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Research Responses to FAFSA Reform and FTI Data

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Introduction

This brief is written for financial aid researchers interested in using student and/or parent income data. Starting in the 2024-25 award year, certain income data fields are considered Federal Tax Information (FTI) and are subject to safeguards and policies governed by statute and by Internal Revenue Service and U.S. Department of Education regulations and guidance. These limitations include a prohibition on using FTI for research. FTI can, however, be used for the application, award, and administration of financial aid, under which some research activities may be categorized. These changes will be new to many researchers, so this brief provides useful background context, examples of alternative measures, and descriptions of lessons learned for researchers navigating FTI conversations. Our aim is to raise awareness about these changes and to help researchers develop meaningful, mutually beneficial partnerships with financial aid administrators.

Policy Context and Changes Affecting Income Data

The Free Application for Federal Student Aid (FAFSA) itself can be a barrier for accessing and affording higher education.[1] It is a notoriously complex and confusing form that can discourage prospective students from accessing financial aid. To address these barriers, Congress and the U.S. Department of Education (ED) have taken several steps over the years to simplify the FAFSA form itself and the FAFSA application process.[2]

One of those steps has been to make it easier for FAFSA filers to automatically import tax data from the Internal Revenue Service (IRS). Starting in 2009, filers could use the IRS Data Retrieval Tool (DRT) to transfer certain IRS data fields like adjusted gross income (AGI) into the FAFSA. However, the tool was never fully integrated with the IRS. FAFSA filers would have to connect to an external IRS website and, after going through an authentication process, view and transfer data back to the FAFSA form.[3] By the 2022-23 FAFSA cycle, about two-thirds of eligible FAFSA filers used this tool.[4]

To more fully streamline IRS tax information with the FAFSA form, Congress passed the Fostering Undergraduate Talent by Unlocking Resources for Education (FUTURE) Act and the FAFSA Simplification Act.[5] Beginning with the 2024-25 application cycle, the IRS is authorized to share tax information directly with ED. The IRS DRT is no longer in operation; in its place is the new FUTURE Act Direct Data Exchange (FA-DDX). Through the FA-DDX, certain data fields can be transferred to ED from the IRS (see Table 1). However, these data fields are considered FTI, so they are subject to data sharing policies and safeguards outlined by the Internal Revenue Code, rather than ED.[6] These safeguards include requiring student and contributor consent to disclose FTI data with other entities. Researchers who have used FAFSA data that is now considered FTI for research in the past may need to find alternative data sources to continue their work.

Table 1

Federal Tax Information (FTI) Fields Included on the Institutional Student Information Record (ISIR)

Adjusted gross income (AGI)	Income earned from work
Tax year	Education tax credits
Tax filing status	Taxes paid
Number of exemptions and dependents	Untaxed IRA distributions
IRA deductions and payments	Untaxed pension amounts
Tax exempt interest	Schedule C net profit/loss
IRS response code	Indicators for schedules A, B, D, E, F, and H
Total Parent Allowances Against Income	Parent Payroll Tax Allowance
Parent Employment Expense Allowance (PEEA)	Parent Income Protection Allowance (IPA)
Parent Available Income (PAI)	Parent Adjusted Available Income (PAAI)
Parent Contribution (PC)	Student Payroll Tax Allowance
Student Income Protection Allowance (IPA)	Student Allowance for Parents' Negative Adjusted Available Income
Student Employment Expense Allowance (SEEA)	Total Student Allowances Against Income
Student Available Income (StAI)	Student Contribution from Income (SCI)
Student Adjusted Available Income (SAAI)	Total Student Contribution from SAAI
Student total income	Parent total income
FISAP total income	

Note. Table 1 includes a summary of what ED has, to date, included as examples of FTI data. ED has provided some guidance on how to work with FTI data and new data sharing guidelines; however, it is possible for this guidance to change, so Table 1 should be interpreted as a preliminary list.[7]

[1] For a review of the literature, see Dynarski, S., Page, L., & Scott-Clayton, J. (2023). College costs, financial aid, and student decisions. *Handbook of the economics of education (Vol. 7).*
[2] Congressional Research Service. (2022). *The FAFSA Simplification Act* and NASFAA. (2023, November). *FAFSA simplification brief for campus partners*.
[3] Internal Revenue Service. (n.d.). *Use the IRS Data Retrieval Tool when applying for student financial aid.*
[4] U.S. Department of Education. (n.d.). *FAFSA data by demographic characteristics.* [Application volume report].
[5] The FAFSA Simplification Act Technical Corrections Act moved full implementation of these changes to the 2024-25 award year.
[6] For example, IRS Publication 1075 outlines data standards and privacy protections for FTI. And more specifically, Section 6103 of the IRC outlines rules for "confidentiality and disclosure of returns and return information." See Internal Revenue Service. (2021). *Publication 1075: Tax information security guidelines* and Internal Revenue Service. (2022). *Section 6103, Revenue Rulings 2022-7.*

