



U.S. Department of Education
Office of Inspector General

FSA's Outreach to Individuals in Underserved Communities

August 10, 2023
ED-OIG/I22NY0092

INSPECTION REPORT

NOTICE

Statements that managerial practices need improvements, as well as other conclusions and recommendations in this report, represent the opinions of the Office of Inspector General. The appropriate Department of Education officials will determine what corrective actions should be taken.

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UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF INSPECTOR GENERAL

Audit Services

August 10, 2023

TO: Richard Cordray
Chief Operating Officer
Federal Student Aid

FROM: Bryon Gordon /s/
Assistant Inspector General for Audit

SUBJECT: Final Inspection Report, "FSA's Outreach to Individuals in Underserved Communities," Control Number ED-OIG/I22NY0092

Attached is the subject final inspection report that consolidates the results of our review of FSA's outreach to individuals in underserved communities. We have provided an electronic copy to your audit liaison officer. We received your comments agreeing with the findings and recommendations in our draft report.

U.S. Department of Education policy requires that you develop a final corrective action plan within 30 days of the issuance of this report. The corrective action plan should set forth the specific action items and targeted completion dates necessary to implement final corrective actions on the findings and recommendations contained in this final audit report. Corrective actions that your office proposes and implements will be monitored and tracked through the Department's Audit Accountability and Resolution Tracking System.

In accordance with the Inspector General Act of 1978, as amended, the Office of Inspector General is required to report to Congress twice a year on the audits that remain unresolved after 6 months from the date of issuance.

We appreciate your cooperation during this review. If you have any questions, please contact Myra Hamilton, Regional Inspector General of Audit at (214) 661-9545 or Myra.Hamilton@ed.gov.

Attachment

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Results in Brief

What We Did

Our objective was to describe the extent to which Federal Student Aid (FSA) identifies individuals who belong to underserved communities and performs outreach to those identified individuals. Our review covered outreach provided by FSA from January 20, 2021, through September 30, 2022.

To accomplish our inspection objective, we obtained and reviewed information regarding outreach provided to underserved individuals through interviews and documentation requests of FSA officials from its Office of Student Experience and Aid Delivery (SEAD), the Office of Partner Participation and Oversight, the Office of the Ombudsman, and the Office of the Chief Operating Officer.

What We Found

We found that FSA provided general outreach to individuals, some of whom were part of underserved communities, and reached such individuals through several FSA offices and through its partnerships with different organizations. Although FSA performed outreach through various methods, its outreach was constrained by its limited ability to identify underserved individuals. Specifically, FSA's direct outreach was provided to its current customers and the Free Application for Federal Student Aid collected only limited demographic information that could be used to identify applicants as individuals from underserved communities. Consequently, FSA could improve its outreach to underserved communities by evaluating its outreach practices, coordinating outreach efforts amongst its different offices, and utilizing demographic data to identify and conduct outreach to individuals in underserved communities.

What We Recommend

We recommend that the Chief Operating Officer for FSA (1) require SEAD to periodically evaluate its outreach efforts and make appropriate changes to its' outreach practices, (2) establish a coordinated effort between the different FSA offices to ensure outreach is provided to all underserved communities appropriately, (3) use the additional demographic data from the 2024-2025 Free Application for Federal Student Aid to make decisions when identifying and conducting outreach to individuals in underserved communities, and (4) require SEAD to coordinate with partners to understand which underserved communities its partners serve.

FSA's Comments and Our Response

We provided a draft of this report to FSA for comment. We summarize FSA's comments at the end of the finding and provide the full text of the comments at the end of the report (see [FSA's Comments](#)).

FSA Comments

FSA agreed with the finding and recommendations.

OIG Response

FSA's proposed actions, if planned and implemented appropriately, are responsive to our recommendations.

Introduction

Executive Order 13985

Issued on January 20, 2021, Presidential Executive Order 13985 on Advancing Racial Equity and Support for Underserved Communities Through the Federal Government called for the Federal government to pursue a comprehensive approach for the advancement of equity for individuals of color and others who have been historically underserved and adversely affected by persistent poverty and inequality. In the Executive Order, equity is defined as “the consistent and systematic fair, just, and impartial treatment of all individuals, including individuals who belong to underserved communities that have been denied such treatment.”

