Jared Christensen (00:05):

All right. Welcome everyone. Thank you for joining us today. My name is Jared Christensen. I'm on the client service team at Ardeo Education Solutions. I'm being joined today by Alex DeLonis. He's the director of Financial aid at Wabash College in Indiana. But for our purposes today, maybe more importantly, uh, a member of the FAFSA Simplification Implementation Working Group. Um, he's going to share with us some changes coming to the FAFSA both this year and next year. And so we're thankful that he's spending some time with us today. We're glad that you're all with us as well. Um, during the conversation, we definitely want to hear from you, and so you can use the question box feature in the control panel to let us know if you do have questions throughout the presentation. We'll answer those at the end of the webinar. You'll also have a chance to request some additional information at the end if you'd like.

Jared Christensen (00:47):

We have some additional resources in the chat function there as well about Ardeo, about the LRAP program that we offer. That's in the handout section of the control panel. You can pull those down at any time if you'd like. And if you're watching via recording at a later time, there'll be an opportunity at the end of the session, uh, to fill out a form for additional information. So if you're with us here during the presentation or you're watching later, we're really thankful. Again, I know there's a lot going on in your world. The FAFSA opens on October 1st, and we hope this provides some good information for you. Uh, as we move forward, uh, we're going to do some quick introductions, um, and then we'll keep going. So again, my name is Jared. Uh, I've been with Ardeo for the better part of this year, but have been in higher ed for over 19 years.

Jared Christensen (01:26):

Uh, I served on three different campuses and various enrollment leadership positions. Most recently, I was the dean of enrollment at a private institution in the Chicago area, which is where I'm located now. After that, I served for a few years at another higher ed partner, uh, helping several dozen institutions and their work. Um, and then, you know, after coming to Ardeo, I've gotten to work with a lot of other institutions, and one of those is Wabash. And so I've had the pleasure of working with Alex throughout the year. So Alex would love to hear a little bit about your role and your background there.

Alex DeLonis (01:52):

Yeah, absolutely. Thanks, Jared. So, Alex DeLonis here. Uh, I've been at Wabash College and the director of financial aid role, uh, for almost four years now. Prior to Wabash, uh, I was at, um, all community colleges, actually. So Ivy Tech Community College, um, in Indianapolis, Indiana, and then two other community colleges in the suburbs of Chicago. Uh, so I have had the opportunity for the past, almost seems like a almost two years or so, working on FAFSA's, uh, FAFSA implementation working group, where we have been, um, kind of working with the Department of Education, giving feedback, um, and looking at these changes and, and how they'll impacts impact our students and our institutions. So, definitely excited to be with you all today.

Jared Christensen (02:44):

Awesome. Excuse me. Thank you, Alex. We're thankful for that. Um, I want spend just a couple of minutes talking about our day on who we are and what we do, and we want to spend the majority of our time, obviously, hearing about the FAFSA. If you don't know who we are, uh, our goal is to increase access to higher education by removing the fear of student debt. Um, obviously a lot of concerns for families generally about the cost of education, More specifically, maybe about student loan debt. And will they be able to pay that off when they, when they finish? Um, even lately, of course, it's been in the news a lot. Um, but we, what we do is we offer a safety net for students and, and help repay some of those loans after they graduate. Um, and implicit in that is that we want to help colleges grow their enrollment.

Jared Christensen (03:21):

And so, uh, we work with a lot of different institutions offering this tool. Uh, we've worked with over 200 colleges and universities over the last 13 or 14 years. We've worked with over 25,000 students. Um, and the way that we do that is what we call a loan repayment assistance program, or an LRAP for short. It's an enrollment tool. It's not a silver bullet, it's not a catchall, but it's certainly a tool in the toolkit for enrollment managers. It can help impact enrollment and persistence decisions. The basic idea is that if a student's income after graduation is modest, the LRAP actually helps pay back their loan, depending on, you know, the income they have and that sort of thing. And so that includes federal student loans, parent plus loans, private alternative loans. Um, and the idea is that we want to offer sort of three promises to students, I'm sorry, three freedoms to students.

Jared Christensen (04:05):

The freedom to, uh, attend the college of their choice, the freedom to pursue the academic interests of their choice, and then ultimately, the freedom to go into the career field of their choice without being afraid of, you know, not being able to pay off student loans after they graduate. So, how does this work? Um, you know, the college, you as, as an institution decide who you offer this to. There's no minimum usage, there's no prescribed way to do this. There's no cost to the student, actually. Um, but you decide, is it a few students? Is it a lot of students who are students that are maybe not moving through the funnel in the way that you'd like? And you think that maybe student loan debt, a version is a part of that. Um, you offer up the LRAP to those students. You give us their names, we, uh, communicate with them on your behalf.

Jared Christensen (04:45):

We tell them about this program, and then hopefully a lot of them end up enrolling. And you actually only end up paying for those who enroll and then borrow. And so you can offer this to a lot of students. You can cast a wide net, um, but you're only paying for those who enroll and borrow. Uh, and it's a small fee per student. But the idea is that you're actually generating additional net revenue from those students that you maybe wouldn't have had otherwise. And then where it really starts to kick in for the students is after they graduate, they've gotten this offer, they've accepted it. Again, there's no cost to them, there's no obligation to them. But once they graduate, um, as long as they're working and they start to pay back their loans, if their income is below that certain threshold or that income threshold, then we would help them pay some or all of their loans until they either pay it off or they get to that income threshold.