How Researchers Use Income Data

Researchers rely on income data, typically adjusted gross income (AGI), for three main purposes: to describe a trend, to identify an impact, and to understand a relationship. Income data are used in studies covering a wide range of topics and are particularly valuable in studies of financial aid.

First, researchers are interested in identifying trends between income and financial aid receipt. A study might ask "Who gets aid? And how much?" to determine if financial aid is distributed differently across student incomes. For example, one study using this approach explores how institutional aid in the form of tuition discounting varies across many student characteristics, including income. The study finds students from low-income backgrounds are more likely to receive a discount, but the amount is about the same across income levels.[8] Other studies describe how other outcomes, like borrowing and merit aid, vary by income.[9] These studies commonly use federally collected, nationally representative survey data derived from student FAFSA records (e.g., the National Postsecondary Student Aid Study). Findings from descriptive studies illuminate big-picture trends and offer insight into whether aid is being distributed equitably by income.

Second, researchers use income data to identify the causal impact of specific financial aid programs. Many financial aid programs have income-based eligibility criteria that offer a unique opportunity to employ methods that assess causality. For example, the Carolina Covenant is a financial aid program covering full need for students whose families report incomes less than 200% of the federal poverty level. To evaluate this program, researchers used a regression discontinuity design.[10] This method operates under the assumption that students with family incomes just above and below the eligibility threshold are similar, so different outcomes can be attributed to the financial aid program. Income data were critical for this study to identify who was eligible for aid and to construct the comparison groups based on how close their incomes were to the cutoff. Through this method, researchers provided causal evidence that the program improved student credit accumulation and GPA.

Causal studies rely on carefully constructed comparison groups that can also be created by matching students with similar incomes or showing how outcomes for students from similar income backgrounds change after a program is implemented. When studying specific state or institutional financial aid programs, researchers often source income data from FAFSA records held by institutions, university systems, or state longitudinal data systems. Causal research using income data identifies evidence-based practices to be scaled or replicated.

Third, researchers use income data in studies where income is not necessarily the main focus of the analysis but helps clarify a different relationship. Studies aiming to understand how a characteristic and an outcome are related try to isolate the relationship by "controlling" for all other factors that could be affecting the outcome. For example, researchers assessing how debt varied by race needed to control for income because debt varies by income.[11] Although such studies may not provide insights about income specifically, they provide less-biased evidence about the relationship between the variables of interest because income is accounted for.

Other studies assess how a relationship between two variables differs by income. For example, researchers assessing the impact of the Tennessee HOPE Scholarship on enrollment analyzed the relationship separately for lower- and higher-income students, and found a more pronounced impact for lower-income students.[12] Understanding how aid affects students differently across income levels can inform future program design to maximize the impact of aid dollars.

Non-FTI Alternative Income Measures to Consider

There are several alternatives to AGI when it comes to measuring student income. Here we offer an overview and analysis for geographic measures of neighborhood income, Student Aid Index (SAI), and indicator variables including Federal Pell Grant eligibility status; first-generation status; and high school free and reduced-priced lunch status. Each of these alternatives includes strengths and limitations, described below.

[7] See NASFAA. (2024, December). *Data sharing decision tree for postsecondary institutions.*
[8] Hillman, N. (2010). Who benefits from tuition discounts at public universities? *Journal of Student Financial Aid, 40(1).*
[9] Hillman, N. W. (2015). Borrowing and repaying student loans. *Journal of Student Financial Aid, 45(3)*; and Doyle, W. R. (2010). *Changes in institutional aid, 1992–2003: The evolving role of merit aid.*
[10] Clotfelter, C. T., Hemelt, S. W., & Ladd, H. F. (2018). Multifaceted aid for low-income students and college outcomes. Evidence from North Carolina, *Economic Inquiry, 56(1)*, 278–303.
[11] Webber, K. L., & Burns, R. A. (2022). The price of access: Graduate student debt for students of color 2000 to 2016. *The Journal of Higher Education, 93(6)*, 934–961.
[12] Bruce, D. J., & Carruthers, C. K. (2014). Jackpot? The impact of lottery scholarships on enrollment in Tennessee. *Journal of Urban Economics, 81*, 30–44.

