

Traveling Through



Uncharted Territory

SWASFAA | TASFAA
Conference 2023



Navigating FAFSA Simplification

Robert Fishkind

Texas A&M University

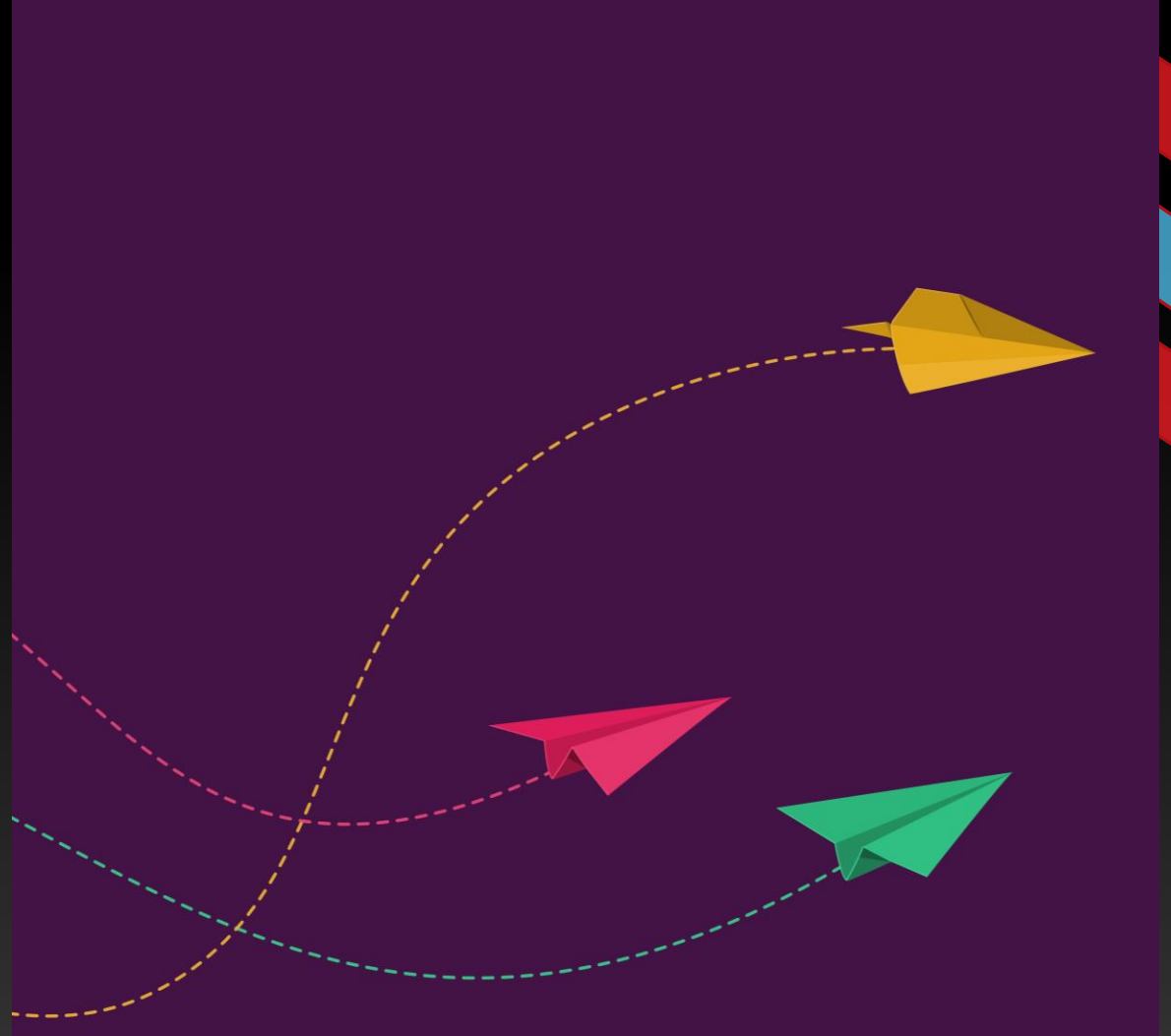


Disclaimer

I DON'T KNOW EVERYTHING

Flight Path

- FAFSA Simplification Recap
- Changes to the FAFSA[®] Form
- Marketing Plan
- Analysis





ALL RIGHT, LET'S DO THIS ONE LAST
TIME.

FAFSA Simplification Recap



Federal Student Aid
AN OFFICE OF THE U.S. DEPARTMENT OF EDUCATION

FAFSA® Simplification Implementation Timeline

- Repealed Subsidized Usage Limit Applies (SULA) calculation
- Removed negative consequences for drug convictions or Selective Service requirement

- Updated Student Aid Report (SAR) comments for drug convictions and Selective Service responses

- Remove drug conviction and Selective Service FAFSA questions
- Demographic survey
- Expand:
 - Pell Lifetime Eligibility Used (LEU) restoration
 - Professional Judgement
- Incarcerated students eligible for Pell Grants
- Cost of attendance (COA) updates
- And more..

- Modified FAFSA form (provisional independent student determination)
- Student Aid Index (SAI) replaces Expected Family Contribution (EFC)
- Changes to:
 - Pell Grant eligibility formula
 - Verification selection criteria
- Direct Data Exchange to import Federal Tax Information (FTI)
- And more..

Award Year 2021-2022

Award Year 2022-2023

Award Year 2023-2024

Award Year 2024-2025

19



WHOOOP DEE DO, WHAT DOES IT ALL MEAN?