Executive Order 13985 states that underserved communities are populations sharing characteristics that have been “systemically denied a full opportunity to participate” in the economic, social, and civic aspects of life. These populations are composed of Black, Latino, Indigenous and Native American persons, Asian Americans and Pacific Islanders, and other people of color; members of religious minorities; lesbian, gay, bisexual, transgender, and queer (LGBTQ+) persons; persons with disabilities; persons who live in rural areas; and persons otherwise affected by persistent poverty or inequality.¹ Under this executive order, Federal agencies are required to conduct an equity assessment and to promote equitable delivery of government benefits and equitable opportunities through government programs.

The U.S. Department of Education’s 2022 Agency Equity Plan

On April 14, 2022, the U.S. Department of Education (Department) released its inaugural equity plan, in accordance with Executive Order 13985. To deal with longstanding disparities that underserved students and communities face in achieving equal educational opportunities, the Department announced a series of plans to incorporate equity within its operations and mission through various components and offices. The Department’s equity plan includes actions to address barriers to college access and completion. According to the Department’s equity plan, postsecondary attainment continues to be an inequitable opportunity for traditionally underserved populations as accessibility, affordability, equitable funding, and verification remain barriers to a postsecondary degree or certificate.

¹ The list of underserved communities defined in Executive Order 13985 is not all-inclusive.

FSA's 5-Year Strategic Plan for Fiscal Years 2023–2027

On December 2, 2022, Federal Student Aid (FSA) released its 5-year Strategic Plan for fiscal years 2023–2027. This plan presents FSA's goals and objectives to ensure they make it possible for all eligible students and families to access Federal financial aid. The plan calls for FSA to continue effective outreach, conduct evaluations, and foster innovations through collaboration with its stakeholders. The plan is comprised of five strategic goals:

- Goal 1: Improve Customer Service and Outcomes for Students and Borrowers
- Goal 2: Advance Equity and Access to Student Financial Assistance
- Goal 3: Strengthen Engagement and Accountability for Educational and Financial Institutions
- Goal 4: Increase Workforce and Workplace Capabilities
- Goal 5: Boost Operational Efficiency

Executive Order 14091

Following the issuance of Executive Order 13985, President Biden issued Executive Order 14091 on Further Advancing Racial Equity and Support for Underserved Communities Through the Federal Government, in February 2023. Even though Executive Order 14091 is not the focus of this inspection, it continues to highlight actions agencies must take to ensure underserved communities are supported. Executive Order 14091 extended and strengthened equity-advancing requirements for agencies, including requiring that equity action plans be issued in September 2023 and annually thereafter include a description of how the agency intends to meaningfully engage with underserved communities through accessible, culturally and linguistically appropriate outreach. Executive Order 14091 also requires agencies to increase engagement with underserved communities by identifying and applying innovative approaches to improve the quality, frequency, and accessibility of engagement.

FSA Offices that Perform Outreach

The Office of Student Experience and Aid Delivery (SEAD) is responsible for ensuring that its customer base of students, parents, and borrowers know about the availability and accessibility of Federal financial aid throughout the entire student lifecycle. This mission is carried out by the Product Management, Design, and Delivery; Delivery Systems and Extended Workforce Support; and Vendor Oversight and Program Accountability Service directorates.

Under SEAD's Vendor Oversight and Program Accountability Service Directorate, the Ombudsman Group (Ombudsman) is responsible for resolving complaints and providing

recommendations to policymakers regarding Title IV programs such as the William D. Ford Federal Direct Loan Program, Federal Family Education Loan Program, Federal Perkins Loan Program, and grant programs. Primary activities include researching customer problems and working with the Department, schools, lenders, guaranty agencies and loan servicers to identify and evaluate customer options for persisting customer concerns. The Ombudsman resolves complaints on a case-by-case basis.

