

NASFAA Event Highlights Benefits And Challenges Of Prior–Prior Year Shift

By Katy Hopkins, Communications Staff

Moving to prior–prior year (PPY) tax data in need analysis would benefit both students and financial aid administrators—and momentum is building for the shift, presenters concluded Wednesday at an event hosted by NASFAA on Capitol Hill.

For students and their parents, using tax data from the return filed the previous year on the FAFSA would better align the application processes for college admissions and financial aid.

Rather than the current disjointed timeline – applying to schools of interest, only to wait several months to find out if those choices will be financially viable – families would have a much better sense of their financial aid and college options at the outset, said Kim Cook, executive director of the National College Access Network (NCAN).

“We have to keep timing in mind and think about the powerful messaging that PPY can send around affordability,” said Cook, adding that her organization supports PPY.

Receiving financial aid information earlier could especially assist low–income students by better illuminating their prospects, said Craig Munier, NASFAA’s national chair and director of the office of scholarships and financial aid at the University of Nebraska– Lincoln.

“We’re giving our lowest income students about seven weeks to make the decision of a lifetime,” Munier said. “I don’t see how using PPY could not improve the status quo. I’d be shocked if it wouldn’t dramatically impact the college–going rate.”

Families that are less stressed and confused would benefit financial aid administrators as well, said Mark Lindenmeyer, associate vice president for enrollment management and director of financial aid at Loyola University Maryland. Financial aid offices would likely receive fewer questions, freeing up administrators for more counseling. They would have more time to make financial aid decisions. PPY would also mitigate, and potentially eliminate, verification—one of the biggest burdens for administrators and students alike.

PPY is not a new idea, but it was recently studied extensively by Robert Kelchen, in a [NASFAA report](#) funded by the Bill and Melinda Gates Foundation. A shift to PPY would advance aid notifications for all students, without drastically altering the actual dollar amounts for most, his research found.

Despite the benefits for families and administrators alike, financial aid professionals might have difficulty imagining a system different from the long-time status quo, Lindenmeyer noted. In fact, he himself was dubious when the idea was first presented to him years ago.

“This would be a big change. I’ve thought long and hard about this, and I’ve come 180 degrees around to full support of moving to this,” Lindenmeyer said. “I just think it makes a lot of sense, and the time has come. I encourage my financial aid colleagues to take a few steps back and look at this from a wider perspective, and just consider objectively all of the pros and cons.”

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