October 24, 2025

The Honorable Bill Cassidy
Chairman
Committee on Health, Education, Labor, and Pensions
United States Senate
Washington, DC 20510

Re: Request for Information – Increasing College Cost and Value Transparency for Students and Families

Dear Chairman Cassidy:

On behalf of the Coalition of Higher Education Assistance Organizations (COHEAO), thank you for the opportunity to respond to the Committee's recent Request for Information (RFI) on increasing college cost and value transparency for students and families. COHEAO appreciates the Committee's attention to these important topics and supports efforts to help students and families make informed, responsible financial decisions, particularly in terms of student loans and higher education financing.

Founded in 1981, COHEAO is a partnership of colleges, universities, and their service providers dedicated to promoting student-centered financial services—including campus-based loans, tuition payment plans, financial wellness initiatives, and accounts receivable best practices. Our members are directly engaged in helping students understand their financial responsibilities and navigate repayment successfully.

Financial wellness has long been a topic of importance for COHEAO members—the organization has maintained an active task force on financial wellness or financial literacy for more than 15 years. In support of the Committee's work, COHEAO is pleased to attach our Financial Wellness Task Force's most recent publication, "Financial Wellness: A Guide for Students Before, During, and After College."

This resource offers practical tools for students and institutions to improve financial wellness, understand borrowing, and manage repayment responsibly. Many of the topics referenced in the Committee's request for information refer to financial aid offices, but financial wellness programming can come from a variety of sources on campus. Notably, this guide was written by a financial wellness coordinator, a director of student accounts, and a clinical professor, illustrating how financial wellness programming, including information related to student loan repayment, can come from any number of offices on campus.

Transparency and information access are essential to supporting informed borrowing, but the greater challenge lies not in the lack of available data, but in how students and borrowers

engage with and apply that information. Effective policy on loan repayment must focus as much on behavioral engagement as on disclosure. Students often have access to the data they need to make responsible decisions—through institutional disclosures, loan counseling, servicer communications, and federal tools—but may not process or act upon it effectively. Federal policy should therefore emphasize ways to help students actively use this information, not merely receive it.

COHEAO strongly believes that achieving the Committee's goals will require a collaborative approach—not one driven solely by new federal mandates. Previous efforts with "one-size fits all" approaches have ultimately failed when they do not incorporate how colleges and universities are often best positioned to understand the needs, challenges, and circumstances of their students. A coordinated framework—developed jointly by institutions, the U.S. Department of Education, and other stakeholders—will better serve students than additional layers of compliance requirements.

COHEAO applauds the Committee for its leadership in addressing how students access and use financial information. Our organization looks forward to working with the Committee, the Department of Education, and other stakeholders to create the best policy environment for developing as many financially well-informed students who can better understand and manage their repayment obligations as possible.

Sincerely,

Donna Stelling-Garnett

Executive Director
Coalition of Higher Education
Assistance Organizations

Karen Reddick

President
Coalition of Higher Education
Assistance Organizations

Attachment: COHEAO Financial Wellness: A Guide for Students Before, During, and After College (July 2025)

COHEAO
Coalition of Higher Education Assistance Organizations
More Education For More People.

FINANCIAL WELLNESS

A Guide for Students Before, During, and After College

BEFORE COLLEGE

PLANNING FOR COLLEGE

- ◯ Perform a self-assessment to discover what you want to do
- ◯ Engage in extracurricular activities, summer programs, and community events
- ◯ Explore alternative paths including community colleges, technical schools and part-time enrollment

PLANNING TO PAY FOR COLLEGE

- ◯ Tuition increases every year, so early financial planning is crucial
- ◯ Budget for all four years, not just the first one
- ◯ Start a college savings account as early as possible & contribute consistently
- ◯ Explore federal and state aid options
- ◯ Apply for as many scholarships & grants as possible

UNDERSTANDING COLLEGE COSTS

- ◯ Tuition varies based on residency, academic level, and program type
- ◯ Budget for housing, food, books, supplies, and personal expenses
- ◯ Explore options for saving on textbooks, transportation, and healthcare

PAYING FOR COLLEGE

- ◯ Complete FAFSA annually to determine eligibility for aid
- ◯ Seek need-based, merit-based, and private scholarships
- ◯ Understand student loans, including federal and private options, including benefits and interest rates tied to each
- ◯ Know financial aid renewal requirements, usually annually, and satisfactory academic progress rules

COHEAO
Coalition of Higher Education Assistance Organizations
More Education For More People.