Geographic Measures of Neighborhood Income

The U.S. Census Bureau routinely collects household data through many different surveys, including the American Community Survey (ACS). The ACS is a commonly used data source for calculating incomes for small geographic areas. The smallest geographic unit in the ACS is the *block group*, which can be aggregated up to larger census *tracts*.[13] The average total population of a block group is approximately 1,400, while census tracts have an average population of about 4,000.[14]

The ACS also provides income data at the ZIP Code Tabulation Area (ZCTA) level, a geographic approximation of ZIP code areas used for statistical reporting. ZCTAs are based on post office locations and delivery routes, so they do not map neatly onto block groups or tracts.[15] ZCTAs tend to be larger than both block groups and tracts, with an average total population of approximately 9,900.[16] Additionally, the IRS Statistics of Income (SOI) provides income data at the ZIP code level.[17]

Researchers interested in using ACS data to measure "neighborhood income" can upload addresses to the Census Geocoder and return detailed information for each block group, tract, or ZCTA. Or they can use statistical software packages to geocode blocks/tracts based on address. The process of linking addresses to ZIP codes or census blocks/tracts can be labor intensive and, as with any data product, comes with trade-offs.

For IRS SOI data, the process is much easier because users can merge IRS SOI files directly to students' ZIP codes. Regardless of which neighborhood income measure researchers use (e.g., block, tract, ZIP code), we do not recommend using these as proxies for *individual* income. Neighborhood income is just that–a measure of neighborhood characteristics–and it will result in "aggregation bias" if used as a proxy for individual income. Neighborhood income data provide context about the communities/places students are from and should not be used as a measure of an individual's household/family income.

Student Aid Index (SAI)

The SAI, derived from FAFSA information, is used to determine eligibility for federal student aid programs. The SAI is not a measure of income, and it is not an estimate of what students are expected to pay for college.[18] Nevertheless, analysts might look to the SAI as an alternative because of its correlation with family income. Lower-income students tend to have lower SAIs, and higher-income students tend to have higher SAIs. For example, students who are not required to file federal income taxes, or whose adjusted gross income is below the applicable poverty threshold—225% for dependent students and independent students with dependents, or 175% for independent students without dependents—receive an SAI of -1,500 and qualify for the maximum Pell Grant award.[19]

Importantly, while SAI replaced the Expected Family Contribution (EFC) in 2024-25 for student aid eligibility purposes, the SAI formula differs significantly from the EFC formula, and we do not yet know how well SAI correlates with EFC or with income. It is possible the correlation is even weaker than it was for EFC, considering the new calculations that automatically set SAI to -1,500 for large groups of students. Doing so likely reduces the amount of variation in the data and, as a result, could weaken the correlation between SAI and EFC. In light of these details, we do not recommend using SAI as a proxy or alternative for AGI.

Indicator Variables

Researchers often use indicator variables as proxies for income. Here, an "indicator" is a flag researchers assign to students based on a specific characteristic. Pell eligibility is a popular indicator variable and is often used to identify "low-income" students.[20] Similarly, high school free or reduced-price lunch (FRPL) or first-generation status are commonly used to identify low-income students. But researchers will miss the mark if they treat any of these as proxies for income.

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[13] U.S. Census Bureau. (2020). *Understanding and using American Community Survey data.*
[14] Authors' calculations based on ACS variable B01003, "Total Population."
[15] U.S. Census Bureau. (2024). *Understanding geographic identifiers (GEOIDs)*; and U.S. Census. (1994). *Geographic areas reference manual. Census tracts and block area numbering areas.*
[16] See U.S. Census Bureau ZIP Code Tabulation Areas and the authors' calculations based on ACS variable B01003, "Total Population."
[17] Internal Revenue Service. (2025, February 18). *SOI Tax Stats – Individual income tax statistics – ZIP code data (SOI).*
[18] U.S. Department of Education. (n.d.). *"What is the Student Aid Index (SAI)?"*
[19] Students who are single parents have a higher poverty threshold of 225%. U.S. Department of Education. (n.d.). *Federal Student Aid Handbook, Chapter 3: Student Aid Index (SAI) and Pell Grant Eligibility*
[20] Rosinger, K. & Ford, K. (2019). Pell Grant versus income data in postsecondary research. *Educational Researcher. 48(5)*, 309-315; and Tebbs, J. & Turner, S. (2005). Low-income students: A caution about using data on Pell Grant recipients. *Change Magazine. 37(4)*, 34-43.

