

Nonprofits Empowering Student Success

2024 National Impact Report:
Helping Families Plan & Pay For College



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WHO WE ARE

Education Finance Council (EFC) is the national trade association representing nonprofit and state-based higher education finance organizations. EFC members increase postsecondary education access, success, and affordability by providing a wide range of free resources and services to millions of students and families every year. EFC members are driven by a public purpose mission to support students as they seek to grow their skills and improve their lives.

Learn more about EFC and our members by visiting efc.org.



FROM THE PRESIDENT

Education Finance Council (EFC) proudly serves as the national trade association for mission-driven higher education finance organizations that empower student success. Our dedicated state-based and nonprofit members make postsecondary education accessible and affordable for students and families in their communities and nationwide. Despite often limited resources, these organizations work tirelessly to help learners navigate the complexities of the student aid system and pursue career aspirations with minimal debt burdens.

EFC members provide free programs such as college and career coaching and planning, financial counseling, default prevention, and FAFSA completion. In addition, many administer 529 plans, state grants and scholarships, offer low-cost nonprofit loans, and career connected learning programs. Together, these services and supports help millions of people achieve their higher education dreams and chart a pathway to a rewarding career.

This past year was particularly challenging for students and federal student loan borrowers, due in part to the messy rollout of the Free Application for Federal Student Aid (FAFSA®), the resumption of federal student loan payments, and the ever-evolving status of loan repayment plans and potential federal forgiveness benefits and waivers. EFC members were critical partners, helping students and families troubleshoot and resolve technical issues and get free assistance in completing their FAFSA. Their resources, educational programming, and timely interventions brought postsecondary education within reach for hundreds of thousands of families and kept millions of borrowers in stable financial health.

It is my honor to present you with our 2024 National Impact Report: Helping Families Plan and Pay for College. This document encapsulates the remarkable effort of our members, throughout Award Year 2023-24, to help students make smart choices, achieve a postsecondary education, pursue their career goals, and improve their future!

I encourage you to share this report and help us spread the word about the numerous ways that EFC members truly are *Nonprofits Empowering Student Success*.



Gail daMota
President

23
24

National Impact **BY THE NUMBERS**

Award Year 2023-24

\$22.6 Billion

In managed savings plans for postsecondary education

\$3 Billion

In administered grants and scholarships

\$11 Million

In grants and scholarships awarded

1.2 Million

Families served with free college access and success programming

83,650

Dedicated one-on-one counseling sessions held

4.63%

Average lowest fixed interest rate on in-school loans*

*Rate as of July 2024 and includes available deductions

EXECUTIVE SUMMARY

EFC members empower student success by increasing access to postsecondary education and improving college affordability. EFC surveyed its members to inform this 2024 National Impact Report, which summarizes how 30 member organizations helped students and families in Award Year (AY) 2023-24 (July 1, 2023, through June 30, 2024).

College Savings: EFC members want families to borrow less by saving more, which is easier to do with an early start. Seven EFC members administer their state's 529 plan helping 1.16 million families save more than \$22.6 billion for college. These and other EFC members partner with other nonprofits and state agencies to enable individuals, no matter their background or economic circumstances, to start a college savings account.

Postsecondary Access and Success: Collectively, EFC members assisted over 1.2 million families through their free college access and success programs. Twenty-four organizations hosted 23,646 college planning and financial aid workshops, and 22 EFC members with available data worked with 83,650 students in dedicated one-on-one counseling sessions. Twenty-two members report assisting over 193,051 students and financial aid professionals with FAFSA completion assistance directly, with many thousands more families benefiting from their free FAFSA resources online.

Financial Literacy Education: Postsecondary education can be among the first truly expensive purchases in students' lives, and EFC members provide a wide range of educational tools, resources, and counseling platforms to help them understand their options and pick the best pathway based on their aspirations and goals. Most EFC members offer free interactive tools online that teach people about budgeting and financial concepts. Many EFC members also help train secondary school counselors and college access professionals.

Grants and Scholarships: Grants and scholarships are the most important way students get access to and pay for college. In AY 2023-24, 12 EFC members administered over \$3 billion in grants and scholarships to 1,267,758 qualifying students, and 17 EFC members funded their own grant and scholarship programs awarding 3,401 students more than \$11.1 million to attend postsecondary education.

Skill Development and Career Pathways: Many EFC members have started initiatives to better align education with employment and career pathways in their states and nationwide. EFC members have forged partnerships with employers, workforce development boards, and institutions to build robust talent pipelines. They also developed loan redemption programs for individuals working in an in-demand occupation. EFC members believe achieving a more prosperous and equitable future will require multiple educational pathways to success, and their career connected learning partnerships and outreach programs make sure historically underrepresented individuals are able to fully participate in programs leading to rewarding professions.

