

Managing Your System, Data and Access

What Financial Aid Needs to Know

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Financial Aid Data Sharing

- NASFAA White Paper
 - July 2016, updated June 2017
 - Based on guidance from PTAC (Privacy Technical Assistance Center)
 - Sharing Financial Aid Data with other internal and external parties
- The Higher Education Act states that Financial Aid Data:

“shall be used only for the application, award, and administration of aid awarded under federal student aid programs, state aid, or aid awarded by eligible institutions or such entities as the Department may designate.”

What is Financial Aid Data?

- FAFSA/ISIR
 - Not just the raw data, but everything the FAFSA calculates, such as EFC
- NSLDS (Title IV Data)
- Documents we collect
 - Verification
 - C-Flag clearance
 - Professional judgment
- Don't forget the "results":
 - Award Information
 - Disbursement Information
 - In your SIS (Student Information System) and at COD



Why is this important?

- It's the law!
 - Sections 483(a)(3)(E) and 485B(d)(2) of the Higher Education Act (HEA), as amended
 - Family Educational Rights and Privacy Act (FERPA)
 - Privacy Act
- FSA
 - GEN-15-18 - Protecting Student Information, July 2015
 - GEN-16-12 - Protecting Student Information, July 2016
- NASFAA
 - ED Revisiting Prior Guidance on Release of FAFSA Information, August 2017
 - Statement of Ethical Principles
 - Code of Conduct



NASFAA Code of Conduct

- Ensure that student and parent private information provided to the financial aid office by financial aid applicants is protected in accordance with all state and federal statutes and regulations, including FERPA and the Higher Education Act, Section 483(a)(3)(E) (20 U.S.C. 1090).
- Protect the information on the FAFSA from inappropriate use by ensuring that this information is only used for the application, award, and administration of aid awarded under Title IV of the Higher Education Act, state aid, or aid awarded by eligible institutions.



Case Study 1

The institution's financial aid office receives ISIRs for students who are not enrolled at the institution. May the institution contact those students about enrolling at the institution and the required financial aid process?

YES or **NO**?

Case Study 2

The office of undergraduate studies has contracted with an outside entity to review student data and make recommendations or provide guidance on activities that might help increase retention and completion rates. The outside entity requests financial aid recipients' award information, but not necessarily income or other FAFSA data. The office of undergraduate studies would like to provide the award data to the research entity to complete its analysis.

YES or **NO**?



Case Study 3

The institution's housing office requests financial aid award data to determine if a student qualifies for a housing fee deferral for pending financial aid disbursement.

YES or **NO**?

Applicable Laws & Regulations

- Higher Education Act (HEA)
- Family Educational Rights and Privacy Act (FERPA)
- Privacy Act
- Student Aid Internet Gateway (SAIG)
- Gramm-Leach-Bliley Act (GLBA)
- Most restrictive applies

HEA

- Section 483(a)(3)(E) of the HEA
 - Restricts the use of the FAFSA data, and states that data collected on the FAFSA form shall be used only for the application, award, and administration of aid awarded under federal student aid programs, state aid, or aid awarded by eligible institutions or such entities as the Department may designate.
- Section 485B(d)(2) of the HEA
 - Prohibits the use of NSLDS data and release of PII from NSLDS for nongovernmental research and marketing purposes.
- PTAC Guidance
 - “Use of the ISIR data to determine award eligibility, and the resulting awards and disbursement data, including information contained in the Common Origination and Disbursement (COD) System, are covered by the same restrictions that apply to the FAFSA data.”
- As stated on Financial Aid Data Sharing published by NASFAA in consultation with Cooley Higher Education

FERPA

- Applies to institutions receiving Federal funds from disclosing PII, personally identifiable information contained in an educational record without written consent from the student.
 - Certain exclusions:
 - Auditor
 - Regulatory agency
 - Court order
 - Determine financial aid eligibility
- Protects PII, personally identifiable information



Privacy Act & SAIG Agreement

- Privacy Act
 - Applies to Federal agencies to prevent the improper release of government held student PII. The Department is prohibited from releasing student records from their systems without written consent. The Department is allowed to release the student data to institutions for the purpose in which the data was collected for.
- Student Aid Internet Gateway (SAIG) Agreement:
 - Allows authorized personnel to electronically exchange student data for the administration of Title IV programs.

Case Study 1

The institution's financial aid office receives ISIRs for students who are not enrolled at the institution. May the institution contact those students about enrolling at the institution and the required financial aid process?

YES or **NO**?

Case Study 1

YES!

According to the Department's PTAC guidance, this is permitted since the prospective student has elected to send his/her information to the institution. The institution may contact the student about the admissions and financial aid processes. A prospective student's record is not yet subject to FERPA because the student is not enrolled at the institution. The HEA permits this disclosure because it directly relates to the prospective student's financial aid awarding process.

Case Study 2

The office of undergraduate studies has contracted with an outside entity to review student data and make recommendations or provide guidance on activities that might help increase retention and completion rates. The outside entity requests financial aid recipients' award information, but not necessarily income or other FAFSA data. The office of undergraduate studies would like to provide the award data to the research entity to complete its analysis.

YES or **NO**?



Case Study 2

NO.

Data from the FAFSA application has not been requested, but award information has and it is subject to the same restrictions as the FAFSA data, according to the Department's PTAC guidance. This information may not be released to the outside entity, since it will not be used for the administration of an aid program.

Case Study 3

The institution's housing office requests financial aid award data to determine if a student qualifies for a housing fee deferral for pending financial aid disbursement.

YES or **NO**?

Case Study 3

YES!

