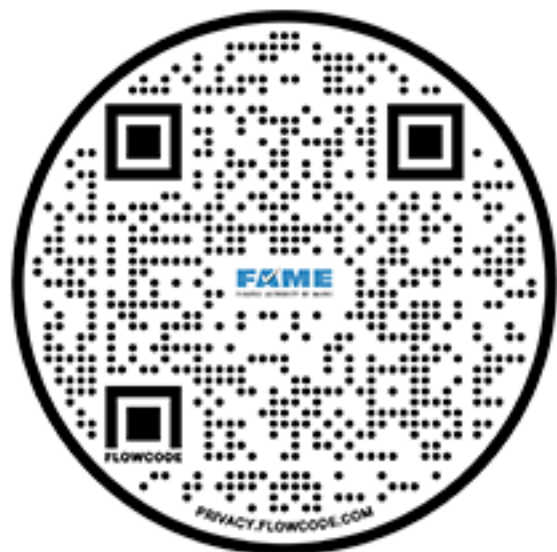


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FAFSA Simplification – What, Why, and When

August 15, 2023

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What is it?

What is FAFSA Simplification?

FAFSA Simplification represents a complete overhaul of the FAFSA form, formula, and process.

Goals include:

- an updated and **streamlined process** with a redesigned form;
- the use of already existing data to **reduce the number of questions;**
- **expanded eligibility and transparency**, specifically for Federal Pell Grants; and
- a more **secure** and stable platform.



Why the changes?

These changes are a result of multiple pieces of legislation, including:

FUTURE ACT (December 19, 2019)

Expands access to federal student aid, and mandates Federal Student Aid to use data **directly from the IRS**.

a

FAFSA SIMPLIFICATION ACT (December 27, 2020)

Introduces **significant changes to the FAFSA** application process including:

- changes to the FAFSA form,
- how students and families will complete the application,
- and the eligibility calculation.

When will changes occur?

- Many changes have already been implemented.
- Full implementation occurs with the 2024-2025 FAFSA.
- The 2024-2025 FAFSA is **delayed until December.**

The new FAFSA is being referred to as Better FAFSA, Better Future.





FAFSA Simplification

Changes for the 2023-2024 Award Year



Changes for the 2023-2024 Award Year

- Removes **Selective Service** and **drug conviction questions**
- Changes to Cost of Attendance (COA) components
 - “Room and board” are now known as “**food and housing,**”
- Expanded Pell Eligibility for incarcerated students
 - Not all colleges participate – extensive process to get approved
 - Not all prisons and/or colleges participate

Changes for the 2023-2024 Award Year

- Defines categories of Professional Judgment:

Special Circumstances refer to changes in financial situations that justify an aid administrator adjusting **data elements**

- Recent unemployment
- Unusual expenses
- Divorce/separation

Unusual Circumstances refer to the conditions that justify an aid administrator making a **dependency override** based on a unique situation

- Parental abandonment
- Abuse
- Parent incarceration

For additional information see Dear Colleague Letter (Gen-22-15):

<https://fsapartners.ed.gov/knowledge-center/library/dear-colleague-letters/2022-11-03/fafsar-simplification-act-changes-implementation-2023-24>





FAFSA Simplification

Changes to the 2024-2025 FAFSA



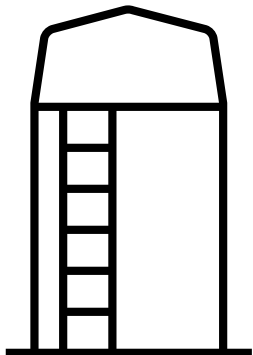
Goodbye EFC!

The Expected Family Contribution **(EFC)** becomes the Student Aid Index **(SAI)**.



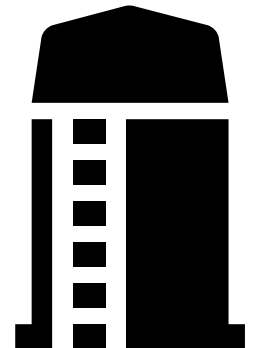
2024-25 FAFSA is a *Roles-Based* application

Students will log in and see **only** student-related questions.



Either student or parent can start the FAFSA and they will “**invite**” the other to complete the FAFSA.

Contributing parent(s) will log in and see **only** parent-related questions.



1 Personal Circumstances 2 Demographics 3 Financials 4 Colleges 5 Signature

Invite Parents to your FAFSA[®] Form



You will need to provide information for your parents

Based on your answers in the previous section, you'll need to provide information about both of your parents on your FAFSA form. You can invite your family members to your form to help you complete all required sections.

Enter names of parents, identified on the prior page, and we'll send electronic requests on your behalf.

Please make sure to provide information that your parents would use to login to StudentAid.gov.