Jared Christensen (05:27):

So, again, it just provides some peace of mind for students and parents especially, um, uh, many of whom are still paying off their own loans, but there's an opportunity for them, uh, as they do that. Again, there's not a prescribed way to do this. We do see it fall into a few different categories, though. Some, some campuses, uh, promote this to all students. They offer this to all students. And so this is a way to differentiate themselves in their particular marketplace, um, as, you know, a way to say, Hey, we're investing in you in another way. Uh, and so that's something that they may do. You see examples of each of these categories here on the screen there. Um, the, the targeted approach is pretty common as well. In fact, you'll hear from Alex in just a minute, uh, about how they do that at Wabash.

Jared Christensen ([06:02]):

But this is where an institution identifies, uh, subpopulation or subpopulations of students who they want to offer this to proactively. So, you know, it could be, uh, an academic major. Uh, it could be a sell in their financial aid matrix. Uh, it could be a geographic area, something like that. Some population of students that is not moving through the funnel at the way that they would like. Again, there's a fear that maybe loan deterrence is a, is a part of the, the challenge there. They offer this in hopes that maybe some of them will then continue on through the final and ultimately enroll. And then actually, what's probably the most common is what we call selective. Now, that could be selecting a few students, It could be selecting a lot of different students, but it tends to be a little bit more responsive to the situation.

Jared Christensen ([06:39]):

This generally plays itself out, um, as you know, in the financial aid appeals process. And so an admissions counselor, a financial aid counselor, is talking with the student, talking with the family. They think that this could be of, of value to them. They offer it up in hopes then that that student ends up enrolling, knowing that they've got that safety net of the L rep later. Uh, we actually had a highly ranked private institution in the Midwest this year, offer this up to several dozen of their financial aid appeal students. And they actually ended up enrolling over 30 of them, many of whom probably would not have been there, uh, without the LRAP. And then of course, that generated some additional revenue for them. So, again, lots of ways you can do this. Uh, I want to hear just briefly from Alex. A Little bit about how they do that at Wabash, but then we want spend the remainder of our time talking about the FAFSA and the things that your campus needs to know. So, Alex, maybe you can share just briefly about how your team uses this at Wabash.

Alex DeLonis ([07:26]):

Yeah, we're in our, I think, almost fourth year, third fourth year using LRAP, for our students. And we have found the most success in that targeted approach, um, offering LRAP to any student who, uh, applies enrolls and deposits as an early decision student. So, um, we, we, we had our most clean approach doing this, uh, last year. We kind of had a slow start the years before, um, but we went all in on it last year, um, resulting in, uh, the highest, uh, early decision, uh, deposit total that we've had here at Wabash since anyone can remember anyway, since as far back as Slate can track. Um, Okay. So, and which was great. And we're, we're, you know, if it isn't broke, don't fix it, right? So we're, we're going to roll in. We, we have been rolling in already this year, um, with the same approach. Um, and we know, obviously we're going to get a healthy amount of, of early decision students regardless. So we're comfortable with the fact that this is a, a benefit that we can offer to some of our students. And then part of that will also be some additional revenue, uh, as well we're, we're comfortable with the, the mixture there because we, we truly do believe that it's, uh, um, it's a great benefit to our students.

Jared Christensen ([08:43]):

Awesome. Yeah, no, it's been great to see the results and to see that number increase a little bit every year. And just, again, know that you can differentiate yourselves from other institutions in part because of what you're doing with Ardeo LRAP tool. So, anyway, that's enough about LRAPs for today. Happy to answer questions down the road about that if people are interested. But we really want to spend the remainder of our time, uh, talking about the FAFSA. So Alex, I'm going to turn it over to you, and you can walk us through this and tell us what we need to know.

Alex DeLonis (09:08):

Yes, absolutely. So, uh, preparing for FAFSA simplification on your campus, um, there is a lot to cover here. Um, I'm going to focus mainly on the formula changes. Um, there were several other components to this that I will touch on, but for the sake of this presentation, um, I'm going to focus mostly on the change, the formula changes that'll happen in 24-25. Um, we know we have the 23-24 FAFSA becoming available on October 1st. Um, but the majority of what we are talking about will be for the FAFSA that goes live, um, about a year from now. Um, so yeah, let's dig right in. Um, yeah, so this is, this is going to be one of the biggest changes that we've seen in financial aid, um, for, for most people in their career. Um, as you can see, the Higher Education Act should be updated, uh, every five years.

Alex DeLonis (10:10):

It should be reauthorized every five years. Um, and we have been on, uh, a bit of a drought since the last one. Um, so this is not reauthorizing the Higher Education Act, um, but it's almost like a mini reauthorization. And some of the changes you could argue, um, are as significant or as impactful as many of the changes have been, um, to the Higher Education Act throughout the years. Um, yeah, so that's where, uh, we come in. And, and the work that I've done, um, the FAFSA Simplification Working Group, uh, was assembled by NSFAS, the National Student Financial Aid Association. We're a, um, uh, a handful of financial aid administrators from across the country, um, including NAS staff, um, who give feedback to the department based on different things that they're trying to implement with these changes. So it has been an absolutely eye opening process.

Alex DeLonis (11:13):

Um, and I know for me, um, has, has definitely, uh, put some of this planning, uh, up the priority list, even though, I mean, 24-25 sounds like it's so far away. Um, but I, I promise you guys, you're going to blink and it, it's going to be right there. So, um, we have been working, we meet, we meet monthly, Um, many of the things that we talk about today, or things that this group has given feedback on, um, and it's helped us also compile a list of, uh, things we're still waiting on. This is not a complete product. We're still waiting on, uh, a lot of information from the department as well. So I'll definitely make sure I cover that along the way.

