiscal year. One of the top goals for the communications is to increase the awareness of the 2023–24 FAFSA, as well as encourage borrowers to complete the form.

An additional opportunity in the future is seasonality of FAFSA campaigns beyond the fall and winter student aid deadlines. FSA sent one campaign in spring 2023, which may have been too late given that major state deadlines had passed. One way for improvement, is to align the spring renewal of their FAFSA form with major deadlines to encourage and remind borrowers to renew their FAFSA if they have not already.

Strategic Goal 3: Strengthen Engagement and Accountability for Educational and Financial Institutions

FSA achieves its mission of funding America's future with the assistance of participating educational and financial institutions. In addition to overseeing compliance with Title IV program laws and program rules, training and technical assistance is provided to schools, third-party servicers, and financial institutions to support their compliance efforts.

Strategic Objective 3.1: Utilize a comprehensive suite of monitoring tools to oversee participating partners.

Performance Indicator 3.1.A: Review for participating partners that have been provisionally certified.

Indicator Definition: This indicator measures the completion rate of comprehensive compliance reviews of provisionally certified institutions.

Fiscal Year	Target	Actual
2023	40.0%[1]	66.5%
2024	60% of participating partners	
2025	80% of participating partners	

Analysis of Progress:

To safeguard *Title IV* funds on behalf of students and taxpayers, FSA provides an effective, compliant student aid delivery process and a program of partner oversight and monitoring. These efforts are aimed at reducing program risks by monitoring the performance of participating partners such as schools, third-party servicers, and financial institutions, as well as assessing their compliance with program participation requirements. FSA performs this oversight by using a comprehensive suite of monitoring tools to review participating partner compliance. The expansive set of monitoring tools includes:

- *Title IV* compliance audit reviews and resolutions
- Institution financial health ratio analyses and periodic financial reporting reviews
- *Title IV* program reviews encompassing assessments of administrative capability, policies, and procedures

[1] FSA Partner Participation Oversight has revised the calculations of comprehensive reviews to include additional data quality checks to ensure unduplicated count of participating institutions. Due to this change in the calculation, the FY 2023 target was adjusted down to account for any potential margin of error.

- Calculation and distribution of cohort default rates
- Comprehensive Compliance Reviews (CCRs)

FSA far exceeded the fiscal year 2023 annual target goal for completing CCRs on at least 40 percent of provisionally certified partners during the first year of the *FY 2023-27 Strategic Plan* period. FSA's strong performance provided a pathway so that more than 65 percent of provisionally certified partners received a CCR during fiscal year 2023. FSA maintained greater attention and focus on its provisionally certified partners as these institutions may pose greater risk. This result also provides a margin against potential adversity in future fiscal years while FSA:

- deploys new enabling technologies and implements new regulations;
- launches new programs and capabilities to deliver additional types of *Title IV* oversight such as for the proposed Gainful Employment regulations;
- navigates challenging shortfalls in requested appropriations and staffing levels; and
- manages staffing challenges related to retirements and other planned change within the Department.

Strategic Objective 3.2: Build enforcement capabilities, in coordination with federal and state partners to protect students, families, and taxpayers from deceptive, fraudulent, or harmful practices in the student aid marketplace.

Performance Indicator 3.2.A: Build and implement an FSA Enforcement Strategy that incorporates a risk model for identifying schools that pose risk to students and taxpayers.

Indicator Definition: Identify and provide a Strategic Plan to guide and inform the work and priorities of the Enforcement Office.

Fiscal Year	Target	Actual
2023	Develop Strategic Plan	Enforcement Strategic Plan completed
2024	Implement Strategic Plan	
2025	Update and Maintain Strategic Plan	

Analysis of Progress:

Since FSA established an independent Office of Enforcement (Enforcement) in 2021, Enforcement has been proactively working to build additional investigative and enforcement capabilities to bolster oversight of schools and their service providers. The goal of these efforts is to identify and address conduct that is deceptive, fraudulent, or otherwise violates the laws and regulations governing the *Title IV* program, and that imposes significant costs on students, families, and taxpayers. The stand-alone Enforcement Office includes the Borrower Defense

Group (BDG), the Investigations Group (Investigations), the Administrative Actions and Appeals Service Group (AAASG), and the Resolution and Referral Management Group (RRMG).