Changes to the FAFSA

TERMINOLOGY

Before & After: A Glossary

EFC	→	SAI
IRS DRT	→	DDX or FADDX
CPS	→	FPS
G5	→	G6
EFA	→	OFA
EFC Adjustments	→	Special Circumstances
Dependency Override	→	Unusual Circumstances
Financial Aid Award Letter	→	Financial Aid Notification

REDUCTION IN QUESTIONS

- Maximum number of questions being reduced from 108 to 46
- Online form will be dynamic, meaning some students will not be presented with all 46 questions

Changes to the FAFSA

CONTRIBUTORS AND REQUIREMENT TO PROVIDE CONSENT

- For the FAFSA® to process successfully, consent must be provided by required “contributors”
 - Student
 - Student’s spouse (if applicable)
 - Parent
 - Parent spouse (if taxes were not filed jointly)
- Consent allows for Federal Tax Information (FTI) to be provided to higher education institutions, state higher education agencies, and designated scholarship organizations
- Consent is necessary even if the contributor does not have a Social Security Number (SSN), did not file taxes, or files taxes in another country

PARENT OF RECORD ON THE FAFSA®

- Income and assets are to be reported for the parent who provides the most financial support even if the student does not live with that parent or lives with the other parent.
- No longer the parent with whom the student lived the most in the past 12 months prior to filing the FAFSA®

Parental Income to Include on the FAFSA

Parents who Live Together	Divorced or Separated Parents	Death of a Parent	Remarried Parents	Single Parent
Include income and assets of both parents	Include only the income and assets of the parent who provides the greater portion of student's financial support	<ul style="list-style-type: none">• If either of the parents has died, the surviving parent shall be considered a single parent, until that parent has remarried.• If both parents have died, the student shall not report any parental income or assets.	Parent's spouse must be included if the student's parent and the stepparent are married as of the date of application the FAFSA® is completed.	Include income and assets of the single parent

Changes to the FAFSA

HOUSEHOLD SIZE AND NUMBER IN COLLEGE

- Family size will align more closely with what was reported on the student's/parent's tax returns (i.e., number of exemptions)
- Number in college will not be calculated into the Student Aid Index (SAI)

HOUSING PLANS

- Applicants will no longer be able to indicate housing plans on the FAFSA
- Institutions will need to collect student housing choice information in a data collection separate from the FAFSA; however, this collection cannot delay packaging

ASSET REPORTING

- Families will be required to report the value of their small businesses or family farm

EFC/SAI PRORATION

- The FAFSA Simplification Act removes the requirement to prorate a student's SAI for periods of enrollment other than nine months
- This proration chart will no longer be included on the ISIR





Benefits

- Streamlined application process
- Better user experience for the FAFSA®
- Expanded eligibility for federal student aid
- Reduced barriers for certain student populations (e.g., homeless and unaccompanied youth, incarcerated students, English language learners, and students from low-income backgrounds)

How Do We Get the Word Out?



Marketing Plan

- Emails
 - Sent to both incoming and continuing students
- Social Media
 - Posting notices to all accounts
 - Construct a plan to roll out continuing reminders
- Propping Up Stand-Alone Webpages
 - <https://aggie.tamu.edu/2024-25FAFSA>
- Digital Signage On-Campus
- University Listservs
- Informing All Campus-Groups and Stakeholders
 - Admissions, Recruitment, University Staff Council, Graduate Operations Committee, University Advisors and Counselors, Council of Deans, etc.



🔴 / 2024-25 FAFSA Changes

2024-25 FAFSA Changes

How the FAFSA Simplification Act Affects You

****PLEASE NOTE ALL INFORMATION DISCUSSED ON THIS PAGE APPLIES TO THE 2024-25 ACADEMIC YEAR****

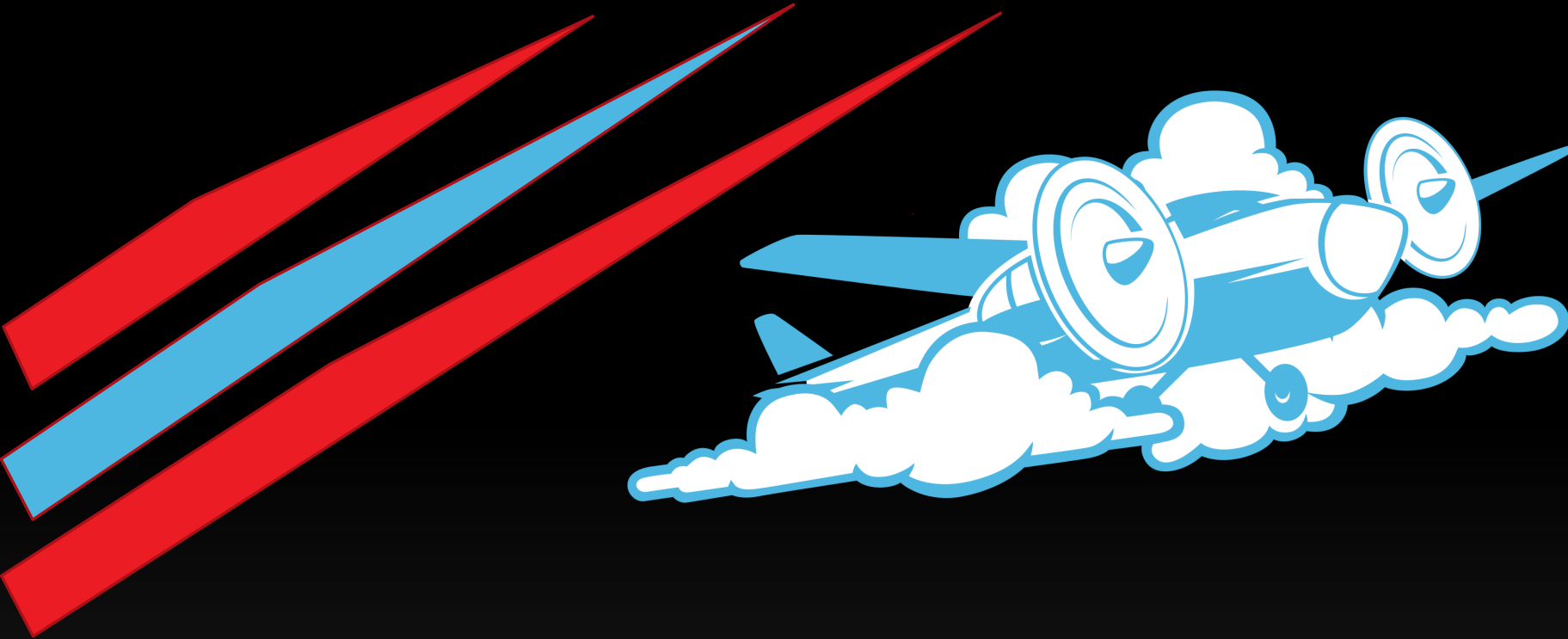
The [FAFSA Simplification Act](#) represents a significant overhaul of the processes and systems used to offer federal student aid starting with the 2024-25 academic year. This includes the Free Application for Federal Student Aid (FAFSA®), needs analysis (means of determining aid eligibility), and many policies and procedures for schools that participate in federal student aid programs. The law will affect every school that offers assistance from the federal student aid programs.