Alex DeLonis (11:58):

So it all started with the Future Act. So, um, uh, this paved the way, uh, for, um, the, the simplification of the IRS data retrieval and, um, the ability or working with between the Department of Ed, uh, and the IRS two federal agencies, um, to say, Wait, you have this data already. Why aren't we able to just plug it right into the FAFSA. Um, and, and, and cut out a lot of, lot of issues there that families were having. So, um, that's what The Future Act does. It, it kind of streamline streamlines that, um, and reduce significantly reduces the amount of questions on the FAFSA related to tax information. Um, and it kind of paved the way for what came next, um, with the FAFSA Simplification Act.

Alex DeLonis (12:54):

Speaking of, uh, shortly thereafter, the FAFSA Simplification Act came along. Um, and, uh, this was the significant overhaul, uh, and the changes that I'll be talking about today, um, with many different components ranging from professional judgment, cost of attendance, and the actual formula, um, itself, uh, will, and this will result in a brand new FAFSA experience coming very soon. So, um, so yeah, the, it, it might seem like all of the changes came with the FAFSA Simplification Act, um, but there actually things that were put in motion prior to that to get us to this point.

Alex DeLonis (13:39):

So, uh, when the Fastest Simplification Act was passed the implementation date was actually for the 23-24 year. Um, so all of the changes that we'll be talking about today were actually supposed to happen with the FAFSA coming open this Saturday. Um, uh, there was a technical correction. I think the Department of Ed said that, you know, I don't think we're going to be able to do that, um, in, in such a short turnaround time. So, uh, a handful of things were updated, but I'd say the most important thing, uh, was the formula changes, um, are now due for the 24-25 year. However, um, as we'll go over, uh, ED was still had the ability or the discretion to on time implement some of these changes for 23.

Alex DeLonis (14:43):

So we will cover those changes now. Um, so this is the first group is these are the ones that are definitely being implemented on time for 23-24. So, uh, removal of the drug conviction questions, um, question I should say, uh, removal. These next two bullets are, are related removal of the sex question. Um, it asked, Are you male? And it only asked that, um, for the selective service portion, um, of trying to figure out whether a student needed to register for the selective service or not. Um, for there is a component that, uh, has a required, um, race and, uh, gender question on the FAFSA. Uh, there will be kind of a soft lead in to that. Uh, there will actually be a survey on the 23-24 FAFSA. Uh, the survey will pop up after the FAFSA is actually completed. That's important to note that per the law for 24 25, that question needs to actually be on the FAFSA itself.

Alex DeLonis (15:51):

Um, but for this year, the department wanted to, to see what they could do to maybe capture, capture some data early without actually changing, uh, the FAFSA itself. So they had the idea to generate a, um, a race and gender survey, uh, that will pop up afterward. Um, and then for incarcerated students, uh, that is a change that, uh, is on time that'll be happening for 23-24, uh, previously, um, students, uh, who were incarcerated were not eligible for any federal aid. Uh, I, there's probably a whole presentation you can do on that subject itself, um, with all of the things that go into that and requirements and program eligibility. Um, so if, if you are a school, especially maybe a community college, um, who feels like you can be impacted by that, I would definitely make sure that you, you dig into all the resources there.

Alex DeLonis (16:46):

Um, eligible for on time implementation. Uh, so this, the expansion of pell, there is, or Pell restoration, and this is for maybe if a student used pell eligibility, um, at a school that is now closed. Um, being able to get the, those PE eligibility back to continue studying and receive, continue receiving p uh, cost of, at cost of attendance changes, professional judgment, um, an independent student status. Uh, there are several changes within those. Uh, and we are still unsure <laugh> if all, all, or some of them will be implemented for 23-24. Uh, the changes don't necessarily have an impact to the FAFSA questions. So that's why ED is able to release the FAFSA and have students start completing it. And then work with US financial aid administrators over the next year, um, hopefully sooner than later, uh, to figure out, uh, if they're going to implement those on time, those specific changes on time, or if, uh, they're going to wait to do that. Um, again, I could probably dig in 20, 30 minutes just on those respective topics. Um, but I am going to focus this presentation on the changes to the formula itself.

Alex DeLonis ([18:12]):

Speaking of, so, uh, we're going to jump right in. Um, so, uh, if you haven't heard the, the EFC is now being changed to the Student Aid Index. So SAI and the rationale for that is to eliminate confusion. Um, I don't know, um, you know, if you've ever worked with a family or, uh, have heard someone say, Well, I can't pay that dollar amount. They get their EFC, I can't pay that dollar amount. Um, there was kind of a misconception or a perceived misconception that many people saw that EFC expected family contribution. This is the amount I should be able to contribute to my child or education, um, when really it's been in an index the entire time. So that is the, the rationale and the strategy behind changing EFC to SAI with that change, the lowest in EFC can go right now is a zero.

Alex DeLonis ([19:09]):

The SAI, uh, can now be as low as a negative 1500. Um, and surprise, surprise, we don't exactly know what that means yet. We, we, we have no idea what that means, uh, for cost of attendance or packaging, um, or, or how we use that negative 1500, But we do know that is as low as it can go. Uh, so you'll have to stay tuned for more information, uh, on, on how that's going to work. Um, so through the process, uh, they have simplified being able to determine if a student is eligible for pell or not. Um, and I'm going to dig into some data later on, uh, that we've, I've pulled that Wabash. Um, but So one thing that the, the formula will do is assess, uh, if a student meets certain criteria, are they automatically eligible for max pell? That's the, that's kind of the first part of it. Um, then if they're not, if they don't meet those criteria, if the formula will keep going down to determine how much Pell they're eligible for, or if they're eligible, um, for a minimum Pell Grant award.