Nonprofit Loan Programs: In AY 2023-24, 23 organizations with available data made more than 82,250 affordable nonprofit education loans, totaling more than \$1.26 billion. These loans are made to students who need help filling the gap between the cost of attendance and their savings, grants and scholarships, and federal student loans. Eighteen EFC members also refinanced 5,685 borrowers' unaffordable education debt to help them save hundreds of dollars during the repayment process.

Education Completion and Repayment Support: EFC members support borrowers experiencing personal or financial hardship with expert guidance, grant assistance, and other proven interventions. Some EFC members help non-completers re-enroll in school to finish their programs, and several EFC members work with employers to administer loan repayment benefits to employees with education debt.

COLLEGE SAVINGS

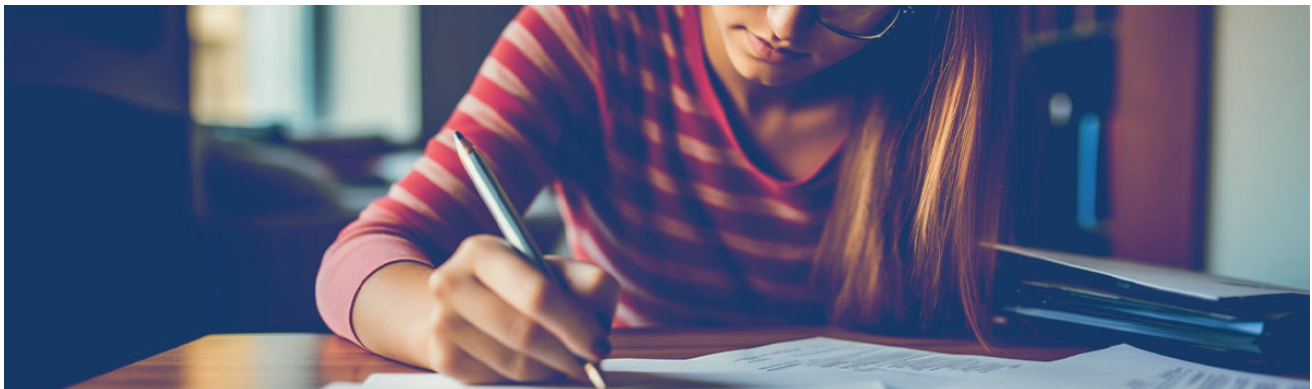
Paying for college is a significant financial concern for many students and parents. Consistent long-term savings can reduce the debt burden when students enroll in college.

Seven EFC members administer state 529 plans, currently assisting 1.16 million students and families as they save over \$22.6 billion for college, thereby reducing the need for borrowing. These organizations actively promote college savings through comprehensive outreach and education programs. Last year alone, these efforts led to 103,235 newly created savings plan accounts. The average individual with a 529 savings account administered by EFC members has enough saved to cover the average net tuition and fee price paid by first-time full-time in-state students enrolled in private nonprofit four-year institutions for the entirety of their first year.¹

Many states enhance these savings plans with seed money, matching programs, tax credits or deductions on annual contributions, and lower minimum contribution requirements. These initiatives increase the socioeconomic, racial, and ethnic diversity of plan participants. By supporting these programs, EFC members enable a broader range of families to invest in their children's education. EFC members' stewardship of 529 college savings plans fosters a more inclusive and financially secure path to higher education for many historically marginalized populations.

Iowa's New College Savings Scholarship Program

In 2023, ISL Education Lending launched a new scholarship program awarding 90 individuals \$1,000 awards provided as deposits to a College Savings Iowa 529 account. The scholarship program was open to Iowa residents who were either Iowa high school students, undergraduate college students or the parents or guardians of, or others who hold a College Savings Iowa account benefiting an Iowa high school or undergraduate college student. A student and either a parent or guardian both registering gave the student two chances to win. As part of the registration process, participants read three quick college planning and financing tips and answered a multiple-choice question on each. During the scholarship period, registrants also received emailed information on college planning and financing. More information about this innovative scholarship program can be found at IowaStudentLoan.org/Savings.



¹ College Board, "Trends in College Pricing and Student Aid 2023" (November 2023)

POSTSECONDARY ACCESS & SUCCESS

Applying to and accessing college can be a complicated process for experienced families, and it is an enormous challenge for first-generation, underserved, and other non-traditional students. EFC members make the entire postsecondary education journey more accessible and manageable no matter where students are in the process. Nonprofit and state-based organizations use a combination of innovative outreach programs, online tools, and personalized one-on-one support to make each college milestone easier to reach.

Our members help students through a variety of college access and success programs. Last year, EFC members assisted over 1.2 million families through their various postsecondary access and counseling initiatives. Twenty-four organizations hosted 23,646 college planning and financial aid workshops, and 22 EFC members with available data worked with 83,650 students in dedicated one-on-one counseling sessions.

EFC members not only demystify the college process but also empower students to make informed decisions and further enrich their lives.

