

**NCER-NPSAS Grant Study**  
**Financial Aid Nudges 2017: A National Experiment to**  
**Increase Retention of Financial Aid and College**  
**Persistence**

**Supporting Statement Part A**

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## A. Justification

### Background for NCER-NPSAS Grant Program

In 2010, the National Center for Education Research (NCER) and the National Center for Education Statistics (NCES), both within the U.S. Department of Education's Institute of Education Sciences (IES), began collaborating on an education grant opportunity related to the cross-sectional National Postsecondary Student Aid Study (NPSAS). NPSAS identifies a large, nationally-representative sample of postsecondary institutions and students to collect student-level records on student demographics and family background, work experience, expectations, receipt of financial aid, and postsecondary enrollment (see <http://nces.ed.gov/surveys/npsas/about.asp>; OMB# 1850-0666). Since 1987, NPSAS has been fielded every 3 to 4 years, most recently during the 2015–16 academic year. Alternating cycles of NPSAS spin off a cohort for the follow-up Beginning Postsecondary Students Longitudinal Study (BPS) or the Baccalaureate and Beyond Longitudinal Study (B&B). In previous cycles of NPSAS, researchers have expressed interest in using NPSAS as a way to conduct interventions and experiments on a national sample. The goal of the NCER-NPSAS grant opportunity collaboration is to provide researchers with the possibility of developing unique research projects pertaining to college persistence and completion that utilize a subset of the NPSAS sample that is not already set aside for one of the NPSAS-based longitudinal studies (BPS or B&B).

While the nature of these grant projects puts them outside the mission of NCES, they fit appropriately under NCER, which funds scientifically rigorous field-generated research that is intended to improve the quality of education, increase student academic achievement, reduce the achievement gap between high- and low-performing students, and increase access to and completion of postsecondary education. Under the NCER-NPSAS grant opportunity, researchers can submit applications to the Postsecondary and Adult Education topic within the Education Research Grants program (CFDA 84.305A), under either the Exploration or Efficacy and Replication research goal. Consistent with these two goals, NCER supports research projects using NPSAS to: (1) explore relationships between malleable factors (e.g., information on benefits of financial aid and FAFSA renewal) and postsecondary persistence and completion, as well as the mediators and moderators of those relationships; and (2) evaluate the efficacy of interventions aimed at improving persistence and completion of postsecondary education (e. g., financial aid and FAFSA renewal advice delivered via text messaging). Researchers approved for funding through this program can obtain indirect access to a subsample of the national NPSAS sample (after the study's student interviews are completed) in order to conduct unique research projects that adhere to the guidelines set forth in the Request for Applications (RFA) for the Education Research Grants Program, as well as guidelines set forth by NCES and the NPSAS program.

The FY 2016 competition for the Education Research Grants program was first announced through a Federal Register notice on April 15, 2016 (see Applications for New Awards; Education Research and Special Education Research Grant Programs: <https://www.federalregister.gov/documents/2015/04/15/2015-08627/applications-for-new-awards-education-research-and-special-education-research-grant-programs>). Subsequent to the Federal Register notice, NCER and NCES staff announced the NCER-NPSAS grant opportunity at

conferences and meetings, through an email announcement sent out to the research community via the IES NewsFlash service, and via an e-mail-based alert service designed to inform users about all new content posted to the IES website. The NewsFlash provided a link to the NPSAS-Specific Requirements for Applications Using the National Postsecondary Student Aid Study page, which includes the requirement for OMB clearance: <http://nces.ed.gov/surveys/npsas/grant/NPSAS-Specific.asp>. An additional Application Process page (<http://nces.ed.gov/surveys/npsas/grant/application.asp>) required researchers to provide NCES with a 3-5 page research synopsis describing the purpose of the research, research questions, target population and needed sample, research design, data collection strategy, analysis plan, and timeline. In addition, the Application Process page required applicants to provide an estimated budget and the Principal Investigator's (PI) curriculum vitae. This information allowed NCES to evaluate the projects for technical acceptance to determine whether the proposed work would (1) be feasible within the constraints of NPSAS:16 and (2) meet the guidelines set forth in the NCES Statistical Standards. Upon review, NCES provided the researchers with a letter indicating whether or not the project was technically acceptable.

The projects that NCES determined to be technically acceptable were sent to the NPSAS:16 data collection contractor, RTI International, to obtain a technical proposal and a cost proposal that estimated the contractor's data collection costs. The FY 2016 RFA for the Education Research Grants program required applicants to the NCER-NPSAS opportunity to include both the letter of technical acceptance from NCES and RTI's technical and cost proposals along with a complete application to NCER's Education Research Grants program (84.305A). Applicants were required to submit the full application package to IES via [www.Grants.gov](http://www.Grants.gov) by August 6, 2016. Once the competition closed, the IES Standards and Review Office (SRO) reviewed the applications for responsiveness to the FY 2016 Education Research Grants RFA, and forwarded the responsive applications for peer review as part of SRO's FY 2016 applications review process. The responsive NCER-NPSAS applications were reviewed in February 2016 by the Systems and Broad Reforms panel, a peer review panel of experts including postsecondary researchers, methodologists, and policy analysts. Since the inception of the NCER-NPSAS grant opportunity in 2010, grant applications have been submitted to use the NPSAS:12 and the NPSAS:16 samples. No awards were made to use the NPSAS:12 sample, but the following two awards were made to use the NPSAS:16 sample (announced July 1, 2016):