Alex DeLonis ([20:44]):

So, uh, one easy thing determine if a student, um, uh, or family's eligible for Max Pell grant eligibility, um, if they're a non-tax filer. If, if, if, if an independent student didn't file taxes, uh, or, um, a dependent student, the parents of a dependent student did not file taxes, boom, they automatically get maximum Pell Grant eligibility. Um, and with the new data exchange, um, the, the IRS between the IRS and the Department of Education, um, those kind of concerns about, um, you know, should they file the tax return? Is there a W2 out there? They should have some solutions for that with the new data exchange. Um, being able to check that to, to crosscheck that eligibility, um, along the way. Um, and then here are, uh, some other criteria, um, where if a student met it, but I think I can better show you with a flow chart, um, of, of how it, how, how you might be able to deter to determine someone's Pell Grant eligibility.

Alex DeLonis ([21:54]):

Um, so this is on NSFAS's website. I'm a flow chart person, and I've looked at this for a really long time. So to me, it makes sense. Definitely looking at it for the first time, it was a bit intimidating. Um, you shouldn't have to do this very often. Um, but, you know, at a, at a certain function or event or a visit, um, being able to answer general questions, you know, having, having a family give you information and, uh, knowing offhand, you know, the information here of whether or not they'd be eligible just based on some information that they've given you, um, in being able to, uh, follow the flow chart. Uh, so this is the methodology. This is the methodology to be able to figure out, um, if a student's eligible for maximum pell, you know, somewhere in pell range, um, or if they'd be considered for minimum pell or if at the end of it they would receive pell. Um, so yeah, I would encourage you all to take a look at this. I think it's extremely helpful. Yes, eventually your systems will do the work for you. Um, but to understand how the formula works, I think can be very beneficial.

Alex DeLonis ([23:09]):

So there's a, uh, a handful of other things that are impacting the formula, um, like child support received now being reported as an asset. Um, who, which parent do you include on the FAFSA? Um, it used to be, uh, the parent who you lived with most recently. Now the language has changed to, um, the parent who provides the majority of your financial support, uh, so that, that could change things. And you also have to think about that for your students who are currently enrolled. You know, for an incoming, for an incoming freshman who has never completed a FAFSA, they won't know otherwise. Um, but that I'm sure could be a curve ball for some currently enrolled students who complete an EFC FAFSA and then complete SAI FAFSA. So that's something that you'll have to keep in mind there. Um, I know for us in the Midwest, the small business and family farm exclusion being in eliminated is something we'd want to look at.

Alex DeLonis ([24:08]):

There were certain, uh, family farms and the size of the business before were not to be reported on the FAFSA. Uh, and now if you have either, you're supposed to report them. Um, so yeah, being in Indiana, we know that we have many students, uh, and families who, uh, will have to navigate that. And we're a little unsure of how that will impact, uh, eligibility right now. Um, and I highlighted this one red, uh, because this one definitely seems to have gotten the most press, uh, out there and, and feedback. And that's, uh, the, the formula will no longer take into consideration or, um, number in college. So, uh, if a, if a family has two or three or four multiple students in college, it used to be that the formula would split the e c right at the end, and then the more students, the more kids that were in college, the less that split was.

Alex DeLonis ([25:04]):

Um, but it, it would have a positive impact on, uh, the EFC index world. That won't matter. Um, interestingly enough, the question will still be, still be on the FAFSA. So if the families will still be asked the question on the 24-25 FAFSA, um, but when the calculation happens in the background, it will not be taken into consideration. Um, there's a lot of, uh, lot of interesting discussions out there on, on, on the whys and what that will do. I will definitely show you, um, once we dig into the Wabash data, uh, some of the things that I showed on what I think it will do to some of our middle income families. Um, but really you have to understand or dig into the, to the why, why the changes were made and was, was what we were doing with the EFC formula, the right answer to begin with.

Alex DeLonis ([26:01]):

Um, right. So families, when they have multiple kids in college, and when they're paying for college, they're using, um, past income, past savings, current income, and future income. Um, so to me, when you're thinking about, uh, and when I say future income, like student loans, um, so when you're thinking about, um, you know, someone who has twins and getting that EFC split because they're both in college at the same time, versus someone who had children five years apart, that family before in EFC world, they weren't getting any benefit there because their children never overlapped at school. But at the end of the day, they're still going to have to put two kids through college. Both of those families still have to put two, two kids through college. So, um, that would be for, for folks who are concerned about that,

that that's something that I would ask you to think about is, is, was the way we, we were doing it the most equitable way to do it, to begin with.

Alex DeLonis (27:02):

Um, and, and once we get past that question, um, there, there will be a lot of change, uh, that that goes along with it, and students will be impacted in certain ways. Um, that's something that we'll definitely have to figure out on our campus and how to navigate that. Um, that is definitely no doubt there, but for me, as I think about the why and the rationale, I'm a, I've become a little more comfortable with the idea of something I've been used to my entire career. Um, and, and working with that change moving forward. One more resource for you on that is NSFAS actually published a white paper on, on this change, so it can be found on their website, Um, or you could Google like NSFAS number in college, white paper, um, and it'll come right up. And a lot of what I just kind of talked about in that why and the rationale, um, is in there. So I would definitely encourage everyone to take a look

Alex DeLonis (28:01):

And the unanswered questions. So, uh, we know with the recent announcement of, uh, the student loan debt cancellation, that sometimes the Department of Ed can come out with something and not have everything completely figured out, right? Um, so that's what we're working through as eight administrators when we're trying to navigate this. Um, so with that data sharing, um, between the IRS and the Department of Ed, obviously the consent there needs to be updated and how that looks on the FAFSA, um, and when it's presented to the students. So that's something that we have not seen a final on, but we know that the department is working on, um, the FSA toolkit, uh, something that, uh, the department has available to student counselors, students families, um, that will need an overhaul. Um, we've given feedback on that as well. The sex and gender question I've put on here, um, again, uh, to think about from a different perspective, uh, is that we will, now on the, starting with the 24-25 FAFSA, the thought is that you're, when those questions are being answered, they're going to show up on your ICERs and your system.