Enforcement is responsible for certain FSA core work, including certain statutory, regulatory, judicially, and otherwise-required duties and functions. This includes proper and timely resolution of student complaints (through RRMG), initiation and timely resolution of investigations where appropriate (through Investigations), proper and timely resolution of referrals for adverse and administrative actions (through AAASG), and proper and timely resolution of borrower defense applications (through BDG).

In addition, Enforcement developed and is implementing a strategic plan in fiscal year 2024 to inform the build of the office. This plan includes five strategic imperatives including:

- **BUILD:** Build and grow a robust, dedicated, and modern Enforcement Office within FSA, capable of meeting the demands of the ever-changing higher education community and risk landscape.
- **PROTECT:** Develop and employ the full range of Enforcement's authorities to deter predatory institutional and individual misconduct, strengthen oversight of high-risk institutions, improve institutional and individual accountability, and provide resolution or relief, where appropriate, for those harmed by predatory misconduct.
- **PRIORITIZE AND MODERNIZE:** Efficiently utilize resources and prioritize activities through the use of modern technology and data-driven approaches to our work.
- **PARTNER:** Maximize and share resources, capabilities, and expertise through partnership and collaboration, including within Enforcement, FSA, and the Department and with other state/federal enforcement agencies and partners.
- **COMMUNICATE:** Enhance communication and transparency of Enforcement's authorities and activities with the public, policymakers, the higher education community, and other stakeholders.

In addition to developing a strategic plan, Enforcement has completed several initiatives in support of the plan's strategic imperatives including:

Build:

- Enforcement onboarded 26 new staff in fiscal year 2023.
- Enforcement implemented a plan to update policies and procedures that guide the office's work.

Protect:

- Enforcement opened new investigations into schools and their service providers where risk indicators suggested potential violations.

- Enforcement developed a robust suite of investigative tools, including a secret shopper program and a tip line.

- Enforcement developed findings to support BDG discharges and common findings related to schools.

Prioritize and Modernize:

- Enforcement developed a data-driven model to assess risk of violations that could impose significant harm to students, families, and taxpayers.

- Enforcement integrated FSA complaint data into its risk scoping.

Partner:

- Enforcement strengthened FSA's relationships with federal and state partners, including the Federal Trade Commission, Consumer Financial Protection Bureau, Department of Defense, Department of Veterans Affairs, and state attorneys general through the Principles of Excellence Working Group pursuant to Executive Order 13607, *Establishing Principles of Excellence for Educational Institutions Serving Service Members, Veterans, Spouses, and Other Family Members*.

- Enforcement entered information sharing agreements with partners, where appropriate and supported by a common interest in investigations of potential legal, regulatory, and contractual violations arising under agencies' respective authorities.

Communicate:

- Enforcement updated the Borrower Defense webpage with substantive information about the borrower defense application and process to help potentially impacted borrowers understand how to file an application.

- Enforcement issued four public bulletins in fiscal year 2023.
    - The first bulletin announced a new avenue for knowledgeable sources to submit tips and information directly to the Enforcement Office about potential violations of the laws and regulations governing the federal student aid programs.
    - The second bulletin announced that FSA will use secret shoppers as an additional tool to monitor schools' *Title IV* compliance. Secret shoppers will evaluate recruitment, enrollment, financial aid, and schools' other practices to help identify potentially deceptive or predatory practices used to recruit and enroll students.
    - The third bulletin clarified that nondisclosure agreements that prohibit or limit employee communication with the Department violate *Title IV* regulations.
    - The fourth bulletin reminded schools to ensure programs are properly accredited before disbursing funds.

