

**DEPARTMENT OF EDUCATION**  
**STUDENT AID ADMINISTRATION**  
**FISCAL YEAR 2026 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, \$2,058,943,000, to remain available through September 30, 2026.<sup>1</sup> Provided, That the limitation in section 302 of this Act regarding transfers increasing any appropriation shall apply to transfers to appropriations under this heading by substituting “10 percent” for “3 percent” for the purposes of the continuation of basic operations, including student loan servicing, business process operations, digital customer care, common origination and disbursement, cybersecurity activities, and information technology systems.<sup>2</sup>*

#### NOTES

This account is operating under the Full-Year Continuing Appropriations and Extensions Act, 2025 (division A of Public Law 119-4).

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
<p><sup>1</sup> <i>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, \$2,058,943,000, to remain available through September 30, 2026.</i></p>	<p>This language provides for appropriated funds to remain available for 2 years.</p>
<p><sup>2</sup> <i>Provided, That the limitation in section 302 of this Act regarding transfers increasing any appropriation shall apply to transfers to appropriations under this heading by substituting “10 percent” for “3 percent” for the purposes of the continuation of basic operations, including student loan servicing, business process operations, digital customer care, common origination and disbursement, cybersecurity activities, and information technology systems.</i></p>	<p>This language would allow FSA to receive appropriated fund transfers from other accounts up to 10 percent for basic operations.</p>

**STUDENT AID ADMINISTRATION**  
**AMOUNTS AVAILABLE FOR OBLIGATION**

(dollars in thousands)

Appropriations and Adjustments	2024	2025	2026
<b>Discretionary appropriation</b>			
Appropriation	\$2,058,943	\$2,058,943	\$2,058,943
Transferred from Other Accounts	205,894 <sup>1</sup>	0	0
Subtotal, adjusted discretionary appropriation	\$2,264,837	\$2,058,943	\$2,058,943
Unobligated balance, start of year	16,151	58,920	0
Recovery of prior year obligations	62,462	56,403	0
Appropriation Permanently Reduced ARPA	0	0	0
Unobligated balance, expiring	-55	0	0
Unobligated balance, end of year	-58,920	0	0
<b>Total, direct obligations</b>	<b>\$2,284,475</b>	<b>\$2,174,266</b>	<b>\$2,058,943</b>

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<sup>1</sup> Budget authority transfer of \$205,894 thousand from Student Financial Assistance.

**STUDENT AID ADMINISTRATION**  
**OBLIGATIONS BY OBJECT CLASSIFICATION**

(dollars in thousands)

Object Class Number	Object Class	2024 Actual	2025 Estimate	2026 Request	Change from 2024 to 2026
11.10	Full-time permanent	\$228,513	\$264,917	\$155,653	-\$72,860
11.31	Full-time temporary	1,279	138	0	-1,279
11.32	Part-time	379	0	0	-379
11.33	Consultants	250	0	0	-250
11.51	Overtime	535	570	570	+35
11.52	Awards	4,681	4,376	4,376	-305
11.82	Other Compensation	52	0	0	-52
	Compensation subtotal	\$235,689	\$270,001	\$160,599	-\$75,090
12.00	Benefits	83,254	48,857	49,195	-34,059
13.00	Benefits for former personnel	0	87	1	+1
	Comp/benefits subtotal	\$318,943	\$318,945	\$209,795	-\$109,148
21.00	Travel	647	718	718	+71
22.00	Transportation of things	10	0	0	-10
23.10	Rental payments to GSA	10,811	10,052	7,033	-3,778
23.32	Postage/fees	26	27	27	+1
	Subtotal 23	\$10,837	\$10,079	\$7,060	-3,777
24.00	Printing and reproduction	0	20	20	+20
25.10	Advisory and assistance services	1,550	0	0	-1,550
25.21	Other services	823,075	798,222	749,220	-73,855
25.22	Training/tuition contracts	1,242	1,211	1,073	-169
25.30	Goods/services from Federal sources	31,210	28,302	28,985	-2,225
25.71	Operations/maintenance of equipment	9	0	0	-9
25.72	IT services/contracts	1,095,203	1,016,654	1,061,969	-33,234
	Subtotal 25	\$1,952,289	\$1,844,389	\$1,841,247	-\$111,042
26.00	Supplies	18	59	46	+28
31.10	IT equipment/software	69	56	57	-12
31.30	Other equipment	1,615	0	0	-1,615
	Subtotal 31	\$1,684	\$56	\$57	-\$1,627
32.00	Building alterations	46	0	0	-46
43.10	Prompt payment interest	1	0	0	-1
	Total, Obligations	\$2,284,475 <sup>1</sup>	\$2,174,266	\$2,058,943	-\$225,532

<sup>1</sup> Budget authority transfer of \$205,894 thousand from Student Financial Assistance.

**STUDENT AID ADMINISTRATION**

**AUTHORIZING LEGISLATION**

(dollars in thousands)

Activity	2024 Authorized	2024 Actual	2026 Authorized	2026 Request
Student aid administration (Higher Education Act of 1965, I-D)	0 <sup>1</sup>	\$2,058,943	To be determined <sup>2</sup>	\$2,058,943
Total annual appropriation		\$2,058,943		\$2,058,943
Portion of request not authorized				\$2,058,943

<sup>1</sup> The program was authorized in 2024 through appropriation language.

<sup>2</sup> The GEPA extension expired September 30, 2015.

## STUDENT AID ADMINISTRATION

### APPROPRIATIONS HISTORY

(dollars in thousands)

Year	Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
2017 <sup>1</sup>	\$1,631,990	\$1,551,854	\$1,546,854	\$1,576,854
2018 <sup>2</sup>	1,697,711	1,697,711	1,576,854	1,678,943
2019 <sup>3</sup>	1,772,000	1,678,943	1,678,943	1,678,943
2020 <sup>4</sup>	1,812,000	1,678,943	1,778,943	1,768,943
2020 CARES Supplemental <sup>5</sup>	0	0	0	40,000
2021 <sup>6</sup>	1,883,309	1,768,943	1,868,943	1,853,943
2021 CRRSAA Supplemental <sup>7</sup>	0	0	0	30,000
2021 Mandatory ARP Supplemental <sup>8</sup>	0	0	0	91,130
2022 <sup>9</sup>	2,053,943	2,053,943	2,033,943	2,033,943
2023 <sup>10</sup>	2,654,034	2,579,034	2,594,034	2,033,943
2024 <sup>11</sup>	2,654,034	1,769,207	2,183,943	2,033,943

<sup>1</sup> 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.

<sup>2</sup> 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).

<sup>3</sup> 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).

<sup>4</sup> The Senate Allowance reflects the Chairman's mark; the Appropriation reflects the Further Consolidated Appropriations Act, 2020 (P.L. 116-94).

<sup>5</sup> The Appropriation reflects the supplemental funds from the Coronavirus Aid, Relief, and Economic Security Act (P.L. 116-136).

<sup>6</sup> 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).

<sup>7</sup> The Appropriation reflects supplemental funds from Division M of the FY 2021 Consolidated Appropriations Act, 2021 (P.L. 116-260).

<sup>8</sup> The Appropriation reflects the American Rescue Plan Act of FY 2021 (P.L. 117-2).

<sup>9</sup> 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.

<sup>10</sup> 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).

<sup>11</sup> The House allowance reflects Subcommittee action, and the Senate allowance reflects Committee action on the regular annual 2024 appropriations bill; the Appropriation reflects the Further Consolidated Appropriation Act, 2024 (P.L. 118-47).

## STUDENT AID ADMINISTRATION

Year	Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
2025 <sup>1</sup>	2,659,126	2,058,943	2,158,943	2,058,943
2026	2,058,943	—	—	—

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<sup>1</sup> The levels for the House and Senate allowances reflect Committee action on the regular annual 2025 appropriations bill; the Appropriation reflects enactment of the Full-Year Continuing Appropriations and Extensions Act, 2025 (P.L. 119-4).

