Education Finance Council™

NATIONAL IMPACT REPORT 2026

Nonprofits Empowering Student Success

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Who We Are

Education Finance Council (EFC) and its members are dedicated to helping students and families save, plan, and pay for higher education. As the national trade association representing nonprofit and state-based higher education finance organizations, EFC brings together members united by the public-purpose mission of expanding access to affordable higher education and supporting student success. EFC members empower millions of students and families to pursue their educational goals and improve their lives through free educational services, scholarships, grants, and low-cost financing options.

Learn more about EFC and our members by visiting efc.org.

Message from the President

I am pleased to present Education Finance Council's **2026 National Impact Report**, highlighting the meaningful contributions EFC's nonprofit and state-based member organizations made to students, families, and the communities they served throughout Award Year 2025-2026 (AY 2025-26).

EFC members share a public-purpose mission: empowering student success and expanding access to and affordability of postsecondary education and training. EFC members provide students and families with information, resources, and financial solutions to help them make informed decisions about planning, saving, and paying for higher education.

For decades, EFC members have delivered essential education financing and college access services to their communities. Their work includes college and career planning, FAFSA completion assistance, financial education and counseling, scholarships and grants, education savings programs, career connected opportunities, and responsible, consumer-focused education financing. Equally important, EFC members are also a trusted resource for borrowers as they navigate repayment and manage their education loans.

The AY 2025-26 marked a period of significant change in federal higher education and student aid policy. These changes challenged institutions, students, and families alike to navigate an increasingly complex higher education financing environment. Throughout this period, EFC members responded with agility and innovation while maintaining their longstanding commitment to quality, affordability, and service.

The data presented in this report demonstrates the scale and reach of that commitment. Behind every number are students and families making consequential decisions about their futures. Whether helping a family begin saving for a child's education, guiding a student through the financial aid process, providing scholarship or emergency assistance, developing innovative and affordable financing options, or helping a borrower successfully navigate repayment, EFC members provide support throughout the education financing journey.

As we look to the future, EFC remains committed to supporting its members as they advance their mission, expand educational opportunities, promote affordability, and help students and families make informed financial decisions. We will continue to work alongside policymakers, higher education institutions, and other partners to identify solutions that strengthen access and affordability to postsecondary education and support student success.

I extend my deep appreciation to EFC's members, partners, and stakeholders for their continued dedication and collaboration. Most importantly, I thank our member organizations for the work they do every day on behalf of students and families across the country.

Gail daMota
President
Education Finance Council

By The Numbers

Award Year '25-'26

$26 Billion
In managed education savings plans

100,600
New education savings plan accounts opened

$1.31 Billion
In grants and scholarships

2.91 Million
Families supported with free college access and success programs

$1.41 Million
In emergency grant aid to students facing unexpected financial challenges

3.82%*
Average lowest fixed-rate APR for undergraduate students

10.74 Million
Federal and private education loan borrowers serviced

*In AY 2025-26, includes available deductions

Executive Summary

Meeting the Evolving Needs of Students

The postsecondary landscape is changing rapidly, reshaping how students and families plan and pay for education and workforce training. Colleges and universities are confronting unprecedented challenges, from affordability concerns and enrollment pressures to reductions in federal funding. At the same time, significant changes to federal student aid took effect this year, including new federal student loan limits and the expansion of Pell Grants to certain workforce training programs.

Against this backdrop, students and families need trusted support to understand their options and access the resources available to them. EFC members provide that support, connecting students and families with the information, guidance, and financial resources they need to pursue education and training. As trusted guides, these nonprofit and state-based organizations help families make informed decisions at every stage of planning and paying for higher education.

This 2026 National Impact Report highlights how EFC member organizations supported students and families in Award Year 2025-2026 (AY 2025-26). Building on their longstanding programs and services, EFC members responded to a changing environment with new and expanded efforts designed to help families navigate uncertainty, access affordable pathways, and ensure students have the support they need to continue pursuing their educational goals.

To learn more about the EFC member information contained in this report as well as the many programs and services provided by each, visit efc.org/voting-members.

Planning

Families often begin thinking about college planning when children reach high school but starting earlier gives savings more time to grow. EFC members help parents and caregivers begin planning and saving during a child's early years, laying a stronger financial foundation for future education.

In AY 2025-26, six EFC members administered their state-sponsored education savings plan, helping families open approximately 100,600 new accounts in the past year. These organizations design accessible investment programs, often matching initial deposits and seeding accounts for low-income households, to help families start saving early and build resources for future education.

Outreach and FAFSA Support

Applying to college and accessing financial aid have become increasingly complex, making trusted, personalized guidance more important than ever. In AY 2025-26, the 24 EFC members with available data supported 2.91 million families through free college access and success programs.

EFC members deployed teams directly into the communities they serve, hosting free workshops, staffing call centers, and working with students and families in high schools and other community settings. These efforts help demystify the college application and financial aid processes, assist families with completing the Free Application for Federal Student Aid (FAFSA), and connect students with available sources of aid. Through this guidance, EFC members help students identify and maximize the federal, state, and institutional assistance for which they may be eligible.

Bridging the Financial Gap

Few students can cover the full cost of postsecondary education through a single source of financial aid. EFC members help bridge the gaps with state grant aid, scholarships, and other targeted financial assistance. In AY 2025-26, 20 EFC members awarded more than $1.3 billion in grants and scholarships directly to students and provided an additional $6.8 million to partner organizations to support scholarship programs.

When grants, scholarships, federal aid, and family resources are not enough to cover the full cost of attendance, EFC members provide affordable financing options to help meet the remaining need. Their fixed-rate education loans offer competitive interest rates, no origination fees, and flexible repayment terms designed with long-term affordability in mind.

These options have become more important as federal student loan reforms took effect on July 1, 2026. The changes eliminated the Grad PLUS program for new borrowers and established new student and parent federal loan borrowing limits. As a result, some students and families may face larger gaps between available federal financial aid and the cost of their education, making access to affordable financing increasingly important.

A Borrower-Focused Graduate Loan for Connecticut Students

Federal student loan reform created new borrowing limits that are expected to widen unmet need gaps for graduate and professional students. In preparation, Connecticut Higher Education Supplemental Loan Authority (CHESLA) launched the MyCHESLA Grad Loan, a state-based loan program for graduate and professional students that offers flexible repayment terms, in-school repayment options, and fixed interest rates ranging from 5.50 percent to 7.99 percent. Designed for the unique needs of graduate students, the program considers a borrower's future earning potential based on their academic program, enabling more students to get a loan without the need for a cosigner.

CHESLA also provides financing, information, and tools for students and families to make informed decisions about paying for higher education. To help borrowers successfully manage their finances, CHESLA provides free resources through its financial literacy and wellness portal, called CT Dollars and Sense. Visit CTDollarsAndSense.com to learn more.

Beyond the Classroom

EFC members support students well beyond paying the tuition bill. Through comprehensive financial literacy and personalized guidance, they help students and borrowers build the skills to budget, manage credit, understand their financing options, and make informed borrowing decisions. Recognizing that financial setbacks can derail a student's education, many EFC members also offer emergency grants and completion supports to help students stay enrolled and on track. In AY 2025-26, the six members with available data provided more than $1.41 million in emergency grant aid to students facing unexpected financial challenges.