Strategic Goal 4: Increase Workforce and Workplace Capabilities

In any industry or sector, an organization's most important asset is its talent. FSA strives to be a model federal employer, creating an environment where individuals maximize their potential and teams collectively move the agency forward. Achieving FSA's mission requires attracting, developing, and retaining a skilled and agile workforce. The agency remains committed to investing in the knowledge, skills, and abilities of each of its employees. Diversity, equity, inclusion, and accessibility (DEIA) are foundational to this effort.

Strategic Objective 4.1: Promote workplace diversity, equity, inclusion, and accessibility.

Performance Indicator 4.1.A: Federal Employee Viewpoint Survey – DEIA Index

Indicator Definition: The Federal Employee Viewpoint Survey DEIA Index (formerly New Inclusion Quotient Index) measures inclusive environments. Includes items related to Habits of Inclusion: Empowering, Fair, and Supportive.

Fiscal Year	Target	Actual
2023	Baseline	73%
2024	Maintain or increase by 1% (74%)	
2025	Maintain or increase by 1% (75%)	

Analysis of Progress:

Organizations with strong diversity, equity, inclusion, and accessibility (DEIA) initiatives are more likely to have employees that are more engaged, with higher levels of trust, and increased job satisfaction while also improving work productivity. FSA is committed to attracting, retaining, and developing a workforce that is representative of the communities it serves, and creating more positive experiences for employees, customers, and stakeholders. In fiscal year 2023, FSA took the following steps toward meeting this objective:

- In alignment with Executive Order 14035, *Diversity, Equity, Inclusion, and Accessibility in the Federal Workforce* and the Department's strategic plan, FSA hired a DEIA Director to lead its DEIA efforts.

- In fiscal year 2023, there were four monthly special emphasis programs that focused on Black History Month, Women's History Month, Asian-American Pacific Islander Month and Pride Month.

- Workforce Development Division developed the Power Users Learning Series for Employees (PULSE) Program to provide staff with the necessary tools and strategies to close skill gaps using a peer-to-peer learning approach.

- Initiated the FSA VOICE program. The intent of the program is to provide a platform for employees to voice their opinions, innovative ideas, and responses to some Federal Employee Viewpoint Survey (FEVS) questions to continue to improve the efficiency and effectiveness of operations in the agency.

FSA ranks above the Government-wide DEIA index of 71 percent but fell below the 76 percent benchmark for medium-size agencies.

In the upcoming fiscal year, FSA will consult with the Department's Chief Diversity Officer and OPM's DEIA office to ensure initiatives are in alignment with the Department's DEIA strategic plan and Executive Order 14035. The DEIA Director will collaborate with leadership, the Human Capital Group, the Workforce Development Division, across business units, and with Workforce Relations Division to engage the union to develop DEIA initiatives that promote an inclusive and diverse workplace that is equitable and accessible to all.

Strategic Objective 4.3: Foster an organizational culture that promotes a productive, connected, and engaged workforce, particularly in a hybrid workplace environment.

Performance Indicator 4.3.A: Federal Employee Viewpoint Survey: Employee Engagement Index

Indicator Definition: The Office of Personnel Management's Federal Employee Viewpoint Survey measures employees' perceptions of whether, and to what extent, conditions and characteristics of successful organizations are present in their agencies. The Employee Engagement Index assesses the critical conditions conducive for employee engagement (e.g., effective leadership, work which provides meaning to employees, etc.) It is made up of three subfactors: Leaders Lead, Supervisors, and Intrinsic Work Experience.

Fiscal Year	Target	Actual
2023	Maintain or improve by 1% (73%)	75%
2024	Maintain or improve by 1% (76%)	
2025	Maintain or improve by 1%	

Analysis of Progress:

FSA remains committed to enabling its organizational success by working toward fostering an organizational culture that promotes a productive, connected, and engaged workforce in a hybrid workplace environment. In conjunction with creating an environment with the appropriate tools and programs for staff, FSA is also striving to foster and support a culture where all employees feel engaged, included, informed, and connected to its mission. In fiscal year 2023, FSA completed the Employee Engagement Action Plan, which focused on improving communications throughout the organization, recognizing employee accomplishments, and benchmarking employee engagement to promote a workplace conducive to productivity.