Postsecondary and Career Exploration

Engaging students and their families before senior year of high school enhances the effectiveness of college and career preparation. When high school students have a career goal in mind and understand the skills and education they will need to achieve it, they are more prepared to succeed in their chosen path.

EFC members offer several types of free innovative resources that expose students to a wide range of education or training programs:



Alaska Implements Visionary Education and Career Training Awareness Program for Middle School Students

Alaska Commission on Postsecondary Education (ACPE) developed and implemented a Kids2Careers program in 2023. Kids2Careers offers a variety of free resources to help 5th through 12th grade students explore and plan for education and career training options. Students, educators, parents, and youth-serving partners can draw upon ACPE's hub to find postsecondary pathway presentations, dual enrollment programs, curriculum resources, FAFSA completion assistance, training videos, and so much more: acpe.alaska.gov/Kids2Careers.

Oklahoma's One-Stop Shop To Prepare for College and Career Readiness

OKCollegeStart.org, a project of EFC member Oklahoma College Assistance Program, is a comprehensive college access portal focusing on college and career planning, career exploration, discovering and choosing an educational institution, and financial aid and scholarship resources. Resources are available for middle school and high school students, traditional college students, adult learners, parents, and educators. The website's content is available in more than 100 languages, contains virtual campus tours, and integrates Oklahoma's Promise application.

South Carolina Launches College Planning Center and Trusted Advisor Series

In 2023, the South Carolina Student Loan Corporation started an online College Planning Center. This free resource allows families to access critical information about career planning, financial aid basics, scholarships, and loans. It also features several self-help tools including calculators, videos, scholarship searches, and more. Families looking for tips about how to make the most of free money, reduce the need to borrow, and succeed in college can visit scstudentloan.org/college-planning-center.

FAFSA Completion Assistance

Filing the Free Application for Federal Student Aid (FAFSA) is the crucial first step to securing federal student aid, and completing the form is one of the strongest predictors of whether a student will attend college. Unfortunately, the students who could benefit most from financial aid are often the least likely to apply. In 2023, an estimated \$4 billion in Pell Grants went unclaimed simply because students did not complete the FAFSA.²

For AY 2024-25, the U.S. Department of Education's (Department) Federal Student Aid (FSA) office introduced the "Better FAFSA," which is the result of bipartisan legislation that significantly overhauled the application process. The FAFSA Simplification Act reduced the number of questions on the form from 108 to a maximum of 46 and directed the Department to enter into a direct data exchange with the Internal Revenue Service (IRS). While these changes promised a more streamlined application process and expanded student eligibility for federal aid, the rollout faced significant delays, setbacks, and technical errors.

The implementation of the Better FAFSA was fraught with issues, causing widespread confusion and delays in financial aid offers and admission decision deadlines. These repeated setbacks with the FAFSA process eroded trust between the federal government and the stakeholders they serve, particularly institutions of higher education and historically marginalized students.

Despite these challenges, EFC members rose to the occasion. They provided critical support to students and families distressed by the bungled transition to the simplified form. EFC members organized FAFSA completion events, staffed and funded help centers, conducted workshops and information sessions, and held one-on-one appointments to guide families through the new process. For example, the Better FAFSA required each person contributing information on the form to have a unique FSA ID, which could take up to four days to confirm. This presented a significant hurdle. EFC members played a crucial role in ensuring families were aware of this step and prepared for it by hosting dedicated FSA ID setup events days before organizing FAFSA completion sessions.

In AY 2023-24, the 22 EFC members with available data more than doubled year-over-year the number of people they reported assisting with the FAFSA. They helped students, families, and college access professionals complete at least 193,051 FAFSAs. This number is a significant underestimate because it only captures their documented FAFSA completions. EFC members' efforts were instrumental in maintaining FAFSA completion rates for students with demonstrated financial need despite the implementation difficulties facing the sector.

These data points do not include the valuable contributions 17 EFC members made to the Department of Education's FAFSA Student Support Strategy. In May 2024, when the FAFSA completion rates for graduating high school seniors were down roughly 13.5 percent year-over-year, the Department launched the FAFSA Student Support Strategy to increase the number of students who complete a 2024-25 FAFSA during the summer months and enroll in college.³ The Department tapped into federal resources to fund organizations that would boost FAFSA submissions by hiring knowledgeable counselors and coaches, hosting FAFSA completion events, and expanding outreach to more families via all available communication channels. The Department tasked an EFC member to allocate funding for the project, and 16 EFC members or their funded affiliates that had robust FAFSA completion interventions were selected for an allocation.

EFC members' dedication and resourcefulness have been vital in mitigating the impacts of the Better FAFSA rollout. State-based and nonprofit organizations' actions this past year demonstrate their commitment to increasing access to higher education for all students.