**STUDENT AID ADMINISTRATION**

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**STUDENT AID ADMINISTRATION**

(Higher Education Act of 1965, I-D and IV-D, section 458; Public Health Service Act, VII-A)

(dollars in thousands)

FY 2026 Authorization: To be determined<sup>1</sup>

**BUDGET AUTHORITY**

	2024 Appropriation	2025 Appropriation	2026 Request	Change from 2024 to 2026
Personnel Compensation and Benefit Costs	\$324,858	\$318,945	\$209,795	-\$115,063
Non-Personnel costs, excluding Loan Servicing costs	\$734,085	\$739,998	\$849,148	+115,063
Subtotal, Salaries and Expenses	\$1,058,943	\$1,058,943	\$1,058,943	\$0
Loan Servicing Costs	\$1,000,000	\$1,000,000	\$1,000,000	0
Total, Student Aid Administration	\$2,058,943	\$2,058,943	\$2,058,943	\$0
FTE	1,568	1,427	836	-732

**PROGRAM DESCRIPTION**

Student Aid Administration (SAA) 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 Federal Student Aid (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 formulates policy for the student financial assistance programs and administers other Federal post-secondary education programs. In addition, other Department offices, including the

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<sup>1</sup> The GEPA extension expired September 30, 2024.

## STUDENT AID ADMINISTRATION

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Office of the Chief Information Officer (OCIO), Office of the General Counsel (OGC), Office of Planning, Evaluation, and Policy Development (OPEPD), and Office of Finance and Operations (OFO) contribute to the policy formulation and administration of the student aid programs.

Appropriations for the past 5 fiscal years were:

Fiscal Year	(dollars in thousands)
2021	\$1,853,943
2021 CRSSA Act	30,000
2021 Mandatory ARP Act	91,130
2022	2,033,943
2023	2,033,943
2024	2,058,943
2025	2,058,943

### **FY 2026 BUDGET REQUEST**

FSA plays an essential role in administering student financial assistance programs under Title IV of the Higher Education Act. Every year, FSA’s activities result in more than \$120 billion in Pell Grants, student loan financing, and campus-based aid being distributed to students and families across the country so they can access post-secondary education opportunities. Currently, more than 42 million borrowers owe more than \$1.60 trillion in federal student debt. FSA is committed to keeping borrowers updated with clear information about their payment options and assist them on a productive path toward repaying their federal student loans, both for the sake of their own financial health and our nation’s economic outlook.

For fiscal year 2026, the Administration is requesting \$2.06 billion to administer all Title IV Federal Student Aid Programs, which is comparable to the same level as fiscal year 2024. The funds in this request are critical for FSA’s ability to provide core operations and implement reforms to better serve students and borrowers. Key initiatives in this budget request reflect the agency’s commitment to continue modernization efforts started in 2025, better align contracts to support operational requirements, enable digital delivery of capabilities that empower FSA to innovate and scale by deploying the use of Artificial Intelligence (AI) throughout the enterprise, and release the 2027–2028 FAFSA by October 1st as mandated by the FAFSA Deadline Act.

This request also supports enhanced efforts started in May 2025 to engage borrowers on repayment of their loans, and to resume collections of defaulted federal student loans that will continue into FY2026 and beyond. The Department had not collected on defaulted loans since March 2020. To help transition borrowers to repayment and restore the loan portfolio to a high level of performance, FSA engaged key partners and vendors and provided new resources for borrowers. These resources included a new Loan Simulator, a paperless Income-Driven Repayment (IDR) loan application process to assist borrowers in more easily selecting

## STUDENT AID ADMINISTRATION

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repayment plans that work for them, an AI Assistant (Aiden) that helps students and parents save time and get answers to their questions without the need for a phone call, and other loan support including improved communications and extended call center hours.

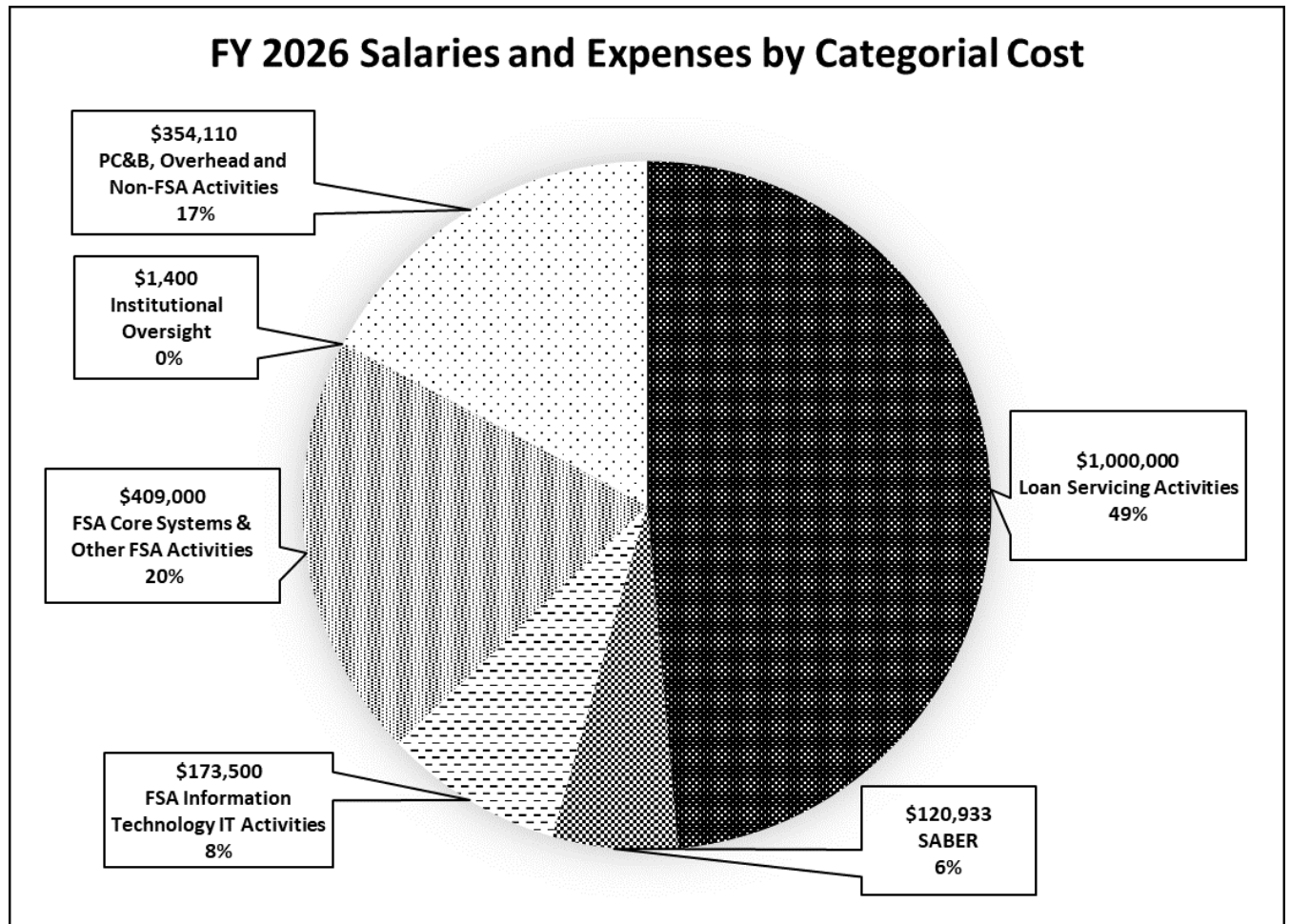
The fiscal year 2026 request includes the following major categories:

