

April 21, 2017

The Honorable Betsy DeVos, Secretary
United States Department of Education
400 Maryland Avenue, SW
Washington, DC 20202

The Honorable Steven Mnuchin, Secretary
United States Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, DC 20220

Dear Secretaries DeVos and Mnuchin:

We write as the heads of the national associations that represent community college institutional chief executive officers and trustees concerning the suspension of the IRS Data Retrieval Tool (DRT). We are joined in this communication by state community college leaders who are, like us, tremendously concerned about the unexpected and potentially prolonged unavailability of the DRT.

For the 2015-16 student aid award year, more than 7.4 million students used the DRT to populate their FAFSA. The abrupt suspension of use of the DRT comes at an extremely problematic time, primarily because of the ongoing initial implementation of “prior-prior year (PPY)” student aid eligibility. PPY has required campuses to simultaneously process aid applications for two different award years, while relying on the data from the same tax year, 2015. This has created a need for the resolution of greatly increased numbers of data variance. The DRT greatly facilitates this process.

The loss of the DRT has been particularly harmful to community college students. These students and their families often have not encountered complex forms like the FAFSA, and as a result they complete the application process at lower rates than students in other sectors, despite the fact that they often have lower incomes.

Furthermore, the administration of state student financial aid is directly linked to federal aid, thus creating a ‘domino effect’ when federal processing is hampered. This side effect is particularly acute for community college students, because many state aid programs have a fixed amount of funding and late applicants are often simply denied support. Additionally, state and local college promise programs predominately have FAFSA completion requirements. We believe these additional barriers to FAFSA completion may disrupt student access to these programs.

Community colleges serve millions of students each year - approximately one-third of all postsecondary students seeking a degree or certificate attend a community college. While many four-year institutions have early-spring FAFSA deadlines, community colleges predominately have later deadlines. Hence, many of our new and returning students have yet to complete their FAFSA for the fall semester.

Consequently, we strongly urge your departments to address security concerns as soon as possible in order to permit the automatic export of IRS data to student FAFSA forms. In the meantime, there are actions that the Department of Education (ED) can undertake to mitigate the negative impact of the

temporary loss of the DRT. While these actions are not a substitute for the reimplementing of the DRT, we hope that they can assist some students. We ask that these policies be implemented immediately:

- 1) Allow signed tax returns to meet verification requirements; it is only in the past few years that tax transcripts were required, and this was in conjunction with the roll-out of the IRS DRT. With the DRT unavailable, reinstatement of the previous process is now called for.
- 2) Permit a more generous tolerance for income discrepancies between the 16-17 and 17-18 award years to reduce the burden of Comment Code 399. This would lighten the time needed for increased verification for both students and aid offices.
- 3) Treat verification and award revision rules in conjunction with Comment Code 399 to align with established practices regarding students who are no longer attending. This would reduce burden on colleges and students.

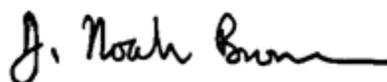
Our institutions have not yet faced the full impact of the DRT outage, and we urge you to act quickly to help mitigate the ultimate effect. Community colleges remain concerned that the DRT outage will not only be a barrier to aid but a barrier to access, given the large number of low-income, first generation students that community colleges serve. Many of our students simply cannot cover the cost of attendance at our institutions without the benefit of federal or state student financial aid. We fear that an ongoing outage of the DRT could ultimately result in a loss of postsecondary access for some of these students.

The timely receipt of student financial aid is essential to success at community colleges. We hope that you will act quickly and forcefully in response to these comments. Thank you for your consideration.

Sincerely,



Walter G. Bumphus
AACC President and CEO



J. Noah Brown
ACCT President and CEO

On behalf of:

Alabama Community College System
California Community Colleges Chancellor's Office
Community College League of California
Illinois Community College Board
Illinois Community College Trustees Association
Iowa Association of Community College Trustees
Ivy Tech Community College of Indiana
Kansas Association of Community College Trustees
Kentucky Community and Technical College System
Maryland Association of Community Colleges
Massachusetts Community Colleges
Michigan Community College Association
Mississippi Community College Board

Missouri Community College Association
New Jersey Council of County Colleges
North Carolina Community College System
Ohio Association of Community Colleges
Oregon Community College Association
Oregon Office of Community Colleges and Workforce Development
Pennsylvania Commission for Community Colleges
South Carolina Association of Technical College Commissioners
Tennessee Board of Regents
Texas Association of Community Colleges
Utah System of Higher Education
Virginia Community College System
Washington State Board for Community and Technical Colleges
West Virginia Council for Community and Technical College Education
Wyoming Association of Community College Trustees
Wyoming Community College Commission

cc: James Manning, Senior Advisor to the Under Secretary, and Acting Under Secretary,
U.S. Department of Education
Lynn Mahaffie, Delegated Duties of Assistant Secretary for Postsecondary Education,
U.S. Department of Education
James Runcie, Chief Operating Officer, Federal Student Aid, U.S. Department of Education
John Koskinen, Commissioner, Internal Revenue Service