The Office of Partner Participation and Oversight (PPO) is tasked with performing activities that support and monitor FSA program participants and enforce compliance with laws and regulations governing student financial assistance programs. PPO's responsibilities include coordination of web communication related to FSA program participants and proactively identifying the unique service needs of various types of institutions of higher education. The five directorates that carry out PPO's mission are Partner Outreach and Communications, Partner Management and Support Services, Policy Implementation and Oversight, Partner Eligibility and Oversight Services, and Partner Enforcement and Consumer Protection.

Finding. FSA's Outreach to Underserved Communities Could Be Improved

FSA provided general outreach to individuals, some of whom were in underserved communities, and reached such individuals through several FSA offices and partnerships with different organizations. Although FSA performed outreach through various methods, its outreach was constrained by its limited ability to identify underserved individuals. Specifically, FSA's direct outreach was provided to its current customers and the Free Application for Federal Student Aid (FAFSA) collected only limited demographic information that could be used to identify applicants as individuals from underserved communities. Consequently, FSA could improve its outreach to underserved communities by evaluating its outreach to underserved communities, coordinating its outreach efforts among the various FSA offices that conduct outreach, and using demographic data to increase the quality of information used to make decisions on identifying and conducting outreach to underserved individuals.

Outreach Provided by FSA

FSA mostly provided outreach to its customer base² via digital products such as emails and social media posts, and through collaboration with its partners on FSA projects and initiatives. Generally, FSA provides its customer base, which includes individuals in underserved communities, with information concerning events that happen in the student aid life cycle. FSA also provides outreach through its own projects, like the Public Service Loan Forgiveness (PSLF) information campaign, and projects that require cooperation with other entities, like Project Success, which provides resources and technical assistance to minority-serving institutions (MSI). Although SEAD does most of FSA's outreach to individual students and partners, PPO, an FSA office whose primary role focuses on activities other than outreach, contributes toward providing outreach to underserved communities through various projects.

SEAD

SEAD is FSA's primary office responsible for providing outreach to FSA's customer base. Because of this, SEAD's outreach practices reach the most customers, including individuals in underserved communities. Typical types of outreach SEAD conducts include emails to students who previously submitted a FAFSA, posts through social media platforms, in-person trainings, webinars, panel discussions, and information posted on FSA websites. SEAD officials stated that the purpose of its outreach is to

² FSA's customer base is comprised of students, parents, borrowers, and individuals who had previously provided FSA with their contact information.

collectively ensure the public is informed and has access to student financial aid information. These communication efforts exist to provide its customers information about the financial aid process and to increase engagement with FSA to ensure accurate information has been conveyed.

Additionally, SEAD provides outreach to various communities and groups through its partnerships with various organizations, including nonprofits, government organizations, State agencies, advocacy groups, and school districts. Partnerships like these often provide direct outreach to individuals in underserved communities based on each partner organization's direct involvement and access to these communities. SEAD's partner database contains 10 distinct categories³ of individuals served through SEAD partnerships. Partnerships with organizations are usually initiated when the organization has a need for financial aid information—like instructions for filling out the FAFSA form or Federal student aid assistance for postsecondary education—and they reach out to SEAD for guidance and materials. The various partner organizations have access to FSA websites such as financialaidtoolkit.ed.gov and fsapartners.ed.gov, which provide Federal student aid information and outreach tools for counselors, college access professionals, advisors, and individuals involved in the administration of Title IV financial aid for postsecondary education. SEAD also conducts engagements at which its officials present information to partners. These engagements include events such as FSA partner summits with over 275 organizations represented and financial aid bootcamps designed to help participants learn about the FAFSA student financial aid process and FSA resources.

SEAD has processes and procedures for conducting outreach, referred to as the Multiplier Effect Methodology, which describes processes for conducting continued training and outreach to increase collaboration, financial aid awareness, and FAFSA completion within a community. Further, the methodology outlines a timeline for conducting an outreach event within a community, including steps such as initially identifying the geographical area and several organizations within the community, conducting the training, assessing the effectiveness of the event via surveys, and maintaining communication with community stakeholders. However, the methodology does not describe criteria for choosing a partner to collaborate with. According to a

³ SEAD's database contains the following categories: active-duty military or veteran students, adult students, high school students, college students, community college students, non-traditional students, first generation students, low-income students, foster care or homeless students, and undocumented students.

