NASFAA
NATIONAL ASSOCIATION OF STUDENT FINANCIAL AID ADMINISTRATORS

June 17, 2024

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
400 Maryland Ave., SW, Room 2C172
Washington, DC 20202

Docket ID ED-2024-SCC-0030

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 Financial Value Transparency and Gainful Employment Reporting Requirements (Docket ID ED-2024-SCC-0030).

NASFAA represents nearly 29,000 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 10 undergraduates in the U.S.

NASFAA reiterates from our comments[1] submitted in response to the 60-day comment period that we support accountability and transparency in postsecondary education, especially with respect to costs, as can be evidenced by similar efforts such as our leadership and management of the College Cost Transparency Initiative[2]. When done properly, these efforts help students understand the investment they are making in themselves, and prevent student and taxpayer investment in programs that don't provide a good value.

However, in this exceptional year when there are still unresolved issues with the FAFSA nearly nine months after it should have been finalized, and when the institutional corrections process has still yet to be opened, institutions need more time to comply with these reporting

[1] https://www.nasfaa.org/uploads/documents/Comments_GE_FVT.pdf
[2] https://www.collegeprice.org/about

requirements. While ED has indicated it has resolved the systemic issues with the FAFSA and that only isolated issues remain, financial aid offices continue to pick up the pieces of this year's broken FAFSA. The culmination of the FAFSA delays and errors has put financial aid offices months behind where they usually are this time of year. In many cases, institutions have yet to begin making financial aid offers to returning students or to originate federal Pell Grants and Direct Loans in the Common Origination and Disbursement (COD) system, which in a typical cycle they may have already finished by this date.

To allow institutions to focus on ensuring this year's FAFSA rollout issues do not further harm students, we ask ED to delay the institutional reporting requirements until July, 2025.

While we appreciate the Department of Education's (ED) two-month delay of the institutional reporting requirements for Gainful Employment (GE) and Financial Value Transparency (FVT) to October 1, we are compelled to remind ED that institutions are still significantly burdened and overworked as they try to recover from the many delays and errors associated with the 2024-25 FAFSA rollout.

Since that delay was announced, ED has shared even more bad news — that the school ISIR corrections process will only partially open by late June and won't be fully functional until weeks after that. The additional work institutions have to take on to ensure students' disbursements aren't delayed will make it even more difficult for them to devote the time they need to prepare for the GE/FVT reporting. NASFAA recently conducted a poll[3] asking its members which office on campus is leading institutional efforts to comply with the GE/FVT reporting requirements. Results show that a plurality of respondents (38.4%) reported the financial aid office is leading those efforts, and they simply cannot take on anything else this summer as they continue to work ceaselessly to ensure their students have the financial aid they need to enroll in and complete college.

Delaying the reporting deadline will also ensure a smoother implementation of the GE regulations than was the case in 2015. In that iteration, the initial reporting was due on July 31 and ED had released a GE User Guide and a Submittal Instruction Guide by early February — 5 months before the reporting deadline, while this year we are 3½ months from the reporting deadline with just 2 of 6 volumes of the NSLDS FVT/GE User Guide released. Comments ED received during the 60-day comment period reiterate time and again that ED has not provided institutions with the resources they need to prepare for GE/FVT reporting.

[3] https://www.nasfaa.org/ge_fvt_poll

In addition, we continue to remain concerned[4] about ED's authority to require institutions to provide the extensive student-level data for financial value transparency purposes while the student unit record ban still exists in statute. Further, we reiterate our earlier comments[5] about ED's failure to engage stakeholders on the new financial value transparency framework through negotiated rulemaking.

We offer the following comments on the reporting layout files:

Program Submittal Layout

- We appreciate that ED heeded our earlier recommendation and added fields for up to five states in the metropolitan statistical area (MSA) in which the main campus is located for purposes of reporting whether programs meet licensure requirements in other states, and that it added an option for institutions to indicate the question is not applicable in cases where programs do not lead to licensure. These changes better match the regulatory language, add clarity, and will ensure more accurate reporting.

Student Level Submittal Batch Layout

- We repeat the following requests from our earlier comments on the GE/FVT reporting requirements:
    - ED includes "Program Attendance Status During Award Year" and "Program Attendance Status Date During Award Year" in the proposed student-level reporting requirements. ED already has student-level enrollment status and status date information from NSLDS and should use its own data instead of imposing additional reporting burden on institutions and introducing the potential for conflicting information by requiring duplicate reporting.
    - In the description for the "Residency Tuition Status by State or District for Award Year being Reported" data element, we recommend that ED add an out-of-district option to encompass students who may reside in-state but out-of-district.
- We repeat the following requests from our earlier comments on the GE/FVT reporting requirements and ask ED to address these issues in future guidance as soon as possible:
    - ED must provide clear guidance on the types of funding institutions should include for "Institutional Grants and Scholarships for Award Year being Reported."
    - ED must provide clear guidance on the types of funding institutions should include for "Other State, Tribal, or Private Grants for Award Year being

[4] https://www.nasfaa.org/uploads/documents/Comments_GE_FVT.pdf

[5] https://www.nasfaa.org/uploads/documents/NASFAA_Comments_Gainful_Employment.pdf

Reported."

- The regulatory language for "Private Loan Amount for Award Year being Reported," includes a requirement for institutions to report private education loans they are aware of or should "reasonably be aware of." It would be impossible for an institution to determine whether there is a private education loan source of which it is not aware, but should "reasonably be aware." Institutions will make every effort to identify all sources of private loans their students receive and will report all private loans they identify. ED can then determine as part of its oversight responsibilities whether an institution should reasonably have been aware of an unreported private loan source. ED must also provide clear guidance on the types of funding institutions should include for this data element, including whether it should include funding such as income share agreements and institutional payment plans, among others.

ED's 400-hour burden estimate for institutions to develop and test the reporting system only reinforces the significant amount of work institutions must complete over the next 15 weeks to meet the October 1 reporting deadline. Given that the financial aid office is the most likely office on campus to be leading GE/FVT reporting requirements and that they continue to face serious challenges due to the myriad FAFSA errors and delays, a further delay to the reporting requirements is absolutely necessary.

Throughout this most turbulent of years, the Department of Education and the financial aid community have continued to partner to solve problems and ensure the FAFSA issues don't keep students from accessing and completing postsecondary education. That partnership must continue by recognizing the fact that schools are wholly focused on recovering from the troubled FAFSA rollout, and likely will be through the early part of the fall — at which point they will be turning their attention to next year's financial aid cycle. Our community wants to support these new initiatives and is committed to compliance, but we simply cannot do that without an extension of the institutional reporting deadlines to July, 2025.

As previously noted in our earlier comments, we know the negative impacts of a rushed implementation, both from past iterations of the GE rules and from the recent implementation of the FAFSA Simplification Act. It is necessary to delay the GE/FVT reporting deadlines so ED has time to properly prepare institutions for what is expected of them. Successful implementation of the GE/FVT rules will help to restore faith in the department after an exceptionally difficult start to the year due to the many problems associated with the 2024-25 FAFSA launch. We stand ready to work with the department to ensure institutions have clear and timely information about what is expected of them concerning the GE/FVT rules.

We appreciate the opportunity to comment on this information collection. If you have any questions regarding these comments, please contact us or NASFAA's Director of Policy Analysis Jill Desjean at desjeanj@nasfaa.org.

Regards,

Justin Draeger, President & CEO

Jill Desjean, Director of Policy Analysis