FINANCIAL WELLNESS

A Guide for Students Before, During, and After College

DURING COLLEGE

COST OF EDUCATION

- **Estimated cost of attendance** – schools post the estimated cost of attendance on their financial aid website, including tuition, housing, books/supplies as well as other expenses an average student at their institution might incur.
  - **Tuition** – Tuition can vary based on several factors.
    - Residency – students that are not residents of the state the school is located in typically pay a significantly higher tuition rate being non-resident students.
    - Academic Level – undergraduate programs generally cost less than graduate programs.
    - Academic Program – the school might charge different amounts based on the academic program, such as business, engineering, architecture, or other specialized training.

  - **Fees** –Be sure and look at the tuition/fee information to get an idea of the total cost of fees at the school. For example, if fees total $1,000, it can really make a difference in affordability for some students. Examples of Fees are Enrollment fees, Library fees, Facilities fees, Admission fees, Building and campus maintenance, Campus life fees.

  - **Books, Course Material, Supplies and Equipment** - each school may offer different resources for course material/books.
    - Supplies and Equipment, such as computers, software, degree specific needs such as art supplies, music equipment or drafting material are important to consider.
    - Textbooks - there is usually a bookstore on campus, which sells new and used books specific to the classes on campus and the professors' requirements. Shopping early will give more options for used books if that is your preference.
    - Many schools offer digital classroom books/material, which automatically charges the cost of the material to you at a significant discount, but you can opt out if you have other preferences for obtaining the books/material.
    - Private book retailers and online discount book sales may be an option.
    - Don't forget to check the library – the book you need might be available for check-out.

COHEAO
Coalition of Higher Education Assistance Organizations
More Education For More People.

FINANCIAL WELLNESS

A Guide for Students Before, During, and After College

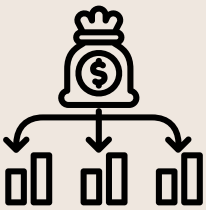
DURING COLLEGE

COST OF EDUCATION

- **Living Expenses on Campus** – many universities require freshmen to live on campus. This has proven to help students stay engaged and be more successful academically, leading to graduation. Schools post the cost of the room and meals on their housing page, be sure to review the options available and cost associated with them to get a feel for what your total cost might be.
  - The cost can vary depending on the style of the room: single, double, suite style.
  - Consider how many meals you will eat on campus and know the cost of the meal plan that meets your expectations.

- **Living Expenses Off Campus** – there are several resources online, or with the local Chamber of Commerce, to find the cost of living in the area you'd like to live. Knowing the average cost of rent, utilities, parking, and even internet services, is important in planning your college expenses.

- **Personal Expense** – This can be a broad category, but important to consider when moving away from home and taking care of things yourself. Talk through what your daily/monthly costs might be for things you need outside of school.
  - Plan for the method of transportation you will use for school, work or traveling home. Consider bus passes, Taxi/Uber/Lyft, or even your own car (loan payments, insurance, maintenance, parking permit, fuel)
  - Have a plan for medical and prescription costs. Having a plan for seeking medical care is important so that you get the best care and follow the health insurance coverage options. Also budget for general costs such as vitamins, first aid and cold/flu treatments. Your campus may have a health center that accepts your insurance and may offer some services free to enrolled students.
  - Don't forget to plan for clothes, coats, shoes etc… to be comfortable in the environment you will be moving to.



COHEAO
Coalition of Higher Education Assistance Organizations
More Education For More People.

FINANCIAL WELLNESS

A Guide for Students Before, During, and After College

DURING COLLEGE

PAYING FOR EDUCATION

FAFSA - Free Application for Federal Student Aid

- College Financial Aid Offices often use the information this provides to determine your eligibility for need based federal grants, state grants, and even grants and scholarships offered by the school.
- It's free and available starting in October for the following Fall. This gives you and the school time to calculate the aid you are eligible for
- Check with your school to find out the deadline for completing FAFSA and be considered for state and college funding. Earlier is better!
  - Find out more at www.studentaid.gov

Scholarships

- Scholarships can come from many different sources. Work with your high school counselor and when you choose a college, continue to with with the financial aid office to coordinate your private scholarship and those offered by the school.
  - Types of Scholarships
    - Need Based – Students might be granted scholarships based on their financial need; this requires completing the FAFSA so that the school has the information they need to make this determination.
    - Merit Based – Students might be granted scholarships based on their grades, class standing or ACT/SAT scores.
    - Degree Specific – Each academic program (business, architecture, engineering, etc… might offer scholarships to students within that degree program.
    - Private– Students earn scholarships from their high school, job, club, contests, or other private donors.

