



June 14, 2017

[Docket No.: ED-2017-ICCD-0044]

To Whom It May Concern:

On behalf of the 2,900 member institutions of the National Association of Student Financial Aid Administrators (NASFAA), I am writing to offer our comments on the draft 2018-19 Free Application for Federal Student Aid (FAFSA). NASFAA is a Washington, D.C.-based higher education association representing more than 18,000 financial aid administrators in all sectors of higher education. Its broad membership serves nine out of every ten undergraduate students in the country.

We appreciate the combined efforts of the Department of Education (ED) and Internal Revenue Service (IRS) in committing to restore the FAFSA Data Retrieval Tool (DRT) in time for the start of the 2018-19 FAFSA processing cycle on October 1, 2017. The disruption caused by its unexpected outage was significant and caused unknown numbers of needy students delays and confusion during the already-stressful financial aid application process. The DRT expansion to permit use by amended tax return filers is also a welcome enhancement, as are plans to implement the Responsive Web Application (RWA) this year to enhance FAFSA on the Web (FOTW) usability for mobile device and tablet users.

### **Data Retrieval Tool**

The solution to the data security issues that led to the DRT outage is concerning. Masking the tax information imported from the DRT to the applicant, both online and on the Student Aid Report (SAR), may achieve the desired security solution but is unlikely to be viewed as an improvement by applicants. We are concerned that students and parents will choose to manually enter imported DRT data when they learn that the imported data is not visible to them. In a complicated system that many applicants already see as a “black box”, to tell a family that their EFC was determined using IRS data that they are not permitted to review for accuracy may erode trust in the system. The burden to reveal the income data that was used in calculating the EFC will fall on financial aid offices. We understand that the data masking solution is the most expedient for getting the DRT back online, which is our top priority. We ask that ED continue to work with IRS to explore a better long-term solution that both protects applicant data from misuse while still ensuring access to that data for individuals using the DRT for legitimate purposes.

**Verification of Non Filing Statement**

Another troubling security tradeoff is the recent announcement that the Internal Revenue Service has canceled plans to incorporate the Verification of Non Filing Status (VONF) into the DRT process. The VONF is consistently reported by financial aid administrators as a roadblock in the application and verification process for students, citing long response times or even a total lack of response from IRS. We encourage ED to work with IRS to revisit plans to permit applicants to securely obtain the VONF using the DRT, as well as to collect and share data on whether the VONF achieves program integrity objectives.

**Estimated Annual Costs and Projected Burden Time**

In Supporting Statement Part A-3, Item 14, the estimated annualized cost for the federal government for 2018-19 FAFSA is reported as \$85,400,728, up from \$45,427,572 for 2017-18. This is a nearly \$40 million increase but the narrative states that it is an increase of \$64,967.14 from the previous year. This is a significant discrepancy and the figures should be double-checked for accuracy.

Supporting Statement Part A-3, Item 12, points out increased estimated FAFSA completion times from 2017-18 to 2018-19 for applicants and cites two causes for the increase: 1) correction of an earlier error related to reporting of completion times for applicants who use the DRT and 2) FSA ID implementation. We have several questions. First, the explanation seems to imply that use of the DRT increases FAFSA completion times. We challenge that assertion if we are understanding it correctly. Second, the FSA ID was implemented in May 2015, which means that it will have been in place for the entire 2016-17 and 2017-18 application cycles. As such, we would not expect an increase to estimated FAFSA completion time between 2017-18 and 2018-19 due to FSA ID. Why, then, is FSA ID cited as an explanation for the 2018-19 increased estimated completion time over the 2017-18 estimate? Lastly, both DRT and FSA ID are associated with FOTW only. As such, we question why estimated burden time is higher in 2018-19 than for 2017-18 for paper FAFSAs- from 1.66 hrs. to 1.9 hours for dependent students and from 1.26 hours to 1.38 hours for independent students- when the paper FAFSA process does not involve either of the factors that were cited as the causes for longer estimated completion times? We encourage ED to explore other explanations as to why estimated completion times are climbing; identification of the causes of increased burden is crucial to improving access to and completion of the application process. NASFAA members are very concerned about FAFSA completion and burden time estimates and would like to offer our assistance in developing a methodology that will provide consistent reporting over time.

NASFAA supports any and all efforts to improve the FAFSA application process for applicants and to protect their sensitive personal data. But we stress that FAFSA enhancements must balance access to federal student aid against security and program integrity concerns. The addition of the FSA ID in May 2015 resulted in longer FAFSA completion times, as noted in supporting statements. Another security measure, masking imported DRT tax data, will likely confuse applicants. Requiring the VONF for parents of dependent students and independent students without data supporting its utility is yet another barrier to FAFSA completion and,

ultimately, access to federal student aid to ensure college entry and completion. We encourage ED to explore and implement processes that maximize automation of the FAFSA process, such as secure and reliable database matches, to achieve the dual goals of accuracy and access.

We appreciate the opportunity to offer these comments and we look forward to working with you on these important issues. Questions about our comments may be directed to Jill Desjean at [desjeanj@nasfaa.org](mailto:desjeanj@nasfaa.org).

Regards,

A handwritten signature in black ink, appearing to read "Justin Draeger". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Justin Draeger, President & CEO