# Department of Education

## STUDENT AID OVERVIEW

## Fiscal Year 2013 Budget Request

## CONTENTS

# STUDENT AID OVERVIEW

Federal Student Aid Programs
(Higher Education Act of 1965, Title IV)

(dollars in thousands)

FY 2013 Authorization: Indefinite

Budget Authority:[1]

| | 2012 | 2013 | Change |
|---|---|---|---|
| **Grants and Work-Study:** | | | |
| Pell Grants | | | |
| Discretionary funding | $22,824,000 | $22,824,000 | 0 |
| Mandatory funding [2] | 18,748,184 | 13,294,000 | -$5,454,184 |
| Subtotal, Pell Grants | 41,572,184 | 36,118,000 | -5,454,184 |
| Supplemental Educational Opportunity Grants | 734,599 | 734,599 | 0 |
| Work-Study | 976,682 | 1,126,682 | +150,000 |
| Iraq and Afghanistan Service Grants | 295 | 334 | +39 |
| Teacher Education Assistance [3] | 41,112 | 200,516 | +159,404 |
| Total, Grants and Work-Study | 43,324,872 | 38,180,131 | -5,144,741 |
| **Net Loan Subsidy, Loans:**[4] | | | |
| Federal Family Education Loans (FFEL) [5] | -14,914,412 | -3,390,397 | +11,524,015 |
| Federal Direct Student Loans [6] | -23,953,022 | -33,474,791 | -9,521,769 |
| Federal Perkins Loan Program [7] | 0 | -1,378,545 | -1,378,545 |

[1] Table reflects appropriations.

[2] Amounts appropriated for Pell Grants for 2012 and 2013 include mandatory funding provided by the Full-Year Continuing Appropriation Act, 2011, the Consolidated Appropriations Act, 2012, and the Budget Control Act of 2011. Request in 2012 provides for the appropriation of $10,612 million in mandatory savings from the student loan program into the Pell Grant program.

[3] Includes funding for TEACH Grants for 2012 and part of 2013 (through June 30), as well as a request for $190 million for a new program, Presidential Teaching Fellows – which would replace TEACH Grants – in 2013. For budget purposes, TEACH Grants is operated as a credit program. Amounts reflect the new loan subsidy, or the net present value of estimated future costs.

[4] Total net subsidy in any fiscal year reflects the estimated net cost of the loan program for that fiscal year. It includes both positive and negative subsidies and upward and downward impacts of re-estimates and modifications of existing loans. A negative subsidy occurs when the present value of cash inflows to the Government is estimated to exceed the present value of cash outflows. Normally budget authority is not shown if it is negative. However, for informational purposes, the amounts here reflect estimated negative budget authority. Negative subsidy is reported (as negative outlays) to a negative subsidy receipt account.

[5] Budget authority requested for FFEL does not include the FFEL Liquidating account. Amount for 2012 reflects net downward re-estimate of $15,200 million, due primarily to updated interest rate assumptions; and a net upward modification of $249.7 million resulting from administrative action taken by the Department and the change beginning April 1, 2012, which gives lenders the option to calculate their special allowance payments based on the London Interbank Offered Rate, LIBOR, as passed in the Consolidated Appropriations Act, 2012. FY 2013 request includes a net downward modification of $3,400 million as a result of the proposed guaranty agency rehabilitated loan retention policy.

[6] Amount for 2012 includes net upward re-estimate of $5,600 million, due primarily to updated interest rate assumptions.

[7] Amount for 2013 reflects Budget proposal to fund Perkins Loans as a mandatory credit program; the request shows the net present value of estimated future costs.

## FY 2013 Budget Request

The Federal Government will provide in fiscal year 2012 an historic $217 billion in grants, loans, and work-study assistance to help students pay for postsecondary education. These funds help millions of Americans obtain the benefits of a higher education. The Administration is proud of this commitment to higher education. However, fiscal constraints now limit the extent to which additional Federal resources are available to help students and families cope with unrelenting increases in the costs of higher education. To avoid leaving students and families with crippling debt in financing their education, a strategic approach to student aid is needed to ensure that both students and the Nation are prepared for the challenges we all face in the global economy. Accordingly, the fiscal year 2013 Budget includes proposals addressing the college affordability challenge. The request dedicates $193.5 billion to Federal student aid in fiscal year 2013, including $36.6 billion in Pell Grants and over $154 billion in student loans. Over 15 million students would be assisted in paying the cost of their postsecondary education at this level of available aid.