EFC members also play an important role in preparing students for successful careers through investments in career exploration and navigation, workforce development programs, and skills training. Through these efforts, member organizations help their states meet education and workforce demands through innovative programs, such as planning for the implementation of Workforce Pell Grant, which will expand federal student aid eligibility to qualifying short-term credential programs.

Responding to Emerging Student Needs in Minnesota

In preparation for federal policy changes, the Minnesota Office of Higher Education (MN OHE) launched the SELF Grad Loan to meet the evolving needs of students in the state. The new SELF Grad Loan is a low-interest financing option for Minnesota resident students attending graduate schools in Minnesota or other states and non-resident students attending Minnesota graduate schools. The program offers fixed rates that are not based on credit score, but instead on whether the loan has a co-signer and the repayment term chosen.

MN OHE is a state agency that connects students and families with financial aid programs, information, and resources to make college possible. Learn more at [ohe.mn.gov](ohe.mn.gov).

After Graduation

EFC members continue to serve students well after they leave campus. Over the past six years, federal student loan borrowers have experienced unprecedented disruption, from the five-year pandemic-related payment pause to the return to repayment and ongoing changes in federal student loan policy. This uncertainty has created opportunities for misinformation and student loan scams that put all education loan borrowers at risk, making access to trusted guidance especially important.

EFC members that service education loans provide direct customer support and services to borrowers to help them understand their options, manage repayment, and identify and avoid misinformation and fraudulent schemes. In AY 2025-26, the 13 organizations with available data serviced 10.74 million federal Direct, Federal Family Education Loan Program (FFELP), and private student loan borrowers, providing exceptional service, reliable information, guidance, and individualized assistance throughout repayment.

Many EFC members partner with colleges and universities to help borrowers avoid delinquency and default. Several EFC members serve as FFELP guaranty agencies, providing specialized assistance to FFELP borrowers and conducting broader outreach and support to student loan borrowers across the country.

Together, these efforts help borrowers successfully manage repayment and strengthen the continuum of support EFC members provide from college planning through life after graduation.

Education Savings

Saving early for postsecondary education can significantly reduce the amount that students and families need to borrow, reducing interest costs over time. Research suggests that saving for education can encourage families to plan for postsecondary education and that even modest savings are associated with a greater likelihood that a student will enroll in college.[1]

Six EFC members administer their state's 529 plan, a tax-advantaged investment account created for families to save for future education costs. As of June 30, 2026, families held more than 617,000 accounts through these plans, with more than $26 billion saved for education.

Establishing an education savings account can seem like a complex process, especially for parents and caregivers who are new to investment products. EFC members work to make saving more accessible by offering education and outreach programs that encourage families to begin saving and build that habit over time. Depending on the state, these efforts can include matching grants, state tax incentives, scholarships, and other incentives that help families build savings for a student's future.

In AY 2025-26 alone, the six members that administer their state's 529 plan helped families open approximately 100,600 new accounts. These and other EFC members promote education savings by connecting families with their state's 529 plan and providing the information and guidance they need to begin planning early for future education costs.

[1] Briscese, G., List, J. A., & Liu, S. (2025). Navigating the College Affordability Crisis: Insights from College Savings Accounts. National Bureau of Economic Research Working Paper No. 34126. https://doi.org/10.3386/W34126

Boosting Education Savings in North Dakota

The Bank of North Dakota (BND) administers North Dakota's 529 college savings plan, called College SAVE. College SAVE has three match programs, outlined below. For every dollar invested in these match programs, participating families contributed and earned $23.50 in return for their child's future education.

- New Baby Match: Prior to their first birthday, all North Dakota newborns are eligible to receive a $200 match with no income restrictions.
- Kindergarten Kickoff Match: For five- and six-year-old North Dakota children entering kindergarten, new and existing account owners are eligible for a $100 match with no income restrictions.
- BND Match: This program is for North Dakota resident taxpayers on behalf of any child residing anywhere in the United States under 16-years-old. This program matches up to $300 to eligible residents, based on certain income limitations.

BND provides information about these opportunities and a diverse array of resources to students and their families as they navigate college planning at bnd.nd.gov/edresources.

Connecting Kentucky Families with Education Savings and Trusted Guidance

Kentucky Higher Education Assistance Agency (KHEAA) administers KY Saves 529, Kentucky's 529 education savings plan. KHEAA actively promotes the program statewide, employing an expert to travel the state, build a culture of college savings, and help new participants get started. KHEAA also uses awareness campaigns, like 529 Day (May 29), and community partnerships, such as its collaboration with local libraries during the annual statewide Summer Reading Program, to promote family engagement with education and planning.

KHEAA also deploys outreach counselors who live and work in their regions, guiding students and parents through the postsecondary planning, admissions, and financial aid processes. Counselors serve middle schools, high schools, adult education centers, and community organizations and participate in college and financial aid nights, workshops, career fairs, adult education programs, professional development and staff training, summer school programs, summer camps, and more. Learn more about KHEAA's outreach team at kheaa.com/web/outreach.faces.

Postsecondary Access and Success

As the postsecondary education and financial aid landscape evolves, EFC members are committed to ensuring that students have access to reliable information and guidance to understand their options and make informed decisions. EFC members provide support in the communities they serve through counseling sessions, workshops, virtual events, and other free college access and success programs.

Last year, the 24 EFC members with available data helped more than 2.91 million families make informed decisions about postsecondary education. They held nearly 13,700 workshops and almost 212,000 one-on-one counseling sessions for personalized support.

FAFSA Outreach and Completion

Filing the Free Application for Federal Student Aid (FAFSA) is a critical first step in accessing financial aid for postsecondary education. The FAFSA determines eligibility for federal student aid including Pell Grants, federal campus-based aid, and federal student loans. It is also used by most states and institutions to award need-based aid. In AY 2025-26, the 20 EFC members with available data assisted families in filing more than 238,000 FAFSA forms.

In recent years, both Congress and the Administration have implemented significant changes to simplify the FAFSA, including reducing the number of required questions and modernizing the technical systems that support it. Early implementation challenges resulted in delayed FAFSA launches and technical glitches that created additional barriers for students and families. Throughout this transition, EFC members worked alongside the National College Attainment Network membership and other community partners to help students and families overcome obstacles, understand changing requirements, and successfully file the FAFSA.

Fortunately, the Department of Education has resolved most issues and continues to improve the user experience, making the FAFSA more accessible than ever. The 2025–26 FAFSA officially opened on November 21, 2024, nearly two months later than the traditional October 1 launch date. Despite the late launch, the graduating class of 2025 reached a 53.9 percent FAFSA completion rate by June 30, 2025.[2]

The following cycle showed further progress. By May 1, 2026, 54.7 percent of the high school class of 2026 had completed the FAFSA—an all-time high for that point in the FAFSA cycle.[3]

[2] DeBaun, B. (2026, May 13). Class of 2026 Sets All-Time High FAFSA Completion Record. National College Attainment Network. https://www.ncan.org/Web/Web/News/Class-of-2026-Sets-All-Time-High-FAFSA-Completion-Record.aspx

[3] DeBaun, Class of 2026 Sets All-Time High FAFSA Completion Record.