² National College Attainment Network, "Pell Dollars Left on the Table – Class of 2023" (January 2024)

³ National College Attainment Network, "Through May, Seniors' FAFSA Fortunes Falter Following Fruitful Four Weeks" (June 2024)

Louisiana Eases Access to One-on-One FAFSA Counseling Sessions

Louisiana Education Loan Authority (Lela) offers graduating high school seniors a chance to win a \$1,000 scholarship for completing a FAFSA. In the Spring of 2024, Lela expanded and enhanced its one-on-one FAFSA Completion Assistance outreach programming by partnering with the Calendly platform so students and families can easily schedule a personalized session by the quick scan of a QR code. Lela, like many college access organizations, has found that one-on-one assistance provides better success of submitting a complete and correct FAFSA. Visit Lela's Student Resource Center to see how Lela helps students meet deadlines and compare college costs: lela.org/student-resource-center.

New Mexico Ramps Up FAFSA Counseling, Caters to Spanish-Speaking Families

New Mexico Educational Assistance Foundation (NMEAF) outreach activities support over 55,000 students and families annually through in-person and virtual presentations on the financial aid process, college and career fairs, FSA ID and FAFSA workshops, and annual training for financial aid professionals and secondary education professionals. For the 2024-25 FAFSA rollout, NMEAF developed a new and specialized event to help applicants obtain an FSA ID, which is required before filing a FAFSA. NMEAF spends tens of thousands of dollars publishing and distributing FAFSA handbooks and helpful informational materials in digital and physical forms (English and Spanish), such as rack cards, postcards, posters, flyers, and promotional items. Students can access NMEAF's FAFSA resources at nmfafsa.org.

What Parents Think of EFC Members' FAFSA Completion Programming

“As a parent of four children, I have completed several FAFSAs throughout my kids' college education. However, with my youngest daughter, this recent FAFSA was giving us so much trouble. We simply could not get it figured out. When KHEAA [Kentucky Higher Education Assistance Authority] opened their FAFSA Hotline, I was able to call during the evening and speak with an Outreach Counselor. He was able to figure out the issue, and I have never been more relieved to get the FAFSA completed. So thankful for KHEAA and for their services they offer to us parents.”

- Lisa M.

“With all of the recent challenges working with the FAFSA this year, INvestEd has been a lifesaver helping us navigate aid for my daughter. With this being our first child graduating and moving on to college, we were nervous and had a lot of questions. Clay was very quick to contact us to help us and has always been on hand to help us with even additional questions. He was able to give us peace of mind and know what to do next. Thank you Clay, and thank you INvestEd!”

- Amy H.

Meeting Families Where They Are with Informative Social Media Posts and Podcasts

EFC members understand that students and their families increasingly consult social media and podcasts for educational information. These state-based and nonprofit organizations go above and beyond to deliver timely and relevant content that meets the needs of students wherever they are in their schooling or career. EFC members cover every step of planning, saving, and paying for college by publishing engaging social media posts and releasing entertaining podcast discussions with experts who possess decades of student financial aid experience.

You can find links to all EFC members' social media channels by visiting efc.org/voting-members.

Kentucky Starts a Lively Student Financial Aid Podcast

In December 2023, KHEAA Outreach launched its first-ever podcast series, "Coffee with KHEAA," where the organization's Outreach management team discusses updates, guidance, resources, and initiatives surrounding FAFSA completion and other timely financial aid topics. The podcast is filmed and released twice a month on all podcast platforms.





Helping Individuals with Disabilities Access College

Access to postsecondary education for individuals with disabilities is crucial to creating a more inclusive and equitable society. EFC members play a vital role in this effort by providing tailored support and resources to help these students navigate the college application process, secure necessary accommodations, and succeed academically. Many EFC members have overhauled their websites to make their resources easier for individuals with disabilities to access with assistive technology. They also share best practices that enable students with disabilities to have the same opportunities for higher education as their peers and contribute to a diverse and dynamic workforce.

Massachusetts Hosts Conference Exploring Financial Resources for Individuals with Disabilities

In November 2023, Massachusetts Educational Financing Authority (MEFA) hosted the “First Annual MEFA Attainable Conference: Exploring Financial Resources for Individuals with Disabilities.” It featured speakers from Fidelity Investments, Work Without Limits, Sequoia Financial Group, and MEFA. The conference focused on providing resources and tools for representatives from organizations supporting individuals with disabilities and their families. Speakers also covered special needs planning and understanding investing in the Commonwealth’s ABL program, the Attainable Savings Plan.

FINANCIAL LITERACY EDUCATION

High-quality financial literacy education ensures all individuals—regardless of their initial understanding of economics and sophisticated monetary concepts—make decisions that are in their best interest. EFC members do their part to set students up for academic and post-graduation success by offering free financial literacy education and training programs and resources. Higher education is a massive financial commitment for many families, and EFC members leverage different delivery channels and educational frameworks to make sure students find the optimal academic and financial pathway to achieve their career goals.