Table 2 shows how well these measures correlate with AGI for undergraduates at the University of Wisconsin-Madison. If two measures were perfectly correlated, the coefficient would either be 1.0, indicating a positive correlation, or -1.0, indicating a negative correlation. A value of 0.0 represents no correlation. We consider coefficients greater than ±0.7 to be relatively strong while those below ±0.3 are relatively weak.

Table 2 | Correlation Coefficients of Family AGI and Alternative Measures

Alternative measure	Correlation coefficient
Expected Family Contribution or Student Aid Index	0.668
Census ZIP code income	0.215
Pell-eligibility status	-0.277
First-generation status	-0.169
Free and reduced-price lunch	-0.076

Note. Data from University of Wisconsin-Madison SSTAR Lab, 2023-24 award year.

The most closely related alternative to AGI is a student's SAI. SAI is calculated using financial data beyond AGI and identifies a student's relative financial situation to determine aid eligibility. SAI does not map back to specific income levels, so it cannot replace AGI when evaluating aid programs with income-based eligibility criteria.

The next-best alternative, depending on the researcher's objectives, is likely the census block group, tract, or ZCTA income. However, census neighborhood income data should never be treated as a proxy for individual income. This is because outcomes or experiences of a larger group do not always represent the outcomes or experiences of individuals in that group (i.e., "ecological fallacy").[21] Neighborhood income is just that—the median (or average) income of a given geographic area. Neighborhood income can tell researchers and administrators whether students are from low-income *places*, for instance, but it cannot tell them whether a particular student is from a low-income *household*. Similarly, indicator variables for FRPL status, first-generation status, or Pell eligibility can provide researchers and administrators with meaningful information about certain student characteristics, but they are not strong proxies for income.

[21] Freedman, D. (2015). Ecological inference. *International Encyclopedia of the Social & Behavioral Sciences,* (2nd Ed., Vol. 6), pp. 868-870.

Table 3 | Summary of Alternative Income Measures and Some of Their Strengths and Limitations

Measure	Source	Strength(s)	Limitation(s)
EFC or SAI	FAFSA	Calculated based on students' financial situations to help determine aid eligibility. SAI is tied directly and meaningfully to financial aid programs.	Not based solely on income. Should not be used as an "income" measure.
Census ZIP code income	Census ACS	Available for all U.S. students (FAFSA filers and non-filers) and gives geographic context.	Data are lagged at least one year. High risk of "aggregation bias."
Pell eligibility status	FAFSA	Directly tied to financial aid programs. Commonly used in research and policy analysis.	Binary indicator not solely based on income, so it can be a blunt measure.
First-generation status	FAFSA	Measures socioeconomic status based on parental education.	Binary indicator with no standard definition, so it can be hard to interpret.
Free and reduced-price lunch	FAFSA	Measures socioeconomic status based on public benefit programs.	Binary indicator where eligibility changes annually, so it can be an imprecise measure.

What Strategies Can Researchers Consider Moving Forward With FTI Data?

If using an alternative measure is not an option, and you are determined to move forward using FTI data, we offer some strategies to facilitate the process.

Have a Clear Rationale for Why FTI Data Are Necessary

Researchers have historically relied on AGI data when studying financial aid programs. Studies have disaggregated aid by student income level and have used income to evaluate the effects of aid on certain outcomes. Studies have also used income data to account for important variations that, if unaccounted for, can lead to biased statistical models. Using AGI in a statistical model can improve model precision, explain important variation, allow for disaggregated results, and identify impacts of a particular aid program.

There are many reasons researchers may seek out AGI data, and the onus is on them to explain why and how they intend to use this information in their work. "Other studies have used it" or "it's the industry standard" are not compelling rationales. A compelling rationale explains the statistical reasons for needing AGI data in the analysis. But more importantly, and outlined in the following section, it also explains how the analysis informs the "application, award, or administration of financial aid programs."[22]

[22] See U.S. Department of Education. (2024). *Guidance for state grant agencies and institutions of higher education on the access, disclosure, and use of FAFSA data for the application, award, and administration of student aid programs.* [GENERAL-24-129].

