FACT SHEET:
Supporting Student Aid Data Access and Transparency

Each year, the U.S. Department of Education provides crucial financial aid to students, offering them access to a higher education. Yet researchers and policymakers often have limited access to student aid data to understand the outcomes of these postsecondary investments. Moreover, institutions and practitioners can't always access the information they need to rigorously evaluate promising practices that could help improve college persistence and completion. Today, the Department is announcing new actions to support responsible data access that balances borrower privacy and data security with a continued commitment to promoting transparency of information about higher education.

Expanding Researcher Access to Student Aid Data

This Department has long held that policy and practice should be driven by evidence about what works and what does not, and by data that identify the greatest needs and opportunities to solve significant challenges. Today's actions build on that conviction, providing a roadmap to support Federal and non-Federal researchers in accessing properly safeguarded student aid data to improve borrower outcomes.

- **Launching Advancing Insights through Data (AID).** The Department is currently piloting AID, a research partnership program that would offer other Federal agencies and affiliated researchers access to data to conduct research that can inform and advance policies and practices that support students' postsecondary success, as well as strengthening repayment outcomes for borrowers. The Federal Reserve Board (FRB) has partnered with the Department for the pilot. FRB researchers intend to study how borrowers choose their repayment options and how these repayment plans—especially those based on borrowers' incomes—can affect subsequent outcomes such as student loan default. The pilot hopes to identify distinctions across servicers, intermediate repayment outcomes (such as capitalization of interest, income-driven repayment enrollment, deferment, and forbearance) that may affect defaults, and the value of income-driven repayment plan enrollment in preventing default and reducing financial burdens. FRB's study will shed light on a topic that is vitally important for both borrowers and policymakers, but on which little public information is available.

- **Scoping a Public Use Microdata File.** While AID will result in broader access to student aid data by Federal researchers, the Department recognizes the value in allowing appropriate access for non-Federal researchers as well. Broader access could lead to important insights useful for optimizing student aid policies and outcomes and help ensure that the nation is achieving its postsecondary goals. To support this goal, the Department will continue to work closely with public policy organizations, academic researchers, and institutional representatives to better understand their data and research needs, with the ultimate goal of generating a privacy-protected, public-use microdata file from the National Student Loan Data System (NSLDS). Making these data available to non-Federal researchers will necessarily be done in a manner that protects the privacy of students and their families, maintains the integrity and

security of the NSLDS, complies with statutory provisions governing the use of data, and recognizes available resources and priorities. By October 2017, the Department will have conducted researcher engagement and announced the outcome of those discussions, including the necessary steps and time required to create the file.

Clarifying Permissible Uses of Financial Aid Data for Program Evaluation and Research

Many institutions of higher education seek to use student financial aid data to evaluate how well they are serving students, and find promising strategies for improvement. Unfortunately, these institutions have often struggled with questions about whether such data-use is permissible under applicable Federal statutes. Over the past few years, the Department's Privacy Technical Assistance Center (PTAC) has received and responded to a number of inquiries from institutions of higher education regarding potential uses of student financial aid information to evaluate and improve the administration of their institutional financial aid programs. Today, PTAC is releasing guidance intended to answer these questions and help schools make appropriate decisions about data use. This guidance aims to help postsecondary educational institutions make responsible data use decisions and protect student privacy, while complying with applicable Federal laws and regulations. The guidance addresses schools' use of financial aid data for audits, program evaluations, and research by providing an overview on:

- The types of financial aid data that exist;
- Applicable Federal laws that restrict or prohibit various activities and uses, depending on the source of data; and
- Specific scenarios in which institutions may or may not use the data to conduct program evaluations, research, or other activities.

Institutions and other stakeholders may access the guidance here.