- Loan Servicing activities total \$1 billion. The request reflects the full transition from legacy specialty servicing contracts to the Specialty Program and Unified Servicing and Data Solution (USDS). More information is provided in the Loan Servicing activities section on page 10.
- Student Aid and Borrower Eligibility Reform (SABER) initiative totals \$120.93 million. This funding is critical for the continued implementation of the requirements in the Free Application for Federal Student Aid (FAFSA) Simplification Act and ongoing operations. More information is provided in the SABER activities section on page 12.
- FSA Information Technology (IT) activities total \$173.50 million. This request provides support for operations for the Next Gen Data Center (NGDC), and costs for the FSA Federal Taxpayer Information (FTI) Infrastructure. More information is provided in the FSA IT activities section on page 15.
- FSA Core Systems and Other FSA activities total \$409 million. This funding request is needed to provide operations and maintenance for core system costs (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), and 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 funds will support large recompetes efforts for the Title IV Origination and Disbursement System and Customer Service Transition, DCC, and BPO contracts. More information is provided in the FSA Core Systems and Other FSA Activities section on page 17.
- Institutional Oversight totals \$1.40 million. This request supports implementation of AI tools that will support automating time-consuming review hours, freeing up valuable attorney's time to adjudicate *Sweet* cases by January 28, 2026. More information is provided in the Institutional Oversight section on page 25.
- Personnel Compensation and Benefits (PC&B) and Non-FSA activities total \$354.11 million. This request supports 836 Full-Time Equivalent (FTE) in FSA, awards, and overtime. More information is provided in the PC&B and Non-FSA activities section on page 26.

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### FY 2026 CATEGORICAL COSTS

Costs by category and percent of the total fiscal year 2026 Budget Request:



Fifty-five percent of the fiscal year 2026 Budget Request includes support for loan servicing and the SABER initiative. PC&B accounts for 17 percent of the request, with FSA core systems, other non-major FSA activities, and FSA IT representing 28 percent.

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

#### ***LOAN SERVICING ACTIVITIES: \$1 BILLION***

The fiscal year 2026 request includes \$1 billion for loan servicing activities, a decrease of \$65 million from fiscal year 2024. This amount supports 12 months of operations from October 2025 through September 2026. The budget request includes development activities for both income-driven repayment and Perkins Loans, which is a decrease in development costs of \$46.6 million from fiscal year 2024.

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### *RETURNING 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 suspension of loan payments and instituting a 0 percent interest rate. A week later, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was signed into law, extending relief through September 30, 2020, to all borrowers with federally held student loans without requiring them to opt in. The CARES Act also added several borrower benefits and protections. This relief was subsequently extended multiple times over several years. In June 2023, Congress passed a law ending and preventing further extensions of the payment pause. The final extension lasted through August 2023, with payments resuming in October 2023 after an unprecedented 42-month pause.

The Department also implemented several provisions in fiscal year 2024 to help borrowers resume student loan repayments and maintain good standing, which conclude in fiscal year 2025.

Going forward, FSA is strengthening operations of the student loan portfolio through robust call-center support and modernization activities to return repayment and collections to a pre-pandemic level of performance across the portfolio. FSA is currently engaging borrowers, key stakeholders, and vendors to provide clear information, and tools to help borrowers make sound financial decisions and choose loan repayment plans that reduce the percentage of borrowers that become delinquent or in default. FSA is committed to providing additional support to struggling borrowers who are at risk, leveraging the full suite of repayment, hardship, and rehabilitation tools available to put these borrowers on a productive path toward repaying their federal student loans. With almost 25 percent of the federal student loan portfolio projected to be in default, on May 5, 2025, FSA restarted the Treasury Offset Program (TOP), administered by the U.S. Department of Treasury. In fiscal year 2026, FSA will institute the Administrative Wage Garnishment (AWG) enabling another mechanism to collect on defaulted loans.

### *SERVICING OPERATIONS*

FSA awarded contracts under the Unified Servicing and Data Solution (USDS) in April 2023 and loan servicers began operating under these contracts in the spring of 2024. Under USDS, loan servicers implemented changes that improved the borrower experience, including implementing consistent co-branding with FSA across their websites and transitioning from “.com” to “.gov” domains. Servicers also adopted 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 requirements.

Loan servicing under USDS encompasses a range of services including platform management, contact center operations, and manual processing activities for loan servicing tasks. A significant planned improvement is for borrowers to more easily access tools that FSA built through improved integration with StudentAid.gov, including single sign-on to their servicers' websites using the FSA ID. This integration will be phased to ensure borrowers have enough time to transition from their current credentials to the FSA ID.

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The fiscal year 2026 request includes costs for USDS operations and maintenance. Consistent with the Administration’s efforts to realize contract efficiencies, FSA is evaluating the pricing and contract performance structures of the new USDS contracts after the first full year of servicing operations.

### *SPECIALTY PROGRAM OPERATIONS*

In fiscal year 2024, FSA initiated the transition of the customer experience for Teacher Education Assistance for College and Higher Education (TEACH) Grants, Public Service Loan Forgiveness (PSLF), and Temporary Expanded Public Service Loan Forgiveness (TEPSLF) to the Digital and Customer Care Platform (DCC) (e.g., StudentAid.gov and Specialty Processing Subsystem), and Federal Student Aid Information Center (i.e., BPO vendors). This transition aimed to end the practice of “specialty servicing”—wherein a single servicer managed the accounts of all borrowers participating in the specialty program. There were several benefits to this approach, including:

- reducing borrower transfers between servicers,
- providing more and better opportunities for self-service,
- increasing automation and reducing processing times,
- streamlining customer service and the borrower experience,
- reinforcing the accountability mechanisms in the servicing contracts, and
- providing FSA with better management, oversight, and control of program operations.

In fiscal year 2026, FSA will focus on the ongoing operations and maintenance of this centralized system—the Specialty Processing Subsystem, Specialty Program Contact Center Support, and Fulfillment Operations—ensuring its continued effectiveness and efficiency. Borrowers can expect a more uniform and streamlined customer experience across these programs, guided by procedures developed and managed by FSA.

### ***STUDENT AID AND BORROWER ELIGIBILITY REFORM (SABER): \$120.93 MILLION***

The Fostering Undergraduate Talent by Unlocking Resources for Education (FUTURE) Act amended section 6103 of the Internal Revenue Code (IRC) to allow 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 Total and Permanent Disability (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 required 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.

## STUDENT AID ADMINISTRATION

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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 introduced 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 depended 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 2026 until FSA enables the provisions of the FAFSA Simplification Act for the 2026–2027 award year. Since fiscal year 2020, FSA estimates that \$581 million has gone toward the updates required to implement these two laws. The funding level in this request will ensure that FSA continues to make improvements to the FAFSA, while continuing to correct problems resulting from the 2024–2025 FAFSA, and is able to meet the statutory requirement to release the 2027–2028 FAFSA by October 1, 2026, as mandated by the FAFSA Deadline Act.

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

- *YEARLY UPDATES TO THE IRS INTERFACE*: Starting in fiscal year 2020 and continuing through fiscal year 2026, FSA worked on the 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.
  - In fiscal year 2025, FSA enabled the FA-DDX interface for the 2025–2026 FAFSA form while maintaining the interface for the 2024–2025 FAFSA form and IDR application. Additionally, FSA enabled enhancements to the interface including optimization of the bulk file layouts for IDR auto-recertification.
  - Funding in fiscal year 2026 will enable the yearly FA-DDX interface updates needed for the 2026–2027 FAFSA form while maintaining the interface for the

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2025–2026 FAFSA form and IDR application and allowing for improvements stemming from the Department’s return to repayment initiative.