SEAD official, SEAD collects information on the partner organization's point of contact and the groups the organization represents when connecting with potential partners.

PPO

PPO provides indirect outreach to underserved communities through stakeholder engagement with programs, such as Project Success, and initiatives that focus on MSIs, including the Presidential Leadership Executive Sessions, Virtual Technical Assistance, and Birds of a Feather Sessions.

- **Project Success** provides resources and technical assistance to over 200 Historically Black Colleges and Universities, Tribally Controlled Colleges and Universities, and other MSIs. The goal of Project Success is to increase retention and graduation rates and decrease cohort default rates by partnering with guaranty agencies to provide support programs to these institutions and provide financial aid to students attending these institutions. Financial assistance to students is provided through services such as emergency grant aid and paid internships administered through guaranty agencies and institutions.
- **Annual Presidential Leadership Executive Sessions** are a collaboration between FSA and MSIs aimed at presidents and senior leadership of those institutions of higher learning. The sessions are a place to exchange information on current and proposed education regulations and policies. In addition, they serve as a place to engage in dialogue on trending topics such as Title IV student financial aid best practices, student success collaborative efforts, and college affordability.
- **Virtual Technical Assistance** is a targeted set of 1-hour technical assistance sessions between staff at institutions that oversee the administration of Federal student aid and PPO staff, with the goal of reducing and eliminating ongoing obstacles that could hinder the institution's ability to participate in Title IV programs. At the end of the Virtual Technical Assistance, PPO staff will provide the institution's administrators with observations and recommendations to improve their Title IV program management and operations.
- **Birds of a Feather Sessions**, held during FSA's annual training conferences, provide school personnel from MSIs opportunities to meet, engage, share, and learn from one another to discuss best practices, current challenges, and opportunities. These sessions provide an opportunity for FSA to receive feedback, ideas, and suggestions regarding making improvements to the overall student financial aid life cycle and experience.

Ombudsman

The Ombudsman launched a partner engagement initiative with third-party stakeholders in June 2021, which increased the Ombudsman’s outreach to underserved individuals. Ombudsman partners include advocacy groups, legal aid groups that work with borrowers one-on-one, guaranty agencies, trade associations, student loan servicers, and national consumer groups, all of whom work with underserved individuals. The Ombudsman holds quarterly listening sessions about servicing questions with invited partners, monthly meetings with State regulators and ombudsmen from different organizations, and meetings with nonprofit agencies that work with underserved individuals to learn more about obstacles faced within underserved communities such as Title IV assistance for incarcerated individuals. Further, the Ombudsman works closely with several public interest groups and State government offices that engage with first generation college students to increase direct referrals to the Ombudsman and to answer questions about financial aid, assist in FAFSA completion, and navigate loan repayment options.

In addition, the senior advisor to the chief operating officer worked closely with the Ombudsman to carry out initiatives that the senior advisor proposed, such as providing outreach on student loan debt and repayment in minority communities. The senior advisor developed strategies and built relationships with community organizations, employer groups, and other partners to ensure broad dissemination and engagement.

While each FSA office mentioned above has its own methods for providing outreach, they tend to work within their own offices. Although SEAD is FSA’s primary outreach office, they do not direct the outreach plans of the other FSA offices.

FSA’s Ability to Identify Underserved Individuals was Limited

Although FSA performed outreach through various methods, its outreach was constrained by its limited ability to identify underserved individuals. Specifically, FSA’s direct outreach was provided to its current customers and the FAFSA collects limited demographic information that could be used to identify applicants as individuals from underserved communities. Until recently, FSA was not able to collect certain demographic data that could have been used to identify underserved individuals because they were prohibited by law.⁴ FSA mostly collected financial information needed to determine eligibility for Federal student aid. Prior to the 2024–2025 award year, FAFSA forms did not ask applicants to provide information on race, gender,

⁴ Under the Privacy Act of 1974, as amended (5 United States Code section 552a(e)(1)), agencies can only maintain records about an individual that are relevant and necessary for a purpose required to be accomplished by law.

religion, sexual orientation, or disability—all of which can identify applicants as individuals from underserved communities.⁵ Congress has taken measures to address this limitation with the passage of the FAFSA Simplification Act,⁶ which requires the Department to collect sex, race, and ethnicity data from all FAFSA applicants beginning with the 2024–2025 award year. Meanwhile, for the 2023–2024 award year, the Department plans to collect responses about applicants’ sex, race, and ethnicity voluntarily through the online FAFSA post-application survey.