New Mexico Empowers Educators to Support Students Through FAFSA Process

High school students often turn to teachers and guidance counselors for assistance as they start the FAFSA process. The New Mexico Educational Assistance Foundation (NMEAF) runs a statewide program to ensure these professionals have the tools and information they need to help. A signature function of this program is NMEAF's annual FAFSA training for counselors, teachers, and financial professionals across New Mexico. These sessions provide a line-by-line overview of the FAFSA form, tools, resources, and presentations from the New Mexico Higher Education Department on state aid updates.

Each year, NMEAF typically conducts more than 120 such workshops in schools or virtually throughout New Mexico. NMEAF also collaborated with a local counselor to create the NM Financial Aid Access Professional Certificate course, which provides training to interested high school counselors and college access professionals. Professionals who have a strong understanding of the financial aid application process, eligibility requirements, and New Mexico State Aid eligibility requirements are better able to advise students and parents.

NMEAF has been helping students and families make smart financial decisions for more than 35 years and provides tools and resources where school professionals can direct students and families at nmeaf.org/plan-pay-for-college.

Helping Families Understand College Costs

It can be difficult for students and families to understand and compare college costs and financial aid packages without guidance from a professional. Most colleges inform students of their actual cost and financial aid packages using financial aid offers, but the terminology, format, and information included can vary significantly from one institution to another. This lack of consistency can make it difficult for students to compare offers, distinguish grants and scholarships from loans, and understand what they may ultimately be expected to pay.[4]

EFC members help families make sense of this information and evaluate their options with confidence. Through free one-on-one counseling, educational resources, and comparison tools, EFC members help students understand financial aid offers, compare college costs, identify available resources, and make informed decisions about how to pay for postsecondary education.

Helping Families Navigate Financial Aid with AI and Expert Support

To help students and families understand financial aid offer letters and make informed decisions about postsecondary education, Vermont Student Assistance Corporation (VSAC) launched Award Advisor,™ a free app that uses artificial intelligence (AI) to standardize the information provided on each offer letter and allow for easier comparison of the included aid packages. State partners can offer this free tool in their region, promote state-specific nonprofit lending options, and support local school counselors and navigators. The app is available at awardadvisor.org.

Award Advisor™ is just one of the many ways VSAC works to ensure Vermont students and families have the information, assistance, and financial aid to achieve their goals. VSAC further offers free one-on-one assistance for students and families to provide information regarding grants, FAFSA completion, college applications, post-high school planning, and saving for education with VT529.

[4] Clayton, D., Draeger, J., & Ward, J. D. (2025). Cost confusion: Americans' misperceptions of college costs. Strada Education Foundation. https://www.strada.org/reports/cost-confusion-americans-misperceptions-of-college-costs

Persistence and Completion

Nearly 40 percent of students who enroll in college do not complete a credential, and many leave with student debt but without the degree or credential that could lead to greater career opportunities and higher lifetime earnings.[5] There are many reasons that students leave school without graduating, but often a little extra support can make the difference between leaving school and staying on track toward completion.

Through partnerships, innovative programs, and financial assistance, EFC members help students overcome the barriers that lead students to stop out.

Supporting Student Success Through Institutional Partnerships

ECMC Elevate is a no-cost, no-application grant opportunity for community colleges funded by ECMC Foundation. Elevate provides selected schools with practical, scalable ways to support students throughout their educational journey. Participating institutions can access a customizable suite of services designed to strengthen financial wellness, persistence and completion, career readiness, and student loan repayment outcomes. Learn more at ecmc.org/elevate.

ECMC supports student success through a broad ecosystem of programs and services designed to help learners access, persist in, and complete postsecondary education. Through ECMC Solutions, institutions receive financial literacy education, student loan repayment counseling, and default prevention services that improve student outcomes. ECMC also operates The College Place, a network of college access centers that provides free one-on-one guidance to students and families on college planning, financial aid, FAFSA completion, scholarships, and career pathways, reaching tens of thousands of students annually.

In addition, the ECMC Scholars Program combines mentoring, coaching, and scholarship support for students who face barriers to higher education, helping them navigate the transition from high school through college completion. Selected students receive individualized guidance, college and career planning support, and access to scholarship funding that promotes postsecondary persistence and success.

Helping Texas Students Plan for the Entire Cost of a Degree

Oftentimes, students and families place greater focus on paying for the first year of college than other years. However, college is a significant, multiyear financial commitment and resources available in the first year may not continue at the same level in the future. To help address this challenge, inspirED launched a new continuing scholarship program for previous scholarship recipients. The program streamlines the renewal process, making it easier for students to apply for ongoing support and maintain continuity in their funding. In its first year, this new program doubled the size of inspirED's scholarship program, awarding approximately $200,000 in continuing scholarships to help students stay on track.

In addition to awarding scholarships, inspirED also provides college and career advising and planning services through its 19 GO Centers, which pair students with mentors that can help them with every step leading up to college and college persistence coaching for local college-going students. Learn more about these and other programs offered by inspirED for Texas students at inspiredoutreach.org.

inspirED is the Outreach Division of Higher Education Servicing Corporation (HESC), a sister organization of North Texas Higher Education Authority, that serves greater Tarrant County.

[5] Norris, S., & Ullrich, L. D. (2024). Unfinished business? A closer look at the "Some College, No Degree" population. Regional Matters. Federal Reserve Bank of Richmond. https://www.richmondfed.org/region_communities/regional_data_analysis/regional_matters/2024/rm_07_25_24_unfinished_business

Support for Nonacademic Needs

For many students, even a relatively small financial setback can quickly become a barrier to staying enrolled. According to the Fall 2025 Student Financial Wellness Survey conducted by Trellis Strategies, 54 percent of students reported that they would have difficulty accessing $500 to cover an emergency or unexpected expense, underscoring the financial vulnerability many students face.[6]

Recognizing that financial challenges outside the classroom can disrupt a student's progress, EFC members provide emergency aid, completion grants, and other targeted assistance to help students address immediate needs and remain enrolled. In AY 2025-26, the six members with available data provided more than $1.41 million in emergency grant aid to students, with average awards ranging from $100 to $3,000, based on student need. By helping students manage unexpected expenses before they become insurmountable barriers, these programs provide critical support at moments when even modest financial assistance can help students overcome temporary hardships and persist in their program toward completion.

Keeping New Hampshire Students on Track with Emergency Support

Since 2024, Granite Edvance has committed nearly $500,000 to help New Hampshire students overcome financial barriers that can interrupt their education. Recognizing that unexpected expenses are a leading reason students stop out, Granite Edvance partnered with public colleges and universities across the state to expand emergency financial assistance and help students cover emergency expenses such as food, housing, transportation, childcare, and medical needs.

Beyond emergency aid, Granite Edvance invested $25,000 to launch Manchester Community College's Momentum Scholarship, which encourages full-time enrollment by reducing financial barriers associated with degree completion. Granite Edvance has also supported students through additional campus investments, including donations to college food pantries that help address basic needs and enable students to stay focused on their education.

Granite Edvance has been helping New Hampshire families plan and pay for higher education for over 60 years. Learn more at graniteedvance.org.

[6] Trellis Strategies. (2026). Student Financial Wellness Survey: Fall 2025 Results. https://www.trellisstrategies.org/research-studies/student-financial-wellness-survey-fall-2025/

Financial Wellness

Students and families have access to more information than ever before, but not all of it is accurate, reliable, or easy to understand. At the same time, the financial decisions surrounding education and training are becoming increasingly complex, with a growing range of postsecondary pathways and options for financing them. Access to trusted, unbiased guidance is essential to helping students and families build financial knowledge and make informed decisions.