This overview details the package of reforms proposed by the Administration as part of its 2013 Budget to increase aid to students while improving the effectiveness of the Pell Grant and student loan programs. Current student aid programs are described in detail under **Student Financial Assistance**, beginning on page P-1, **Teacher Education Assistance Overview** on page Q-1, and the **Student Loans Overview** on page R-1. The administrative costs requested in support of these student aid programs are presented in the **Student Aid Administration** section, beginning on page AA-1.

The United States has long been a global leader in postsecondary education, but recently this advantage has slipped. While the U.S. ranks 5th in terms of the proportion of 25-64 year olds with a postsecondary education, it ranks 16th in attainment among those aged 25-34. There is an opportunity gap as well. Today, high-school graduates from the wealthiest families are virtually certain to continue on to higher education, while just over half in the bottom quartile attend. Even when high-school graduates can afford to begin higher education, they all too often fail to finish. Only about half of college students graduate within 6 years; for low-income students, the completion rate in the same time period is closer to 25 percent.

With a focus on the issue of college affordability – in accordance with the President's vision of leading the world in college attainment rates by 2020 – the 2013 Budget provides sufficient resources to fully fund the $5,635 maximum award in the 2013-2014 award year, increases the amount of aid made available to students under the campus-based aid programs and fundamentally reforms these programs to target aid to students attending those schools with a dedication to quality education at a reasonable price; rationalizes our programs for aspiring teachers by replacing the TEACH grant program with a new, better-targeted teacher fellowship program, Presidential Teaching Fellows; and, extends for an additional year, the historically low 3.4 percent fixed interest rates available on Stafford loans.

In addition to fully funding the Pell program in fiscal year 2013, this Budget also makes a down payment toward addressing the long-term Pell funding gap by including measures that will help secure funding to maintain our critical investment in Pell Grants, while ensuring the prudent use of scarce taxpayer dollars. These measures include promoting borrowers' timely completion of their educational programs and reducing the costs associated with providing defaulted loan borrowers opportunities to repair their credit standing. The savings associated with the proposals included in this Budget would allow for corresponding appropriations toward reducing the future Pell funding gap. These important reforms will address the growing costs of the Pell Grant program while still ensuring that aid is available to the neediest college students. While this Budget provides for significant contributions toward addressing future Pell funding needs, the Administration is committed to working with Congress to ensure the long-term stability of this vital program.

**Reform Campus-Based Aid to Better Serve Low-Income Students**

Some of the roughly 7,000 institutions of higher education that participate in the Federal Pell Grant and/or Federal Student Loan programs also participate in one or more of the Federal Campus-based Aid programs: Supplemental Educational Opportunity Grants (SEOG), Federal Work-Study and Federal Perkins Loan programs. While all schools are potentially eligible to participate in the campus-based aid programs, static or no Federal appropriations, coupled with antiquated formulas with stringent hold-harmless provisions, have resulted in institutions receiving allocations distorted in ways that reward schools for high tuition prices, bear little reflection to the population of Pell-eligible students attending the institutions, and fail to consider whether institutions are a good value for students. The President's Budget 2013 proposes **to reform and expand Federal allocations in the campus-based programs** to target those institutions that enroll and graduate relatively higher numbers of Pell-eligible students; offer relatively lower tuition prices and/or restrain tuition growth; and, offer quality education and training such that graduates obtain employment and can comfortably afford to repay educational debt.

<u>Perkins Loan Program Modernization and Expansion</u>

The Budget proposes to expand and improve the Perkins Loan program to provide $8.5 billion in loans annually, allocating lending authority among institutions on the basis of the financial need of students attending an institution, the extent to which institutions produce Pell-eligible graduates, and the extent to which institutions offer lower tuition prices or high amounts of non-Federal grant aid. This reform would replace the current program that is scheduled to terminate in 2014.

<u>SEOG Allocation Formula Reform</u>

Proposed reforms to the allocation formula for SEOG will redirect funding from higher-priced and well-endowed institutions to lower-priced public and private institutions that enroll and graduate higher numbers of Pell-eligible students and restrain tuition increases. Allocations to schools that fail to maintain a commitment to meeting these standards would be redistributed to better-performing institutions.

