



December 2, 2020

U.S. Department of Education  
PRA Coordinator, Strategic Collections and Clearance, Governance and Strategy Division  
Office of Chief Data Officer  
Office of Planning, Evaluation and Policy Development

To Whom It May Concern:

On behalf of The National Association of Student Financial Aid Administrators (NASFAA) and our 3,000 member institutions, we respectfully submit to the U.S. Department of Education (ED) our comments on the proposed Quarterly Budget and Expenditure Reporting (QBER) under CARES Act Sections 18004(a)(1) Institutional Portion, 18004(a)(2), and 18004(a)(3), Docket No.: ED-2020-SCC-0154.

NASFAA represents nearly 20,000 financial aid professionals who serve 16 million students each year at colleges and universities in all sectors throughout the country. NASFAA member institutions serve nine out of every ten undergraduates in the U.S.

NASFAA appreciates the consideration ED has given to comments received from the 60-day comment solicitation effort, and the accompanying changes ED has made to this most recent iteration of the data collection form. We also appreciate the addition of Question 2 for institutions to indicate that their current submission represents their final report. Once an institution has expended all of their HEERF dollars and has reported on how those dollars were spent, there is no longer a need to burden institutions with subsequent data collections.

NASFAA commends ED's decision to increase the burden estimate for this data collection from 1.5 hours to 6 hours. The increased burden estimate more accurately reflects the fact that the requested data is likely spread across multiple campus units and will require significant coordination to compile. This acknowledgement is useful as we work with policymakers on future programmatic and reporting requirements.

We offer the following recommendations on specific questions in the data collection:

One of the sub-questions to Q5 asks, "Did you use any institutional administrative data (pre-existing data that did not come from a HEERF-specific application form) in determining the

amount of funds awarded to students? \_\_\_\_\_(Y/N). If yes, Which of these student factors did you prioritize in the grant determination process? *(Mark all that apply).*”

Respondents are presumably being asked only about the determination of the award amount, but the phrase “grant determination process” could be misinterpreted to mean the process by which the institution determined whether the student should receive a grant at all versus just how they determined the amount of the award. Presuming from the context of the question that ED is only asking about the institution's determination of award amount, we recommend changing the phrase in question to “determining the amount of funds awarded” to avoid confusion.

With respect to Question 8, table rows 1 and 2, how will ED address the possibility that an institution’s answer to the question, “How many students received emergency financial aid grants provided under Section 18004 of the CARES Act? (unduplicated across all HEERF sections)” might exceed the number of eligible students reported in the previous question, despite the fact that the institution was following the eligibility requirements that were in place (or lack thereof) when they awarded the funds?

The evolving guidance issued over the course of the spring of 2020 may have led institutions to award HEER funds to students who ED later announced were ineligible, especially because ED encouraged institutions to spend funds promptly. We stress the need for ED to recognize and account for the fact that the number of eligible students may not be a consistent figure given that guidance has changed in the past and may change again, given ED’s statement in a recent court filing that they are “actively considering whether to retain or modify the rule in response to the comments it received.”

NASFAA raised this issue in the 60-day comment period and ED responded by stating that it had “clarified question 8 in the revised form to indicate that eligibility represents if the student was ever considered eligible during the reporting period.” However, Footnote 9 to the question in row 1 refers only to students deemed eligible by way of completing the FAFSA or an alternative application. It does not address students who completed neither but were eligible at the time of their award because ED had not yet imposed restrictions on student eligibility.

There could still be more students who received HEERF emergency grants than students who were eligible under the definition offered in Footnote 9. We raise this again as a possible issue when ED evaluates and publicly releases this data to ensure that institutions do not appear to have ignored eligibility rules that did not yet exist when they awarded HEERF emergency grants.

Question 9 of this form now exactly matches the final Quarterly Budget and Expenditure Reporting (QBER) form, calling into question the necessity of Question 9 in the annual data collection. We recommend that ED sum institutions’ quarterly report figures to arrive at the annual totals requested in Question 9 of the annual data collection and either remove Question

9 entirely from the annual data collection or autofill responses in order to remove duplicative reporting.

The following italicized comments apply only if ED chooses to retain Question 9 in the annual data collection:

*Question 9, table row 1 asks for the dollar amount expended on HEERF emergency grants to students for each HEER funding source in CARES Act Section 18004(a). ED includes Footnote 11 to clarify that this field includes grants to students that were intended, “To support any element of the cost of attendance (as defined under Section 472 of the Higher Education Act of 1965, as amended (HEA)) per Section 18004(c) of the CARES Act and the [Interim Final Rule](#) published in the Federal Register on June 17, 2020 (85 FR 36494).”*

*We appreciate the addition of the reference to CARES Act Section 18004(c), which details the allowed use of funds for all three funding sources within Section 18004(a). However, the continued reference to funds being used “to support any element of the Cost of Attendance” is confusing because funds from Section 18004(a)(1) do not require such use. As such, institutions may have used HEERF direct grants from (a)(1) to students to cover non-COA expenses, which was an allowed use for (a)(1) funds. We recommend removing the COA reference. If ED chooses not to remove this reference, we wish to note that it could be impossible for institutions to differentiate whether HEERF direct grants to students from section 18004(a)(1) went toward eligible COA expenses or other expenses not eligible for inclusion in the COA because there is no requirement to do so.*

*The reference to the June 17 Interim Final Rule (IFR) in the same footnote is also confusing. The IFR only addresses the definition of student—for the purpose of determining student eligibility for the grants—and not the use of funds. Reference to the IFR does not seem necessary. We suggest revising the footnote to refer only to CARES Act Section 18004(c).*

*The final question in the table in Question 9 asks for “Other uses of funds” and requires institutions to provide documentation. We question why institutions are required to provide documentation for this question when documentation is not required for other expenses, and also question what type of documentation ED is seeking. Requiring institutions to provide documentation will increase burden, and it is unclear how documentation will aid in a post-analysis evaluation. At the very least, ED should be clear about the type(s) of documentation they will consider acceptable. ED’s response to this question from the 60-day notice did not answer the question.*

We appreciate the consideration ED has given to the 60-day notice comments with respect to Question 10, which asks whether HEER emergency grant recipients withdrew from the institution during the reporting period. However, we wish to reiterate that this question will

require institutions to query older award years for a student's receipt of HEER funds to compare against past and current student enrollment records to determine whether the student withdrew subsequent to receipt of HEER funds.

Reporting across award years is often more complicated for institutions than querying a single award year and may be especially difficult for lower-resourced institutions with less sophisticated student information systems and/or fewer information technology or institutional research staff. We recommend that ED work with lower-resourced institutions to evaluate the feasibility and associated burden of this reporting and to re-evaluate its necessity if it would create excessive burden.

Finally, if ED intends to evaluate and/or publish retention rates of HEERF recipients, we also reiterate that this data point must be evaluated and disclosed within the context of typical retention rates, since those rates vary widely by institution, and the retention rate of HEERF recipients alone would not be sufficient for any type of meaningful evaluation.

We appreciate the opportunity to comment on this proposed data collection. If you have any questions regarding these comments, please contact me or NASFAA Policy Analyst Jill Desjean at [desjeanj@nasfaa.org](mailto:desjeanj@nasfaa.org).

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Draeger', with a stylized flourish at the end.

Justin Draeger, President & CEO