EFC members provide that guidance at every stage of the postsecondary journey. Members help students and families understand their options through financial education, personalized counseling, and decision-making tools and resources. They also equip counselors, educators, and institutions with the information and resources they need to provide effective financial guidance to the students they serve.

Making Financial Aid Information Accessible Across Arkansas

The Arkansas Student Loan Authority (ASLA), through its College Planning Services program, provides statewide assistance to help Arkansas students achieve their postsecondary education goals. Each year, ASLA prints and distributes up to 55,000 free *How to Pay for College* booklets to high schools and organizations across Arkansas. The booklet provides students and families with a comprehensive resource for financial aid information, including guidance on the FAFSA, Arkansas state aid, scholarships, student loans, and other resources for planning and paying for college.

The 16-page *How to Pay for College* booklet is also available online in both English and Spanish, making the information easily accessible to students and families throughout the state. Several schools use the booklet as a classroom resource, with teachers incorporating it into instruction to help guide students through the college financial aid process.

ASLA also partners with the Arkansas Division of Higher Education to host free statewide Virtual Financial Aid Nights. These sessions provide students and families with information about financial aid programs and highlight resources included in the *How to Pay for College* booklet. Learn more at asla.info.

Helping Graduate Students Navigate a Changing Financial Aid Landscape

Midwestern University (MWU) created Sensible Strategies to help graduate and professional health sciences students build the knowledge, skills, and confidence to make informed financial decisions during their education and beyond. Available to students and alumni on both MWU campuses at no additional cost, the program combines personalized guidance, financial aid education, practical resources, and technology to support financial well-being throughout the student experience.

A cornerstone of Sensible Strategies is individualized financial wellness counseling. Students can meet one-on-one with a Certified Financial Education Specialist to discuss their specific financial circumstances, priorities, and goals. Budget Buddy, MWU's AI-powered financial wellness assistant, provides an additional source of support by answering common questions about financial aid, budgeting, student loan repayment, and related financial topics at any time. When a question requires more individualized guidance, students are directed to one-on-one support. The program also provides students and alumni with access to budgeting tools, loan repayment calculators, planning resources, and educational materials on topics including budgeting, credit, student loans, taxes, and other areas of personal finance.

Financial aid education is also incorporated at key points throughout a student's academic program. By combining individualized support with structured financial aid education, accessible digital resources, and on-demand assistance, Sensible Strategies provides students with multiple ways to engage with financial wellness throughout their education and into their professional lives. The program is designed not simply to help students manage the cost of their education, but to equip them to make sound financial decisions well beyond graduation. Learn more at midwestern.edu/admissions/paying-college/financial-wellness-sensible-strategies.

Using Technology to Make Financial Literacy and College Planning Accessible

As students and families increasingly turn to digital resources for information and guidance, Oklahoma College Assistance Program (OCAP) is using technology to make financial literacy and college planning more accessible. OCAP offers Oklahoma Money Matters (oklahomamoneymatters.org), a personal finance education program that helps K-12 schools, higher education campuses, businesses, and community partners empower Oklahomans to make positive financial choices. The program offers several tools and calculators and recently debuted 14 self-paced learning modules, each aligned with one of the state's 14 Personal Financial Literacy standards.

OCAP also administers okcollegestart.org, the state's official college and career planning application portal, which is designed to help students explore their future education and career paths. It offers a wide range of free tools and resources for career planning, college planning, financial aid guidance, and more.

Preparing Students for Careers

Many people pursue postsecondary education to gain the knowledge, skills, and credentials needed to enter or advance into a meaningful career that provides financial stability. However, it's not always clear which pathways will lead to strong employment opportunities or the experience employers want.

Education and workforce systems are increasingly collaborating to create clearer, more accessible pathways from the classroom into the workplace. EFC members help to bridge that connection by supporting career exploration, work-based learning, and other opportunities to develop in-demand skills.

Helping Alaska Students Explore, Plan, and Prepare for Their Future

The Alaska Commission on Postsecondary Education (ACPE) provides Alaskans meaningful solutions for college, career, and technical training through a variety of resources and programming. These include the Alaska Career Information System (AKCIS), an online platform where Alaskans from elementary school through retirement can create their own Personal Learning and Career Plans. The platform includes career exploration tools, cost of attendance and financial need calculators, and extensive databases for scholarships, internships, and employment opportunities.

Funded by the Alaska Student Loan Corporation (ASLC), ACPE also offers a suite of financial aid and outreach services designed to provide education access to Alaskans, including postsecondary trainings for education stakeholders, resources for FAFSA completion through the Alaska FAFSA Completion Initiative, and financial aid solutions including education loans and scholarship and grant programs. Learn more at acpe.alaska.gov.

Work-Based Learning

Work-based learning experiences, such as internships and apprenticeships, give students opportunities to apply classroom learning in real-world settings. Research has linked participating in work-based learning to stronger early career outcomes, including a greater likelihood of securing college-level employment and advancing in a career. Paid internships are also associated with higher earnings after graduation.[7] This helps students prepare for long-term career success while strengthening the talent pipelines employers need.

[7] Torpey-Saboe, N., Song, H., & Thompson, M. (2026). Work-based learning and early career outcomes: Evidence on earnings, college-level employment, and career progression. Research in Higher Education, 67, Article 14. https://doi.org/10.1007/s11162-026-09888-4

Helping Massachusetts Students Develop Career Goals and a Postsecondary Financial Plan

In collaboration with the Massachusetts Department of Elementary and Secondary Education, the Massachusetts Educational Financing Authority (MEFA) created a work-based learning tool within MEFA Pathway, the Commonwealth's college and career planning portal for students and counselors in grades 6-12. The tool enables schools to create a student-facing database of employment-related learning opportunities, including internships, job shadows, co-ops, guest speakers, and more. Students build their work-based learning plan and complete self-evaluations, which enable them to set goals and track their skill growth.

MEFA Pathway also helps students connect their career goals with a plan to pay for their postsecondary education or training. In addition to offering guidance on creating a budget and comparing the cost of multiple colleges, the platform helps students understand the cost of borrowing in relation to a presumed career. The platform's Loan Cost Estimator allows students to enter a projected student loan amount, interest rate, and repayment term, and provides an estimated monthly loan payment, total interest amount, and total payment. Students can select a career from a drop-down box, which projects an annual salary and an assessment of the loan's affordability based on the estimated annual income.