<u>Expansion and Refocus of Federal Work-Study Program</u>

The Budget proposes to provide $150 million in new funds for the Work-Study program to help students earn their way through college, directed to institutions opting to participate in an enhanced Work-Study partnership with prospective employers. To increase students' employment prospects, institutions would collaborate with employers to provide students with

Work-Study opportunities that are meaningfully aligned with students' academic programs and career aspirations.

**Eliminate the Interest Subsidy for Borrowers Who Borrow Beyond 150 Percent of Their Program Length**

Many students who enter postsecondary education have the motivation to work hard and complete their chosen program of study in a reasonable amount of time. To encourage all borrowers to complete their educational programs in such a timely manner, while preserving scarce taxpayer dollars for other critical student assistance programs, the Administration **proposes to limit the duration of borrower's in-school interest subsidy to 150 percent of the normal time required to complete the borrowers' educational program**. Beyond this point, the loans of borrowers who have not yet completed their educational program will begin to accrue interest.

**Modify the FFEL Loan Rehabilitation Programs**

The Budget **proposes two technical changes to FFEL guaranty agencies' retention of loan rehabilitation funds**, modifying its current retention share of the original defaulted student loan amount and reducing from 18.5 percent to 16 percent the fee it can charge borrowers on their outstanding loan balance. This policy also requires agencies to send the rehabilitated loans to the Department of Education, but only in cases where guaranty agencies are unable to find a private lender willing to purchase such loans; guaranty agencies would still be entitled to a 16 percent collection fee. Many guaranty agencies are affiliated with not-for-profit loan servicers that will benefit from new loan servicing contracts awarded from authority provided by the Student Aid and Fiscal Responsibility Act, thereby reducing or eliminating the financial impact of this proposed policy.

**Rationalize Programs for Aspiring Teachers**

The TEACH Grant program (TEACH) provides awards up to $4,000 each year to undergraduate and graduate students who commit to teach in a high-need school, or a high-need subject for at least 3 out of 6 years following graduation. Institutions of higher education are eligible to receive funding to provide TEACH Grants irrespective of the quality of their teacher preparation program. In fact, 22 institutions of higher education that have a State-identified low-performing or at-risk teacher preparation program award TEACH Grants to their students. While TEACH aims to recruit and prepare effective teachers, data from national surveys and other sources suggest more than three-fourths of TEACH Grant recipients will fail to graduate and complete their service requirement, much less prove effective in the classroom. For students who fail to meet the service requirement, grants are converted to Direct Unsubsidized Stafford Loans carrying a 6.8 percent fixed interest rate.

In order to enhance the likelihood that grant recipients will be well-prepared to enter and likely to persist in the teaching profession, **the Administration proposes to overhaul and replace TEACH with the Presidential Teaching Fellows (PTF) program**. The replacement program provides formula aid to States that hold teacher preparation programs accountable, expand the field of effective providers, and make career milestones like certification and licensure rigorous and meaningful. Fellows will have to be prepared to teach a high-need subject, such as mathematics or science, and commit to teach in a high-need school at least 3 out of 6 years after their fellowship begins.

To receive funding, States are required to measure the effectiveness of their teacher preparation programs based on their graduates' success in improving elementary and secondary student achievement, among other outcome measures. Funds are to be available on equal terms to traditional and alternative certification preparation programs.

**Maintain Stafford Loan Interest Rate at Current Lows**

The College Cost Reduction and Access Act (CCRAA) authorized a phased reduction of Stafford loan interest rates to the current 3.4 percent, after which rates would rise back to the pre-CCRAA levels of 6.8 percent, beginning July 1, 2012. With the economy still in recovery, it would be inappropriate to raise rates and burden students with the additional costs of a higher interest rate – especially such a large increase as articulated in the CCRAA. Therefore, the President's Budget proposes **to maintain the current Stafford Direct Loan interest rate at 3.4 percent** until July 1, 2013.