EFC members offer the following types of online financial literacy programs, counseling tools, and resources:

Calculators

- College Costs and Net Price
- Student Loan Interest and Payment
- Projected Salary-to-Debt Ratio
- Student Aid Index
- Work Versus Borrowing

Decision-Making Comparison Tools

- Decoding Financial Aid Offers
- Make Your College Decision
- Affordable Student Loan Options

Searchable Databases

- Colleges, Universities, and Academic Programs
- Scholarships
- Loan Forgiveness/Redemption Programs
- Internship/Employment Opportunities

Financial Literacy & Wellness Platforms

- Personalized Financial Dashboard
- Expert Financial Planning

References & Guides

- Benefits of Saving
- Balanced Budget Planner
- Banking 101
- Consumer Rights
- Interest Rates and Credit Cards
- Money Management
- Understanding Consumer Credit
- Debt Management and Default Prevention
- Preventing Identity Theft



Texas-Based Brazos Offers Free Resources to Assist Families

Brazos Higher Education Service Corporation provides several free resources to help students and families evaluate their student loan options and improve financial literacy. Their online calculator tools allow families to compare different loan options including estimated APRs, monthly payments, and savings. Brazos also provides a free “pre-qualification” feature that allows families to determine whether they qualify for a loan product in minutes without affecting their credit. Resources also include a series of blog articles on a variety of financial literacy topics such as “Kick Start College Financial Planning,” “College Money Myths and Facts,” and “The Tuition Bill Is Here! Now What Do I Do?” Access these and other offerings by visiting studentloans.com.

ECMC’s Financial Awareness Basics (FAB) Help Students Manage and Grow Their Money

ECMC’s “Financial Awareness Basics” helps students manage their finances for college and for life. The informational series includes basic information, tips, and tools for managing personal finances. The FAB series covers each of the five building blocks established by the Financial Literacy and Education Commission to help students make day-to-day decisions about money. ECMC’s materials cover topics ranging from budgeting and saving to insurance, consumer credit reports, banking, and more.

Indiana’s Nonprofit Demystifies Financial Aid Offers

INvestEd’s website offers consumers a step-by-step breakdown of how to prepare and pay for postsecondary education. They refer students to trustworthy websites like the Consumer Financial Protection Bureau and U.S. Department of Education. They also encourage families to respond to school requests for information, meet any deadlines for state and institutional aid programs, and compare aid offers to maximize their options.

Unfortunately, many institutions’ financial aid offers use confusing terminology making it difficult for families to decipher the true cost of attendance. That is why INvestEd created a [Cost Comparison Sheet](#) that clarifies for families free money versus loans and helps them put the college funding puzzle together. Go to investedindiana.org/resources/for-students to download the Cost Comparison Sheet and use other free college planning resources.

Midwestern Students Get One-on-One Financial Wellness Sessions

Midwestern University's financial wellness platform, Sensible Strategies, promotes informed borrowing and educates students about financial concepts at no cost to them. Sensible Strategies provides multiple programs aimed at helping students build a strong foundation to handle complex financial decisions. The comprehensive program includes presentations and workshops with both one-on-one and group discussions, special events hosted with external financial professionals, and web-based tools to develop financial strategies and a personal repayment plan.

The one-on-one sessions cover a range of topics including student loan repayment, budgeting, credit management, retirement and investing strategies, tax inquiries, business strategies, and more. In each session, a student (and in some cases their partner and/or parents) meets with a Certified Financial Education Instructor to discuss financial concerns and general financial well-being.

North Dakota Develops Behavioral Finance Platform

In April 2024, the State of North Dakota initiated and developed a financial literacy resource, [SmartwithMyMoney.nd.gov](https://www.smartwithmymoney.nd.gov), for the benefit of all North Dakotans. This platform, formed in partnership with EFC member Bank of North Dakota, focuses on behavioral finance and allows users to take a personal assessment of their financial standing and interests to create a unique and customizable experience. Additionally, users may discover their money personality and a current financial stress score. The SmartwithMyMoney website includes 34 standard courses with pre and post-test assessments, 124 topics (and subtopics), and over 2,800 pieces of content including articles, videos, tools, and courses.





Training and Professional Development

EFC members are experts on a wide range of financial literacy topics. They share that expertise with other key higher education stakeholders in their communities by offering specialized training and professional development to school counselors, college outreach professionals, college administrators, and others who work directly with students and their families. In doing so, they strengthen the college access programming in their states as educators and counselors are better equipped to guide students in making informed financial decisions.

Connecticut Organizes Information Session Featuring National Experts to Train High School Counselors

EFC member Connecticut Higher Education Student Loan Authority (CHESLA) joined forces with the Connecticut Association of Professional Financial Aid Administrators to offer an information session to the state's high school counselors in November 2023. The seminar covered a range of topics, including FAFSA Simplification 101, how Connecticut is supporting students in completing the new FAFSA, how schools are implementing the new FAFSA, and state aid for financing higher education. Presenters and panelists included state and national experts, and about 100 school counselors attended the event.