*SIGNIFICANT CHANGES TO FSA SYSTEMS:* Starting in fiscal year 2021 and continuing through fiscal year 2026 FSA will update systems and processes to continue enabling the provisions of the FUTURE Act and FAFSA Simplification Act for the 2023–2024, 2024–2025, 2025–2026, and 2026–2027 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 2025–2026 award year.
- In fiscal year 2024, FSA continued to build the AED solution for both the 2024–2025 and 2025–2026 award years, which is 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.
- In fiscal year 2025, FSA initiated the final stages of decommissioning the existing Central Process System (CPS) solution as the AED solution handles two concurrent FAFSA cycles.
- Funding in fiscal year 2026 will enable FSA to implement the remaining provisions of the FAFSA Simplification Act including coordination with other federal agencies to reduce the potential for fraud, handle means-tested benefit programs, and changes to the FAFSA experience based on continuous consumer testing. The improvements include real-time identity matching with the Social Security Administration, real-time status verification with the Veteran’s Administration, and the ability for students and families to rollover their personal data into a new cycle’s application. Additionally, FSA will continue to support 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 2026, FSA will 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 2026–2027 award year. Additionally, FSA will 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 sustained the training, communications, and support activities with its

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partners. These activities included continuous updates to partner communications (e.g., Financial Aid Toolkit, Partner Connect), webinars, and preview presentations. In fiscal year 2025, FSA supported the training, communications, and support activities with its partners for the 2025–2026 award year, which include in-person presentations to state association and regional conferences.

- Funding in fiscal year 2026 will enable FSA to maintain ongoing communications and outreach events to schools, families, and partners in support of the 2026–2027 FAFSA.

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 decommissioned the IRS Data Retrieval Tool (DRT) solution for the IDR form in fiscal year 2024 and decommissioned the IRS DRT solution for the FAFSA form in fiscal year 2025 once the 2025–2026 FAFSA form was fully implemented.

### ***FSA IT ACTIVITIES: \$173.50 MILLION***

FSA leverages technology to enable millions of applicants to apply for student aid and, when it becomes time to repay, to seamlessly leverage technology to pay back their student loans. Technology is leveraged to ensure that FSA can scale and support its strategic objectives through sound planning, investments, and integrated technology architectures and standards. FSA technology investments enable robust deployments of the FAFSA, oversight of enterprise operations, automation leveraging technology services, and digital delivery of capabilities that empower FSA to innovate and scale. In fiscal year 2026, FSA will continue to modernize the process for the acquisition and management of technology to improve mission delivery while increasing cost efficiency.

FSA takes the ongoing security threats to operations and the risk of compromising students' and borrowers' personal information within FSA and across institutions of higher education seriously. With increased cybersecurity risks across government and organizations, security threats may come in many forms including legacy systems, patching vulnerabilities, ransomware, and phishing attacks. FSA is dedicated to working with schools to safeguard students' data and has provided multiple presentations and guidance to education professionals on FSA's role in assisting schools with addressing Gramm-Leach-Bliley Act (GLBA) cybersecurity audit findings, and cybersecurity incidents. 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, as well as 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.

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### *FSA CYBERSECURITY PROGRAM*

The FSA Cybersecurity Program protects millions of sensitive information that reside in FSA's IT assets including data, IT infrastructure, and applications for the third largest Federal repository of sensitive personally identifiable information (PII), as well as its \$1.6 trillion student loan portfolio. The FSA Cybersecurity Program provides cybersecurity guidance for the pillars that make up FSA, which are Awareness, Application, Disbursement, and Repayment. Each of these pillars are represented by systems that the FSA cybersecurity program protects from cyber threats. The FSA Cybersecurity Program strives to improve IT security by increasing situational awareness, improving monitoring of assets, providing timely 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.

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 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 were established under the GLBA, creating a 466 percent increase in cybersecurity requirements, concerning the handling of Federal Tax Information (FTI) and Controlled Unclassified Information (CUI), which required an increase in oversight and outreach activities. Institutions received 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. The fiscal year 2026 request addresses 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, reported cybersecurity incidents, and cyber threats, as well as the need for expanded communications and outreach.

**Identity and Access Management (IAM):** IAM includes the Access and Identity Management System (AIMS) and Person Authentication Service (PAS) 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 100 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 single sign-on to multiple applications, thereby enforcing standardized security requirements such as identity, password complexity, and multi-factor authentication.

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Next Generation Data Center (NGDC): NGDC serves as one of the host facilities for FSA applications 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 2026 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 1.3 upgrade). This investment is necessary for planning the closure of the physical data center and migration of applications to the cloud environment.

### *FSA IT MANAGEMENT*

The FSA IT Management investments provide essential support to assist the FSA enterprise, with Enterprise Architecture and Engineering (EAE), Enterprise Change Management (ECM), and enterprise testing services. The support and services provided in each functional area are critical to the operational support and execution of FSA IT activities for FSA technical and business stakeholders.

Enterprise Software Licensing (ESL): ESL is the agency's licensing expense that supports numerous organizations in FSA by providing technologies and platforms for business systems leveraging economies at scale to reduce overall costs. 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, Debt Management, NGDC's migration to an integrated cloud structure, licenses transitioning from the SABER initiative and other enterprise activities.

Student Aid Internet Gateway (SAIG): The SAIG system and the Electronic File Transfer (EFT) process provide 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 process is used by FSA systems to transmit and receive data for processing by government agencies, including the Social

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Security Administration, the Department of Veterans Affairs, Department of the Treasury, and the Department of Homeland Security. FSA intends to retire the SAIG process in fiscal year 2026.

### *FSA CORE SYSTEMS AND OTHER FSA ACTIVITIES: \$409 MILLION*

There are various core systems and FSA activities that assist in federal student aid delivery throughout the student aid lifecycle, which includes 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. In fiscal year 2026, FSA will continue modernization activities to achieve greater efficiencies in the acquisition and delivery of core system and support operations to support increased investments for priority operational areas over the long-term.

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

### *STUDENT AND BORROWER ENGAGEMENT*

FSA utilizes a variety of solutions to deliver an integrated capability that supports our contact center operations, customer support, and digital presence. It is crucial to clearly distinguish between the Digital and Customer Care platform (DCC) and the Business Process Operations (BPO), even though they may appear to overlap.

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 to support 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, or 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 to Title IV recipients. The BPOs are the backbone of 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.

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### DIGITAL AND CUSTOMER CARE (DCC)

Digital and Customer Care, or DCC was launched in 2019 to provide a unified environment and serve as the digital front-door for over 150 million students, parents, and borrowers (together referred to as FSA’s customers) 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. DCC enables these customers to interact with FSA through their preferred communication channel, including phone, customer service chat, virtual assistant (Aidan), email, text, and social media. In fiscal year 2025, FSA reviewed the DCC for contract efficiencies and was successful in reducing the number of unnecessary functions without impacting students and families.

The fiscal year 2026 request will continue to support the following:

- Operations and maintenance. DCC must provide support for FSA’s 1-800 number for reaching FSAIC, the digital platform (StudentAid.gov, FAFSA, and other workflows), the customer care platform for the BPO contact center, Aidan (virtual assistant), Medallia surveys and BPO transcripts and the marketing and communications platforms. DCC also provides the infrastructure for the Specialty Processing Subsystem needed for operations and maintenance of specialty programs (e.g., PSLF, TEACH, and TPD), but this investment is called out in the Loan Servicing Activities section, under “Specialty Programs Operations.”
- Cloud hosting, operation, and maintenance. DCC must continue support of the secure cloud environment that provides hosting for back-end systems and FSA platforms, including but not limited to National Student Loan Data System (NSLDS), Enterprise Data Management and Platform Services (EDMAPS), CRM Salesforce, Google DialogFlow (AI chat platform), Medallia, Telephony Contact Center, and FSA’s marketing and communications platform (Adobe Campaign). It must also continue managing software and hardware licenses, which are critical for operations and maintenance.
- Support and fund third-party change requests. As the digital front door, DCC must ensure a seamless connection and support changes to back-end systems (referred to as “third-party impacts”).

The fiscal year 2026 funding request supports the current DCC contract.

### BUSINESS PROCESS OPERATIONS

Serving as a centralized entry point to FSA customer support, the BPO investment aims to make it easier for customers to get the support they need throughout the student aid lifecycle, resulting in improved customer satisfaction and experiences commensurate with leading financial services.