Alex DeLonis (29:17):

So they're going to show up on that FAFSA, and you will now have record of that. What you going to do with that information, right? What are, what are you going to do with it? Are you concerned? I've heard from many of my colleagues that they're concerned about, um, receiving that information, uh, having any perception that it was used, um, to award, um, federal, state or institutional aid. So that is a, that's a whole, whole conversation there. Um, number back to number in college, uh, as it relates to professional judgment, we will have the authority, um, to use professional judgment to, um, to, to kind of make, if you wanted to take number in college into consideration, um, you could use professional judgment. That's what I'm really trying to say. So, however, it's not as simple as going in on the FAFSA and changing that number from two to three, or from three to four, that'll be irrelevant.

Alex DeLonis (30:16):

The number will be there, but it has no impact on the formula. So financial aid offices, institutions will need to figure out, is this a professional judgement that you're going to entertain? And how are you going to do it? And there's no right or wrong answer. That's what I always love about professional judgment, is there really isn't any right or wrong answer, um, for professional judgment situations. One school can do, the professional judgement in one school can choose not to, and that's absolutely okay. Ed cannot question the authority. Um, as long as you, you document what you do and you have a rationale for it. So, um, but how are you going to do that, professional judgement? If someone says, um, you know, I have my, I have two other kids in college. Um, it, can you take that into consideration? What's going to be your process for that?

Alex DeLonis ([31:02](#)):

To me, um, we, we will do that right now for private K through 12 expenses. Um, so the only way I can think of to even take this into consideration is send me your bill from the University of Illinois. Send me, send me the, the receipt that you paid at, at IU send, and then taking that amount paid off the adjusted gross income. Um, so that's one way to do it. Um, I'd definitely love to hear from anyone else if, if they have any, any bright ideas on how to handle that one, But I know we as institutions are going to deal with that, because what if you decide not to do it, but the school down the street does do it? Um, or the in, in the, the parent parents talk, of course. So that's something that the, the financial aid, that's going to be very new for the financial aid community and something that we're going to have to learn to navigate family size and conflicting data.

Alex DeLonis ([31:56](#)):

Uh, so right now it's, um, worked out on the FAFSA with that new and shiny, uh, data sharing that they're just going to take the household size as it appears from the dependence on the tax return, right? So, but we use prior, prior year tax information, um, in your household size in within two years could have changed. So are we just going to default back to collecting a household form to, to make sure that we have that right, uh, having that information or it, it, that component is going to be completely different from the way we've done household, um, in the past, uh, in having the info imported from the FAFSA will absolutely create conflicts. So how that's going to be handled still has not been determined. Um, we talked about the negative SAI, once you all hear about that, please let me know. I know everyone's on the, the edge of their seat.

Alex DeLonis ([32:56](#)):

Uh, that is the most common question that, that the department gets right now is, what the heck are we doing with this negative 1500 SAI, um, the farm definition. And that just goes into helping, um, folks who now have to report those farms on their FAFs, giving them a little more context. What if they also live on set farm? You're not supposed to report the value of the home you live in, right? Um, so is it the home you live in or is it a farm <laugh>? You know, Um, so what's the, what definition are we working with there? Um, and then, uh, some, some elements that, uh, currently aren't included in legislative text that may or may not should be included, um, in the way we are going to be doing things. Um, and then those on time, 23-24 elements, we're still waiting on information, are confirmation on if they're going to implement the cost of attendance, the professional judgements, the, the, the dependency status stuff. Is that going to come, uh, in 23-24, or is it going to be pushed to 24-25? We're just wait, we're just wait.

Alex DeLonis ([34:13](#)):

All right. So this is the, to me, the most exciting part. Um, and this is where we start digging into, um, the, the conversion, the, the EFC versus SAI and the formula, and what that impact has, um, on eligibility at your institutions. So, NSFAS has produced with the help of a consultant, uh, the student aid index modeling tool. Um, uh, a few of us were used to kind of help provide some data to create the tool. It is not completely perfect. Um, there are some caveats in there, so I would encourage you to go check it out, um, and see what the caveats are, Um, and all the caveats, the, the formula is in the law, right? So that's easy to, to kind of replicate. However, um, there are just some things, some new FAFSA questions that have to be answered that just weren't on old fs.

Alex DeLonis (35:13):

Um, so that, that's part of the issue with determining this. But as I, as I look through the results and look through those questions and the assumptions that NSFAS made, um, I felt pretty confident, and I know many of my peers feel pretty confident, um, that when we do get, uh, the, the formula from the Department of Ed, um, that they, it shouldn't be too far off. Um, and it is an estimation. So, so take that as it is. So, um, in my experience, uh, using it as a small school, so Wabash has less than 1000 students. Um, this tool can only take 10,000 records. Uh, so you have to take that into consideration, especially if you're at a large institution, um, that you may have to choose a subset of students to put in it, um, uh, use it multiple times, choose, pick and choose, you know, kind of what you're looking for.