## PROGRAM OUTPUT MEASURES

**Aid Available to Students** [1]
($ in millions)

| | 2011 | 2012 | 2013 |
|---|---|---|---|
| Pell Grants | $35,685 | $35,649 | $36,580 |
| Supplemental Educational Opportunity Grants | 932 | 930 | 930 |
| Work-Study | 1,163 | 1,161 | 1,349 |
| Iraq and Afghanistan Service Grants[2] | 0 | 0 | 0 |
| Presidential Teaching Fellows[3] | 0 | 0 | 149 |
| New Student Loans: | | | |
| Stafford Loans | 41,775 | 35,554 | 32,044 |
| Unsubsidized Stafford Loans | 48,082 | 58,468 | 66,160 |
| PLUS Loans | 19,070 | 20,652 | 22,618 |
| Perkins Loans | 971 | 971 | 971 |
| Unsubsidized Perkins Loans | 0 | 0 | 4,164 |
| TEACH Grants[4] | 137 | 154 | 84 |
| Subtotal, New Student Loans[5] | 110,035 | 115,799 | 126,041 |
| Total | 147,816 | 153,539 | 165,049 |

NOTE: Detail may not add to total aid available due to rounding.

[1] Shows total aid generated by Department programs, including Perkins Loan capital from institutional revolving funds, and institutional and State matching funds.

[2] Aid available under the Iraq and Afghanistan Service Grants program is projected at $293,000, $330,000, and $391,000, respectively, for FYs 2011, 2012 and 2013.

[3] The 2013 Budget request proposes to create the Presidential Teaching Fellows program, which would provide grants to States to fund scholarships for students planning to teach in high-need areas.

Continued:
[4] For budget and financial management purposes, this program is operated as a loan program under the Federal Credit Reform Act of 1990.
[5] Does not include loans issued to consolidate existing loans, which total $23.8 billion in 2011, $63.5 billion in 2012, and $28.4 billion in 2013.

## Number of Student Aid Awards

(in thousands)

| | 2011 | 2012 | 2013 |
|---|---|---|---|
| Pell Grants | 9,703 | 9,607 | 9,748 |
| Supplemental Educational Opportunity Grants | 1,393 | 1,390 | 1,390 |
| Work-Study | 684 | 683 | 793 |
| Iraq and Afghanistan Service Grants | [1] | [1] | [1] |
| Presidential Teaching Fellows | 0 | 0 | 15 |
| New Student Loans: | | | |
| Stafford Loans | 10,883 | 9,966 | 9,466 |
| Unsubsidized Stafford Loans | 10,796 | 10,804 | 11,398 |
| PLUS Loans | 1,539 | 1,586 | 1,654 |
| Perkins Loans | 524 | 524 | 524 |
| Unsubsidized Perkins Loans | 0 | 0 | 935 |
| TEACH Grants | 42 | 47 | 29 |
| Subtotal, New Student Loans [2] | 23,784 | 22,927 | 24,006 |
| Total new awards | 35,564 | 34,607 | 35,952 |

NOTE: Detail may not add to Total due to rounding.
[1] Denotes number of recipients will be fewer than 1,000.
[2] Does not include loans issued to consolidate existing loans.

## Number of Postsecondary Students Aided by Department Programs

| | 2011 | 2012 | 2013 |
|---|---|---|---|
| Unduplicated Count (in thousands) | 14,713 | 14,805 | 15,246 |

# PROGRAM PERFORMANCE INFORMATION

### Performance Measures

This section presents selected program performance information, including, for example, GPRA 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 resources provided in previous years and those requested in fiscal year 2013 and future years, and the resources and efforts invested by those served by this program.

Because Federal student assistance grant and loan programs rely on the same program data, performance indicators and strategies that apply to these programs are grouped here in the Student Aid Overview. They are not repeated in justifications for the **Student Financial Assistance**, or **Teacher Education Assistance Overview** programs accounts, or in the **Student Loans Overview**.

**Goal: To help ensure access to high-quality postsecondary education by providing financial aid in the form of grants, loans, and work-study in an efficient, financially sound, and customer-responsive manner.**

***Objective:*** *Ensure that low- and middle-income students will have the same access to postsecondary education that high-income students do.*

**Measure:** College enrollment rates: Postsecondary education enrollment rates will increase each year for all students, while the enrollment gap between low- and high-income and minority and non-minority high school graduates will decrease each year.