FSA Could Improve Outreach to Underserved Communities

While FSA performed outreach to individuals through various offices and partnerships with stakeholders it could improve its outreach to underserved communities by periodically evaluating its outreach practices, coordinating its outreach efforts among the various offices, and utilizing the demographic data to be collected under the FAFSA Simplification Act.

Following the issuance of Executive Order 13985, FSA did not evaluate or make any changes to its outreach practices. FSA’s evaluation of its outreach efforts is important to communicating quality information. According to the Government Accountability Office’s “Standards for Internal Control in the Federal Government,” dated September 2014, “[m]anagement periodically evaluates the entity’s methods of communication so that the organization has the appropriate tools to communicate quality information throughout and outside of the entity on a timely basis.” An evaluation could lead to actions that could help FSA improve outreach to individuals in underserved communities and increase coordination of its outreach efforts among the various offices and partners.

Also, because FSA performs outreach through various offices and works with partners, increased coordination between the offices could be beneficial for them to collect and share information to improve its processes for providing outreach to its customer base. Coordinated outreach can help FSA improve the quality, frequency, and accessibility of engagement with underserved communities consistent with Executive Order 14091 and enable FSA to ensure underserved communities are included when meeting Goal 2: Advance Equity and Access to Student Financial Assistance established in its 5-year strategic plan for fiscal years 2023–2027.

In addition, FSA’s authorization under the FAFSA Simplification Act as amended, to collect sex, race, and ethnicity data on the FAFSA for the 2024–2025 and subsequent

⁵ Based on the definition in Executive Order 13985.

⁶ As amended by the FAFSA Simplification Act Technical Corrections Act.

award years, could assist FSA in identifying underserved individuals in order to provide outreach to those individuals. With the additional demographic data becoming available, FSA could identify patterns in the data that could improve outreach in areas, such as specific groups of underserved individuals identified in the data patterns. Also, using the additional demographic data from the FAFSA could increase the quality of information used to make decisions on identifying and conducting outreach to underserved individuals.

Because FSA did not conduct an evaluation of its outreach practices and did not coordinate its outreach efforts, FSA cannot ensure individuals in underserved communities were provided outreach appropriately. Further, improved outreach can contribute to FSA achieving Goal 2 of its Strategic Plan for fiscal years 2023–2027.

Recommendations

We recommend that FSA’s Chief Operating Officer--

- 1.1 Require SEAD to periodically evaluate its outreach efforts and make appropriate changes to its outreach practices.
- 1.2 Establish a coordinated effort between the different FSA offices to ensure outreach is provided to all underserved communities appropriately.
- 1.3 Use the additional demographic data from the 2024-2025 FAFSA to make decisions when identifying and conducting outreach to individuals in underserved communities.
- 1.4 Require SEAD to coordinate with partners to understand which underserved communities the partner serves.

FSA’s Comments

FSA agreed with our finding and recommendations. FSA stated that it noted the importance of finding effective new ways to serve students and families representing underserved communities. FSA also noted the importance of strengthening departmental alliances while working to expand its collaboration with key stakeholders that can help improve overall capabilities for better outreach to underserved communities. FSA added that if it had more resources, it would be able to increase its efforts and ensure measurable outcomes for underserved communities.

OIG’s Response

FSA’s proposed actions, if planned and implemented appropriately, are responsive to our recommendations. However, we do emphasize the importance that FSA periodically evaluate its outreach efforts and use the additional demographic data from the 2024–2025 FAFSA, to inform its future outreach efforts to underserved communities.

Appendix A. Scope and Methodology

Our inspection examines FSA's role in providing outreach to individuals in underserved communities. Our original inspection objective was to describe the processes through which FSA identifies individuals who belong to underserved communities and performs outreach targeting such individuals. We revised the objective to describe the extent to which FSA identifies individuals who belong to underserved communities and performs outreach to identified individuals. Our review covered outreach provided by FSA from January 20, 2021, to September 30, 2022.