- Financial Aid Nudges: A National Experiment to Increase Retention of Financial Aid and College Persistence (see <http://ies.ed.gov/funding/grantsearch/details.asp?ID=1848> for project description) , and
- Could Connecting Students with Financial Aid Lead to Better College Outcomes? A Proposal to Test the Effectiveness of FAFSA Interventions Using the NPSAS Sample (referred to as "Connecting Students with Financial Aid (CSFA) 2017") (see <http://ies.ed.gov/funding/grantsearch/details.asp?ID=1853> for project description).

The NCER-NPSAS grant program requires substantial coordination between NCER, NCES, RTI, and the grant recipients (grantees). NCER monitors the grant research to ensure that it is implemented consistently with the scope of activities presented in the

grant application. The expected products and a timeline for key tasks (benchmarks) are codified in a Performance Agreement shortly after the grant award is made. The grant monitoring process, however, allows for the grantee to negotiate with the IES program office changes to a project's objectives, benchmarks, and timeline. NCER also monitors grantees to ensure that they obtain certification from the appropriate Institutional Review Board (IRB) or Boards to carry out research involving non-exempt human subjects. NCES' role is to ensure that the confidentiality of the NPSAS sample members is protected, including ensuring that proper data security protocols are in place and that NCES Statistical Standards are met. In addition, NCES will make the collected data available to the grantee under NCES's restricted-use licensing program. RTI has direct access to the NPSAS sample members and will lead all data collection activities. RTI is operating under a subcontract from the grantee, as funded by the NCER-granted funds. RTI is responsible for sample selection, respondent contacting and follow-up, data collection and processing, and weighting of the data (if applicable). RTI's costs were included in the budget for the grant application. The grantee is responsible for research design, data analysis, and dissemination of results.

Once all data are collected and processed by the contractor, the grantee must apply for the NCES restricted-use data license in order to gain access to the collected data, which are the property of NCES and loaned to the grantee exclusively until the end of the grant period or until the grantee has published the main research paper (whichever comes later). As is the case with all NCES restricted-use data files (RUF), no personally identifying information will be contained on the dataset. Information on the restricted-use data license is available at <http://nces.ed.gov/pubsearch/licenses.asp>. Grantees must adhere to all NCES Statistical Standards in data analysis and diffusion (see <http://nces.ed.gov/statprog/2012/>). After having received the restricted-use data license, grantees will be provided with the collected data. However, no grant-funded raw data shall be released to any party other than NCES and RTI (the latter as the primary contractor for NPSAS:16; contract# ED-IES-13-C-0070). Upon the grant expiration date or after the grantee has published the main research paper (whichever comes later), NCES will make the data available to a wider audience as RUF, assuring all NCES Statistical Standards are met.

### **1. Circumstances Making Collection of Information Necessary**

This request is to conduct the NCER- NPSAS Grant Study – Financial Aid Nudges 2017: A National Experiment to Increase Retention of Financial Aid and College Persistence, which is a study of the effectiveness of an intervention that will provide financial aid information, reminders, and advising to college students who were initially interviewed as part of NPSAS:16. This research is being conducted under a grant awarded through the NCER- NPSAS grant opportunity described above. The primary grantee is Sara Goldrick-Rab, Temple University (Grant Award #R305A160400), and the co-principal investigators are: Benjamin Castleman, University of Virginia; Lindsay Page, University of Pittsburgh; and Bruce Sacerdote, Dartmouth College. Data collection will be led by the contractor, RTI, with College Possible and Signal Vine subcontracted for this study.

In addition to the study's description in the Supporting Statement Part A and B, this submission includes:

- Contacting materials and protocols for student participants (appendix A), and
- A description of the confidentiality procedures in place for record matching to

the Central Processing System, National Student Loan Data System, and National Student Clearinghouse (appendix B).

In December 2016, the research team plans to conduct focus group(s) to test whether the language of the text messages is understandable to a group of low-income and first generation students (1850-0803 v.183). If the focus group(s) suggest changes should be made to text message language, those revisions will be submitted in December 2016 as part of this submission and/or via a change memo to OMB in early 2017.

## **2. Purposes and Uses of the Data**

### **a. Purposes of the *Financial Aid Nudges 2017 Study***

This study aims to capitalize on a unique opportunity provided by NCES, in which a subset of the nationally representative sample from NPSAS:16 is being made available for intervention and experimentation under the guidelines of the special call for proposals described above. This will allow the grantee to examine, using the student subsample, the impacts of a nudging intervention (via texting) aimed at increasing application for and continued receipt of financial aid and continued enrollment in college. The study will test the impact of two variants of nudging to examine the relative effectiveness of sending to students information and nudges only, versus providing them with information, nudges, and the offer of individual assistance.