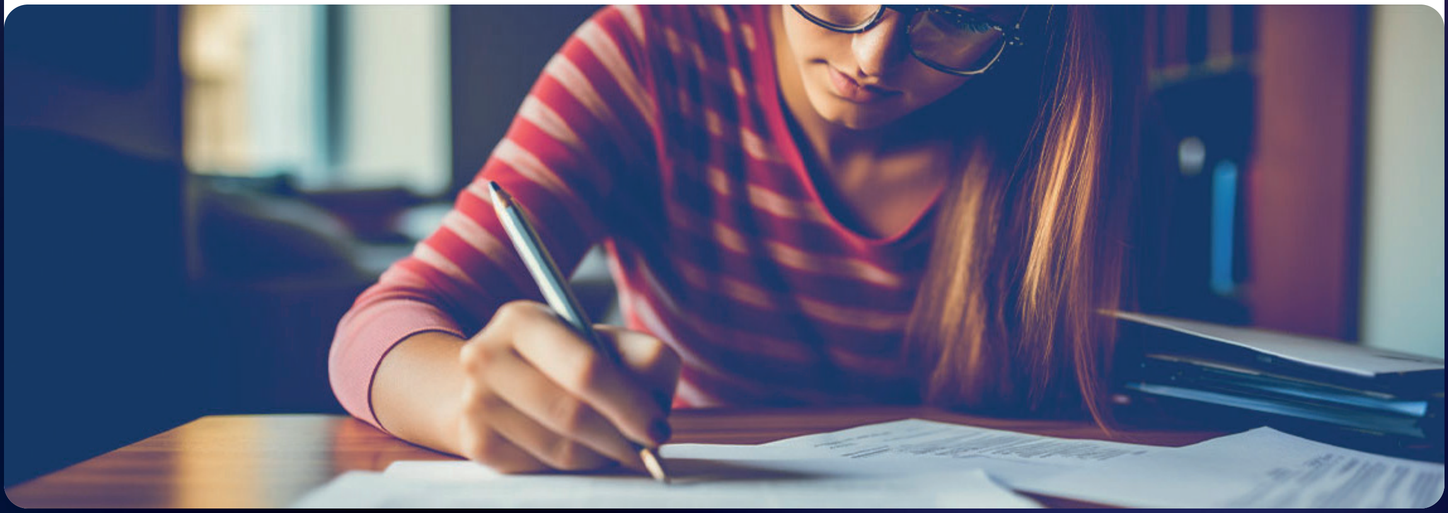
MEFA offers education programs on planning and paying for college, tax-advantaged savings plans, fixed-rate loans, and expert guidance. Learn more at mefa.org.

Addressing Shortages of Skilled Workers

The United States faces a growing shortage of workers with the education and skills required to fill jobs in the occupations that are essential to the nation's economy, infrastructure, and well-being. The Georgetown University Center on Education and the Workforce predicts that the country will need an additional 5.25 million workers with postsecondary education by 2032, including 4.5 million with a bachelor's degree or higher.[8] These workforce needs span across essential occupations such as teachers, nurses, engineers, skilled tradespeople, and childcare professionals.

EFC members work closely with state and local leaders, educational institutions, and employers, to develop programs and opportunities to help students access pathways into high-demand careers. These efforts also support the workforce priorities of their states and communities.

[8] Smith, N., Van Der Werf, M., Adelson, M., & Strohl, J. (2025). Falling behind: How skills shortages threaten future jobs. Georgetown University Center on Education and the Workforce. https://cew.georgetown.edu/cew-reports/skills-shortages/



Addressing Workforce Shortages Through Financial Aid in New Jersey

New Jersey Higher Education Student Assistance Authority (HESAA) is addressing growing shortages in essential occupations using targeted financial aid and loan repayment programs. This year, to address a deepening national shortage of certified air traffic controllers, the state launched a $3.5 million grant program to help its institutions of higher education build programs that feed into Federal Aviation Administration (FAA) certification pathways. To complement this investment, NJHESAA launched the Air Traffic Controller Loan Redemption Program, making up to $100,000 in student loan redemption available to New Jersey residents working as air traffic controllers for the FAA at eligible sites serving New Jersey airways.

The program builds on other education loan redemption programs offered by HESAA for workers in in-demand fields, including nursing faculty, health and behavioral health care professionals, teachers, high-growth STEM occupations, and prosecutors and public defenders.

HESAA also offers the NJBest 529 education savings plan, as well as numerous grants, scholarships, and support for students and families throughout the financial aid process. Learn more at hesaa.org.

Building the Healthcare Workforce in Rhode Island

This year, Rhode Island Student Loan Authority (RISLA) celebrates 45 years of service to Rhode Island students and families. As costs rise and affordability is top of mind for Rhode Islanders, RISLA committed to preserve access to in-demand healthcare fields by adding flexible options to its healthcare graduate loan products. In addition, to address the critical need for nurses, RISLA offers a Nursing Rewards Program which gives qualifying registered nurses 0 percent interest for up to 48 months on eligible RISLA student or parent loans. This benefit lowers monthly payments and ensures every payment goes directly toward the principal balance.

RISLA also dedicated over $4 million to expand its affordable loan programs to help address funding shortfalls for graduate students and parents. The program is designed for RI students and families who traditionally may not qualify for non-federal loans but would have otherwise qualified for a PLUS Loan. The program focuses on outcomes-based underwriting for graduate students and underwriting changes for undergraduates to increase loan approval rates and streamline the application process.

RISLA supports students and families at every step of the college journey with free College Planning Center programs on financial literacy, college admissions, and financial aid support, $100k in scholarships each year, and affordable student loans and refinancing options. Learn more at risla.com.

Scholarships and Grants

Grant and scholarship programs play a critical role in helping students access and afford postsecondary education. By reducing the amount students and families must pay out of pocket or finance through loans, this aid can lower both borrowing and the interest costs associated with it over time. EFC members expand access to these resources by funding and administering scholarships and grant programs and helping students find and apply for available aid.

In AY 2025-26, the 20 EFC members with available data awarded more than $1.3 billion in scholarships and grants directly to students with average individual awards ranging from $500 to $20,040. During this same period, members provided an additional $6.8 million to partner organizations to support scholarship programs, extending the reach of financial assistance to even more students.

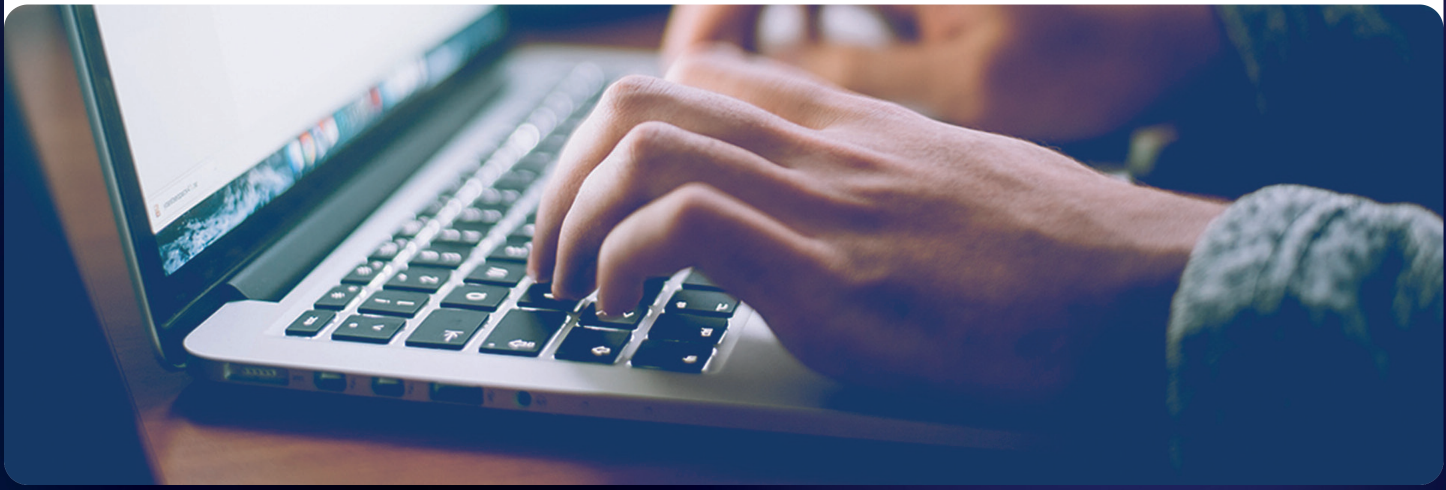
Connecting Students with Scholarship Opportunities