The most common number used to contact FSA, 1-800-4FED-AID, connects customers to FSAIC and improves the customer experience by simplifying navigation and providing access to the most relevant assistance.

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Customers interact with BPOs via calls, chats, webform emails, and postal correspondence (both control and non-control) in both English and Spanish. BPO vendors are responsible for handling millions of customer interactions per year, including not only direct contacts but also critical back-office processing to ensure the integrity and efficiency of our services. BPO agents provide customers with answers and resolutions to their issues within the BPO scope, or they direct customers to their servicer or to FSA when needed.

Within the last year, the specialty programs were transitioned to FSA from servicers, allowing customers to call FSAIC for any questions related to PSLF, TEACH Grants, and TPD discharge. This process simplifies the customer experience and drives efficiency. In addition, FSA introduced a new contact number for borrowers with questions about loan discharge or cancellation. This number also connects the customer with a BPO agent and expedites the process for borrowers with questions on PSLF, TEACH, and TPD topics.

Key areas of support and services provided by BPO vendors include:

- General information about federal student aid: Agents provide comprehensive details about available federal student aid programs, including grants, loans, and work-study opportunities.
- Assistance with FAFSA: Agents support students and parents in completing their FAFSA form, including assisting with filling out the form, resolving discrepancies, resolving login issues/password resets, providing technical support, and assistance with submitting the form.
- StudentAid.gov account: Agents assist individuals in creating and managing their StudentAid.gov username and password (sometimes referred to as the FSA ID), which is used to log into StudentAid.gov. This is FSA's authentication credential for students, 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: Agents provide information about various loan repayment plans, managing loan payments, changing repayment plans, consolidating loans, or applying for loan forgiveness programs.
- Troubleshooting and problem resolution: Agents support the submission of Feedback ("Complaint") cases, both through the FSA Ombudsman and on StudentAid.gov. They also complete back-office triage on those cases to resolve them where possible or escalate them to the appropriate entity, such as to FSA or to a loan servicer.
- Loan consolidation: Agents offer information and assistance about consolidating eligible student loans. BPO vendors guide borrowers through the application process and help borrowers understand the implications of consolidation.
- PSLF information: Agents provide details about the PSLF program, including eligibility requirements, the application process, and guidance on how to submit form. They also

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provide technical support for the PSLF Help Tool on StudentAid.gov, process PSLF reconsiderations, and assist with processing of PSLF employer eligibility requests.

- Customer service and intake for borrower defense to repayment (BD): Agents provide assistance to borrowers who wish to apply for BD. BPO vendors handle processing of BD applications, offer guidance on how to complete and submit necessary documentation, explain the review process, and provide updates on the status of applications.
- PLUS credit counseling and credit decision appeals: Agents provide advice and support for borrowers who need help understanding their credit as it relates to PLUS eligibility. They also assist those who wish to appeal a credit decision related to their eligibility for a PLUS loans.
- TEACH Grants: Agents offer 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, provide counseling related to these grants to ensure recipients understand their obligations, and provide processing of TEACH deferment and discharge forms.
- TPD discharges: BPO vendors provide customer service to borrowers seeking guidance and assistance with applying for TPD. This support includes reviewing forms submitted by borrowers and applicant representatives.
- Customer listening: Agents provide 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 (OIG): Agents research 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 hands-on support to help customers make informed decisions about their education financing and fulfill their financial obligations.

In fiscal year 2025, FSA reviewed the BPO contract for efficiencies and was successful in reducing pricing without impacting students and families. The fiscal year 2026 request envisions recompeting the current BPO contract, which expires in June 2026. The new contract must continue to support FSAIC operations and public-facing support, which is maintained by BPO vendors who provide the resources to answer customer calls, chats, and emails, and to complete back-office processing tasks for lines of business including OIG, Borrower Defense, FAFSA, and credit appeals. The request includes funding for the initial set-up and on-going expenses for data and telecom services for one year, tasks BPO vendors will need to complete to be production ready, Authority of Operate requirement, and training of new vendor agents.

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### *INSTITUTION ENGAGEMENT AND PROGRAM COMPLIANCE*

#### **FSA PARTNER CONNECT**

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. The initial release of FSA Partner Connect featured the Knowledge Center, which replaced the Information for Financial Aid Professionals website. The redesigned site offered a new look and feel, streamlined information, and improved search capabilities.

Additionally, the initial launch introduced other functionality such as the Partner Dashboard to offer a snapshot of data related to FSA, schools, or third-party organizations. FSA Partner Connect also enabled access to student, parent, and borrower accounts, providing a comprehensive and consolidated view of account information. This included access to the StudentAid.gov “student view,” which gives users “view-only” access to the same screens that a student or borrower associated with their organization sees when interacting on StudentAid.gov.

Following the completion of the initial release, in early 2023, FSA successfully integrated a redesigned 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.

Then in late 2023, FSA launched the redesigned Application for Approval to Participate in the Federal Student Financial Aid Programs (E-App) and the reengineered Postsecondary Education Participants System (PEPS), replacing one of FSA’s oldest and most technically vulnerable systems. In December 2023, FSA was able to deploy an extensively redesigned version of the E-App; a new online version of the Third-Party Servicer Inquiry form; as well as an easier way to capture signatures from users by leveraging DocuSign digital signing capabilities.

In fiscal year 2025, FSA implemented additional capabilities and integrated partner-facing sites into FSA Partner Connect. Specifically, FSA integrated and retired the legacy Participation Management site (fsawebenroll.ed.gov), which allowed schools, loan servicers, and other partners to enroll and manage access to FSA systems. The new solution provides enrollment access and role management for school partners, FSA employees, FSA contractors, and other partners. Additionally, the third release established a School Health Model.

Overall, these initial efforts result in the retirement of six total individual FSA partner-facing sites with future to integrate an additional eight sites into FSA Partner Connect. The integration of these sites also provides FSA with the opportunity to modernize dated business functionality and streamline processes for partner users, FSA staff, and contractors working to manage Title IV aid administration. When complete, Partner Connect will serve as the primary entry point for the various Title IV business functions for schools 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.

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The fiscal year 2026 request is to continue to operate and maintain the partner platform and integrated partner functions. In an operational role, funding is primarily used to maintain the system and include the following key management functions:

- FSA Partner Connect (O&M) & Infrastructure—This funding includes: (1) Partner Connect Learning Management System, (2) FSA Training Conference, (3) Electronic Signature, and (4) O&M for the three major scope releases of FSA Partner Connect.
- Partner Connect Customer Service—Customer service is provided for Partner Connect through the TIVOD contact center.

### **EZ-AUDIT**

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.

### **CONFERENCE MANAGEMENT**

In support of FSA's mission to administer the Title IV student aid programs, FSA hosts an annual training conference 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 national financial aid related conferences. Depending upon the training delivery method, FSA trains between 6,500 and 18,000 financial aid professionals and disseminates information about Title IV programs through these forums.

### **DATA MANAGEMENT**

#### ***TITLE IV ORIGINATION AND DISBURSEMENT SYSTEM AND CUSTOMER SERVICE TRANSITION AND UNDERLYING SYSTEMS***

The Title IV Origination and Disbursement or TIVOD contract provides partner-facing customer service and engagement by centralizing operations to deliver an exceptional experience, enabling self-service, analytics, and compliance and guarantee timely and efficient origination, disbursement, and servicing of Title IV aid. The new contract put in place in fiscal year 2025 worked towards modernization by de-scoping certain systems and grouping like services within the appropriate technological platforms allowing FSA to be more adaptive and scalable. It was structured to promote transparency and allow for increased visibility, planning, and collaboration through centralized tools and standardization across teams and projects.

