CAMPUSWORKS



Leading Through Uncertainty: What AFIT Members Need to Know Now

The federal landscape for U.S. higher education is undergoing significant transformation. Sweeping legislation, regulatory shifts, and judicial decisions are redefining the government's role—placing new financial and compliance responsibilities on institutions and raising critical questions about value, access, and equity.

For AFIT members, this moment calls for strategic leadership, flexible planning, and trusted partnerships. CampusWorks is here to help you understand what's changing—and how to respond.

A New Era of Accountability and Risk

The One Big Beautiful Bill Act (OBBBA), signed on July 4, 2025, represents the most extensive overhaul of student aid and institutional accountability in decades. It shifts financial responsibility from taxpayers to institutions and students while narrowing the federal definition of educational "value."

MORE RESILIENCY TOGETHER

ACCOUNTABILITY AND RISK

WHAT THIS MEANS FOR AFIT MEMBERS

STRATEGIC PRIORITIES FOR YOUR INSTITUTION

A PARTNER TO HELP

Key changes include:

- **Student Aid Overhaul:** Graduate PLUS loans are eliminated, and Parent PLUS loans are capped at $20,000 annually and $65,000 lifetime per student. A new, less generous two-tier income-driven repayment system replaces current plans. Pell Grants are now split into two tracks: Workforce Pell (for short-term training) and Traditional Pell, which now includes added eligibility restrictions.
- **Accountability Metrics:** A "gainful employment for all" rule ties loan eligibility to whether program graduates out-earn high school graduates. This adds complexity, especially alongside existing Gainful Employment and 90/10 regulations.

What This Means for AFIT Members

- **Workforce Pell Grants** offer new opportunities for short-term, career-aligned programs—but require careful attention to eligibility rules and compliance.
- **Traditional Pell restrictions** may reduce access for low-income students whose costs are covered by non-federal aid.
- **Undocumented and DACA students** are now excluded from federally funded adult education and workforce programs, limiting access for key populations.
- **New earnings-based accountability metrics** could put pressure on valuable programs in fields with lower starting salaries, like public service and education.
- **Reduced federal capacity and increased regulatory complexity** demand stronger internal systems, cross-functional coordination, and strategic foresight.
- **Mission-driven leadership** is more important than ever to balance access, compliance, and long-term student success.

Strategic Priorities for Your Institution

CampusWorks recommends the following actions to lead confidently in this environment:

- **Compliance as Strategy:** Invest in data systems, legal counsel, and institutional research to support informed decision-making.
- **Agile Financial and Enrollment Models:** Build flexible models to anticipate changes in aid, loan caps, and accountability metrics.
- **Internal Capacity Building:** Prepare for delayed federal guidance by strengthening internal expertise and relying on trusted partners to fill gaps.
- **Program-Level Risk Assessment:** Identify and adapt programs that may be vulnerable under new metrics.
- **Mission and Market Alignment:** Communicate the full value of your programs—beyond short-term wages—to stakeholders and policymakers.
- **Coordinated Advocacy:** Join efforts to shape OBBBA implementation and protect institutional autonomy.
- **AI-Driven Student Success:** Use federal grant funds to responsibly implement AI tools that enhance tutoring, advising, and personalized learning outcomes—aligning innovation with equity and access.

CampusWorks Is Here to Help

You don't have to navigate this complexity alone. CampusWorks partners with AFIT members to strengthen strategy, ensure compliance, and support student success—so you can stay mission-strong and future-ready.

Additional Pressures from Courts and Agencies

The Department of Education is facing reduced operational capacity due to federal workforce cuts. Additional disruptions include:

- New FAFSA identity verification requirements that have slowed processing and added complexity.
- Exclusion of undocumented and DACA students from adult education and career and technical programs.
- Legal challenges to federal grant programs for Hispanic-Serving Institutions.
- State-level requirements for professional licensure disclosures under SARA agreements.

Let's Talk.

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