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Bridging the Data Gap: Basic Needs, Privacy & Cross Sector Partnerships



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Scope & Background



- Philanthropically funded
- Focused on **Integrated Data Systems** in public agencies
- Limited scope:
  - Artificial Intelligence Responsible/Ethical Use
  - External Legal Supports
  - System Modernization
  - System Privacy & Security

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Advancing Student Basic Needs Through Data

Legal Frameworks, Privacy, and Practical Solutions for Postsecondary Data Professionals

Can We, or Can't We?

We want to share FAFSA data with our Statewide Longitudinal Data System (SLDS) to evaluate how FAFSA completion rates, aid receipt, and college persistence correlate with workforce outcomes across different career pathways

Legal Frameworks at a Glance

The applicable privacy provision depends on the source, maintenance, and control of the data.

FERPA

Applies to education records maintained by institutions. Key exceptions: Audit/Evaluation, Studies, School Official, Financial Aid.

HEA

Governs FAFSA data received directly from ED/FSA systems. Permits research supporting attendance, persistence, and completion.

Privacy Act

Covers PII under direct federal agency control (e.g., NSLDS). Limits disclosure to published routine uses.

IRC § 6103 (FTI)

Exclusively governs Federal Tax Information. FTI cannot be used for research even when de-identified. Criminal penalties apply.

Permissible Use Cases for Basic Needs Research

Under GENERAL-24-129, research examining the relationship between basic needs (food security, housing, healthcare) and educational outcomes is explicitly authorized.

FERPA Audit/Evaluation Exception

- Program effectiveness evaluation
- Workforce outcome assessment
- Retention & completion analysis
- No individual consent required

34 CFR § 99.31(a)(3)

HEA Research Authorization

- Attendance & persistence studies
- Food insecurity impact research
- Completion barrier analysis
- PII permitted internally

20 U.S.C. § 1090(a)(3)(B)(ii)

FERPA Studies Exception

- Improve instruction or aid admin
- Third-party researchers allowed
- Written agreement required
- Aggregate reporting only

34 CFR § 99.31(a)(6)

Applicability of Laws

Law	Applicability
HEA	FAFSA data from federal systems (ISIR, NSLDS)
FERPA	Institutional records
Privacy Act	Federal agency-held PII
FTI	Strictly regulated under IRC, excluded from FAFSA use

Did you know?

De-identified non-FTI FAFSA data not subject to FERPA/HEA/Privacy Act. FTI cannot be de-identified for broader use and remains subject to IRC § 6103. But creation requires lawful access. Best practices: agreements, training, limits on re-ID.

HEA Research Use

HEA §483 permits NON-FTI FAFSA data use for research on college attendance, persistence, completion. HEA authorization does NOT extend to FTI — FTI research is prohibited. Use SAI as a non-FTI proxy for income. Strict confidentiality, written agreements, and no public PII release required.

Applicability Matrix

Simplified Applicability Matrix

FAFSA Data Privacy and Compliance Framework

> ***NOTE:*** *The applicable privacy provision depends primarily on the source, nature, and control of the FAFSA data being accessed or disclosed.*

Data Source or Type	Governing Law	Citation
FAFSA Data Directly From ED (Via ISIR/SAIG/NSLDS)	HEA and Privacy Act	GEN-24-129 HEA Section 483 20 U.S.C. §1090 5 U.S.C. §552a
Data Maintained by IHE	FERPA	20 U.S.C. §1232g 34 CFR §99.3 34 CFR §99.31
FTI	IRC	IRC Section 6103 GEN-23-34

Data Source/Type Governing Law Legal Citations

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Access, Disclosure, and Use of Federal Student Aid Data

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Can We or Can't We?

State University wants to create a de-identified dataset of FAFSA recipients' success rates by major, demographics, and income brackets to share with external researchers studying how aid correlates with workforce outcomes

Step-by-Step Analysis

1. Initial Access Requirements

- ❑ Identify data source
- ❑ Determine applicable law
- ❑ Document allowable use case

2. De-Identification Checklist

- ❑ Remove direct identifiers (names, SSNs, IDs)
- ❑ Check for indirect identifiers
- ❑ Apply statistical disclosure controls
- ❑ Document de-identification methods

3. Sharing Protocols

- ❑ Create data use agreement
- ❑ Prohibition on re-identification
- ❑ Establish citation requirements

Can We or Can't We?