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### *COMMON ORIGINATION AND DISBURSEMENT (COD)*

COD provides educational institutions a simplified and shared process for requesting, reporting, and reconciling Title IV funds. The COD system originates and tracks the disbursement of more than \$135 billion in new Title IV Aid to millions of student recipients every year. 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 and borrower defense; 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. The COD System supports Pell Grants, Iraq & Afghanistan Service Grants (IASG), TEACH Grants, Campus Based programs (Federal Supplemental Educational Opportunity Grants, Federal Work Study, Perkins) and Direct Loans.

### *NATIONAL STUDENT LOAN DATA SYSTEM (NSLDS)*

NSLDS fulfills a congressional mandate from the Higher Education Act of 1992 and serves as the comprehensive resource on disbursed Title IV aid. Its data is used to support the Departments' commitment to protecting students' and taxpayers' investments by using student aid and enrollment data to promote transparency in college value and student outcomes. 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.

It is also used by educational institutions, lenders, and servicers participating in Title IV HEA programs to track and manage aid eligibility and support administration and collection of funds. Information maintained in NSLDS is used by the Department for oversight and administration activities and it is shared with stakeholders including the White House, Congress, Government Accountability Office (GAO), OIG, and other federal agencies for budgeting, planning, and compliance with federal regulations.

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.

### *ENTERPRISE DATA MANAGEMENT AND ANALYTICS PLATFORM SERVICES (EDMAPS)*

The EDMAPS investment supports FSA through the administration and continued development of a unified data management platform within FSA. It is an enterprise data repository with enterprise-level data architecture and standards, as well as enterprise data services. The EDMAPS investment includes enhancements, operations, and maintenance of EDMAPS and its components (Enterprise Data Warehouse and Analytics (EDWA), Federal Tax Information Data

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Mart (FTIDM), Data Lake, Person Master Data Management (PMDM), and the Document Repository). EDMAPS provides a unified data platform and common data environment for FSA to improve accuracy and consistency of aid lifecycle data while leveraging advanced cybersecurity measures to reduce the risk associated with managing PII. EDMAPS acquires, integrates, and stores data from some of FSA's largest data platforms, including the NSLDS, FAFSA Processing System, COD, DCC, loan servicers, Partner Connect, and processing systems and makes it available to users and systems.

- 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. 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 is leveraged in daily operations through outreach to borrowers at risk of default and to mitigate the risk of fraud in the Title IV programs. EDWA is also leveraged to improve institutional compliance and detect bad actors.
- The FTI Data Mart acquires data from two primary sources: the FTI Module, which sends FTI and PII data, and EDMAPS, which sends customer, loan, and related historical data. This Mart is used for analytics, visualizations, dashboarding, and reporting by a limited number of analysts.
- Person Master Data Management (PMDM) is a mission-critical data system, containing a database of “master” records of customer basic information sourced from other FSA systems. The types of customer data mastered and maintained within PMDM includes customer identifiers, name, address, phone, mobile phone, email, demographic, preferred contact method, employer information, and attributes. This data is then provided to DCC, USDS, IDR, and FAFSA on either a real-time basis for individual records, or batch basis for groups of records.
- Data Lake has two zones: the “Raw” zone, which has a directory structure to place incoming data files from various systems; an “Archive” zone, which currently stores historical data; a “Consumer” zone which holds user-created data files; and the “Document Repository” zone which securely holds digitized versions of paper applications for specialty programs, and loan servicing-related documents. The data lake holds about 144TB of data.
- The Document Repository receives, loads, curates, and archives unstructured documents, such as Portable Document Format (PDF), Word, Excel, PowerPoint, plain text, image files, and audio files establishing a master copy of key data entities.

### FINANCIAL MANAGEMENT SYSTEM (FMS)

FMS consolidates and manages all financial transactions from other FSA systems; facilitates reconciliation and internal program management and reporting; and tracks and manages payment

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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 the Title IV programs.

### ***INSTITUTIONAL OVERSIGHT: \$1.40 MILLION***

In fiscal year 2025, FSA combined its independent higher education compliance activities into the Office of Institutions of Higher Education Oversight and Enforcement. The Office oversees eligibility, enforcement, and accountability functions related to institutions of higher education, and is responsible for ensuring these institutions participating in FSA programs comply with statutory and regulatory requirements. The Office's focus is to protect students and taxpayers by ensuring that institutions of higher education uphold their responsibilities under federal law. The fiscal year 2026 request will sustain FSA's investment in support tools to continue this important compliance work, and the items described below.

1. Borrower Defense Adjudication and Sweet Settlement Support
  - As has been stated in prior requests, the *Sweet* settlement legally requires the Department to adjudicate an unprecedented number of applications. The Department continues to receive thousands of borrower defense applications each month that will need to be adjudicated to clear any backlog in fiscal year 2026.
2. Enforcement Operations
  - This investment supports operations for enforcement work, which includes funding for the Department of Justice's e-Discovery system, Westlaw, and Court Electronic Records. The Investigations and Borrower Defense Branches require these tools to research applicable laws and regulations and to organize and analyze large document productions.

### ***PC&B AND NON-FSA ACTIVITIES: \$354.11 MILLION***

#### *PERSONNEL COMPENSATION AND BENEFITS*

During fiscal year 2025, FSA started restructuring its workforce as part of the FSA modernization effort. This strategic undertaking allowed FSA to ensure long-term sustainability and growth by streamlining operations and aligning resources to future needs. Capitalizing on these opportunities, FSA created a more agile, efficient, and innovative organization, ultimately benefitting our students, taxpayers, and partners. Through fiscal year 2026, FSA intends to continue attracting and retaining top talent, optimizing current resource allocations while successfully meeting statutory requirements. FSA's PC&B request is \$209.18 million, a decrease of \$86.52 million from fiscal year 2024. The costs include awards, and overtime. The budget request supports 836 Full-Time Equivalent (FTE) in FSA, a decrease of 732 FTE from fiscal year 2024. FSA is managing the reorganization of its workforce to ensure minimal disruption for core mission operations, through information sharing, knowledge transfer, centralizing of redundant capabilities, and more effective cross-functional deployment of teams.

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### *OVERHEAD AND OTHER NON-FSA ACTIVITIES*

The SAA account 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.

### **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.

### **FISCAL YEAR 2025–2026 PERFORMANCE INFORMATION**

#### **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 a superior customer experience, resulting in positive repayment outcomes and reduced defaults.

***Strategic Objective 1.1:** Improve the student loan repayment process to improve on-time payments and reduce future delinquency and default rates.*

**Performance Indicator 1.1.A:** Percentage of borrowers using auto-debit.

Indicator Definition: This performance indicator measures the percentage of borrowers actively enrolled in auto-debit repayments. The numerator is the number of borrowers who are in a post-repayment loan status that the USDS servicers report with the auto-debit bill type. The denominator is the total number of borrowers in a post-repayment loan status (statuses of repayment, forbearance, and deferment).

Year	Target	Actual
2024	23.9%	21.5%
2025	Maintain or increase	—
2026	Maintain or increase	—

**Additional information:** In fiscal year 2024, FSA did not meet its target but saw drastic improvement since the ending of the payment pause in September 2023. The September 2024 point-in-time (actual) result is 23.6 percent, with the four-quarter moving average (the cumulative result) at 21.5 percent. The beginning of fiscal year 2024 actual reached a low point

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in September 2023 due to the unenrollment of borrowers from auto-debit who did not opt back into auto-debit before the end of the COVID-19 payment pause. Additional impacts to auto-debit sign up over the past year included millions of borrowers being put into forbearances due to return to repayment remediation efforts, on-going forbearances because of court actions related to SAVE (Saving on a Valuable Education) and IDR, and the awareness and application of on-ramp forbearances.

Throughout fiscal year 2024, there was steady improvement in borrowers signing up for auto-debit because of outreach and communications by FSA and its loan servicers to promote auto-debit to borrowers to achieve the 23.9 percent target as of September 2024. This is nearly the same rate seen before the COVID-19 payment pause in fiscal year 2020. As outreach continues and as many borrowers who may have not yet seen the need to enroll in auto-debit as a means of making their monthly student loan payment begin to do so, borrowers in auto-debit is likely to increase.

