

November 25, 2009

Office of Information and Regulatory Affairs
Attention: Education Desk Officer
Office of Management and Budget
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Washington, DC 20503
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Dear Sir or Madame,

In response to the Federal Register notice published on November 17, 2009 (FR Doc. E9–27601), I am writing on behalf of the Institute for College Access & Success to comment on the Student Aid Report (SAR) that the Secretary proposes to use for the 2010–11 award year.¹

The nonprofit Institute for College Access & Success works to make higher education more available and affordable for people of all backgrounds. Through nonpartisan research, analysis, and advocacy, the Institute aims to improve the processes and public policies that can pave the way to successful educational outcomes for students and society.

Our goal in commenting on the proposed paper 2010-11 SAR is to ensure that this key step in the financial aid process helps students and their families make informed choices about going to college and how to pay for it. As the Department redesigns and enhances aspects of the FAFSA, FAFSA on the Web (FOTW), and FOTW Worksheet, we urge the Department to include the SAR in a comprehensive effort to improve the financial aid process.

We are very pleased to see that some of our past recommendations for the 2009-10 SAR are reflected in the proposed 2010-11 SAR.² Many of these recommendations focused on the need to provide applicants with more useful information about their eligibility for federal financial aid. Most importantly, the 2010-11 SAR will both indicate if the applicant is likely to be eligible for a Pell Grant and/or Academic Competitiveness Grant (ACG), and provide a specific dollar amount for his or her estimated Pell Grant award. The new SAR also provides basic explanations of grants, loans, and work-study, what students can expect next in the financial aid process, and the direct link for finding relevant information within the Department's "[Student Aid on the Web](http://studentaid.ed.gov)" (studentaid.ed.gov) site. Finally, applicants will benefit from the referral to [College Navigator](http://nces.ed.gov/collegenavigator) (nces.ed.gov/collegenavigator), where they can see graduation and retention rates, costs, and other useful consumer information about the colleges that will receive their FAFSA results. In

¹ The comments in this document are similar but not identical to those we submitted in response to the 60-day notice published in the Federal Register on September 18, 2009 (FR Doc. E9–22544). The most notable difference is that having confirmed that individualized Pell Grant award estimates will be included on the 2010-2011 form, we removed that recommendation.

² Asher, Lauren. November 26, 2008. *Comments on the Draft 2009-10 Student Aid Report (SAR)*. The Institute for College Access & Success. http://www.ticas.org/files/pub/SAR_comments_11-26-08.pdf

addition to our other suggestions below, we hope that both of these web resources will appear as direct links on the electronic version of the SAR for easy access.

While the draft includes several improvements in the quality of information provided, it still contains some unnecessary jargon and confusing instructions, and omits some important information that could help students and families make informed decisions about paying for college. We make the following recommendations recognizing that space constraints may limit what can be added to the SAR, but we encourage the Department to find ways to incorporate the information that is most useful for aid applicants. Unless otherwise specified, italics indicate suggested modifications.

Recommendations for the 2010-2011 SAR

Page 1

We encourage the Department to place and present information on the SAR so that it is most helpful for students and their families. The first page should contain a table of contents or outline that tells applicants what they will find in the different sections of the SAR. Also on this page, applicants should be notified of the portability of federal student aid across different types of schools. Applicants need to know that federal aid can be used to cover all common higher education expenses including tuition and fees, living expenses (room and board), books and supplies, and transportation, miscellaneous, and personal expenses. This important information will help students and their families as they apply for college and review financial aid award letters, since it is a common misperception that financial aid is only for tuition and fees.

In the near future, the Department should also consider incorporating data on net price by income into the SAR. This would give applicants important, school-specific information about the costs they may be expected to cover based on their family's circumstances.³

Page 2

We recommend moving the Office of Management and Budget's (OMB) legal disclosure and a section reserved exclusively for Financial Aid Office use from page 2 to the end of the SAR packet. The drug conviction warning on page 2 should instead appear below the "What you must do now!" section on page 3.

Page 4 – Summary of Federal Student Loans

We suggest that the Department provide applicants with additional information about the availability of different types of loans that may be included in the aid packages they later receive from schools. This information should highlight the better terms and borrower protections of federal student loans and warn students and families about the risks of private student loans. By getting this valuable information early in the aid process, applicants would have the tools to make better decisions about whether, how, and how much to borrow.

³ The Higher Education Opportunity Act of 2009 added section 132(i), paragraph (5) to the Higher Education Act, requiring the Secretary to collect and make publicly available the tuition and fees and net price (cost of attendance minus grants) for institutions starting in July 2010.

Applicants should also be informed about the types of federal loans for which they may be eligible and the basic terms of these loans, as well as maximum loan amounts.

The third paragraph on the “Summary of Federal Student Loans” page that contains information from NSLDS about the applicant’s loans is confusing and should be deleted. Instead, first-time and repeat applicants should be able to view the current interest rates for federal loans in a column under the “Total Amount of Loans Outstanding:” section. If an applicant already has outstanding federal loans, the applicable rate for those loans should also be provided. Additionally, a link to a web-based calculator that estimates payments based on the applicant’s loans and terms would provide them with a more accurate estimate of the total costs of the loans.

Check Your SAR (Pages 5 – 10)

Throughout this section, instructions should be clarified so that students know that they only need to make corrections if they find a mistake, or if the earlier part of the SAR indicated that they need to make a correction. We suggest eliminating the fourth bullet point, “Use your Federal Student Aid PIN to make corrections online at fafsa.gov or send in pages 5-10 of this form,” and creating a new set of instructions for the header on page 5. We recommend that the Department use a slightly revised version of the instructions provided on page 3 of the SAR:

“If you need to make corrections to your information, you may either make them online at www.fafsa.gov, or by using this SAR and mailing pages 5-10 to the address provided on page 10. You must use your Federal Student Aid PIN to access your record online. If you need additional help with your SAR, contact your school's financial aid office or the Federal Student Aid Information Center at 1-800-4-FED-AID (1-800-433-3243).”

On page 10, the instructions in bold are confusing because they do not remind applicants that they need only follow the directions if they are submitting new information or corrections. The instructions that currently state, “Please read, sign, and date. You must read and sign this Certification.” should change to:

“If you need to submit changes or corrections to the information on this form, please read, sign, and date before submitting. You must read and sign this Certification to confirm any changes you have made.”

As we stated in our comments last year, we encourage the Department to provide applicants with contact information for the financial aid offices of the schools they selected to receive FAFSA results. Contact information for the financial aid offices of schools is not available via the College Navigator web site, so listing a phone number on the SAR would be a great help to applicants who need to speak with a financial aid representative. We also recommend that the statement about using College Navigator move from the bottom of page 9 to the first page of the SAR so that applicants are more likely to see it. We further suggest changing the language that references only graduation and retention rates on College Navigator to highlight the fact that other important consumer information is available on the web site:

*“For important consumer information about the colleges you listed on your FAFSA, view your Student Aid Report *online* at www.fafsa.gov or visit College Navigator at www.nces.ed.gov/collegenavigator.”*

Thank you for the opportunity to comment on the draft 2010-2011 SAR. If you have any questions or concerns regarding our comments, please do not hesitate to contact me or my colleague, Cedrick Andrews, by phone at (510) 559-9509, or via email at ljasher@ticas.org or candrews@ticas.org.

Sincerely,

A handwritten signature in black ink, appearing to read 'LA', with a long, sweeping horizontal line extending to the right.

Lauren Asher
President