### **b. Research and Policy Issues**

The price of college attendance is growing rapidly and is a substantial barrier to college completion for both middle and lower-income students. Financial aid is the main mechanism for increasing college affordability among students, but it is distributed using a complex system that includes a lengthy application (the Free Application for Federal Student Aid, or FAFSA) and numerous rules for continued receipt (Bettinger, Long, Oreopoulos, & Sanbonmatsu, 2012; Goldrick-Rab, Kelchen, Harris, & Benson 2016; Kelly & Goldrick-Rab, 2014; St. John, Hu, & Tuttle, 2000).

This administrative complexity appears to reduce the effectiveness of financial aid programs (Dynarski & Wiederspan, 2012). In particular, it leads eligible, financially needy students to leave at least \$5 billion dollars on the table each year as they fail to meet requirements and/or refile the necessary papers. Evidence from the nationally representative BPS:2004/09 suggests that, each year, 15 to 20% of rising second year students who were Pell-eligible in the previous year fail to refile a FAFSA (Bird & Castleman, 2016). These students are much less likely to persist than peers of similar backgrounds who filed the FAFSA (Novak & McKinney, 2011; Bird & Castleman, 2016). This persistence differential is not surprising given that students who fail to file a FAFSA do not have access to the vast majority of federal, state, and institutional aid, including not only grants but also loans and work-study funds.

Additional funds are lost when students do not file or refile their FAFSAs on time. State and institutional aid is limited and often runs out; filing early is the only way to ensure that eligible students receive those funds (McKinney & Novak, 2015). March 1 is the priority-filing deadline in many states, but only 33% of black undergraduates and 37% of low-SES undergraduates file their FAFSAs by that date (Castleman & Page, 2015a).

A closely related issue is that, in order to maintain financial aid eligibility, students

must meet Satisfactory Academic Progress (SAP) requirements that define minimum grade point average and progress toward degree benchmarks that students must maintain in order to continue receiving aid after their first year of college. Despite the strong incentives SAP would seem to create, research shows as many as 40% of first year community college students are at risk of losing aid eligibility due to their failure to meet SAP (Schudde & Scott-Clayton, 2014). A recent survey of more than 1,000 first-year Pell recipients attending public and private 4-year and 2- year colleges found that more than one in four students were unaware of the SAP requirements, putting them at risk of losing their financial aid (Wisconsin HOPE Lab, 2015).

Why do so many economically vulnerable students leave financial aid on the table as they continue to work towards college degrees? How might colleges and universities improve degree completion rates by helping students retain their financial aid? A better understanding of this challenge and the identification of an effective low-cost intervention could vastly improve national education objectives including college attainment.

A growing body of research suggests that “nudges”—small, timed, targeted, and personalized reminders—can increase the rate at which people successfully follow through on their intentions or pursue programs and opportunities that lead to improved outcomes for them or their families (Thaler & Sunstein, 2009). In educational settings, nudges appear to be at least as, or even more, effective than more costly, high-touch strategies (Castleman & Page, 2015b). The grantee and her research team have previously conducted two small studies (described in more detail below) which incorporated nudges on FAFSA filing into randomized interventions intended to increase college retention (Cannon & Goldrick-Rab, 2015; Castleman & Page, 2016). In the first study, which took place at a 4-year public university, they found positive effects of phone-based outreach from a call center on rates of on-time FAFSA refile for continuing students, somewhat increasing the amount of aid that students received. In that particular study context, however, the improved receipt of aid did not result in increased retention to the next year of college (Cannon & Goldrick-Rab, 2015). In contrast, in the second study, they found positive effects of text-message nudges on persistence to the second year of college among community college students but no impacts among first-year students at 4-year institutions (Castleman & Page, 2016).

The results from these studies suggest that text-messaging based nudging may be an effective way to help students retain financial aid and increase efficiency in the existing financial aid system. The research conducted under the NCER-NPSAS grant opportunity will allow the grantee to continue seeking evidence by conducting a robust national experiment that utilizes texting to address both FAFSA filing and refile and the challenges students face in meeting SAP requirements, and helping students in need to access additional financial supports. This study will inform the grantee’s understanding about whether compliance with these requirements and deadlines does in fact lead students to have more financial aid for college, and whether those resources contribute to higher rates of retention. In this study, the grantee’s research team wants to test what approach to texting works best, specifically whether students benefit from the offer of advising as well as nudging, and which students are most responsive to this approach. They will also test three variants of text messages – basic



informational messages, messages that feature positive social pressure, and messages that include commitment mechanisms in order to test the mechanisms through which text-based interactions work.

### **c. Study Design**

Data for this study will be collected from a subsample of NPSAS:16 respondents and from administrative records. The target population includes a subset of NPSAS:16 respondents who were first, second, and third year college students during the 2015-16 academic year, who gave their consent in the NPSAS:16 interview to be contacted for an external research study, and indicated that they could be sent text messages about future studies. Data will be captured on student interaction information collected from text messaging and advising services.