**Targets and Performance Data**

*The percentage of high school graduates aged 16-24 enrolling immediately in college following high school.*

| Year | **Target:** Total Percentage Enrolled | **Actual:** Total Percentage Enrolled |
|---|---|---|
| **2008** | 68.00 | 68.60 |
| **2009** | 68.00 | 70.10 |
| **2010** | 68.00 | |
| **2011** | 68.00 | |
| **2012** | 68.00 | |
| **2013** | TBD | |

| Year | **Target:** Difference in the percentage of **low- and high-income high school graduates** ages 16-24 enrolling immediately in college | **Actual:** Difference in the percentage of **low- and high-income high school graduates** ages 16-24 enrolling immediately in college |
|---|---|---|
| **2008** | 26.50 | 25.90 |
| **2009** | 26.25 | 29.40 |
| **2010** | 26.00 | |
| **2011** | 25.75 | |
| **2012** | 25.50 | |
| **2013** | TBD | |

**Measure:** College enrollment rates: Postsecondary education enrollment rates will increase each year for all students, while the enrollment gap between low- and high-income and minority and non-minority high school graduates will decrease each year. (Continued)

| **Targets and Performance Data** |
|---|
| *The percentage of high school graduates aged 16-24 enrolling immediately in college following high school.* |

| Year | **Target:** Difference in the percentage of **Black and White high school graduates** ages 16-24 enrolling immediately in college | **Actual:** Difference in the percentage of **Black and White high school graduates** ages 16-24 enrolling immediately in college |
|---|---|---|
| **2008** | 7.00 | 11.40 |
| **2009** | 6.75 | 8.70 |
| **2010** | 6.50 | |
| **2011** | 6.25 | |
| **2012** | 6.00 | |
| **2013** | TBD | |

| Year | **Target:** Difference in the percentage of **Hispanic and White high school graduates** ages 16-24 enrolling immediately in college | **Actual:** Difference in the percentage of **Hispanic and White high school graduates** ages 16-24 enrolling immediately in college |
|---|---|---|
| **2008** | 10.00 | 9.40 |
| **2009** | 9.75 | 9.70 |
| **2010** | 9.50 | |
| **2011** | 9.25 | |
| **2012** | 9.00 | |
| **2013** | TBD | |

**Additional Information:** Progress has been made in increasing overall enrollment in postsecondary education following high school. The most recent data available shows an increase of 1.5 percentage points (to 70.1 percent) over the prior year's enrollment rate for high school graduates aged 16-24 years. This increase means the metric exceeded its goal for the second year in a row. Despite this, the difference between low- and high-income students who enrolled after high school increased between 2007 and 2008, with the gap further increasing by 3.5 percentage points from 2008 to 2009. The Administration hopes that its focus on college affordability articulated through program change and support levels in the 2013 Budget will help these students have the financial means, and encourage them – and other students like them – to complete their academic training.

Progress has been shown in reducing the gap between Black and White high school graduates enrolling in college immediately after high school over the period from 2008-2009, falling from 11.4 to 8.7 percent. The equivalent statistic between Hispanics of any race and White non-Hispanic students has remained relatively flat (though with a minor increase to 9.7 percent) over the same period of time. This metric was better than its target rate for the second year in a row.

Data on these measures is collected through the Graduation Rate Survey (GRS) conducted as part of the annual Integrated Postsecondary Student Aid Study (IPEDS). Fiscal year 2010 data will be available in early 2012.

***Objective:*** *Ensure that more students will persist in postsecondary education and attain degrees and certificates.*

**Measure:** Completion rate: Completion rates for all full-time, degree-seeking students in 4-year and less than 4-year programs will improve, while the gap in completion rates between minority and non-minority students will decrease.

**Targets and Performance Data**

*The percentage of full-time degree seeking students completing within 150 percent of the normal time required.*

| Year | **Target:** Students completing a **4-year degree** | **Actual:** Students completing a **4-year degree** |
|---|---|---|
| **2008** | 58.00 | 57.20 |
| **2009** | 59.00 | 55.50 |
| **2010** | 60.00 | |
| **2011** | 61.00 | |
| **2012** | 62.00 | |
| **2013** | TBD | |

| Year | **Target:** Students completing a **less than 4-year degree** | **Actual:** Students completing a **less than 4-year degree** |
|---|---|---|
| **2008** | 38.00 | 27.50 |
| **2009** | 39.00 | 31.70 |
| **2010** | 40.00 | |
| **2011** | 41.00 | |
| **2012** | 42.00 | |
| **2013** | TBD | |

**Measure:** Completion rate: Completion rates for all full-time, degree-seeking students in 4-year and less than 4-year programs will improve, while the gap in completion rates between minority and non-minority students will decrease.

