

# Recommended Best Practices

## Implementation of the Early FAFSA and using of Prior-Prior Year Income

NASFAA's Prior-Prior Year (PPY) Implementation Task Force recommends the following best practices for institutions of higher education during the implementation of the Early FAFSA, which includes use of PPY income information. These recommendations align with several provisions of NASFAA's statement of ethical principles. They also support the White House's stated goals of Early FAFSA: simplifying the aid application process, and increasing FAFSA completion.

In particular, several of NASFAA's Ethical Principles align with the move to Early FAFSA and the use of PPY income, including:

- Ensure equity by applying all need analysis formulas consistently across the institution's full population of student financial aid applicants.
- Commit to removing financial barriers for those who want to pursue postsecondary learning and support each student admitted to our institution.
- Provide our students and parents with the information they need to make good decisions about attending and paying for college.
- Inform institutions, students, and parents of any changes in financial aid programs that could affect their student aid eligibility.
- 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.
- Commit to removing financial barriers for those who want to pursue postsecondary learning and support each student admitted to our institution.

The Task Force has identified 16 best practices, grouped into five general topics.

### Professional Judgment:

- For professional judgment (PJ) decisions, maintain the status quo to the extent possible.
  - Continue to use the income that best reflects the student's current situation. Do not ask applicants for more information than necessary to make a PJ decision.
  - Update school policies and procedures to reflect how the use of Prior-Prior Year may change PJ processes, including the timing of when you will consider appeals.
- Use test environments within the financial aid processing system to look for effective approaches to professional judgment, including which changes have an effect on financial need and awards. This could also be used to train staff to identify changes that will yield adjustments in the student's financial aid package.

### Verification

- Simplify and streamline the verification process as much as possible.
- NASFAA reinforces the following provisions allowed by the Department of Education which support streamlining and simplification:
  - Schools are only required to verify the data elements specified in the Federal Register for selected aid applicants and, absent conflicting information, not any other elements.
  - Schools are only required to verify data elements for the year specified in the Federal Register and not any other years for selected aid applicants.
  - Income information obtained via the IRS Data Retrieval Tool (DRT), that remains unchanged by the applicant, serves in place of a tax transcript and schools do not need to request additional tax documentation to complete verification.
  - When schools must collect tax documentation, request only documents needed to verify information that the applicant did not retrieve from the IRS, or that the applicant subsequently changed after using the IRS DRT.
- NASFAA encourages schools that select additional applicants for verification beyond those ED selects to consider whether the process is necessary or effective for their institution and update processes accordingly.

## Systems Readiness

- Work with the institution's Information Technology staff to plan and prepare for earlier calendar and updates of systems for 2017-18 cycle and beyond.
- Develop systems to test PJ cases and subsequently train staff to look for effective PJ approaches.

## Communications

- Be positive and early in all communications regarding PPY implementation.
- Be transparent about school, state and federal processes and deadlines.
- Proactively meet with school stakeholders and share information regarding Early FAFSA and the use of PPY, including NASFAA videos and toolkit, implementation timelines, and changes to peak processing periods for aid administrators.
- Proactively reach out to high school counselors and provide information on changing timelines and process for applicants.

## Considerations in working with other Stakeholders

- The National Association for College Admission Counseling (NACAC) requires member schools to allow students to make admission decisions until May 1. This standard will be maintained under PPY. NASFAA recommends that all schools - regardless of NACAC membership - maintain this standard commitment date and not create earlier commitment dates to receive institutional aid.
- Schools will have access to income data earlier with the use of Early FAFSA and PPY income information and may be interested in using that data to make admissions decisions. The task force supports and reinforces NASFAA's ethical principle of using financial aid application and need information for financial aid purposes only.
- Encourage transparency about eligibility for state and external funding.
- Leverage PPY changes to increase or maintain state funding to allow the neediest students access to postsecondary educational opportunities.
- Encourage state and external agencies to maintain current deadline dates for existing funding sources as much as possible.



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