Alex DeLonis (36:09):

Um, but you can only put up to 10,000 records in there. Um, this is far beyond my abilities when using Excel. Um, so I know I tapped into IT on my campus. Um, however, I have, I've heard from in different institutions that they've been able to do it within their financial aid office. Um, but many, many get help from IT or from or from IR there. And I know for me, we did have some, some limitations at the beginning, uh, because our system, like they were asking for data fields that why on earth would we ever pull that data field, I guess was, was kind of the, uh, what, what happened. So it did take some time to, to create those data fields in our reporting system. And I'm, we're a, I'm a colleague user, um, but they were, it, it took some manual work, and maybe it was something we always should have done, but, um, we got that ready to go and, and we're able to pull the, the data, no problem.

Alex DeLonis (37:12):

Um, Wabash does not have graduate students. However, one thing that I have heard from my peers, um, is that if you, uh, accidentally pull all of your students and include graduate students, it may throw your data off. So your, your, your graduate students are going to have efcs, right? But, um, if your graduate student becomes eligible for pe, it's irrelevant, right? And it, and it could definitely throw your data off. So I know, um, uh, separate out your graduate students, you, if, if you're grad only school, that's fine. You can look to see how it, um, impacts things there. Um, but you definitely don't want to make your graduate students in, um, with your, with your undergrad students, um, and have different people look at it, make sure it makes sense, ask a peer institution who's used the tool, um, to make sure it makes sense. I know for me, we've even given the data to, um, our enrollment consultant, uh, to, to start digging through it too.

Alex DeLonis (38:13):

Um, so if, if that's, uh, a resource that you have, I'd highly recommend you do that. Um, NASPA also has a, um, uh, a modeling tool. I call it a support group. Um, but it's a, a modeling tool community, they call it, um, for people who are using the tools to bounce ideas and questions, and now the results, right? So again, we were able to enter all of our 20-20, 20-21, um, students into the tool. Uh, for that year. Wabash had 230 power recipients with an average award of about $4,600. Um, using, uh, converting all of those EFCs to SAIs, the estimate would be now with the same exact students, same exact student body, um, that if we were to use the updated formula, it would have been 293 recipients, um, in the average award going up by almost a thousand dollars. So, um, and then we had 115 students eligible for the auto, um, minus 1500.

Alex DeLonis (39:25):

Uh, uh, so that is an eight 8% increase in p. Um, and I noticed that only two students lost PE eligibility. So we, we were able to gain, uh, propel eligibility there. Um, and only to, and actually, I believe they were siblings, and it was, it was, um, a number in college, uh, situation. So, um, I think the, the family or the brothers had like a, maybe a high 4,900 EFC like right on the edge. Um, and the went up to maybe eight or 9,000. Um, so definitely still a high need family, but pushed them right out of, of Pell eligibility. Um, but the net, obviously for, for our population, uh, for as it relates to PE, was definitely positive.

Alex DeLonis (40:24):

The, this is my main concern, um, for an institution, um, like Wabash, uh, who has a higher cost of attendance, who gives out, um, a generous amount of our own money, our institutional aid. I personally think that the formula did a lot, a lot of wonderful things for low income families, um, who are PE eligible or who near Pell eligibility and has now gained eligibility. I don't think there's any arguing that, and I think community colleges, um, will, will be greatly, positively impacted by that school. Every, every school will be, uh, positively impacted by, um, the, the PE changes. Um, for us though, um, as you can see at that first bullet, uh, for 2021, um, our average EFC was 24,943. Um, we are looking at almost a 12,000 increase from EFC to SAI. Um, so what, what I'm looking at there is what impact does that have on our institutional strategies, right?

Alex DeLonis (41:35):

Um, not only for our packaging strategies for incoming perspective students, um, but for students who are currently enrolled here, um, and the median EFC to also jumped. Um, so that, that is statistically significant. Um, and it has definitely for us, caused us to, um, start asking some questions and continuing to do more research. Um, and I'm glad you were all here now, because I promise you, especially if you are an institution like Wabash, if you start thinking about this, you know, in, in May 23, it will be too late. Um, this is something you want to wrap your arms around right now, um, while, while you have some lead time to understand the impacts on your campus. Um, and I'll dig into like, what are we doing now, uh, kind of a thing. But, um, as we're continuing to go through the numbers, um, uh, we had a hundred eighty seven zero EFC students that will turn into 209 negative 1500.

Alex DeLonis (42:37):

That's the new zero. We actually had like one zero <laugh>, zero SAI student. Um, that number's kind of irrelevant now. Um, and then for almost fifty, fifty four hundred and one students, uh, had ANI greater than their efc. Um, but 467 students have an SAI less than their efc. What that tells me is, I mean, that's more, right, that that's more students who have ani that went down. Um, but that means that, that those 401 students, the ones that had changes were big changes. Um, and that's something that we are continuing to dig into. Um, so the average Pell Award is 17% greater. That is fantastic. Um, and I will say the number in college does not appear to be a major issue for PE eligibility. Um, it is absolutely something we need to explore for our middle income families, for sure.

Alex DeLonis (43:39):

All right, so next steps for us. So, um, Wabash has a couple of promise programs, like a, a PE promise program that, um, covers, uh, full tuition for any Pell recipients. Um, uh, and then kind of one for 125,000, uh, income families. We're thinking about transitioning the PE promise to more of an AGI promise. Um, because like the e c was a little confusing. I personally think a, a promise program based on PE eligibility, because to a family that, to a, to a 16 year old or 17 year old, sophomore, junior in high school, what does Pell mean? Um, but the family does know what their AGI is, right? Um, so that's something that they can, I think it's easier for them to wrap their heads around much earlier in the process to project costs, um, in, in aid, uh, than saying PE is. So we know we're going to have to kind of revamp things.