Keep your FAFSA and Scholarships Renewed

- Know the grade point average you must maintain to have the scholarships/grants renewed.
- Know the requirements for maintaining your federal aid funds. Federal aid (grants and loans) requires satisfactory academic progress, which includes a minimum grade point average (GPA), and completing your degree within a specified amount of time. If one or both of these is not met, your may not be able to renew your federal aid. (The 150% rule for financial aid is a program completion requirement that limits the amount of time students can receive federal financial aid. It also applies to the maximum amount of federal loans that students can receive).
- Use Student Success/Tutoring Centers to keep attendance/GPA at required level.

COHEAO
Coalition of Higher Education Assistance Organizations
More Education For More People.

FINANCIAL WELLNESS

A Guide for Students Before, During, and After College

DURING COLLEGE

PAYING FOR EDUCATION

Loans

- Once your complete the FAFSA, you will receive information about the loans available to you. You can decide to take the loan offers in full, in part or to decline.
- You may also find educational loans at other private institutions such as your bank. It is important to remember that loans must be repaid.
  - **Federal Student Loans** are offered to students after completing the FAFSA.
    - Students must be enrolled in a minimum number of hours and will choose how to receive the loan.
    - Students will be required to maintain a certain GPA and course completion to continue receiving loans.
    - This loan is in the student's name and repayment will be arranged with the student.
  - **Federal Parent Loans** are available to parents who apply through the studentaid.gov website and fulfill the lending requirements.
    - The loan pays to the school through the students' account, to cover the cost of education.
    - This loan is in the parent's name and repayment will be arranged with the parent borrower.
  - **Private Loans** - a loan provided by a private financial institution like a bank or credit union. It is used to pay for educational expenses at a school, unlike federal student loans which are funded by the government; these private loans typically require a credit check and may have less flexible repayment options compared to federal loans.

Tuition Insurance

- Tuition insurance helps students, and their families pay for college if a student must withdraw from school. It can cover tuition, fees, room, and board, and sometimes student loans.

Know Your Financial Aid Team

- They can help answer important questions such as:
  - What if I change my major?
  - What if I change the school I attend
  - What if my family finances change
  - What happens if I have a new unexpected expense?

Set a Graduation Plan

- Understand if you will be able to graduate in 4 or 5 years to best calculate the true cost of your education. Many programs end up being more than the typical 4 years and if you change your major it can take 5 years or even longer.

COHEAO
Coalition of Higher Education Assistance Organizations
More Education For More People.

FINANCIAL WELLNESS

A Guide for Students Before, During, and After College

AFTER COLLEGE

ESTABLISHING A BUDGET

◯ If you have secured a job with a regular monthly income from a paycheck (W-2):

- A job with a 'regular' paycheck whether it is paid weekly, bi-weekly, or monthly, is a great launch into establishing a monthly budget. You will have a salary, and with federal and state withholdings, a net pay each pay period that will be consistent.
- If you are paid extra for overtime or special compensation such as profit sharing or bonuses, try not to count that as part of your budget. Instead, use it as a 'windfall' that you can choose to save or to pay down debts owed. Including this income into a budget, unless it is guaranteed income on a regular basis and not just a 'extra pay period' or 'once a year bonus,' could result in a budget deficit, where the money you assumed would be there is not, and your bills exceed your income.
- Use online tools or apps to help to establish a budget and stick to it. The key to success is to be consistent and to use the tool and budgeting method that works best for you.

The key to successful budgeting is to first own what money you have coming and to track all spending and own that spending by categorizing it properly.

◯ If you have a less regular source of income or self-employed (1099's) or if you are a sole proprietor, a partnership that does not issue W-2's:

- If you have income that is inconsistent, or you are self-employed it is important to understand how much income you have and what you will owe in taxes before establishing a budget. You will be responsible for federal and state income taxes.
- You will need to budget for both state and federal taxes, so you are not surprised when you have a tax liability at the end of the year. You will need to remit taxes on a quarterly basis as well to avoid tax penalties and interest.