The FEVS is a key tool that can be used to measure employee engagement throughout the federal government, including FSA. The fiscal year 2022 FEVS results, 73 percent, were made available in December 2022. The data was used to develop and execute plans to improve employees' engagement in the productivity and efficiency of the agency. Currently the agency is operating in a hybrid form. For this practice to succeed, FSA must remain focused on strengthening employee communication channels. Communication platforms provide information and feedback (e.g., The Source Employee Newsletter, which includes a new, regional feature; FSA First Class; Management Services Regional Liaison Newsletter; FSA

Communications emails). FSA developed a new program that combines FEVS focus groups and the innovation programs. The program was held this past spring with a total of 205 participants in 21 focus groups. The VOICE Focus Groups have helped FSA leadership identify underlying problems and work toward forming solutions to create a productive, connected, and engaged workforce.

The target for Performance Indicator 4.3 A is an increase in the employee engagement score by 1 percent, which would equate to 76 percent.

Strategic Goal 5: Boost Operational Efficiency

Efficient internal operations are essential to achieving FSA’s mission. As FSA strives to become more customer-centric and outcome-based, the organization will continue to focus on operational and process improvement. By modernizing technology, leveraging data analytics, and tracking organizational performance, FSA can serve as a model for federal management best practices. Boosting operational efficiency requires cross-agency collaboration on data, finances, technology, and acquisitions. Each business unit and every employee contribute to operational efficiency, and FSA aspires to fully capitalize on our organizational and individual capabilities.

Strategic Objective 5.1: Strengthen enterprise-wide data analytics and information management to foster a customer-centric, data-driven, performance-based organization.

Performance Indicator 5.1.A: Sum of the Data Maturity Assessment (DMA) for DMA Processing Areas

Indicator Definition: This performance indicator measures assessed scores of the 20 key data process areas in the Annual Data Maturity Assessment.

Fiscal Year	Target	Actual
2023	56	69
2024	58	
2025	60	

Analysis of Progress:

FSA’s score in the Department’s Annual Data Maturity Assessment (DMA) is administered by the Department’s Chief Data Officer for all Department principal offices. The DMA provides a comprehensive framework of data management practices organized into key categories that allows for the benchmarking of capabilities, the identification of strengths and gaps, and the leveraging of data assets to improve business performance. Conducting the DMA provides an understanding of data maturity relative to subsequent measurements. The DMA fulfills a critical role in driving data-driven decision-making and ensuring that data is effectively leveraged as a strategic asset.

The process areas evaluated in the assessment vary; the most recently completed assessment covers 18 process areas within the following seven categories:

- Data Management Strategy and Oversight
- Data Quality
- Data Operations
- Data Management
- Systems and Architecture
- Knowledge and Skills
- Customer Support and Engagement

FSA's DMA scores have improved every year since the internal assessments began in fiscal year 2020. Each year, FSA has improved DMA scores from 33 in fiscal year 2020 to 69 in fiscal year 2023 by focusing on the key data initiatives consistent with our priorities. The fiscal year 2023 score of 69 is specifically attributed to the focus on 'Data Quality' (aligned with the Federal Processing System (FPS) initiative to standardize FAFSA demographic data, including personally identifiable information (PII), across Title IV systems).

Strategic Objective 5.4: Improve cybersecurity detection, prevention, and protection ensuring data confidentiality, integrity, and availability.

Performance Indicator 5.4.A: Cybersecurity Maturity-Level (Office of Inspector General Maturity Levels)

Indicator Definition: This performance indicator measures an agency's progress toward achieving outcomes that strengthen Federal cybersecurity.