North Texas Pays for FAFSA Training for School Counselors

North Texas Higher Education Authority has a close relationship with local schools. This past year, the organization took a counselor from all 20 schools it serves to the half-day national FAFSA training held by the National College Attainment Network. North Texas also provided in-district training for additional counselors and sent regular progress reports to school and district partners.



GRANTS & SCHOLARSHIPS

Grants and scholarships, particularly need-based free aid programs, are the most essential way to increase access and success in college. Every grant and scholarship dollar students receive significantly improves college affordability by decreasing the amount of education debt they need to cover the cost of attendance. There are millions of scholarships with applications available online that target a diverse range of students. Scholarships can be handed out based on hobbies, interests, skills, academic accomplishments, career goals, volunteer experiences, and so much more. The volume of information can be overwhelming and make it difficult for students to know where to start. Just like filling out the FAFSA, the application process for grant and scholarship programs can be complex and confusing.

EFC members play a critical role by administering state grant aid programs and offering a variety of scholarships funded by themselves directly. They also shepherd students and families through the maze of available opportunities to make college as affordable as possible.

In AY 2023-24, 12 EFC members administered over \$3 billion in grants and scholarships to 1,267,758 qualifying students, and 17 EFC members funded their own grant and scholarship programs awarding 3,401 students more than \$11.1 million to attend postsecondary education. The average scholarship funded by EFC members is enough to cover the average net tuition and fee price paid by first-time, full-time, in-state, students enrolled in public four-year institutions for the entirety of their first year.⁴

Minnesota's GEAR UP Program Forms Student Success Scholarship for 2023 Senior High School Class

The Minnesota Office of Higher Education's "MN Get Ready/GEAR UP" program launched the Student Success Scholarship for the 2023 senior graduating class using surplus funds generated during COVID-19 and post-COVID conditions. The scholarship increases student's ability to pursue their postsecondary pathways while reinforcing persistence and reducing their debt burdens. To date, MN Office of Higher Education has awarded 225 qualifying high school graduates a total of \$683,762. The scholarship recipients also benefit from supplemental coaching to support first-semester success in college.

Georgia Creates New Inclusive Postsecondary Education Grant Program

This past year, Georgia Student Finance Commission launched "[The Inclusive Postsecondary Education \(IPSE\) Grant Program](#)." The IPSE program assists students with qualifying intellectual disabilities enrolled in an approved program. Eligible students must be going to an approved University System of Georgia or Technical College System of Georgia institution. Depending on what institution the student attends, the award may be as high as \$6,500 per term with an annual maximum award of \$13,000. Students may use the money to cover tuition, mandatory fees, and program fees. Learn more about GSFC's grant and scholarship programs at gafutures.org/hope-state-aid-programs/scholarships-grants.

⁴ College Board, "Trends in College Pricing and Student Aid 2023" (November 2023)

SKILL DEVELOPMENT & CAREER PATHWAYS

Most available jobs today require some form of postsecondary education or training, and this trend is expected to continue for the foreseeable future.⁵ It is getting harder for those with only a high school diploma to find employment that pays them a good wage and offers them satisfactory benefits. Finding the educational path that will lead to a given career can be challenging and complex. Increasingly, state leaders are working to develop and expand education-to-employment pathways that equip individuals with the right information, resources, and skill development to guide them to and through postsecondary education and into a rewarding profession. EFC members are working to bridge the gap between education and employment in a number of ways, including initiatives that incentivize students to pursue career connected learning programs.

Strada Education Foundation Publishes Inaugural State Opportunity Index Report

In April 2024, Strada Education Foundation developed the State Opportunity Index to help states build a stronger connection between education after high school and equitable pathways to opportunity so students realize the full value of their education and employers have the workforce they need to fill high-demand jobs. Designed to guide state progress in five priority areas, the index helps states assess how well they are leveraging post-high school education—including degrees, certificates, and other credentials—to strengthen workforce competitiveness and pathways to opportunity.

The State Opportunity Index is a critically important tool for states nationwide to use whenever they review, develop, or enhance policies to ensure students have the best opportunities to move through postsecondary education to fulfilling employment. Read more about every state's pathways to opportunity at stradaeducation.org/report/state-opportunity-index.



⁵ Georgetown University Center on Education and the Workforce, "The Future of Good Jobs: Projections through 2031" (July 2024)

Texas-Based Trellis Establishes a New Brand and Acquires the Workforce Talent Educators Association

Trellis expanded its strategic reach over the last year. This growth led to the formation of Trellis Strategies, a leading nonprofit research and consulting firm in postsecondary education, and the acquisition of Workforce Talent Educators Association (WTEA). WTEA's evaluations of student outcomes help institutions innovate educational models and unlock talent pathways. Trellis is now positioned to empower institutional leaders with data-driven strategies to critically assess academic programs, strengthen industry relations, and enhance outcomes for modern learners.