Managing a scholarship search can feel overwhelming because there are countless opportunities available with varying eligibility requirements and application deadlines. ISL Education Lending and ICAN worked together to launch Step 1 Scholarship Search, a free scholarship database designed for high school and college students, parents, and counselors to find local, regional and national scholarships that match their criteria. Users provide information about their interests, qualifications, background, and more. Then they are matched with available opportunities with applications due within the next 90 days. Learn more at step1scholarships.org.

ICAN is a nonprofit organization in Iowa that ISL supports. ICAN is dedicated to empowering students and families as they plan for life after high school by providing free, personalized advising on career exploration, academic planning, college selection, financial aid and the transition to college or training.

Scholarships

Scholarships may be awarded based on a multitude of factors, usually tailored to specific needs, interests, and programs. EFC members fund many scholarship programs that encourage students to prepare for and succeed in postsecondary education and support a wide range of goals, such as college savings, academic achievement, participation in financial literacy education, and more.



Equipping the Next Generation of Leaders

When scholarship funds are paired with the right support, it can help students make the most of the investment. Through Strada Education Foundation's HBCU initiative, participating Strada Scholars receive annual scholarships, yearly stipends to offset the cost of participating in internship opportunities, leadership development training, access to work-based learning experiences, and exposure and connections to various graduate school and career options to increase postgraduate success.

The Strada HBCU Initiative launched in 2021 with an eight-year, $25 million commitment from Strada to help 47 HBCU partner institutions amplify their leadership development efforts. More than 470 Strada Scholars were selected by their HBCU chancellors and presidents, and last spring a second class of 100 Strada Scholars completed their undergraduate degrees. Bringing out total number of graduates thus far to more than 200 Strada Scholars with another 250 more over the next few years.

Strada Education Foundation deploys a diverse range of tools to foster collaboration between the institutions that serve students and the employers who need them. Through research, grantmaking, policy solutions, and strategic investments, Strada is focused on connecting education with opportunity. Learn more at strada.org.

Grants

Many EFC members administer state-funded grant programs that are tailored to state priorities, such as supporting students with financial need, increasing educational attainment, and addressing workforce shortages.

Building Pennsylvania's Workforce Through Financial Aid

To address critical workforce shortages, the Pennsylvania Higher Education Assistance Agency (PHEAA) administers targeted grant programs that encourage students to pursue high-demand careers and build their futures in Pennsylvania.

- The Grow PA Grant Program was authorized under Act 89 of 2024 to help reverse the trend of young Pennsylvanians seeking education and job opportunities in other states. The program offers grants of up to $5,000 per year for in-state students who attend college in Pennsylvania, pursue a degree in an in-demand occupation, and agree to work in that occupation in Pennsylvania after graduation.
- While the Grow PA Grant Program benefits Pennsylvania students, PHEAA joins Pennsylvania's State System of Higher Education (PASSHE) in administering the Grow PA Tuition Waiver Program, which allows eligible non-resident PASSHE students pursuing in-demand occupations to pay tuition at an in-state rate rather than an out-of-state rate. Recipients make a similar commitment to living and working in the Commonwealth for the number of years they received the waiver.
- The PA Nurse Shortage Assistance Program provides grants to qualified nursing servicers to help nursing students secure employment after graduation through partner hospitals. It also helps them repay student loans incurred while obtaining a degree in nursing.

PHEAA was created by the Pennsylvania General Assembly in 1963 to provide affordable access to higher education for PA students and families. Over the years, PHEAA has become one of the nation's leading providers of student financial aid services. Learn more at pheaa.org.

Nonprofit and State-Based Education Loan Programs

Even after applying financial aid and other resources, some students and families face a gap between cost of attendance and their available funding. EFC members encourage families to maximize grants, scholarships, campus-based aid, and federal student loans before considering a private education loan. When additional financing is needed, EFC members provide an affordable option designed with students in mind.

EFC members are guided by a public-purpose mission and prioritize affordability, transparency, and responsible borrowing. They offer low fixed-rate education loans with no origination fees and borrower-friendly benefits such as flexible repayment options, interest rate reductions, and in some cases cosigner release and targeted forgiveness programs.

In AY 2025-26, the 21 EFC members with available data provided nearly 76,000 in-school loans, totaling almost $1.33 billion.

As of July 2026, going into AY 2026-27, the average EFC member fixed-rate APR for undergraduate loans ranges from 4.09 percent to 8.37 percent with no origination fee. The AY 2026-27 federal PLUS loan has an interest rate of 9.07 percent with a 4.228 percent origination fee—assuming a 10-year repayment, the estimated APR is 10.09 percent.

To learn more about the low-cost programs offered by EFC Members visit efc.org/affordable-student-loan-finder.

Bringing Transparency to the Private Student Loan Marketplace

For students who need to borrow beyond the federal limit, comparing private education loans can be a challenge. Many lenders advertise “as low as” interest rates that are available only to the most creditworthy borrowers, making it difficult to compare financing options fairly.

To help borrowers make more informed decisions, INvestED created the INvestEd Student Loan Marketplace, a free online comparison tool that provides personalized education loan or refinancing rates and terms side-by-side from many lenders without impacting credit scores. Rather than comparing advertised minimum rates, the tool enables users to view the actual rates and terms they are most likely to receive, creating a transparent and meaningful comparison.

INvestEd is Indiana’s free expert resource for students and parents seeking help with planning for education beyond high school and financial aid. INvestEd’s team assists families in understanding how to fund college wisely and minimize student loan debt. Learn more at investedindiana.org.

Low-Cost Loan Options – AY 2025-26

EFC members offer low-cost, private education loans for qualifying borrowers. In AY 2025-26, the interest rate for the federal PLUS loans was 8.94 percent, plus a 4.228 percent origination fee—assuming a 10-year repayment, the estimated APR was 9.96 percent. For the same academic year, the average annual percentage rate (APR) on loans made by EFC members was much lower and had no fees.

Loan Type	Average Lowest Fixed APR	Average Highest Fixed APR
EFC Member Undergraduate Loans	3.82%	8.27%
EFC Member Graduate Loans	4.82%	8.49%
EFC Member Refinancing Loans	5.05%	8.31%

Note: The federal student loan program publishes interest rates but does not publish an annual percentage rate (APR), which would reflect the cost of the loan's origination fee over the life of the loan. As a result, comparing federal loan rates directly with other education loan rates may not provide a complete picture of borrowing costs.