The subsample of NPSAS:16 respondents will be divided at random into three groups. Group 1 will receive text-based information on FAFSA filing/refiling and financial aid, with auto-texted replies if the participant sends texted replies containing key words. Group 2 will also receive texted messages, but will be encouraged to reply to interact with an advisor who will provide information on financial aid, SAP, and other topics. Group 3, the control group, will not be contacted at all and will not receive any texting outreach<sup>1</sup>. Texting and advising will continue for approximately 6 months, from late January through July 2017. Appendix A provides communication materials for the two experimental groups. Throughout the texting period, monthly matches to the Central Processing System (CPS), which contains FAFSA data, will allow texts to be customized to an individual participant's situation. For example, if a student has not filed a FAFSA during the 2015-16 and 2016-17 academic years, he/she will be encouraged to consider applying. Filers in either 2015-16 or 2016-17 will be encouraged to refile.

While there is evidence that college-going information delivered through text based nudging may work to improve student outcomes (Castleman and Page 2015), there is scant evidence on the exact mechanisms through which these text based interventions work. Some previous research has found that information alone is not sufficient to improve outcomes (Bettinger, Long Oreopolous and Sabonmatsu 2012). Some students need some form of positive peer influence/social pressure to motivate them to accomplish a task that is not particularly fun or familiar but which will benefit them (as in Babcock and Hartman 2010, or Burstyn and Jensen 2014). Others know what they need to do but fail due to procrastination or an inability to commit (as in Ashraf Karlan and Yin 2006 and Laibson 1997).

To investigate these three possible mechanisms, the Group 1 subjects will be subdivided into three equal sized groups, each of which will receive slightly different wording in the text messages. Group 1A will receive texts that simply convey relevant information, for example, the filing deadlines for FAFSA and institution specific financial aid forms. Group 1B will receive texts that contain this information but add the fact that many other similar students file their FAFSA form by January of 2017. Group 1C will offer the students a commitment device or reminder system to ensure

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<sup>1</sup> RTI, as NCES contractor for NPSAS:16, may collect administrative data for the control group as an authorized representative of the Secretary of Education for the purpose of evaluating a federally supported education program. Any personally identifiable information is collected with adherence to the security protocol detailed in 34 CFR § 99.35. See section A.10.

that the tasks are completed. Specifically, Group 1C students will have the opportunity to choose a day by which the FAFSA will be completed and will have the option to receive text reminders about their chosen completion date. The three types of messages will be used throughout the intervention, for all types of content, not just FAFSA.

The relative effectiveness of these three different subgroups will provide needed evidence on the mechanisms at work. For example, if the largest treatment effects stem from students being able to commit to a specific deadline for task completion, this will strongly suggest that procrastination or time management is a large component of the value of text messaging. If students only succeed with personal help from an adviser, this will suggest that the complexity of the task rather than basic information or time management is the problem.

In addition to receiving texts on FAFSA and institution specific financial aid forms, all students in Groups 1 and 2 will receive information, either from texts or advisers, regarding their potential eligibility for other, major sources of financial support. Specifically, students will receive texts with information on how to check for their household's eligibility for SNAP (Supplemental Nutritional Assistance Program). SNAP offers an online tool that enables people to check eligibility and estimate monthly benefits (<http://www.snap-step1.usda.gov/fns/>). Students also will be texted basic information on the Earned Income Tax Credit (EITC). Students will be told what the EITC is and how they or their parents could receive the EITC through Federal Tax filing. In addition, students will be informed that colleges often have emergency financial aid programs and emergency housing options available to students in need. Broton and Goldrick-Rab (2015) show that large fractions of Pell eligible students are food insecure and are not taking up SNAP benefits for which they are eligible. Existing research (Duke-Benfield and Saunders 2016, and McDonnell and Soricone 2014) suggests that a comprehensive approach (encouraging students to apply for all the aid for which they are eligible) can promote college persistence and completion. By texting students not just about FAFSA filing but also institutional deadlines, and SNAP and EITC, the study aims to maximize the potential increases in student retention and completion.

Study participants will be text-messaged using a platform developed and provided by Signal Vine. Signal Vine is a national organization that provides web-based texting platforms to education and public service organizations hoping to reach students. Signal Vine successfully provided text messaging services to Dr. Castleman and Dr. Page for previous nudging studies. Signal Vine staff will train the financial aid advisors for Group 2 on how to use the messaging platform to communicate with student participants. The advising will be provided by a team hired by College Possible. College Possible's work has been rigorously evaluated with a randomized experiment and found to be effective (Avery, 2013). College Possible is also one of four advising organizations providing remote, one-on-one college advising to students through a national virtual advising campaign funded by Bloomberg Philanthropies. All advisors will be recent 4-year college graduates, almost 50 percent of whom are either from low-income backgrounds or were first in their family to earn a college degree. Many grew up in or attended college in the community they now serve, and their personal experience makes them highly effective coaches for students in the study.