Learn more about Trellis Strategies by visiting trellisstrategies.org.

Vermont Invests in High-Demand and High-Paying Workforce Programs

In the past year, Vermont Student Assistance Corporation (VSAC) coordinated closely with the state legislature to create new [workforce programs](#) focused on industries with high demand and high growth employment potential. Four of those programs came online during the first half of Fiscal Year 2024: Psychiatric Mental Health Nurse Practitioner, Dental Hygienist, Nurse Faculty, and Mental Health Professional. These initiatives became part of an array of workforce programs funded annually from the Governor's budget and administered by VSAC: training in the trades, 802Opportunity (providing free tuition to Community College of Vermont), and the National Guard Tuition Benefit Program. Visit vsac.org/workforce-development-funding for more information about these programs.

VSAC also created the Workforce Opportunity Loan Program in FY 2024, which allows employers to invest funds to reskill their current employees. Under the program, the employer identifies employees to achieve certain degrees or certificates. VSAC partners with employers to hold and disburse funds to the employee, which the employer pays back to VSAC at an accelerated rate while the employee works for the employer. The focus of this program has been in the healthcare sector, but VSAC hopes to expand the program to other types of employers in the future.



NONPROFIT LOAN PROGRAMS

Twenty-three EFC members offer low-cost education loans to enrolled students. Another 18 members also have student loan refinance options for those trapped with unaffordable loans that carry higher interest rates.

EFC members strive to follow a set of [guiding principles](#) that promote borrower success, improve college affordability, and hold nonprofit student lenders to a high level of accountability. EFC members' loan programs feature low Annual Percentage Rates (APRs), no origination fees, flexible repayment plans, and lower total debt burdens than the Federal PLUS Loan program and for-profit student loan programs.

Most EFC members' programs require a credit-worthy borrower or co-signer. This helps ensure that EFC members are not saddling borrowers in debt they cannot hope to repay, and it results in extremely low default rates (often less than one percent). Many nonprofit loan programs also include generous borrower benefits such as income-based repayment, interest rate reduction options, internship pathways to local employers, and loan redemption benefits for graduates that work in a critical field in the organization's state.

In AY 2023-24, 23 organizations with available data made more than 82,250 affordable education loans totaling more than \$1.26 billion. These in-school loans to undergraduates, graduates, and parents borrowing on behalf of a dependent child fill the gap between the cost of attendance and available savings, free money, and federal student loans. As of August 2024, the average lowest fixed interest rate offered by these programs is 4.63 percent (with available deductions). In comparison, the federal Parent PLUS Loan carries a 9.08 percent interest rate and has an origination fee of over 4.2 percent.

Missouri's Interest-Free Loan Program To Help Students Fill The Financial Aid Gap

Missouri Scholarship and Loan Foundation, formed by MOHELA, administers the MOFELP loan program. MOFELP is a need-based, zero-interest loan program designed to provide borrowing options for Missouri students who have academic potential but may not meet the traditional credit requirements for private loans. MOFELP helps students fill the financial aid gap after other financial aid options, including federal student loans, are exhausted. In 2023-24, the most recent data available, there were over 1,000 MOFELP recipients who received an average of \$4,332 to cover college costs and persist to a degree.

Pennsylvania Expands Low-Cost Student Loan Program into Ohio, New York, and Virginia

The Pennsylvania Higher Education Assistance Agency (PHEAA) has expanded its PA Forward Student Loan Program into three neighboring states—Ohio, New York, and Virginia—under the umbrella of the new Keystone Student Loan Program. Undergraduate and graduate students, as well as parents, residing in those states are able to get a loan from PHEAA to attend a non-Pennsylvania school. The program will be extended into Delaware, Maryland, West Virginia, and New Jersey in the fall of 2024.

Keystone Student Loan borrowers can borrow up to the total cost of attendance with competitively low interest rates. Undergraduate and graduate loans under the Keystone Student Loan Program have a low, fixed rate from 4.99 percent to 11.18 percent APR*. Additional benefits include no application, origination, or late fees, immediate credit approvals, and flexible repayment options. Borrowers can receive a 0.25 percent interest rate reduction for enrolling in an automatic direct debit program and an additional 0.50 percent interest rate reduction for successfully graduating from their program. More details are available at keystonestudentloans.org.

Refinancing Student Loans

Many nonprofit and state-based organizations refinance borrowers' most expensive student loans. Refinancing allows borrowers to consolidate high-interest rate education debt into a single loan, reduce their rates and monthly payments, and, in many cases, save thousands of dollars over the life of the loan. In AY 2023-24, the 18 nonprofit lenders that provided data for this report refinanced 5,685 loans to help borrowers with unaffordable debt save money and take back control of their financial health.