Alex DeLonis ([44:43]):

So we're just thinking about what changes can we make kind of all at once instead of making a bunch of changes over multiple years. Um, definitely reviewing our institutional age strategy. Uh, that will be the biggest thing. And, and my goal, uh, is to work with our enrollment consultant, uh, to continue to dig into this information and, um, work with new information as we get it. And ultimately let campus leadership know, Hey, are we going to have to come up with x million of more dollars to, um, make sure that we can hold students harmless from these changes? Um, or, Hey, I project that we are going to see this positive impact from additional Pell revenue or whatever. Um, I have not gotten down to that point, but I do anticipate, um, that it will definitely be an increased cost that, um, the, the institution will have to incur for a while until our current students are, are completely out.

Alex DeLonis ([45:46]):

And, uh, students that are new for 24-25 can, can get through, um, training and professional development. There has never been a more important time to get folks, uh, professional development opportunities. I know here at Wabash, I was able to, um, use, you know, the, the hear changes, the loan cancellation, the fastest simplification, it, what a time to be in financial aid right now. Um, I was able to use that to, um, kind of advocate for a larger training budget, um, because there's just so much going on. Um, and we need, I believe we need as many people at as many opportunities as possible. Um, cuz it's not, um, it's great, it's great to attend things like this, um, and get the information, but then the next step of that is talking to your peers and comparing, um, you know, what, what other institutions are doing.

Alex DeLonis ([46:42]):

So, um, that's definitely something that, um, that I would encourage you to, to, to look into sooner than later. Um, campus awareness and, uh, you know, making sure your, um, faculty, your other staff, other departments are aware. Um, senior leadership. Um, I know I'll be presenting to the board of trustees at Wabash, uh, early in the spring next year. Um, and that takes time. Like I, it took me months to <laugh>, uh, actually, uh, get the nod and say, Yes, come to the board of trustees meeting. Um, so the sooner you can start to get this on folks' radar, the better, um, outreach and communication. Um, I will say this mostly for current students, this will be a change, um, for the students who are currently on your campus. Um, so how are you going to, um, or what are you going to share with those families?

Alex DeLonis ([47:36]):

I know that's something that the, the implementation working group is working on now. And hopefully we can have some resources shared, um, for folks in some templates. Um, state aid, uh, we have very generous state aid here in Indiana, so we've been working closely with our Commission of Higher Education to figure out what are they doing with their awards and what impact does this have for them. Um, and then that final bullet point, which I've kind of alluded to along the way, um, is for us, um, is, is we want to hold students harmless, um, to the extent possible. If, if a family did absolutely nothing different and everything looks the same from their EFC FAFSA to their SAI FAFSA, but that SAI shifts dramatically. One goal we will have, and one thing we're going to look to do is make sure that we hold that student harmless. And again, that may cost us additional money to do so. Um, so, so it's a lot. It's a lot. It, it, it's a lot to work on and a lot to think about. Um, but I think if you're attending this session and, and it's already something that's been on your mind, um, you're in great position to, to still, um, work through these items and, and be ready to go for 24-25.

Jared Christensen (48:56):

Alex, thank you. That is, that's amazing. It's great, great information. Um, very thankful for you being willing to share that today. Uh, we do have a few questions that have come in. We've got about 10 minutes left if, if we need it. Um, want to make sure that everyone, uh, gets their questions answered. And of course your information's here. And just a reminder, for those of you participating today, uh, we'll send a copy of the presentation, uh, and the webinar later so that you've got that to, to refer to. Um, first question has to do again with the, you know, the number of students not being counted anymore. And I think could you just maybe repeat what you had shared, kind of the rationale that you came up with to maybe understand and then how campuses could help explain that to families? The, the transition and how that's being done now?

Alex DeLonis (49:39):

Yeah, yeah. And I, I think for me it comes down to equity, right? And, and, and in just having that conversation of, um, was the way we were doing it the right way to do it to begin with, right? Right. Um, and, and, and yes, it will have an impact. It will have an impact on families, It will have an impact, um, on those middle income families. That's definitely what, what we're seeing there. Um, but, um, I, again, I, I have become more okay with that, um, just thinking about, is this a more equitable way to do this? And it has also allowed for some simplifications and some streamlines if that, if we still had to, um, if that was still a component of this, uh, some of the fastest simplification things that we're going to be able to do may not have been able to happen either. Um, so taking all that into consideration, um, makes me more comfortable with that big change.

Jared Christensen (50:38):

Got it, got it. Well, and it's a helpful point too, that you made about, you know, family with multiple kids. Those kids may also go to college, they just don't happen to be at the same time. So the impact maybe is just spread out, but still real for that family. Um, yeah, that's a good, good point. Um, so you talked about, uh, communicating to current students and, you know, Wabash, it sounds like you're going to do your best to keep the aid packages consistent. Now that may not be the case for every campus. So the question is, you know, if there are, if it looks like there could be changes to a student's aid package or just any of this information generally, is there kind of a right time to communicate this? I mean, I guess they've got to figure out internally what it's going to look like, but, or is it still too early to know yet kind of when to communicate to current students of changes do take place?