The Student Aid Commission wants to compare outcomes between students eligible for state-aid only versus those receiving state AND federal aid

Step-by-Step Analysis

QUESTION 6

1. Legal Authority

- clearly defined scope and objectives
- Defined purpose
- strict confidentiality protections

2. Required Safeguards

- Written research protocol
- Defined evaluation period
- Security protocols for combined dataset
- No public release of individual data
- Destroy linked data after analysis

Can We, or Can't We?

Share FAFSA Data with SNAP Agencies

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Cross-Sector Sharing

- **Yes, but only limited non-FTI FAFSA data, and only under a FERPA exception. Must navigate three frameworks: FERPA/HEA, SNAP rules (7 CFR Part 272), and IRC FTI.**
- **May share (non-FTI): SAI, Pell status, enrollment, dependency status, demographics.**
- **Must NOT share (FTI): IRS-imported income, derived fields 306-321 and 944-946, tax filing status.**
- **Permissible: outreach/screening (SAI + Pell) and research/evaluation under FERPA exceptions.**
- **Prohibited: sharing income data for direct SNAP eligibility determination. State law cannot override IRC.**

Cross-Sector Data Sharing & SLDS Integration

GENERAL-24-129 affirms that using SLDS platforms and third-party entities for cross-sector research is permissible with appropriate safeguards.

Key Compliance Requirements

- **Written Agreements:** Must specify scope, purpose, limitations, and confidentiality safeguards
- **Allowable Use Case:** Research must focus on educational outcomes, not program administration
- **Privacy Controls:** Access controls, encryption, role-based permissions, and audit logging
- **No Redisclosure:** Data cannot be shared beyond agreement terms or used for re-identification
- **FTI Exclusion:** All Federal Tax Information must be excluded before SLDS integration

SNAP & Wraparound Services

Research examining how SNAP participation affects educational outcomes is explicitly authorized. SNAP agencies can receive data as authorized representatives under FERPA for educational evaluation.

Prohibited:

- FAFSA data for SNAP eligibility
- Individual benefit calculations
- Operational decision-making

Common Pitfalls



Thinking de-identification bypasses all requirements (it doesn't for creation)



Too-narrow demographic categories creating identifiable combinations



Forgetting to document initial legal authority

Modern Architecture for Basic Needs Data

GENERAL-24-129 acknowledges states are modernizing infrastructure to improve security, access controls, and interoperability. Consider these architectural approaches for cross-sector basic needs research.

Centralized SLDS Platforms

Consolidate cross-sector data with role-based access and project-level authorization

Trusted Execution Environments

Enable secure computation on sensitive linked datasets without exposing raw records

FTI Separation by Design

Implement field-level controls and APIs that automatically exclude FTI from research extracts

Interoperability Standards

Adopt common data definitions across postsecondary, K–12, workforce, and HHS systems

Governance Essentials

- Shared taxonomy of basic needs terms across agencies
- Standardized data definitions for food, housing, healthcare indicators
- Cross-agency data sharing agreements with clear purpose limitations
- Equity-focused disaggregation by income, race, gender, age, and region
- Regular compliance reviews covering all applicable frameworks

Executive Summary

- ✓ **FAFSA data use is governed by HEA, FERPA, IRC, and the Privacy Act; rules depend on data source & control.**
- ✓ **Permissible uses may include aid administration, compliance monitoring, reporting, research (under strict rules).**
- ✓ **Community colleges and agencies may evaluate workforce outcomes with safeguards and agreements.**
- ✓ **De-identified data can be shared (except FTI restrictions), but creation must follow legal access rules.**
- ✓ **Best practices: written agreements, data security, incident response, annual reviews, prohibit redisclosure.**
- ✓ **Compliance requires a culture of privacy + security, not just technical safeguards**

How DISC Can Help

DISC provides tailored technical assistance to help postsecondary institutions and state agencies navigate the complexities of cross-sector data integration for basic needs research.



Privacy, AI Risk, & Compliance Assessments

Navigate FERPA, HEA, IRC § 6103 requirements for your specific basic needs research use cases



Data Governance Frameworks

Develop shared definitions, taxonomies, and cross-agency agreements for basic needs data



SLDS & Architecture Reviews

Evaluate and modernize data systems to support secure cross-sector integration with FTI exclusion



Written Agreement Templates

Customized data sharing agreement language aligned to FERPA exceptions and HEA provisions

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