Helping Louisiana Students Assess Financial Choices

Louisiana Education Loan Authority (Lela) emphasizes the simple guideline that students should borrow only what is needed and definitely no more than the equivalent of their expected first-year salary. LelaCHOICE student loan applicants can learn about this concept and more in the Student Loan Game Plan, which is offered at no cost to undergraduate students through a partnership with Aspire Servicing Center. Student Loan Game Plan focuses on the choices that students can make while in college and after leaving school to help them understand the relationship between borrowing decisions for college and their future lifestyle. Students can use the expected starting salary associated with a selected major along with various aspects of a future budget to see the impact of their choices.

Lela's mission is to make higher education more accessible and affordable for the people of Louisiana. Over the years, Lela has saved Louisiana students more than $23 million by paying upfront fees for students on their federal student loans and has offered borrowers the potential to save over $250 million through incentives. Learn more at lela.org.

An Affordable State-Based Loan for Oklahoma Students

Oklahoma Student Loan Authority (OSLA) offers a state-based education loan – the Oklahoma Higher Education Loan Program (OK HELP). OK HELP provides low-cost undergraduate, graduate, and parent loans to Oklahoma students and families. These loans have no origination fees, offer interest rate rewards, and have multiple repayment options, including the option for student borrowers to defer or make interest-only payments while still in school.

Loans can also be made for students attending school less than full time or students in certificate-granting programs. Learn more at okhelp.org.

The Grad PLUS Gap

The elimination of the federal Grad PLUS program for new borrowers and the introduction of new lifetime borrowing limits may create significant gaps for graduate students. Many graduate students who previously relied on Grad PLUS loans to cover the full cost of attendance may now need private education loans or other financing options. However, research from the Federal Reserve Bank of Philadelphia found that nearly 40 percent of graduate borrowers who exceed the new federal loan limits may not qualify for a private loan without a cosigner.[9] In response, many EFC members are developing innovative financing options designed to expand access while maintaining responsible underwriting and affordable terms. These efforts aim to help ensure that qualified students are not prevented from pursuing graduate or professional degrees, particularly in in-demand fields because of limited access to credit.

Expanding Access to Medical Education Through Innovative Financing

Recognizing the critical need to prepare the next generation of physicians, South Carolina Student Loan Corporation (SCSLC) partnered with the Edward Via College of Osteopathic Medicine (VCOM) to create a financing option tailored to the unique needs of medical students. The South Carolina Student Loan Graduate Medical Loan helps VCOM students bridge funding gaps with competitive rates, flexible terms, personalized support, and merit-based interest rate reductions. The program expands access by approving qualified borrowers with a FICO score of 600 or higher, which is significantly lower than the requirements of other lenders. This innovative approach is supported by VCOM's zero percent delinquency rate among its federal student loan borrowers.

SCSLC has been helping South Carolina students achieve education goals for over 40 years, including through its philanthropy Power:Ed. Power:Ed provides flexible funding to colleges and universities so they can respond quickly to the financial barriers that put students at risk of stopping out. During the 2025 pilot, 30 South Carolina institutions received funding to support students facing unexpected financial challenges. The program expanded to 40 institutions in 2025–26, reflecting growing demand for emergency assistance as a strategy for improving student persistence. Learn more at scstudentloan.org.

Refinancing Loans

Education loan refinancing can allow borrowers with one or more high-interest rate education loans to replace those obligations with a new loan that may offer a lower interest rate or more favorable repayment terms, or both. For borrowers who qualify, refinancing has the potential to reduce monthly payments, lower the total interest paid over the life of the loan, and simplify repayment by consolidating multiple loans into a single monthly payment. EFC members encourage borrowers to carefully consider whether refinancing their federal student loans is appropriate, because refinancing a federal student loan into a private education loan results in the loss of federal benefits that may not be available in the private sector.

In AY 2025-26, the 17 EFC members with available data provided approximately 3,600 refinancing loans, totaling more than $222 million, helping borrowers save money.

[9] Monarrez, T., Matsudaira, J., & Ritter, D. (2025, December). Student loans for graduate school: Who will be affected by the new federal lending limits? Consumer Finance Institute, Federal Reserve Bank of Philadelphia. https://www.philadelphiafed.org/consumer-finance/education-finance/student-loans-for-graduate-school

Helping Borrowers Save on Student Loans

Brazos Higher Education is a trusted Texas non-profit organization dedicated to supporting higher education for more than 50 years. Brazos offers low-cost student lending options to Texas residents and non-Texas residents attending eligible Texas schools, as well as low-cost student loan refinancing to help eligible borrowers save money and manage their payments. Its mission is simple: help students and parents access affordable financing and save on the cost of higher education.

Applying for a Brazos loan is easy and straightforward, making it convenient to explore affordable lending options. In addition to low-cost lending and refinancing, Brazos supports students through scholarship programs awarding a total of $6,000 each month. Brazos remains committed to helping students and families make higher education more affordable. Visit studentloans.com for more information.

Support for Education Loan Borrowers

EFC members prioritize student loan repayment counseling and default prevention services to help borrowers successfully manage their education loan obligations. These organizations offer personalized assistance to help borrowers map out manageable repayment timelines, explain their rights and responsibilities, and match them with appropriate repayment plans based on their financial situation. By stepping in early with this education, they actively help borrowers avoid default and the significant financial consequences that may follow. These efforts support successful repayment while helping borrowers maintain their financial well-being over the long term.

Nebraska Helps Borrowers Stay on Track in Repayment

Nebraska-based National Student Loan Program (NSLP) has served as a nonprofit national student loan guaranty agency in the FFELP for 40 years. As a guarantor, NSLP performs outreach to borrowers and helps educate them on repayment options, as well as their rights and responsibilities under the FFELP.

As the student loan landscape continues to evolve, NSLP began a sister organization, Inceptia, which helps educational institutions strengthen student relationships and enrollment through initiatives that empower students to borrow responsibly and successfully repay their education loans. NSLP and Inceptia also partner to offer Financial Avenue, an online financial education program that mentors students on key personal financial concepts. Learn more at fa.financialavenue.org.

Education Loan Servicing

Education loan servicers help federal and private education loan borrowers successfully navigate repayment. Servicers provide customer support and timely information, help borrowers understand their repayment options and responsibilities, and connect borrowers with available benefits and assistance, particularly when a borrower is experiencing challenges to making payments. They also provide trusted information to borrowers to help combat student loan scams and misinformation.

In AY 2025-26, EFC members serviced 10.74 million Federal Direct, FFELP, and private education loan borrowers, providing important information, guidance, and individualized support throughout repayment.

Helping Borrowers Navigate a Complex Student Loan System

Navigating student loan repayment can be challenging, particularly as federal programs, repayment options, and regulatory requirements continue to evolve. As the student loan program has become increasingly complex, borrowers face a growing onslaught of misinformation and scams, often proposing an up-front or monthly fee in exchange for promises of services or loan forgiveness that cannot be delivered. These types of scams not only cause borrowers to lose money, in some cases, borrowers have defaulted on loans they thought the scammer was helping them to repay.

As a contracted student loan servicer for the U.S. Department of Education, and also a servicer for lenders offering private student loans who have selected MOHELA to assist their borrowers, MOHELA delivers customer support and operational services that help borrowers successfully manage their accounts. Borrowers whose loans are serviced by MOHELA can access repayment options and resources at no cost. Through its commitment to borrower support, MOHELA has helped borrowers navigate misinformation and identify potential scams that may arise when seeking student loan assistance.