To achieve our objective, we performed the following procedures:

- We gained an understanding of the relevant criteria, including:
 - Executive Order 13985 on Advancing Racial Equity and Support for Underserved Communities through the Federal Government,
 - Executive Order 14091 on Further Advancing Racial Equity and Support for Underserved Communities Through the Federal Government,
 - the Department's Agency Equity Plan Fiscal Year 2022,
 - FSA's Strategic Plan Fiscal Year 2020–2024,
 - FSA's Strategic Plan Fiscal Year 2023–2027,
 - Consolidated Appropriations Act of 2021 (FAFSA Simplification Act);
 - Consolidated Appropriations Act of 2022 (Technical Corrections Act);
 - Statutory Note (5 U.S.C 552a) of the Privacy Act of 1974, and
 - United States Government Accountability Standards for Internal Control (Green Book)
- We gained an understanding of FSA's customer related functions and products, including:
 - FAFSA form for July 1, 2022–June 30, 2023;
 - FAFSA Post Application Survey Questionnaire 2023–2024;
 - FSA Financial Aid Toolkit Website;
 - functional statements for the following groups within FSA: SEAD, PPO, Ombudsman, and the Office of the Chief Operating Officer; and
 - outreach communicated to its customer base by offices within FSA (SEAD, PPO, and Ombudsman).

- We gained an understanding of the Higher Education Act of 1965, as amended, and programs under Title IV of the act (Federal Pell Grant, William D. Ford Federal Direct Loan, and Federal Work Study).
- We reviewed U.S. Government Accountability Office’s GAO-22-104403 Report “College Closures: Education Should Improve Outreach to Borrowers about Loan Discharges.”
- We gained an understanding of FSA’s extent of outreach efforts for members of the underserved communities by interviewing staff from FSA’s offices involved in administering and conducting outreach. We interviewed the following FSA officials:
 - The deputy chief operating officer of SEAD;
 - the executive director for Product Management Design and Delivery within SEAD;
 - the director of Product Marketing and Delivery within SEAD;
 - the outreach supervisor of the Customer Outreach Division within Product Management Design and Delivery;
 - the Student Loan ombudsman of the Ombudsman Group within SEAD;
 - the deputy chief operating officer for PPO;
 - the director of Partner Engagement and Relationship Management Group within PPO; and
 - the senior advisor to the chief operating officer.
- We obtained an understanding of the racial and demographic data that FSA plans to collect under the FAFSA Simplification Act.
- We conducted a preliminary assessment of any potential risk or threats to FSA’s internal controls as it relates to outreach to individuals in underserved communities.

We conducted our work virtually from August 2022 to May 2023 with staff from FSA offices representing SEAD, PPO, the Office of the Chief Operating Officer, and the Ombudsman in Washington, D.C. We held an entrance conference with FSA officials on August 22, 2022. We held an exit conference with FSA officials on April 20, 2023, to discuss our preliminary finding and conclusions.

Compliance with Standards

We prepared this inspection report in alignment with OIG’s quality control standards and the Council of Inspectors General for Integrity and Efficiency’s (CIGIE) “Quality

Standards for Inspection and Evaluation,” which require that we conduct our work with integrity, objectivity, and independence. We believe that the information obtained provides a reasonable basis for the conclusions and recommendations contained in this report.

Appendix B. Acronyms and Abbreviations

Department	U.S. Department of Education
FAFSA	Free Application for Federal Student Aid
FSA	Federal Student Aid
LGBTQ+	lesbian, gay, bisexual, transgender, and queer
MSI	minority-serving institution
Ombudsman	Office of the Ombudsman
PPO	Office of Partner Participation and Oversight
PSLF	Public Service Loan Forgiveness
SEAD	Office of Student Experience and Aid Delivery

FSA's Comments



July 27, 2023

TO: Myra Hamilton
Regional Inspector General for Audit, Internal Operations
New York/Dallas Audit Region
Office of Inspector General
U.S. Department of Education

Mr. Jeffrey Nekrasz, Director Student Financial Assistance Advisory and Assistance
Office of Inspector General
U.S. Department of Education

FROM: Richard Cordray
Chief Operating Officer
Federal Student Aid

A handwritten signature in blue ink that reads "Richard Cordray".