***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: This indicator measures the percentage of contractor interactions reviewed that received a passing score of 95 percent. The indicator measures the percentage of contractor interactions reviewed and that received a passing score as defined in their Service Level Agreements.

Year	Target	Actual
2024	≥95%	98.6%
2025	≥95	—
2026	≥95	—

**Additional information:** In fiscal year 2024, FSA met its target. FSA’s team that scores these interactions reviewed thousands of customer interactions despite significant staffing challenges. Regular touchpoints with Direct Loan servicers also helped FSA share observations from these reviews to help improve customer service.

***Strategic Objective 1.3:*** Engage with stakeholders to improve delivery of student aid.

**Performance Indicator 1.3.A:** Surveys to third-party stakeholders.

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Year	Target	Actual
2024	Baseline	7.0%
2025	Maintain or increase	—
2026	Maintain or increase	—

**Additional information:** During fiscal year 2024, FSA held 500 engagements with a variety of stakeholders to solicit feedback on topics including student loan repayment, and FAFSA rollout. Following five of these engagements, FSA invited participants to complete a newly designed and updated survey to collect feedback on FSA’s delivery of student financial aid. During fiscal year 2024, FSA sent the survey to 182 meeting participants and received 13 responses for a response rate of 7 percent.

Twelve of the 13 respondents rated their level of agreement with the statement that they were “satisfied” with FSA’s administration of federal student aid: Strongly Agree (3), Agree (5), Neither Agree or Disagree (2), Disagree (1), and Strongly Disagree (1).

The survey also asked questions about the Ombudsman Office’s strengths, areas for improvement, responsiveness, and accessibility. Respondents typically agreed or strongly agreed when asked if the Ombudsman Office values their input, is accessible, and is responsive to questions and feedback. Respondents also agreed or strongly agreed that they understood how to contact the Ombudsman Office for follow up and that they found their meeting with the Ombudsman Office worthwhile.

**Strategic Objective 1.4:** *Address complaints and inquiries regarding financial aid products and services.*

**Performance Indicator 1.4.A:** Accuracy of business process operations.

Indicator Definition: This performance indicator measures the accuracy with which BPO populate the data fields and route the cases within Salesforce.

Year	Target	Actual
2024	≥58%	≥87%
2025	Maintain or increase	—
2026	Maintain or increase	—

**Additional information:** In fiscal year 2024, FSA met its target. Mid-year data shows case categorization accuracy at 87 percent. This is a 29 percent increase from fiscal year 2023. The QM Group credits this to discussions with BPOs during monthly check-ins reiterating correct categorization.

### **Strategic Goal 2: 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. Increasing

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access to financial assistance options will help eligible students and families gain the benefits of education and training beyond high school.

**Strategic Objective 2.1:** *Simplify the FAFSA® process.*

**Performance Indicator 2.1.A:** Customer satisfaction survey score associated with completing the free application for Federal Student Aid (FAFSA) form.

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

Year	Target	Actual
2024	80	80
2025	Maintain or increase	—
2026	Maintain or increase	—

**Additional information:** In fiscal year 2024, FSA met its target. The completely revised FAFSA form launched in December 2023, after implementing the significant changes specified in the FAFSA Simplification Act and FUTURE Act. In April 2024, after the inclusion of survey responses from customers making corrections to their FAFSA, there was a decrease in satisfaction scores. This is the first year in which feedback from customers making corrections to their FAFSA were available and therefore included in the results. However, the overall satisfaction score, which includes customers who initially completed their FAFSA and those that made corrections, saw a steady increase due to improvements made throughout the fiscal year.

**Strategic Objective 2.2:** *Provide accurate, seamless, easy, and customized interactions throughout the student aid lifecycle.*

**Performance Indicator 2.2.A:** StudentAid.gov Digital Satisfaction.

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

Year	Target	Actual
2024	≥72 <sup>1</sup>	60
2025	Maintain or increase	—
2026	Maintain or increase	—

**Additional information:** In fiscal year 2024, FSA did not meet its target. StudentAid.gov Digital Satisfaction performance indicator’s score decreased from the previous year. A primary driver of the decrease was the timing of the FAFSA form release (shifting from October 1, 2023, to December 2023) and the staggered releases of FAFSA processing and FAFSA corrections.

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<sup>1</sup> For 2.2.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#.

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However, the satisfaction score did begin to rebound after FAFSA processing and corrections were available to the public. FSA has taken steps to improve the delivery of the next FAFSA form and to improve communication to customers and partners, including the launch of the 2025–2026 FAFSA form on October 1, 2024, for the start of beta testing.

**Performance Indicator 2.2.B:** StudentAid.gov Post-transaction Satisfaction.

Indicator Definition: This performance indicator measures customers’ overall satisfaction after completing a transaction on StudentAid.gov.

Year	Target	Actual
2024	≥83	82
2025	Maintain or increase	—
2026	Maintain or increase	—

**Additional information:** In fiscal year 2024, FSA did not meet its target. StudentAid.gov Post-transaction Satisfaction performance indicator’s score slightly decreased from the previous year. Over the course of four major releases and various minor releases, FSA implemented more than 240 improvements to about 30 products on StudentAid.gov. There were declines in satisfaction in January and April that align with the release of the 2024–2025 FAFSA and FAFSA corrections, respectively. As improvements were made to the FAFSA form and other online products, the satisfaction score began to rise once again in May to the target goal.

**Performance Indicator 2.2.C:** Contact Center Customer Satisfaction.

Indicator Definition: This performance indicator measures customers’ overall satisfaction based on their interactions with FSA contact centers that are operated by BPO vendors.

Year	Target	Actual
2024	≥71	52
2025	Maintain or increase	—
2026	Maintain or increase	—

**Additional information:** In fiscal year 2024, FSA did not meet its target. Contact Center Customer Satisfaction performance indicator score decreased from the previous year. Contact center volumes, which peaked in January 2024, continued to be extremely high during Q2, with most inquiries associated with the release of the 2024–2025 FAFSA. A large spike in contact center volume and increased handle times associated with FAFSA deployment and functionality affected almost all contact channels. As a result, customer complaints about long wait times led to low customer satisfaction scores. Key BPO performance metrics continued to improve, including significant reductions in calls that went straight to a message stating that the contact center was experiencing extremely high call volume, abandon rates, and customer wait times as contact center call and chat volumes continued to level off coming out of the FAFSA summer peak season. Volumes were much higher than forecasted and there wasn't staffing capacity to support those volumes. Also increased handle times associated with the fiscal year 2024–2025

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FAFSA impacted that capacity. For the 2025–2026 release, the FSA/BPO command center team remains engaged with various FSA stakeholders/business units on several fronts to enhance existing processes and develop new initiatives.

### **Performance Indicator 2.2.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.

Year	Target	Actual
2024	79	58
2025	Maintain or increase	—
2026	Maintain or increase	—

**Additional information:** In fiscal year 2024, FSA did not meet its target. Email Campaign Helpfulness performance indicator’s score decreased from the previous year. Email campaigns were conducted for the following initiatives: Fresh Start, SAVE Promotion, Return to Repayment, and the FAFSA. The main contributing factor for the decrease in scores was the FAFSA email campaign. Emails were sent out to inform applicants about changes to the application, promotion for completing the application, and the delay of the launch of the FAFSA. FSA increased the volume of emails sent to customers with customized messages based on a variety of different circumstances. However, FAFSA applicants expressed frustration over the number of communications coming from the Department. For future improvements, FSA will continue to monitor and adjust FAFSA communication to ensure customers are informed of known issues with the FAFSA and next steps on how to navigate known issues with the FAFSA but will adjust the frequency of campaigns based on customer feedback.

### **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, FSA provides training and technical assistance 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.

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**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.