A mission-driven organization with a commitment to making education accessible for Missouri students, MOHELA also gives back to the student community through the Missouri Scholarship and Loan Foundation (MSLF), which was formed in 2010 to help make higher education more affordable for Missouri families. Learn more at moslf.org.

Guaranty Agencies

Guaranty agencies are state or nonprofit entities that help administer aspects of the federal guarantee on the legacy Federal Family Education Loan Program (FFELP) on behalf of the U.S. Department of Education. The FFELP was a federal student loan program that ended in 2010 through which private lenders issued federally guaranteed loans to students and parents. The FFELP program ceased making new loans after June 30, 2010. Although no new FFELP loans have been originated since then, a significant portfolio remains outstanding.

As of March 31, 2026, Federal Student Aid reported that FFELP loans represented approximately nine percent of the $1.7 trillion outstanding federal student loan portfolio—equivalent to approximately $153 billion.[10] This portfolio includes both commercially held FFELP loans and FFELP loans owned by the U.S. Department of Education.

Guaranty agencies continue to play an important role in supporting borrowers with legacy FFELP loans. Their activities include proactive borrower outreach, default prevention and resolution assistance, claims administration, and other support designed to help borrowers successfully manage their loan obligations. Beyond their responsibilities within FFELP, guaranty agencies also provide a range of college access and financial education services helping students and families navigate the process of planning and paying for postsecondary education.

[10] Federal Student Aid. (2026, June 23). Federal Student Aid posts updated reports to FSA Data Center. U.S. Department of Education. https://fsapartners.ed.gov/knowledge-center/library/electronic-announcements/2026-06-23/federal-student-aid-posts-updated-reports-fsa-data-center

Using Research to Engage Students with Some College, No Credential

Trellis Company has served as a student loan guarantor for more than 40 years, providing guidance and services to help students successfully repay their student loans. In 2023, Trellis Company further expanded its commitment to higher education by launching Trellis Strategies.

Trellis Strategies combines research with direct institutional support to help colleges better understand and re-engage students who left without graduating. Last year, Trellis conducted the inaugural "Some College, No Credential" survey. This nationwide survey takes a data-driven approach aimed at better understanding and closing the gap for students who have started but never finished their postsecondary education.

Trellis also partners with institutions to identify former students, encourage re-enrollment through personalized outreach, and support persistence with data analysis, student communications, and technical assistance. Learn more at trellisstrategies.org.

Thank You, All!

EFC thanks the following organizations for providing important data and information for the compilation of this report

Alaska Student Loan Corporation

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Bank of North Dakota

Brazos Higher Education Service Corporation

Connecticut Higher Education Supplemental Loan Authority

ECMC

Granite Edvance

Greater Texas Services

INvestEd

ISL Education Lending

Kentucky Higher Education Student Loan Corporation

Louisiana Education Loan Authority

Massachusetts Educational Financing Authority

Midwestern University

Minnesota Office of Higher Education

MOHELA

National Student Loan Program

New Jersey Higher Education Student Assistance Authority

New Mexico Educational Assistance Foundation

North Texas Higher Education Authority

Oklahoma College Assistance Program

Oklahoma Student Loan Authority

Pennsylvania Higher Education Assistance Agency

Rhode Island Student Loan Authority

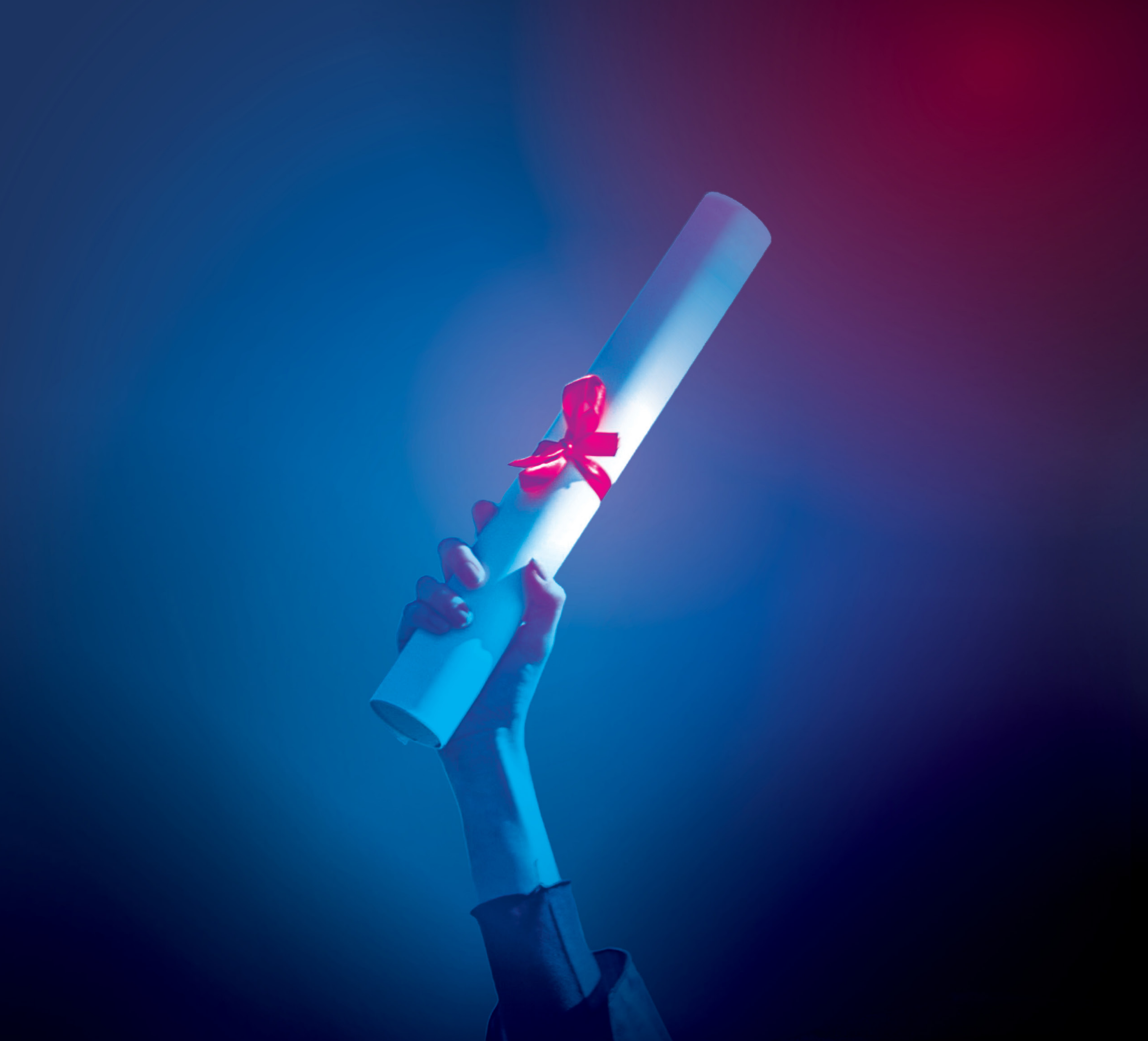
South Carolina Student Loan Corporation

Strada Education Foundation

Trellis Company

Vermont Student Assistance Corporation

Woodward Hines Education Foundation



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