

Access Draft Recommendations

Focus Area: Reducing/Removing Structural Barriers to Higher Education

Recommendation 1: We recommend simplifying and improving the current financial aid application process utilizing one or more of the following strategies:

A. Implement the NASFAA [proposal](#)¹ for a three-level application process.

- **Rationale:** The current Free Application for Federal Student Aid (FAFSA) has 108 questions and must be submitted each year. The FAFSA form and process have been enhanced in recent years through various electronic improvements and the use of skip-logic, but completion of the form is still viewed as challenging for some applicants and presents a barrier for many low-income, first-generation, and disadvantaged populations. NASFAA's proposed three-level application process is designed to reduce the amount of information needed to determine financial aid eligibility based on the financial situation of the applicants and their families. After answering some demographic and dependency status questions, applicants would be steered down one of three paths based on their responses to screening questions. Applicants who receive Supplemental Nutrition Assistance Program (SNAP) or Supplemental Security Income (SSI) benefits would fall into Path #1 and would not need to provide additional information. Applicants who complete a 1040EZ, 1040A, or 1040 without additional forms or schedules would fall into Path #2, and their information could be obtained by using the IRS Data Retrieval Tool (IRS DRT). Applicants who complete a 1040 with additional forms or schedules would fall into Path #3, and information could be obtained by using an expanded IRS DRT. Simplifying the FAFSA to better match the financial situation of the applicant will make the financial aid application easier and less time-consuming.

B. Expand the functionality of the IRS DRT to include all line items of the IRS 1040 tax return and W-2 information.

- **Rationale:** The current application process is expedited by allowing applicants to pull Internal Revenue Service (IRS) data into the FAFSA form. Using the IRS DRT simplifies the process for applicants and provides more accurate information. In most situations, verification is not required since the information is obtained directly from the IRS. The current IRS DRT process does not capture all 1040 information, however, which can result in additional information requests to applicants and additional processing workloads for institutions. This recommendation is to expand the IRS DRT to include all line items on the 1040, but not the information contained on the tax schedules. We also recommend including information from W2 forms, which would permit retrieval of income earned from work for non-tax filers. It should be noted that no new questions should be added to the FAFSA as a result of having access to more IRS data.

C. Consider allowing students to file a FAFSA that would allow financial aid consideration for multiple years (e.g., a one-time FAFSA).

¹ National Association of Student Financial Aid Administrators. (2015). *NASFAA working group report: FAFSA simplification*. Retrieved from https://www.nasfaa.org/uploads/documents/fafsa_report_1.pdf

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- **Rationale:** Please see Recommendation 1 in Affordability, Focus Area: Improving Existing Aid Programs.

D. Consider allowing students to apply for financial aid via the federal tax return process.

- **Rationale:** Allowing students to check a box or supply additional information on a federal tax return could significantly simplify the financial aid application process. This recommendation would require integration of federal IRS and FAFSA processing systems and data. In addition, further research and examination of data between the two systems/processes would be needed, and modifications would be required. For instance, the tax return utilizes exemptions based upon the tax code, while FAFSA uses family size. New thinking would also be required on how to handle dependency statuses, special circumstances, and other professional judgment changes that are currently allowed. Still, allowing an applicant to complete one form to file taxes and apply for financial aid should simplify these processes.

Recommendation 2: We recommend requiring Title IV institutions to adopt standardized elements in the financial aid award notification, including all costs, net price, grouping by types of awards, and common descriptors/language.

- **Rationale:** Financial aid award letters provide cost and financial aid award information to students. Too often, students find it challenging to understand the information contained in the financial aid award offer and find it difficult to compare information from different institutions. A 2018 study showed students find comparing financial aid award letters from different institutions confusing due to issues such as lack of consistency, hard-to-understand jargon, unclear award descriptors, lack of differentiation between types of aid, and omitted (or incomplete) cost of attendance information (New America & uAspire, 2018).² In some instances, it is hard to tell the difference between gift aid and loans. We recommend adopting standardized elements and common descriptors/language in the financial aid award letter to better assist students in understanding their educational costs and the types and amounts of financial aid available to them. We are not advocating for a standardized award letter, however, as schools have varying needs, and some have developed enhanced features and processes to better serve their students.

Recommendation 3: We recommend Congress require the U.S. Department of Education (ED) to provide more transparency on the verification selection process through the FAFSA with the goal of reducing the number of FAFSA applications selected for verification. Specifically, we want to ensure students are treated equitably with regard to the verification selection criteria and to ensure potential Federal Pell Grant recipients are not being disproportionately selected for verification compared to recipients of other federal need-based aid programs.

- **Rationale:** Verification is a significant and often complicated part of the financial aid process that requires institutions to collect tax and other documents to confirm the accuracy of data reported on the FAFSA. Many researchers have found this process to be time consuming, challenging, and an additional barrier to access for many students (Advisory Committee on Student Financial

² New America, & uAspire. (2018, June). *Decoding the cost of college: The case for transparent financial aid award letters*. Retrieved from <https://www.uaspire.org/BlankSite/media/uaspire/Decoding-the-Cost-of-College.pdf>.