College Possible trains its advisors to appropriately and respectfully interact with students regarding their college activities. As part of College Possible's formal training program, advisors participate in an intensive, 3-week orientation that includes broad overviews on topics such as demographics and college access/success, the educational achievement gap, and cultural competencies for serving College Possible's key communities. After orientation is completed, advisors participate in weekly training and discussion opportunities throughout the year in preparation for upcoming coaching topics and activities, such as advising on course registration and financial aid renewal. Each training session and activity includes a detailed training plan developed by the College Possible program team, ensuring that each advisor will receive the same information.

RTI will match the 2017 texting and advising data with administrative databases. In addition to matching to the CPS during the intervention period described above, RTI will conduct matches to CPS to determine whether or not participants apply for federal financial aid. Long-term financial aid data will be collected from the National Student Loan Data System (NSLDS), and enrollment and degree attainment data will be collected from the National Student Clearinghouse (NSC). Follow-up matching with these sources will continue through the 2019-2020 academic year.

### **3. Use of Information Technology**

Staff from College Possible will utilize a web-based platform provided by Signal Vine to send, view, and respond to study participants with text messages. Signal Vine uses a direct, two-way integration platform to communicate with study participants as often as needed without them incurring message fees. Through the platform, messages can be sent as either automated natural language responses that can be sent in response to key words, or as messages sent by study staff responding to participants, one-on-one. Signal Vine technology allows study participants to also receive texted pictures, videos, and GIFs. If desired, student data can be used to personalize text messages and target specific individuals or groups of individuals. The Signal Vine platform measures engagement and response rates with an interactive dashboard, and manages text responses through a user-friendly inbox<sup>2</sup>. Additional data for study participants will be obtained by matching to administrative data sources. These include, as described above, queries of the CPS, NSLDS (containing Pell loan and grant files), and the NSC. A description of the confidentiality procedures in place for administrative record matching is provided in appendix B.

### **4. Efforts to Identify Duplication**

The current NCER-NPSAS grant project builds upon previous research showing that providing students with financial aid information via text messages can increase access to financial aid and college enrollment (Castleman and Page; 2015), and that combining information and assistance may be necessary to improve financial aid access and enrollment when students are confronted with difficult tasks (Bettinger, et al. 2012). As part of the NCER-NPSAS grant competition, the expert peer-review panel was aware of the related body of literature and NCER reviewed literature on informational interventions in an effort to identify duplication. The results of the review

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<sup>2</sup> Signal Vine provides the messaging platform for Up Next, <https://www.whatsupnext.us>, a joint collaborative between the White House and Huge Inc. to connect students with federal programs designed to support them.

found no other study to date that has examined the impacts of a FAFSA-renewal intervention, or an intervention designed to increase compliance with satisfactory academic progress requirements, at the national level. Most prior research has focused on helping students to access financial aid at the beginning of college, rather than focusing on FAFSA re-application. In addition, NCER has not funded any other grants or replication studies like this one.

#### **5. Method Used to Minimize Burden on Small Businesses**

This NCER-NPSAS grant study does not involve data collection from any small businesses or entities.

#### **6. Frequency of Data Collection**

This one-time study using NPSAS participants will communicate with students by texting, approximately every 1-2 weeks, from late January 2017 through the end of July 2017. No further texting or advising will occur after July 2017. During the same 6-month period, participants will be matched to CPS one time per month to determine application status, which will, in turn, determine the appropriate content of the text messages. In addition, the study sample will be matched to CPS, NSLDS, and NSC once per year from 2017 to 2020. If a student is no longer enrolled, matching will still occur to determine if he/she returns to postsecondary study during the study period.

#### **7. Special Circumstances of Data Collection**

No special circumstances of data collection are anticipated.

#### **8. Consultants outside the Agency**

The Principal Investigator for this funded research project (R305A160400) has been researching and publishing on the topics of college persistence for over 10 years. The NCER-NPSAS grant recipients developed their research design independently of NCES, and relied on literature reviews and their own prior research.

For NPSAS:16, several strategies were incorporated into the project work plan that allowed for the critical review and acquisition of comments relating to project activities, interim and final products, and projected and actual outcomes. These strategies included consultations with persons and organizations both internal and external to NCES, the U.S. Department of Education, and the federal government. NPSAS:16 and previous NPSAS cycles have benefited from a technical review panel composed of staff from several offices in the Department; representatives of NSF, OMB, and CBO; and non-federal members who are considered experts in postsecondary education issues, including financial aid.

#### **9. Provision of Payments or Gifts to Respondents**

No payments or gifts will be given to participating students.

#### **10. Assurance of Confidentiality**

Work with personally identifiable information (PII) under this NCER-NPSAS grant award will only be conducted through the NPSAS:16 data collection contractor. The subsample of NPSAS:16 participants selected for this NCER-NPSAS grant study will

have the same assurance of confidentiality as was provided under the NPSAS:16 data collection. The assurances for NPSAS:16 are presented below, together with assurances for the two subcontractors to the *Financial Aid Nudges 2017* study, Signal Vine and College Possible.