Additionally, the law has the potential to affect eligibility for state financial aid programs that use FAFSA® data to determine whether certain criteria are met.

****2024-25 FAFSA® Available in December 2023****

Historically, the FAFSA® has been available beginning October 1 each year. For the 2024-25 academic year, the FAFSA® will be available in December 2023. Updates on an exact date will be posted here when announced.

Free Application for Federal Student Aid (FAFSA®) Changes



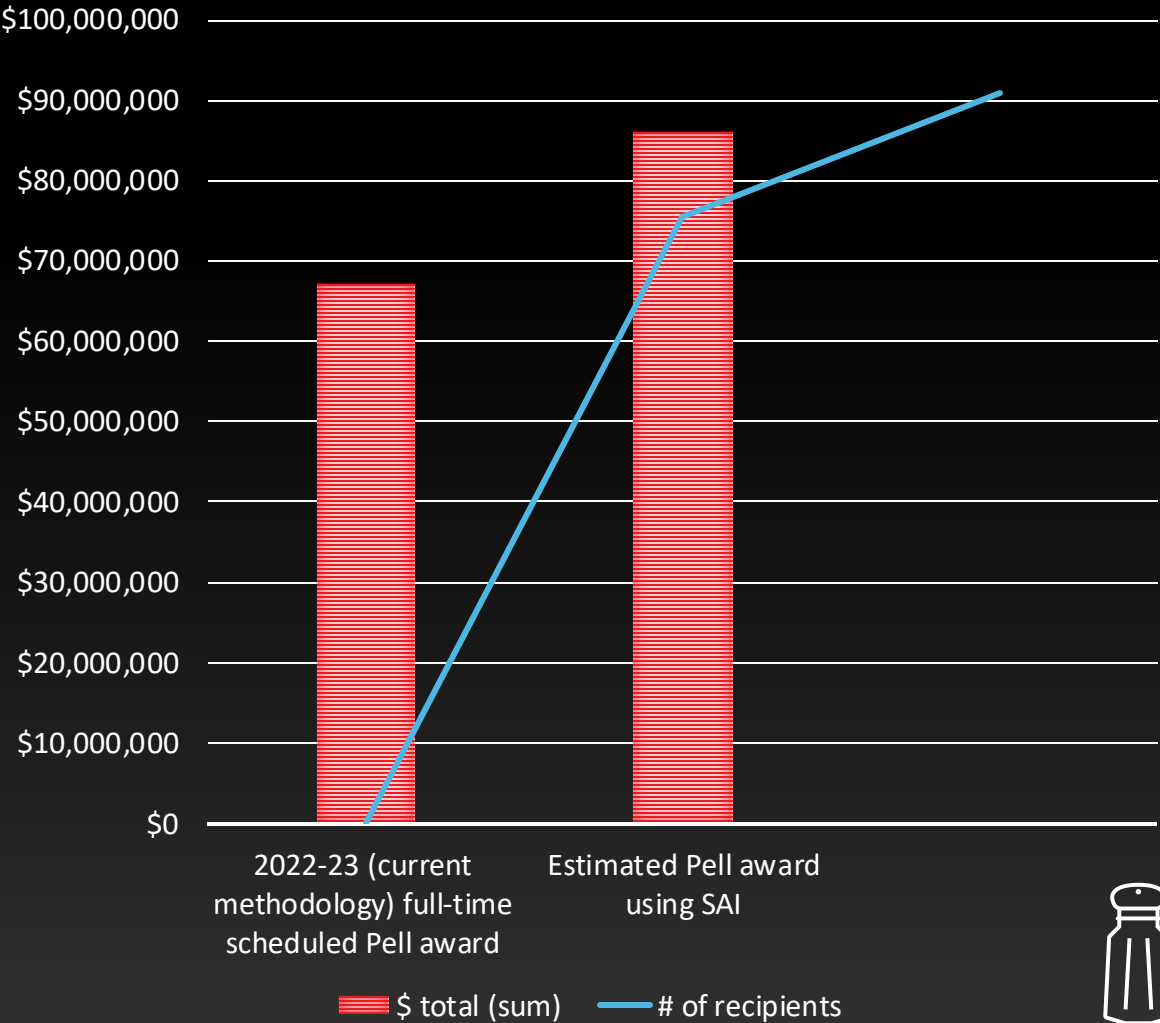
Analysis

WHAT CAN WE EXPECT?