Ensure a Direct Link to Informing the Application, Award, or Administration of Financial Aid

The NASFAA Data Sharing Decision Tree is a valuable resource for navigating FTI conversations between researchers and practitioners.[23] The latest version prompts researchers to answer three questions that may permit sharing FTI data:

1. **Is the disclosure to the student?**
   If the answer is "yes," disclosure is permitted. However, we suspect most researchers will answer "no," in which case they would proceed to the second question.

2. **Will the information be used for the application, award, or administration of financial aid, per ED's definition?**
   ED provides examples of what qualifies under this umbrella in its Electronic Announcement, *Guidance for State Grant Agencies and Institutions of Higher Education on the Access, Disclosure, and Use of FAFSA Data for the Application, Award, and Administration of Student Aid Programs* (GENERAL-24-129). If the researcher can legitimately answer "yes" to this question and explain precisely how their work meets these criteria, they proceed to the final question.

3. **Is the disclosure to other school officials determined to have a legitimate educational interest in the disclosed information?**
   The final question is whether disclosure would have "legitimate educational interest" in accordance with the school's Family Educational Rights and Privacy Act (FERPA) policies. The answer must be "yes" in order to share FTI data with researchers.

There are many ways researchers can have their work directly inform student aid programs. For example, conducting evaluations or research on specific aid programs or practices could be a promising strategy.[24] Similarly, determining how to use financial aid resources in efficient and effective manners could be another.[25]

Our team in the SSTAR Lab routinely partners with aid administrators to understand how, and how well, aid programs are working. We use principles from research-practice partnerships that allow us to understand financial aid programs, policies, and problems in new ways. Our financial aid research is always focused on supporting and informing the administration of aid programs. As a result, the SSTAR Lab provides an avenue for researchers and administrators to collaborate and identify ways to evaluate and improve aid programs.

Distinguish Between Research, Evaluation, and Program Improvement

Because informing the application, award, or administration of financial aid is a critical requirement for access to FTI data, distinguishing between research, evaluation, and program improvement is integral to the data access process. However, discerning the difference between research and evaluation or program improvement has been notoriously difficult. Additionally, scholars, institutional review boards, and higher education administrators may have entirely different understandings or frames of reference that only add to this complexity.[26]

While researchers should always consult their Institutional Review Board (IRB) to determine a project's status, investigators and practitioners should always orient themselves to the different types of inquiry available. For example, a financial aid administrator may initially view a study as "research" because of its potential to contribute to broader knowledge. But since that knowledge is being applied directly to a specific program on campus, they may determine it is better suited as "evaluation." Similarly, if an aid administrator is interested in "program improvement," they may find it useful to engage with an evaluator or researcher in that pursuit. IRBs sometimes provide checklists, flowcharts, or self-assessment tools to distinguish research from evaluation and program improvement (see, for instance, the University of Wisconsin-Madison's comparison table).[27]

[23] National Association of Student Financial Aid Administrators. (2024). *NASFAA data sharing decision tree for postsecondary institutions.*
[24] ibid.
[25] ibid.
[26] Wanzer, D. (2021). What is evaluation? Perspectives of how evaluation differs (or not) from research. *American Journal of Evaluation. 42(1),* 28-46.
[27] See the University of Wisconsin-Madison's comparison table.

Federal regulations under the "Common Rule" define research as "a systematic investigation, including research development, testing and evaluation, designed to develop or contribute to generalizable knowledge."[28] While evaluation and program improvement (sometimes called quality improvement) are forms of systematic inquiry, several features distinguish them from social science "research" under the federal definition.

First, evaluation and program improvement focus on a particular program, practice, or process rather than understanding a broad phenomenon or testing a hypothesis. Additionally, while research studies generally begin with a researcher's question or area of interest, evaluation and program improvement are typically initiated by the practitioner, office, or unit in charge of whatever is being evaluated, and these stakeholders may themselves participate in conducting the evaluation. Lastly, and perhaps most importantly, while research aims to contribute to "generalizable knowledge," evaluation and program improvement are designed to inform decision making, guide improvements, or assess the worth or merit of a particular program, practice, or process.[29] Researchers interested in connecting their work directly to practice may find evaluation or program improvement opportunities by partnering with their financial aid administrators on campus.