Fiscal Year	Target	Actual
2023	60% at Level 3 or higher	100%
2024	70% at Level 3 or higher	
2025	80% at Level 3 or higher	

Analysis of Progress:

FSA's commitment to cybersecurity enhances the confidentiality, integrity, and availability of student and borrower data. Upholding and enforcing rigorous cybersecurity standards enables FSA to better achieve its mission. Through a review of the cybersecurity posture of our information systems, FSA has adopted a phased approach to upgrading existing FSA systems to incorporate multi-factor authentication, block malicious/suspicious activity, and facilitate incident response. These changes are to better protect borrower data, prevent identity theft, and ensure continuity of service.

In fiscal year 2023, the Chief Information Officer led FSA's activities that directly contributed to the Department's highest ever Federal Information Security Modernization Act of 2014 (FISMA) audit score, and FSA was one of only three Federal Agencies to receive an "A" on the most recent Federal Information Technology Acquisition Reform Act scorecard.

The OMB provided guidance to agency Inspector Generals or independent assessors for determining the maturity of their agencies' security programs through the publication of the FY 2023–2024 Inspector General FISMA Reporting indicators. According to the reporting indicators, "the OMB believes that achieving a Level 4 (managed and measurable)[1] or above represents an effective level of security.

During fiscal year 2023, the Technology Directorate Cyber Operations Division led the way on achieving advanced level 3 or higher by:

- Maintaining an average cybersecurity risk scorecard nearly 28 percent above the Department average, while securely operating 82 percent of the Departments High Value Assets. The scores validate the investment and resources that FSA expends to ensure its customers can access systems and their personal data is well protected.

- Heavily leveraged low code cloud solutions to automate business practices, provide better internal controls, increase management's insight into critical activities, and reduce the resource requirements needed to ensure the successful delivery of IT and cybersecurity capabilities.

The fiscal year 2022 Federal Information Security Modernization Act of 2014 (FISMA) audit was the first time in the history of the Department that an "effective" rating, which is the highest overall outcome for a cybersecurity program, was achieved. In FY23's audit that rating was exceeded with another "effective" score and overall higher numeric scores than in prior years.

During fiscal year 2023, several major initiatives contributed to the effective score:

- FSA's Technology Directorate started the Advanced Analysis Group (AAG) as a fusion concept to amplify the output of several competencies within the FSA Security Operations Center (SOC). AAG brings together senior cybersecurity subject matter experts, threat intelligence specialists, and threat hunt capabilities in a cooperative environment to create and share actionable cybersecurity intelligence across the FSA and school organizations.

- Addressing the Administration's highest priority, President Biden's one-time debt relief, the Cyber Operations Division was responsive to define the security architecture, perform pen testing, assist with issue resolution, and monitor the service after deployment. These technical solutions contributed to the success of the debt relief initiative, which allowed 25 million borrowers to quickly submit relief forms from anywhere in the world. The debt relief application went live on October 21, 2022, but due to the Supreme Court decision applications were suspended on November 11, 2022.

[1] Level 4 – Managed and Measurable definition: Quantitative and qualitative measures on the effectiveness of policies, procedures, and strategies are collected across the organization and used to assess them and make necessary changes.

STUDENT AID ADMINISTRATION

Account Summary Table

Select here for the online version

DEPARTMENT OF EDUCATION FISCAL YEAR 2025 PRESIDENT'S BUDGET
(in thousands of dollars)

	Cat Code	2023 Actual	2024 Annualized CR	2025 Request	FY 2025 Request Compared to FY 2024 Annualized CR: Amount	FY 2025 Request Compared to FY 2024 Annualized CR: Percent
Student Aid Administration (HEA I-D and IV-D, section 458)						
1. Salaries and expenses	D	1,058,943	1,058,943	1,334,743	275,800	26.04%
2. Servicing activities	D	975,000	975,000	1,324,383	349,383	35.83%
Total		**2,033,943**	**2,033,943**	**2,659,126**	**625,183**	**30.74%**

NOTES:
1) D = discretionary program; M = mandatory programs
2) Detail may not add to totals due to rounding.