Total Pell Dollars and Recipients, Actual 2022-23 vs Estimated by Model

	2022-23 (current methodology) full-time scheduled Pell	Estimated Pell using SAI
\$ total (sum)	\$67,087,528	\$86,177,651
Average received	\$5,557	\$5,917
Median	\$6,845	\$6,895
# of Recipients	12,072	14,565



Income & Pell Analysis

FINDING #1

More Pell grant recipients will qualify for a maximum Pell grant (sample size is 14,565):

39% (EFC) vs. 71% (SAI)

FINDING #2

More students with family incomes < \$40,000 will receive max. Pell (sample size is 7,523):

59% (EFC) vs. 96% (SAI)

FINDING #3

More students with family incomes \geq \$40,000 and < \$70,000 will receive some Pell grant amount (sample size is 4,943):

67% (EFC) vs. 94% (SAI)

FINDING #4

Overall, more students will qualify for Pell Grants:

Estimated 2,493 more students

FINDING #5

252 Pell Grant recipients (as determined by EFC) will lose more than \$10 in Pell Grant eligibility when converting to SAI
Total loss of \$229,235; Avg. loss of \$910



Estimated Pell \$ by Calculation Method

The following situations deem a student eligible for the maximum award:

- Independent student (and spouse, if applicable) tax nonfilers
- Dependent children of nonfiling parent(s)
- Independent students who are single parents and whose student AGI is below 225% of the poverty level
- Dependent children of a single parent whose parent AGI is below 225% of the poverty level
- Independent students who are not single parents whose student AGI is below 175% of the poverty level
- Dependent students with parents who are not single parents whose parent AGI is below 175% of the poverty level
- Students under age 33 whose parent died serving in the armed forces after Sept. 11, 2001
- Students under age 33 whose parent died in the line of duty as a public safety officer



\$70,000,000

\$60,000,000

\$50,000,000

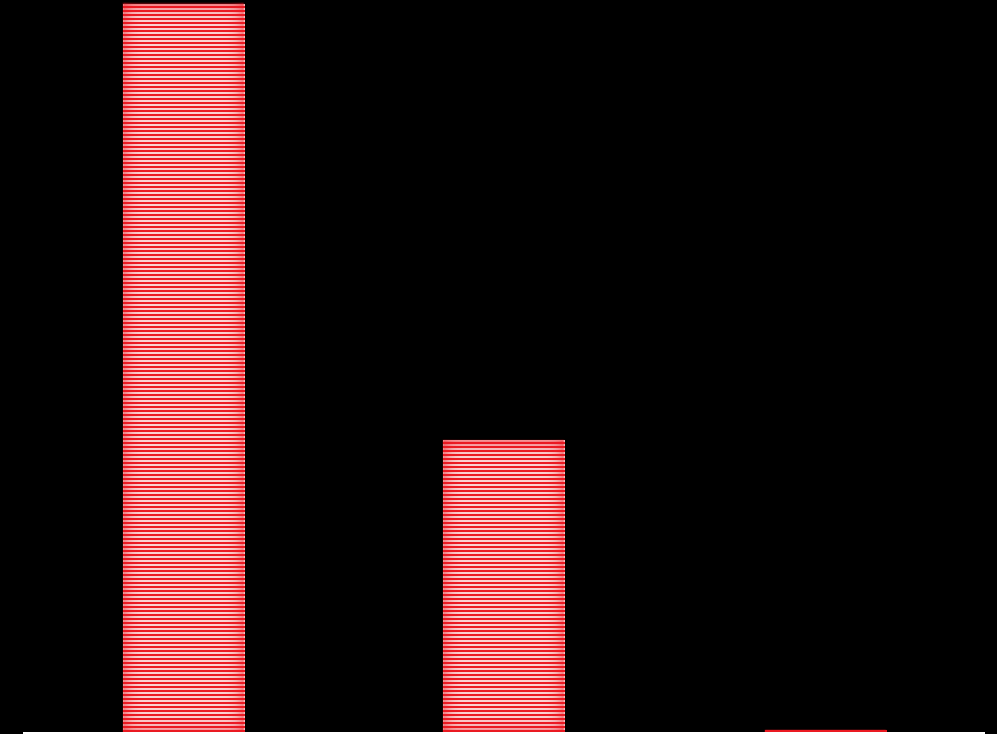
\$40,000,000

\$30,000,000

\$20,000,000

\$10,000,000

\$0



New Pell Methodology
1: Estimated Max Pell,
based on tax filing
status or AGI groups (\$)

New Pell Methodology
2: Estimated Pell based
on Max minus SAI (\$)

New Pell Methodology
3: Estimated Min Pell,
based on AGI groups (\$)

Estimated Pell \$ by Calculation Method

Amount Less than Maximum

For applicants not eligible for the maximum Pell Grant but have a calculated SAI that is less than the corresponding award year's maximum Pell Grant award –

- If the applicant's SAI is greater than zero, calculate the student's Pell Grant by subtracting the SAI from the maximum scheduled Pell Grant for the award year.
- If the applicant's SAI is less than zero, treat the SAI as zero when determining Pell Grant eligibility.

Estimated Pell \$ by Calculation Method

Minimum Pell Grant Eligibility

Dependent Student

- The student's parent is a single parent and has an AGI less than or equal to 325% of the poverty guideline for the applicant's family size and state of residence; or
- The student's parent is not a single parent and has an AGI less than or equal to 275% of the poverty guideline for the applicant's family size and state of residence.