COHEAO
Coalition of Higher Education Assistance Organizations
More Education For More People.

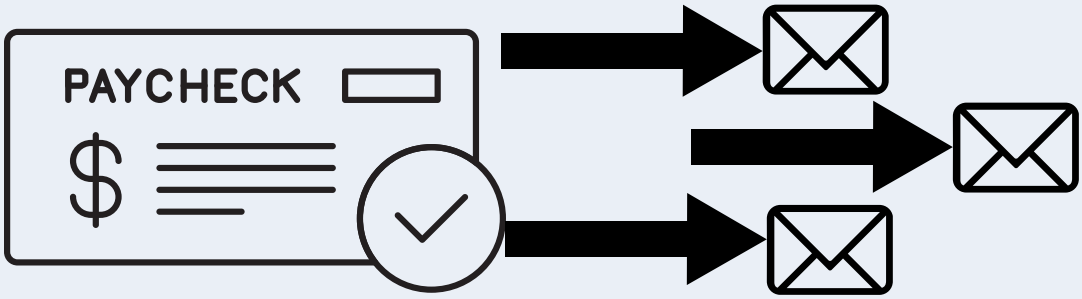
FINANCIAL WELLNESS

A Guide for Students Before, During, and After College

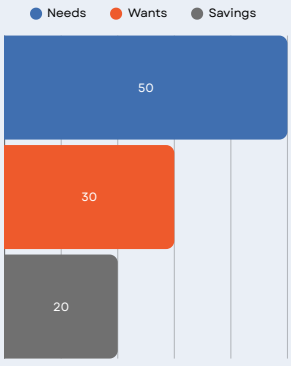
AFTER COLLEGE

POPULAR BUDGETING METHODS

- **Zero-Based Budget -**
  - A zero-based budget tracks every dollar that comes in and assigns it a specific role. Your budget must essentially approve every transaction, which keeps you focused on goals and prevents overspending.
- **Pay Yourself First Budget -**
  - Before any other allocations are taken, money is 'paid' to yourself for saving. Only after you are paid are other budget items taken into account.
- **Cash Envelope Method -**
  - This budgeting method splits your paycheck into 'buckets' or 'envelopes' that are set aside to pay bills. For example, one envelope would be 'rent' and another 'groceries' and another 'utilities'.



- **50-30-20 Budget**
  - This rule is a simple money management guideline that helps individuals allocate their after-tax income into three main categories: Needs, Wants, Savings & Debt Repayment



50% - Needs
Essential expenses such as rent, utilities, groceries, insurance and debt repayment

30% - Wants
Non-essential spending such as dining out, entertainment, travel, hobbies and subscriptions

20% - Savings & Debt Repayment
Dedicated amounts to financial growth and security including savings, emergency funds, investments, retirement contributions and paying off extra debt

COHEAO
Coalition of Higher Education Assistance Organizations
More Education For More People.

FINANCIAL WELLNESS

A Guide for Students Before, During, and After College

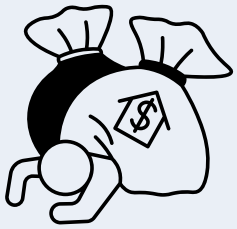
AFTER COLLEGE

PLANNING STUDENT LOAN REPAYMENT

Federal Student Loans

- Use www.studentaid.gov
  - Find your servicer
  - Use repayment tools to help figure out monthly payments
  - Review interest charged to devise a strategy for repayment
  - Use your grace period to get in front of capitalized interest

What is **Interest Capitalization**? It's the process of adding unpaid interest to the principal balance of a loan. This typically occurs when interest accrues but is not paid, and instead, it is added to the outstanding loan amount, increasing the total debt.



Private Student Loans

- Find how to contact your lender
- Ask for repayment schedule
- Consolidate loans when possible
- Use repayment tools to help figure out monthly payments
- Review interest charged to devise a strategy for repayment
- Use your grace period to get in front of capitalized interest

Don't know what you are responsible for?

Check your credit score for free using one of the below agencies. Any debt obligations you have will be listed on this report.

experian. EQUIFAX TransUnion

Sources:
BEFORE COLLEGE: Karen Thompson, Financial Wellness Coordinator, Temple University
DURING COLLEGE: Colette McCurdy, Director of Student Accounts, University of Nebraska
AFTER COLLEGE: Jodi Cataline, Clinical Professor, LeBow College of Business, Drexel University