Parent

First Name

Alcina

Last Name

Tran

Date of Birth

Month Day Year
05 05 1973 ?



Parent Spouse

optional

First Name

Last Name

Date of Birth

Month Day Year

Social Security Number (SSN)

SHOW



☐ My parent doesn't have a SSN

Email Address

alcinatan@schoo.edu

Confirm Email Address

alcinatan@schoo.edu

Invite Parent

Previous

Invitation

Social Security Number (SSN)

HIDE



☐ My parent doesn't have a SSN

Email Address

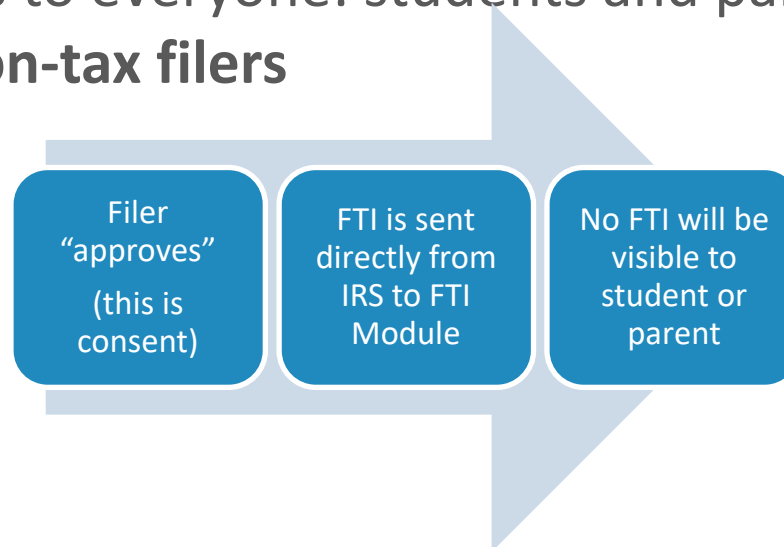
Confirm Email Address

Invite Parent

Continue

Federal Tax Information (FTI) will be imported into the FAFSA.

- **EVERYONE** will need to **consent** (click “approve”) to have their Federal Tax Information (FTI) be sent to the college.
- This applies to everyone: students and parents – **even if they are non-tax filers**





Goodbye IRS DRT!

- Most **income questions provided from the IRS** direct data exchange and **most untaxed income questions will be removed** from the FAFSA.
- When IRS Data is accessed, the process will also **verify non-filing status**.





Expanded Pell Grant Eligibility and Transparency

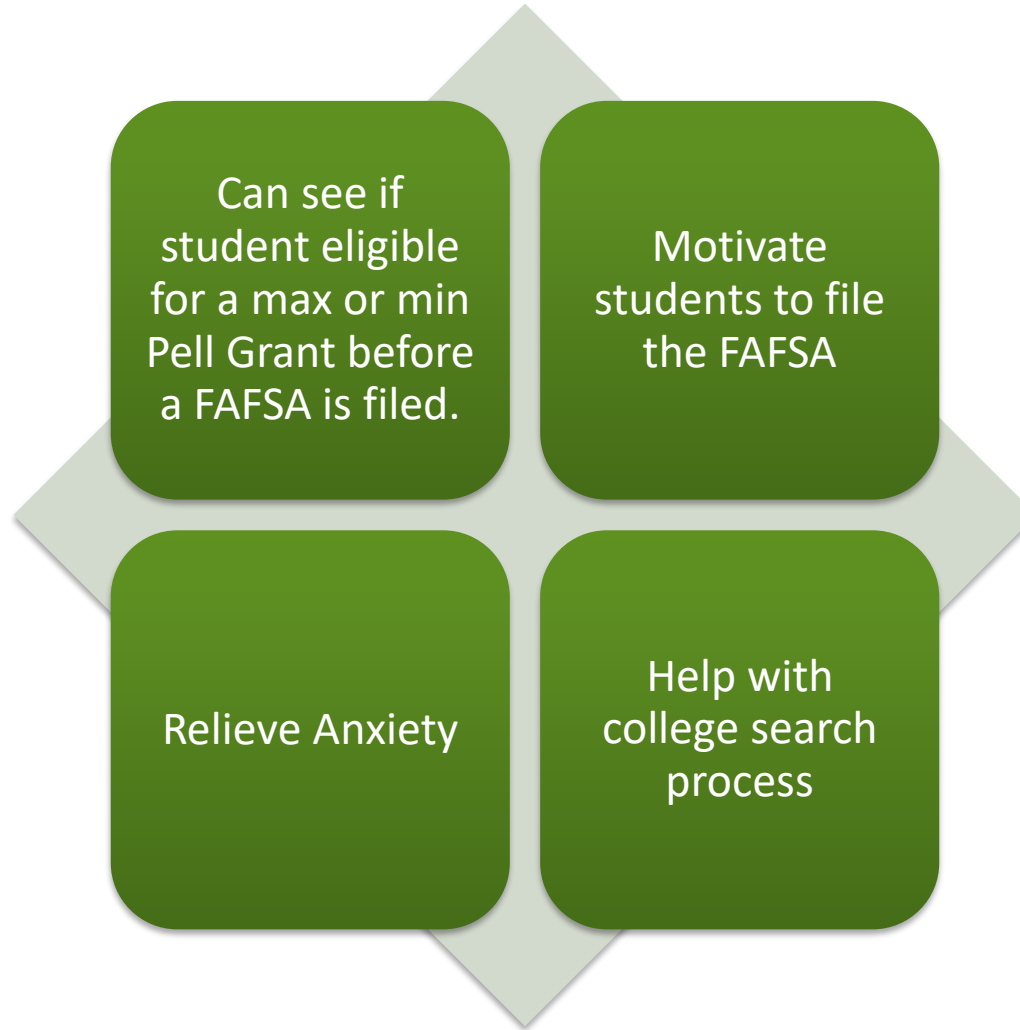
Pell Grant Eligibility will be determined in one of three ways:

Maximum Pell

Calculated Pell

Minimum Pell

New: Students and families will be able to determine if student eligible for a **maximum** or **minimum** Pell Grant **before** the FAFSA is filed.





What do we want you to know?

The Direct Data Exchange has multiple impacts:

- ✓ Makes the FAFSA easier to complete but increases security requirements
- ✓ Everyone must have an FSA ID (**including those without an SSN**)
- ✓ FSA ID must be matched to SSA **ahead of time**
- ✓ Roles based form will require students and parents to work together to complete FAFSA
 - Two-factor verification for everyone
 - Invitation to contribute – must be accurate



Key Takeaways



Students won't be able to obtain an FSA ID and complete a FAFSA in one sitting. **Need to prepare ahead of time.**



Everyone needs to provide “consent”. The student will be **ineligible** for federal aid otherwise. This is one of the most importance pieces to stress with students.



Different information needed depending on situation – have they done a FAFSA before?



Need to work collaboratively to spread the word.



FAFSA completion is critical, and we need you!



Students rely on and trust you.



Most students can't afford higher education unless they complete the FAFSA and the FAFSA is **key to Free Community College.**





- Today's session topics
- Future trainings
- Financial aid and FSA ID creation sessions
- Website – FAMEmaine.com/FAFSA (choose year)
- Resources
 - Flyers
 - Pay & FSA ID worksheets
* **updated**
 - Partner Mailing
- Encourage your students and parents to sign up for texts or emails – FAMEmaine.com/join

FAME's Got Your Back!

FAFSA SIMPLIFICATION IS COMING!

2024-2025 "Better FAFSA" delayed until December

The new Better FAFSA, as it's being referred to by Federal Student Aid, is being completely overhauled and will include many new terms and processes. To get started, below are a few key concepts and process changes that are critical to helping get students and families prepared to file.



For more information, scan QR code or visit FAMEmaine.com/FAFSAsimplification.

Contributors

A CONTRIBUTOR IS ANYONE REQUIRED TO PROVIDE CONSENT ON THE FAFSA. Possible contributors are the student, the parent, the other parent, and the student's spouse.

- The student is always a contributor.
- For dependent students, one parent will always be a contributor; the other parent will also be a contributor if parents are married but don't file taxes jointly or if parents aren't married but live together.
- The student's spouse will only be a contributor if taxes aren't filed jointly.

CONTRIBUTOR INVITATION: The student will need to identify contributors and invite them to complete their section of the FAFSA. When completing the parent invite, the student must provide the parent's legal name, date of birth, Social Security Number, and email address.

CONTRIBUTOR CONSENT: Contributors must provide consent (via check box) for the Department of Education to obtain and use their Federal Tax Information (FTI) to determine eligibility for federal student aid. All contributors must consent, even if they do not file taxes. If a contributor does not provide consent, the student will be ineligible for federal student aid.

FSA ID Changes

A CONTRIBUTOR MUST HAVE A FEDERAL STUDENT AID (FSA) ID that has been matched with the Social Security Administration (SSA) to access their section of the FAFSA. Because the match with SSA is not instantaneous and can take up to one week, individuals should plan to obtain an FSA ID at least one week prior to completing the FAFSA. It will not be possible to obtain an FSA ID and complete the FAFSA in one sitting, nor will it be possible to access a FAFSA using student's demographic information.

Roles-Based

THE ON-LINE FAFSA APPLICATION WILL BE ROLES-BASED and include separate student and parent segments. Students will log into the student section of the FAFSA with their FSA ID and parent(s) will log into the parent section with their FSA ID. The student won't be able to see parent questions and the parent won't be able to see student questions.





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