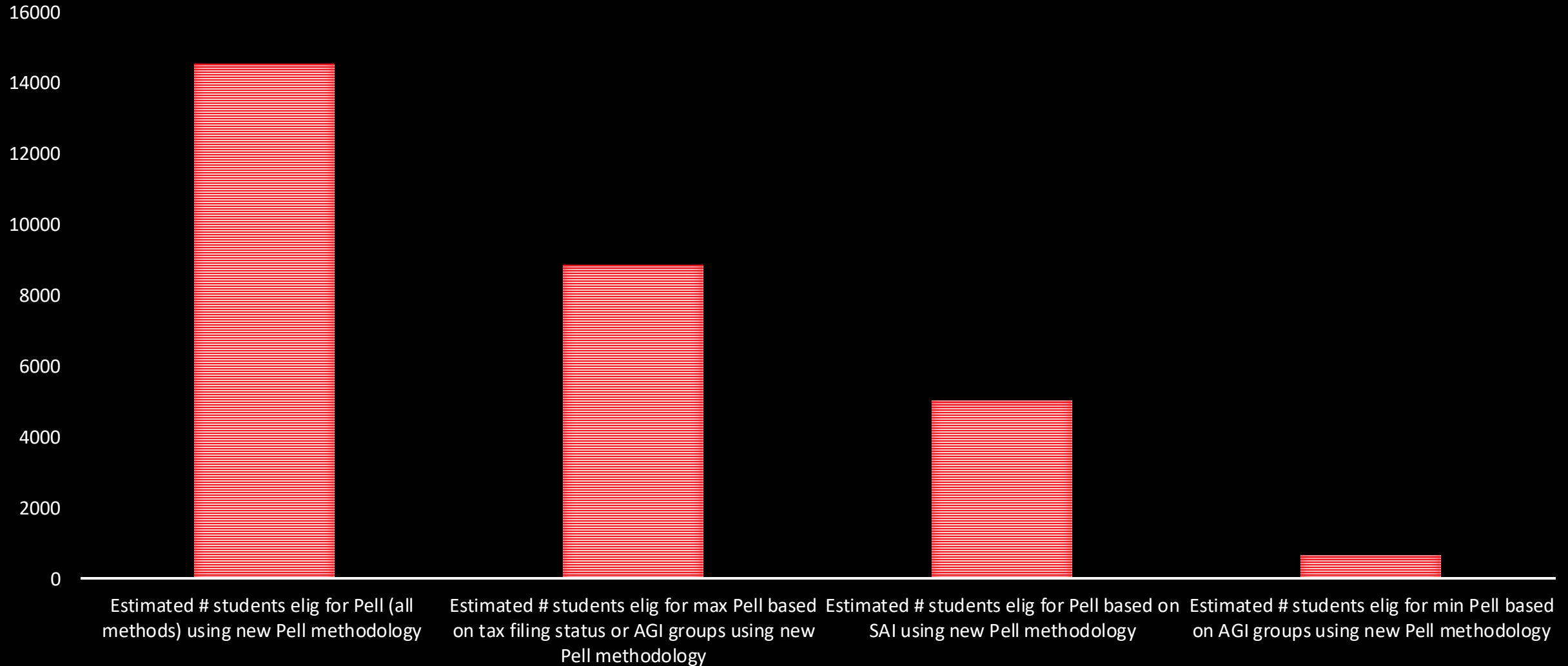
Independent Student

- The student is a single parent, and the AGI is less than or equal to 400% of the poverty line; or
- The student is a parent and is not a single parent, and the AGI is less than or equal to 350% of the of the poverty guideline for the applicant's family size and state of residence; or 3. The student is not a parent, and the student's (and spouse's if applicable) AGI is less than or equal to 275% of the of the poverty guideline for the applicant's family size and state of residence.

Pell Grant Enrollment Intensity

Credit Hours	Enrollment Level (Old)	Enrollment Intensity (New)
12 (or more)	Full-Time (100%)	100%
11	Three-Quarter Time (75%)	92%
10		83%
9		75%
8	Half-Time (50%)	67%
7		58%
6		50%
5		42%
4	Less-Than-Half-Time (25%)	33%
3		25%
2		17%
1		8%