According to the Department's PTAC guidance, any type of award data is FAFSA/ISIR data and thus is subject to the HEA restriction. Because the purpose of the disclosure is related to the effective administration (disbursement) of financial aid, the financial aid office may disclose the requested information. However, in a case such as this, it is advisable to provide the minimal amount of data required for this determination.

Case Study 4

Institutional Research is seeking income data for all incoming freshman to determine trends in a student's persistence to graduation based on income level.

YES or **NO**?

Case Study 4

QUALIFIED NO.

The income data from the FAFSA will not be used to award student aid or for the administration of the Title IV programs, and so this is not a permitted use of the FAFSA data under the HEA restriction. If the FAFSA data is the only source available, the financial aid office must refuse the request. However, the financial aid office would be permitted to disclose income data if it is aggregated, de-identified and presented as a descriptive statistic.

If the institution collects the income information on an institutional application, such as the CSS Profile form, this income information would be subject to the FERPA restrictions and may be provided if it is determined that there is a legitimate educational purpose for sharing the data to offer additional academic assistance to students, and the release of this data fits within the institution's FERPA policy and is disclosed in the annual FERPA notice.

Case Study 5

A well-funded foundation manages its own scholarship program for high school students who attend public institutions. The foundation provides scholarship awards to thousands of students it selects through its own application process. Leaders within the foundation are interested in researching the impact of this scholarship program. In order to conduct a thorough analysis, they have hired researchers to engage in a comprehensive analysis of students receiving their scholarships. They have not requested data directly from the FAFSA, but have asked for individual student award information for both recipients of their scholarship and non-recipients (i.e., a control group).

YES or **NO**?

Case Study 5

NO.

Award data has been requested, which is subject to the same HEA restriction as the FAFSA data, according to the Department's PTAC guidance. The HEA does not allow disclosures of FAFSA data for purposes of the administration of private aid programs. A signed release from the student is not sufficient for the release of FAFSA/ISIR data and related award information. The institution could suggest the foundation survey recipients directly to obtain the requested data.

Case Study 6

If an institution is part of public system or district of postsecondary institutions, can the institution release HEA-restricted data to a central office or governing board for financial aid program evaluation?

YES or **NO**?

Case Study 6

YES!

If the central office or governing board is considered a state educational authority under state law, then an institution may release ISIR data for purposes of financial aid program evaluation. An evaluation that measures and analyzes the impact of federal, state, and institution-system financial aid programs, necessary for decision-making purposes, would be considered part of the “administration of aid” and permissible under the HEA.

In this case, since the evaluators are considered government researchers or analysts, the HEA restriction against the use of NSLDS data would not apply, as long as the NSLDS data is used for research purposes and not for marketing purposes.

Evaluate Current and Future State Institutional Policy

- Identify Business Partners and Stakeholders
 - Legal
 - IT
 - Data Team
 - Systems (all Systems, not just SIS)
 - Provost
 - Finance
 - Registrar
 - Advising
- Identify all points of access
- Identify who has access
- Evaluate Risk
- Establish New Policy
- Implement New Policy

Points of Access

- Of course, your SIS – but that's not all!
- Imaging system
- CRM (notes related to financial aid data)
- Reporting tools
- Data warehouse
- Shared drive
- Report publishing / SharePoint

Access to SIS vs. Access to Report

- Misuse
 - SIS – you can match data to students
 - Report – data can be aggregated or made de-identifiable
- Ease of Use
 - SIS – individual screens, or “canned” reports may not meet the needs of the user
 - Report – can be customized, but staff running reports now have access
- Context
 - SIS – data is displayed in context
 - Report – easy to take out of context

Access Control

- Data can be used inappropriately:
 - Because staff do not know or ignore the rules and regulations
 - Because staff do not understand what it means
- Only have access to what you need, and understand what you have access to
 - Review access – inside and outside the financial aid office
 - Training
 - Changes in SIS
- Training vs. Limiting Access
 - Staff may need access to data but must only use it a certain way
 - Example – Athletics Reporting
 - Need for process
 - “What are you going to do with that?”

Best Practices

- Know Who Has Access to the Data
- Get the Full Story
 - Ask questions to determine what is trying to be accomplished
- Get the Request in Writing
 - Establish a request/approval processes
- Release Minimal Data
 - Alternative Data Sources
- Institutional Financial Aid Application
- Review Your Institution's FERPA Policy
- Obtain Authorization or Information Directly from the Student
- Offer Alternatives
 - When the Answer is No
- Educate Departments outside of the FA office



SNHU Case Study

- The Office of the Provost requests financial aid data to develop scholarship guidelines and ultimately packaging strategies. Specifically, we are requesting award data, EFC or Need, cost of attendance, and the dates on which certain documents were received. Specific data elements on the ISIR itself are not needed at this time. Data published to stakeholders will be aggregated and de-identified.
- Data Requested
 - Cost of attendance
 - Need
 - EFC
 - Awards
 - FAFSA Date

Important Documents / References

[GEN-16-12 - Protecting Student Information](#)

FSA - Federal Student Aid, July 2016

[GEN-15-18 - Protecting Student Information](#)

FSA - Federal Student Aid, July 2015

[Guidance on the Use of Financial Aid Information for Program Evaluation and Research](#)

PTAC - Privacy Technical Assistance Center, January 2017

[Financial Aid Data Sharing](#)

NASFAA - National Association of Student Financial Aid Administrators, June 2017

[ED Revisiting Prior Guidance on Release of FAFSA Information](#)

NASFAA - National Association of Student Financial Aid Administrators, August 2017

[Data Sharing Decision Tree](#)

NASFAA - National Association of Student Financial Aid Administrators, October 2017