**Targets and Performance Data**

*The percentage of full-time degree seeking students completing within 150 percent of the normal time required.*

| Year | **Target:** Difference in the percentage of **Black and White full-time students** completing a 4-year degree within 150 percent of the normal time required | **Actual:** Difference in the percentage of **Black and White full-time students** completing a 4-year degree within 150 percent of the normal time required |
|---|---|---|
| **2008** | 17.70 | 20.10 |
| **2009** | 17.50 | 21.60 |
| **2010** | 17.00 | |
| **2011** | 16.70 | |
| **2012** | 16.50 | |
| **2013** | TBD | |

| Year | **Target:** Difference in the percentage of **Hispanic and White full-time students** completing a 4-year degree within 150 percent of the normal time required | **Actual:** Difference in the percentage of **Hispanic and White full-time students** completing a 4-year degree within 150 percent of the normal time required |
|---|---|---|
| **2008** | 11.50 | 11.30 |
| **2009** | 11.00 | 13.10 |
| **2010** | 10.50 | |
| **2011** | 10.00 | |
| **2012** | 9.50 | |
| **2013** | TBD | |

**Measure:** Completion rate: Completion rates for all full-time, degree-seeking students in 4-year and less than 4-year programs will improve, while the gap in completion rates between minority and non-minority students will decrease.

| Targets and Performance Data |
| --- |
| *The percentage of full-time degree seeking students completing within 150 percent of the normal time required.* |

| Year | **Target:** Difference in the percentage of **Black and White full-time students completing a less than 4-year program** within 150 percent of the normal time required | **Actual:** Difference in the percentage of **Black and White full-time students completing a less than 4-year program** within 150 percent of the normal time required |
| --- | --- | --- |
| **2008** | 6.10 | 6.20 |
| **2009** | 6.00 | 4.90 |
| **2010** | 5.80 | |
| **2011** | 5.70 | |
| **2012** | 5.50 | |
| **2013** | TBD | |

| Year | **Target:** Difference in the percentage of **Hispanic and White full-time students completing a less than 4-year program** within 150 percent of the normal time required | **Actual:** Difference in the percentage of **Hispanic and White full-time students completing a less than 4-year program** within 150 percent of the normal time required |
| --- | --- | --- |
| **2008** | 1.70 | 3.00 |
| **2009** | 1.50 | 0.80 |
| **2010** | 1.30 | |
| **2011** | 1.10 | |
| **2012** | 1.00 | |
| **2013** | TBD | |

**Additional Information:** Four-year institutions saw both a slight decrease from 2008 to 2009 in their overall completion rates (1.7 percentage points) (see page O-11), as well as an increase in the gap between completion rates for Black and White students (1.5 percentage points) and Hispanics of any race and White non-Hispanic students' completion rates (1.8 percentage points) (see page O-12). However, as shown by data reported on page O-11, at less than 4-year schools, overall student completion rates increased by 4.2 percentage points over the same period of time. The gap between completion rates for White and Black students at less than 4-year institutions decreased by 1.3 percentage points; for Hispanics of any race and

White non-Hispanics, the decrease was even greater, at 2.2 percentage points. This was coupled with a decrease in the difference in the percentage between both Black and White and Hispanics of any race (1.6 percentage points) and White non-Hispanic students (1.8 percentage points) completing their studies at less than 4-year degree institutions (see page O-13).

Without greater similarity of data over a period of years signifying a trend in increases or decreases, the Department cannot draw any firm conclusions as to the significance of actual data reported. However, the Department is in the process of reassessing out-year targets for some measures in light of actual experience.

Data on these measures is collected through the Graduation Rate Survey (GRS) conducted as part of the annual Integrated Postsecondary Student Aid Study (IPEDS). Fiscal year 2010 data will be available in early 2012.

**Program Improvement Efforts**

The Department is in the process of exploring ways to gather detailed program and student outcome data that will support program-specific measures, as well as provide reliable indicators of program effectiveness. The fiscal year 2013 Budget includes funds under the Institute of Education Sciences to help States develop student-level data that could support the development of these measures for the student aid programs.

**Efficiency Measures**

The Department is in the process of reassessing the appropriate efficiency measures for the individual student financial aid programs. The results of this reassessment will reflect proposed program changes and be incorporated into future budget requests.