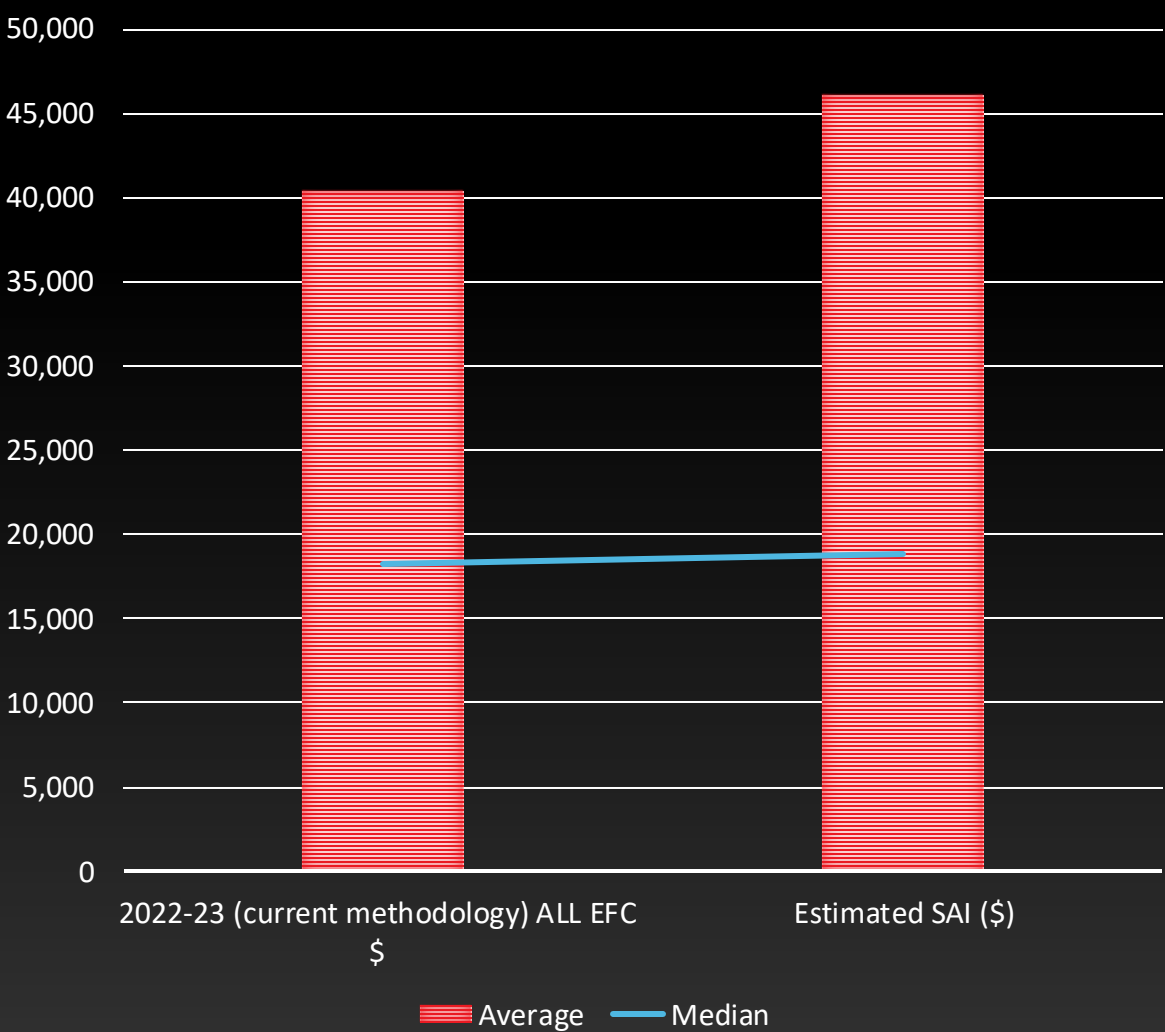
Estimated Pell # Recipients by Calculation Method



Average and Median, Actual EFC 2022-23 vs SAI Estimated by Model

	2022-23 (current methodology) ALL EFC \$	Estimated SAI (\$)
Average	40,355	46,035
Median	18,240	18,840

- 8,665 students had their EFC increase when converting to SAI
 - Average Increase = 38,927
 - Average AGI = \$246,620
 - Average # in Household = 5
 - Average # in College = 2
- 27,202 students had their EFC decrease when converting to SAI
 - Average Decrease = -4,905
 - Average AGI = \$102,504
 - Average # in Household = 4
 - Average # in College = 1



Households with Two or More in College

- 12,047 students reported two or more household members in college
 - 30 students did not submit an aid application or have rejected ISIRs, so although tool is estimating an SAI, there is no EFC to compare
 - 1,460 students have a diploma fee in Spring 2023 and have been excluded
 - Of the remaining 10,557 students, 9,156 were packaged in 2223 to date (aid summary found to the right)
 - 5,858 students will have their EFC increase when converting to SAI (avg. increase of 32,888)
 - Biggest change for a student eligible for max Pell with a 0 EFC is 20,269
 - 2 in college and parent has \$113,105 in untaxed IRA and pensions

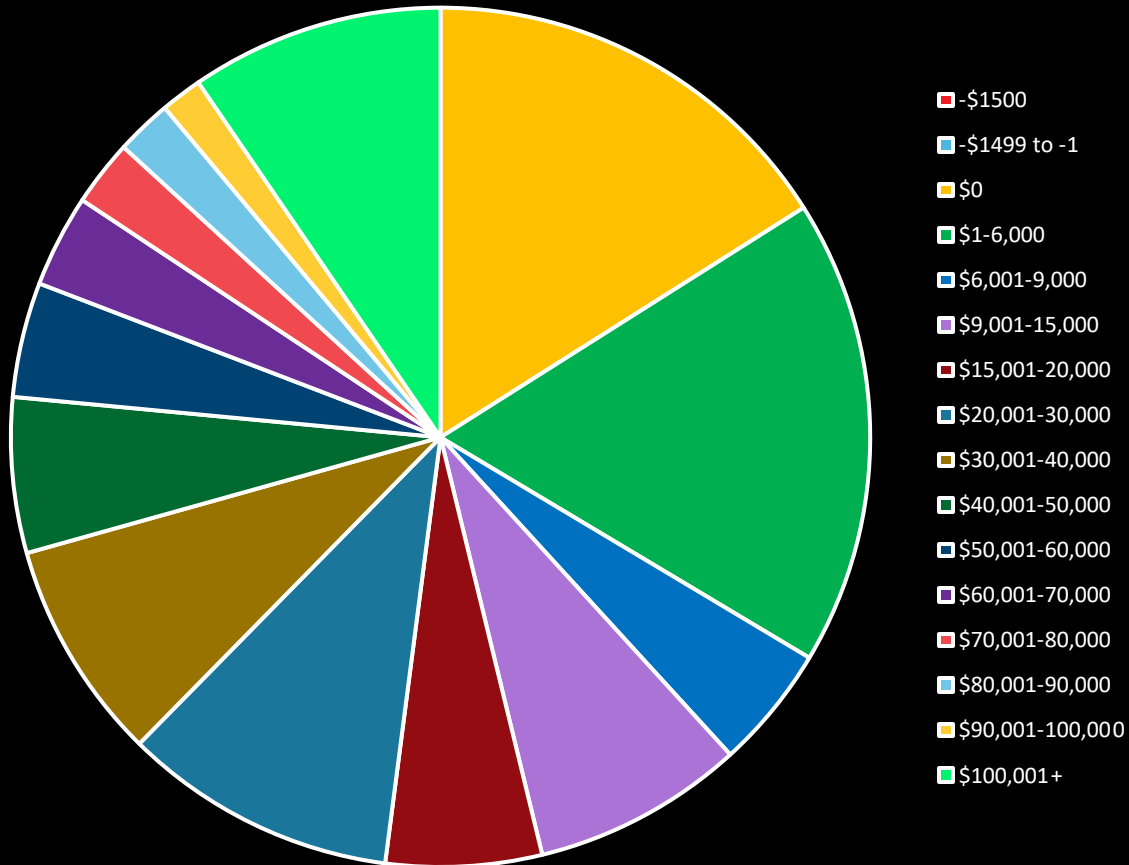
Fund	# of Recipients	Total (\$)	Average (\$)
All Grants	5,140	39,977,734	7,778
All Scholarships	5,270	33,381,192	6,334
All Resources	737	11,138,005	15,113
All Loans	4,933	57,735,749	11,704