Supporting Existing Efforts to Increase Transparency

Understanding that different stakeholders have different needs, interests, and familiarity with postsecondary data, the Department has worked to increase the collection and dissemination of useful information through existing channels, including those managed by the Office of Federal Student Aid (FSA), the Office of Postsecondary Education, and the National Center for Education Statistics (NCES). These efforts support government-wide efforts to increasing the availability and use of data in order to build evidence about government programs, while protecting student privacy.

- **Increasing transparency for postsecondary data.** The Department has built a rich base of data on Title IV-related information, including information about the student loan portfolio, institutional compliance and enforcement, and applications for Federal financial aid, that inform the national dialogue about improving student and borrower outcomes in higher education. In the upcoming year, the Department will build on the transparency efforts described below in order to continue providing critical information to policymakers and researchers:

o The FSA Data Center, launched in September 2009, serves as a centralized, online source for this data in an effort to promote transparency. Since its launch, the information and reports proactively released on the site have increased dramatically. The FSA Data Center continues to post Federal student application, loan and grant data by school. In addition, the site includes student loan default rates, Title IV contracts, and several reports focusing on school compliance, such as financial composite scores, proprietary schools' 90-10 revenue percentages, Clery Act reviews, and final program review determinations. In 2013, FSA added a section on the FSA Data Center about the outstanding Federal student loan portfolio that includes quarterly reports by loan program loan status, and repayment plan. FSA has since greatly expanded this information to include quarterly reports by loan type, delinquency, deferment type, and forbearance type. Additionally, FSA posts servicer reports by loan status and repayment plan, as well as overall service performance. Moreover, the FAFSA Completion Tool has been added to the data center. The FAFSA Completion Tool provides high schools with current data about their FAFSA submissions and completions so schools can track their progress and help to ensure that their students complete a FAFSA.

Other recent additions to the Data Center include a preliminary report on feedback, including complaints, collected by FSA's new feedback system; institutions that have been placed on a Heightened Cash Monitoring payment method to provide additional oversight of cash management; and the debt-to-earnings rates of programs covered by the Gainful Employment regulation. In 2017, FSA will continue to identify information for proactive release to increase transparency and strengthen FSA's commitment to providing accurate and relevant data to the public. FSA is committed to adding information and data that will take the form of reports or datasets related to one or more of the following categories: (1) student aid data, including additional information on income-driven repayment plans, the Federal student loan portfolio, aid eligibility and applications, default, and forgiveness; (2) school data, including information on school eligibility and participation as well as school compliance; (3) servicer data; and/or, (4) ad hoc studies and reports.

o The Department has worked to get information about college costs and outcomes into the hands of students with tools like the College Scorecard and the Financial Aid Shopping Sheet. These data can provide critical information to policymakers and researchers; for instance, the Department plans to continue publishing regular Accreditor Dashboards that summarize the portfolios of each accrediting agency; ensuring access to Federal information through the InformED initiative using tools like data inventories and Application Programming Interfaces (APIs); and evaluating the effectiveness of Federally funded programs like TRIO and GEAR UP.

- **Expanding Use of Administrative Data in Postsecondary Data Collections.** NCES recently announced plans to implement a new financial aid data collection that will allow researchers to examine nationally representative financial aid estimates on a 2-year cycle instead of the current 4-year cycle. Additionally, NCES anticipates that the

new study will have representative samples from most States, allowing researchers to generate State-representative financial aid estimates for comparative purposes. The new [2017-18 National Postsecondary Student Aid Study, Administrative Collection (NPSAS: 18-AC)](#) will be fielded in 2018, with products and publications to be released in 2019.

- **Supporting the Commission on Evidence-Based Policymaking.** The [Commission on Evidence-Based Policymaking (CEP)](#) was established with bipartisan Congressional support in March 2016 to develop a strategy for increasing the availability and use of data in order to build evidence about government programs, while protecting privacy and confidentiality. The independent commission is composed of academic researchers, data experts, program administrators, and privacy experts. In the upcoming year, the Department will support the work of the Commission by providing its members with information on how student aid data, research, and evaluation are currently being used to build evidence in postsecondary education.