SUBJECT: Draft Audit Report, "FSA's Outreach to Individuals in Underserved Communities," Control Number ED-OIG/I22NY0092

Dear Ms. Hamilton:

Thank you for the opportunity to review and comment on the statements and recommendations made in the Office of Inspector General ("OIG") Draft Report, *FSA's Outreach to Individuals in Underserved Communities* (I22NY0092), dated June 30, 2023. OIG presented one finding in the Draft Report, with four recommendations. We appreciate OIG's willingness to consider the comments that we provided after the exit conference.

As discussed in the draft report, FSA continues to conduct numerous outreach activities for several different communities, including the underserved. Focus on customer groups that have limited or no access to resources or that are otherwise disenfranchised will continue to be a major priority as we look for opportunities to build upon improved customer engagement and satisfaction. FSA in general agrees with this finding and the recommendations. Our more specific responses are presented below.

Finding 1. FSA's Outreach to Underserved Communities Could Be Improved.

FSA's Response: FSA agrees with this finding.

Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION

830 First Street, NE, Washington, DC 20202
StudentAid.gov

FSA has noted the importance of finding effective new ways to serve students and families representing underserved communities. Developing and implementing innovative ideas has always been a focus area for outreach. If FSA had more resources, we would be able to increase our efforts and ensure measurable outcomes for underserved communities. FSA has also noted the importance of strengthening departmental alliances while working to expand its collaboration with key stakeholders that can help improve overall capabilities for better outreach to underserved communities.

FSA will continue to expand its network of community partners to help further spread key information and share essential tools and resources. This will further enable FSA to support these communities and lower discouraging barriers that limit access to higher education opportunities.

Recommendation 1.1: Require SEAD to periodically evaluate its outreach efforts and make appropriate changes to its outreach practices.

FSA's Response to Recommendation 1.1: FSA agrees with this recommendation.

FSA will continue to coordinate and work to improve outreach to underserved communities by identifying specific underserved populations and tracking important metrics as a measure to show key outcomes. If FSA had more resources, we would be able to increase our efforts to identify and ensure measurable outcomes for underserved communities. Analyzing these outcomes will help us drive innovation and utilize strategies that support customers from underrepresented communities.

Recommendation 1.2: Establish a coordinated effort between the different FSA offices to ensure outreach is provided to all underserved communities appropriately.

FSA's Response to Recommendation 1.2: FSA agrees with this recommendation.

In addition to working with offices within FSA, we will continue to collaborate with many offices of the U.S. Department of Education, along with other government agencies (e.g., Digital Engagement Group, Ombudsman, Partner Participation and Oversight, Analytics) to strengthen our joint efforts. FSA will also enhance its communication channels (e.g., social media, webinars, email) to ensure that resources and information reach students and parents from underserved communities around the country.

Recommendation 1.3: Use the additional demographic data from the 2024-2025 FAFSA to make decisions when identifying and conducting outreach to individuals in underserved communities.

FSA's Response to Recommendation 1.3: FSA agrees with this recommendation.

New demographic information will now be collected from the 2024-2025 FAFSA form while providing an opportunity to analyze specific data elements that can support a data-driven strategy designed to address customer needs aimed at underrepresented communities.

Recommendation 1.4: Require SEAD to coordinate with partners to understand which underserved communities the partner serves.

FSA's Response to Recommendation 1.4: FSA agrees with this recommendation.

FSA will continue to expand its partner database by segmenting fields for a more targeted approach to outreach efforts. FSA will seek to increase the number of community partners (e.g., counselors, non-profit organizations, government agencies, college access professionals) to share key messages and information directed to underrepresented groups. This expanded database will help FSA organize and manage organizations and partner contacts more efficiently.

Thank you for the opportunity to respond to the recommendations outlined in this OIG draft report. We appreciate the time and the effort that you spent auditing this issue, as well as the opportunity to comment.