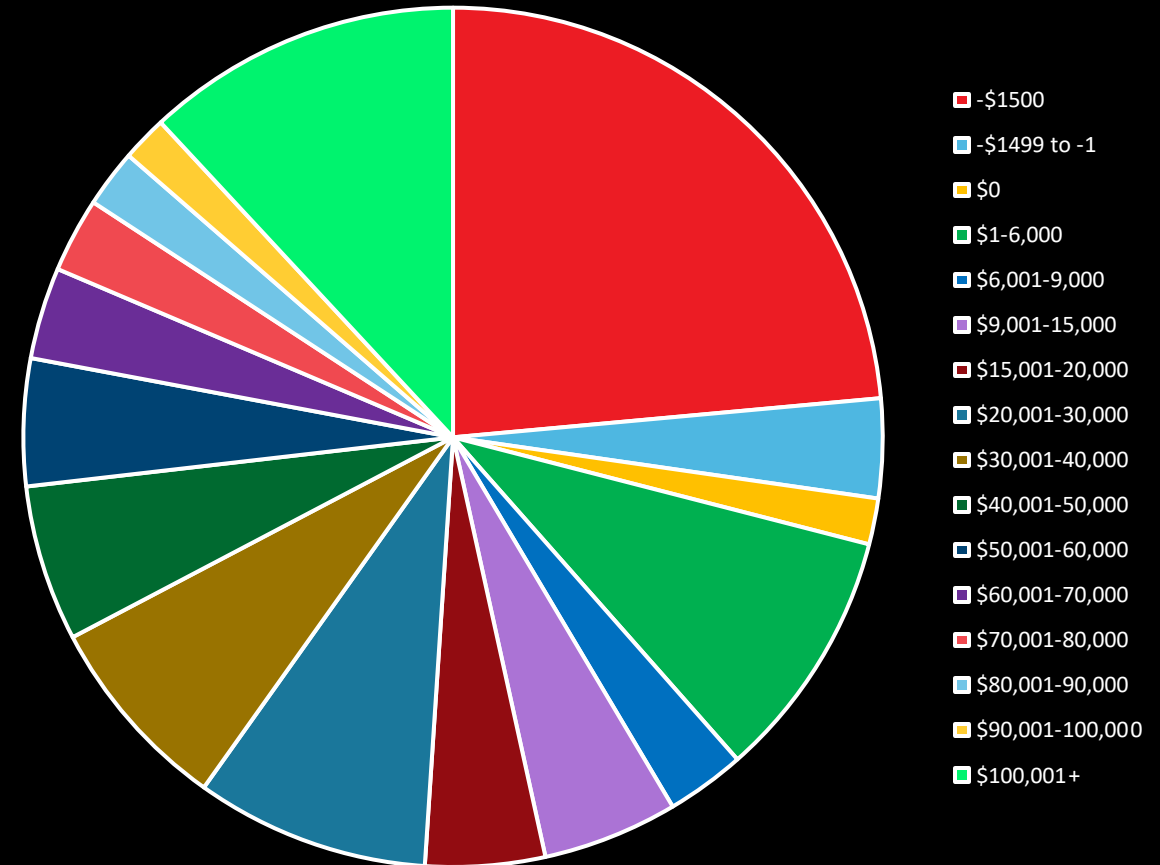


Comparison

ESTIMATED EFC BY RANGE



ESTIMATED SAY BY RANGE



Comparison

ACTUAL EFC BY RANGE

Actual EFC	# in Range
-\$1500	0
-\$1499 to -1	0
\$0	5750
\$1-6,000	6299
\$6,001-9,000	1667
\$9,001-15,000	2861
\$15,001-20,000	2105
\$20,001-30,000	3698
\$30,001-40,000	2976
\$40,001-50,000	2098
\$50,001-60,000	1552
\$60,001-70,000	1249
\$70,001-80,000	894
\$80,001-90,000	757
\$90,001-100,000	560
\$100,001+	3420

ESTIMATED SAI BY RANGE

Estimated SAI	# in Range
-\$1500	8450
-\$1499 to -1	1339
\$0	621
\$1-6,000	3402
\$6,001-9,000	1066
\$9,001-15,000	1826
\$15,001-20,000	1615
\$20,001-30,000	3156
\$30,001-40,000	2676
\$40,001-50,000	2108
\$50,001-60,000	1716
\$60,001-70,000	1238
\$70,001-80,000	1007
\$80,001-90,000	779
\$90,001-100,000	613
\$100,001+	4274



What Can You Do to Pre

TEXAS GRANT ANALYSIS* (ASSUMES NO CHANGES TO ANY OTHER AID RECEIVED)

FINDING #1

4,165 students received TXGRR funds in 22-23 under the EFC model

FINDING #3

29.5% or 121 students would have lost full eligibility
Total Amount = \$506,139
Average Amount = \$4,183

*This analysis assumes no changes to any other aid received. The process for determining the counts and percentages listed above involved taking actual 2023 COA minus Estimated SAI minus if Grants (including previously offered TEXAS Grant), Scholarships, and Resources in 2023 to determine a "new" Unmet Need. TEXAS Grant amounts received in 2023 were then compared to the "new" Unmet Need to determine whether enough room would have remained for them to be packaged.