Assistance, 2005;³ The Institute for College Access and Success, 2010;⁴ MacCallum, 2008;⁵ Mostafavi, 2010;⁶ Perez, 2010⁷). Furthermore, verification is burdensome and costly to schools and the federal government, and there are no documented results demonstrating it to be significantly beneficial to the student aid process (The Institute for College Access and Success, n.d.⁸). Since the purpose of verification is to confirm that need-based federal student aid program funds are indeed distributed to eligible students, ED should provide archived annual statistics supporting the current selection criteria and verification groups as well as provide data examining the most error-prone FAFSA items corrected through the current verification process.

Focus Area: Improving Access to Information and Awareness of College Options

Recommendation 4: We recommend creating a federally recognized database of “virtual advisors” to provide general information to students as it relates to college admissions, financial aid, and advising processes.

- **Rationale:** Creating a network of artificial intelligence (AI) “counselors” would allow for an interactive system that is both more robust and precise in the delivery of routine information. AI is specifically designed to scan and process large amounts of data, recognize patterns, and learn from experience and interaction, becoming more accurate the more it is used. Most questions received by colleges and universities from incoming students and parents require only routine answers that can be provided at any time of the day or night by a system that can scan entire databases for the most accurate and complete information. This would free up scarce human resources to provide more individualized service when the AI counselor or the user determines that routine answers are not sufficient. AI also utilizes an interactive system familiar to and convenient for students and parents using technology readily available to families of all socioeconomic levels. This would necessarily require significant consumer testing but also presents an interesting public/private partnership opportunity with the technology industry. AI has already been piloted by the University of Arizona and Georgia State University (details available in Ryan, 2018,⁹ and Gardner, 2018¹⁰). In its first summer of use, the AI software at Georgia State University alone answered over 200,000 routine questions and improved retention of incoming students by 20 percent.

Recommendation 5: We recommend improving or prioritizing broadband internet services for online education/digitally delivered education and training.

³ Advisory Committee on Student Financial Assistance. (2005). *The student aid gauntlet: Making access to college simple and certain*. U.S. Department of Education. Retrieved from <https://files.eric.ed.gov/fulltext/ED496648.pdf>

⁴ The Institute for College Access and Success (TICAS). (2010). *After the FAFSA: How red tape can prevent eligible students from receiving financial aid*. Retrieved from <http://ticas.org/files/pub/AfterFAFSA.pdf>

⁵ MacCallum, M. (2008). Effect of financial aid processing policies on student enrollment, retention and success. *Journal of Student Financial Aid*, 37(2), 17-32. Retrieved from <https://publications.nasfaa.org/jsfa/vol37/iss2/2/>

⁶ Mostafavi, B. (2010). *Incomplete financial aid paperwork keeps hundreds of students out of Mott community college's summer classes*. Retrieved from https://www.mlive.com/news/flint/index.ssf/2010/07/incomplete_financial_aid_paper.html

⁷ Perez, E. (2010). Report: Students stumble over tricky financial aid verification process. *California Watch*.

⁸ The Institute for College Access and Success (TICAS). (2010). *After the FAFSA: How red tape can prevent eligible students from receiving financial aid*. Retrieved from The Institute for College Access & Success <http://ticas.org/files/pub/AfterFAFSA.pdf>

⁹ Ryan, C. (2018, May 18). Artificial Intelligence: Hero or villain for higher education? *Forbes*. Retrieved from <https://www.forbes.com/sites/ryanraig/2018/05/18/artificial-intelligence-hero-or-villain-for-higher-education/#203b61c83145>

¹⁰ Gardener, L. (2018, April 8). How A.I. is infiltrating every corner of the campus. *The Chronicle of Higher Education*. Retrieved from <https://www.chronicle.com/article/How-AI-Is-Infiltrating-Every/243022>

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- **Rationale:** The United States currently ranks ninth in the world in terms of broadband capacity and affordability, and 20th in the world for broadband speed (Tech.Co, 2018).¹¹ This represents a national average; broadband speeds for inner cities and rural areas are substantially slower and even more limited in terms of broadband access, capacity, and affordability. Due to the significant role of online education for US colleges and universities, substandard broadband adversely impacts access to higher education. The U.S. system of higher education is predicated on the principle of “equal access for all,” and the current limitations and deficiencies of our national broadband network, in effect, serve as a barrier to higher education access as well as an impediment to using more sophisticated instructional technologies, such as AI, adaptive learning, virtual labs, etc. Prioritized improvements to the national broadband network will greatly improve higher education access and will better position the United States to be a global technology leader.

Recommendation 6: We recommend that Congress provide financial incentives to graduate school counseling educator programs to place interns in high schools with some of the lowest college-going rates, or in high schools that serve predominantly low-income students.

- **Rationale:** The current school counselor-to-student ratio is 482:1 across the country. The American School Counselor Association recommends a ratio of 250:1. By using interns from graduate school counseling educator programs, the student-to-counselor ratio could be lowered. The graduate students could use this experience as part of their required practicum and internship experiences, giving them on-the-job training in counseling students in postsecondary planning. It would be important to make sure that student interns will have taken an appropriate postsecondary planning course prior to their internship/practicum experience.

[Comments may be uploaded online here: <https://www.forward-50.org/public-comment.>]

¹¹ Tech.Co, (2018, July). *U.S. ranks 20th in broadband speed league*. Retrieved from <https://tech.co/us-ranks-20th-broadband-speed-league-2018-07>