NCES assures participating individuals and institutions that all identifiable information collected under NPSAS and related programs may be used only for statistical or research purposes and may not be disclosed, or used, in identifiable form for any other purpose except as required by law [Education Sciences Reform Act of 2002 (ESRA), 20 U.S.C. § 9573]. NPSAS:16 data security and confidentiality protection procedures are in place to ensure that RTI and its subcontractors comply with all privacy requirements, including:

- The Statement of Work of this contract;
- Privacy Act of 1974 5 U.S.C. § 552(a);
- The U.S. Department of Education Incident Handling Procedures (February 2009);
- The U.S. Department of Education General Handbook for Information Technology Security General Support Systems and Major Applications Inventory Procedures (March 2005);
- The U.S. Department of Education, ACS Directive OM: 5-101, Contractor Employee Personnel Security Screenings;
- Family Educational Rights and Privacy Act (FERPA) of 1974, 20 U.S.C. § 1232(g);
- ESRA, 20 U.S.C. § 9573; and
- All new legislation that impacts the data collected through this contract.

RTI complies with the Department's IT security policy requirements as set forth in the Handbook for Information Assurance Security Policy and related procedures and guidance as well as IT security requirements in the Federal Information Security Management Act (FISMA), OMB Circulars, and the National Institute of Standards and Technology (NIST) standards and guidance. All data products and publications adhere to the revised NCES Statistical Standards, as described at the website: <http://nces.ed.gov/statprog/2012/>.

The NPSAS:16 procedures for maintaining confidentiality included notarized nondisclosure affidavits obtained from all personnel who will have access to individual identifiers, including subcontractor staff; personnel training regarding the meaning of confidentiality; controlled and protected access to computer files; built-in safeguards concerning status monitoring and receipt control systems; and a secure, staffed, in-house computing facility. NPSAS:16 continues to follow detailed guidelines for securing sensitive project data, including, but not limited to: physical/environment protections, building access controls, system access controls, system login restrictions, user identification and authorization procedures, encryption, and project file storage/archiving/destruction.

There are also security measures in place to protect data during file matching procedures planned for the NCER-NPSAS grant studies. NCES has a secure data transfer system, which uses Secure Socket Layer (SSL) technology, allowing the

transfer of encrypted data over the Internet. The NCES secure server will be used for all administrative data sources with the exception of the National Student Clearinghouse (NSC), which has its own secure FTP site. All data transfers will be encrypted.

The Department has established a policy regarding the personnel security screening requirements for all contractor employees and their subcontractors, including Signal Vine and College Possible. Both RTI and the subcontractors must comply with these personnel security screening requirements throughout the life of the NCER-NPSAS grant study. The Department directive that contractors must comply with is OM:5-101, which was last updated on 7/16/2010. There are several requirements that RTI must meet for each employee working on the grant study for 30 days or more. Among these requirements are that each person must be assigned a position risk level. The risk levels are high, moderate, and low based upon the level of harm that a person in the position can cause to the Department's interests. Each person working on the grant study must have completed the requirements for a "Contractor Security Screening." Depending on the risk level assigned to each person's position, a follow-up background investigation by the Department will occur.

The Family Educational Rights and Privacy Act (FERPA) (34 CFR Part 99) allows the disclosure of personally identifiable information from students' education records without prior consent for the purposes of NPSAS:16 according to the following excerpts: 34 CFR § 99.31 asks, "Under what conditions is prior consent not required to disclose information?" and explains in 34 CFR § 99.31(a) that "An educational agency or institution may disclose personally identifiable information from an education record of a student without the consent required by §99.30 if the disclosure meets one or more" of several conditions. These conditions include, at 34 CFR § 99.31(a)(3):

The disclosure is, subject to the requirements of §99.35, to authorized representatives of--

- (i) The Comptroller General of the United States;
- (ii) The Attorney General of the United States;
- (iii) The Secretary; or
- (iv) State and local educational authorities.

NPSAS:16 is collecting data for the *Financial Aid Nudges 2017* study under the Secretary's authority. Specifically, NCES, as an authorized representative of the Secretary of Education, is collecting this information for the purpose of evaluating a federally supported education program. Any personally identifiable information is collected with adherence to the security protocol detailed in 34 CFR § 99.35:

- (a)(1) Authorized representatives of the officials or agencies headed by officials listed in §99.31(a)(3) may have access to education records in connection with an audit or evaluation of Federal or State supported education programs, or for the enforcement of or compliance with Federal legal requirements that relate to those programs.
- (2) The State or local educational authority or agency headed by an official listed in §99.31(a)(3) is responsible for using reasonable methods to ensure to the greatest extent practicable that any entity or individual designated as its authorized representative—
  - (i) Uses personally identifiable information only to carry out an audit or

evaluation of Federal- or State-supported education programs, or for the enforcement of or compliance with Federal legal requirements related to these programs;

- (ii) Protects the personally identifiable information from further disclosures or other uses, except as authorized in paragraph (b)(1) of this section; and
- (iii) Destroys the personally identifiable information in accordance with the requirements of paragraphs (b) and (c) of this section.