FINDING #2

410 students would have had their eligibility affected under the SAI model as a result of changes to unmet need

FINDING #4

70.5% or 289 students would still qualify but at a lesser amount
Total Difference = \$625,450
Average Difference = \$2,164

SAI Analysis

2023

SUBSIDIZED LOAN ANALYSIS* (ASSUMES NO CHANGES TO ANY OTHER AID RECEIVED)

FINDING #1

9,700 students received Direct Subsidized Loan funds in 22-23 to date under the EFC model

FINDING #3

78% or 984 students would have lost full eligibility
Total Amount = \$3,473,097
Average Amount = \$3,530

*This analysis assumes no changes to any other aid received. The process for determining the student counts and percentages listed above involved taking actual 2023 COA minus Estimated SAI minus the total of actual Grants, Scholarships, Resources, and Work-Study received in 2023 to determine a "new" Unmet Need. Direct Subsidized Loan amounts received in 2023 were then compared to the "new" Unmet Need to determine whether enough room would have remained for them to be packaged.

FINDING #2

1,258 students would have had their eligibility affected under the SAI model as a result of changes to unmet need

FINDING #4

22% or 274 students would still qualify but at a lesser amount
Total Difference = \$618,250
Average Difference = \$2,256

SAI Analysis

2023

15

TEXAS PUBLIC EDUCATION GRANT ANALYSIS* (ASSUMES NO CHANGES TO ANY OTHER AID RECEIVED)

FINDING #1

5,879 students received Texas Public Education Grant funds in 22-23 under the EFC model

FINDING #3

92% or 23 students would have lost full eligibility
Total Amount = \$20,000
Average Amount = \$870

*This analysis assumes no changes to any other aid received. The process for determining the student counts and percentages listed above involved taking actual 2023 COA minus Estimated SAI minus the total of actual Grants (including previously offered TPEG), Scholarships, and Resources received in 2023 to determine a "new" Unmet Need. Texas Public Education Grant amounts received in 2023 were then compared to the "new" Unmet Need to determine whether enough room would have remained for them to be packaged.

FINDING #2

25 students would have had their eligibility affected under the SAI model as a result of changes to unmet need

FINDING #4

8% or 2 students would still qualify but at a lesser amount
Total Difference = \$694
Average Difference = \$347

SAI Analysis

2023

12

AGGIE ASSURANCE ANALYSIS* (ASSUMES NO CHANGES TO ANY OTHER AID RECEIVED)

FINDING #1

2,980 students received CAGGIE funds in 22-23 under the EFC model

FINDING #3

60% or 3 students would have lost full eligibility
Total Amount = \$9,135
Average Amount = \$3,045

*This analysis assumes no changes to any other aid received. The process for determining the student counts and percentages listed above involved taking actual 2023 COA minus Estimated SAI minus the total package amount (less any loans, work study, and/or CAGGIE received in 2023) to determine a "new" Unmet Need. CAGGIE amounts received in 2023 were then compared to the "new" Unmet Need to determine whether enough room would have remained for them to be packaged.

FINDING #2
5 students would have had their eligibility affected under the SAI model as a result of changes to unmet need

FINDING #4

40% or 2 students would still qualify but at a lesser amount
Total Difference = \$1,373
Average Difference = \$687

SAI Analysis

2023

analyze effects to other pro
affect students' need levels?

how you should be directing

stitutional funds that are
to set one up?

WORK STUDY ANALYSIS* (ASSUMES NO CHANGES TO ANY OTHER AID RECEIVED)

FINDING #1

817 students received Work Study funds in 22-23 under the EFC model

FINDING #3

79.5% or 35 students would have lost full eligibility
Total Amount = \$71,746
Average Amount = \$2,050

*This analysis assumes no changes to any other aid received. The process for determining the student counts and percentages listed above involved taking actual 2023 COA minus Estimated SAI minus the total package amount (less any loans and/or work study received in 2023) to determine a "new" Unmet Need. Work Study amounts received in 2023 were then compared to the "new" Unmet Need to determine whether enough room would have remained for them to be packaged.

FINDING #2

44 students would have had their eligibility affected under the SAI model as a result of changes to unmet need

FINDING #4

20.5% or 9 students would still qualify but at a lesser amount
Total Difference = \$14,958
Average Difference = \$1,662

SAI Analysis

2023

14

Comparison of 22-23 Need Level

	HIGH	MED	LOW	NO NEED	TOTAL
<i>EFC</i>	13,351	4,021	6,294	12,102	35,768
<i>SAI</i>	14,544	2,610	5,167	13,447	35,768
DIFFERENCE	1,193	-1,411	-1,127	1,345	

EFC/SAI is less
than 1/4 of COA

EFC/SAI is
between 1/4
and 1/2 of COA

EFC/SAI is more
than 1/2 of COA

EFC/SAI is more
than COA





Questions?

One More Thing...



Traveling Through Uncharted Territory



Thank you!