



National Association of
Independent Colleges and
Universities

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September 12, 2023

The Honorable Kay Granger, Chair
Committee on Appropriations
U. S. House of Representatives
Washington, DC 20515

The Honorable Patty Murray, Chair
Committee on Appropriations
U. S. Senate
Washington, DC 20510

The Honorable Rosa DeLauro, Ranking Member
Committee on Appropriations
U. S. House of Representatives
Washington, DC 20515

The Honorable Susan Collins, Vice Chair
Committee on Appropriations
U. S. Senate
Washington, DC 20510

Dear Chairs and Ranking Members:

On behalf of the members of the National Association of Independent Colleges and Universities (NAICU), I write to request your opposition to the elimination or reduction of critical Federal Work Study (FWS) and Supplemental Educational Opportunity Grant (SEOG) funding and your support for maintaining the proposed \$250 increase in the Pell Grant maximum award.

We are very concerned that the FY 2024 appropriations process has led to proposed program eliminations and funding cuts in student aid in both the House and Senate bills. Of particular concern is the elimination of funding for the FWS and SEOG programs in the House bill and proposed cuts in the Senate. These two programs are critical to helping low- and moderate-income students pursue their higher education goals.

Bipartisan support has been a hallmark of the federal student aid programs, which we hope will continue even in light of the tight budget parameters. We appreciate that the Pell Grant maximum has been protected in the FY 2024 appropriations bills you have crafted, and ask that as you work to reconcile the differences between the House and Senate versions of the Labor-HHS-Education Appropriations bills you both maintain the \$250 increase in the Pell Grant maximum proposed in the Senate bill and restore full funding for FWS and SEOG. Your continued support of increased funding for the federal student aid programs is critical to helping low- and moderate-income students have access to higher education and persist to degree completion.

NAICU is the national public policy association for the nation's private, nonprofit colleges and universities. Reflecting the diversity of private, nonprofit higher education in the U.S. our member institutions include major research universities, faith-based colleges, Historically Black Colleges and Universities, Minority-Serving Institutions, art and design colleges, traditional liberal arts and science institutions, women's colleges, work colleges, two-year colleges, and schools of law, medicine, engineering, business and other professions.



With more than 1,700 private nonprofit colleges serving more than 5.2 million students, the independent colleges and universities NAICU represents are in every state and nearly every congressional district making a vast economic impact on the communities we serve. At private, nonprofit colleges, 41% of students are Pell Grant recipients, which is comparable to the 43% of students at public four-year colleges, and 79% of students receive institutional financial aid. The federal student aid programs are critical to our students' ability to go to college.

We are proud to be among the top employers in many of our nation's cities and towns and to be anchors for our communities and regions. The economic impact of the private, nonprofit sector of higher education for academic year 2018-19 totaled \$592 billion, and the sector generated over \$77 billion in tax revenues and supported and sustained 3.4 million jobs.

Work-study provides on-campus jobs to more than 200,000 students at private, nonprofit colleges, which match federal dollars to ensure students are part of the campus community and have meaningful employment experience before graduation. Research shows that "working 20 hours or fewer on campus can be positively related to student success because it is related to greater levels of participation in active and collaborative learning activities and positive interactions between students and faculty members."^a

The Federal Work-Study program also provides funding for the Work Colleges. These 10 federally defined institutions require all resident students to participate in a comprehensive-work-learning service program to help cover the cost of their education. Eliminating \$11 million of support for these institutions would be catastrophic, as these small institutions serve low- and moderate-income students in rural and urban environments.

SEOG provides up to an additional \$4,000 in grant aid for the neediest students. More than 414,000 students at private, nonprofit colleges receive SEOG, which is not duplicative of the Pell Grant program but is additive for a low-income student. Institutions match the federal investment in SEOG to ensure students have more grant aid and less loans to pay for college. Additional grant aid is proven to help students persist to on-time degree completion. According to the Stanford Center on Education Policy Analysis, "[G]rant aid increases the probability of student persistence and degree completion between two and three percentage points and estimates that an additional \$1,000 of grant aid improves year-to-year persistence by 1.2 percentage points."^b

^a G. R. Pike, G. D. Kuh, and R. C. Massa-McKinley. (2008). "First-Year Students' Employment, Engagement, and Academic Achievement: Untangling the Relationship Between Work and Grades." *NASPA Journal*, 45(4): 560–582.

^b Nguyen, T.D., Kramer, J.W., & Evans, B. J. (2018). *The Effects of Grant Aid on Student Persistence and Degree Attainment: A Systematic Review and Meta-Analysis of the Causal Evidence* (CEPA Working Paper No.18-04). Retrieved from Stanford Center for Education Policy Analysis: <http://cepa.stanford.edu/wp18-04>.



The federal investment in campus-based aid in FWS and SEOG are critical to helping students achieve their higher education goals. Colleges will not be able to replace these funds if they are eliminated. Without this funding, students will lose jobs and have to borrow more, making college less affordable and accessible.

Thank you for considering NAICU's request to oppose eliminating or reducing critical federal student aid funding.

Sincerely,

A handwritten signature in cursive script that reads "Barbara K. Mistick".

Barbara K. Mistick
President

cc: House and Senate Appropriations Committee Members