Alex DeLonis (51:21):

Yeah, that's a great question. Um, you know, we, we have a while before you would even get this FAFSA in your system to, to process. I mean, for us, we send out our first aid packages usually in November of every year. Um, so really we're talking about November of 23 would be the first time that we would actually, or that even you, uh, or October at the earliest October 23. Cause you wouldn't be packaging, I wouldn't think any sooner than that. Right? Um, but that would really be the first time that a school would really, um, put that information officially in front of a student that their aid package may change. Um, I could absolutely see, um, at the launch of the FAFSA, you know, October 1st, 2023, um, uh, a campus wide or a student body email or even in mailing, um, the FAFSA is available and oh yeah, there's been some changes.

Alex DeLonis ([52:16]):

Um, and, uh, kind of work up some highlights, uh, for families to think about. And then that can be something that you reference. Uh, if they do receive an aid package that no longer includes pay or no longer includes state aid or you know, no matter what would you do with your, your institutional aid, some of those other resources may be impacted by this. So being able to point back to some of that outreach you did, um, you know, could, could be helpful in lessening the blow of, um, some, some of the things there. Um, but yeah, I think that'd probably be a good time to start. I don't know how much of an impact prior to October 1st, 2023, how much impact outreach would, would do. I, I wouldn't say it would be a bad thing, but I think aligning something with that FAFSA launch could be a good idea.

Jared Christensen ([53:10]):

Got it. Okay. That makes sense. Um, so it sounds like the formula changes are not going into effect for the 23-24 FAFSA, but they will for the 24-25. But could you confirm again, if the terminology on the student aid report on the ISR will reflect EFC or SAI, which of those years that'll go into effect?

Alex DeLonis ([53:28]):

It'll still be EFC for 2324 and it'll BEI for 24 25.

Jared Christensen ([53:33]):

Got it. Got it. That makes

Alex DeLonis ([53:34]):

Sense. Yep. We get EFC for one more, one more year.

Jared Christensen ([53:37]):

Okay. All right. Um, so get out your crystal ball here. Uh, do you think that the SAI calculation might be delayed beyond 24-25 knowing that it's already been delayed one, one time?

Alex DeLonis ([53:50]):

So, um, I will throw out one thing that I've learned throughout this process and okay, so it, it, it is in the, the, this does need, it will happen eventually, right? If it happens on time. That I think is what's, um, the question, especially now with the department needing to review millions of student loan cancellation applications next month. And, um, there also has to be a complete overhaul of the, of cps, the central processing system that that can't currently support, um, these changes. So there's some huge changes that have to happen in order to get this out. Um, one thing I will throw out is the FAFSA does not legally have to be released on October 1st every year. Um, so that is something that we might be on the lookout for if the department needs more time. So not necessarily pushing it to 25-26, but maybe releasing the FAFSA on January 1st or, or something like that. Well I can't, I definitely am not confirming that that's going to happen, but it's a card that the department could play if they need more time. Um, but at bottom line, it, it is the law. Um, so could it be pushed? Sure. Um, but it will happen eventually. So I think you have the comfort in knowing that if you do work right now, um, that work will still be needed. You just may have done it a little bit early, it gets got, so

Jared Christensen (55:24):

Yeah. No, that awesome. That's helpful. Um, you mentioned a few resources. Are there any particular resources you would point campuses to as they're kind of preparing for this? I mean, nasfa obviously is a good kind of clearing house for all of this, but anything else that you would recommend?

Alex DeLonis (55:38):

Yeah, absolutely. So I, I would say within NSFAS there's a few specific things. Um, and the department has, has released some items to dear colleague letters, the, the certain announcements that, um, have all of these provisions. But I feel like NSFAS has done a great job. One piece is they have like a, a PDF that has the timeline mm-hmm. <affirmative>, so all of those, is it 23 or 24? Is it 24, 25? They have a nice piece that lays all of that out. Um, diving into each thing, you know, cost of attendance, professional judgment. Mm-hmm. <affirmative> mm-hmm. <affirmative>, um, uh, they have kind of laid out exactly, pretty much read the bill and the law and, and put it into a, a much more reasonable, um, digestible format. Um, so I have been using NSFAS and again, just my relationship with NAS and being on the working group, um, I've been taking advantage of NSFAS and all of NSFAS 's resources.

Alex DeLonis (56:36):

Um, but I know there is one more, um, modeling tool out there. Um, if, if you wanted to explore that. And, um, they did present it at the, um, NSFAS conference. So even though NSFAS has their own tool, they understand that, you know, that they, they love different options out there. Um, so this was created by I believe, folks in Wisconsin, um, and it uses spss, um, instead of Excel. Um, so if you're, uh, that's definitely more of a higher level statistical, um, kind, kind of, kind of tool there. Um, but if that's something that you wanted to explore, I can, I, I have not used it, uh, but I'd be happy if, if that's something you're interested in to share that tool with you.

Jared Christensen (57:23):

Got it. Awesome. Thank you. Well, there may be a few more questions coming in, but we are just set about time and so we do need to, to wrap up. And again, as a reminder, um, if you do have questions that you, you think of later or that we haven't gotten to yet, we're going to provide Alex's contact information. He's been kind enough to say that he'd be happy to respond to those, and Alex can't thank you enough for, for being with us today. Um, just want to point out again, you know, if anyone's interested in the work that we do at our day o, we'd love to have a conversation with you at some point, um, to see if, if our work might be able to help you in your efforts. And, uh, we'd love to connect you with Alex as well if you have some more questions for him. But thank you so much for the time. Uh, we're thankful, uh, that you did take a little time today. The recording will be available for you, as will be the presentation. We hope this is a great resource for you and your team and, uh, best wishes as you enter FAFSA time and, uh, continue in your recruitment efforts for fall 23 and beyond. Thanks so much.

Alex DeLonis (58:18):

Thanks.

Jared Christensen (58:19):

Yep. Thanks Alex.