Understand Data Privacy Safeguards and Responsibilities

In any project involving student-level data, researchers must understand and navigate a wide range of legal, ethical, and professional standards concerning data security and privacy. For example, students' educational records are governed by FERPA, and ED provides resources to help ensure students' data are protected.[30] Similarly, the Higher Education Act governs FAFSA data and ED provides guidance and training to help ensure data sharing is done in accordance with the law.[31]

In light of the new changes around FTI, researchers must become familiar with a new set of data governance rules. The Internal Revenue Code (IRC) governs FTI data and the IRS is responsible for providing additional guidance and resources for protecting data privacy and confidentiality.[32] IRS Publication 1075 also provides useful guidance and safeguards for FTI data.[33]

Monitor Guidance From the U.S. Department of Education

ED may provide additional guidance on FTI data sharing. Until then, resources provided in existing Electronic Announcements and the Federal Student Aid Training Conference are likely to be the most timely and relevant for navigating FTI questions.[34] Additionally, professional associations, like NASFAA and the State Higher Education Executive Officers Association, provide resources, professional development, and training on data sharing issues affecting financial aid programs.[35] These organizations can help researchers stay informed about any new guidance or rules affecting FTI and FAFSA data as they emerge.

Develop Trusting Relationships With Financial Aid Administrators

Finally, when conducting research that employs data received, generated, or protected by campus financial aid offices, it is critical to develop trusting partnerships with the official data stewards. This advice is especially true for FTI data and should also be considered anytime a researcher is using data housed in a financial aid office. Tools like regular meetings, data-sharing agreements, and attestations can be used to build trust among research and practitioner colleagues. Committing to research-practice partnership values allows practitioners to be more comfortable sharing their data, knowing it will be handled and used responsibly and with good intent. At the same time, researchers benefit from understanding how each dataset is generated and managed, and how it is used in day-to-day financial aid operations. For example, although this brief was written by a team of researchers who regularly use financial aid data, it was not complete without consultation and review by several financial aid administrators.

[28] U.S. Department of Health & Human Services. (n.d.). *45 C.F.R. § 46. Protection of human subjects.*
[29] Patton, M. (2015). *Qualitative research & evaluation methods.* Fourth Edition. Sage: Thousand Oaks, CA.
[30] U.S. Department of Education. (n.d.). *Protecting student privacy: Data security: K-12 and higher education*. U.S. Department of Education. (2023, March 8). *An eligible student guide to the Family Educational Rights and Privacy Act (FERPA)* [SPPO-23-01].
[31] U.S. Department of Education. (2024). *Guidance for state grant agencies and institutions of higher education on the access, disclosure, and use of FAFSA data for the application, award, and administration of student aid programs.* [GENERAL-24-129].
[32] Specifically, Internal Revenue Code Section 6103(l)(13).
[33] Internal Revenue Service. (n.d.). *IRS publication 1075: Tax information security guidelines for federal, state, and local agencies.*
[34] Federal Student Aid. (2024). *A digest of federal tax information and FAFSA data changes under FUTURE Act and FAFSA Simplification Act* [Conference session B013, Virtual conference session].
[35] See, for example, NASFAA Data Sharing Web Center; and State Higher Education Executive Officers (2024). *Data use implications of the FAFSA Simplification Act and FUTURE Act.*

Summary

Researchers routinely use AGI when analyzing the implementation, design, and impact of financial aid programs. Starting in the 2024-25 award year, AGI data are now considered FTI and subject to new safeguards and rules researchers and evaluators need to understand and follow. This brief outlined some of the implications of this change, namely the strengths and weaknesses of alternative income measures. We found AGI and EFC/SAI are moderately correlated, while several other measures, like neighborhood income, Pell Grant eligibility status, first-generation status, and free and reduced-price lunch eligibility, are weakly correlated. As a result, researchers interested in using alternatives to AGI can use our findings to help inform their strategies.

We also outlined several promising strategies researchers and evaluators can use to make their work more impactful and relevant for practitioners. For example, having a clear purpose for needing income data and understanding the associated data security and privacy concerns are essential for productive conversations with financial aid administrators. Similarly, understanding how—and in what *specific* ways—research and evaluation are used in administering aid programs is a critical step.

There is no single best way to conduct research on financial aid, although when researchers and evaluators employ mutually beneficial approaches rooted in solving problems of practice, the chances of producing meaningful research are greatly improved. This can only be achieved through strong partnerships built on trust and a clear understanding of the data concerns, security protocols, policies, and safeguards in place to protect students' privacy. We hope the ideas and considerations raised in this report will help facilitate those partnerships now and long into the future.