



State Council of
Higher Education for Virginia

UPDATE ON IMPACTS OF FEDERAL SEQUESTRATION

TJ21 Implementation Task Force

May 20, 2013

Impacts of Sequestration

Reductions in:

1. **Student Financial Aid and Assistance**
1. **Research Grant-making**
2. **Workforce Development / Job Training**
1. **Selected Other Programs**



Financial Aid and Assistance

- A. Supplementary Educational Opportunity Grants (SEOG)**
- B. Federal Work Study (FWS)**
- C. Teacher Education Assistance for College and Higher Education (TEACH) Grants**
- D. Iraq-Afghanistan Service Grants (IASG)**
- E. Direct-loan Loan Fees**

Research Grant-making

- A. National Institutes of Health (NIH)**
- B. National Science Foundation (NSF)**
- C. Departments of Defense, Energy, and Agriculture; NASA; National Endowment for the Humanities (NEH)**

Estimates place total FY2013 reductions of federal funds for research in the \$9.5-12.0 billion range, with cuts of \$3.0-3.5 billion for academic research.

Workforce Development/Job Training

Federal workforce-development and job-training programs will be reduced by \$460 million nationally and \$348,000 in Virginia.

Community colleges and other entities will be unable to serve millions of Americans and thousands of Virginians.

Selected Other Sequestration Impacts

College-Prep/Access Programs

- A. TRIO Programs (e.g., Upward Bound)
- B. GEAR UP Programs
- C. College Access Challenge Grant

Medicare

Medicare spending will be reduced by 2% per year from FY2013-FY2021, which will significantly impact medical education and university-provided health care.