(b) Information that is collected under paragraph (a) of this section must—

- (1) Be protected in a manner that does not permit personal identification of individuals by anyone other than the State or local educational authority or agency headed by an official listed in §99.31(a)(3) and their authorized representatives, except that the State or local educational authority or agency headed by an official listed in §99.31(a)(3) may make further disclosures of personally identifiable information from education records on behalf of the educational agency or institution in accordance with the requirements of §99.33(b); and
- (2) Be destroyed when no longer needed for the purposes listed in paragraph (a) of this section.

(c) Paragraph (b) of this section does not apply if:

- (1) The parent or eligible student has given written consent for the disclosure under §99.30; or
- (2) The collection of personally identifiable information is specifically authorized by Federal law.

Additionally, the grant study, including the administrative data linkages, qualifies for a 45 CFR Part 46 waiver of consent based on the following factors:

- There is minimal risk to the participants. There is no physical risk and only minimal risk associated with linkage of data to sample members. The restricted-use data, prepared as part of the subcontract with RTI, will not include SSNs, even though these numbers are used for the linkage. Data will undergo disclosure avoidance analysis and disclosure treatment steps to further reduce the risk.
- The waiver will not affect the rights and welfare of the subjects. The voluntary nature of the study is emphasized to sample members. Restricted-use data are only used for research purposes and lack direct individually-identifying information. The data are further protected through disclosure avoidance procedures approved by the NCES Disclosure Review Board.
- Whenever appropriate, subjects will be provided with additional pertinent information after they have participated. For each round of the study, information about prior rounds and the nature of the study is made available to sample members.
- The study cannot be conducted practicably without the waiver. To obtain written consent from sample members, multiple forms would have to be sent to the sample members with multiple follow-up telephone and in-person visits. This process would add weeks to the data collection process and is not feasible from a time standpoint. Additionally, the value of these data would be jeopardized from a nonresponse bias perspective.
- The potential knowledge from the study is important enough to justify the

waiver. These linked data will provide invaluable information to grant recipients, other researchers, and education policy makers about the federal financial aid that students could receive or have received, as well as critical information concerning their persistence in postsecondary education. Rather than ask students for information about their financial aid, it will be obtained from the NSLDS, which is the Department's system of recording federally aided student loans taken out and grants received by students. Students generally tend not to be a very reliable source of information about the amounts or timing of grants and loans they have received. This administrative record data is accurate and much easier to obtain than obtaining the same data by administering a questionnaire.

As stated above, Signal Vine and College Possible staff will be subject to the same confidentiality requirements as RTI staff. They will sign notarized nondisclosure affidavits and undergo personnel security screening. Signal Vine, which will allow for the exchange of texted communications with study participants, is FERPA compliant and will offer study participants an automated opt-out option. Only the minimal amount of student record data required to provide coaching support will be available to College Possible staff. Those data will be stored in a secure Salesforce database, which is only accessible to registered users with College Possible email accounts. Each College Possible coach is assigned one Salesforce user license, so no usernames or passwords are shared between users. Each student record is assigned to a registered user (their coach). The College Possible data management team built a user hierarchy that dictates which level of access each user has to student records based on the user's staffing level. Salesforce is built to include standard security features to ensure data are protected from unauthorized outside access, including the secure log-in page, automatic timeouts from inactivity, auditing logs that monitor log-ins and edits to records, and accessibility and permission settings that restrict record access or the ability to create and delete records.

## **11. Sensitive Questions**

No sensitive questions will be asked. The primary communication with students (see appendix A) will consist of texted reminders to apply and re-apply for federal financial aid. Open-ended questions to Group 2 will focus on completing the FAFSA, award letters, whether or not students feel on track to meet SAP requirements to remain eligible for aid, and academic planning. While communication around SAP may elicit anxiety among students, it is part of the intervention to encourage students to get back on track. College Possible advisors will be able to screen share and collaborate on documents to provide more in-depth advising to Group 2 students who will desire such assistance (e.g., review a financial aid award letter the student received). Students will have to consent to using these additional exchanges.

## **12. Estimates of Response Burden**

Table 1 provides the projected estimates for response burden for the interventions required for this study. Response burden for participants will depend on the group assignment. Participants in Group 1 will receive about 12 text messages requiring approximately 5 minutes each to read and respond. Group 2, with advising, will receive the same texts as Group 1 plus advising time. For Group 2, there will be about 18 contacts per participant, including the 12 texts also sent to Group 1. On average,



each Group 2 contact will require about 7 minutes to read and respond. Group 3, the Control Group (n=1,700), will receive no treatment and, therefore, will not incur any burden as part of this study and is excluded from the burden calculations. Estimating an average hourly rate of \$18 for participating students<sup>3</sup>, the 10,540 total burden hours represent approximately \$189,720 in total response burden time cost to students.