Importantly, EFC members use plain-language disclosures to inform borrowers about any repayment and forgiveness benefits they could lose by refinancing their debt. They also counsel each borrower to make sure they understand all the benefits and drawbacks of refinancing with the organization. This is particularly important for federal student loan borrowers, who may not be aware of any downsides to getting a lower interest rate loan. In most cases, EFC members are refinancing borrowers' high-cost private student loans that have variable interest rates.

Student Loan Borrower Refinance Success Story

“ I was approved for the loan and went from having a private loan with an interest rate of 11% to an interest rate of 2%. My payments are basically cut in half! As a third-year teacher with MANY student loans, this was a huge success. ”

- Sydney, who benefited from CHESLA's Alliance Refi Program.

EDUCATION COMPLETION & REPAYMENT SUPPORT

Students struggle to complete higher education for many reasons, with hundreds of thousands of learners leaving school annually without a credential. As of June 2024, there were nearly 37 million adults who have some college experience but no credential.⁶ According to Pew Charitable Trusts, nearly 60 percent of borrowers who do not complete their degree or certificate will experience default sometime during repayment. EFC members' timely interventions improve college completion rates and help students avoid negative consequences associated with non-completion. State-based and nonprofit organizations also work closely with borrowers experiencing personal hardship or financial difficulties to offer them guidance, assistance, and relief.

New Hampshire's New Student Emergency Aid Fund for Community College Students

In February 2024, EFC member Granite Edvance and the Foundation for NH Community Colleges [announced](#) a new emergency grant program that will help ensure students complete their degrees by assisting with such expenses as food, housing, childcare, and transportation. The Student Emergency Aid Fund, established through a gift of \$80,000 from Granite Edvance, will provide community college students with short-term financial support for non-academic emergency needs. Recent research findings showed that students who receive emergency grant funding were 8 to 15 percent more likely to remain enrolled in college than their peers. Learn more about Granite Edvance's efforts to help students achieve their goals by visiting graniteedvance.org.

New Jersey Helps Teachers Pay Off Federal and Private Student Loan Debt

The New Jersey Higher Education Student Assistance Authority (HESAA) continues to expand its [Teacher Loan Redemption Program](#) as a recruitment and retention resource to help bolster the state's K-12 educator workforce. In 2022, New Jersey created a program to provide an incentive for newly hired educators to teach pre-K through 12th-grade in a high-need field at a designated New Jersey school. Participating teachers receive student loan redemption of up to \$5,000 per year, for a maximum total of up to \$20,000 over four years. The program criteria will be expanded during the 2024-2025 Academic Year to include experienced teachers hired since 2009, providing an incentive for these educators to continue teaching in high-need fields at designated New Jersey schools. Go to hesaa.org/Pages/LoanRedemptionPrograms to see all the ways HESAA is helping students pay down student loan debt.

⁶ National Student Clearinghouse, "Some College, No Credential Student Outcomes 2024 Report for the Nation and the States" (June 2024)

Arkansas Keeps Student Loan Borrowers Current and Avoid the Pitfalls of Default

Arkansas Student Loan Authority (ASLA) provides default management services to Arkansas colleges and universities to lower the state's overall default rate and the rates of individual schools. ASLA uses skip-tracing techniques to locate borrowers and acts as a counselor—not a collector—to help borrowers understand their options while guiding them to delinquency resolution.

In addition, ASLA partners with Edamerica Services to provide state-of-the-art cohort management software called the Default Prevention System (DPS). DPS is used to manage data from multiple loan sources, monitor repayment activity, flag delinquent borrowers, and secure resolutions. Institutions can use the web-based DPS to accurately track their cohort default rate at any time during the two- or three-year cohort period.

Since ASLA began its default management program a decade ago, Arkansas moved from being ranked 49th in the country to 27th by 2019. As of the fall of 2021, Arkansas's default rate moved below the national average, a tremendous turnaround in a short period of time.

Now that the COVID payment pause has ended and the Repayment On-Ramp Period is coming to a close, ASLA is preparing to deal with its biggest repayment challenge to date. The need for counseling is expected to be greater than ever as borrowers face mandatory repayment for the first time in over four years.





Rhode Island Partners with Employers to Help Employees Pay Off Student Debt Faster

Rhode Island Student Loan Authority's (RISLA) Employer Benefits Portal encourages companies to offer tuition assistance, employer student loan repayment, or 529 contributions to their employees by reducing the administrative workload associated with these education benefits. Employers can use RISLA's secure online portal for document and eligibility verification notification reminders, funds disbursement, payment tracking, billing and reporting, and customer support to simplify the employee benefits process. RISLA also works with employers to offer programs to help their employees reduce student debt. RISLA provides partners with an exclusive interest rate discount for refinancing student loans, student loan repayment counseling, college planning services, free relevant topic webinars, and a robust financial literacy learning platform for their employees.



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