Year	Target	Actual
2024	60%	79.1%
2025	80	—
2026	90	—

**Additional information:** In fiscal year 2024, FSA met its target. FSA used Comprehensive Compliance Reviews (CCRs) to evaluate participating schools that were experiencing potential problems in the administration and management of Title IV funds. Reviews were prompted by oversight events such as recertification, initial applications, reinstatement of Title IV eligibility, deficient annual audits, flagged annual financial statements, and risk-based program review candidate assessments. Strategic Objective 3.1 measures CCR completions to evaluate 100 percent of high-risk partner institutions over the five-year strategic plan period. High risk was defined as schools that are provisionally certified. In fiscal year 2023 there were 889 schools in a provisionally certified status. During fiscal year 2023, FSA provisionally certified another 207 schools. Accordingly, the unduplicated number of schools considered in the denominator for the fiscal year 2024 annual target goal performance metric was increased by an equal amount, from 889 schools to 1,096 schools. The fiscal year 2024 annual target goal was to conduct CCRs on 60 percent of the 1,096 provisionally certified schools. By the end of fiscal year 2024, FSA conducted CCRs for 867 of 1,096 provisionally certified schools representing 79.1 percent of the target universe of provisionally certified schools. FSA surpassed its fiscal year 2024 annual target goal by 19.1 percent.

**Strategic Objective 3.3:** *Provide effective partner outreach, training, and technical assistance.*

**Performance Indicator 3.3.A:** Institutional participation rates in Title IV training and specialized technical assistance programs.

Indicator Definition: This performance indicator measures the percentage of institutions participating in training and technical assistance programs using the OPEID of the school.

Year	Target	Actual
2024	80–82%	86%
2025	Maintain or increase	—
2026	Maintain or increase	—

**Additional information:** In fiscal year 2024, FSA met its target. To measure success of this objective, FSA tracks participation rates based on unique Office of Postsecondary Education Identification (OPEID) numbers. An OPEID is assigned by the Department to schools that participate in Title IV programs. The performance target for fiscal year 2024 was to reach 80–82

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percent of schools participating in Title IV programs. Training, technical assistance, and outreach activities exceeded the annual indicator targets. Of note, the Training and Information Services Group (TISG) provided training and technical assistance services to more than 51,776 individual staff from 4,628 schools. This represents 86 percent of all Title IV participating institutions. The 86 percent reflects FSA's method of counting an OPEID number once regardless of the number of events attended using that OPEID or the number of people from an institution who attend different events using the same OPEID.

### **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.

### **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.

Year	Target	Actual
2024	71	N/A
2025	73	—
2026	75	—

**Additional information:** Starting in fiscal year 2024, the Department's Chief Data Officer (CDO) changed the schedule for POC DMAs and will conduct the POCs' DMAs only in alternating years. The next CDO assessment of FSA is being conducted for fiscal year 2025. To maintain the continuity of assessment, FSA has elected to perform self-assessments for the years between CDO assessments.

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**Performance Indicator 5.1.B:** Successful maintenance and use of statistical models in Title IV operations.

Indicator Definition: This performance indicator measures the successful development, maintenance, and use of statistical models in Title IV operations to promote better outcomes for customers.

Year	Target	Actual
2024	9	9
2025	Maintain or increase	—
2026	Maintain or increase	—

**Additional information:** In fiscal year 2024, FSA met its target. FSA has been developing and maintaining models to assess school-related risk. During this fiscal year these models have undergone significant maintenance and development to accommodate changes resulting from the pandemic. Three of these models will be incorporated into the new School Health Dashboard and will empower FSA to proactively manage school risks and make informed decisions. It will help to align employee efforts with our strategic goals by providing transparency, enhancing communication, and promoting data-driven decision.

FSA provides incentives to servicers to provide enhanced servicing to at-risk customers. To implement these incentives, FSA uses a model to assess borrower default risk that is leveraged to determine which customers a servicer should consider at-risk. Lists of borrowers are provided to servicers quarterly as part of this effort. Similarly, servicers are incentivized to provide additional attention to at-risk customers by giving those borrowers' outcomes additional weight when determining new customer allocations.

**Performance Indicator 5.1.C:** Implement New Statistical Modeling Initiatives.

Indicator Definition: This performance indicator measures the successful development and use of statistical models in Title IV operations to promote better outcomes for customers.

Year	Target	Actual
2024	2	2
2025	Maintain or increase	—
2026	Maintain or increase	—

**Additional information:** In fiscal year 2024, FSA met its target.

**Strategic Objective 5.2:** *Continuously improve systems, structures, and operations to enhance organizational efficiency and performance.*

**Performance Indicator 5.2.A:** Operational Performance

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Indicator Definition: This performance indicator measures the effectiveness of the organization's financial planning and budget execution processes, management of financial systems, and compliance with applicable laws, regulations, and policies.

Year	Target	Actual
2024	Enhance continual delivery and implementation of improved Financial Management and support sound investment decision making to effectively drive FSA's mission.	Yes
2025	Maintain or increase	—
2026	Maintain or increase	—

**Additional information:** In fiscal year 2024, FSA met its target.

***Strategic Objective 5.3: Enhance procurement planning, management, and execution.***

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**Performance Indicator 5.3.A:** Time-duration estimates for procurement-related tasks for use in Program Schedules.

Indicator Definition: This performance indicator captures the time-duration estimates necessary to complete procurement-related tasks, included in the Procurement Acquisition Lead Time (PALT) associated with meeting programmatic needs through an acquisition. As defined by the Federal Government, PALT is the time from date of solicitation issuance through the date of award.

Year	Target	Actual
2024	Identify requisite tasks and durations for other procurement methods (e.g. schedule buy, GWAC, 8(a)) based upon law, regulation, policy, and historic performance. Identified requisite tasks and durations for Government policy's preferred procurement method, i.e., full and open competition.	Identified requisite tasks and durations for Government policy's preferred procurement method, i.e., full and open competition.
2025	Maintain or increase	—
2026	Maintain or increase	—

**Additional information:** In fiscal year 2024, FSA met its target.

**Performance Indicator 5.3.B:** Plan, develop and implement a new investment management process aligning acquisitions, budget, and human capital with program planning.

Indicator Definition: This performance indicator will allow improvement to internal processing timelines for budget formulation, budget execution, execution of contractual instruments and delivery of program needs.

Year	Target	Actual
2024	Development	Planning
2025	Maintain or increase	—
2026	Maintain or increase	—

**Additional information:** In fiscal year 2024, the Department contracted a new Acquisition Management System to manage the end-to-end acquisitions process. It was implemented in the first quarter of fiscal year 2025. In addition, FSA reinstated an Internal Review Board, a governance body including Acquisitions, Finance, Human Resources, and other key functions across the Agency.

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*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 the agencies' progress toward achieving compliance with the five major FISMA categories (Identify, Protect, Detect, Respond, and Recover) that strengthen Federal cybersecurity, including implementing the Administration's priorities and best practices.

Year	Target	Actual
2024	70% at Level 3 or higher	100%
2025	80% at Level 3 or higher	—
2026	90% at Level 3 or higher	—

**Additional information:** In fiscal year 2024, FSA met its target.

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### ACCOUNT SUMMARY TABLE

FY 2026 President's Budget (in thousands of dollars) for the Department of Education	Cat Code	2024 Final Appropriation	2026 Request	2026 Request Compared to 2024 Final Appropriation Amount	2026 Request Compared to 2024 Final Appropriation Percent
<b><i>Student Aid Administration (HEA I-D and IV-D, section 458)</i></b>					
1. Salaries and expenses	D	1,058,943	1,058,943	0	0.00%
2. Servicing activities	D	1,000,000	1,000,000	0	0.00%
<b>Total Appropriation, Student Aid Administration (HEA I-D and IV-D, section 458)</b>	<b>D</b>	<b>2,058,943</b>	<b>2,058,943</b>	<b>0</b>	<b>0.00%</b>

NOTES:

1) D = discretionary program; M = mandatory program

Detail may not add to totals due to rounding.