**Table 1. Maximum estimated burden to respondents for the *Financial Aid Nudges 2017* study**

Intervention group	Expected number of participants	Expected number of contacts	Total number of responses	Average burden per contact (mins)	Total burden time per participant (mins)	Total burden hours
Group 1 – texting only	3,400	12	40,800	5	60	3,400
Group 2 – texting plus advising	3,400	18	61,200	7	126	7,140
<b>Total</b>	<b>6,800</b>	<b>-</b>	<b>102,000</b>	<b>-</b>	<b>-</b>	<b>10,540</b>

Note: *Total burden hours* are a product of *Expected number of participants* and *Total burden time per participant* divided by 60 minutes.

### 13. Estimates of Cost

There are no additional costs to the respondents.

### 14. Costs to Federal Government

A summary of estimated costs to the federal government for the *Financial Aid Nudges 2017* study are shown in table 2. Included in the cost estimates are staff time, reproduction, postage, and telephone costs associated with management and reporting for which clearance is requested.

**Table 2. Annual costs for the *Financial Aid Nudges 2017* study**

	Grant recipient	RTI subcontract	Total
Management	\$644,741	\$75,770	\$720,511
Travel	13,597	2,364	15,961
Sampling	0	10,101	10,101
Instrument development	0	10,483	10,483
Data collection			
Texting	0	43,500	43,500
College Advising	0	512,857	512,857
Administrative records matching	0	22,480	22,480
Other data collection costs	54,909	48,457	103,366
Data processing	107,489	1,534	109,023
Weighting, imputation, and NR bias analysis	71,660	8,723	80,383
Data analysis and reporting	537,449	9,000	546,449
Other			
<b>Total</b>	<b>\$1,429,845</b>	<b>\$745,269</b>	<b>\$2,175,114</b>

### 15. Reasons for Changes in Response Burden and Costs

This is a new collection and, as such, represents an increase in respondent burden.

<sup>3</sup> The total estimated cost to respondents for student data collection is based on the estimated response burden (hours) multiplied by \$18, which was obtained by taking the average of the median weekly earnings of full-time wage and salary workers among high school graduates with no college and individuals with some college or an associate's degree. (Table 5, <http://www.bls.gov/news.release/pdf/wkyeng.pdf>.)

## 16. Publication Plans and Time Schedule

The starting date for the grant was July 1, 2016 and it will continue through June 30, 2021. An operational schedule is shown in table 3. During the grant period, only the grantee will publish the results based on the collected data (from treatment/control groups and surveys), and this is expected to include peer-reviewed journal articles and policy briefs. After the grant period ends and after the grantee has published the main research paper (whichever comes later), other restricted-use data users may apply to NCES to access the data for their own research.

**Table 3. Schedule for the Financial Aid Nudges 2017 study**

Activity	Start date	End date
Pre-intervention preparation		
Develop group randomization	July 1, 2016	December 29, 2016
Coordinate activities with RTI, Signal Vine, and College Possible	July 1, 2016	September 30, 2017
Develop messaging protocol	July 1, 2016	December 29, 2016
Develop advising protocol	July 1, 2016	December 29, 2016
Collect data on college filing deadlines and satisfactory academic progress requirements	July 1, 2016	December 29, 2016
Collect data on college financial aid and academic advising resources	July 1, 2016	December 29, 2016
Focus group to test text message language	December 2016	January 2017
Intervention		
Implement intervention	January 23, 2017	July 31, 2017
Match to CPS files	October 3, 2016	
Match to CPS files	January 23, 2017	
Match to CPS files	March 1, 2017	
Match to CPS files	April 3, 2017	
Match to CPS files	May 1, 2017	
Match to CPS files	June 1, 2017	
Match to CPS files	July 3, 2017	
Match to CPS, NSLDS, and NSC files	August 1, 2017	
Match to CPS, NSLDS, and NSC files	August 1, 2018	
Match to CPS, NSLDS, and NSC files	August 1, 2019	
Match to CPS, NSLDS, and NSC files	August 3, 2020	
Analysis		
Cost analysis	July 3, 2017	March 30, 2018
Fidelity of implementation analysis	July 3, 2017	March 30, 2018
Analysis of outcomes after 1 complete academic year	July 2, 2018	June 28, 2019
Analysis of outcomes after 2 complete academic years	July 1, 2019	June 30, 2020
Analysis of outcomes after 3 complete academic years	July 1, 2020	June 30, 2021
Dissemination		
Conference presentations	April 1, 2019	June 30, 2021
Policy brief #1	July 1, 2019	September 30, 2019
Policy brief #2	July 1, 2020	September 30, 2020
Academic publishing	October 1, 2019	June 30, 2021

## 17. Approval to Not Display Expiration Date for OMB Approval

The expiration date for OMB approval of the information collection *will not be displayed* during active communication with participants. That is, the primary mode of communication will be by text message, and the additional text required to convey the OMB approval would be extensive and distracting. However, the OMB statement and expiration date will be posted on the study's website and, at initial contact, participants will be reminded of their participation in NPSAS and provided a link to the website.

**18. Exceptions to Certification for Paperwork Reduction Act Submissions**

There are no exceptions to the certification statement identified in the Certification for Paperwork Reduction Act Submissions of OMB Form 83-I.